Department of General Services – City Procurement

Addendum # 1	Revenue Cashiering and Merchant Services RFP # 269-2023-043

To: All Prospective Vendors

Date: July 18, 2023

Subject: Addendum # 1– /RFP # 269-2023-043 – Revenue Cashiering and Merchant Services

Please note the specification changes/modifications below for the RFP.

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1		MWSBE	MWSBE Utilization Form	**Service Provider Question:** Question? On the MWSBE Form, there is not an established goal % for this Bid. "The form released with the bid seems to be a template, since both sentences are included on the form. Can the City advise if there is a % goal for MWSBE utilization for this bid? **Answer:** There is no goal for this solicitation. Our department of Business Inclusion reviews all solicitations and noted there was limited opportunity in this realm. The form is to be filled out. There may be some firms who are MWSBE certified.
2	16	Online Payment Portal (Kubra)	Section 3.4 - List of Current iNovah integrations	**Service Provider Question:** Does iNovah or FMS create the invoices? How does Kubra payment portal get the invoice to be paid? **Answer:** FMS creates non-utility invoices, the Utility Billing System issues Charlotte Water & Stormwater bills. The Utility Management System team transmits billing files to Kubra in a secure file.
3	16	Finance Views invoice information from FIC	Section 3.4 - List of Current iNovah integrations	**Service Provider Question:** Is iNovah providing the invoice or is it coming from somewhere else? **Answer:**

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				Invoices are created in multiple billing systems outside of iNovah.
4	16	Finance manually enters collected payment information into FICS	Section 3.4 - List of Current iNovah integrations	**Service Provider Question:** Where does the collected data information manually entered into FICS come from? Please describe the process. **Answer:** The collected data information is located on check stubs and/or invoice coupons for payments received for FICS invoices. Payments are entered in both iNovah and the FICS billing system (currently no integration between iNovah and FICS).
5	16	Deposit Capture	List of Current Capture Methods	**Service Provider Question:** Are all checks scanned into Bank of America's RDC Web Portal? Are checks only scanned once or are they scanned as part of the cashiering function? **Answer:** Yes, all checks are scanned into Bank of America's Remote Deposit Capture Web Portal, unless a paper deposit, e.g., scanner will not pick up MICR line. Checks are scanned one time after payment information is entered into iNovah and is outside of the cashiering function.
6		2.0.13	Requirements Matrix - Merchant Services	**Service Provider Question:** 2.0.13 **The solution is preferred to integrate with the city's cashiering system.** Are you referring to iNovah or some other system? **Answer:** The preference is to integrate with the chosen cashiering system, as a result of the city's Cashiering and Merchant Services Provider RFP issuance.
7	17	General Information	List of Current Banks	**Service Provider Question:** First Citizens is mentioned. What cashiering items are deposited into First Citizens? Please explain. Truist is listed as the utility lockbox processor. Are any non-lockbox transactions deposited in Truist?

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				Answer:
				The City's Aviation Department deposits their collections in First Citizens Bank. A daily sweep of funds is deposited in the city's bank account with Bank of America.
				No, Truist is the only lockbox processor. There are no non-lockbox transactions deposited in Truist.
8		2.0.18	Requirements Matrix - Merchant Services	**Service Provider Question:** 2.0.18. **The solution shall support current capture methods (swipe devices, online/web, kiosk, mobile, etc)** Does the city currently have Kiosks installed? If so, please describe configuration details. **Answer:** The following Departments use kiosks whose software is provided with the associated vendors: Aviation (long-term parking lots ticket and payment system – Designa), Dept. of Transportation (on-street parking meters – T2 and smart meter parking – IPS), Charlotte Area Transportation System (Ticket Vending Machines for Light Rail – Genetech/Value Payments System). Further discussions would need to take place with the respective technical folks on specific configurations.
9		Payment Processing		**Service Provider Question:** Prior to switching merchant service providers, will the cashiering solution need to process through Fiserv? **Answer:** No, unless there is no change with the current merchant service provider; then this topic can be revisited.
10		Integration to FICS		**Service Provider Question:** Please elaborate on the requirement to integrate to FICS. What functionality needs to be supported? **Answer:** The current FICS system for loan origination and loan management will be replaced by the Mortgage Office. (**https://www.themortgageoffice.com/**) Loans will be

