

**Town of Fairview, Texas  
Request for Proposal  
Merchant Card Services**

**SECTION I  
REQUEST FOR PROPOSAL INFORMATION**

**A. Introduction and Background**

The Town of Fairview (the Town) is requesting proposals from qualified credit card processing companies to become the Town's merchant card service provider. This includes the service of processing payments received by phone, in person and the Internet. The objective of this Request for Proposal (the RFP) is to identify the credit card processing company that will provide the highest quality service for the best value.

A calendar summarizing all the events and target dates for this Request for Proposal is shown on Exhibit A.

The Town of Fairview anticipates processing nearly \$1 million in credit card transactions this year and expects that this amount will continue to increase as more customers use the Internet to transact business with the Town. The Town presently processes credit cards at the locations shown in Exhibit B. Please see Exhibit C, for historical data on credit card transactions. Currently, the Town only accepts Visa and MasterCard. If cost effective, the Town would like to consider accepting Visa, MasterCard, Discover and American Express. The current merchant card service allows the Town to authenticate the cardholder and use the card's magnetic strip to authorize and capture the transaction as well as manual entry of the credit card number.

**B. Proposal Procedures**

Each vendor shall use the attached Credit Card Services Pricing Form (the Form), Exhibit F, in submitting a proposal. It is required that the Form be completed in its entirety.

If a service requirement cannot be provided by the vendor, the term "No Proposal", should be entered on the Form for that specific requirement. In the case of a "No Proposal" remark, the vendor may offer an alternative equivalent service for the Town's consideration.

Services for which a vendor intends to charge a fee must have the applicable fee indicated on the Form. **Any service that does not have a fee indicated on the Form will be considered to be free of charge in the Merchant Card Services Contract.**

The proposal must be submitted in a sealed envelope bearing the title "Town of Fairview Merchant Card Service" along with the name and address of the vendor.

The vendor shall submit one (1) original and four (4) copies of the completed Form and all other required information identified below. The envelope shall be delivered to **Jason B. Weeks, Chief Financial Officer, 372 Town Place, Fairview, Texas 75069, no later than 2:00 p.m. on May 15, 2015.**

A vendor may email questions to the Town by May 1, 2015 in order to clarify any matters related to this RFP. The questions and the Town's response will be shared with all vendors. The primary contact for this RFP is:

Jason B. Weeks  
Chief Financial Officer  
jweeks@fairviewtexas.org

Information for the Town of Fairview can be obtained at our website, <http://www.fairviewtexas.org>.

All costs incurred by the vendor in preparing and responding to the RFP shall be borne by the vendor. **Unauthorized modifications of Town of Fairview proposal specifications, forms or terms may render the proposal invalid.**

### **C. Selection Criteria**

The Town will evaluate the merit of the proposal based on the best value criteria listed below. The sole objective of this evaluation is to select the processor whose proposal is most responsive to the Town's needs for a credit card processor. While the specifications of this RFP represent the minimum performance necessary, the Town will consider additional services in the final selection process.

- Total cost to the Town including all processing costs and any additional hardware and software costs.
- Financial capability of the vendor to perform all required services.
- Technical compliance: The degree that the technical and functional requirements of this RFP are met, as well as the ability of the vendor to perform all services required in the RFP.
- Experience and reference checks in providing credit card processing services.
- Additional services or optional services offered to the Town that are associated with credit card processing services.

The contractor must meet the following qualifications.

- Performance – In order to qualify for this project, the vendor must document performance history, length of time in business, and must be certified to provide such products and services required within this RFP. The vendor must provide documentation outlining remediation and reconciliation procedures with the response to this RFP.
- Experience – The vendor shall be fully capable and experienced in the scope of work specified in the project. To ensure the system has

continuous support, the Town will purchase services and/or items from vendors having a documented, successful history of sales, installation, service and support.

- Certifications – The vendor shall provide documentation regarding the company’s authorization as a dealer or reseller for the manufacturer represented.

