

Ohio Treasurer of State
Request for Proposal for Financial Transaction Devices
Respondent Questions and Treasurer’s Office Answers
December 29, 2015

Respondent Question		Treasurer’s Office Answer
<i>1- Fees and Service Fees</i>		
1	Is the state interested in a service fee solution, whereby the payer is charged a fee for the use of credit/debit card?	Yes, some agencies do currently utilize a service fee model/solution.
2	Which department will absorb the (convenience) fee and which departments will pass a convenience fee to the user?	Currently less than 10 state agencies apply a service fee to their card transactions. That number could increase in the future.
3	Does Ohio assess convenience fees on any transactions today (even out of the scope of the RFP) and do you plan to assess convenience fees in the future? If so, what locations accept or anticipate accepting convenience fees and who manages or would manage the fees? Do the locations use a two transaction model and if so who receives funding for the second transaction?	Currently less than 10 state agencies apply a service fee to their card transactions. That number could increase in the future. The gateway provider currently manages those service fees with a two transaction model. The second transaction is held by the gateway, or in some cases, by the agency.
3	The proposer will provide internet reporting showing fees charged. The proposer requires that it debit the Treasurer’s Office’s DDA for all fees. Is the Proposer allowed to debit for all fees? If this is not acceptable, the proposer will need to decline the bid.	No fees will be permitted to be directly debited. The proposer will need to provide a monthly invoice to all individual agencies in order to receive payment.
4	In addition to fees that are traditionally debited from the DDA, will the Treasurer’s Office allow the proposer to debit its DDA for fines that are passed on by the payment brands through the proposer? If this is not acceptable, the proposer will need to decline the bid.	No fees will be permitted to be directly debited. The proposer will need to provide a monthly invoice to all individual agencies in order to receive payment.

4	Please clarify section 3.1 Minimal Requirements #26. Will the state provide a secondary account to ACH fees from, or is the state requesting to be billed/invoiced at the end of each month?	The proposer will need to provide monthly invoices (per MID/location) to all agencies in order to receive payment.
5	The RFP states that Section 6 should be included in both the technical response and fee proposal response. Please verify you would like to receive Section 6 in the fee proposal only. Also, please verify placement of section 7- Other Information in either the technical response or fee proposal?	Section 6 is the implementation plan portion that is to be included with the Technical Response. The fee proposal portion is a separate section (one section) from the technical response.
6	What is the current pricing under this contract with the incumbent?	The Treasurer's Office is processing this question as a public records request. Please keep in mind that such requests require review by the Treasurer's legal department and may not be fulfilled by the due date of this RFP.
7	Is there a preferred format or schedule for the fee proposal?	The Treasurer's Office is agreeable to review any fee method provided by the respondent in a searchable format.
8	How will you evaluate proposers who provide all-in-pricing and not interchange plus a fee?	Both pricing methods will be treated equally.
<i>2- Conversion/Service</i>		
1	Does the State expect full rollout by July 2016? Must all agencies participating in the RFP be implemented by July 2016?	No, it is not necessary to implement all agencies by July, 2016. The Treasurer's Office will coordinate a conversion schedule/plan to have state agencies converted preferably by EOY 2016.
2	What is the time frame of moving all departments to the new platform?	See answer above.
3	Is a 24/7/365 customer service team an acceptable solution for this request to have 3 contacts that are available during non-business hours?	Yes, that option is acceptable during non-business hours.
4	Would an extension to the due date be granted? (The proposer) would request a due date that is 6 weeks from the date that answers to proposer's questions are provided?	There currently are no plans to extend beyond the January 15, 2016 deadline.

5	When does your current merchant acquiring contract expire?	July 1, 2016
6	Who is the incumbent or current provider of the services outlined in this RFP?	Elavon (Key Bank) and Vantiv (Fifth Third Bank).
7	Please clarify the date range of value listed in Appendix 3?	The date range for the information provided in Appendix 3 is November 1, 2014 through December 1, 2015.
8	On a scale of 1-10 with 1 being extremely unhappy and 10 being extremely happy, how would you rank your incumbent?	The RFP provided is not scoring the current provider, it seeks to score and/or select from respondents.
9	Is there any consideration provided to minority or women owned businesses?	Respondent RFP responses will be evaluated based on: 1) ability to meet the minimum requirements; 2) the Respondent's ability to support the services based on the Technical Response and functional requirements; and 3) if Respondent's Section 6 – Fee Proposal is deemed by the Treasurer's Office as both feasible and competitively priced. Based on this evaluation, the Treasurer's Office will select the pool of Respondents to move to Stage Two evaluation ("Respondent Finalists").
<i>3 – Settlement/Reporting</i>		
1	Do the funds settle directly to a state-owned bank account?	Yes, all settlement funds must settle to a state checking account.
2	What is the time frame of your current funding for payment of your settlement items?	Previous day settlement (payment) from current provider is available by 9:00 AM EST in the State of Ohio checking account.
3	Are you funded via wire or ACH?	ACH
4	What depository bank are your funds settled into?	Key Bank
5	What is your settlement cutoff time?	9:00 PM EST
6	Do you have communication needs such as MPLS Circuits, VPN connectivity or Secure FTP? If so, please identify specific needs?	Daily settlement data (raw date file) is delivered via SFTP.
7	If not common, what are the systems of record or ERP's for each state agency?	A common state accounting system (OAKS) is utilized by all state agencies. Credit card settlement information is added to that system daily from the EMAF file that the processor creates and delivers.

