



Clarification #2

Reference: Request for Proposal B9339310
Banking Services

Date: February 10, 2017

The University received a request to clarify the following:

- 1) Page 8, Optional Services #36 – ATM Machines.

CLARIFICATION: There are 4 ATMs on campus, not 5.

Are the five (5) ATM machines disbursement only?

ANSWER: Yes (4 ATM machines, not 5).

Will you provide the location of the current ATMs?

ANSWER: They are on campus, (three at the Student Center and one at the WPU store).

Will you provide the transaction volumes, including number dollar amount and withdrawal activity, on each machine?

ANSWER: ATM transaction volume for 12 months is as follows:

	Transaction Counts				Dollar Volume		
	Surcharge	Approved WD	Other	Denied	Total Count	Dispensed	Surcharge
Third Party ATM Provider							
Student Ctr	2,488	2,494	561	206	3,261	\$ 122,420	\$ 3,110
Student Ctr2	3,785	3,789	1,191	401	5,381	\$ 174,660	\$ 4,731
WPU Store	<u>396</u>	<u>396</u>	<u>93</u>	<u>39</u>	<u>528</u>	<u>\$ 11,270</u>	<u>\$ 594</u>
	6,669	6,679	1,845	646	9,170	\$ 308,350	\$ 8,435
Bank-Provided ATM							
WPU Store	<u>1,516</u>	<u>1,516</u>	<u>345</u>	<u>265</u>	<u>3,642</u>	<u>\$ 71,600</u>	<u>\$ 2,778</u>
Total all ATMs	8,185	8,195	2,190	911	12,812	\$ 379,950	\$ 11,213

Does the University share in any surcharge revenue associated with withdrawals?

ANSWER: No.

Are you looking to have one vendor provide all five (5) **(clarification: four)** ATMs?

ANSWER: Optional.

Is providing the ATMs a requirement of being awarded the contract?

ANSWER: No, but desirable to offer as a student service.

- 2) Page 19, Cash and Investment Policy Section A. Portfolio
- a. The Contingency and Core sections of the University's Investment Policy lists Fixed Income Funds under permissible Investments. Would bank CDs having terms that meet the Average Maturity as defined in the Investment Policy qualify as Fixed Income Funds?

ANSWER: This RFP is for banking services only, and relates only to Tier 1 of the Cash and Investment Policy as explained on page 5 under Background. The permissible Fixed Income Funds referred to in this question are related to Tiers 2 and 3 (contingency and core sections).

- b. If yes, will the University be seeking competitive bids during the course of the contract?

ANSWER: Not applicable as per the 2.a. answer above.

- 3) The language in the Termination Section (b) on page 25 of the Banking Services RFP is different than the language of the Termination Section on page 31 of the Investment Management Services RFP. Why is there a difference since they are both four year contracts?

ANSWER AND CLARIFICATION: There is only one correct termination clause in each of the RFPs which is item 1.5.12 on page 25 of the Banking Services RFP and item 1.5.12 on page 21 of the Investment Services RFP.

Any other termination clause should be disregarded.

- 4) Could a financial institution be awarded this RFP if they do not have a credit rating?

ANSWER: Yes. Credit ratings are indicators of institutional financial health. WPUNJ will evaluate each bidder's financial health based on the indicators available, including credit rating if available.

- 5) Is WPU willing to provide a vendor file with detail on the 2016 A/P check payments (6,850 transactions totaling \$19,256,917)?

ANSWER: No.

- 6) Is the Pioneer Card a procurement card?

ANSWER: No, the Pioneer card is a student card, loaded with students' own money that they can use to make purchases on-campus and at local participating restaurants and vendors.

- 7) If so, what differentiates a payment that would be paid with a Pioneer Card versus the other P-Card program valued at \$540,000 annually?

ANSWER: N/A

- 8) If not, can you please provide additional information about the Pioneer Card and how it is used?

ANSWER: see answer to #6 above.

- 9) How are travel and entertainment payments handled today?

ANSWER: T&E expenses are generally paid either up front through our Accounts Payable processing (such as conference registrations), or as employee reimbursements on a post-travel basis. Only a few employees at the senior executive level have the ability to use the corporate p-card to charge travel. The University does not have any card program specifically for T&E.

- 10) Does WPU plan on keeping TouchNet in place or would you like Wells Fargo to present a billing solution?

ANSWER: we plan on keeping Touchnet in place.

- 11) If TouchNet will stay in place, please provide the product name and version that is currently being used.

ANSWER:

- **Bill & Payment version 6.5**
- **Paypath version 6.5**
- **Marketplace version 6.5**
- **Payment Gateway version 6.5**

- 12) Please have TouchNet provide the third-party vendors they are compatible with for e-check processing.

