

REQUEST FOR PROPOSAL

PROJECT NO. RFP 18-32
Merchant Services

QUESTIONS AND ANSWERS No. 001

Date: July 26, 2018

To: Prospective Respondents

From: Procurement Operations Department, Houston Community College

Subject: Questions and Answers Responses

Q1.	Is the goal of this RFP to replace CashNet, or to obtain backend processing that can integrate into it?
Response:	No.
Q2.	Is there a delay between the credit card authorization and settlement?
Response:	We will accept whatever is the normal practice by the Payment Card Industry.
Q3.	Will a manual settlement option need to be offered in addition to automatic settlement?
Response:	No.
Q4.	What is the range of ticket sizes from lowest to highest and what percentage of the monthly transactions are at each end of the spectrum?
Response:	Not available but, we can say that the average ticket size of the transactions is \$220.00

Q5.	What products/services are being purchased through the 18 cashiering locations?
Response:	Tuition and Fee charges, and payment of all outstanding receivables.
Q6.	What products/services are being purchased through the virtual terminal?
Response:	Everything that the cashiering locations can accept.
Q7.	What hardware is currently being used at the 18 cashiering locations?
Response:	Desktop computers and credit card scanners.
Q8.	Do those need to be reprogrammed or replaced?
Response:	No.
Q9.	What level of detail is being requested for the settlement process?
Response:	To the level of individual transactions in order to identify what transactions have not been settled.
Q10.	Will multiple settlement accounts be needed for each individual merchant ID, or will one settlement account be needed for each merchant ID?
Response:	Two or more locations may share on merchant ID. We need settlement by location.

Q11.	Is HCC looking for a service fee model where the processing fees are passed off to the students/customers, or will HCC be paying all of the processing fees?
Response:	Not at the moment but we want the flexibility to do so in the future.
Q12.	What is the mechanism Wells Fargo & Bank of America use to connect to Cashnet? Does Cashnet utilize a particular gateway that provides the virtual terminal?
Response:	CashNet utilizes Monetra to connect with the processor.
Q13.	How long has the HCC been using Cashnet?
Response:	More than 10 years.
Q14.	Since the RFP requests a total price for the project, if allowed, please provide additional detail (or statement) so that we can understand the payment mix We are able to see the card breakdown but there are differences in cost for different card types as well as debit usage (signature versus pin). A statement would clarify this as there are so many variables.
Response:	Not available.
Q15.	We sometimes see AMEX billed separately. Do you have all credit card payments through one statement? (one from BOA and one from WF) Or do you have one from each of those AND one from AMEX?
Response:	Credit card payments are settled in just one bank account but it is clearly identified whether it is from BoA, WF, or AMEX.
Q16.	Do you prefer a cost (interchange) plus pricing or a flat rate? We can offer however you prefer. Some clients prefer the simplicity of a flat (fixed) rate, while others prefer the cost plus quotation.

Response:	We are hoping that you could offer options. We will review all cost options put forward.
Q17.	Would you prefer to have all 26 locations/MIDs to have their own equipment?
Response:	All cashiering location have their own equipment presently. We are not looking to change it but may have to have 7 merchant IDs. Each ID may have 2 or more locations.
Q18.	What type of equipment/terminal is currently used for swiping credit cards?
Response:	Simple, regular swipe machine.
Q19.	Are you using EMV (chip reader enabled) equipment today? Are you EMV compliant today?
Response:	We are not using EMV equipment at this time. However, the College may do it in the future.
Q20.	The RFP mentions 30 day terms for invoicing. Is this intended for equipment purchases (because the credit card requirements are for fees to be paid within 3 days following the end of the prior month).
Response:	You may disregard this because we are not doing equipment purchases. Fees can be debited from our bank account.
Q21.	Would you like to have the card holder pay for the fee? (ie. Baylor and other universities charge around 2.75%-2.85% to pay online but we see some also charge in person as a convenience fee)
Response:	Not at this time, but want to have that option available in the future.
Q22.	Is there a reason you have two providers for merchant processing? We are able to offer and service both types of payment options expertly.

