State of West Virginia
Request For Proposal
Service - Prof

Procurement Folder : 584012

Document Description : Merchant Processing Services

Procurement Type : Agency Master Agreement

Date Issued	Solicitation Closes	Solicitation No			Version	Phase
2019-07-02	2019-08-06 11:30:00	ARFP	1300	STO1900000004	3	Final

SUBMIT RESPONSES TO:	VENDOR
	Vendor Name, Address and Telephone
WEST VIRGINIA STATE TREASURERS OFFICE 322 70TH ST SE CHARLESTON WV 25304 US	

FOR INFORMATION CONTACT THE BUYER
Shelly Murray
(304) 341-7089
shelly.murray@wvsto.com

Signature X   **FEIN #**   **DATE**

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION:

Addendum No. 2

This addendum is issued to address the questions received prior to the question submission deadline of June 21, 2019 at 10:00AM EST.

******************** No Other Changes *********************

SCHEDULE OF EVENTS

Line	Event	Event Date
1	Non-Mandatory Pre-bid @ 1:00PM EST	2019-06-17
2	Questions Submission Deadline @ 10:00AM EST	2019-06-21

ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions

SOLICITATION NUMBER: ARFP# STO1900000004
Addendum Number: 2

The purpose of this addendum is to modify the solicitation identified as ARFP STO1900000004 ("Solicitation") to reflect the change(s) identified and described below.

Applicable Addendum Category:

[   ]   Modify bid opening date and time

[   ]   Modify specifications of product or service being sought

[X]   Attachment of vendor questions and responses

[   ]   Attachment of pre-bid sign-in sheet

[   ]   Correction of error

[   ]   Other (Attach Purchasing Affidavit)

Terms and Conditions:
1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.

2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: ARFP STO1900000004

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:
(Check the box next to each addendum received)

[X]   Addendum No. 1   [   ]   Addendum No. 6

[X]   Addendum No. 2   [   ]   Addendum No. 7

[   ]   Addendum No. 3   [   ]   Addendum No. 8

[   ]   Addendum No. 4   [   ]   Addendum No. 9

[   ]   Addendum No. 5   [   ]   Addendum No. 10

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

_____
Company

_____
Authorized Signature

_____
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

AGENCY CLARIFICATION/CHANGE OF SPECIFICATION LANGUAGE

4.4.1.22 should read: On the spending unit receipt accounts, the Vendor must notify the STO of any cardholder disputed Credit Card Sales transactions within two (2) business days of the Vendor's receipt of the **dispute**.

4.4.1.23 should read: On the E-Government receipt account, the Vendor must notify the STO of any cardholder disputed Credit Card Sales transactions within two (2) business days of the Vendor's receipt of the **dispute.**

RESPONSE TO VENDOR QUESTIONS

Group 1 Vendor Questions:

1. The request is that the Vendor must have the ability to provide a closed loop gift card solution. Will a referral arrangement with a gift card entity-Givex, which integrates with the payment processor for processing of the gift card transactions, suffice for this request? *(Section 4, 4.1.8; Page 47)*

   RESPONSE: The selected Vendor must provide a closed loop gift card solution. Any third party relationship should be disclosed in the solicitation response and cost handled as a pass-through on the monthly invoice.

2. Amex has a requirement to invoice settlement directly based on the processing volume. Will the payment processor's ability to invoice for the authorization fee charges suffice? *(Section 4, 4.1.9; Page 47)*

   RESPONSE: The selected Vendor must have the ability to invoice each spending unit, including the STO, the American Express transaction costs as a pass-through cost. This includes any and all fee charges.

3. Will the payment processor's ability to deposit settled transactions within one business day via wire transmission suffice? *(Section 4, 4.1.13; Page 47)*

   RESPONSE: Yes, the selected Vendor must be able to deposit settled transactions to the current STO banking services vendor within one business day. The deposit may be made via wire or ACH.

4. Please provide the make and model of the terminals in use today. *(Section 4, 2.4; Page 32)*

   RESPONSE: A list of current terminals currently known by the STO are provided in Exhibit A, which is page 87 of this RFP.

5. Please provide the annual processing volume where STO charges a service fee, that should be considered in the overall volume provided. *(Section 4, 2.7; Page 33)*

   RESPONSE: Annual transaction information is provided in Section 4.2.8. The STO charges a service fee for any Card Not Present transaction processed through the E-Gov system. The spending unit may choose to pass the fee to the customer at the time of payment. The spending units may also choose to charge service fees directly to the customer for Card Present transactions at the time of payment.

