

Question & Answer #7 and Amendment #5

#00719 / #00819 – Commercial Card Services

This document is posted to capture questions received during the Question & Answer Period and to add Participating States and state specific Terms & Conditions and to **extend the bid due date to July 24, 2019** for solicitation #00719 / #00819 for Commercial Card Services.

#	Question	Response	Did this change the solicitation?
1	(B1/15.7) refers to how we verify a reporter's credentials when reporting fraudulent activity. We believe any providers response has the potential to expose them to account take over fraud. Could this section of the response be redacted?	This requirement has been adjusted. Information marked 'proprietary' or 'confidential' information in their response to be handled per guidelines addressed in Exhibit G. This requirement is also included in B2, requirement 15.7.	Yes

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2	(B2/2.1) Can you please define what you mean by “setup new accounts online”? Does it refer to adding a user to an online account or creating a new account? Note that it is not customary for a card provider to allow customers to create new accounts end-to-end, especially not allowed for creating new billing account codes. The application process can be done online and issuing cards and ordering cards under an existing account is acceptable, but creating an account is typically not allowed. With bank cards especially, stringent “know your customer” rules are followed for anti-money laundering practices.	In this case, “setup new accounts online” refers to the ability to establish a system account, not a new card account.	No
3	(B2/2.2) Please edit this requirement to say “or Merchant Category Codes (MCCs)”. MCC controls should be sufficient or in place of “Product Codes (PC)”.	It was our understanding the fleet programs used Product Codes (PC) instead of Merchant Category Codes (MCC). Requirement has been amended to allow for bidders to offer solutions managed by MCCs or PCs.	Yes

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4	(B2/2.9) Please remove “and Cardholders” from this requirement. Note that Program Administrators but not Cardholders would be able to access the account and statements online. Cardholders needs to be removed and definitely should not be a Mandatory requirement.	Removed the requirement for Cardholders to have access to statements online.	Yes
5	(B2/2.10) Please remove “and Cardholders”. Cardholders should not be granted online access to the account or the ability to make changes to the account. Cardholders don’t receive Statements, the account receives a statement.	Removed the requirement for Cardholders to have the ability to mark accounts for paper or paperless statement delivery.	Yes
6	(B2/2.11) Please remove “and Cardholders” from this requirement. Note that Program Administrators but not Cardholders would be able to access the account and statements online. Cardholders needs to be removed and definitely should not be a Mandatory requirement. Cardholders would not receive statements, the account would receive statements.	Removed the requirement for Cardholders to be notified of statement delivery.	Yes

#	Question	Response	Did this change the solicitation?
7	(B2/2.12) Please remove the word “Cardholder” from first sentence. Allowed Program Administrators but not Cardholders would be given access to the online system needed to view this type of information. Because it is a control product, cardholders are not typically provided access. Cardholder needs to be removed and definitely should not be a Mandatory requirement.	Removed the requirement for Cardholders to check status of cards and view account information.	Yes
8	(B2/2.16) This should be a Non-Mandatory requirement. Please change word “must” to “should”, and add the following to end of sentence “by being able to report exceptions for wrong fuel type”. Please realize that due to Point-of-Sale equipment and software limitations at convenience stores, Fuel Type cannot be restricted in an integrated pay-at-pump environment. The requirement is asking for something that is generally unavailable other than reporting exceptions after the occurrence.	It is a mandatory requirement that Purchasing Entities be able to restrict purchases based on fuel type (i.e. a card assigned to a vehicle requiring unleaded fuel may be restricted from purchasing diesel). Research (prior to solicitation posting) showed that fuel type can be restricted.	Yes