ANSWER: The information regarding TouchNet's third party vendors' compatibility is currently unavailable. However, the helpful information we have on this topic is that TouchNet nightly files are ACH formatted and transfer-ready. They are retrieved each night by WPUNJ systems and transmitted to the bank by WPUNJ.

13) Have you budgeted for banking fees?

ANSWER: Yes.

14) Please provide a breakdown, by card type, with volume and transaction counts for:

- a. MC/VISA
- b. Discover
- c. American Express

ANSWER: The chart below shows total deposits received by credit card for fiscal year 2016 at the detail level available to us. Your institution would provide merchant card services to the Non-Touchnet category of merchant accounts. Touchnet merchant account transactions are processed by Touchnet's third party (Elavon), and currently the non-Touchnet transactions are processed by our Bank's third party (also Elavon). The transaction volume stated below is at the batch level representing batched deposits to our depository account. Counts at the more detailed transaction level are not available.

	Touchnet	Non-Touchnet	Total
AMEX	\$2,218,092	\$23,040	\$2,241,132
MC/Visa/Disc	<u>10,178,019</u>	<u>478,003</u>	<u>10,656,021</u>
Total	\$12,396,111	\$501,042	\$12,897,153
<u>Batch Counts</u>			
AMEX	810	358	1,168
MC/Visa/Disc	<u>2,124</u>	<u>1,850</u>	<u>3,974</u>
Total	2,934	2,208	5,142
# Merchant Accounts	12	14	26

15) Card volume as stated is \$13,000,000 with 2,200 transactions using 14 merchant accounts. Please confirm volume and average ticket with a breakdown by card type.

CLARIFICATION: The card volume of \$13,000,000 applies to all credit card deposits, including those processed by Touchnet's third party. This RFP requires your institution's services to process \$500,000 of the \$13,000,000 – that is, only the non-Touchnet part.

16) E-Check Volume was given as \$33,500,000. Can you please confirm the total number of transactions for us?

ANSWER: Approximately 48,000 transactions per year.

17) The depository account must be interest-bearing.

If the bank will not offer a collateralized, interest bearing depository account, will that disqualify the bank from the bidding process?

ANSWER:

- **The depository account must be collateralized in accordance with Chapter 64 of Title 18A of New Jersey Statutes.**
- **For any proposal that does not offer earnings on the depository account: the lack of earnings will be weighed against the level of fees and factored into the overall evaluation.**

18) WPUNJ is interested in remote site deposit processing (although not currently using this feature). Please include a detailed description of what your firm can offer.

Please clarify "remote site deposit processing." Is this for checks and/or cash deposits?

ANSWER: Yes. WPUNJ is open to any proposal you have for checks and/or cash deposit processing that is more efficient than our current process of 1) manually filling out deposit tickets and 2) delivery of the physical checks/cash/tickets to the bank. This may include scanning technology for the deposit of checks, smart safe, or other solutions.

19) WPUNJ uses payment machines in its parking garage. The machines require the use of new bills in its cash tray. Approximately twice monthly, WPUNJ replenishes the cash tray and generally needs to exchange older bills for new bills. The cash trays are maintained at about \$7,000. Additionally, about twice weekly, WPUNJ needs to exchange cash for different denominations. Your proposal should include recommended procedures for meeting these cash exchange requirements.

If the bank cannot accommodate the request to exchange cash during the course of the month, will that disqualify the bank from the bidding process?

ANSWER: No, however it will be a factor in award of contract and we are open to optional service suggestions.

20) Fees must be based on a comprehensive monthly rate over the life of the contract (meaning no additional pass-through charges). The monthly charge must include all accounts and all services, unless the next line applies.

21) If your proposal includes services for which fees must be separately charged, you must explain why and itemize these fees.

Is WPU is looking for a fixed monthly charge for services?

ANSWER: Yes, however the University will accept a monthly fixed fee for each transaction based on volume of transactions.

The University will not accept a fee structure embedded in compensating balances. Earnings on balances must be accrued/paid separately from fees charged.

If the bank is unable to offer this if fee schedule is based on price and volume ie activity, will that disqualify the bank from the bidding process?

ANSWER: No. For those bidders who do not offer a fixed monthly fee: Explain why

you don't offer the fixed fee. You must provide an estimated fee based on the transaction volume that we have provided. Include the breakdown of per-transaction fees for all components of your estimate.

22) If your institution has a program for issuing payroll to employees on debit cards (in addition to direct deposit and check processing), please describe in detail how the service works. If implemented, the volume of payroll net pay transactions on these debit cards would be about 2400 per year (representing about 250 employees).

To clarify, 2400 transactions for 250 employee cards ie. Approx 10 transactions per card per year. Is this correct?