6. Please provide the software/vendor name of the Virtual Terminal in use today. *(Section 4, 3.2.4; Page 35)*

   RESPONSE: A list of current virtual terminals currently known by the STO are provided in Exhibit A, which is page 87 of this RFP.

7. Please provide the gateway solution(s) that are in use today. *(Section 4, 4.1.14; Page 77)*

   RESPONSE: A list of current gateway solutions currently known by the STO are provided in Exhibit A, which is page 87 of this RFP. Note that Section 4.4.1.14 doesn't discuss gateways.

Group 2 Vendor Questions:

1. 4.2.2 The STO's Organizational Structure: The STO procures and maintains ownership of the Merchant Services contract for the State. In addition, the STO manages the settlement and reconciliation activities for payments processed for the spending units' Card Present (CP) transactions and the E-Government (Card Not Present (CNP)) program. Spending units are responsible for the validation of their daily batch settlements.
   4.3.2.10 Describe the transaction structure and settlement process for service fees on Card Present and Card Not Present transactions. Include if there are any differences between the two.
   a. Is it the intent of the STO to separate Card Present and Card Not Present within the same Merchant Account? Is the State using CP and CNP loosely to separate the E-Gov transactions from the other customer facing and alternative processing methods?

   RESPONSE: It is not the intent of the STO to separate Card Present and Card Not Present within the same Merchant Account. The STO foresees Card Present and Card Not Present transactions to have separate merchant accounts. To clarify, Card Not Present include E-Government payments as well as Card Not Present payments that do not flow through the E-Government program.

2. 4.2.4. Card Present Transactions - The above payment processing infrastructure is subject to PCI requirements. State spending units are responsible for reporting their own PCI compliance in regard to card present transactions. The current Merchant Services provider provides contracted services to an approved PCI compliance vendor to assist spending units in reporting their PCI compliance. However, these contracted services are outside of scope for this RFP.
   4.3.2.44. PCI Compliance - The PCI compliance portal is out of scope of this RFP. However, the STO prefers the Vendor support the STO's compliance efforts. Please describe how the Vendor will support reporting to and from the acquirer.
   a. Please elaborate on 4.3.2.44 "The PCI compliance portal is out of scope of this RFP" – Is it the intent for the successful vendor to provide a portal for access to PCI compliance for all merchants? The current portal used today is proprietary to the current Vendor.

   RESPONSE: The PCI compliance portal is out of scope of this RFP. The vendor will not be asked to provide a portal to access PCI compliance. A separate solicitation for a PCI compliance portal will be issued at a later time.

3. 4.4.1.8 Vendor must have the ability to provide a closed loop gift card solution.
   a. Will the respondent Vendors be required to have the ability to support the current, outstanding balance of the current closed loop gift card solution or will the State find an alternative solution to transfer card

balances and support current card outstandings? Who will be responsible for accepting and processing the current card balances?

RESPONSE: The Vendor will be required to either support the current balance of any outstanding gift card balances or provide a method to transfer any outstanding balances to a new gift card solution.

4. 4.2.5 WV State Code makes it mandatory for all spending units to utilize the STO's E-Pay system for the collection of payment information unless given an exemption by the STO to use an alternate process. Spending units may also contract with third party vendors to build front-end systems (such as reservation management systems) and utilize that system to interface with E-Pay for the collection of payment information. If the selected system does not support integration with E-Pay, then an exemption may allow a spending unit to process outside of the merchant services contract. The STO desires a processing partnership to reduce/eliminate the number of exemptions needed by spending units.
   a. Can STO provide a list of E-Gov exemptions and the method of processing?

RESPONSE: Since past exemptions are granted to allow spending units to process outside the Merchant Services contract, a listing of current E-Gov exemptions is not necessary to provide a response to this RFP and will not be provided.

5. 4.3.2.20 Describe how the Vendor solution supports the ability to receive end of day (EOD) or batch close messages from the payment terminals as required in 4.4.1.17. Describe the options to configure the EOD cutoff on host-based capture and if this is configurable by spending unit or MID.
   a. Clarification needed – is the STO asking for a reminder to batch out or a batch out successful message after batch out is manually completed by merchant?

