



State of Georgia

State Entity: The Office of the State Treasurer (“OST”)

Request for Qualified Contractors (“RFQC”)

Event Name: Merchant Card Services

RFQC (Event) Number: OST 11/178

1. Introduction

1.1. Purpose of Procurement

The Office of the State Treasurer (hereinafter, “OST”) is soliciting statements of qualifications from Vendors interested in providing Merchant Card Services to State of Georgia (“State”) entities and local governments. This Request for Qualified Contractors (“RFQC”) is intended to identify one or more responsible Vendors who meet or exceed the identified requirements contained herein. This RFQC will not result in a contract award. Instead, this RFQC will establish a list of one or more qualified Vendors who will be eligible to submit a proposal for this financial service to OST.

Effective and efficient management of the State's cash resources requires expeditious revenue collection, aggregation, and investment of available balances and timely payments. The use of credit cards, debit cards, and electronic transfers of funds and information is a customary and economical business practice to improve cash management that the State considers and uses when appropriate.

OST is requesting proposals for Merchant Card Services. The objective of this RFQC is to identify Vendors to provide statewide financial transaction card acceptance services to State entities and local governments under a Master Services Agreement for a period of up to five (5) years. At the option of OST, the Master Services Agreement may be extended for additional contract periods.

OST has identified the following needs of State entities and local governments as the primary objectives to be met by the Master Services Agreement for financial transaction card acceptance and processing services:

- Enhance customer convenience;
- Achieve operational efficiencies;
- Expedite funds availability;
- Reduce bad check losses; and
- Increase collection rates

The State has had its current Merchant Card Services contract in place since 2003. Agencies working together with local governments benefit from economies of scale in pricing. Administration should be simplified by making acceptance procedures more consistent.

The State Depository Board has stipulated that all Georgia state agencies should join the State's merchant card services program. However, state colleges/universities under the auspices of the Board of Regents and local governments have the option to participate.

For the twelve month period of July 1, 2010 through June 28, 2011 the merchant card net volume was 4,266,341 items and \$303,999,731.

The Vendor must provide for the smooth transition of the required services for all current participants in the State's existing program.

1.2. Overview of the RFQC Process

The RFQC is a prequalification process. The objective of the RFQC is to identify one or more responsible Vendors who meet OST's qualification requirements to provide the financial service outlined in this RFQC to OST. This RFQC process will be conducted to gather and evaluate responses from Vendors. All qualified Vendors are invited to participate by submitting responses, as further defined below. Only these qualified Vendors will be eligible to participate in any future solicitations posted by OST for the identified financial service.

1.3. Schedule of Events

The schedule of events set out herein represents OST's best estimate of the schedule that will be followed. However, delays may occur which may necessitate adjustments to the proposed schedule. If a component of this schedule is delayed, the rest of the schedule may be shifted as appropriate. Any changes to the dates up to the closing date of the RFQC will be publicly posted prior to the closing date of this RFQC.

Description	Date	Time
Release of RFQC	June 28, 2011	
Deadline for written questions sent via email to the contacts referenced in Section 7	July 8, 2011	N/A
Responses to Written Questions	July 14, 2011	5:00 p.m. ET
Vendors' Responses Due/Close Date and Time	July 21, 2011	5:00 p.m. ET
Evaluation Completed (on or about)	August 3, 2011	5:00 p.m. ET

1.4. Definition of Terms

Please review the following terms:

Vendor(s) – companies desiring to do business with the State of Georgia.

User Entities – the State Agencies, colleges and universities and local governments in the State of Georgia.

The Office of the State Treasurer (OST) – the governmental entity identified in Section 1.1 "Purpose of Procurement" of this RFQC.

Any special terms or words which are not identified in this OST RFQC Document may be identified separately in one or more attachments to the RFQC. Please download, save and carefully review all documents in accordance with the instructions provided in Section 2 "Instructions to Vendors" of this RFQC.

1.5. Qualification Period

Vendors identified as qualified Vendors pursuant to this RFQC will be qualified for a period of two years subject to the following limitations: (1) OST may require the Vendor to submit additional information/materials from time to time to ensure the Vendor continues to meet the qualification requirements and (2) OST reserves the right at its discretion to qualify additional Vendors for the same goods/services by posting a new RFQC.

2. Instructions to Vendors

By submitting a response to the RFQC, the Vendor is acknowledging that the Vendor:

1. Has read the information and instructions,
2. Agrees to comply with the information and instructions contained herein.