ANSWER: No, that may be the mathematical average, however some of the 250 employees are either not full time or not permanent employees, and for those who are, they are paid bi-weekly (26 times per year). The amount of transactions per card will vary considerably.

How frequent will these cards be loaded (ie. Weekly, Bi-Weekly, etc)?

ANSWER: Bi-weekly.

What is the average dollar amount of load per card?

ANSWER: This level detail is not available.

What is the anticipated employee turnover rate (% of employees replaced each year)?

ANSWER: This level detail is not available.

Will employees use the card outside of the US? If yes, what countries and what % of potential cardholders?

ANSWER: We do not intend to provide cards for international use.

General Proposal Requirements

23) If the bank will not provide private information about the colleges or universities that have left the bank over the past two years, will that disqualify the bank from the bidding process?

ANSWER: No, however this will be factored into the overall evaluation. If omitting this information, include in the Executive Summary section the fact that you are omitting it.

Questions on University and Student Banking

On-site ATMs #36

24) How many ATMs are on campus today?

CLARIFICATION: There are 4 ATMs on campus, not 5.

The RFP notes up to 5 ATMs – if 5 exceeds the current number – note please note reason for additional machines – (new buildings etc.)

ANSWER: We do not intend to increase the number of ATMs.

How many providers?

ANSWER: Two providers – one with our current bank and three with a non-affiliated provider.

When do the current contract(s) expire?

ANSWER: The contract for the three with non-affiliated provider can be terminated at the end of any academic year.

Will the University consider ATM exclusivity?

ANSWER: Yes, as long as the exclusivity is in the best interest of the University and its students.

25) Current ATMs, are they:
Cash dispensers or full function (accept deposits)

ANSWER: Cash dispensing only.
Free standing (front serviced) or through the wall (rear serviced)

ANSWER: Free standing.

In a controlled environment or exposed to outside elements

ANSWER: In a controlled indoor environment.

Do they utilize wireless communication technology or dedicated phone lines

ANSWER: Network connections.

26) Kindly provide the withdrawal transaction volume per month per ATM for a 12 month period noting transactions by current bank cardholders and non-current bank cardholders

ANSWER: This information is provided on page 1 (question 1) of this Clarification #1.

Student Banking #37

27) Does the University expect that the relationship with a financial institution would qualify as a “Tier Two arrangement” under the Department of Education rulemaking? Or does the University expect/prefer that the relationship would not qualify as Tier Two?

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ANSWER: Yes, we expect that it will qualify as a Tier Two arrangement. WPUNJ would have compliance and disclosure requirements relating to this.

Questions on Merchant Services

28) Does the RFP include Merchant Services as part of the proposal?

ANSWER: Yes.

29) Are you planning on changing out the merchant processor within Touchnet?

ANSWER: No.

30) Do you currently process credit cards through a lockbox?

ANSWER: No.

If yes: can you provide the annual Visa, MasterCard, Discover, Amex \$ volumes along with the number of transactions?

ANSWER: N/A

31) If the RFP does include Merchant Services:
How many merchant accounts are needed?

ANSWER: Currently, the number is 14, however we would like the ability to add accounts from time to time.

What are the names of the departments that take credit card payments?

ANSWER:

- **Student Accounts**
- **Student Enrollment Services**
- **Student Development**
- **Admissions**
- **Continuing Education**
- **Shea Box Office**
- **Campus Security**
- **Office of Testing**
- **Hospitality**

What is the annual \$ volume for all card types? (Visa, MasterCard, Discover, American Express)

ANSWER: See #14 and #15 above.

What is the annual transaction numbers for all card types? (Visa, MasterCard, Discover, American Express)

ANSWER: See #14 and #15 above.

Other than Touchnet, what are the types of equipment/software being used for the other accounts?

ANSWER: EMV Terminals; also web access (CBORD) and “re-load” machines for adding value to Pioneer Cards.

Are you currently accepting credit card payments over the internet?

ANSWER: Yes, via Touchnet and CBORD.

Do you currently take Pin Debit transactions?

ANSWER: No.

32) Page 4- Contract Term – The RFP states the contract is for four (4) years plus a one year renewal option. Is the termination section (b) described on page 25 applicable to the Banking Services Contract?

ANSWER: Yes.

33) Is the University open to multiple awards (such as one bank for disbursements and a second bank for collections)?

ANSWER: No.

Please provide additional information on the current lockbox including:

34) Where is the current Post Office Box used to collect mail for the lockbox located?

ANSWER: Emerson, NJ.

35) Where is the lockbox work currently processed?

ANSWER: Processing is done by C&E Lockbox Services in Emerson, NJ.

36) Does the P.O. Box have to be in New Jersey?