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9	(B2/2.17) Please add “hard limits on quantity (gallons) <u>or dollars</u>”. Please realize that due to Point-of-Sale equipment and software limitations at convenience stores, limits established on a bank card transaction at the pump in an integrated pay-at-pump environment are defined as dollars, not gallons. The requirement is asking for something that is generally unavailable other than reporting exceptions after a gallon limit is exceeded.	It is a mandatory requirement that Purchasing Entities be able to restrict transactions based on a quantity of gallons (i.e. a card assigned to a vehicle with a 10-gallon tank may be restricted from purchasing more than 10 gallons of fuel at a time). Research (prior to solicitation posting) showed that transactions can be restricted based on gallon volume. Limits around spend (dollars) are captured in B2 Requirement 2.32.	No.
10	(B2/2.18) We request this requirement be changed to Non-Mandatory. Or, please clarify by adding statement “by limiting card use to only merchants with a fuel station Merchant Category Code (MCC), or excluding card use at Maintenance Merchant MCCs.” Please realize that restricting card purchase from certain maintenance product codes is generally not available by fleet card providers. Also realize that many maintenance merchants do not transmit Level 3 data from their POS systems, so limiting what type of maintenance is purchased would not be feasible. Bank cards provide greater acceptance which is a huge convenience and they can restrict access to Maintenance Merchant MCCs if desired, but limiting what types of maintenance can be purchased with the card is not reasonable or feasible.	It is a mandatory requirement that Purchasing Entities be able to restrict maintenance purchases. How these maintenance purchases are restricted is up to the Bidder and addressed in requirement 3.21.	No.

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11	(B2/2.32) If Proposer offers ability to limit card use to certain State or Province, but outside the online application via request submitted through Contractor's support organization, would this be sufficient? Bank cards utilize MCC Codes for security controls, not more granular Product Code (PC) blocks. Due to merchant POS system authorization limitations, we believe that Product Codes Blocks are not feasible or possible for all Contractors. Please confirm that MCC restrictions instead of Product Code restrictions will meet this requirement.	As a Mandatory Scored (MS) requirement, how a bidder responds to this requirement will be evaluated. Sufficiency to a response won't be addressed during the Question & Answer period, that would be part of the bid evaluation.	No.
12	(B2/2.39) Please remove the word "Cardholder" from the sentence. Note that Program Administrators but not Cardholders would be able to access the account. For security reasons you do not want Cardholders to be able to access all aspects of the account or to manage purchasing aspects or controls of their card. Cardholders needs to be removed.	This is a Non-Mandatory Scored (NMS) requirement. If the bidder allows for a single sign-on for users with multiple roles, indicate how that functionality works/is implemented.	Yes
13	(B2/3.6) Please remove requirement for capturing merchant Tax ID number, or make it a Non-Mandatory item.	It is a mandatory requirement that the system capture and display the merchant Tax Identification Number (TIN) or similar unique identifier.	Yes.
14	(B2/6.6) Please define "entire banking information flat file"	This requirement has been updated.	Yes

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15	(B2/13.1) We request that the forty-five (45) days be changed to allow contractor to offer Net 30 Days. Especially if contractor offers grace period for the at least the additional 15 days before any late fees or finance charges would apply, but needs Net 30 Days to print on invoices for the "Pay By" date. Would this be a sufficient solution? If contractor responds in its Exhibit B1 or B2 response that it will not provide 45 day terms, but would offer a terms solution as described above, please confirm - will our response be disqualified?	The mandatory requirement for a forty-five (45) day billing cycle stands as it is statutorily required for some Participating States and will remain for the Master Agreement. Sufficiency to a response won't be addressed during the Question & Answer period, that would be part of the bid evaluation.	No
16	(B2/14.1) We think the words "Contractor or" should read "Contractor of". This requirement really should be clarified even further, saying "Purchasing Entity shall have liability up and until point the Purchasing Entity notifies Contractor that a card has been lost or stolen, or up and until the Purchasing Entity notifies Contractor that it suspects a card has been used fraudulently."	This requirement is currently written correctly. Purchasing Entities shall have no liability (1) for lost or stolen cards upon notification to the Contractor <u>or</u> (2) fraudulent use of any card products.	No.

#	Question	Response	Did this change the solicitation?
17	Exhibit C2 Fleet Card Rebate Incentive Share, Incentive Share #2 – Prompt Payment Incentive Incentive Share #2 seems to be written only for contractors that offer rebates calculated automatically based on the average days in which the purchasing entity paid their invoices for the quarter. We and probably others do not offer rebates calculated this way, the solicitation will require non-traditional, manual processes for making rebate calculations. Please modify the Exhibit C2 Incentive Share form, to allow contractor to quote various rebate offers based on the agreed upon payment terms (to be determined) between the Contractor and the Purchasing Entity. The agreed to payment terms could be written into each purchasing entity's signed Card User Agreement (CUA) and would match Exhibit C2 quotations based on quote we have submitted. If you won't change the Exhibit C2 form, please confirm this approach would be acceptable, whereby the rebates we quote in the table under Incentive Share #2, could be written into the purchasing entity's CUA based on the payment terms they accept in the CUA.	When drafting the solicitation, multiple rebate structures were discussed and considered, including the structure described in your question. The sourcing team decided to move forward with the structure described in Exhibits C1 & C2. Bid responses should reflect the structure listed in those Exhibits.	No

