

CITY AND COUNTY OF SAN FRANCISCO
Office of Treasurer and Tax Collector

Request for Proposal
Original Request for Proposal Date Issued: 8/8/2017
For Online Payment Gateway Services (RFP2017-08)

ADDENDUM # 1
Addendum Date Issued: 1/8/2018
Addendum Response Due Date: 1/31/ 2018 5:00PM

The following changes, additions or deletions are incorporated into the RFP as if a part of the original released RFP document. All other terms and conditions of the RFP remain the same. Respondents to the RFP solicitation must acknowledge receipt of this addendum (Exhibit 1) in their submittal, even if they do not wish to adjust the pricing proposal or else the original pricing proposal will be considered.

Scope of Addendum:

The purpose of this addendum is to acknowledge recent changes to signature requirements in the credit card industry, which affect the distinction between card present versus card not present. The removal of signature requirements distinguishing card present versus present enables the City to include additional departments' transactions volumes for consideration in pricing proposals for this RFP.

The rule changes can be found in the signature requirement change can be found at:
https://www.merchantadvisorygroup.org/docs/default-source/operations-committee/an_1213-revised-standards---mastercard-signature-requirements_10-18-2017.pdf?sfvrsn=0

Addendum Phase	Date
Addendum is issued by the City	January 9, 2018
Deadline for submission of written questions or requests for clarification	January 17, 2018
Publication of the City’s response to questions or request for clarification	January 22, 2018
Proposal/ Exhibit 1/Updated Pricing due	January 31, 2018
Oral Interviews	February 9, 2018
Notice of selected respondent	February 12, 2018

Original Language in the RFP

1.A.3 (Page 2)The City seeks proposals from firms demonstrating successful experience providing payment gateway services. Respondents, also referred to in this document as Proposers, must have experience delivering PCI compliant, high-volume gateway payment services as described later in this document. These services will be used to assist City departments and agencies with Online acceptance through the Web or Customer Service Representative interface (“CSR”), and Kiosk. In addition, certain City departments engaged in unique service and payment processing may utilize the services of the selected vendor for customized services and payment portals. The Office of the Treasurer & Tax Collector (“TTX”) leads this RFP and intends to identify the most responsive and qualified Respondent(s) to negotiate contract(s) described within this RFP. Respondents are not guaranteed a contract.

The City seeks a vendor that can provide gateway services to primarily support TTX payment needs. Proposals should only be submitted where the Proposer is the Merchant of Record. Additionally, TTX also wishes Respondents to provide gateway services for other City departments that have payment categories relating to:

- a. Bills
- b. Fees
- c. Fines
- d. Permits
- e. Reservations
- f. Insurance premiums (such as monthly health, dental, vision)
- g. Donations
- h. Garnishments
- i. Recurring payments

Below is a brief description of TTX payment categories and other departments’ payment activities. The number of transactions and City departments that offer payor-not present payments are expected to increase.

Payment Category	Transaction Volume
Business License	1,793
Business Taxes	98,972
Property Taxes	85,180
Delinquent Revenue	3,857
Other	3,719
TOTAL (2016)	193,521

Updated Language 1.A.3 (Page 2):

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The City seeks a vendor that can provide gateway services, to primarily support TTX payment needs. Proposals should only be submitted where the Proposer is the Merchant of Record. Additionally, TTX also wishes Respondents to provide gateway services for other City departments that have payment categories relating to:

- a. Bills
- b. Fees
- c. Fines
- d. Permits
- e. Reservations
- f. Insurance premiums (such as monthly health, dental, vision)/Health Charges
- g. Donations
- h. Garnishments
- i. Recurring payments
- j. Port Fees and Parking (Optional)

Below are the number of transactions and associated city departments with existing transactions at a rate of 10% to 15% year over year. In addition to growing the existing volume, new online products will be added annually.

Payment Category	Transaction Volume
Consumer-Based Transactions	
Property Taxes	115,561
Building Inspections	26,528
Public Works Permit	10,780
Other	23,669
Total for Consumer Based Transactions (2016)	176,538
Business and Commercial Applications	
Business License and Taxes	186,318
Other	20,566
Total for Business And Commercial Application (2016)	206,884
Non-Tax Programs-Absorbed by CCSF	
Medical Services	21,330
Animal Care	4,152
Donations	132
Total for Non-Tax Programs	25,614
Total Transactions	409,036

Optional Transactions	
City Parking-Meters (Optional)	15,350,952
Ports Parking and Fees (Optional)	797,485
Total for Non-Tax Programs (Optional)	16,148,437
Total Transactions (including Optional)	16,510,919

The transactions count above includes transaction fees.

Updated Questions and Answers

Original Response:

Question Number	Question	Answer
4	What is the average monthly card order count breakdown per country? (i.e. USA 2000 orders, China 1500, UK 1200, Germany 900, etc.)	USA; Per the table in the RFP, 11,520 is the average number of card payments for Calendar Year 2016.

Updated Response:

Question Number	Question	Answer
4	What is the average monthly card order count breakdown per country? (i.e. USA 2000 orders, China 1500, UK 1200, Germany 900, etc.)	USA; 100% of all transactions

Original Response:

Question Number	Question	Answer
5	Are all card transactions 'card-not-present' (online/ecommerce/over the phone)	Per the top of page 2, Section I (A)(3): "These services will be used to assist City departments and agencies with Online payment acceptance through the Web, accepting in-person transactions through a PC or other physical machine that connects to your Gateway, or via a Customer Service Representative interface ("CSR") "

Updated Response:

Question Number	Question	Answer
5	Are all card transactions 'card-not-present' (online/ecommerce/over the phone)	Credit card companies have announced plans to stop requiring signatures for transactions, removing the distinction between card present versus card not present.