ANSWER: Preferably yes.

37) Are there any custom programming requirements as part of the lockbox processing services requested?

ANSWER: The report data must include academic semester term.

38) Please provide lockbox data file specifications?

ANSWER: Data files are currently in CSV format.

39) Please provide sample reports that are currently used or any lockbox reporting requirements?

ANSWER: Below is a sample report of the detail report supporting an E-Check deposit:

William Paterson Cash Journal

BatchID 466 1/31/2017

<i>StudentID</i>	<i>Type</i>	<i>First Name</i>	<i>Last Name</i>	<i>Amount</i>
855xxxxxx	3	[REDACTED]	Card	\$2,568.00
855xxxxxx	3	[REDACTED]	Rose	\$1,399.00
855xxxxxx	3	[REDACTED]	Raleigh	\$120.00
855xxxxxx	3	[REDACTED]	Caporale	\$1,000.00
855xxxxxx	3	[REDACTED]	Maslak	\$155.00
855xxxxxx	3	[REDACTED]	Mackin	\$2,660.00
855xxxxxx	3	[REDACTED]	Serkez	\$2,857.96
855xxxxxx	3	[REDACTED]	Cherian	\$115.00
855xxxxxx	3	[REDACTED]	Briggs	\$4,128.00
855xxxxxx	3	[REDACTED]	Shah	\$900.00
855xxxxxx	3	[REDACTED]	Shatt	\$900.00
855xxxxxx	3	[REDACTED]	Civil	\$6,597.00
<i>Summary for 'BatchID' = 466 (12 detail records)</i>				
<i>Sum</i>				\$23,199.96
<i>Grand Total</i>				\$23,199.96

40) If applicable, can you please provide data entry (keying) requirements? Also please indicate the field names and anticipated number of keystrokes?

ANSWER:**Fields:**

- Student ID
- Date
- Student Name
- Amount
- Term (academic semester)

Number of keystrokes is not available.

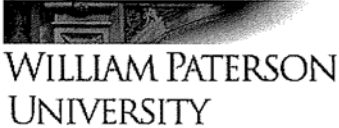
41) Are the lockbox processing services considered Wholesale Lockbox processing?

ANSWER: Yes.

If so:

- a. Can you please provide samples of what customers return with their check payments?

Sample of what customers return with their check payments:

		Payments can be made on-line at www.wpunj.edu/ebill or by mail to: William Paterson University P.O. Box 299 Emerson, NJ 07630 (*Please include your Banner 855# on all check and money order payments.)		
		Student ID: 855205863 Student Name: Sample C. Student 1600 Valley Rd Wayne NJ 07470	Term: 201640	Due Date: 2016-09-04 Amount Due: 0.00
TERM	DATE	DESCRIPTION	CHARGES	CREDITS
		PREVIOUS BILLED BALANCE	\$ 0.00	
		- CURRENT CHARGES -		
201640	2016-07-05	Tuition and Fees	\$ 3,627.00	
201640	2016-07-28	Tuition and Fees	\$ -3,627.00	
201640	2016-09-02	Tuition and Fees	\$ 0.00	
		CURRENT BILLED BALANCE	\$ 0.00	
PAST DUE: \$ 0.00			TOTAL DUE: \$ 0.00	

- b. Is check and list processing required?

ANSWER: Yes.

42) If customers are receiving coupons / statements please provide:

- a. Samples of statements / coupons that customers receive?
- b. Do customers return coupons with their payments? If so, do the coupons have a scanline or barcode? Can you provide a copy of the coupon?

ANSWER: N/A – Customers are not receiving coupons/statements.

43) Are customers provided standard envelopes to return with the coupons/payments?

ANSWER: No.

44) Can you provide details on the general lockbox processing instructions? (e.g. processing rules, deadlines, acceptable payments, etc.)

ANSWER:

- **Process all personal checks, money orders & cashier's checks.**
- **Do not process third party checks.**

45) The number of lockbox items is low. It may be more cost efficient to deposit these checks via remote deposit rather than using a lockbox. Is the University open to depositing these checks using a desk top scanner?

ANSWER: Yes.

46) Is the University open to using a smart safe to reduce the number armored car of pickups?

ANSWER: Yes, please include this in your proposal.

47) Are any of the operating accounts displayed in Chart 2 controlled disbursement accounts?

ANSWER: No.

48) We can see the cash and check deposits in Chart 3. What was the daily high value of cash deposits in 2016? What are they obstacles to using Remote Deposit to deposit the checks deposited on Chart 3?

ANSWER: The daily high deposits balance in 2016 was \$48,760,306 on 3/4/16. We are not aware of any obstacles to using Remote Deposit for our checks depositing.