

Council on Competitive Government



Retail Fuel Card Services Request for Proposals

RFP# CCG-RFC-2011-002

NIGP Class Items

Class	Item	Description
946	35	Credit Card, Charge Card Services
	70	Payment Card Services

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Proposal Due Date: January 3, 2012, 2:00 p.m.
(Central Time in Austin, Texas)

****NOTE**** This RFP is composed of two parts: (1) Part A, Special Instructions, and (2) Part B, General Instructions and Contract Terms and Conditions. In the event an instruction or term in Part A conflicts with an instruction or term in Part B, the instruction or term in Part A prevails. The Definitions in Part A, Section A.2 also apply to Part B.

PART A: SPECIAL INSTRUCTIONS

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A.1 Description and Goals

The Texas Comptroller of Public Accounts (“Comptroller”) on behalf of the State Council on Competitive Government (“CCG”), issues this Request for Proposals (“RFP”). The purpose of this RFP is to solicit proposals from contractors capable of providing cost effective Retail Fuel Card Services. A Master Contract will be established through this solicitation to provide state and local partners with the means to purchase the following Retail Fuel Card services:

1. Fuel and Oil

Fuel and oil purchases will include unleaded gasoline, diesel fuel, aviation fuel, marine fuel, alternative fuels (CNG, Propane, E-85, B-20, Biodiesel), oil and other vehicle fluids.

2. Maintenance

Minor maintenance and repairs will include items such as car washes, inspection services, oil changes, tire replacement, wheel alignment and balancing, and replacement of minor interchangeable parts (i.e., air filters, wiper blades, headlamps or bulbs, etc.).

3. Repairs and Roadside Assistance

Emergency repairs for drivers will include Roadside Assistance Services, such as towing, jump starting, tire changing and fuel.

A.1.1 Estimated Contract Value

Based on historical data, approximately \$360 million in payments will pass through this contract over the six year life of the contract if all three (3) optional years are exercised. Also, on an annual basis, approximately 30,000 cards are in use. Contractors should note that the total value of the contract may rise as additional Texas CO-OP members are encouraged to utilize any contracts resulting from this RFP. Please visit <http://window.state.tx.us/procurement/prog/coop/coopmemb/> for a list of the 1,900 plus CO-OP members eligible to participate.

A.1.2 Quantities

CCG does not guarantee a specific volume to be purchased throughout the term of the Contract. No minimum compensation to the Contractor is guaranteed. Quantities indicated in **Attachment F - Mandatory Price Grid** are estimates only and are based upon previous usage.

A.1.3 Key Outcomes

CCG wishes to engage a Contractor whose proposal best meets the key outcomes established in this section. In pursuing this contract, the State of Texas (the State) seeks to accomplish the following:

1. Establish pricing that reflects the best available prices for retail fuel, ancillary products, and maintenance and emergency services and maximizes revenue sharing for the State
2. Establish a solution for the State that promotes an efficient and smooth transition to the new contract
3. Establish a solution that will promote expansion of the use of the contract to additional state agencies and local entities

A.1.4 Pricing

The State requires a “retail minus” pricing methodology for this contract. This pricing model is based on the retail price of fuel less the taxes the Participating State Agency (PSA) is exempt from and less the agreed upon discount as offered by the Contractor. The Contractor’s offered discount must be expressed in the form of an annual rebate in **Attachment F - Mandatory Price Grid**. The annual rebate will be used for purposes of the evaluation. Any proposal submitted that does not contain a pricing methodology based on an annual rebate may be disqualified.

Rebates will be paid on a quarterly basis to the PSA in the form of a credit to the current month’s bill. Proposed rebates and discounts offered to the State may be considered the Respondent’s most favored Customer pricing; however, CCG reserves the right to negotiate. In the event the Contractor offers or provides an increased rebate or increase in discount to its Customers for substantially similar services, under similar terms and conditions, provided for the State pursuant to its contract, the Contractor shall provide the same increase in rebate or increase in discount for the State.

A.1.5 Term of the Contract

The anticipated term of the contract established through this RFP will be two and a half (2.5) years from notification of award. Upon expiration of the initial contract term, the contract may be renewed for up to three (3) additional one-year (1) terms at the discretion of CCG.

1st Renewal: March 1, 2014 – August 31, 2015

2nd Renewal: September 1, 2015 – August 31, 2016

3rd Renewal: September 1, 2016 – August 31, 2017

At the sole option of CCG, the Contract may be extended three (3) times in increments of three (3) months, not to exceed a total of nine (9) months at the end of the initial or any given renewal period. This extension will only be exercised if time does not allow for a new solicitation to be developed and awarded by expiration of any given contract period.

A.1.6 Addenda to the RFP

Should an addition or correction to this RFP become necessary, an addendum relating the necessary information will be posted on the Electronic State Business Daily (ESBD) available at <http://esbd.cpa.state.tx.us/>. The Contractor is responsible for periodically checking the ESBD for addenda or additional information relating to this RFP. The Contractor is required to acknowledge each addendum by returning a signed copy of the addendum with its Proposal.

A.2 Definitions

Listed below are terms unique to this RFP.

Term	Definition
BAFO	Best and Final Offer
CCG	The Council on Competitive Government, the state entity issuing this solicitation.
Contractor	Any person, firm, corporation or business responding with an offer in response to this Request for Proposal (RFP).
CPA	The Comptroller of Public Accounts
Customer	Those state and local entities that are required and permitted by law to purchase goods and services under contracts established by the CCG.
ESBD	The Electronic State Business Daily, which is available online at http://esbd.cpa.state.tx.us/ .
Gov't Code	The Texas Government Code.
HUB	Historically Underutilized Businesses
Level One (I) Data	Purchase amount, authorization reference number, transaction/posting date, supplier name/location and merchant category code.
Level Two (II) Data	Purchase ID (UPC code)/customer-defined accounting code, sales tax information, 1099 status, minority or women-owned business status (MWOB), plus all Level I Data.
Level Three (III) Data	Purchase item descriptions, item product codes, unit costs, quantity of gallons and units of measurement, plus all Level I and II data.
Party / Parties	Either the CCG or Contractor separately or collectively.
PIA	The Texas Public Information Act
PSA	Participating State Agency is used interchangeably to also refer to local entity such as a CO-OP.
Proposal	The response submitted by a Contractor to the CCG as a result of this solicitation.
RFP	Request for Proposals, which is the type of solicitation embodied in this document.
State Agency	"A department, commission, board, office, or other agency in the executive branch of state government created by the constitution or a state statute; the supreme court..." (Texas Government Code, Title 10, Section 2151.002)
TAC	The Texas Administrative Code, which is the publication for administrative rules.

