

Merchant Services/Payment Gateway

Competitive Sealed Bidding

(Invitation for Bid, IFB)

State of Hawaii

Department of Agriculture

General Information

A. Purpose.

The Department of Agriculture intends to enter into a contractual relationship with a Credit/debit card processor for the purpose of providing transaction processing and related ancillary services, which include a payment gateway for websites, for the Department of Agriculture. This Competitive Sealed Bidding (Invitation For Bids, IFB) provides prospective vendors with sufficient information to enable them to prepare and submit competitive bids.

B. Issuing Office.

1. This IFB was prepared and issued by the Department of Agriculture with input from various other State agencies. The Department of Agriculture has sole responsibility for any changes and additions to this IFB and will coordinate with other agencies, as necessary, to evaluate the resulting offers.

2. The sole point of contact for this IFB is Deputy Director, Phyllis Shimabukuro-Geiser whose contact information is:

Telephone: 808- 973-9550

Email: Phyllis.Shimabukuro-Geiser@hawaii.gov

C. Background.

1. The Department of Agriculture is expanding its ability to take various forms of payment to better serve the State of Hawaii. This effort includes, but is not limited to, in person, mobile, and web, acceptance of credit/debit cards.

2. Credit/debit card acceptance is one element in the overall plan of the Department of Agriculture to streamline revenue collection, facilitate receipt of payments, and lower overall banking costs while maximizing interest income. Credit/debit card acceptance allows the Department of Agriculture to:

- Respond to the public's demand for expanded payment options and convenience.
- Achieve operational efficiencies. Streamline revenue flow and improve cash management practices.

D. Specifications.

1. The Department of Agriculture is seeking a vendor to provide all services necessary to continue to process Credit/debit card payments, to include credit cards, PIN-based debit and signature-based debit. The vendor must be capable of supporting all current card operations, to include:
  - Point of Sale (POS) terminal sales
  - Mobile applications
  - Website payment gateway for integration via API to Salesforce, and Infor
  - Virtual Point of Sale (VPOS)
2. The Department of Agriculture requires that a payment gateway be provided and that the provider must provide the following services at minimum:
  - Payment Card Industry Data Security Standard (PCI DSS 3.21) compliant
  - Online payment - Capable of accepting all major card brands
  - Retail payment - Capable of accepting all major card brands
  - Mobile payment - Capable of accepting all major card brands
  - Mail/Phone payment
  - Advanced Fraud Detection
  - Recurring billing
  - E-check processing
  - Ability for integration to Salesforce and Infor
  - Virtual terminal and batch upload
  - Deposits must be able to be made to the Department of Agriculture bank account with the ability to determine which program the revenue is for. Ability to invoice the Department of Agriculture for chargeback and invoices.
  - Must have 24 x 7 Service / Help Desk open 365 days per year.
  - Hardware and software upgrades must be coordinated with the Department of Agriculture IT staff.
  - Physical presence or association with a financial institution located in the State of Hawaii is required.
  - Reporting capabilities via a web portal or dashboard
  - 24 x 7 x 365 per year gateway services via a secure environment
3. The Department of Agriculture expects not only that the contracted merchant services vendor be fully PCI DSS compliant and maintain appropriate certifications, but that it will take a proactive role in assuring that the Department of Agriculture is also fully compliant.
4. The Department of Agriculture requires that the following payment methods be accepted:

- Visa
- MasterCard
- American Express
- Discover Network

5. Credit card terminals to be installed at each of the following locations:

A total of six (6) credit card terminals are requested with one (1) credit card terminal installed at each of the following locations:

- Oahu: Halawa Animal Quarantine Station – 99-951 Halawa Valley Street, Aiea, HI 96701
- Oahu: Honolulu Airport Animal Quarantine Holding Facility - Daniel K. Inouye International Airport, Honolulu HI 96819
- Oahu: 1849 Auiki Street, Honolulu, HI 96819
- Maui: 635 Mua Street, Kahului, HI 96732
- Kauai: 4398A Pua Loke Street, Lihue, HI 96766
- Hawaii Island: 16 E. Lanikaula Street, Hilo, HI 96720

Note: For the above listed locations, please include pricing information for each location for phone line, ethernet, and portable connections.