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18	Exhibit C2 Fleet Card Rebate Incentive Share, Incentive Share #2 – Prompt Payment Incentive. Note: The payment terms for the Master Agreement is forty-five (45) days. Does the note regarding Net forty-five (45) days prohibit a contractor that only offers up to Net thirty (30) days from quoting and responding? If contractor responds on Exhibit C2 response that it does not provide 45 day terms, please confirm - will our response be immediately disqualified?	The mandatory requirement for a forty-five (45) day billing cycle stands as it is statutorily required for some Participating States and will remain for the Master Agreement. Bidders may enter a zero (0) if choosing not to offer incentive share in any of the components.	No
19	Exhibit B1-Item formerly 2.14, now 2.13 System must allow for the Program Administrator to choose the billing cycle close date for the Entity. The response to the question about this item implied it was being removed, but it is not removed from the most recent version of B1. Is it intended to remove it?	From Amd 6, posted on 7.2.19: <i>Billing cycle end date will be established during a Purchasing Entities' implementation. Purchasing Entities must be able to establish the billing cycle close date. This date is set for the Purchasing Entities' agreement period.</i> There was no intention to remove the requirement for the billing cycle date to be established by the Program Administrator.	No
20	Exhibit B1-13 Payment Terms, Item 13.8 –A 10 day grace period for payments pulled from ACH process is required to avoid penalty or negative hit on rebate. Question: Please describe the impact of a 10-day grace period, is this a back date of the posting date?	The intent of this 10 day grace period is to ensure that a delay by the ACH would not negatively impact a Purchasing Entity's rebate. This requirement is also included in Exhibit B2, Req 13.8.	No

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21	Exhibit C1, Incentive Share #1 and #4. For calculating the volume of spend to apply the rebate basis points, at what point in an account's delinquency does their related balance become excluded from the volume of spend as part of the rebate calculation? If an account has a balance of \$1,000 and is not paid until day 46, is that \$1000 excluded from the volume of spend because it was delinquent? If not at 46 days, at what point of delinquency does that balance become excluded in the volume of spend as part of the rebate calculation for Incentive Share #1 and #4? This is not related to Incentive #3.	Incentive #1 is based on Quarterly Total Volume less Quarterly Non-Standard Volume. Incentive #4 is based on National Annual Volume. Quarterly Total Volume, Quarterly Non-Standard Volume, and National Annual Volume are all defined in Exhibit H – Definitions.	No
22	(Question #49 from Amd #3) Does ITP indicate which categories?	ITPs do not currently indicate category participation. Enterprise Services has reached out to the states that have completed the ITP process to obtain that detail. As of the release of this amendment the following states have provided this additional detail. Maine – Cat 2 If additional data is received, the data will be posted to WEBS. ITPs are not required for states to participate. States may choose to participate in categories at any point during the solicitation or term of the Master Agreement.	Yes

Additional Clarification

In Amendment 6 (posted 7.3.19) a change meant for Exhibit B1, Requirement 2.13 was incorrectly posted to requirement 2.14. This has been corrected in the updated and embedded solicitation document.

The states of Maryland and Utah added state specific T&Cs which were posted in Amendment 2 (posted 6/18/19) via the addition of Exhibits D8 & D9. The State of Connecticut added state specific T&Cs which were posted in Amendment 3 (posted 6/25/19) via this addition of Exhibit D10. While these Exhibits were added via the amendments listed above, they were not added to the list of Exhibits on pages 3 & 4 of the solicitation document. This list has been updated. There are no changes to those Exhibits in this amendment.

Bids are due on Wednesday, July 24, 2019. Enterprise services must have the bids in hand by close of business on that day.

Additional Intent to Participate (ITP)

NASPO received an additional ITP from the State of Maine. Their state specific T&Cs have been added to the updated and embedded solicitation document as Exhibit D11.

Questions or responses included in this document require changes to the solicitation document. The solicitation document has been updated and all changes are highlighted in yellow.



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Any additional questions regarding this solicitation must be directed to the Procurement Coordinator listed below.

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