RESPONSE: The STO is asking for the Vendor to describe how its solution supports the ability to receive end of day or batch close messages from the payment terminals.

6. 4.3.2.28 The STO prefers to support the following Cardholder Verification Method (CVM) hierarchy for all EMV card types: Online PIN, Offline PIN (Plaintext/Encrypted), Signature, No CVM, Cardholder Device. Describe the ability to support this preference.
   a. Can the State provide clarification as to the expectation of each listed above?

RESPONSE: Vendor should describe their ability to support the CVM hierarchy above.

7. 4.3.2.29 The STO prefers the Vendor's solution supports offline authentication. Describe what methods (e.g. SDA, DDA, CDA) are supported.
   a. Please provide clarification as it relates to the use of EMV in an off line mode – are you asking what process is used to authenticate the EMV Cards?

RESPONSE: The STO is not asking for EMV offline authentication. Vendor should state which methods of offline authentication they can support.

8. 4.3.2.30 The STO prefers the Vendor solution supports offline verification and offline authorization. Describe the ability to support this functionality.
   a. Is this related to a temporary or disaster situation where the system to process is inaccessible? Are you asking for the ability to accept cards for later processing (i.e. store and forward)? Is this related to pre-authorizations for transactions in process related to a future sale?

RESPONSE: The STO is asking Vendor for the ability to support offline verification and authorization. The reason for offline authorization is not pertinent the Vendor's response.

9. 4.4.1.22 On the spending unit receipt accounts, the Vendor must notify the STO of any cardholder disputed Credit Card Sales transactions within two (2) business days of the Vendor's receipt of the transaction.
   4.4.1.23 On the E-Government receipt account, the Vendor must notify the STO of any cardholder disputed Credit Card Sales transactions within two (2) business days of the Vendor's receipt of the transaction.
   a. Is it the intent of the State to operate outside of the card brand requirements and accelerate the access to disputed transactions? Please elaborate on desired specifications.

   RESPONSE: The vendor must notify the spending unit or STO of any disputes within 2 business days of them receiving notification of the dispute from the card brand. See clarification at the top of this addendum.

10. Supplies question:
    a. What is the desire or intent to have supplies (i.e. cre,dit card receipt paper) provided by the vendor?

    RESPONSE: Please see Mandatory Specification 4.4.3.2.

11. 4.3.5.9 and 4.4.3.6 Training
    a. Detail the level of live support required for training and continued support. Is it your intent that an individual representative be assigned to the relationship by the vendor, and should there be a local person available to go on site to support agency needs or do you simply require delivery of a training guide?

    RESPONSE: 4.4.3.6 requires the Vendor provide all training, documentation and customer supports as needed for terminal deployment and maintenance by the STO and spending units that will ensure the efficient operation of terminals. Training must include all manuals, supplies, instruction sheets, personal instruction, etc. In 4.3.5.9 the STO is asking the Vendor to provide the terminal-related materials that the Vendor provides to users as required in 4.4.3.6. Vendors may describe their help desk support capabilities in 4.3.5.8.

12. Currency 4.3.4.14 Describe how Vendor terminal solutions support dynamic currency conversion for international cards.
    a. Is it the intent of the State to allow DCC (dynamic current conversion) and what is your intent as to paying the fee related to conversion charged by the merchant and/or bank?

    RESPONSE: The STO is asking Vendor to describe how its terminal solutions support dynamic currency conversion for international cards. Any fees related to dynamic currency conversion should be listed on the cost sheet.

13. 4.4.1.28 Vendor solution must provide STO with transaction level detail reporting for all settled transactions, at least daily, for all channels, and reporting must include detail by batch and MID including the STO-defined field.
    a. Is it the intent of the State to provide a user defined field that moves thru the entire transaction process and is also returned, the same, by all card brands?

RESPONSE: The STO will provide or specify the user-defined field on a transaction and requires this field be available on the settlement file.

14. 4.4.2.2 The Vendor must provide dedicated, experienced staff who offer the following services:
    - Support to the STO and the spending units.
    - 24 hours a day, 7 days a week availability for problem resolution.
    - Conduct quarterly account review meetings with the STO.
    - Notify, educate and train the STO with respect to card brand rule changes as they arise.
    a. Please define dedicated staff? Is it your intent to have access to the same individual or simply the support center for response to issues as they arise?

RESPONSE: The Vendor must provide dedicated, experienced staff as required in 4.4.2.2.