2.1. General Information and Instructions

2.1.1. Submitting Questions

All questions concerning this RFQC must be submitted in writing to the contacts identified in Section 7 "Official Contacts" of this RFQC. No questions other than written will be accepted. No response other than written will be binding upon the State. All Vendors must submit questions by the deadline identified in the Schedule of Events for submitting questions. Vendors are cautioned that OST may or may not elect to entertain late questions or questions submitted by any other method than as directed by this section. All questions about this RFQC must be submitted in the following format:

Company Name

Question #1, *Citation of relevant section of the RFQC or Attachments, State the Question*

Question #2, *Citation of relevant section of the RFQC or Attachments, State the Question*

2.1.2. Restrictions on Communicating with Staff

From the issue date of this RFQC until the results are announced (or the RFQC is officially cancelled), Vendors are not allowed to communicate for any reason with any State staff on matters related to this RFQC except through the Official Contacts named herein, or as defined in this RFQC or as provided by existing work agreement(s). Prohibited communication includes all contact or interaction, including but not limited to telephonic communications, emails, faxes, letters, or personal meetings, such as lunch, entertainment, or otherwise. OST reserves the right to reject the response of any Vendor violating this provision.

2.1.3. Failing to Comply with Submission Instructions

Responses received after the identified due date and time or submitted by any other means than those expressly permitted by the RFQC will not be considered. Responses must be complete in all respects, as required in each section of this RFQC.

2.1.4. Rejection of Vendor's Response; State's Right to Waive Immaterial Deviation

OST reserves the right to reject any or all responses, to waive any irregularity or informality in a Vendor's response, and to accept or reject any item or combination of items, when to do so would be to the advantage of the State of Georgia. It is also within the right of OST to reject responses **which do not contain all elements and information requested in this RFQC**. A response will be rejected if the response contains any defect or irregularity and such defect or irregularity constitutes a material deviation from the RFQC requirements, which determination will be made by OST on a case-by-case basis.

2.1.5. Costs for Preparing Responses

Each Vendor's response should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete presentation. The cost for developing the response and participating in the procurement process (including any protest process) is the sole responsibility of the Vendor. The State will not provide reimbursement for such costs.

2.1.7. Vendors are encouraged to limit their responses to twenty (20) one-sided pages including attachments. The minimum type should be 10 point Arial.

2.2. Submittal Instructions

Listed below are key action items related to this RFQC. The Schedule of Events in Section 1.3 identifies the dates and time for these key action items. This portion of the RFQC provides high-level instructions regarding the process for reviewing the RFQC, preparing a response to the RFQC and submitting a response to the RFQC.

2.2.1. RFQC Released

The release of the RFQC is formally communicated through a posting on the OST website and a direct mailing to all parties which have expressed interest in providing Merchant Card Services to User Entities.

2.2.2. RFQC Review

The RFQC consists of the following: this document, entitled "OST RFQC Document", and all documents provided by OST as attachments. Please refer to Section 6 for the list of attachments. Please carefully review all information contained in the RFQC, including all documents available as attachments.

2.2.3. Preparing a Response

When preparing a response, the Vendor must adhere to the following instructions:

1. Use the format described in Section 3, including any required forms or worksheets to prepare your response.
2. Answer each question in sufficient detail for evaluation with regard to the length of response.
3. Label any forms and files using the corresponding section numbers of the RFQC or any other logical name so that OST can easily organize and navigate the Vendor's response.

2.2.4. "Hard Copy" and Electronic Copies Required

Vendor must provide the following number of copies of its complete response:

- Five (5) hard copies, with one (1) marked "Original" with original signatures; and
- One (1) electronic copy.

In the event of a discrepancy/conflict between a hard copy and an electronic copy, the hard copy will govern.

2.2.5. Electronic Copies

1. Use caution in creating electronic. If OST is unable to open an electronic file due to a virus or because the file has become corrupted, the Vendor's response may be considered incomplete and disqualified from further consideration.
2. Use commonly accepted software programs to create electronic files. OST has the capability of viewing documents submitted in the following format: Microsoft Word or WordPad, Microsoft Excel, portable document format file (PDF), and plain text files with the file extension noted in parentheses (.txt). Unless the RFQC specifically requests the use of another type of software or file format than those listed above, please contact the Official Contacts prior to utilizing another type of software and/or file format. In the event OST is unable to open an electronic file because OST does not have ready access to the software utilized by the Vendor, the Vendor's response may be considered incomplete and disqualified from further consideration.

2.2.6. Submitting the Response

Mark the outside of shipping package as follows:

Name of Company
Point of Contact for Company and Phone Number
RFQC# OST 11/178

The Vendor's complete response must be received on or before the due date and time at the following locations:

Mr. Rhen Cain
Director of Banking Services
State of Georgia
Office of the State Treasurer
200 Piedmont Avenue
Suite 1204, West Tower
Atlanta, GA 30334
rcain@treasury.ga.gov

All Vendor responses will be time stamped by the State Entity upon receipt. Responses received after the due date and time will not be evaluated.

3. RFQC Qualification Factors

This section defines the desired format for responses and the requirements and related services for the Merchant Card Services RFQC. Vendors are required to complete and then submit their responses and any forms or worksheets identified below. These forms or worksheets together with any and all other documents submitted in response to this RFQC will be considered the Vendor's response.

