

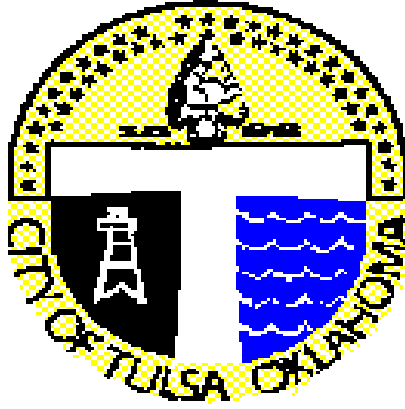
Addendum #1
TAC527A
MERCHANT CREDIT CARD SERVICES
FINANCE DEPARTMENT

THIS ADDENDUM IS TO BE COMPLETED, SIGNED BY AN AUTHORIZED AGENT OF YOUR COMPANY, AND INCLUDED IN YOUR BID SUBMISSION. FAILURE TO DO SO MAY RESULT IN REJECTION OF YOUR BID.

- ✓ **OPENING DATE HAS BEEN EXTENDED TO THURSDAY, JULY 25, 2002. BIDS ARE DUE IN TO THE CITY CLERK'S OFFICE BY 5:00 P.M. WEDNESDAY, JULY 24, 2002.**

Signature of Authorized Agent

Date



INVITATION FOR SEALED BID

TAC527A

Description: Merchant Credit Card Services

Department: Finance Department

NIGP Commodity Code(s): 946-00-00-000-0

Total pages including this page is 31

FAXING OF BID WILL NOT BE ACCEPTED

Important Instruction – Read Carefully:

If you have obtained these bid specifications from either of:

City of Tulsa's Fax-on-Demand (918-596-1171) or

City of Tulsa's Website : <http://www.cityoftulsapurchasing.org/>

you must notify the buyer Patricia Cummings of your intent to bid by e-mail at pcummings@ci.tulsa.ok.us in order to receive addenda. The buyer will always acknowledge your e-mail for your records. All addenda will be posted on fax-on-demand and the website.

TABLE OF CONTENTS

Pay special attention to those pages with a reference to the following notes:

Note #1: Signature of authorized agent required

Note #2: Signature of an authorized agent and notarized required

1.0	Introduction	1
1.1	Background.....	1
1.2	Objective	1
2.0	Competitive Process.....	2
2.1	Intent.....	2
2.2	Rules for RFP Process.....	2,3
2.3	Schedule of Events	4
3.0	Vendor Selection.....	5
3.1	Objectives	5
3.2	Pre-Bid Conference.....	5
3.3	Evaluation Process.....	5,6
3.4	Contract Award.....	6,7
3.5	Contract Term	7
4.0	Vendor Submissions	8
4.1	Reply Format	8
4.2	Specific Document Submissions.....	8,9
4.3	References.....	9
4.4	Cost Quotations	10
5.0	Vendor Qualifications.....	11
5.1	Business Background, Safety, and Soundness.....	11
5.2	Americans With Disabilities Act.....	11
5.3	Right To Audit	11
5.4	SAS-70 Certification.....	12
6.0	Service Requirements	13
6.1	Multiple Merchant Operations	13,14,15
6.2	Merchant Credit Card Activity Reports	16
6.3	General Service Issues	17
6.4	Payment For Services.....	17,18

EXHIBIT A - PRICE BID SHEET

EXHIBIT B - OTHER COSTS BID DETAIL

EXHIBIT C - SAMPLE TRANSACTION COSTS

EXHIBIT D - CREDIT CARD VOLUME HISTORY

**INVITATION FOR SEALED BIDS
TO
City of Tulsa**

200 CIVIC CENTER, ROOM 109, TULSA, OKLAHOMA 74103

Bid number and date of bid opening must appear on the lower
left outside corner of bid envelopes and all related containers.

DATE OF OPENING: July 18, 2002

BID NUMBER: TAC527A

BID MUST BE IN THE CITY CLERK'S OFFICE AT THE ABOVE ADDRESS BY 5:00 P.M. THE DAY PRECEDING THE "DATE OF OPENING" SHOWN ABOVE.

BIDS WILL BE OPENED AT 8:30 A.M. IN THE CITY COUNCIL ROOM ON THE DAY SPECIFIED UNDER "DATE OF OPENING."

PUBLISHED IN THE TULSA DAILY COMMERCE AND LEGAL NEWS: July 8, 2002

Bid must be accompanied by bidder's bond, cashier's check or certified check in the amount of: NONE

PLEASE READ TERMS AND CONDITIONS ON THE NEXT PAGE BEFORE COMPLETING BID DOCUMENTS

THE FOLLOWING SECTION MUST BE COMPLETED BY BIDDER

Delivery will be made in not more than _____ days after receipt of order.

Payment terms _____ % _____ days.

City of Tulsa may increase quantity of order at the unit price bid for _____ days. (Bidder to Specify Days)
I have examined the terms and specifications and the instructions to bidders herein and agree, provided I am awarded a contract, to provide the above described items for the sum shown in accordance with the terms and specifications stated herein. All deviations are in writing and attached hereto.

Enclosed is a BID BOND ; CASHIER'S CHECK; Certified Check in the amount of \$ _____, which I agree the City of Tulsa may retain as liquidated damages in the event of my failure to comply with the terms of this bid.

MUST BE SIGNED BY AUTHORIZED AGENT TO BE VALID

FIRM NAME _____ by _____

SIGNATURE OF AUTHORIZED AGENT

STREET _____ TITLE _____

CITY STATE _____ ZIP CODE _____ PHONE NUMBER _____ DATE _____

GENERAL TERMS AND CONDITIONS OF SEALED BIDS

THESE ITEMS APPLY TO AND BECOME A PART OF THE BID.