The Town reserves the right to request additional information or to meet with vendors to discuss points in the proposal before and after submission, any and all of which may be used in forming a recommendation.

The Town reserves the right to reject any and all proposals. The Town reserves the right to accept or reject in part or in whole any proposal submitted, and to waive any technicalities or informalities for the best interest of the Town. The Town reserves the right to award based upon individual line items, sections or total proposal. The Town may also accept or reject any of the alternates that may be set forth in a proposal.

The Town may reject the proposal of a vendor who is not, in the opinion of the Town, in a position to satisfactorily perform the contract. The Town reserves the right to reject any proposal if the evidence submitted by, or investigation of, such vendor fails to satisfy that such vendor is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

#### **D. Required Information**

Each proposal must include the following:

- Audited financial statements for the most recent fiscal year.
- Sample monthly statement / invoice.
- New customer conversion procedures and applicable information.
- Copy of current VISA / MasterCard interchange rates.
- A schedule of any additional rates, fees, or assessments established and levied by VISA, MasterCard, Discover or American Express.
- The vendor shall provide five (5) references from current or prior customers, including contact name and a brief description of the project. At least three (3) references from a governmental entity is preferred (five (5) total references, of which at least three (3) references need to be from a governmental entity).

#### **E. Contract Terms**

The contract is for three (3) years commencing September 1, 2015 and continuing through August 31, 2018. All fees shall be fixed for the initial three (3) year term.

The contract will provide an option for two (2) one (1) year renewals subject to the approval of the Town Manager and the Merchant Card Services provider. The fees for services to be provided by the Merchant Card Service provider

for such renewal agreement will be mutually agreed upon at the time the Town exercises its renewal option.

The Merchant Card Services Contract will be awarded to the processor whose proposal conforms to the RFP and provides the highest quality service at the best value. The Town of Fairview Merchant Card Services Contract is expected to be awarded at the Town Council meeting on July 7, 2015 in the Council Chamber located at Fairview Town Hall, 372 Town Place, Fairview, Texas 75069.

#### **F. Pricing**

The fees and charges presented in this proposal shall remain firm for the entire term (3 years) of the contract with the following exceptions that shall be adjusted to reflect:

- Increases or decreases in all applicable rates, fees, and assessments established and levied by MasterCard, Visa, Discover, and American Express against all merchant service providers.
- Increases in applicable taxes levied by any State, Federal, or Local authority related to the delivery of the services provided by the merchant services provider.
- The merchant service provider will notify the Town of Fairview thirty (30) days prior to the effective date of any change of the non-guaranteed conditions, exclusions or service fee increases or decreases.

#### **G. Designated Merchant Card Personnel**

Upon selection, the Merchant Card Processor shall designate one account officer with authority and responsibility for the Town's entire account. The Processor shall be responsible for training and communicating the terms of this contract to all of its employees.

#### **H. Additional Items**

Contracts and agreements relating to the normal conduct of merchant card services may be required during the term of the Merchant Card Services Contract. All supplemental contracts and agreements to the Merchant Card Services Contract must be approved as to both form and content by the Town Attorney.

If a processor does not execute a Merchant Card Services Contract within ten (10) business days after being notified of selection, the Town may give notice to the processor of the Town's intent to select the next most qualified processor or call for new proposals, whichever the Town deems most appropriate.

The Merchant Card Services Contract shall provide that the Town reserves the right to cancel any agreement at any time upon thirty (30) days prior written notice of its intent to terminate any agreement.

**I. General Requirements**

- The successful contractor shall notify the Town in writing within ten (10) business days of any changes in Federal or State regulations that would thereafter affect this merchant credit card services contract.
- The merchant service provider shall notify the Town of any new services that become available to the Town throughout the contract period.
- The merchant card service provider shall provide a copy of the Operating Rules relevant to the services in this request for proposal.
- All charge backs shall be communicated to predetermined Town staff and a vendor contact person should be provided to resolve any charge back issues.
- The merchant card service provider's records relating to the Town of Fairview accounts shall be open to review by either Town staff members or appointed independent auditors during normal business hours.
- The merchant card service provider shall provide a copy of the latest annual financial statement.

