OFFICE OF THE PURCHASING AGENT

TOWN OF ARLINGTON
730 Massachusetts Avenue
Arlington, MA 02476

Telephone (781) 316-3003
Fax (781) 316-3019

DATE: January 10, 2013

                 TO ALL BIDDERS

BID NO.   12-48

SUBJECT: On-Line Debit & Credit Payment Services

ADDENDUM NO. 1

TO WHOM IT MAY CONCERN:

With reference to the bid request relative to the above subject, please note the following:

SEE ATTACHED

BIDDER MUST ACKNOWLEDGE ADDENDUM WITH SUBMISSION

All other terms, conditions and specifications remain unchanged.

Very truly yours,

Town of Arlington

Domenic R. Lanzillotti
Purchasing Officer

Town of Arlington responses to questions for RFI No. 12-48
1-8-13

Does the City require 4 hard copies <u>each</u> of the RFP response and of the pricing proposal, plus 1 soft copy each of the RFP response and of the pricing proposal?

Yes, 4 paper copies each of the RFI response and pricing proposal and 1 electronic copy of the RFI response and pricing proposal. The electronic copy can be a CD or flash drive.

2. What billing system(s) does the City use – in particular, for your proprietary payments system? Does the City already have a web service for this application?

The Town of Arlington uses a proprietary system called ICS. The Town does have a web service for this application. The Town of Arlington hosts the front end and then sends the processing request to MCC.

3. How many rollbacks does the City deal with per month, on average?

The Town averages approximately 10-15 rollbacks per month.

4. Payment Metrics. In the chart provided on Page 15 of the RFP, does 'volume' equal bills issued, or payments received? And, for each category represented (Excise Tax, Real Estate Tax, Personal Property Tax and Water/Sewer), is the volume an annual amount? For example, in the excise tax category, does the 34,000 represent annual bills/payments (34,000 divided by 12 equalling 2,833 bills/payments per month) or 34,000 bills/payments per month?

Volume does equal the number of bills. The "volume annually" refers to the total number of the bills sent out during one fiscal year. Real estate and personal property bills are mailed out 4 times per year.While Water and Sewer bills are mailed out every month, Arlington households receive 2 bills per year. Excise tax bills are mailed 10 or 11 times per year with the majority (85%) of the excise tax bills mailed out in February of each year.

5. In order to calculate a fee structure, please identify the average payment amount, per payment category.

Current estimated City receivables:	Volume Annually	When	$$ Revenue per Volume
Excise Tax	34,000	Monthly	$117
Real Estate Tax	60,000	Feb, May, Aug. Nov	$1,580
Personal Property Tax	1,000	Feb, May, Aug. Nov	$150
Water / Sewer	29,000	Monthly	$448

6. Section V, Evaluation Criteria, Qn 6. "Allow For Automatic Payment " —Please clarify your definition of Automatic Payment. What functionality or need are you trying to address?

Automatic refers to the vendor being able to accept electronic payments from a bank or financial institution. This is most commonly used when the taxpayer utilizes their personal checking account to pay a tax bill.

7. Section V, Evaluation Criteria, Qn 10. "Allow multiple bills to be paid at same time in one transaction" – What functionality or need are you trying to address?

The Town of Arlington is requesting that any vendor provide the ability to pay a real estate tax bill, a water and sewer bill and an excise tax bill at the same time rather than making the taxpayer sign in multiple times and have the transaction should show the separate payments.

How many web pages are involved in the Turn-Key solution and does each web page represent a specific transaction type and merchant account?

There are 4 pages.

Turnkey Payment requirements pg 9: Can the Town expand on the description of the requirement for a Bill Payment transactions (ACH) capability initiated from the bill payer/tax payer epayment program (Customer account website) from their banking institution.

The Town is requesting that the financial institution of any taxpayer be allowed to interact with the vendor in order to process the taxpayers payment.

Is the only required payment acceptance type ACH?