NO EXCEPTIONS TO THESE TERMS & CONDITIONS WILL BE CONSIDERED.

1. **BIDS MUST BE SUBMITTED ON THIS FORM ONLY INCLUDING A SIGNATURE OF AN AUTHORIZED AGENT.** Each bid shall be placed in a separate envelope. Be sure envelope is completely and properly identified and sealed, showing the bid number and date in the lower left hand corner. Bids must be time stamped in the office of the City Clerk by 5:00 P.M. on the day before date of opening.
2. No bidder may withdraw his proposal for a period of thirty (30) days after the date and hour set for the opening of bids.
3. All prices shall be quoted F.O.B. Tulsa, Oklahoma, and delivery to City of Tulsa location shall be without additional charge.
4. The bidder shall attach the manufacturer's name of the equipment or material to be furnished, type, model numbers, manufacturer's descriptive bulletins and specifications. All guarantees and warranties should be clearly stated. This data shall be in sufficient detail to describe accurately the equipment or material to be furnished. Manufacturer's specifications, in respect to the successful bidder, shall be considered as part of his contract with the City of Tulsa.
5. The bidder shall show in the proposal both the unit prices and total amount, where required, of each item listed. In the event of error or discrepancy in the mathematics, the unit prices shall prevail.
6. Any exceptions or deviations from written specifications shall be shown in writing and attached to the bid form.
7. Each bidder agrees to comply with the terms of Title 5, Chapter 1, of Tulsa, Oklahoma Charter and revised ordinances relating to equal employment opportunity.
8. **THE ENCLOSED FORMS REGARDING NON-COLLUSION AND FINANCIAL INTEREST MUST BE SIGNED, NOTARIZED, AND RETURNED WITH THE BID.**
9. The City of Tulsa reserves the right to reject any and all bids, to waive any technicalities in the bidding, and to award each item to different bidders or all items to a single bidder.
10. All bids must be accompanied by bidders bond, cash, certified or cashier's check in the amount shown on the face of the bid form. This amount shall be retained by the City of Tulsa as liquidated damages in the event the successful bidder (or bidders) fails to execute a contract, if required. The bidder agrees that said amount is presumed to be the damages sustained by the City due to the impracticability and extreme difficulty in fixing the actual damages. The office of the City Clerk will return the bid deposits to the unsuccessful bidders, after a contract has been awarded or all bids have been rejected.
11. In the event cash discounts are offered by the bidder, the discount date shall begin with the date of invoice, the date of receipt of all material covered by the purchase order, or the date of receipt by the City of Tulsa of the original copy of the purchase order with properly executed Affidavit of Claimant, whichever is the later date.
12. Direct purchase of certain items of equipment or material by the City of Tulsa are exempt from Federal Excise Tax and Oklahoma Sales Tax. In such cases the bidder shall quote prices which do not include Federal Excise Tax and Oklahoma Sales Tax. The City of Tulsa will furnish executed exemption certificates upon presentation by the bidder at the time of purchase.
13. Bid must show number of days required for delivery under normal conditions. Failure to state delivery time obligates bidder to complete delivery in fourteen (14) calendar days. Unrealistically short or long delivery promises may cause bid to be disregarded. Contractor must keep Purchasing Department advised at all times of status of order. Default in promised delivery or failure to meet specifications authorizes the Purchasing Agent to purchase supplies elsewhere and charge full increase of cost and handling to defaulting contractor. Consistent failure to meet delivery promises without valid reason may cause removal from bid list.
14. Bidder agrees to defend and save City of Tulsa from and against all demands, claims, suits, costs, expenses, damages and judgments based upon infringement of any patent relating to goods specified in this order or the ordinary use or operation of such goods by City or use or operation of such goods in accordance with bidders direction.
15. If the bid requires a written contract, the successful bidder shall execute a written contract with the City of Tulsa and return the required bonds and insurance certificates within ten (10) days after submission of contracts to said bidder by the City.

BIDDER AFFIDAVIT - TITLE 74 O.S. (1974 SUPP.) 85.22-85.25

STATE OF _____ COUNTY OF _____

_____, of lawful age, being first duly sworn on oath says

Authorized Agent

1. (s)he is the duly authorized agent of _____, the bidder submitting the competitive bid which is attached to this statement, for the purpose of certifying the facts pertaining to the existence of collusion among bidders and between bidders and municipal officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to the bid to which this statement is attached.
2. (s)he is fully aware of the facts and circumstances surrounding the making of the bid to which this statement is attached and has been personally and directly involved in the proceedings leading to the submission of such bid; and
3. neither the bidder nor anyone subject to the bidder's direction or control has been a party;
 - a. to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding,
 - b. to any collusion with any municipal official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract, nor
 - c. in any discussions between bidders and any municipal official concerning exchange of money or other thing of value for special consideration in the letting of a contract.

SIGNATURE OF AUTHORIZED AGENT

Subscribed and sworn to before me this _____ day of _____, 20_____.

Signature of Notary Public

MY COMMISSION EXPIRES

The Bidder Affidavit must be completed, signed by an authorized agent, and notarized.

CONTRACTOR/BIDDER INFORMATION SHEET

To be completed by all Bidders
For Contracts with the City of Tulsa
(Please print or type)

Project No. or Description _____

Full Name of Bidder _____

Legal Identity
(Corporation, Partnership,
Individual, etc.) _____

Address _____

Telephone No. _____

FAX No. _____

Taxpayer Identification Number _____

Contact Person _____

Phone No. _____

Fax No. _____

E-mail address _____

Webpage Address _____

Price Sheet Summary

Vendor Name: _____ Signature: _____

Date: _____

You will be able to obtain a copy of the Bid Summary on the City of Tulsa's Purchase-Net Fax-on-Demand and Website shortly after bid opening.