A.3 Requirements

A.3.1 Introduction

All of the requirements in Section A.3 are considered mandatory requirements that the State expects to be satisfied by the Contractor. The Contractor must indicate its willingness and ability to satisfy these requirements by signing **Exhibit B - Execution of Offer**.

A.3.2 Minimum Contractor Experience

The Contractor must meet the following minimum qualifications:

1. Have a minimum of eight (8) full years as a retail fuel card supplier
2. Have a minimum of five hundred (500) active PSAs monthly, including both government and large corporations, with a minimum dollar amount of one million dollars (\$1,000,000) in total monthly transactions
3. Offer a major charge card product such as MasterCard or Visa or a proprietary card that meets the requirements of (2) above

A.3.3 Rebates to the State

The Contractor will prepare and provide a monthly statement to each PSA which clearly outlines the PSAs monthly charges and eligible monthly credit. The rebate will be credited to each PSA at the end of each calendar quarter, reflecting any adjustments that may have been made over the previous ninety (90) days.

A.3.3.1 Revenue Calculation Details

Rebates will be derived from total dollars spent on fuel, maintenance services and emergency services. Each rebate credit made by the Contractor shall be accompanied by a report detailing the calculations used to determine the amount of the credit.

A.3.4 Contractor Provision of Resources

The awarded contractor must furnish all resources used in performing the work unless otherwise specified or approved by the Contract Manager, and shall act independently and not as an agent or employee of CCG or the PSA.

A.3.5 Prime Contractor and Subcontractor Relationships

In the event several contractors join together to respond to the RFP, a single Contractor must be designated the Prime Contractor. The Prime Contractor is responsible for the subcontractors and will be held responsible by the State for the quality and accuracy of the work done by the subcontractors. All issues with subcontractor's work will be resolved through the Prime Contractor.

A.3.6 Contractor Quarterly Meetings with the State

The Contractor will meet quarterly with the State to review contract performance. At such meetings, State representatives may evaluate the Contractor's performance and advise the Contractor of any concerns or issues. Within five (5) business days, the Contractor shall develop a written plan to resolve outstanding issues. The Contractor shall then receive written approval of the plan from the Contract Manager prior to implementation of any recommendations.

A.3.7 Open Records Requests

CCG and PSAs utilizing this contract are state entities subject to the Texas Public Information Act (PIA), Chapter 552, Texas Government Code. As such, these entities are responsible for responding to all open records request(s). Contractors may receive requests for information related to the services provided under this RFP. When this event occurs, the Contractor must inform the requestor that they, the Contractor, must submit a formal open records request to the pertinent state entity (CPA or affected PSA). Contractor may not release any information directly to the person requesting information related to the services provided under this RFP, but shall cooperate fully with CCG, CPA, or PSA as needed to respond to any such request.

A.3.8 Information Security

A.3.8.1 Safeguarding Information

The Contractor shall be responsible for safeguarding all information obtained from the contract resulting from this RFP. The Contractor shall immediately notify CPA and PSA of any breach of security which may have resulted in compromised data and shall initiate aggressive action to mitigate any potential consequences. The Contractor shall be responsible for, but not limited to, system security, computer software security, network security and web-based security.

Please reference the Texas Department of Information Resources web page at <http://www2.dir.texas.gov/security/policy/Pages/PracticesforProtectingInformationResources.aspx> for additional information on policies governing IT security.

A.3.8.2 Safeguarding Confidential Cardholder Information

All cardholder information and cardholder account information created as a result of any Contract that results from this RFP must remain confidential and may not be sold or otherwise shared with any other entity not associated with the Contract or for any purpose other than the execution of the Contract, unless required by law. If any release is required by law, the Contractor shall give as much notice as possible under the circumstances to CCG to allow CCG to protect the State's confidentiality claims as needed. In addition, the awarded contractor may not use cardholder information or cardholder account information to solicit other business and must ensure cardholder information and cardholder account information is protected and kept confidential.

A.3.8.3 Privacy

The Contractor shall ensure that all transactions, processing, and data remain confidential and transactions are appropriately encrypted to protect privacy. The awarded contractor must handle, distribute, and store confidential documents in accordance with all applicable security regulations and laws, including but not limited to Texas Business and Commerce Code Chapters 521, 501, 502, and 503; 15 USC §§6801 et seq. (Gramm-Leach-Bliley Act), 26 USC §§6103, 6108, 7609 (Tax Reform Act), and 5 USC §552a (Federal Privacy Act).

A.3.9 Card Specifications

A.3.9.1 Fuel Card Acceptance

The Contractor will provide a universal fuel charge card that is accepted for retail purchases of fuel and vehicle maintenance at retail locations within all two hundred and fifty-four (254) counties of Texas, including small and remote towns. The Fuel Card shall also have nationwide acceptance at major fueling and maintenance and repair locations.

A.3.9.2 Tax Exemption

Purchases by the PSA are exempt from all eligible State and Federal taxes. Taxes imposed by other states may apply on purchases within their jurisdictions. The Contractor shall apply for tax exempt status for Texas' purchases and the State's invoice shall reflect the fuel cost less said taxes.

A.3.9.3 Ultimate Contractor Status

The Contractor must execute or obtain any and all documents and permissions necessary to obtain refunds of federal fuel taxes paid by the State through use of the fuel card, in compliance with the requirements of IRS Publication 510 ("Excise Taxes (Including Fuel Tax Credits and Refunds)" – Publication No. 15014L, revised July 2011).

A.3.9.4 Maintenance Services

In addition to fuel, the retail fuel card must be a method of payment for maintenance, parts and services including, but not limited to:

- batteries
- automotive hoses
- fuel and maintenance filters
- automotive belts
- auto bulbs
- headlamps
- fuses
- sparkplugs and other ignition components
- oil change
- transmission fluid and filters
- motor oil
- fuel and maintenance conditioners
- windshield wiper fluid
- brake fluid
- other automotive fluids
- brake repair

- cooling systems service or repair
- car washes

A.3.9.5 Locations of Retailers

The Contractor shall submit a detailed description of the proposed card's coverage and acceptance in Texas, if requested by CCG. The description will include, at a minimum:

- The number and locations of fueling sites where the proposed card is accepted
- The name and locations of major fuel retailers accepting the proposed card
- The number and locations of maintenance/repair service sites where the proposed card is accepted

A.3.9.6 Card Issuance and Replacement

The Contractor shall provide all necessary cards, including replacement cards, free of charge. Lost, stolen, or canceled cards shall be replaced within three (3) business days.

A.3.10 Card Features

A.3.10.1 Unique ID

Each card issued must contain a unique identification number (i.e., a credit card number).