No. Credit and Debit cards are also required.

What is the customer account website that is referred to and who host this site?

The Treasurers website http://arlingtontreasurer.com , The Town of Arlington.

Proprietary Payments Requirements page 10: What is the company name, product name application and version including any service packs of the Town's Proprietary system and do all town departments and locations utilize this system?

The proprietary system is named ICS (Integrated Collection System. There are no versions to ICS. As stated above, the Town of Arlington hosts the front end of the transaction and MCC finishes the transaction.

Only the Treasurers department utilizes ICS.

Does the Town's Proprietary Payments systems have a built in payment processing interface and if so what is the company name, product name and version of the payment interface, and what processors does it interface to?

The proprietary system is named ICS (Integrated Collection System. There are no versions to ICS. As stated above, the Town of Arlington hosts the front end of the transaction and MCC finishes the transaction.

What specific information is the Town referring that is considered Town property?

The information related to the taxpayers bill, which would include but not limited to the bill number, name and address and payment history.

In order to provide pricing for the Town's optional merchant services, the bidder needs information about your current card volumes. Can the Town provide transaction and dollar volumes for the last calendar year for the following:

Number of transactions for each payment type accepted (Visa, MC, Amex, Discover, ACH, echeck)

Total dollar amount for each payment type accepted (Visa, MC, Amex, Discover, ACH, echeck)

Town of Arlington
Recreation Dept
Credit Card Transactions

	Visa	MC	Discover
Charge Count	2028	1266	137
Charge $	$380,147	$243,438	$26,314
Refund count	99	58	11
Refund $	$19,071	$8,778	$1,538
Total Count	2127	1324	148
Net $	$361,076	$234,659	$24,776

The Arlington Public Schools also accept credit card payments for a variety of services. They process approximately 2,456 transactions a year representing $867,000.00. We do not have the breakdown by Card type at this time but would be able to provide this information in the future.

Total dollar amount for each payment channel in which the Town accepts cards (In person, mail, telephone, web)

Does the Town accept payments for channels other than web and are these payments in scope?

The Town accepts payments for charitable donations to the food pantry and energy fund.

How many merchant IDs does the Town have today??

Three

Is the Town PCI Compliant today?

No.

Will you require cardholders to pay a convenience fee?

YES

Regarding current annual volumes, can you provide by bill type the total annual

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number of bills and dollar amounts.

The RFP states that the "town needs the payments processor to provide a method whereby the information necessary to complete a payment can be collected by the Town and sent, along with the payment amount and the requisite credentials to a service which will process the payment transaction." Please define "information necessary." Does it include credit card information? Will credit card information be captured on the Town's web pages or on the payments processor's pages? If on the Town's pages, please specify the number of fields required.

The "Information Necessary" refers to the Bill Number, Bill Type (Real Estate, Water&Sewer,Excise,Parking), Dollar Amount and Payment Type (Credit Card, ACH and Debit).No credit card included. Credit Card information will be captured on the payment processor's page.

Does the Town currently deliver bills to customers electronically? Is this ability of interest to the Town?

The Town does not electronically deliver bills to taxpayers at this time. The Town is interested in this capability but is not asking for any information related to electronic delivery of bills to taxpayers as part of this RFI.

Please provide additional details on your ERP system and integration requirements. Does the Town prefer batch or real-time integration?

The Town requires batch.

In addition to the number of bills annually provided in the RFP; please provide the total annual collections and average payment amount for each of the four types of bills.

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Please clarify the "Key Dates for the Response." Section III, #4 indicates that a contract will be awarded within 30 days from date of proposal opening. The "Key Dates" in Section II indicates a 60 day period.

The award is expected to be announced within the 30 to 60 day period.

Please describe the payment and information flow for a payment originating from a customer's banking institution as indicated in bullet 10 under Turnkey Payment Requirements on Section IV.

The Town of Arlington does not possess that information.