TAC527A Merchant Credit Card Services Finance Department

See Exhibit A

TAC527A

Merchant Credit Card Services

Finance Department

1.0 Introduction

This Request for Bid (RFB) document is intended to assist Merchant Credit Card Service providers (Vendors) in the preparation of bid proposals to satisfy the stated requirements for provision of merchant credit card services to the City of Tulsa, Oklahoma (City).

1.1 Background

The City's current Merchant Credit Card Services provider contract is valid through September 30, 2002. It is *expected* that the contract resulting from this RFB / bid award process will have an effective date commencing October 1, 2002 with an expiration date of September 30, 2003 for the initial term, with provision for five (5) subsequent annual renewals under the same terms. The City intends to contract with a Merchant Credit Card Services provider (vendor) in order to facilitate its needs to accept Visa/MasterCard credit cards as payment tender related to a variety of City services, activities, and obligations.

1.2 Objective

The purpose of this Request for Bid (RFB) is to invite vendors to submit bid proposals for the provision of merchant credit card services to the City. The City seeks bid proposals that contain fixed unit pricing for each of the services listed on the attached Exhibit A - Price Bid Sheet. It is the City's intent to identify costs associated with a base level of services and volumes while permitting flexibility to obtain additional services as conditions warrant, and to have the terms and conditions for such modifications known in advance as part of the contractual agreement. In addition, a section identified as Exhibit B - Other Costs Bid Detail is provided for the merchant credit card service bidders to list any applicable charges that are not identified on the Exhibit A - Price Bid Sheet for which they would reasonably anticipate charging the City. Any conversion costs, initial set-up costs, or other additional activity fees not listed in Exhibit A that may be charged to the City should be identified on Exhibit B. Typical volume levels for the City of Tulsa's Visa/MasterCard credit card activity are provided in Exhibit D and are based on recent actual experience; however, volume levels cannot be guaranteed. Credit card activity and volume levels may be increased or decreased beyond the stipulated base level in accordance with the City's needs.

2.0 Competitive Process

2.1 Intent

This RFP invites proposals from vendors of Merchant Credit Card Services that can demonstrate the ability to provide such services in accordance with the existing and future credit card acceptance needs of the City of Tulsa. The City's primary evaluation will be based on the level of services currently used by all City operations. Those services and volumes are reflected on the enclosed Exhibit A - Price Bid Sheet. In responding to the RFB, vendors should also identify on Exhibit B - Other Costs Bid Detail any pricing issues not reflected in Exhibit A and feel free to offer their suggestions for alternative or additional services if so desired.

2.2 Rules for RFP Process

2.2.1 Communications with the City

2.2.1.1 It is requested that responding vendors designate one (1) RFB representative to serve as liaison between the Merchant Credit Card Services provider and the City. The representative's name along with primary phone, fax, e-mail and regular mail contact information should be included in the vendor's response. All communications between the City and the vendor will be directed through this individual.

2.2.1.2 All inquiries regarding the RFB process must be in writing and should be addressed to:

Trisha Cummings
Purchasing Division
City of Tulsa
200 Civic Center - Room 802
Tulsa, Oklahoma 74103

Phone: (918) 596-7561
FAX: (918) 699-3021

2.2.1.3 All RFB responses, including the sealed bid sheets, should be clearly marked: "In response to Merchant Credit Card Services RFP – TAC # 527", addressed to:

Dana Towers
Office of City Clerk
City of Tulsa
200 Civic Center - Room 109
Tulsa, Oklahoma 74103

2.2.2 Treatment of Information

2.2.2.1 All information received or obtained by the vendor in connection with this Request for Bid must be treated as confidential and not used for any purpose other than for replying to this proposal request, and for fulfillment of any subsequent contract, if awarded.

2.2.2.2 All information obtained by the City from vendors will be retained by the City for public record purposes. Any proprietary or confidential information should be identified as such, along with the desired treatment specified. All information received by the City from vendors is subject to the Oklahoma Open Records Act.

2.2.2.3 Bids will be disqualified if information relevant to the evaluation process cannot be retained for possible disclosure in the context of established audit processes.

2.2.3 General Points of Consideration

2.2.3.1 All proposals shall be submitted in the form of a sealed bid. Neither the lowest priced nor any proposal shall necessarily be accepted.

2.2.3.2 There will be no payment to vendors for work related to and materials supplied in the preparation and presentation of the RFP response.

2.2.3.3 Any vendor selection resulting from this RFP is subject to the successful conclusion and execution of a contract between the vendor and the City of Tulsa.

2.2.3.4 Any response may be withdrawn or modified by written notification any time prior to the indicated submission due date.

2.2.3.5 No news release concerning the RFP may be made without prior written approval of the City of Tulsa.

2.2.3.6 All vendors should respond to the RFP by and on behalf of their organizations only. No joint proposals will be accepted. Note: This does not preclude the Merchant Credit Card Services provider from having a sub-contractual agreement with another company. The City intends to contract with a single vendor for its Visa/MasterCard credit card acceptance services.

2.3 Schedule of Events

The following schedule has been established:

Event	Time	Date	Place
Release of RFB	8:00 AM	06/28/02	City Hall
Bid Submission Deadline	5:00 PM	07/17/02	City Hall
Bid Opening	8:30 AM	07/18/02	Council Room

3.0 Vendor Selection

3.1 Objectives

The objective of the evaluation process is to select a Merchant Credit Card Service provider that can best meet the City of Tulsa's Visa/MasterCard credit card acceptance requirements by conducting vendor proposal evaluations in a comprehensive, equitable and timely manner. In keeping with this objective, all responses and accompanying bids must be received in the City Clerk's Office by the Proposal Submission Deadline. Any responses received after the deadline will be rejected.

