

## ADDENDUM THREE

DATE: July 23, 2014

TO: All Vendors

FROM: Kristi Kling/Michelle Thompson, Buyers  
State Purchasing Bureau

RE: Round Two Questions and Answers for RFP Number 4724Z1  
to be opened August 5, 2014 2:00 P.M. Central Time

Following are the questions submitted and answers provided for the above mentioned Request for Proposal. The questions and answers are to be considered as part of the Request for Proposal.

QUESTIONS	ANSWERS
<p><b>1.</b> Question Number: 1</p> <p>RFP Section Reference: IV.A.</p> <p>RFP Page Number: 36</p> <p>Question: Will all entities using the current merchant provider be required to switch to the new provider?</p>	<p>All State agencies utilizing the current contract will be encouraged to switch to the new provider. Cities, counties, and political subdivisions will have the option to participate in the new contract.</p>
<p><b>2.</b> Question Number: 2</p> <p>RFP Section Reference: IV.A.</p> <p>RFP Page Number: 36</p> <p>Question: Is there a timeline established for converting to the new Merchant provider?</p>	<p>The anticipated "go live" date would be July 1, 2015.</p>

QUESTIONS	ANSWERS
<p><b>3.</b> Question Number: 3</p> <p>RFP Section Reference: C.4.m</p> <p>RFP Page Number: 39</p> <p>Question: Please provide clarification of pricing all hardware required in the RFP. Is the intent to build in the proposed equipment to the transactional rates charged by the merchant service provider?</p>	<p>Section IV.C.4.m (page 39) states: “Contractor will provide all equipment at no cost to the State under this contract. Equipment must be Europay MasterCard Visa (EMV)-enabled POS devices with the same level of functionality or more than the merchant’s existing equipment. Also included, at no cost, must be repairs, software updates, and maintenance for the term of the contract and any renewal periods. This would also include any new or existing agency participating during the contract or any renewal periods.</p> <p>Currently the State agencies use 184 swipe machines. It is expected that the number of agencies will increase during the term of this contract and any renewal periods. Therefore, the State is requiring the bidder to provide the cost proposal (Form A.7) based on 200 swipe machines. Exhibit 8 provides the bidder a list of some of the current equipment along with other third party vendors used. The bidder should provide equipment that is easy to use, reliable, and will hold a reasonable amount of sales data before having to settle. At least one model provided should have tip capabilities.”</p> <p>Bidders shall provide information regarding make, model, and price for swipe machines and related equipment on Form A.8 REVISED, attached (and uploaded as a revised Attachment A).</p>
<p><b>4.</b> Question Number: 4</p> <p>RFP Section Reference: C.4.m</p> <p>RFP Page Number: 39</p> <p>Question: The second paragraph lists all state agencies currently use 184 separate devices and to provide for 200 in the future. Will this contract require the new merchant provider to also provide equipment at no cost to the cities and counties purchasing from this contract?</p>	<p>Equipment will be provided to the State at no cost to the State. It will be up to the cities, counties, and political subdivisions if they wish to purchase new equipment.</p> <p>Bidders shall provide information regarding make, model, and price for swipe machines and related equipment on Form A.8 REVISED, attached (and uploaded as a revised Attachment A).</p>

QUESTIONS	ANSWERS
<p><b>5.</b> Question Number: 5 RFP Section Reference: C.4.m RFP Page Number: 39 Question: Who currently owns the existing POS hardware?</p>	<p>Most agencies own their own equipment, but some swipe machines are rented.</p>
<p><b>6.</b> Question Number: 6 RFP Section Reference: C.4.m RFP Page Number: 39 Question: Can existing hardware compliant with the EMV standards be converted / reprogrammed to the new merchant provider? If yes, can you provide a detailed list of the equipment which can be reprogrammed?</p>	<p>In Section IV.C.4.m, the RFP requires the contractor to provide all equipment, up to 200 units.</p>
<p><b>7.</b> Question Number: 7 RFP Section Reference: D.2 RFP Page Number: 40 Question: Will the Official Payments and Payfuse payment interface applications be required to use the new merchant service provider to authorize and settle all transactions initiated through these interfaces?</p>	<p>Yes.</p>
<p><b>8.</b> Question Number: 8 RFP Section Reference: D.2 FP Page Number: 40 Question: Who currently determines, assesses and charges the convenience fee associated with these payments. The provider (official payments) or the state?</p>	<p>Each agency determines its own convenience fee, which is then charged by Official Payments.</p>

**Form A.8 REVISED**

**Other/Optional Equipment Costs**

**Request for Proposal Number 4724Z1**

**Other Costs**

Bidder shall include any cost not captured on Form A.7 that is required for performing the services required by this RFP.

Description	Volume	UOM	Year 1	Year 2	Year 3	Year 4	Year 5	1 <sup>st</sup> Renewal	2 <sup>nd</sup> Renewal

**Optional Equipment Costs**

Bidder shall indicate make, model, and unit price for swipe machines and any other related equipment necessary to achieve the purpose of this RFP. These prices shall be for any equipment in excess of the 200 required by the RFP, and for any city, county, or political subdivision utilizing the contract.

Make	Model	Year 1	Year 2	Year 3	Year 4	Year 5	1 <sup>st</sup> Renewal	2 <sup>nd</sup> Renewal