



City of Charlottetown

**REQUEST FOR PROPOSALS
PURCHASING CARD PROGRAM**

September 17 , 2010

REQUEST FOR PROPOSAL

City of Charlottetown

PURCHASING CARD PROGRAM

Introduction:

The City of Charlottetown currently operates a Purchasing Card Program for the daily purchase of goods and services falling outside standing offers obtained through the tendering or quotation process.. This program has been operating for the past number of years and currently utilizes approximately one hundred (100) VISA cards totaling approximately \$ 725,000 in annual purchases.. It is the desire of the Finance Committee of the City of Charlottetown to upgrade the current system to ensure that the City is receiving the best value for its Pcard program and is accessing the most up to date technology available.

Objective

The objective of this Request for Proposals is to identify the best qualified proponent to provide the services for this initiative. In this regard, the City of Charlottetown is seeking detailed information from interested service providers.

Scope of the Work

Proponents shall provide a proposal that addresses the Scope of Work as identified as Appendix A to this document.

Proposal Content

Qualifications and Experience

Consultants shall be qualified and experienced in the areas of service for projects of this scope and complexity.

Consultants shall have:

- Technical competence;
- Experience on similar projects;
- Proven performance;
- Availability of dedicated personnel for the duration of the project;
- Location and/or local knowledge;
- Managerial ability.

Project Management

Describe the management structure to be used on this project:

- Provide an organization chart of the project group;
- Identify the role and responsibilities of key members(s);
- Identify reporting relationships.

Describe schedule for services and work plan(s) for this project, indicating anticipated start and end dates. In addition Consultants shall include a schedule for invoicing services to the City.

Methodology:

Consultants shall provide a concise methodology for the requested Consulting Services including:

- Understanding of the project objectives and scope including peripheral problems.

Payment by City of Charlottetown

Consultants are advised that the City has now moved to electronic payments on goods and services provided to the City.

Payment of invoices will be made by way of Electronic Funds Transfer. The successful proponent will be required to provide the necessary information for registration on the City's system.

Pre-Proposal Questions

Questions with regard to the Proposal process should be directed to Scott Ryan, Manager of Finance at sryan@city.charlottetown.pe.ca Only written questions will be considered

Any questions received, which are of a material nature, may give rise to an Addendum being issued for clarification. Any and all Addenda will be posted to the City of Charlottetown Website in the Tenders Section. It is the responsibility of all potential proponents to ensure that they check for any Addenda prior to submission. Individual communication of Addenda will not take place. The City Website may be found at www.city.charlottetown.pe.ca/tenders

Proposal Submission:

Proposals **shall be concise** and include the following information

1. **Three copies** of your firms proposal are to be submitted in a sealed envelope clearly marked to identify contents **plus one electronic copy** and addressed to **City of Charlottetown Purchasing Card Program, Purchasing Officer, 3rd Floor, City Hall, 199 Queen St., Charlottetown, PEI, C1A 7K2;**
2. Proponents are requested to identify the members of their project team and the level of effort for each member;
3. Proponents are requested to submit, a statement of the **firm fixed lump sum fees** for the services service including the breakdown of the lump sum fees for services;
4. Proponents are requested to submit a detailed schedule for the entire assignment;
5. Proposals shall be submitted before **12:00:00 PM local time, September 17,2010.**
6. Proposals will be evaluated based on the Criteria for Proposal Evaluation as attached to this RFP (Appendix B).
7. Time is of the essence for this work.

PERIOD THAT PROPOSALS REMAIN VALID

Respondents agree that proposals will remain firm for a period of one hundred and twenty (120) calendar days after the specified date for return of proposals to the Purchasing Department.

CONTRACT AWARD

A contract agreement will be negotiated with the successful proposer.

CONTRACT PERIOD

The initial contract will begin on the date of the award and continue for thirty-six (36) months. It shall be subject to renewal for up to three (3) years, one (10 year at a time. Automatic contract renewals are prohibited. All renewals must be authorized by and coordinated through the authorized City contact.

PRICING

The subsequent contract will be a firm-fixed price agreement. The fee(s) will remain firm and will include all charges that may be incurred in fulfilling requirements for the duration of the contract.

NOTIFICATION OF AWARD

Service may not begin until Notification of Award from the City Finance Department. Performance time and dates are determined solely by the contract and any subsequent modifications to the contract.

KEY PERSONNEL

The service, fiscal and technical personnel named in the Statement of Qualifications will remain responsible throughout the period of the contract. No diversion or replacement may be made without the submission of a resume of the proposed replacement with final approval being given by the authorized City contact.