15. 4.4.3.6 The Vendor must provide all training, documentation and customer support as needed for terminal deployment and maintenance by the STO and spending units that will ensure the efficient operation of terminals. Training must include all manuals, supplies, instruction sheets, personal instruction, etc.
    a. What is your live training and in person/live expectation? Is it expected that there will be a specific assigned individual available to deliver in person training for agencies?

RESPONSE: 4.4.3.6 requires the Vendor provide all training, documentation and customer supports as needed for terminal deployment and maintenance by the STO and spending units that will ensure the efficient operation of terminals. Training must include all manuals, supplies, instruction sheets, personal instruction, etc. Vendors may describe their help desk support capabilities in 4.3.5.8.

16. 6.5.2 Failure to Meet Mandatory Requirement: Vendors must meet or exceed all mandatory requirements in order to move past the technical evaluation and have their cost proposals evaluated. Proposals failing to meet one or more mandatory requirements of the RFP will be disqualified.
    a. The bid is very technical in nature with many processes that are dependent on Visa rules and card brand activity/processing. The vendor can accept and integrate solutions desired but it is the card brand that dictates many of the data response criteria and timing. Should the vendor respond with their solution to satisfy the requirement regardless of outside processing inhibitors that could make the solution invalid or will indication and explanation of inhibitor be acceptable as a mandatory response?

RESPONSE: The Vendor must respond to all Mandatory Requirements and Vendor must meet or exceed Mandatory Requirements in order to move forward to the Technical and Cost proposal evaluations.

17. 4.4.1.10 Vendor solution must support the use of a STO-defined field in the authorization and response message received for CNP transactions.
    a. Can the STO provide an illustration of how they desire this report to look? Has STO confirmed that it is possible that all card brands can pass through the unique identifier from end to end? If so, can you provide documentation as to the structure and programming necessary to deliver this mandatory?

RESPONSE: The STO requires the Vendor utilize a unique identifier, provided by or specified by the STO, to be available in the authorization and response message for all CNP transactions no matter which card brand it is. This unique identifier needs to be available from at least the gateway

through settlement. If the card brands will not return the STO defined field, the Vendor must include it on the settlement file.

18. Cost Sheet:
    a. Are only those questions in the base cost of evaluation scored?
    b. Please define what other fees – statements fees "3" referring to.
    c. Rebates/Special Pricing: would this section include earnings credit for deposit balances?
    d. Fraud Management – CNP: Can you explain what this section is intended to represent?
    e. Terminal maintenance or warranty cost: Do you wish to provide only the standard warranty or do you expect an extended warranty to be provided at various costs and times (i.e. 1 year, 2 year, 3 year etc.)

    RESPONSE:
    a. Yes.
    b. "statements" with quantity of 3 under "Other Fees" refers to any statements that would be provided for the three individual accounts where settlements would be sent.
    c. Yes.
    d. The cost of CNP fraud management tools offered by the Vendor if one is provided within the product offering.
    e. The STO does not have an expectation. The Vendor should provide any standard warranty or extended warranty it has available.

Group 3 Vendor Questions:

1. Section 4.4.1.15 The Vendor must deposit to three (3) separate demand deposit accounts (DDA), which will be in the name of the West Virginia State Treasurer. Will the STO provide average balance information for each of the required DDA accounts?

   RESPONSE: 4.4.1.15 refers to the three (3) separate demand deposit accounts (DDA) the STO currently has. The requirement is that the transaction settlements be deposited only to these three DDA accounts in accordance with 4.4.1.13. The total of the settled amounts for each of these three DDA accounts can be sent via EFT at the end of each business day to its respective DDA. Average balance information is not necessary for this requirement, however, known annual transaction information is available in 4.2.8.

Group 4 Vendor Questions:

1. Are any Spending Units going to be Agency Absorbed, or will they all be Convenience Fee funded?
   a. If both models are going to be used, can the STO please identify which model will be utilized for each Spending Unit?

   RESPONSE: Spending Units can utilize service fees at their own discretion. The STO cannot provide a listing of models. Spending Units can choose to charge service fees at any time on any payment.

2. Can the Spending Units be identified and a breakdown of the payment transaction (credit/debit) volumes be provided for each one (like what is provided in 4.2.8)?
   a. If a breakdown of volumes cannot be provided can the average transaction amount be provided for each Spending Unit?

RESPONSE: No, a breakdown of individual Spending Unit volumes cannot be provided.