A.3.10.2 Face of Card

The phrases "State of Texas", "TAX EXEMPT", and "FOR OFFICIAL USE ONLY" must be printed on the front of the card.

A.3.10.3 Back of the Card

The Contractor's toll free "Help" number must be printed on the back of the card.

A.3.10.4 Card Embossing

The card shall have a minimum of three (3) embossed lines on the front of the card, to include:

- A description of the vehicle (year, make, model) or an individual's name, depending on the selection made by the PSA
- Vehicle Identification Number (VIN), inventory number, and/or license plate number (whole or partial numbers) or an individual's name depending on the selection made by the PSA
- The state agency name to which the card has been issued (e.g., the Department of Public Safety) and the state identifier to which the card has been issued (e.g., the Department of Public Safety = "405 TX DEPT OF PUBLIC SAFETY"). For the CO-OP entities which are not part of the State's CO-OP program (and therefore do not have an assigned state identifier), the state identifier will be their PSA name.

A.3.10.5 Custom Cards

Each PSA that desires a custom card design will provide the Contractor with the camera ready artwork. The design is subject to approval by CPA, prior to submission to Contractor. Custom design cards shall be provided at no charge to the state or local entity.

A.3.11 PSA Service and Support

A.3.11.1 Project Manager

The Contractor shall dedicate a Project Manager to the Contract. The Project Manager will be responsible for addressing broad contract issues and requests brought to them by the Contract Manager. The Project Manager must have the authority and competence to address and correct any issues related to the implementation and operation of the Contract. The Contractor shall notify the CCG Contract Manager in writing fifteen (15) business days prior to the assignment of a new Project Manager. Assignment of a new Project Manager must be agreed to by the State.

A.3.11.2 Account Manager for each PSA

The Contractor shall provide each Participating State Agency a point of contact, known as the Account Manager, to handle questions and resolve problems that arise. The Account Manager will be responsible for addressing issues related to the implementation and operation of the Contract for the specific PSA account and should have the authority and competence to address and correct any issues related to the Contract. The Contractor shall notify the CCG Contract Manager and affected PSAs in writing fifteen (15) business days prior to the assignment of a new Account Manager.

A.3.11.3 Customer Service Representative Staff

The Contractor shall provide Customer Service Representatives (CSR) to be responsible for responding to issues from PSAs. The CSRs must be available twenty-four (24) hours, seven (7) days a week, including weekends and holidays. These staff will be available via a toll free number and will return calls within thirty (30) minutes. All other things being equal, the State will consider proposals to perform the work in Texas and then the United States more favorably.

A.3.12 Data Capture Requirements

A.3.12.1 Data Capture and Reporting at Time of Fuel Purchase

The retail fuel card shall be capable of capturing the following data at the time of fuel purchase:

- Price per gallon
- Excise tax detail-should be available by post date
- Tax exempt calculation- should be available by post date
- Grade, type of fuel purchased (includes alternative fuels such as CNG, Propane, E-85, B-20 Biodiesel)
- Quantity of fuel purchased
- Date, time and location of purchase
- Identification number of the card user
- Miles per gallon and cost per mile

A.3.12.2 Level Three Data Requirements

At a minimum, ninety-five percent (95%) of all fuel card purchases must be transacted and reported as Level Three (III) transactions.

A.3.13 Card Management System Technical Requirements

A.3.13.1 Overview of System Capacity

CCG anticipates approximately 1.3 million transactions in fiscal 2011 and 7.6 million transactions for the entire contract, including all renewal terms. Respondent must validate that the online system has the capacity to meet a system uptime of ninety-nine percent (99%) of the time any calendar month.

A.3.13.2 General System Requirements

The Contractor shall provide on-line, real time, web-based charge card management services at no charge to the State with the ability to reconcile accounts and feed transaction data into electronic accounting tools. Additionally, the system shall have the ability to provide e-receipts for purchases if requested by the PSA and to detect and electronically notify cardholders and PSAs of suspected fraudulent or inappropriate transactions. The web-based account management tool must include security features that prevent unauthorized access to account and cardholder information.

A.3.13.3 Merchant Category Codes

Written definitions of merchant category/industry codes by which participating merchants are classified must be provided by the Contractor after contract award.

A.3.13.4 Web-Based Tool Operation on Internet Browsers

The web-based account management tool must operate on common Internet browsers as may be employed by the State.

A.3.13.5 Upgrade of Web-Based Account Management Tool

The web-based account management tool must be routinely upgraded to remain consistent with industry standards.

A.3.13.6 All Systems Coordinated

The Contractor's paper-based and web-based systems will be coordinated and will reflect identical results at all times.

A.3.13.7 Software Interface

The Contractor shall provide all software, including integration tools, necessary to integrate new retail fuel card information with existing systems. Software shall interface with current programs used by PSAs. All software, software upgrades, and software revisions shall be provided at no charge.

A.3.13.8 Data Ownership

All data belongs to the State and/or PSAs.

A.3.13.9 PCI-Compliance

The Contractor shall ensure that all transactions, processing and data conform to PCI Compliant standards. The Contractor shall provide evidence of PCI-compliance verification by an independent third party, upon request. Please reference <https://www.pcisecuritystandards.org/> for additional information.

A.3.13.10 Data Back Up

The Contractor shall ensure data files that are corrupted, lost or destroyed can be recreated. Please reference the Texas Department of Information Resources Business Continuity Planning requirements for state agencies at the following location:

<http://www2.dir.state.tx.us/security/policy/Pages/BusinessContinuityPlanningGuidelines.aspx>.

A.3.14 Account Management

A.3.14.1 Account Controls and Restrictions

The Contractor shall provide the Contract Administrator and State Auditor's Office with full access to view an agency's account information, if requested. The Contractor shall ensure that each PSA has access to the data for that particular PSA's transactions only. The web-based account management tool shall allow a PSA to modify an agency cardholder's account information including, but not limited to, modifications for:

- Cardholder billing address or telephone number change or email address
- Card expenditure limits
- Transaction limits
- Purchase restrictions
- Cardholder account deactivation

A.3.14.2 Exclusions

The Contractor shall provide controls that will prevent use of the fuel card for purchasing commodities and services that the PSA designates as restricted. The Contractor must have the ability to restrict fuel card services by Merchant Category Codes (MCC) for these accounts so designated by CPA or other PSAs. The selection of exclusions will be at the PSA's discretion within general guidelines established by CPA and the State.

A.3.14.3 On-line Alerts

The Contractor shall provide real time on-line alert notifications of spending activity based on PSA established thresholds.

A.3.14.4 Contractor Controls

The Contractor shall have the capability to maintain strict controls by creating cards with \$0 spending authority, requiring cardholder to call in for approvals on all purchases as required by the PSA.