OST has determined that it is best to define its own needs, desired operating objectives, and desired operating environment. OST will not tailor these needs to fit a particular solution a Vendor may have available; rather, the Vendor shall propose to meet OST's needs as defined in this RFQC. All claims shall be subject to demonstration. Vendors are cautioned that conditional responses, based upon assumptions, may be deemed non-responsive.

3.1. Qualifications - Introduction

All of the specifications, requirements and/or service levels identified in this RFQC are minimum performance criteria and/or qualification factors that OST will use to identify qualified Vendors. Each Vendor must indicate its willingness and ability to satisfy these requirements in the appropriate worksheets

3.2. Vendor's General Information

Each Vendor must complete Section 1 in the attached file entitled **Vendor General Information Form**.

3.3. Mandatory Requirements

As specified with each requirement listed in the **Mandatory Questions**, the Vendor must indicate whether its response meets the individual requirements by marking either a "YES" or "NO" in the response block provided. A Pass/Fail evaluation will be utilized for all mandatory requirements. Ordinarily, to be considered responsive, responsible and eligible for consideration, all questions identified as mandatory must be marked "YES" to pass.

3.4. Mandatory Scored Questions

As specified with each requirement listed in the **Mandatory Scored Questions**, the Vendor must indicate how it proposes to meet the individual requirement and provide a supporting narrative. To be considered responsive, responsible and eligible for consideration, any and all requirements identified in the Mandatory Scored Questions must be met. There may be rare instances in which an item within the Mandatory Scored Questions does not create an individual requirement which must be met, but, instead, merely requires a response. All requirements labeled "Mandatory Scored Questions" must be met by the Vendor. Failure to meet any mandatory scored requirements may result in disqualification of the Vendor's response. The narrative description, along with any required supporting materials, will be evaluated in accordance with Section 5 "Evaluation and Published Results."

3.5. Additional Scored Questions

All items labeled “Additional Scored Questions” represent information that is requested by OST. Vendors are encouraged to provide a thorough narrative description. Answers along with any requested supporting materials will be evaluated in accordance with Section 5 “Evaluation and Published Results”.

3.6. Georgia Tax Compliance Form

Each Vendor must submit a completed Georgia Tax Compliance Form (SPD-SP045) which has been provided as Attachment E.

4. Cost/Pricing

The purpose of this RFQC is to prequalify Vendors to participate in future solicitations. Therefore, NO PRICING is requested at this time.

5. Evaluation and Published Results

All timely responses will be evaluated in accordance with the following steps. The objective of the evaluation process is to identify qualified Vendors based on the identified bid factors. OST reserves the right to limit the number of Vendors to those determined by OST to be the most qualified.

5.1. Administrative/Preliminary Review

First, the responses will be reviewed by the Official Contacts to determine compliance with the following requirements:

1. Response was submitted by deadline in accordance with Section 1.3.
2. Response is complete and contains all required documents

5.2. Evaluating Qualification Factors (Section 3)

If the Vendor’s response passes the Administrative/Preliminary Review, the Vendor’s responses to Section 3 “RFQC Qualification Factors” will be evaluated.

5.2.1. Review of Mandatory Questions

The Evaluation Team will review each Vendor’s response in detail to determine its compliance with “Mandatory” RFQC requirements. Responses to “Mandatory Questions” will be evaluated on a pass/fail basis. If a Vendor fails to meet a mandatory and/or mandatory scored RFQC requirement, OST will determine if the deviation is material. A material deviation will be cause for rejection of the response. An immaterial deviation will be processed as if no deviation had occurred. All responses which meet the requirements of the “Mandatory” and “Mandatory Scored” Questions are considered “responses” at this point in time.

5.2.2. Review of Mandatory Scored Questions

The Evaluation Team will review and evaluate the responses to the Mandatory Scored Questions to determine if the responses meet OST qualifications.

5.2.3. Review of Additional Scored Questions

The Evaluation Team will also review and evaluate the responses to the Additional Scored Questions as additional information to be considered in determining how Vendors can provide additional value to the User Entities.

6. List of RFQC Attachments

The following attachments are a part of this RFQC.

- A. Vendor General Information Form from Section 3.2 of the RFQC
- B. Mandatory Questions from Section 3.3 of this RFQC
- C. Mandatory Scored Questions from Section 3.4 of this RFQC
- D. Additional Scored Questions from Section 3.5 of this RFQC.
- E. Georgia Tax Compliance Form (SPD-SP045) from Section 3.6 of this RFQC
- F. Present Card System Locations and Volumes
- G. Present Card System Equipment List

7. Official Contacts

Paul Kurtz, State Cards Program Manager, Department of Administrative Services, paul.kurtz@doas.ga.gov

Rhen Cain, Director of Banking Services, Office of the State Treasurer, rcain@treasury.ga.gov