3.2 Pre-Bid Conference

There are no plans to hold a pre-bid conference. However, should a pre-bid conference be requested by one or more of the likely bidders, the City will re-evaluate its plan and reserves the right to require one, with adequate advance notification time, if deemed necessary to meet the needs of prospective vendors or the City.

3.3 Evaluation Process

During the final evaluation, the Merchant Credit Card Services selection team will recommend the vendor that best meets the City of Tulsa's interests and requirements. Upon approval of the Mayor of the City of Tulsa, a contract will then be awarded to the selected Merchant Credit Card Services provider. It is important to note that the selection of a Merchant Credit Card Services provider is also subject to the successful conclusion of a contract between the vendor and the City of Tulsa. All participating vendors will be notified in writing of the contract award, whether or not they are the successful bidder.

The submitted proposals will be evaluated on the following basis:

- 3.3.1 Costs of standard and interchange processing services identified in Exhibit A.
- 3.3.2 Acceptability and benefits provided to the City for narrative responses to questions/requests for responses stated in this RFP.

- 3.3.3 Total costs per sample transactions identified in Exhibit C.
- 3.3.4 Costs of exception and optional services identified in Exhibit A.
- 3.3.5 Other costs, including conversion costs, if any, per Exhibit B.
- 3.3.6 Overall ability to provide quality services that satisfy the City's best interests and requirements in an efficient, user-friendly manner.

3.4 Contract Award

The contract shall be awarded to the vendor whose proposal is responsive to the bid and is most advantageous to the City, considering the factors identified in the bids and Section E of Chapter 4 of Title 6, The Purchasing Ordinance set forth below:

3.4.1 Authority in Mayor - The Mayor shall have the authority to award contracts within the purview of this Chapter.

3.4.1.1 Lowest Secure Bidder - Contracts shall be awarded to the lowest secure bidder. In determining "lowest secure bidder", in addition to price, the following factors shall be considered:

- A) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- B) Whether the bidder can perform the contract or provide the service promptly or within the time specified, without delay or interference;
- C) The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- D) The quality of performance on previous contracts or services;

- E) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
- F) The sufficiency of the financial resources and ability of the bidder to perform in accordance with the contract or provide the service;
- G) The quality, availability and adaptability of the supplies or contractual services to the particular use required;
- H) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract; and
- I) The number and scope of conditions attached to the bid.

3.4.2 The City reserves the right to reject any one or all bids, or any part of any bid, to waive any informality in any bid, and to award the contract which in the sole opinion of the City is in the best interest of the City and its citizens.

3.4.4 Any exceptions or deviations to any portion of these specifications must be clearly noted with reasons for exceptions spelled out in your bid proposal.

3.5 Contract Term

The Merchant Credit Card Services contract will be for a term of one year beginning no earlier than October 1, 2002. The term may begin later due to requirements and changes necessary to commence a new contract term. The contract may be renewed annually for five consecutive one-year terms upon agreement by both parties.

4.0 Vendor Submissions

4.1 **Reply Format**

It is requested that vendors structure their response to the RFB according to the format outlined in this section. Complete and thorough responses are strongly encouraged as this RFB and the successful vendor's response to the RFB will be incorporated into the final contract by reference, in addition to providing the basis for bid award. Failure to comply with this request will not necessarily eliminate the proposal from consideration but could have an effect on the final result of the City of Tulsa's evaluation. An electronic version of the base RFP document and exhibits is available upon request to the City's designated liaison, Trisha Cummings (see section 2.2.1.2), to assist bidders in the preparation of their responses.

4.1.1 The proposal will be accompanied by a cover letter containing the signature of the authorized individual responsible for the contents of the proposal along with a sealed bid envelope containing all cost detail and required Bid Forms. Each bidder shall accompany their bid with a fully executed and notarized copy of the attached **Non-Collusion Affidavit** and the **Interest Affidavit**. Failure to do so may be cause for rejection of the bid.

4.1.2 The vendor's response should address all of the requirements described in the RFP. The vendor should refer to the paragraph number for each requirement that warrants a response, particularly for all of Sections 4.0, 5.0, and 6.0. Responses should be presented in the same sequence as presented in each section of the RFB. Any exceptions or deviations to the City's stated specifications, together with the reasons for the exceptions, must be clearly spelled out in your response. When an item or an entire portion does not warrant a specific response or affirmation, please indicate "NO REPLY REQUIRED".

4.1.3 Five (5) copies of each reply, signed by an authorized official, are required.

4.2 **Specific Document Submissions**

4.2.1 Sample of Merchant Credit Card Services agreements / authorization forms.

4.2.2 Sample of daily, monthly, and annual activity reports, including both detail and summary levels, which would typically be used by the merchant for internal reconciliation and management analysis purposes.

4.2.3 Sample of any proposed insurance or other securitization methods which would typically provide for coverage against losses to the City for funds in transit held by the Merchant Credit Card Services provider or their subcontractors for any length of time, including intra-day periods, if applicable per section 5.1.

4.2.4 Applicable Organizational Charts for your business, sufficient to identify your corporate / subsidiary / holding company structure and the management structure for your specific business unit within the corporation.

4.2.5 Sample of any other special forms or documents to be required/used by the Merchant Credit Card Services provider.

4.2.6 References per section 4.3

4.2.7 The vendor's response should include a complete funding flowchart with accompanying timeline or timeline references. This submission should be adequate so as to clearly identify the funding process resulting from acceptance of a credit card transaction, from the point of sale with the customer to the point that funds are deposited to the City's designated account(s) with its depository financial institution.