**J. Equipment and Software**

The Town of Fairview currently uses point-of-sale credit card readers (Magtek) at specified department computers. Interfaces with the various software used at these point-of-sale (POS) locations is required. Vendors are required to list all costs to convert the existing equipment under Submission Requirements.

The successful vendor will also provide an Internet system as explained below in Section II B.

## SECTION II PROCESSING SERVICES TO BE PROVIDED

### **A. Nature of Services Required**

- Provide a competitively based discount rate for the processing of all four major credit cards: Visa, MasterCard, Discover, American Express and e-check.
- The service shall allow the Town to authenticate the cardholder and use the card's magnetic stripe to authorize and capture the transaction.
- Provide payment, settlement and refunding services.
- Must be Cardholder Information Security Program (CISP) compliant.
- Provide a customer receipt that has only the last four (4) digits of the credit card number and does not show the expiration date.
- Post payments to multiple merchant ID's
- Deposit payments in the Town's bank account by merchant ID.
- Provide online daily transaction and account reconciliation reports with multiple sorting options.
- Application must be compatible with Town's present equipment and software.

### **B. Internet Based Payment System**

The successful vendor must provide an Internet based payment system for the payment of utility bills, municipal court fines, building inspection fees and other general government fees. Please list all costs associated with the Internet based payment system.

The Internet Payment System must:

- Be compatible with the latest two (2) versions of the five major browsers; Internet Explorer, Chrome, Firefox Opera and Safari.
- Have a storefront option that allows an independent web site(s) to attach via Secure Socket Layer (SSL) connection.
- Have a **secure back-end link** between the Town and the Merchant Processor only. This connection must allow reconciliation and balancing of all accounts via a secure connection requiring SSL and two (2) factor authentication.
- Have every field compliant with Electronic Commerce Modeling Language (ECML), and the application must use Address Verification Service (AVS).
- Have real time credit card processing.
- Be able to process automatic account withdrawals each month.

### **Secure Gateway**

- Internet Payment Gateway has to reformat credit card transaction data and route it to the authorized network(s).

- Any other vendor outside of ETS, the merchant services provider would need an authorize.net account as the gateway between Tyler Technology – INCODE and the credit card merchant services provider
- The selective service must have a secure gateway for all transaction methods, whether the request originated from a point-of-sale credit card terminal, cash register, PC, telephone, or through the Internet.

### **Internet Based Customer Service Features:**

- Have an Application Interface (API) for settling-up credit card account information with the ability to open and close orders.
- Be able to find orders by invoice number, date, or customer name.
- Be able to perform detailed searches on account information.
- Be able to issue credit for an order by performing a charge back.
- Have the ability to re-authorize an order.
- Be able to add details or notes to an order.
- Be able to export order information into different formats.
- Have the ability to edit customer information and adjust billing information.

### **Internet Based Reporting**

- Be able to produce management reports.
- Be able to produce accounting reports.
- Be able to produce a system status report.
- Be able to produce an e-mail report.

### **C. Discount Rates and Fees**

- Provide pricing for credit and debit card processing charges. Please break down the charges by card type. The Town's preference is a simplified discount-pricing schedule. More than one pricing option may be included. Specify any differences in discount rates and processing fees for Internet transactions and POS terminal transactions. Please include all fees that may be applicable to the Town's service.
- Set up fees, monthly account fees and all other fees for processing and reporting of credit card transactions. Detail how and when these fees apply.
- Detail **ALL OTHER FEES AND CHARGES** including, but not limited to: implementation and conversion costs, charge-backs, voice and off line authorizations, etc.
- For each merchant number, the Town requires that its bank account be credited for the full amount of the sale and that discount fees be deducted from the Town's bank account once a month. Please describe your process for transferring funds to the Town and receiving discount fees.
  - 1) What method will be used?
  - 2) When will the Town receive funds for credit card transactions processed?