E. **BID**

**Line Item BID is the total sum of all charges: terminals, gateway and charge and debit card processing. All fees must be disclosed with the offer. Please use the attached worksheet which lists the MINIMUM data that must be submitted with the BID. For this solicitation, please provide an offer for the line item using 6,822 as the estimated number of transactions and a total value of revenue of \$1,755,786.**

F. **CONTRACT**

A written contract shall be executed with the successful Offeror by the Hawaii Dept of Agriculture prior to start of the services.

G. **PAYMENT**

Payments shall be in monthly payments upon presentation of original invoices from the CONTRACTOR at the end of each month indicating the work required under the contract for that period has been performed. The Contractor shall submit two separate invoices for payment.

1. One invoice that includes services for the payment gateway and terminals for the Plant Quarantine Branch, which includes 4 credit card terminals, one at each HDOA location in Hilo,

Kahului, Lihue, and Honolulu. Invoice sent to: Hawaii Department of Agriculture, Plant Quarantine Branch, 1849 Auiki Street, Honolulu, HI 96819

2. One invoice for services for the payment gateway and terminals for the Rabies Quarantine Branch, 99-951, Halawa Valley Street and the Animal Quarantine Holding Facility at the Daniel K. Inouye International Airport. Invoice sent to: Hawaii Department of Agriculture, Animal Quarantine Branch, 99-951 Halawa Valley Street, Aiea, HI 96701

The CONTRACTOR shall issue a separate merchant number for each Branch. Payments shall be made to the CONTRACTOR as provided in S2 Compensation and Payment Schedule of the executed contract. HRS Section 103-10 provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment.

The State will not recognize any demand for payment within a shorter period or interest payment not in conformance with HRS Section 103-10 or other relevant state statutes.

#### H. ACCEPTANCE AND TESTING

CONTRACTOR agrees that it shall promptly correct, without additional expense to STATE, any service identified in the Scope of Services which is not completed to the reasonable satisfaction of STATE, or which does not meet the performance standards established herein, including service requests. CONTRACTOR shall make such corrections of a defective service item upon written notice thereof after STATE's acceptance of the service item performed hereunder.

A product or service which does not meet all the requirements detailed in the scope of work, special provisions and general conditions shall not be accepted.

#### I. CERTIFICATION CONCERNING WAGES, HOURS AND WORKING CONDITIONS OF EMPLOYEES SUPPLYING SERVICES

Wages, hours, and working conditions of employees of CONTRACTOR supplying services: Before any prospective offeror is entitled to submit any offer for the performance of any contract to supply services in excess of \$25,000 to any governmental agency, offeror shall certify that the services to be performed will be performed under the following conditions:

Wages: The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work.

Compliance with labor laws: All applicable laws of the Federal and state governments relating to worker's compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

J. DESCRIPTION OF WORK

Services shall be provided with a minimum of interruption to the regular course of HDOA operations including computer systems, web portals and offices. CONTRACTOR must maintain a routine schedule of work inspections to ensure compliance with the contract. CONTRACTOR shall perform all work in a professional and acceptable manner.

K. REPORTS

1. The CONTRACTOR shall provide separate statements of all transactions and fees to each of the HDOA Branches identified in this solicitation on a regular basis no less than once a month. The statements shall be further divided by the Branch's terminal locations and web portals.
2. The CONTRACTOR shall provide chargeback statements to the respective Branch in a timely manner and upon request.
3. The CONTRACTOR shall furnish adequate supply of materials and supplies for credit card terminals during the term of the contract.

L. SUPPORT

CONTRACTOR shall provide 24-hour assistance by phone to resolving credit card terminal and gateway problems 7 days a week.

CONTRACTOR shall respond within 15 minutes to assistance requests by phone made during normal hours of operation between 7:00 AM – 6:00 PM Hawaii Standard Time 7 days a week.

- M. CONTRACTOR shall ensure the complete transfer of all Program operations and coordinate transfer to a successor CONTRACTOR at the end of the period of service to minimize any disruption of processing and service to customers while maintaining continuity of Program operation.