4.2.8 Completed cost quotations per section 4.4 for Exhibits A, B, and C.

4.3 References

The vendor will supply a minimum of three (3) qualified references to whom merchant credit card services comparable to those required by the City are provided. It is preferred that the three references are located in the Tulsa or Oklahoma markets region. The City also requests at least one additional reference from the government or public sector (any market region) if not included in the three local references submitted. Each reference is to include the following information:

- ✓ Company Name and Address
- ✓ Contact Name, Position, and Telephone Number
- ✓ Length of time for Merchant Credit Card Services relationship.

All references will be verified by the City of Tulsa to ascertain satisfaction level and performance experiences with the vendor and its on-going support services and responsiveness to customer needs.

4.4 Cost Quotations

The responses in this section should contain all cost information for the proposal. Prices quoted must remain valid for the life of the contract. It is requested that the vendor include the prices for their services and all other associated costs in the manner indicated in the following sections.

The vendor is to supply all information necessary to evaluate the total net cost of merchant credit card services on the bid forms referenced below. The bid forms must be submitted in a sealed envelope and submitted along with the narrative responses for applicable sections.

- Exhibit A - Price Bid Sheet for designated standard and interchange services
- Exhibit A - Price Bid Sheet for designated exception and optional services
- Exhibit B - Other Costs Bid Detail sheet
- Exhibit C – Sample Transaction Costs

5.0 Vendor Qualifications

5.1 Business Background, Safety and Soundness

The vendor must demonstrate sufficient assurance that it is capable of fulfilling a contractual agreement to provide the City's required services and to adequately protect the City's funds and financial operations related to such services. Therefore, it is requested that the vendor submit sufficient biographical summary information, including current financial statements or like public statements of condition, in order to demonstrate its qualifications to provide merchant credit card services to the City and to protect it from interruption of normal business operations or losses arising from performance of those services.

In the event that the Merchant Credit Card Services provider or their subcontractors hold in their custody any City funds, which are in transit to the City's designated depository account(s) and are derived from credit card transactions, some form of securitization for such financial assets will be required. Any such custody of City funds by an entity other than the City's designated depository institution, at any point in time during the clearing and settlement process regardless of time held, should be clearly identified in the funding flowchart requested in section 4.2.7. Letters of Credit, Bonds, and 3rd Party Safekeeping of Collateral are acceptable methods of securitization for this purpose, subject to the City's approval of issuer, terms, collateral, and dollar amount. A sample of any proposed insurance or other securitization methods which would typically provide for coverage against losses to the City for such funds in transit should be submitted for review and acceptance by the City per section 4.2.3.

5.2 Americans With Disabilities Act

The vendor shall take the necessary actions to ensure its facilities and employment practices are in compliance with the applicable requirements of the Americans With Disabilities Act. Any costs of such compliance will be the sole responsibility of the vendor.

5.3 Right To Audit

The vendor fully understands that it is a condition of this bid to allow the City to audit for goods, services, materials and/or supplies provided to the City of Tulsa. Vendor agrees to provide timely access to its books and records related to the City's activities, on vendor's premises upon reasonable request by City staff. Vendor further agrees that it shall provide City personnel reasonable access and such clerical assistance as City staff may require for examination and audit of those portions of vendor's books and records relating to the goods,

services, materials and/or supplies furnished to the City during the term of any contract between vendor and City.

5.4 SAS-70 Certification

The American Institute of Certified Public Accountants (AICPA) has established certification criteria under their Statement of Auditing Standards No. 70 (SAS-70) for financial services providers. Please identify whether your organization has SAS-70 certification for the services being proposed and at what level the certification has been established.

6.0 Service Requirements

The following information is provided to specify the services and related terms/conditions required by the City during this contract period.

6.1 Multiple Merchant Operations

At the present time the City maintains two separate Merchant I.D.'s linked to a consolidated "enterprise relationship" for the credit card payment transactions it processes. These separate identities coincide with separate "systems operating environments" and also serve to delineate distinctly unique business processes (business units) within the City for control, settlement, costing, and reconciliation purposes. The two merchant groups are comprised of the Performing Arts Center (PAC) and City Hall Revenue Processing. Additionally, the City recognizes the existence of a number of expansion opportunities for credit card acceptance, which may prove advantageous to its business practices and its public customer base. Implementation of any such opportunities may necessitate establishment of additional merchant I.D.'s within the City's merchant credit card provider relationship. Please describe your capability and methods to accommodate multiple merchant operations within a consolidated operational and contractual "enterprise relationship"; and, how you will address pricing issues related to such expansion.

- 6.1.1. Performing Arts Center (PAC)-** This merchant group currently has the ability to accept Visa, MasterCard, Discover, and American Express as payment for a variety of entertainment events that are held at the PAC facility (acceptance of American Express has been suspended for the time being due to cost containment reasons). Purchases are made via walk-in customer traffic and through telephone sales. Credit card sales transactions are input utilizing two distinctly different modes and transaction routing schemes. The PAC utilizes two stand-alone authorization terminals onsite primarily for corrections, exceptions and back-up for customer ticket sales. Each terminal has an integrated printer for receipts and sales vouchers. These transactions are routed directly through software resident with an intermediate processor designated by our existing merchant credit card services provider and passed through to their Credit Card Processor, VITAL, for final settlement.