A.3.15 Invoicing / Billing

A.3.15.1 Invoice Net of Taxes

Invoices must be provided net of taxes (i.e., with taxes removed) on a monthly basis with statements provided to the PSA.

A.3.15.2 Transactions Recorded on Invoice

Invoices must include a complete list of all transactions for the invoicing period along with the subtotals and a final summary for the applicable time period.

A.3.15.3 Customized Statements

The Contractor must customize statements to meet the PSAs specific information needs as requested.

A.3.15.4 Submitting Invoices

Invoices must be submitted to the receiving entity in compliance with the following procedures:

- The invoice/statement must show the name of the Contractor exactly as shown on Notice of Award and shall include the Contractor's Texas Payee Identification Number (PIN), and the correct "Remit to" address.
- The invoice/statement must show name of receiving PSA.

A.3.15.5 Electronic Billing

The Contractor shall provide electronic billing in a format determined by the PSA if such a service is requested by the PSA.

A.3.15.6 Monthly Billing of PSA

The Contractor shall bill the PSA at a minimum on a monthly basis. The Contractor may, upon request of the PSA, bill more frequently. The monthly statement must be available either electronically or via paper as requested by PSA; however, both types must be identical. Each PSA will be billed individually and may require detailed invoice breakouts or separate invoices for specific divisions/cost centers. The Contractor must explain billing procedures to the PSA upon request.

A.3.15.7 PSA Receipt of Bills

PSAs should be allowed a variety of options regarding how they receive their bills. For example, some PSAs may require a paper bill, others may require a "pdf" or other format transmitted electronically (via email, and sometimes to multiple recipients). Other formats may include space or comma delimited files (*.TXT, *.CSV) or some PSAs may prefer only a "statement available" message via email and then prefer to login and download their statements.

A.3.15.8 Additional Charges by Merchants

Any additional charges claimed by a merchant due to the use of a retail fuel charge card as a method of payment must be disputed by the Contractor.

A.3.15.9 Credit Refunds

All credit refunds must be made to the retail fuel card accounts within twenty-four (24) hours of receiving merchant credit, and not in cash. In the event a credit is due to an individual card account after the account is closed, credit arrangements shall be made with the PSA.

A.3.15.10 Monthly or Annual Fees

The State requires that any and all monthly or annual fees to the State be waived for establishing a state central billing account including, but not limited to, monthly percentage, late payment, transaction, inactivity, reporting, training, audit and methodology assessment.

A.3.16 Disputed Charges

A disputed charge is to be considered a disagreement between the PSA and the Contractor regarding an item(s) on the PSA's monthly statement.

A.3.16.1 Non-Charging Method for Disputed Charge

The Contractor shall provide a non-charging method for resolution of any disputed charge. There shall be no charges of any kind (e.g., no interest or carrying charges) applied to any transaction amount in dispute.

A.3.16.2 Correction of Errors

The Contractor shall correct any errors in accordance with the Fair Credit Billing Act.

A.3.17 Payment

Payments will be made by the PSA in accordance with the Texas Prompt Payment law, Texas Government Code, Subtitle F, Chapter 2251. Contractor shall accept payment through the use of electronic funds transfer (EFT) as established at the request of the Texas Comptroller of Public Accounts. Payments may be made directly to the Contractor or to any bank account established by the Contractor to receive payments from the State. The State will incur no penalty for late payment if payment is made in thirty (30) or fewer days from statement if there is an uncontested billing.

State agencies have different accounting systems. Therefore, some state agencies may not be able to send electronic payments with all sixteen (16) digit account numbers. The Contractor shall provide procedures on how they will correctly apply electronic payments without all sixteen (16) digit account numbers to the correct state liability account. A.3.17.1 Correction of Payments

The Contractor shall correct incorrect payments no more than three (3) business days after notification is received from the PSA.

A.3.17.2 Withholding of Payment

The State or PSA may withhold payment for defective goods or services in accordance with the Fair Credit Billing Act.

A.3.18 Reporting Requirements

A.3.18.1 Multiple Reporting Levels for a Single Account

The Contractor must provide the ability to establish multiple reporting levels within a single account. For example, the Texas Department of Transportation is a single account with four districts reporting separate information. In this example, the Central Office in Austin needs to know what was spent by the individual districts across the state as well as cumulatively for the agency as a whole.

A.3.18.2 Report Frequency

All reports shall be available to CCG, Texas State Auditor's Office, and PSAs in the following frequency:

- Monthly
- Quarterly
- Semi-annually
- Annually
- Date Range Specific

Reports shall also be available in printed format upon request by CCG or PSAs.

A.3.18.3 Report Formats

The Contractor shall provide a system that allows for accepting and/or transferring current payment data that is maintained by PSAs. Data collection requirements are listed in subsequent sections.

A.3.18.4 Software Compatibility

Data shall be readable, usable, and compatible with multiple operating systems, web browsers, and common software applications (e.g., Windows, Mac, Internet Explorer, Firefox, Microsoft Office, Adobe).

A.3.18.5 Online Statement Access

Online consolidated monthly invoice statements shall have clear menu navigation, providing PSAs with the ability to view, download and print invoices. PSAs shall have online access to summary and detailed data for the month represented by the invoice as well as access to archive files with earlier months' invoice reports. PSAs shall have ad hoc query/reporting capabilities.

A.3.18.6 Access to Data by PSA

Data shall be easily accessible by the PSA in the manner, format and time frame required by the State. This requirement includes look-up tables, data maps, and variable definitions for the data. Quality of data must be assured by the Contractor.

A.3.18.7 Reports at End of Contract

The Contractor shall provide the State with complete reports upon termination or expiration of the contract after all debts are settled. Reports provided shall be for all years covered by the contract.

A.3.18.8 HUB Reports

Reports must be able to track purchases made from State certified Historically Underutilized Businesses (HUBs) in order that state agencies and universities can comply with Texas Government Code §§2161.121-122 and HUB Rules at 34 TAC §20.16 (Expenditure Data). The HUB report is based on the State fiscal year, and requires monthly, semi-annual, and annual reporting on HUBs and HUB subcontracted suppliers. The reports should provide, at a minimum, a detailed monthly record and a summary of the total payments made to Texas certified HUB Contractors by state agencies and universities. The reports must be provided in the format required by the State. The Contractor must be able to integrate the Texas Contractor Identification Numbers, active certified HUBs with their database for reporting purposes on an as needed basis as determined by CPA or a PSA.