- 3) What are the daily cutoff times for transmission?
- 4) How will discount fees be handled?

#### **D. Equipment Conversion and Other Equipment Services**

Provide costs for the conversion of the Town's current equipment and for the purchase and/or lease of new equipment. Please detail all costs that the Town will incur. The Town of Fairview is not subject to sales tax.

The Town in the future may deem it necessary to have access to wireless terminals for use during special events throughout the year. Please indicate if wireless terminals are available to rent on an as needed basis for a monthly rental fee. If so, please state the fees for renting wireless terminals.

#### **E. Customer Service**

Describe your help desk and other support functions to include, but not limited to:

- Expertise and size of staff.
- Hours of operation and after hours (M-F 8:00 AM to 5:00 PM) response time for system and equipment failure.
- New customer training and account set-up.
- Actual response time for inquiries.
- The relationship management team or individual who will service the account and its functional responsibility.
- Remediation and reconciliation procedures.

#### **F. Retrieval and Charge-backs**

- Provide a detailed description on how your company handles retrieval and charge-back requests.
- What are your retrieval compliance timeframes?
- How would the Town of Fairview be informed when a charge-back is posted?
- Do you provide email notification for this function?

#### **G. Reporting**

- The Town requires that transaction data be available online.
- Explain your reporting process and ways in which the reporting cycle can be customized.
- Provide samples of all customer account management reports.
- Are the reports available electronically and how would they be delivered?
  - What file format(s) are available?

## **H. Monthly Statement / Invoice**

- Provide a copy of your Monthly Statement / Invoice with sample transactions. The statement must provide the following:
  1. A monthly summary which shows total number of sales, amount of sales, total number of credits, amount of credits, net sales, and average sale price.
  2. Daily transaction detail showing total number of sales, amount of sales, total number of credits, amount of credits, and the net sales for deposit for each day.
  3. The merchant processor discount fee.
  4. All other fees should be itemized according to the Visa/MasterCard Program Rate Categories and show the number, amount and total for each category. All other fees should also include charges for Discover and American Express authorizations.
- Do you offer online statements? If so please explain how soon they are available for viewing. If the service is available please include the price for this service in Exhibit F.

## **I. Implementation Process/Contracts**

- Describe the implementation process for the Town of Fairview. Please reference the estimated timeframes presented in this RFP.
- All respondents must state any proposed changes to the listed terms and conditions and include any additional proposed contract language or changes to the Town of Fairview Standard Terms and Conditions. Please do not simply include your standard contract.
- It is acceptable to include your standard contract and state that modifications will be made to match the standard terms and conditions of the Town (with noted amendments).

## **J. Security and Disaster Recovery**

- Outline the security measures in place for the protection of data transmitted for processing.
- Describe the security measures used to prevent unauthorized user access to the system and/or the data.
- Describe your local back up and/or redundant systems.
- What is the expected time frame to become operational should a catastrophic event occur?

## **K. Application Interfaces**

- We are currently running the following applications that will need to integrate with the credit card process:

1. Tyler Technology INCODE (version 9) for Building Projects (Building Permits), Criminal Court (Municipal Court), Utility Billing (Revenue Collections) and Business Licenses. Vendors must provide references of a minimum of three installations where their product is currently being used in an integrated fashion with INCODE applications.
2. The Town is in the process of implementing a new application software – MOBILEeyes. The Inspection (version 3.5.0) will be used for building inspection fees. The Permit & Build (version 1.6.4) will be used for contractor registration and building permit fees