The primary credit card transaction input method utilized by the PAC is through their online ticketing system (Prologue) and a dialup connection with the merchant credit card services provider. The electronic payment processing application for their system is called ProtoBase which provides a generic Application Programming Interface (API) independent of the third party processor or acquirer. The vendor for this application is Southern DataComm, Inc., of Clearwater, Florida. The ticketing system is accessed by PAC personnel through onsite terminals for all routine walk-up and telephone sales. Sales for events associated with the PAC are transacted under the PAC's credit card merchant I.D. and routed through the City's merchant credit card services provider and the associated Credit Card Processor, VITAL. All credit card activity processed through the onsite terminals at PAC is done under the same merchant I.D. number. PAC credit card activity is also processed by other non-City locations and outlets such as Tickets.com. These transactions are performed under separate merchant agreements with separate I.D.'s and are settled directly between the PAC and the ticket issuer/seller for Internet based activity. All other PAC related activity transacted by these non-City entities, such as phone room rollover, is processed through the PAC ticketing system in the same manner as an internal user utilizing the City's credit card merchant agreement and ID.

Please describe how the solution you propose will integrate with this environment along with specific identification of any required changes to the PAC's general operating practices and its: 1) Authorization Software; 2) Credit Card Processor; and, 3) Swipe input device specifications related to both the present and future ticketing platform environments. Please also identify any special or add-on cost issues associated with this merchant profile, as well as any foreseeable variances from the routine pricing quoted in Exhibit A-Price Bid Sheet. Exhibit D – Credit Card Volume History reflects the specific details involved in providing the current levels of this service to the City.

6.1.2 City Hall Revenue Processing - This merchant group currently accepts Visa and MasterCard only. However, consideration is being given to expanding customer payment options to include acceptance of Discover and/or American Express as well. At the present time, credit card payments are only accepted for customer obligations related to Municipal Court violations. Serious thought and evaluation is also being given to expanding credit card payment acceptance for other types of customer business at City Hall, including the comparatively higher volume area of Utility Bill payments. In all likelihood, any change to add Discover and/or American Express card acceptance will be linked to the issue of expansion into additional types of customer business at City Hall. Presently, all activity from this merchant group utilizes the PC Windows based SuperCharge server credit card authorization software, version 4.6.; which is swiped and input through proprietary PC-based Point of Sale (POS) workstations and routed through VITAL as our Credit Card Processor.

Please describe how the solution you propose will integrate with this environment along with specific identification of any required changes to the City's general operating practices and its: 1)

Authorization Software; 2) Credit Card Processor; and, 3) Swipe input device specifications related to the present platform environment. Please also identify any special or add-on cost issues associated with this merchant profile, as well as any foreseeable variances from the routine pricing quoted in the Price Bid Sheet which may result from the City's planned direction to modify its Point of Sale System. Exhibit D –Credit Card Volume History reflects the specific details involved in providing the current levels of this service to the City.

6.1.3 Future Expansion Options – It is quite likely that during the term(s) of this contract the City will expand its use and applications for credit card payment acceptance. For a number of these expansion possibilities, it is anticipated that additional unique Merchant I.D.'s will be warranted due to control, settlement, costing, and reconciliation purposes.

The addition of a payment capability is a consideration for a number of Interactive Voice Response (IVR) systems which either currently exist or are in the planning and discussion stages for a variety of City service applications. These applications cover City obligations, activities, and services ranging in nature from Permit and Licensing activities, to Municipal Court citations, to Utility bill payments, to programs offered by the Parks and Recreation Department. Likewise, discussions are taking place with regard to development of Internet payment capabilities for some of these same service applications, including the PAC.

Please describe your capabilities and method(s) of addressing the above referenced needs, including specific identification of required changes to the City's general operating practices and its: 1) Authorization Software; 2) Credit Card Processor; and, 3) any special or add-on start-up cost issues associated with the expansion methods indicated, as well as any foreseeable variances from the routine pricing quoted in Exhibit A-Price Bid Sheet which may result from the City's planned direction to expand its credit card acceptance methods.

6.2 Merchant Credit Card Activity Reports

The City completes its end of day (EOD) close-out routine for merchant operations based on what is determined to be the optimal cutoff time for each separate merchant operating environment and the operating schedule of the City's credit card processor. For prudent internal reconciliation and management analysis purposes, the City requires daily settlement activity reports including both summary and detail level for each merchant I.D., no later than 10:00 a.m.CT, (8:00 a.m.CT is preferred) the next business day following completion of each EOD process. Such reports should be available on a consistent, timely basis each business day and provide accurate, adequate information so as to reflect the prior business day's credit card activity for each merchant in order to facilitate efficient reconciliation with the City's revenue payment activity and bank deposit activity. Retrieval of such daily reports should be relatively simple to execute and impose minimal requirements on City personnel time and support software/hardware devices. Additionally, it is considered highly desirable for the City to receive monthly and annual merchant credit card activity recap reports, by merchant I.D and "parent relationship", that provide a consolidated basis for management analysis and reconciliation of charges assessed by the vendor.

Please describe your capabilities and method(s) of addressing the above referenced needs, including specific identification of:

- 1) Standard Report Sets Offered, including:
 - a) Hierarchy of levels reported; i.e. Operator, Terminal, Merchant, and Corporate (Parent Relationship)
 - b) Frequency of report production/availability
 - c) Method of distribution/access to report; i.e. mailed, delivered via courier, online , inbound fax, etc.
 - d) Any variations in report detail based on card type (i.e. Visa/MC, American Express, and Discover Card)
- 2) Custom Report Options and Pricing Basis
- 3) How detail / summary report printing is executed, i.e. complete detail/summary reports printed for each merchant are executed through a single command, or each screen display of the total report requires scrolling to end of report or separate print command by screen

AND, identification of any required changes or constraints related to the City's:

- 4) Online Report Access Software
- 5) Online Report Access Hardware
- 6) End of Day (EOD) close-out time(s)
- 7) Any special or add-on cost issues associated with this merchant profile, as well as any foreseeable variances from the routine pricing quoted in the Price Bid Sheet which may result from the City's unique or non-standard requirements.