3. Is the STO going to continue to maintain their contract with American Express or would you like the new service provider to process these transactions?

   RESPONSE: The STO will continue to maintain their contract with American Express at this time.

4. Re: Exhibit A, 3rd Party Gateways. Is the STO going to continue using these Gateways, or is the intent to replace them with the payment processor selected through this procurement?

   RESPONSE: The STO prefers to continue using the Gateways listed in Exhibit A, but alternative gateways are an option.

Group 5 Vendor Questions:

1. RFP page 11, Section 4.2.5. In the future state, is the state considering updating E-Pay to provide tokenization or is the expectation that the vendor's solution will provide tokens to E-Pay and any other gateways?

   RESPONSE: The STO expects the Vendor's gateway solution provide tokens to E-Pay, not other gateways.

Group 6 Vendor Questions:

1. **Card Present**
   How is the payment architecture unique?

   RESPONSE: Please see Background and Current Operating Environment in section 4.2.

2. What POS application is being used in your brick and mortar locations (other locations)? Name/version?

   RESPONSE: Every Spending Unit can contract with a third party to provide POS applications that fit their business needs. The STO requires Spending Units to ensure these applications process with the Merchant Services provider awarded by this contract.

3. Is the intention to have all physical locations using the same technology stack?

   RESPONSE: No, all physical locations are controlled by different Spending Units and need technology stacks that fit their business requirements.

4. How many physical locations are there?

   RESPONSE: Please see the background information in section 4.2. There are approximately 450 physical locations accepting payments with, some with multiple terminals. Spending Units may open and/or close locations at their discretion.

5. Does the POS software integrate to the devices being used in the locations? Or are they standalone devices?

   RESPONSE: Both. Some Spending Units have POS software integrated into their devices while others may only have standalone devices.

6. What devices exist in your physical locations? Is there a consideration for changing them?

    RESPONSE: Please see Exhibit A, which is a listing of current devices in use. It is preferred that devices not be changed and be remotely injected with new keys, but Vendor can provide their device offering in 4.3.4.1.

7. How many devices do you have per location?

    RESPONSE: The number of devices varies by location. Information on how many devices per location is not known and cannot be provided.

8. What processing functionality is supported on the devices today (i.e. PIN debit, EMV, NFC, P2PE, etc.)

    RESPONSE: The STO knowledge is that all functionality is supported, depending on the device, but not all functionality is being utilized by the Spending Units.

9. What additional functionality is required future state?

    RESPONSE: It is the STO's wish to offer all functionality available regarding card processing if applicable. Vendor can provide its offering in 4.3.4.1.

10. If supporting PIN debit today, are your keys shared or unique?

    RESPONSE: Yes. The keys are unique.

11. If supporting P2PE today, whose technology is being used today?

    RESPONSE: Currently FreedomPay and TrustCommerce P2PE solutions are supported.

12. Who manages your prepaid card program today? Is that support in scope of this RFP?

    RESPONSE: Yes. The Vendor may provide its solution in 4.1.8 and 4.3.2.6.

13. Is there a gateway in use today for your physical locations?

    RESPONSE: Yes, please see Exhibit A.

14. Do you currently support a gift card program?

    RESPONSE: Yes

15. Do you support physical checks today? Will that be required of successful vendor to support?

    RESPONSE: Physical checks are outside the scope of this RFP.

16. Do you support tokens in the store?

    RESPONSE: Yes. This is supported through our E-Gov program.

17. How is settlement handled today?

RESPONSE: Please see the Background and Current Operating Environment in section 4.2. The requirement is that the transaction settlements be deposited to these three DDA accounts in accordance with 4.4.1.13. The settled amounts can be sent via EFT at the end of each business day to its respective DDA.

18. What is your expected settlement time for each region?

    RESPONSE: Please see the Background and Current Operating Environment in section 4.2.

19. What is your funding schedule?

    RESPONSE: Settled transactions must be deposited in the State's account with our current banking service provider within one business day as required in 4.4.1.13.

20. Are any virtual terminals in use in the locations? If so, are they integrated to your POS/CRM/ERP systems?

    RESPONSE: Yes. See Exhibit A.

21. Are there any physical international locations accepting payment? If so, is local currency settlement required?

    RESPONSE: There are no current State of West Virginia Spending Units operating international locations accepting payments.

22. What are the current terminals are you using?

    RESPONSE: See Exhibit A.