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				made using Mortgage Office and the receivable will be sent to Workday AR. Please provide your recommendation to support the requirements for cashiering system to interface with Workday AR and interface with the Mortgage Office to relieve the loan payment.
11		Cashiering Hardware		**Service Provider Question:** Prior to the merchant services portion of the implementation, will the cashiering solution be expected to utilize your existing hardware? **Answer:** No.
12		Mail in Payments		**Service Provider Question:** Will the city of Charlotte also require a back office component to handle mail-in payments as well as walking/Cashiering payments? if not, how are those handled today? **Answer:** Yes, the City is looking for a full service solution for cashiering.
13				**Service Provider Question:** How many Administrator, Member and Viewer users are there currently? And are these numbers expected to increase, decrease, or stay the same? **Answer:** Administrator – 4 Member (Regular user) - 52 Viewer – 7 We expect the numbers to remain basically the same.
14		Pricing Worksheet		**Service Provider Question:** On the "269-2023-043 Revenue Cashiering and Merchant Service Form 4 Pricing Worksheet" under "Merchant Services - Processing Fee All Card Types" section, how can I convey a non-numeric price, such as "interchange plus dues, fees and assessments"?

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				Answer: Add an exhibit to your proposal and reference the written exhibit pricing explanation in this section.
15				**Service Provider Question:** Can you provide a breakdown of historical transactions by card type that are currently processed by the current cashiering solution? **Answer:** In the current environment, all city-wide payment card solutions do not interface with the cashiering system. We have provided the number of transactions for each card type below from the last fiscal year that data is available (July 1, 2021 – June 30, 2022). Please note these are city wide figures for all lines-of-business throughout the city and not every transaction is keyed into the cashiering system individually. Departments run daily cash reports, which batch the number of transactions and dollars collected to enter the $ totals into the cashiering system. Number of Transactions: Master Card – 699,329 Visa – 1,695,548 Discover – 45,295 American Express – 238,732
16				**Service Provider Question:** What is the City currently accepting EBT payments for? **Answer:** If EBT is being referred to as "Electronic Benefit Transfer," the city is not accepting EBT payments.
17				**Service Provider Question:** Will the City accept electronic signatures such as DocuSign on proposal forms requiring signature? **Answer:** Yes, the City will accept DocuSign as an authorized signature on proposals

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18				**Service Provider Question:** For the merchant services component of the RFP, which software providers will the MSP be required to integrate with? **Answer:** The City's current 3rd party gateway/software providers and solutions are out-of-scope for this RFP. Departments are currently under contract with their service providers. If a department(s) elects to change, then the software providers and architecture of the solution can be shared.
19				**Service Provider Question:** The City is currently using Kubra for an online payment portal (referenced on RFP p. 21 and p. 25). Will the merchant services provider need to replace this online payment portal, or interface with Kubra? **Answer:** The proposal should include your recommended solution for collection of online payments.
20				**Service Provider Question:** For the merchant services portion of the RFP, which payment methods are included (i.e., credit, debit, ACH)? **Answer:** The payment methods included are credit, debit, ACH/e-check.
21				**Service Provider Question:** On RFP p. 19-20, in both "Tender Totals" tables, there is a large volume of payments labeled as "Unspecified." Can the City please provide more information about these payments? (i.e., Which departments do not specify the payment type? Is there an estimate for which payment methods are included?) **Answer:**

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				Unspecified is used when a department does not denote the payment type or when there are multiple payment types. Departments not specifying the tender types can vary. We cannot provide an estimate within the "Unspecified" Tender Totals simply because either we do not know, and it would be too labor intensive to pull all the Daily Cash Report Documents for a given time-frame in which there are multiple payment types.
22				**Service Provider Question:** Under "Merchant Service Provider" (RFP p. 20), there is a list of departments that process cards. Are any of the other departments not listed here interested in adding card processing services? **Answer:** Yes. Currently, the Cemeteries Division within the City's General Services/Engineering Department is interested in adding an online payment solution. Other opportunities can and do arise as departments recognize a need to expand current payment methods for their services.
23				**Service Provider Question:** "Requirements Matrix" document, Tab 2, Question 2.0.22: "The solution shall be able to handle both convenience fee and absorbed fee models." Will the City please specify which departments currently use a convenience fee model and which use an absorbed fee model? Should vendors provide both options for all departments? **Answer:** Vendors should provide both options. Departments may choose either model for future payments.
24				**Service Provider Question:** "Pricing Worksheet": If a vendor wants to provide different pricing options for convenience fee models vs. absorbed models, how should this be presented? Additionally, can a vendor propose different pricing for different departments, and if so, how should this be presented? **Answer:**