Original Response:

Question Number	Question	Answer
9	<p>Section I, A, #3: Please provide more detail regarding the transaction volumes listed for TTX payment categories and other departments' payment activities.</p> <p>o Are all of the transactions listed being assessed a service fee to the payer? If not how many are not assessed a service fee?</p>	<p>The transaction totals on page 2 of the RFP were based on Calendar Year 2016. We have recently updated our transaction data to include all payments processed for our most recent fiscal year that began on July 1, 2016 and ended on June 30, 2017. This data is for all Departments including TTX and includes average ticket dollar amount, and dollar and transaction count totals by payment type, department, etc.</p> <p>Please see the attached documents updating transaction metrics called "Table A -Fiscal Year 2016-17 Updated Transaction Data" and "Payment Type by CCSF Department."</p> <p>Not all transactions are assessed a service fee. 142,287 payers were not assessed a service fee as these departments absorb them: Animal Care and Control; Arts Commission; General Donations; Health Services System; Recreation and Parks; and Treasurer and Tax Collector's Office (TTX), which absorbs fees for Echeck only. Departments listed are subject to change</p>

Updated Response:

Question Number	Question	Answer
9	<p>Section I, A, #3: Please provide more detail regarding the transaction volumes listed for TTX payment categories and other departments' payment activities.</p> <p>o Are all of the transactions listed being assessed a service fee to the payer? If not how many are not assessed a service fee?</p>	<p>The transaction totals on page 2 of the RFP were based on Calendar Year 2016. We have recently updated our transaction data to include all payments processed for our most recent fiscal year that began on July 1, 2016 and ended on June 30, 2017. This data is for all Departments including TTX and includes average ticket dollar amount, and dollar and transaction count totals by payment type, department, etc.</p> <p>Please see the attached documents updating transaction metrics called "Table A Fiscal Year 2016-17 Updated Transaction Data" and "Payment Type by CCSF Department." Not all transactions are assessed a service fee. 142,287 payers were not assessed a service fee as these departments absorb them: Animal Care and Control; Arts Commission; General</p>

		<p>Donations; Health Services System; Recreation and Parks; and Treasurer and Tax Collector’s Office (TTX), which absorbs fees for Echeck only. Departments listed are subject to change</p> <p>The average ticket given the optional amount would be \$73.51</p>
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Original Response:

Question Number	Question	Answer
54	What is the average transaction size for the 193,521 online transactions in 2016? Do you expect that size to be higher or lower going forward?	See question 9. We expect a growth rate of 5-10% per year

Updated Response:

Question Number	Question	Answer
54	What is the average transaction size for the 193,521 online transactions in 2016? Do you expect that size to be higher or lower going forward?	See question 9. We expect a growth rate of 10-15% per year

Original Response:

Question Number	Question	Answer
82	If any location is using a POS system provide the company name, product name, and version, including service packs of each system? (ecommerce/over the phone)	This RFP is for online payment gateway services—not for card present or POS transactions

Updated Response:

Question Number	Question	Answer
82	If any location is using a POS systems provide the company name, product name, and version, including service packs of each system? (ecommerce/over the phone)	Core Business Technology is the POS solution for TTX. Clover POS is used in the City and County of San Francisco. Art is currently using Clover Mobile Mini, and the Registrar uses Clover POS System with cash Drawer.

Original Response:

Question Number	Question	Answer
83	If any of the POS systems use a third-party payment software/middleware application, or gateway provide the company name, product name and version, including any service pack of each software and the POS system it is used with? Has EMV technology been implemented with this system, if so what is the manufacturer name and model of the devices used?	N/A. See answer in question 82

Updated Response:

Question Number	Question	Answer
83	If any of the POS systems use a third-party payment software/middleware application, or gateway provide the company name, product name and version, including any service pack of each software and the POS system it is used with? Has EMV technology been implemented with this system, if so what is the manufacturer name and model of the devices used?	See Answer 82.

Original Response

Questions Number	Question	Answer
97	How many “in-person” pay stations across the City and County accepts payments (how many swipe devices are required)?	3 Virtual Terminals. This RFP is for card-not-present transactions.

Updated Response

Questions Number	Question	Answer
97	How many “in-person” pay stations across the City and County accepts payments (how many swipe devices are required)?	3 Virtual Terminals and 2 Additional Clover Devices.

EXHIBIT I –
BIDDER’S INTENTION TO SUBMIT UPDATE PRICING PROPOSAL

Attn: Eugene Cheng
Office of the Treasurer & Tax Collector
City & County of San Francisco
City Hall -Room 140
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Reference: RFP 2018-07

This is to notify you that it is our present intention to do the following regarding the above-referenced RFP (Bidder shall specify):

	We have received the updated RFP 2017-08 Addendum 1; we currently do not wish to update our current pricing worksheet
	We have received the updated RFP 2017-08 Addendum 1; we have updated our current pricing worksheet which is attached.

The following is the contact person for our company:

Name and Title: _____

Address: _____

City, State & Zip: _____

Phone Number: (____) _____

Email Address:

Sincerely,

Name (Signature) _____

Name and Title _____

Phone Number (____) _____