    Card Not Present (Call Center)
    The STO currently does not have a Call Center or plan to deploy a Call Center. However, Spending Units have the discretion to setup a Call Center if so desired. All questions below cannot be answered by the STO.

23. Is there a call center environment that takes payment?

    RESPONSE: N/A

24. What software (POS) is being used? Name/version?

    RESPONSE: N/A

25. How many workstations and devices are in the CC?

    RESPONSE: N/A

26. Are there PINpads in use today? If so, are they integrated to the POS system?

    RESPONSE: N/A

27. Is there a Virtual Terminal being supported for payment transactions? If so, is it integrated to the CRM/ERP system?

    RESPONSE: N/A

28. Is data being encrypted at key entry?
    RESPONSE: N/A

29. Are tokens supported?

    RESPONSE: N/A

30. What tenders are accepted?

    RESPONSE: N/A

31. Are Level 2 or 3 transactions accepted?

    RESPONSE: N/A

32. Does the Call Center use a payment gateway?

    RESPONSE: N/A

33. Do you support eCheck?

    RESPONSE: N/A

34. How is settlement handled?

    RESPONSE: N/A

35. Is there a need to support multiple MIDs?

    RESPONSE: N/A

36. Is there a convenience fee linked to this payment method?

    RESPONSE: N/A

37. Is there an international payment component in this method?

    RESPONSE: N/A

    Card Not Present (IVR).
38. Is there currently an IVR capturing payments?

    RESPONSE: No

39. Is the IVR integrated to a Payment Gateway?

    RESPONSE: N/A

40. Is there a convenience fee linked to this payment method?

    RESPONSE: N/A

41. What payment tenders are accepted (Check, Card, etc)?

RESPONSE: N/A

42. Is there a need for the IVR to support tokens?

RESPONSE: N/A

Card Not Present (eCommerce)
43. What software application is driving the checkout experience?

RESPONSE: The STO currently utilizes an in-house custom written application (E-Gov). Please see 4.2.5. Some Spending Units contract with third parties to provide the checkout experience. These third parties must process through the merchant services provider awarded by this solicitation.

44. Is there a 3rd Party hosting any of the checkout experience? (i.e. iframe/payment page)

RESPONSE: Yes. There are a variety of third party vendors hosting the checkout experience for various Spending Units. Please see previous answer.

45. What tenders are accepted online? (Credit, PINless Debit, eCheck,Gift, etc.)

RESPONSE: Credit and Debit tenders are accepted and are in scope for this RFP. ACH is also accepted but out of scope for this RFP.

46. Is there a payment gateway in use online? Which?

RESPONSE: Yes. Auth.net and TrustCommerce are currently in use for the E-Gov program. Some Spending Units use a third party gateway and bypass E-Gov, but settle to the STO DDA. Please see attachment A for a listing.

47. Are you currently using a fraud management provider? If so, will they be maintained?

RESPONSE: Yes. The STO currently utilizes a fraud management program through our current Vendor. The current program will not be maintained after an award of this solicitation. Vendor should discuss its options in 4.3.2.31.

48. How are recurring transactions handled?

RESPONSE: Recurring transactions are handled via tokenization with a third party gateway. Authorize.net is utilized for E-Gov payments.

49. What is your process for handling recurring transactions that decline?

RESPONSE: The STO will refer the payment to the Spending Unit and it is the Spending Unit's discretion as to how they handle the customer repayment.

50. How tender types are supported on your mobile app?

RESPONSE: The STO does not currently have a mobile app. A third party may utilize a mobile app, but connect it to the E-Gov program where payments will be accepted.

51. Are you using a 3rd party or native built app?

RESPONSE: The STO does not currently have a mobile app. A third party may utilize a mobile app, but connect it to the E-Gov program where payments will be accepted.

52. Are there any alternative wallets supported for your browser based or mobile app platforms?

RESPONSE: Currently, Apple Pay is supported through the STO's E-Gov solution.

53. Do you maintain your own token database or does a 3rd party?

RESPONSE: A third party maintains the STO token database.

54. Are you supporting PINless Debit bill pay currently?

RESPONSE: Not to the knowledge of the STO.

55. What international payment currencies are accepted today? Any future currencies requiring support?

RESPONSE: The STO does not accept international payment currencies. All transactions are converted to USD before the STO receives payment.