NO GUARANTEE OF QUANTITIES

The City of Charlottetown does not guarantee any amount of purchases by credit card as a result of this RFP nor does the municipality guarantee a minimum number of cards that will be issued.

DISPUTES

Should disputes, alternatives or other disagreements related to the performance of the work herein described arise between the municipality and the contractor, the parties hereto shall negotiate in good faith in an attempt to resolve the same. Such negotiations shall take place prior to any remedy at law.

REJECTION OF PROPOSALS

The right is reserved by the City of Charlottetown at its discretion to reject any or all proposals or parts thereof. The municipality reserves the right to waive defects or informalities, to negotiate with proposers and to accept the proposal deemed to be in the best interests of the municipality.

The Proposal with the highest points score (i.e. Technical Proposal + Financial Proposal) will be considered the preferred proposal. Once the preferred proposal has been selected, changes to the Scope of Work may be considered .

The City of Charlottetown does not, by virtue of this proposal call, commit to an award of this project, or to accepting the lowest or any proposal submitted.

The City reserves the right to reject outright any bid it deems as non-compliant to the requirements of this proposal call.

The City reserves the right, should it choose to do so, to award this proposal in any manner deemed to be in the best interest of the City.

APPENDIX A – SCOPE OF WORK

The purpose of this Request for Proposals (RFP) is to enter into a contract with a qualified commercial financial institution for the provision of purchasing card (credit card) services for all Departments of the City of Charlottetown.

Basic Requirements:

- A. Issuance: The contractor shall not issue any cards without the written approval of the City of Charlottetown. Proposers shall indicate the processing time required to fulfill new card requests and the method of delivery of the card.
- B. Compatibility with Municipal Accounting System: Proposers shall be capable of providing all transaction records in an electronic file format compatible with that used by the municipality. Proposers shall submit the layout of their data structure so the data can be integrated with our current accounting application. If selected for an interview, the proposer shall also submit sample data and the name of their technical contact person.
- C. Liability: The municipality will not accept liability for unauthorized use, account numbers which are fraudulently used, and cards which are lost or stolen beyond a maximum limit of fifty (\$50.00) dollars. The municipality will not accept liability beyond when the contractor is notified of a lost or stolen card or that an unauthorized person has used a card. Proposers shall describe in detail the Municipality's liability under any contract as a result of this RFP.
- D. Card Design: The contractor shall provide cards designed specifically for the City of Charlottetown. The design shall be approved by the authorized City contact and shall contain as a minimum the City logo prominently displayed on the face of the card. The logo shall be supplied to the successful proponent.
- E. Card Controls and Restrictions: The contractor shall have the ability to set restrictions and controls on individual cards. The proposers card system software shall have the capability of allowing authorized City staff to initially set and later make changes to the restrictions and controls on individual cards, within the accepted limits. The authorized City agent shall have the ability to activate certain cards, which shall be reserved for emergency use. These "emergency cards" shall have pre-defined restrictions and controls agreed upon by the municipality and the proposer. Maximum municipal wide limitations for all cards shall be set in writing at the start of the contract and shall be changed only by written notification from the authorized City contact. The contractor's customer service representatives may not make changes to card limits without this notification. This notification may be provided by fax or electronic mail.

Individual controls shall be set at the time of card application but may be changed at a later time. Card controls may be changed only upon request from the authorized City contact. These changes may be made in writing, fax or electronic mail. A toll-free number shall be made available by the contractor to process these types of changes immediately. Proposers should indicate a time frame for making individual card control changes.

The following controls and restrictions shall be available for all cards:

Single transaction dollar limitation – Established per individual card, not to exceed the municipal established individual cardholder maximum dollar limit.

Velocity limitation – Number of card authorizations per designated period.

Maximum dollar limitation per period – Maximum monthly dollar amount per individual cardholder.

Vendor and commodity blocking – Restrictions on the types of vendors authorized to accept the card and the types of commodities that may be purchased.

Cash advances – Complete prohibition of cash advances.

Additional controls – As available from the contractor. Proposer shall describe any additional controls they have available.

Training: The contractor shall provide to the municipality as follows:

Contract start up training session – At the start of the contract, the contractor shall provide initial on-site training to municipal staff as designated by the authorized City contact. The initial training will address benefits and features of the card, billing procedures, available reports and the application process.

Training materials – The contractor shall provide written materials that may be used by municipal department heads to train individual card users in the proper use of the card.

Telephone support – The contractor shall provide the name and telephone number of a point of contact who will be available by telephone to answer questions that may arise during the municipality's training of staff or to provide brief training sessions by telephone to new department heads or cardholders. Proposers shall indicate the hours this sort of training will be available.

Proposers shall describe any additional training programs or aids such as videos and on-line support and indicate their availability.