Response:	It does not have to be 2 providers.
Q23.	Why is HCC releasing this RFP at this time?
Response:	Contract with existing provider is expiring.
Q24.	The RFP references CashNet as the College's (HCC) cashiers system, and Wells Fargo as the Point of Sale processor and Bank of America as the on line processor. Does the College intend to continue using CashNet for this function?
Response:	Yes, at least for the year. We may issue an RFP for cashiering services in 2020.
Q25.	If so, will CashNet provide API integration for selected vendor.
Response:	Yes.
Q26.	Does the College require real time or batch integration?
Response:	Our existing cashiering system will take care of integration. It is real time.
Q27.	Does the College intend to award to one or multiple vendors?
Response:	No decision on that yet. We'll make that decision upon review of all proposals.
Q28.	Does the College have a hard Go Live date for this integration?

Response:	No.																
Q29.	Will the College release copies of merchant statements for potential vendors to review?																
Response:	No.																
Q30.	If not, can the College provide a list of all cost paid by the College on the present contact?																
Response:	<p>See below the amounts paid by the College for Merchant Services Fees during the Fiscal Year 2017 and 2018. The FY 2018 includes the total up to June 2018. It is showing the monthly average as a reference for the remaining months.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Merchant Services Fees FY 2017</th> <th colspan="2" style="text-align: center;">Merchant Services Fees FY 2018</th> </tr> <tr> <td colspan="2" style="text-align: center;">From September 2016 to August 2017</td> <td colspan="2" style="text-align: center;">From September 2017 to June 2018</td> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Total Fees Paid</td> <td style="text-align: right;">766,995.70</td> <td style="text-align: right;">Total Fees Paid</td> <td style="text-align: right;">604,507.61</td> </tr> <tr> <td style="text-align: right;">Monthly Average</td> <td style="text-align: right;">63,916.31</td> <td style="text-align: right;">Monthly Average</td> <td style="text-align: right;">60,450.76</td> </tr> </tbody> </table>	Merchant Services Fees FY 2017		Merchant Services Fees FY 2018		From September 2016 to August 2017		From September 2017 to June 2018		Total Fees Paid	766,995.70	Total Fees Paid	604,507.61	Monthly Average	63,916.31	Monthly Average	60,450.76
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Q31.	Due to the short turnaround of question and answer, and bid closing date, will the College consider extending time the date that this procurement is due?																
Response:	It has been extended to August 2.																
Q32.	Are you seeking proposals for just Merchant Services or also for a replacement for the CashNet POS system?																
Response:	Just for Merchant Services.																
Q33.	Please provide a list of gateway/middleware options that CashNetutilizes to connect to the Wells Fargo/First Data processing platform. (examples: Authorize.net, Cybersource, Pay Flow Pro, etc)																

Response:	CashNet utilizes Monetra.
Q34.	Please explain why Bank of America is used to handle the web payments instead of Wells Fargo. If both web and cashier's stations utilize CashNet, we seek additional insights as to why there are two merchant services providers.
Response:	It was the previous officials' decision. No underlying operational philosophy.
Q35.	If web payments are processed through CashNet, is there a different gateway/middleware solution used vs. the card present/cashiering stations? If yes, please provide the gateway/middleware name.
Response:	CashNet utilizes Monetra.
Q36.	Do you charge the card holder a fee (surcharge or convenience fee) to use credit/debit cards for payment?
Response:	No. Not at this time.
Q37.	Please provide 3 full, current merchant statements for all of HCC's merchant accounts with both BofAand Wells Fargo.
Response:	Not available.
Q38.	Please describe the service you use for electronic check acceptance. Please name the provider of this service.
Response:	CashNet handles this.
Q39.	Do you accept PinlessDebit for payments? If so, please describe how it is utilized.

Response:	No.
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