56. Is local currency settlement a requirement?

RESPONSE: Yes. The STO requires USD settlement.

57. Are there any foreign alternative payment methods required?

RESPONSE: No.

58. Is interac a required payment tender?

RESPONSE: No.

59. Are there any other value added services required?

RESPONSE: Please refer to RFP for services required.

Other

60. Do you currently add fees for processing card payments?

RESPONSE: Yes. E-Gov payments add a service fee at the Spending Unit's discretion. Spending Units may also add service fees for card present transaction.

61. Would you want to add fees if could?

RESPONSE: E-Gov payments add a service fee at the Spending Unit's discretion. Spending Units may also add service fees for card present transactions.

62. Would you like to add them in all locations? If not how many?

RESPONSE: E-Gov payments add a service fee at the Spending Unit's discretion. Spending Units may also add service fees for card present transaction.

63. What current system(s) do you use?

   RESPONSE: Please refer to the RFP for systems used.

64. Is there anything specific looking to enhance your current system(s)?

   RESPONSE: Please refer to RFP for services required.

65. Are you looking to absorb the fees or want a convenience fee model?

   RESPONSE: The STO and Spending Units operate on a service fee model allowed by card brand rules for government entities. All service fees charged are at the discretion of the Spending Units.

66. With regard to pricing, what pricing structures will the STO consider, e.g. bundled pricing, Interchange Plus pricing, etc.?

   RESPONSE: Bundled. Please refer to the cost sheet, Attachment C, in this solicitation.

67. Is the Service Fee program managed by the STO or the vendor?

   RESPONSE: The service fee program is managed by the STO and Spending Units.

68. Will the iFrame set-up with Authorize.net be complete prior to the awarding of the bid? If not, when is this anticipated?
   RESPONSE: Setup is currently completed, but roll out to all Spending Units will not be completed by the time this solicitation is awarded.

69. Will the STO consider a using a gateway other that Authorize.net?

   RESPONSE: Yes

70. If Authorize.net is the required gateway, will the STO manage this with Authorize.net directly or does the vendor need to manage that program?

   RESPONSE: It is not the required gateway, however, the Vendor will be responsible for managing any gateway relationship.

71. With regard to audited reports, how may those be submitted, e.g. web link or paper?

   RESPONSE: Web link is accepted.

Group 7 Vendor Questions:

1. What pricing structures will the STO consider, e.g. bundled pricing, Interchange Plus pricing, etc.?

   RESPONSE: Bundled. Please refer to the cost sheet, Attachment C, in this solicitation.

2. Is the Service Fee program managed by the STO or the vendor?

   RESPONSE: The service fee program is managed by the STO and Spending Units.

3. Will the iFrame set-up with Authorize.net be complete prior to the awarding of the bid? If not, when is this anticipated?

   RESPONSE: Setup is currently completed, but roll out to all Spending Units will not be completed by the time this solicitation is awarded.

4. Will the STO consider a using a gateway other that Authorize.net?

   RESPONSE: Yes

5. If Authorize.net is the required gateway, will the STO manage the program/account with Authorize.net directly or will the vendor need to manage that program?

   RESPONSE: It is not the required gateway, however, the Vendor will be responsible for managing any gateway relationship.

6. With regard to audited reports, how may those be submitted, e.g. web link or paper?

   RESPONSE: Web link is accepted.

7. How is the payment architecture unique?

   RESPONSE: Please see Background and Current Operating Environment in section 4.2.

8. What POS application is being used in your brick and mortar locations (other locations)? Name/version?

   RESPONSE: Every Spending Unit can contract with a third party to provide POS applications that fit their business needs. The STO requires Spending Units to ensure these applications process with the Merchant Services provider awarded by this contract.

9. Is the intention to have all physical locations using the same technology stack?

   RESPONSE: No, all physical locations are controlled by different Spending Units and need technology stacks that fit their business requirements.

10. Does the POS software integrate to the devices being used in the locations? Or are they standalone devices?

    RESPONSE: Both. Some Spending Units have POS software integrated into their devices while others may only have standalone devices.

11. What devices exist in your physical locations? Is there a consideration for changing them?

    RESPONSE: Please see Exhibit A, which is a listing of current devices in use. It is preferred that devices not be changed and be remotely injected with new keys, but Vendor can provide their device offering in 4.3.4.1.

12. How many devices do you have per location?

    RESPONSE: The number of devices varies by location. Information on how many devices per location is not known and cannot be provided.