For informational purposes only, instructions for the current reporting system are available at the following website: <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

A.3.18.9 IRS Reports

Non-fuel transactions totaling \$600 or more over a calendar year, paid to a single vendor, will require PSAs to submit IRS Form 1099. The Contractor will be required to produce a report which facilitates PSAs' compliance of IRS form 1099. Specific requirements in this report will be determined after contract award.

A.3.18.10 Contract Administrator Reports

The Contractor must provide the Contract Administrator with a monthly report summarizing fuel card use for all PSAs (“Monthly Report”). Contractor must provide the Monthly Report to the Contract Administrator no later than the tenth calendar day of the month for the prior month’s fuel card use. The Contractor must provide Monthly Reports to CCG Contract Administrator in a format mutually agreeable to the parties.

The Monthly Report shall include:

- PSA identification number (provided by the Contract Administrator)
- Fuel product by type (e.g., unleaded, super unleaded)

For each product type, the report must include:

- Number of transactions
- Units (e.g., gallons) purchased
- Dollar amount purchased
- Dollar amount of exempted federal excise taxes
- Net amount purchased
- Average price per unit
- Discount amount

A.3.18.11 Non-Fuel Transactions

For non-fuel items purchased, the Monthly Report must include the type of non-fuel item purchased (e.g., state inspections, repairs). In addition, the Monthly Report must include statewide totals for all categories.

For each non-fuel item purchased, the report must include:

- Number of transactions
- Units purchased
- Dollar amount purchased
- Net amount purchased
- Average price per unit

A.3.18.12 PSA Reports

The Contractor shall provide the following information to PSAs no later than the tenth business day of each month. This information will be provided for the prior month’s transactions or for another mutually agreed upon time period.

A.3.18.12.1 Statewide Monthly PSA Consolidated Activity Report for Fuel Transactions

The following information will be included, but not limited to, in the monthly report:

- PSA identification number (provided by the Contract Administrator)
- Vehicle's license plate number
- Vehicle's equipment ID number from the Texas fleet system
- Fuel type product by type (e.g., unleaded, etc.)

For each product type, the report must include totals for:

- Number of transactions
- Dollar amount purchased
- Dollar amount of exempted federal excise taxes
- Net amount purchased
- Discount amount (if applicable)
- All other Level Three data

A.3.18.12.2 PSA Report for Non-Fuel Transactions

The monthly report shall include the PSA identification number (provided by the Contract Administrator), the type of non-fuel item purchased (e.g., state inspections, repairs) and for each product type, the report must include totals for:

- Vehicle license plate number or other unique identifier as provided by the PSA
- Date of transaction
- Number of transactions
- Units purchased
- Dollar amount purchased
- Dollar amount of exempted federal excise taxes
- Net amount purchased
- Discount amount (if applicable)
- Total transaction cost for each non-fuel item purchased
- All other Level Three data

A.3.18.13 On-line Report Generator

Upon request, the Contractor must provide description of the on-line ad hoc report generator with detailed instructions on how to create reports on-line for downloading and saving to the PSA's desktop. The Contractor shall provide reports to PSA in hard copy form upon request.

A.3.18.14 Additional Reports

The Contractor shall make additional ad hoc reports available to the Contract Manager, PSA, or Contract Administrator within three (3) business days of written request.

A.4 Proposal Requirements

A.4.1 Deadline for Proposals

Proposals must be submitted as outlined in Section A.4.7 of this RFP. Proposals are due by 2:00 p.m. (Central Time) on January 3, 2012.

A.4.2 Anticipated Schedule

Task	Date
RFP Posted to ESBD	November 18, 2011
Pre-Proposal Contractor Conference	November 29, 2011
Deadline to submit questions for RFP	November 30, 2011
Official Response to Questions Posted to ESBD, on or around	December 5, 2011
Deadline for Proposals	January 3, 2012
Expected Contract Award	February 2012

A.4.3 Point of Contact

Respondents shall direct all inquiries and communications concerning this RFP to the Point of Contact below.

Point of Contact:

Mr. Woody Fluharty, CTPM
Texas Comptroller of Public Accounts
Central Services Building, 2nd Floor
1711 San Jacinto Blvd
Austin, Texas 78711-3047
E-Mail: Woody.Fluharty@cpa.state.tx.us

Upon issuance of this RFP, employees and representatives of the State other than the Point of Contact identified will not discuss the contents of this RFP with any Contractor or their representatives. This restriction does not preclude discussions between affected parties for the purpose of conducting business unrelated to this procurement.

Failure of a Contractor and any of its representatives to observe this restriction may result in disqualification of the Contractor's Proposal.

A.4.4 Pre-Proposal Contractor Conference

An optional Contractor Pre-Proposal Conference will be held November 29, 2011 at 9:00 a.m. (Central Time) in Austin, Texas at the Travis Building, Room 1-100, 1701 N. Congress, Austin, Texas. Attendance at the Conference is recommended, but is not required.

Contractors shall have the opportunity to ask questions at the Conference and CCG will make a reasonable attempt to answer questions. Oral answers will not be binding on CCG. Contractors must follow instructions provided in Section A.4.5 of this RFP to receive formal, binding answers to their questions.

Parking is limited in this area. It is recommended that attendees park at:

- Meters on the streets surrounding the building
- Texas State History Museum underground garage (link for the museum parking garage)
<http://www.thestoryoftexas.com/special/pdf/tshmbusmap.pdf>
- Capitol Visitor Parking Garage at the corner of San Jacinto Street and 13th

A.4.5 Submitting Questions

The Contractors will have until November 30, 2011 at 2:00 p.m. (Central Time) to submit in writing all questions regarding this RFP. Questions may only be sent to the Point of Contact. All questions shall, to the highest degree possible, cite the specific RFP section to which the question refers. CCG will answer the questions in a Question and Answer Document posted on the ESBD.

Only answers provided in writing by CCG shall be considered official. Information in any form other than the materials constituting this RFP, the Question and Answer Document, and any RFP addendum shall not be binding on CCG.

All questions submitted to CCG must include the identity of the sender, the sender's title, company name, mailing address, telephone number, and e-mail address. The Question and Answer Document posted on the ESBD website will not identify the company that submitted the question.

NOTE: Minor questions for which the answer will not affect the interpretation of the RFP or change the contents of a Proposal (for example, a question regarding delivery of the sealed Proposal) may be answered orally or by e-mail by the Point of Contact.

A.4.6 Mandatory Proposal Contents

The Proposal shall include all information required in this RFP and shall be in the format described herein. The Contractor is solely responsible for thoroughly understanding the RFP and its attachments, exhibits, and forms.