6.3 General Service Issues

The City requires support services in the following general categories. Please describe in sufficient detail the methods, capabilities, and/or service levels that your proposal will incorporate in order to address these issues.

- 6.3.1** Will the City of Tulsa have an assigned representative to contact for account/contract related matters or will such contacts be directed to a pool of resources? If there is to be an individually assigned account representative, where will that person be physically located?
- 6.3.2** How is merchant customer support accessed, and what are the hours of availability for this support?
- 6.3.3** What do your system performance statistics reflect for average response times? For system "up time/down time"?
- 6.3.4** What provisions/capabilities exist for your merchant network in terms of redundancy for critical system functionality? What provisions and/or capabilities exist for your merchant network for disaster recovery?
- 6.3.5** In what areas of merchant credit card activity do you offer/provide client training? What form(s) is training available in; i.e. printed material, videotape, user seminars, train the trainer? When and where is this training available? Who will provide the training? Is your trainer local and if not, will there be additional charges related to time and travel to bring a trainer onsite for the City?
- 6.3.6** What merchant credit card authorization software do you support?

- 6.3.7 What merchant credit card authorization hardware devices do you support? Offer for sale, lease, or rent?
- 6.3.8 What primary credit card Processors do you utilize?
- 6.3.9 What kind of a conversion timetable do you anticipate given the current City environment previously described? How soon would the conversion process commence upon execution of a contract? What kind of City resources and commitments will you require to complete the conversion to your merchant system?

6.4 Payment for Services

- 6.4.1 The City's preference is to pay for all merchant credit card services on a monthly or quarterly invoice basis, with terms mutually agreeable to the City and the selected service provider. While it is recognized that other payment methods/terms may be utilized/preferred by some vendors, it should be noted that present City Ordinances prohibit an agreement that results in preauthorized direct debiting of City bank accounts. Regardless of what payment methods/terms are agreed to, the vendor must provide a sufficiently detailed charge statement that reflects actual volumes of services and unit prices in accordance with this bid, so that validation can be performed by the City. If an invoice method of payment is agreed upon, the vendor will submit an invoice to the City on a monthly or quarterly basis for the previous period services performed. Within 30 days from receipt of a properly addressed and documented invoice by the City, payment will be remitted to the vendor in accordance with established instructions.

Please describe the various methods and terms of payment you typically will accept or agree to. If there is a preference, please state what it is and articulate the process. Make specific note of settlement/billing frequency periods and the supporting detail or documentation which will validate the corresponding billing charges/invoice.

- 6.4.2 During the course of this contract, the price of merchant credit card services will be fixed in accordance with the vendor's response to this RFP. Services not covered by this bid will be subject to negotiation between the City and the merchant credit card service provider.

EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED:

A. During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employees or applicant for employment because of race, religion, color, sex or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to

employees and applicants for employment, notices setting forth the provision of this nondiscrimination clause.

- (2) The contractor, in all solicitations or advertisements for employment placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- (3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

B. The contractor will include the provision of the foregoing paragraphs of this section in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

ADDENDA AND INTERPRETATIONS:

If it becomes necessary to revise any part of this bid, a written addendum will be provided to all the bidders. The City of Tulsa is not bound by any oral representations, clarifications or changes made in the written specifications by City of Tulsa employees unless such clarification or change is provided to bidders in written addendum form from the Purchasing Division.

ALTERING BIDS:

Bids cannot be altered or amended after submission deadline. **Any interlineation, alteration or erasure made** before opening time and date **must be initialed** by the signer of the bid, guaranteeing authenticity. Bids must be submitted in ink or typewritten. Pencil will not be accepted.

Exhibit A

**CITY OF TULSA
MERCHANT CREDIT CARD SERVICES
PRICE BID SHEET**

A1

Bidder agrees to provide services to the City as defined in the attached specifications at the prices set forth below. Include any services that may be applicable but not stated here in the space provided or on an attached sheet. If an attachment is used, summarize the attachment and include the total in the space marked "other" below.

SERVICE	ESTIMATED ANNUAL VOLUMES	X	FIXED UNIT PRICE	=	ESTIMATED ANNUAL COST
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STANDARD PROCESSING

Account Maintenance-Monthly	2x12=24		_____		_____
Annual Merchant Fees	2		_____		_____
MasterCard Sales Discount Rate	\$1,687,771		_____		_____
VISA Sales Discount Rate	\$2,812,951		_____		_____
MasterCard Sales Transaction Fee	11,821		_____		_____
VISA Sales Transaction Fee	19,701		_____		_____
Daily Detailed Settlement Report	2x12=24		_____		_____
Minimum Discount-Monthly	N/A		_____		_____
Communication Fees	N/A		_____		_____

VISA/MasterCard Standard Processing Costs TOTAL \$ 0

OPTIONAL PROCESSING

American Express Transaction Fee	2,194		_____		_____
Discover Card Transaction Fee	3,440		_____		_____

American Express/Discover Card Optional Processing TOTAL \$ 0

Page A1 Subtotal \$ 0

**CITY OF TULSA
 MERCHANT CREDIT CARD SERVICES
 PRICE BID SHEET**

A2

Bidder agrees to provide services to the City as defined in the attached specifications at the prices set forth below. Include any services that may be applicable but not stated here in the space provided or on an attached sheet. If an attachment is used, summarize the attachment and include the total in the space marked "other" below.