**EXHIBIT A**  
**Calendar of Events**

<b><u>Dates</u></b>	<b><u>Events</u></b>
4/7/2015	Town Council approves methodology set forth in the RFP and authorizes Town Manager to determine the best value for the Town
4/9/2015	Advertise first public notice in the Allen American. Documents for this project may be obtained from our website <a href="http://www.fairviewtexas.org">www.fairviewtexas.org</a>
4/23/2015	Advertise second public notice in the newspaper
5/1/2015	Last day for questions from interested parties
5/8/2015	Answers to all interested parties by emails
5/15/2015	Receive proposals from interested credit card processing providers (prior to 2:00 p.m. at Town Hall – Accounting Department, 372 Town Place, Fairview, Texas 75069)
May/June 2015	Review by Town Staff
7/7/2015	Town Council awards the contract
7/31/2015	Town notifies current merchant service provider of contract cancelation (if applicable)
August 2015	Town works with contract awarded merchant service provider in setting up accounts, software and necessary equipment (if applicable)
9/1/2015	Credit card processing provider contract period begins

## EXHIBIT B

### Town of Fairview Credit Card Location and Equipment Information

#### Point Sale Card Reader at Computer Locations

Department	Location	# of Card Readers	Cards Accepted
Revenue Collections	Town Hall	2	Visa, MasterCard
Municipal Court	Town Hall	3	Visa, MasterCard

**EXHIBIT C**  
**Town of Fairview**  
**Annual Credit Card Information <sup>(1)</sup>**

<b>Gross Sales</b>			
<b>Month</b>	<b>FY12-13</b>	<b>FY13-14</b>	<b>FY14-15</b>
October	\$ 92,940	\$ 121,634	\$ 85,030
November	87,017	72,986	85,875
December	68,089	76,918	77,110
January	68,146	70,114	71,849
February	66,392	71,275	71,241
March	65,359	93,421	
April	61,208	67,835	
May	76,465	75,064	
June	80,103	63,079	
July	79,005	67,049	
August	101,153	75,519	
September	128,931	78,331	
<b>Total</b>	<b>\$ 974,808</b>	<b>\$ 933,224</b>	<b>\$ 391,104</b>

**Avg. Sales**      \$      **81,234**    \$      **77,769**    \$      **78,221**  
**Avg. Trans. Amt.**    \$      123.99    \$      138.07    \$      143.47

<b>Number of Transactions</b>			
<b>Month</b>	<b>FY12-13</b>	<b>FY13-14</b>	<b>FY14-15</b>
October	635	729	552
November	641	546	558
December	663	581	509
January	640	543	571
February	635	545	536
March	654	628	
April	643	543	
May	684	553	
June	630	500	
July	662	530	
August	665	520	
September	710	541	
<b>Total</b>	<b>7,862</b>	<b>6,759</b>	<b>2,726</b>

**Average**                      **655**                      **563**                      **545**

<sup>(1)</sup> Includes Visa and MasterCard for walk-in, telephone and Internet payments.

**EXHIBIT D  
Town of Fairview  
Credit Card Sales Volume**

**FY 2014**

Term Definitions	GOVERNMENT & UTILITIES		COURT		Grand Total
	POS	Web	POS	Web	
Oct-13	\$ 21,066	\$ 73,159	\$ 9,763	\$ 17,646	\$ 121,634
Nov-13	9,373	36,745	9,383	17,485	72,986
Dec-13	16,655	36,563	10,298	13,403	76,918
Jan-14	18,113	26,944	7,457	17,599	70,114
Feb-14	5,170	36,226	10,116	19,763	71,275
Mar-14	7,310	40,302	15,832	29,977	93,421
Apr-14	8,418	24,654	12,462	22,301	67,835
May-14	7,186	33,335	10,389	24,153	75,064
Jun-14	8,415	28,538	10,148	15,977	63,079
Jul-14	9,508	28,198	13,713	15,630	67,049
Aug-14	11,045	29,894	11,981	22,598	75,519
Sep-14	8,271	33,980	11,869	24,211	\$ 78,331
	<b>\$ 130,529</b>	<b>\$ 428,539</b>	<b>\$ 133,413</b>	<b>\$ 240,742</b>	<b>\$ 933,224</b>