Package	Title
Part A	Special Instructions
Part B	General Instructions and Contract Terms and Conditions
Exhibits	<ul style="list-style-type: none">• HUB Subcontracting Plan (Exhibit A)• Execution of Offer (Exhibit B)• Conflict of Interest/Disclosures (Exhibit C)• Criminal Conviction Certification (Exhibit D)• Resume Format (Exhibit E)
Attachment F	Mandatory Price Grid

A.4.7 Proposal Outline

The Proposal must contain the following components and must be in the order listed below. The following checklist is provided for the convenience of Contractors in their Proposal preparation process. Each of these tabs is described in greater detail in subsequent sections.

Section	Proposal Title
A.4.7.1	Title Page
A.4.7.2	Table of Contents
A.4.7.3	Transmittal Letter
A.4.7.4	Exhibits: Exhibit A, HUB Subcontracting Plan Exhibit B, Execution of Offer Exhibit C, Conflict of Interest/Disclosure Exhibit D, Criminal Conviction Certification
A.4.7.5	Employee Benefit Overview
A.4.7.6	Proof of Financial Stability
A.4.7.7	Company and Previous Project Experience
A.4.7.8	References
A.4.7.9	Key Personnel
A.4.8.1- A.4.11	Written Response to Program Requirements
A.4.12	Transition Plan
A.4.13	Marketing Plan
A.4.14	Assumptions and Exceptions
A.4.15	Mandatory Price Grid (Attachment F)
A.4.16	Alternate Proposals

Any questions concerning this RFP should be directed to the Point of Contact, identified in Section A.4.3, by the deadline for submitting questions. The Contractor is cautioned to pay particular attention to the clarity and completeness of its Proposal as it may be considered by the evaluation team. The Contractor is solely responsible for its Proposal and all documentation submitted.

A.4.7.1 Title Page

The title page must include:

- “Retail Fuel Card Services”
- RFP# CCG-RFC-2011-002
- Federal Employer Identification Number (EIN) or Contractor/Vendor Identification Number (VID or Vendor Number)
- Name and address of the Contractor

A.4.7.2 Table of Contents

Each Proposal shall be submitted with a Table of Contents that clearly identifies the location of each section and sub-section of the Proposal and provides relevant page numbers. Additionally, the Table of Contents should clearly identify the location of all enclosures and attachments to the proposal.

A.4.7.3 Transmittal Letter

The letter of transmittal must be limited to two (2) pages and must contain:

- Contractor’s name and any assumed names
- Physical and mailing address
- Legal structure (i.e., corporation, partnership, Limited Liability Corporation, limited liability partnership, joint venture, sole proprietorship, etc.)
- Federal Employer Identification Number (EIN) or Contractor/Vendor Identification Number (VID or Vendor Number)
- State in which business entity was formed
- Whether, and to what extent, the Contractor has established a physical presence in the State including relevant timeframes
- The names, titles, addresses, email addresses and telephone numbers of the primary contact and other individuals authorized to make representations on behalf of the Contractor
- A statement that the person signing the transmittal letter is authorized to legally bind the Contractor
- Signature of person(s) authorized to legally bind the Contractor
- A statement that the Contractor's Proposal will remain in effect for 120 days after the Proposal Opening Date

A.4.7.4 Exhibits

A.4.7.4.1 HUB Subcontracting Plan

Contractors responding to this RFP, including those that are HUB Certified, must complete a HUB Subcontracting Plan (HSP) in accordance with the State’s policy on utilization of Historically Underutilized Businesses. **Failure to complete a HSP shall cause automatic rejection of the Proposal.**

If a Contractor does not plan to subcontract for any goods or services in the performance of a contract resulting from this RFP, then the Contractor must state that fact in the HSP. The completed HSP will become a part of any contract resulting from this RFP.

See Exhibit A for further instructions which require Contractors to identify the specific areas intended for subcontracting.

The CPA has instructional videos online to assist Contractors with completing the HSP. The videos may be viewed at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.

A.4.7.4.2 Execution of Offer

The Contractor must sign and return the Execution of Offer provided in Exhibit B with the submitted Proposal. **Failure to complete the Execution of Offer may cause automatic rejection of the Proposal.**

A.4.7.4.3 Conflict of Interest

The Contractor must sign and return the Conflict of Interest provided in Exhibit C with the submitted Proposal. **Failure to complete the Conflict of Interest may cause automatic rejection of the Proposal.**

A.4.7.4.4 Criminal Conviction Certification

The Contractor must sign and return the Criminal Conviction Certification provided in Exhibit D with the submitted Proposal. **Failure to complete the Criminal Conviction Certification may cause automatic rejection of the Proposal.**

A.4.7.5 Employee Benefit Overview

The Contractor must provide an overview of the healthcare benefits, retirement benefits and worker's compensation insurance to be provided for individuals receiving compensation in connection with the performance of the work related to this RFP. The Contractor's proposal must include an analysis of healthcare benefits, retirement, and workers' compensation insurance for the contractor's employees that are reasonably comparable to the health care benefits, retirement, and workers' compensation insurance of the State.

The Contractor's proposal must include:

1. A detailed statement of the number and salary of individuals connected with the performance of the work, including employees, independent contractors or subcontractors, and others.
2. A detailed description of health care benefits to be provided for individuals receiving compensation in connection with the performance of the work, and the cost to the proposer of providing the benefits.
3. A detailed description of retirement benefits to be provided for individuals receiving compensation in connection with the performance of the work, and the cost to the proposer of providing the benefits.
4. A detailed description of workers' compensation insurance to be provided for individuals receiving compensation in connection with the performance of the work, and the cost to the proposer of providing such benefits.

5. A detailed description of any employee rights or personnel policies to which the proposer's other employees are subject or entitled.
6. A detailed statement certifying that the overall package of salaries and benefits to be provided to employees performing the identified state service under the proposer's contract will be reasonably comparable to the overall package of salaries and benefits of those state employees currently performing functions similar to those performed by the proposer's employees on the identified state service, provided that certification shall be based on the overall character of the salaries and benefits package and not on the presence, absence, or level of one particular benefit or on a specific salary level.

A. 4.7.6 Proof of Financial Stability

1. The following items must be included in the Contractor's Proposal. Failure to include **any** of the items listed for the appropriate company type may cause automatic rejection of the Proposal. Dun and Bradstreet Report for parent company **no older than one (1) month prior to submission OR an equivalent third party report AND an audited financial statement for the prior twelve (12) months**. If these documents are not part of the Contractor's submittal, the proposal **may be disqualified**.
2. Any official document displaying current proof of authority to conduct business in the State. Examples include a Texas State Franchise Tax Certificate, Texas State Sales Tax Permit, or other documents obtained from the Secretary of State.
3. If the Contractor is a subsidiary, affiliate, or creation of one or more entities, and the proposing entity presents or relies upon the experience, financial stability or other qualifications of the parent or other entity(ies), the Contractor must also include the most recent detailed financial report of the parent or other entity(ies) and a statement that the parent or other entity(ies) will unconditionally guarantee performance by the Contractor in each and every term, covenant, and condition of any contract as executed by the parties.
4. Contractor may submit any additional information not formally requested herein that demonstrates adequate financial stability. This information may be used in conjunction with the required items to analyze financial stability and can be in any form the Contractor desires. CCG reserves the right to request additional information if deemed necessary.