F. Customer Support: The contractor shall provide customer support to the authorized City contact, Department Heads and other cardholders. This support shall include

A toll-free customer assistance number and a toll free telephone number for reporting lost or stolen cards. Proposers shall describe the availability of these assistance lines and the hours they are staffed.

The name, title and telephone number of the customer account representative, and alternate who would be responding to enquiries of the authorized City contact.

The name, title and telephone number of the technical representative and alternate who would respond to inquiries by the authorized City contact or the municipality's information technology staff.

G. Questioned/ Disputed Items and Charge Backs: The contractor shall provide a method for handling questions concerning charges. Toll-free service for this process shall be available. Provisions for handling questioned/disputed items should include how to

Contact the contractor to discuss questioned or disputed items.

Credit the municipality's account, pending resolution of the disputed item, and

Process charge-backs for items resolved in the municipality's favor. Proposers shall provide a time frame for this process.

- H. Changes in Cardholder or Municipality Accounts: The authorized City contact may request changes to an individual card or all cards municipal wide. Such changes may include changes to card spending limits, number of transactions limits, purchase restrictions, card name, cardholder billing address, or telephone number, and card unique identification number (PIN). These changes may be made in writing, by fax or by e-mail.

Proposers must offer a time frame between receiving a change request and accomplishing the change. Proposers shall also detail how the request may be conveyed, by phone, fax, electronic mail, etc.

- I. Lost or Stolen Cards: The cardholder and / or authorized City contact will immediately report lost or stolen cards to the contractor. Such reports will be in writing or verbal with written confirmation. The contractor shall provide for immediate cancellation and emergency issue of a replacement card. Proposers must specify the time frame between receiving the report of a lost or stolen card and mailing a replacement card. Also, please refer to Section F above regarding availability of toll-free service for this process.

- J. Card Termination: The authorized City contact may from time to time notify the contractor of card termination and cancellation. This notification will be in writing or verbal form with written confirmation. Upon notification, the contractor shall immediately cancel the appropriate account (s).

Proposers shall specify the time frame between receiving the request and cancellation of the account.

- K. Card Acceptance: a major commercial credit card company must issue the contractor's card. It shall be widely accepted by a variety of vendors used by the municipality both locally and nationally because orders may be placed in person, online, or by telephone/fax. Proposers shall describe the card's general acceptance locally (within Prince Edward Island) and nationally. The contractor shall work in cooperation with the municipality in insure vendors accept the credit card for municipal purchases.

- L. New Merchants: The contractor should have an established program to recruit new businesses when notified by the municipality that a particular vendor did not accept the contractor's card. Proposers shall describe this program and its level of success.

- M. Billing Documentation: Billing statements shall be provided at an agreed upon interval to cardholders, Department Heads and any additional staff identified by the authorized City contact. A consolidated billing statement will be provided to the authorized City contact and cardholders will receive individual monthly statements. Many municipal personnel using the cards will have access to the Internet. The contractor shall provide on-line cardholder statements and reports. Invoices for all users of the contract must meet the municipality's requirements. The successful proposer must send an itemized invoice at the interval agreed upon which must include the information listed below:

Name of the cardholder and account number

Name of merchant

Date supplies or services were purchased

Itemized cost for each item/service.

Backup documentation for each purchase shall be available upon request from the cardholder or authorized City contact. Proposers shall identify the time frame required to provide backup documentation and method required for request (phone, fax, etc.)

- N. Transmittal of Billing Information: Although access to hardcopy billing statements are required, alternative methods of transmitting billing information for payment are highly desirable. The contractor will work closely with the municipality's information technology and accounting staff to facilitate the use of technology. If an alternative method is agreed upon, the file reports should contain, at a minimum, a list of all detailed purchasing card transactions and a record or file of control information (i.e. total records transmitted, total dollars in current period card transactions, total dollars in current period credits) so the municipality can verify all billing information has been received and processed.

Proposers shall provide the following information regarding transmittal of billing information:

Available methods for transmittal of billing information (EDI, etc) and what, if any, payment parameters are associated with each billing format.

What user specific information can be attached to each card or account.

A description of the proposers technical support for electronic billing processes. The description should include what work hours tech support is available to the municipality as well as descriptive information regarding staffing, experience and other pertinent factors.