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				If you cannot provide adequate explanation of your proposed pricing on the attached pricing sheet – add an exhibit to your proposal and reference the exhibit in this section
25				**Service Provider Question:** Will the City consider extending the deadline for proposal submission by at least 2 weeks so vendors can tailor our proposals to include the City's responses to Q&A? **Answer:** Yes, the proposal will be extended until August 8, 2023. The deadline for setting up a test system for Workday integration in July of 2024 will not be moved and will be part of the final contract.
26				**Service Provider Question:** We understand the RFP is for both Cashiering and Merchant Services. Will the City accept a response for only one of the services (i.e., a Cashiering vendor submits a proposal that does not include Merchant Services, or vice versa)? **Answer:** Yes, the City will accept a proposal for either service or both from the same provider.
27				**Service Provider Question:** We understand the RFP is for both Cashiering and Merchant Services. Will the City accept a joint proposal from two firms (i.e., a Cashiering firm partners with a Merchant Services firm)? In this scenario, is there a possibility the City would award to the Cashiering firm but not the Merchant Services firm, or vice versa? **Answer:** Yes, you can propose with a partner and yes it is possible that the City could award to one company but not the other.
28				**Service Provider Question:** We only see one month of merchant statements although the RFP states that 3 months would be provided. Can you please provide all 3 months? **Answer:**

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				Agree with vendor it seems like we only provided one month 9/1 – 9/30 not three months of statements. Added 10/1-10/31/22 and 11/1-11/30/22 statements to Exhibit C.
29				**Service Provider Question:** Can you provide a breakdown of the volume for in-person vs online payments? **Answer: For Fiscal Year 2022 (city-wide): 7/1/2021-6/30/2022:** **In person – Transaction Count = 76,042, Collections = $7,302,024** **Online – Trans. Count = 851,599, Collections = $16,734,327**
30				**Service Provider Question:** In the volume breakdown of 'payments by payment type' can it further be broken down by tender? – the transactions number reflecting in tender totals are different than totals in the payment by payment type section. **Answer: We do not have an easy way to break down the payments by payment type by tender.** **The reason for the discrepancy in the number of payment types and tenders is that a customer may pay several invoices at a time, and each invoice would be listed as a count in the payment type. The customer can pay for all these invoices with a single tender. It can also go the other way, paying a single invoice with multiple tenders (such as part cash and part check). There is not a one-to-one correspondence between the tender counts and the payment type counts.**
31				**Service Provider Question:** Is Electronic Bill presentment going to remain with Kubra or is that also in future scope along with merchant services? **Answer: Yes, Electronic Bill presentment will remain with Kubra.**
32				**Service Provider Question:** Is IVR in scope along with merchant services? If so, can you provide transaction totals and volumes? **Answer:** **IVR may be an option for some departments and services – if it is an additional cost then it should be noted as an**

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				optional service that the City may or may not decide to utilize.
33				**Service Provider Question:** Section 3.3 states that current third-party gateway providers are out of scope. Does this indicate a requirement for the proposed solution to conduct payment processing through the existing gateways? **Answer:** Yes. Provide a proposed solution for integration, so that when contracts expire with existing gateways that are currently out of scope, your solution may be considered.
34				**Service Provider Question:** Will the City consider proposals that propose additional and/or alternative gateway solutions that may provide enhanced functionality and lower costs? **Answer:** Yes, with the caveat that the proposed solutions may be an option and considered when contracts expire with existing gateways that are currently out of scope.
35				**Service Provider Question:** If the City intends to continue to use existing gateways, please provide a list of processors to which the gateways are certified. **Answer:** Fiserv Merchant Services
36				**Service Provider Question:** What is the "Mortgage Office" system referenced in the "List of Future Cashiering System Integrations" – is this to replace the FICS system which is not currently integrated? **Answer:** Yes, the Mortgage Office (https://www.themortgageoffice.com/) is the new loan origination and servicing system. It is replacing FICS as part of the Workday implementation which will go-live in February of 2025. (https://www.themortgageoffice.com/)
37				**Service Provider Question:** Are there any other departmental systems (Fire, Police, etc.) that require a separate direct integration, which have not been stated in the RFP? **Answer:** Required integrations have been included in the RFP. Other proposed integrations may be an option if processes were to be streamlined and costs lowered.

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38				**Service Provider Question:** (Technical 3.0.32) "The system shall support multiple languages (min. English and Spanish) for specific transactions, e.g., time entry and public portal." - In what specific capacity is multiple language support needed (e.g., public facing vs. internal)? **Answer:** If this pertains to merchant services and hosted payment pages, the public portal support for multiple languages would be public facing.
39				**Service Provider Question:** (Technical 3.0.166 - 172) Can the City clarify what "IA-CCA" refers to, within several of the solution requirements? **Answer:** IA-CCA stands for Internal Audit Continuous Control Auditing This process allows for the City to continuously review business processes for adherence to intended levels of performance and effectiveness.

In the event additional changes or clarifications to this RFP are warranted, all Vendors are responsible for monitoring the Procurement Portal for additional addenda.

We appreciate your interest in doing business with the City and look forward to receiving a Proposal from your company.

Sincerely,

Todd Holcomb
Procurement Officer