8	Does each state agency rely on online reporting for daily reconciliation? If so, are capabilities available to automate reporting?	Agencies do utilize online reporting from the current processor to verify and research information. Currently an automated report is not available.
<i>Eligibility/Minimum Requirements</i>		
1	Please confirm that the large national firms providing merchant services across the United States, operating several banking lines of business in Ohio, but not headquartered in Ohio and do not have a retail banking centers in Ohio are “Eligible Respondents” to the RFP?	A respondent with an Ohio retail presence is appreciated, but a retail presence is not a requirement. The respondent would be required to deposit funds into a State of Ohio checking account with an approved Ohio depository institution.
2	Is it required that all minimum requirements be met in order to be considered? Will the proposer be disqualified if a minimum requirement is not able to be met?	Please list any deviations from the Minimum Requirements listed in Exhibit 3. The Treasurer’s Office will review any deviations and determine if proposer’s suggested alternative is acceptable.
3	Can you provide an example of what data request such as this (Section 3.12) would compromise?	Ex: Missing or unclear fee information. Reporting information.
4	Is there a scoring matrix in how the state will select the winner of this RFP?	Yes, technical responses and fee responses will be scored separately.
<i>Gateway</i>		
1	If a third party gateway is used for payment processing, provide the company name and product name of the gateway and areas using this acceptance type along with the company name and product name of the system?	Section 5.7 (pg. 26) of the RFP lists the majority of current gateways utilized by state agencies. These gateways are utilized mostly for online card acceptance.
2	Currently, are any recurring transactions performed and automatically executed by the current vendor? If so, which agencies/departments are using recurring payments?	Currently no state agency is utilizing recurring payments.

3	What software systems accept payments for each department which uses this contract and what payment gateways are currently being used? Is there a requirement to utilize a particular payment gateway?	Section 5.7 (pg. 26) of the RFP lists the majority of current gateways utilized by state agencies. These gateways are utilized mostly for online card acceptance.
<i>EMV and PCI Compliance</i>		
1	What is your timeframe to implement EMV (Chip & PIN, Chip & Signature) and are you mandating EMV for all agencies/departments who will process card present transactions through the proposed processing agreement?	Yes, the Treasurer's Office communicated EMV acceptance procedures to all state agencies. All stand-alone terminals are EMV enabled/ready. A small percentage of locations continue to work with kiosk and/or software providers for EMV enablement.
2	Are all of the agencies/departments (in scope of the RFP) PCI compliant today? If not, which ones are not compliant? Will these agencies become PCI compliant before the new contract (Since a merchant cannot change processors if they are not compliant)? For those that are compliant, what is their PCI level (1, 2, 3, or 4)?	All agencies have certified PCI compliance with an approved PCI assessor. The majority of agencies are level 4. Those agencies that qualify for level 2 or 3 complete the additional PCI qualification steps.
<i>Terminals/Acceptance type</i>		
1	What terminals/Softwares/Gateway types are utilized by the state per department and/or MID? Include PIN Pads if being used?	Terminals: VX 520, Ingenico ICT 250, and Telium ICT 250. No separate PIN Pads are being utilized. Most commonly used Gateways are listed in RFP Section 5.7 (pg. 26).
2	How many stand-alone credit card terminals are used today by the state, and are they owned, rented, or leased.	State agencies own approximately 50 terminals. Annually, there is an agency that rents about dozen terminals for one month.
2	Please provide the additional software name and version number of the gateway solutions being used? For instance, Active Networks provides numerous solutions to clients and it is important to know the exact solution in order to determine compatibility?	The Treasurer's Office understands software version number information is important; we would defer that level of detail discussion to proposer presentation meetings.

3	Does the state plan to accept any emerging payments as a form of acceptance?	The Treasurer's Office is open to discuss emerging payment options the proposer may offer.
4	How does the state plan to incorporate mobile technology and payment options as (1) a form of acceptance and (2) way to connect with constituents?	Since most current mobile payment options are not EMV compatible, they are not widely used by state agencies. The Treasurer's Office is open to discuss mobile options from the proposer.
5	What card readers (such as wedges attached to laptops or PC's) are used today, the number of each, manufacturer, made and model of each and if owned, rented, or leased?	The majority of card present locations utilize a card terminal. Detailed information related to other card readers can be provided during the implementation process with the respondent.
6	What check readers are used today?	Currently, no electronic check readers are utilized for card acceptance. This RFP covers credit card acceptance only.
7	Are your POS terminals a host system individual dial up terminals?	Terminals utilize a dial-up (including VOIP) or SSL connection.
<i>Volume</i>		
1	Can we get the volume breakdown per processing type card present/card not present/service fee and by department	Appendix 3 provides volume information by card type and number of locations that are card present and card not present.
2	What percent of your volume is accepted at the point-of-sale or on-line?	Appendix 3 provides volume information by card type and number of locations that are card present and card not present.
3	Can you provide a volume breakdown by department as listed in Appendix 2?	Appendix 3 provides volume information by card type and number of locations that are card present and card not present.
4	Can the state provide volume by collection mode i.e. Point-of-sale, web interactive voice response, mobile, text2pay?	Appendix 3 provides volume information by card type and number of locations that are card present and card not present.