- O. Contractor Database Access: Proposers shall describe the capability to access their database through the Internet. Describe any time limitations / allowances on such access. Describe the level of compatibility with major PC based software for downloading data and information.
- P. Payment: Payment shall be due within an agreed upon number of days after acceptance of all products or services or receipt of a correct invoice for payment. Payment will be made by way of an electronic funds transfer.
- Q. Late Charges: If late charges will be assessed to the municipality's account, proposers shall describe in detail the rate, how and when the charges would be invoked and how the charges would be billed, including a sample calculation.
- R. Sale of Cardholder Information: The contractor shall not sell, rent or otherwise distribute a list of participating cardholders, their addresses or any other information to any person, firm or other entity for any purpose without the written consent of the authorized City contact.
- S. Card Life and Renewal: Card life cannot exceed two years and all cards are subject to earlier cancellation. On a monthly basis, the contractor shall submit a report to the authorized City contact showing all cards, which will expire within the next sixty (60) days.

PROPOSAL PREPARATION

- A. Proposals shall be prepared simply and economically, providing straightforward concise descriptions of capabilities. Emphasis should be on completeness, brevity and clarity of content.
- B. Proposers may be required to make an oral presentation to the authorized City contact to elaborate or clarify an aspect of the proposal or may be required to provide a demonstration of their electronic billing processes.
- C. Ownership of all data, materials and documentation originated and prepared for the municipality pursuant to this RFP shall belong exclusively to the municipality and may be subject to public inspection. Trade secrets or proprietary information submitted by the proposer shall not be publicly disclosed. However, the proposer must request this protection prior to or upon submission of the data or other materials and must identify the data or other materials to be protected and state the reasons why protection is necessary. Disposition of such materials after the award shall be stated by the proposer.
- D. Proposals shall contain the following information in the sequence listed:
1. Name of the firm submitting the proposal; main office address; when organized; if a corporation, when and where incorporated; the date until which the information in the RFP is binding and the names and addresses of the service, fiscal and technical representatives who would handle the municipality's account.
 2. Understanding of the problem and technical approach. A statement and discussion of the requirements as they are analyzed by the proposer and the proposer's definitive Scope of Work with an explanation of technical approaches and a detailed outline of the proposed program for executing the requirements and achieving the objectives of this RFP.
 3. Work Plan – It is the municipality's goal to begin implementation of the card program to departments no later than January 1, 2011. Proposers shall present a description and time line of the phases or segments into which the proposed program can logically be divided and performed. The narrative shall address separately each of the tasks described in this RFP and responses should be keyed to the appropriate paragraph numbers. This section should also contain a discussion of any changes proposed which substantially differ from the Scope as described above and /or the Procedures as they appear in this document. This section should also include detailed descriptions of activities, significant milestones and anticipated deliverables.
 4. Treatment of the Issues – In this section, proposers may comment, if deemed appropriate on any aspect of the RFP including suggestions or possible alternative approaches to the coverage, definition, development and organization of the items presented in this RFP.
 5. Statement of Qualifications – Organizational and staff experience. Proposers must describe their qualifications and experience to perform the work described in this RFP. Information about the experience should include direct work with the specific subject matter. Include resumes of key staff that would be working directly with the municipality.

References: Submit three (3) references from current corporate customers, preferably government organizations similar in size to the city of Charlottetown. Provide complete contact information.

Personnel: Any subcontractors who will be assigned direct work on this project should be identified and brief resumes provided. Information is required which will show the composition of the task or work group, its specific qualifications and relevant experience. The technical area, character and extent of participation by any subcontractor or consultant must be indicated and the anticipated sources identified.

Financial Responsibility: Latest audited statements, annual or quarterly reports, rating from a national recognized credit rating organization or other acceptable proof of financial responsibility.

Number and physical location of positions that would be assigned to the municipality's account and the number of hours each position will spend on implementation and on-going operations throughout the contract.

- E. Pricing Data: For the purposes of this RFP, proposers may provide detailed pricing information for each aspect of service. Because of anticipated volumes of transactions, it is anticipated that the proposer will supply cards, software and many services at no cost to the municipality. The proposer shall detail any and all costs that the City of Charlottetown will or may incur through the use of the card program. Proposers should describe and incentive programs that are available and the methods of payment for incentive programs should be described.

ANTICIPATED USAGE

Based upon current usage volumes for the last available fiscal year (2009), it is anticipated that the municipality will require approximately one hundred (100) cards with an annual purchase volume in the range of \$ 725,000.00 total for all Departments.

APPENDIX B EVALUATION CRITERIA

**Proposal Evaluation Criteria
Purchasing Card Program
Request for Proposals**

Criteria	Max. Score	
1. Project Team Qualifications - Company qualifications - Personal qualifications	25	
2. Related Experience and Capacity - Previous similar work - Company capacity (expertise, technical qualifications & support capabilities)	25	
3. Understanding of Objectives - Work outline & plan proposed - Methodology proposed	25	
4. Submission Quality	5	
5. Price	20	
Total	100	