A.4.7.7 Company and Previous Project Experience

The Contractor must provide information to indicate that it has the experience to provide the products and services requested in the RFP. Specifically, the Contractor is to provide:

1. An overview and brief history of the firm, and a description of what uniquely qualifies the firm for this project.
2. A description of services the organization has provided in the past five (5) years that demonstrates the organization's capability to carry out the proposed services.
3. Include nature of the services provided, scope of activities, and the organization for which the service was provided.

A.4.7.8 References

Contractors must provide three (3) client references for significant projects in past five (5) years that demonstrate the Contractor's ability to provide statewide retail fuel, maintenance and emergency services. References must include the following information:

- PSA name
- Contact name, title, business address, email address and phone number
- Service start/end dates
- Scope of work performed
- Annual Transaction Spend

The Evaluation Committee may contact references provided by the Contractor during the selection process. The Evaluation Committee will not work through a Contractor's Reference Manager to complete a reference contact.

A.4.7.9 Key Personnel

Contractors must provide information about key professional staff they propose to use to fulfill all work performed under a contract awarded pursuant to this RFP, using the resume format provided in Exhibit E of this RFP.

The Contractor must commit to utilizing key personnel identified for all work performed under any contract awarded pursuant to this RFP.

The Contractor must agree to notify CCG promptly if key personnel listed in the Proposal are no longer available to the Contractor. CCG and the Contractor must mutually agree upon the replacement staff recommended.

A.4.8 Written Response to Program Requirements

Sections A.4.8.1 - A.4.11 require separate responses. The Contractor is cautioned to pay particular attention to the clarity and completeness of this section as it will be closely reviewed by the evaluation team.

A.4.8.1 Disclosure of Limitations

The Contractor must provide full disclosure of any known limitations to acceptance of the proposed card.

A.4.8.2 Card Activation

The Contractor shall describe the process and timeframe required for activation of the card. The Contractor must describe how the information related to activation is communicated to the cardholder and PSA.

A.4.8.3 Card Authorization

To prevent unauthorized purchases if the card is lost or stolen, the card must have a two-component authorization as requested by the PSA. The card itself may count as one of the authorization components. The Contractor must describe the card authorization process.

A.4.8.3.1 Types of Authorization

Upon request, the Contractor's card must incorporate at least one other authorization, e.g., vehicle card plus driver ID; card plus a vehicle id; driver ID plus a PIN, etc. The Contractor must describe the types of card authorization available.

A.4.8.4 Point-of-Sale Prompts

The Contractor shall describe the number and type of point-of-sale (POS) prompts it is able to provide to PSAs, if requested by a PSA. Examples include, but are not limited to:

- Odometer reading
- Driver's License Number
- Driver Identification Number
- Vehicle Identification Number
- License Plate Number

A.4.8.5 Card Assignment

Each card may be assigned to an individual, a fleet vehicle or an organizational unit/cost center in accordance with the needs of the PSA. Where cards are assigned to a fleet vehicle, a unique identifier must be used to relate the card to the vehicle, typically the vehicle's license plate number. The Contractor must describe its ability to assign cards in the methods noted and must also describe any known limitations to any assignment method.

A.4.8.6 Replacement of Lost, Stolen or Damaged Card

The Contractor shall describe in detail the process and timeline for replacement of lost, stolen or damaged cards. The Contractor will discuss the deactivation of the old card and how they will ensure that no transactions will be allowed on the old card. The Contractor must detail what, if any, liability PSAs have in cases of lost or stolen cards. Higher points will be awarded to Contractors that will place little or no liability to the state or its PSAs for charges against lost or stolen cards.

A.4.8.7 Card Expiration

The Contractor shall describe in detail how expiration dates are established and the process for the reissuance of cards at the time of expiration. The awarded contractor shall automatically track the card expiration date for all active cards and mail a new card (of the same card number) to the PSA prior to the active card's expiration date.

A. 4.8.8 Card Controls

The Contractor must describe in detail their controls for limiting usage of cards to the purchase of fuel and other approved items as agreed between the Contractor and PSA. Examples of controls Contractors should be able to provide include, but are not limited to:

- No use of card for cash advances or ATM access
- List of proposed Merchant Category Codes (MCC) for account management
- Limitations on product categories

- Total number of transactions per period (daily, weekly, bi-monthly, monthly, etc.)
- Total dollars expended per period
- Total gallons/units per period
- Total dollars expended per transaction
- Dollars expended per product category per transaction
- Number of transactions per period per product category
- Dollars expended per product category per period

A.4.8.9 Process for New Cards

The Contractor must describe the process and timelines by which new cards will be established and distributed to participants.

A. 4.8.10 New Pin Numbers

The Contractor must describe the process and timelines by which new pin numbers will be established and activated for participant use.

A.4.8.11 Online Account Management

The Contractor shall provide a secure, web-based account management and maintenance system for use by CPA and PSA account administrators for day to day operational management at the statewide level and PSA level. The Contractor shall provide a detailed description of its system capabilities including a detailed description of the following:

- Any internet reporting databases or reporting capabilities that will be made available
- An overview of the system capacity and any physical limitations
- Maximum number of transactions that can be processed through the system without interruption or system failure

A.4.8.12 Online Account Management Reports

The Contractor shall describe the average run time to produce the following reports, given the anticipated transaction volumes:

- Account listing of individual employee accounts by employee last name, PSA, account number, anniversary date, and 12-month payment history
- Program Summary Report, to include at a minimum: number of inactive cardholders, number of active cardholders, number of new cardholders, number of closed accounts, number of terminated cardholders, number of lost and reissued, available fuel cards (agency-wide, and by smaller hierarchy levels), number of merchant over-rides (agency-wide, and by smaller hierarchy levels)

A.4.8.13 Online Account System Output Descriptions

The Contractor shall provide descriptions for the following

- Account maintenance activities that can be performed utilizing the system

- Account management activities that can be performed utilizing the system
- Data elements captured and maintained within the system
- Level of reporting detail provided through the system
- Description of MCC code customization level (i.e., Agency, district, region, and cardholder)
- Ability to download transaction level data for analysis
- Additional value-added functionality provided by the system

A.4.8.14 Location of PSA Service Centers

The Contractor must identify the location of its PSA service centers that will support the Texas account.