13. What processing functionality is supported on the devices today (i.e. PIN debit, EMV, NFC, P2PE, etc.)

RESPONSE: The STO knowledge is that all functionality is supported, depending on the device, but not all functionality is being utilized by the Spending Units.

14. What additional functionality is required future state?

    RESPONSE: It is the STO's wish to offer all functionality available regarding card processing if applicable. Vendor can provide its offering in 4.3.4.1.

15. If supporting PIN debit today, are your keys shared or unique?

    RESPONSE: Yes. The keys are unique.

16. If supporting P2PE today, whose technology is being used today?

    RESPONSE: Currently FreedomPay and TrustCommerce P2PE solutions are supported.

17. Who manages your prepaid card program today? Is that support in scope of this RFP?

    RESPONSE: Yes. The Vendor may provide its solution in 4.1.8 and 4.3.2.6.

18. Is there a gateway in use today for your physical locations?

    RESPONSE: Yes, please see Exhibit A.

19. Do you currently support a gift card program?

    RESPONSE: Yes

20. Do you support physical checks today? Will that be required of the vendor to support?

    RESPONSE: Physical checks are outside the scope of this RFP.

21. Are any virtual terminals in use in the locations? If so, are they integrated to your POS/CRM/ERP systems?

    RESPONSE: Yes. See Exhibit A.

22. Is there currently an IVR capturing payments?

    RESPONSE: No

23. Is there a need for the IVR to support tokens?

    RESPONSE: No

24. Is the IVR integrated to a Payment Gateway?

    RESPONSE: N/A

25. Is there a convenience fee linked to this payment method?

    RESPONSE: N/A

26. What payment tenders are accepted (Check, Card, etc.)?

RESPONSE: Please see background information in section 4.2.

27. Do you support eCheck?

RESPONSE: eCheck is outside the scope of this RFP.

28. Are Level 2 or 3 transactions accepted?

RESPONSE: Yes.

29. What software application is driving the checkout experience for CNP transactions?

RESPONSE: The STO currently utilizes an in-house custom written application (E-Gov). Please see 4.2.5. Some Spending Units contract with third parties to provide the checkout experience. These third parties must process through the merchant services provider awarded by this solicitation.

30. Is there a 3rd Party hosting any of the checkout experience for CNP transactions? (i.e. iframe/payment page)

RESPONSE: Yes. There are a variety of third party vendors hosting the checkout experience for various Spending Units. Please see previous answer.

31. What tenders are accepted online? (Credit, PINless Debit, eCheck,Gift, etc.)

RESPONSE: Credit and Debit tenders are accepted and are in scope for this RFP. ACH is also accepted but out of scope for this RFP.

32. Is there a payment gateway in use online? Which?

RESPONSE: Yes. Auth.net and TrustCommerce are currently in use for the E-Gov program. Some Spending Units use a third party gateway and bypass E-Gov, but settle to the STO DDA. Please see attachment A for a listing.

33. Are you currently using a fraud management provider? If so, will they be maintained?

RESPONSE: Yes. The STO currently utilizes a fraud management program through our current Vendor. The current program will not be maintained after an award of this solicitation. Vendor should discuss its options in 4.3.2.31.

34. How are recurring transactions handled?

RESPONSE: The STO will refer the payment to the Spending Unit and it is the Spending Unit's discretion as to how they handle the customer repayment.

35. What is your process for handling recurring transactions that decline?

RESPONSE: Refer payment to the agency and will be agency's discretion on how to handle customer payment.

36. How tender types are supported on your mobile app?

RESPONSE: The STO does not currently have a mobile app. A third party may utilize a mobile app, but connect it to the E-Gov program where payments will be accepted.

37. Are you using a 3rd party or native built app for mobile transactions?

RESPONSE: The STO does not currently have a mobile app. A third party may utilize a mobile app, but connect it to the E-Gov program where payments will be accepted.

38. Are there any alternative wallets supported for your browser based or mobile app platforms?

RESPONSE: Currently, Apple Pay is supported through the STO's E-Gov solution.

39. Do you maintain your own token database or does a 3rd party?

RESPONSE: A third party maintains the STO token database.

40. Are you supporting PINless Debit bill pay currently?

RESPONSE: Not to the knowledge of the STO.

41. Are there any other value added services required or would be considered?

RESPONSE: Please refer to RFP for services required.