SERVICE	ESTIMATED ANNUAL VOLUMES	X	FIXED UNIT PRICE	=	ESTIMATED ANNUAL COST
---------	--------------------------------	---	------------------------	---	-----------------------------

**Page A1 Subtotal
 brought forward from Page
 A1**

\$ 0

EXCEPTION PROCESSING

Chargebacks	9				
Incorrect POS Codes	N/A				
Transaction Cleared Different than Entry Type/Code	N/A				
Transaction Missing Addenda Data	N/A				
Research Request-Time	N/A				
Research Request-Copies	N/A				
Supply Fees (list detail/charges)	N/A				
Customer Service Fees (list detail/charges)	N/A				
Set-up Fees (list detail/charges)	N/A				
Equipment Fees(list detail/charges)	N/A				
Software Fees(list detail/charges)	N/A				
Non-Qualified Transaction Fees	N/A				
Supply Fees (list detail/charges)	N/A				
Misc./Other Fees (detail list)	N/A				

Exception Processing TOTAL

\$ 0

**Combined City Credit Card
 Merchant Activity TOTAL**

\$ 0

Exhibit B

CITY OF TULSA				
MERCHANT CREDIT CARD SERVICES				
<u>OTHER COSTS BID DETAIL</u>				
<p>For the proposed contract period(s), the City wishes to identify any additional charges that have not been specified in Exhibit A - Price Bid Sheet, and which may be reasonably anticipated in meeting its merchant credit card services needs. This should include any applicable conversion costs, if any, as well as any other charges applicable but not specified in this Request For Proposal. Any and all such charges should be sufficiently identified and described in the format provided below :</p>				
<u>ITEM NO.</u>		<u>ITEM DESCRIPTION</u>		<u>PRICE/BASIS</u>
1		Conversion Costs	\$	
2			\$	
3			\$	
4			\$	
OTHER COSTS - TOTAL			\$	

Scenario 2: Card Present Swiped with Phone-In Authorization

Per Transaction Costs

\$25.00

\$100.00

VISA

MC

VISA

MC

Discount Rate:

Interchange Processing Fees:

Interchange Assesment Fees:

Interchange Per Item Fees:

Transaction Processing Fees:

Total Transaction Cost:

\$

\$

\$

\$

Scenario 3: Card Not Present Manually Keyed with Electronic Authorization

Per Transaction Costs

\$25.00

\$100.00

VISA

MC

VISA

MC

Discount Rate:

Interchange Processing Fees:

Interchange Assesment Fees:

Interchange Per Item Fees:

Transaction Processing Fees:

Exception Processing Fees (provide detail):

Total Transaction Cost:

\$

\$

\$

\$

Scenario 4: Card Manually Keyed with
Phone-In Authorization

	<u>\$25.00</u>		<u>\$100.00</u>	
Per Transaction Costs	VISA	MC	VISA	MC
Discount Rate:	_____	_____	_____	_____
Interchange Processing Fees:	_____	_____	_____	_____
Interchange Assesment Fees:	_____	_____	_____	_____
Interchange Per Item Fees:	_____	_____	_____	_____
Transaction Processing Fees:	_____	_____	_____	_____
Exception Processing Fees (provide detail):	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Transaction Cost:	\$ _____	\$ _____	\$ _____	\$ _____

Scenario 5: Card Not Present: Telephone Sale w/ Address
Verification

	<u>\$25.00</u>		<u>\$100.00</u>	
Per Transaction Costs	VISA	MC	VISA	MC
Discount Rate:	_____	_____	_____	_____
Interchange Processing Fees:	_____	_____	_____	_____
Interchange Assesment Fees:	_____	_____	_____	_____
Interchange Per Item Fees:	_____	_____	_____	_____
Transaction Processing Fees:	_____	_____	_____	_____
Exception Processing Fees (provide detail):	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Transaction Cost:	\$ _____	\$ _____	\$ _____	\$ _____

Scenario 6: Card Not Present: Telephone Sale w/ OUT
Address Verification

	<u>\$25.00</u>		<u>\$100.00</u>	
	VISA	MC	VISA	MC
Per Transaction Costs				
Discount Rate:				
Interchange Processing Fees:	_____	_____	_____	_____
Interchange Assesment Fees:	_____	_____	_____	_____
Interchange Per Item Fees:	_____	_____	_____	_____
Transaction Processing Fees:	_____	_____	_____	_____
Exception Processing Fees (provide detail):	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total Transaction Cost:	\$ _____	\$ _____	\$ _____	\$ _____

Exhibit D

**CITY OF
TULSA**

MERCHANT CREDIT CARD SERVICES

CREDIT CARD VOLUME HISTORY

PERIOD	POS VISA/MASTERCARD		PAC VISA/MASTERCARD		TOTAL COMBINED ACTIVITY	
	Trxs	Dollars	Trxs	Dollars	Trxs	Dollars
June 2001	298	\$29,340	539	\$112,746	837	\$142,086
July 2001	286	\$26,980	1,352	\$162,559	1,638	\$189,539
August 2001	333	\$31,029	1,567	\$231,324	1,900	\$262,353
September 2001	297	\$29,257	1,970	\$216,870	2,267	\$246,127
October 2001	347	\$29,853	1,847	\$171,568	2,194	\$201,421
November 2001	360	\$35,295	2,373	\$215,426	2,733	\$250,721
December 2001	295	\$26,038	2,996	\$281,374	3,291	\$307,412
January 2002	400	\$38,264	3,358	\$365,656	3,758	\$403,920
February 2002	425	\$47,601	2,707	\$530,176	3,132	\$577,777
March 2002	425	\$49,560	2,344	\$481,139	2,769	\$530,699
April 2002	411	\$43,381	3,060	\$667,818	3,471	\$711,199
May 2002	382	\$42,523	3,150	\$634,944	3,532	\$677,467
Totals	4,259	\$429,121	27,263	\$4,071,601	31,522	\$4,500,722
Monthly Average	355	\$35,760	2,272	\$339,300	2,627	\$375,060
Average Ticket Amount	\$101		\$149		\$143	