**FY 2013**

Month	GOVERNMENT & UTILITIES		COURT		Grand Total
	POS	Web	POS	Web	
Oct-12	\$ 25,865	\$ 52,631	\$ 6,654	\$ 7,790	\$ 92,940
Nov-12	15,007	52,988	9,746	9,276	87,017
Dec-12	12,218	41,568	8,484	5,819	68,089
Jan-13	12,386	36,723	5,724	13,313	68,146
Feb-13	10,843	28,321	6,230	20,998	66,392
Mar-13	12,315	30,591	6,971	15,482	65,359
Apr-13	13,631	31,705	5,711	10,161	61,208
May-13	11,184	40,178	6,904	18,200	76,465
Jun-13	24,812	38,422	7,103	9,765	80,103
Jul-13	15,171	45,056	3,515	15,264	79,005
Aug-13	21,690	57,120	7,050	15,292	101,153
Sep-13	38,582	66,675	11,153	12,521	128,931
	<b>\$ 213,704</b>	<b>\$ 521,977</b>	<b>\$ 85,246</b>	<b>\$ 153,882</b>	<b>\$ 974,808</b>

**EXHIBIT E**  
**Town of Fairview**  
**Credit Card Transaction Volume**  
**FY 2014**

Month	GOVERNMENT & UTILITIES		COURT		Grand Total
	POS	Web	POS	Web	
Oct-13	133	451	64	81	729
Nov-13	78	320	66	82	546
Dec-13	67	368	82	64	581
Jan-14	83	337	48	75	543
Feb-14	62	333	72	78	545
Mar-14	77	333	101	117	628
Apr-14	86	282	81	94	543
May-14	82	304	62	105	553
Jun-14	79	283	66	72	500
Jul-14	90	275	88	77	530
Aug-14	83	251	74	112	520
Sep-14	69	275	87	110	541
	<b>989</b>	<b>3,812</b>	<b>891</b>	<b>1,067</b>	<b>6,759</b>

**FY2013**

Month	GOVERNMENT & UTILITIES		COURT		Grand Total
	POS	Web	POS	Web	
Oct-12	122	442	39	32	635
Nov-12	109	430	57	45	641
Dec-12	111	434	59	59	663
Jan-13	115	427	42	56	640
Feb-13	110	406	44	75	635
Mar-13	117	430	48	59	654
Apr-13	122	433	37	51	643
May-13	113	455	44	72	684
Jun-13	110	430	45	45	630
Jul-13	126	450	25	61	662
Aug-13	125	419	56	65	665
Sep-13	120	461	68	61	710
	<b>1,400</b>	<b>5,217</b>	<b>564</b>	<b>681</b>	<b>7,862</b>

**Term Definitions:**

GOVERNMENT – Building & Other Permits (POS only)

UTILITIES – Utility Billing (accepts POS & Web payments)

POS – Point of Sale Terminals

Web – Online Internet Payments

## EXHIBIT F

<b>CREDIT CARD SERVICES PRICING FORM</b>				
(The Town will accept variations from this Form and vendors can offer more than one pricing alternative/method.)				
<b>FEES</b>	<b>VISA</b>	<b>MASTER CARD</b>	<b>DISCOVER</b>	<b>AMERICAN EXPRESS</b>
Discount Fee				
Processing Fees				
Set Up Fee				
Return/Chargeback				
Monthly Account Fee				
Internet Inquiry/Report/ Research Service Fee				
Statement Fee				
Others (Specify)				

Please do not include the Visa/MasterCard interchange rates in the above schedule. This schedule is for merchant processing fees only. However you should attach the Interchange Rate Schedule for Visa and MasterCard and schedules for any additional rates, fees, or assessments established and levied by VISA, MasterCard, Discover, or American Express.

Any other proposed services should be outlined on a separate sheet.

Company Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Email Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_