A.4.8.15 Historical Data Available to PSAs

The Contractor shall describe the length of time, in months, for which transactional level historical data will be available to PSAs at all times through the on-line web management system.

A.4.8.16 Federal Requirements

The Contractor shall describe how the following federal requirements will be met now and in the future:

- Internal Revenue Service (IRS) 3% withholding requirement (Adopted Regulation FR Doc. 2011-10760, Filed 5/6/2011, published 5/9/2011).
- Compliance with Office of Foreign Assets Control (OFAC) and Export Administration regulations (EAR) and other federal restricted lists.

A.4.8.17 Exception Monitoring and Reporting

The Contractor shall describe its ability to identify exceptions and monitor cardholder spending, and report exceptions to appropriate PSA account administrators upon identification.

A.4.8.18 Sample of Reports

The Contractor shall include in its proposal, a sample of the reports to be provided to PSAs as well as CCG and/or the State's Retail Fuel Card Contract Administrator as required by Section A.3.18.

A.4.8.19 Technical Support for Account Management Tool

The Contractor shall provide web-based and/or toll-free telephone technical support for its online account management tool. The Contractor must provide a detailed description of the coverage provided by its technical support solution.

A.4.8.20 Preventing Identity Theft and Potential Fraudulent Transactions

The Contractor shall describe its general approach for preventing identity theft and for identifying, handling and reporting of identity theft. In addition, The Contractor must describe its fraud detection processes and procedures, how potential fraudulent transactions are identified, and the procedures for tracking, handling and reporting any potential fraudulent transactions.

A.4.9 Training

A.4.9.1 Training Provided Prior to Final Deployment

The Contractor must describe how it will provide training to all PSAs for use of its system prior to final deployment of the retail fuel card into production. The Contractor should include examples of training curriculum and supporting materials, including manuals and training documents it expects to use in its training.

A.4.9.2 Description of Training

The proposal shall describe the training that will be available to PSAs either monthly, quarterly, annually, or on demand and include training locations. The proposal shall describe the minimum number of classroom training hours that will be provided annually to IT staff, cardholders, and PSAs on all aspects of new cards, reporting, online management system and change management. Training should include but is not limited to:

- How to utilize the system
- Transaction management
- Initial account setup
- Account code setup
- Reporting and queries functionality
- Avoiding fraud
- Risk assessment
- HUB reporting

A.4.10 New Services

The Contractor must describe how they will actively pursue negotiations with any additional merchants that do not accept the Contractor's fuel card but may be identified by the State as a primary recipient of state business in order to add these identified stations into the Contractor's supplier network.

A.4.11 Value Added Services

The Contractor should detail any additional services it is able to offer through the retail fuel card program including all associated costs. For example, the state would be interested in proposals for an enterprise bulk fuel/retail fuel system with the following characteristics:

- Leverage card data at both retail and bulk fuel sites to optimize purchasing and fleet vehicle enterprise management
- Achieve significant reduction in bulk fuel costs through strategic buying and purchase audit processes
- Leverage fleet card rebates and incentives to fund the purchase of bulk fuel management equipment

- Through rebates and incentives, fund enterprise management of bulk sites with fuel island card controllers and tank level monitoring sensors
- Allow state agencies to utilize other agencies' bulk fuel sites
- Implement bulk fuel site fraud controls
- Lower overall enterprise costs by automating Contractor payments with single-use account system

A.4.12 Transition Plan

The transition of services from the current Contractor to the awarded contractor, should they differ, is a critical component of this RFP as there cannot be a lapse in service. The responding Contractor must provide a detailed description of their experience in transitioning large volume customers, such as the state of Texas. Contractors should include details of the transitions completed, including the number of PSAs, number of accounts and number of cards produced and within what timeframes, and the timeframe for the entire organizational transition.

If a Contractor believes they will be unable to transition all PSAs over the timeframe outlined, the Contractor must note this fact and clearly identify in their plan the timeframe anticipated to transition all existing PSAs.

A.4.13 Marketing Plan

The Contractor must provide a marketing plan detailing how they plan to increase usage of services in scope for the RFP under the new contract. The Contractor must describe how they will actively market to additional CO-OPs that are not users of the current program.

A.4.14 Assumptions and Exceptions

The Contractor shall clearly state any assumptions it made in its Proposal. The Contractor shall also clearly identify any exceptions it takes to specific provisions of this RFP, noting the specific RFP Section number. If there are no exceptions, the Contractor shall explicitly state that the Contractor takes no exception to any part of this RFP. **NOTE:** The CCG, as a state agency, is prevented by the Texas Constitution from indemnifying Contractors. The Contractor is discouraged from including a term in its Proposal that requires the CCG to indemnify it. Such a term may result in the Proposal being deemed non-responsive.

The Contractor shall identify exceptions using the following format:

Section	Section Title	Exception	Proposed Language

A.4.15 Mandatory Price Grid

See **Attachment F** for instructions on the Mandatory Price Grid.

A.4.16 Alternate Proposals

Contractors may submit alternate proposals, associated cost proposals, and associated revenue sharing plans to the requirements outlined in this RFP if they can demonstrate added value or savings not achieved within the existing RFP. If the alternate proposal requires an exception to any requirements, the requirement should be identified using the table below. In addition, the Contractor should indicate how the waiving of requirement(s) will provide the value in their alternate proposal. Contractors should note that an alternate proposal cannot replace a response to the RFP requirements. By submitting an alternate proposal, Contractors understand and agree that CCG may take the alternate proposal and rebid the RFP using the alternate proposal as the basis for that revised RFP.

The Contractor shall identify exceptions required for an alternate proposal using the following format:

Section	Section Title	Exception	Proposed Language

A.5 Proposal Submission

The Proposal shall be submitted electronically. To submit your proposal response electronically, simply address the proposal to SSCM.ebids@cpa.state.tx.us. The e-mail subject line should contain the RFP number and title as indicated on the cover page.

You will receive an automatic response acknowledging the State's receipt of your submittal. **If you do not receive an automatic response, please call or email the Point of Contact for confirmation of receipt.**

You are solely responsible for ensuring that your complete electronic proposal is sent to, and actually received by, CCG in a timely manner and at the proper destination server. CCG takes no responsibility for electronic proposals that are captured, blocked, filtered, quarantined or otherwise prevented from timely reaching the proper destination server by any anti-virus or other security software.

CCG recommends a limit on the attachments to 10MB each. This limitation may result in the requirement for multiple submissions to SSCM.ebids@cpa.state.tx.us to complete the submission of all documentation contained in a bid response. An electronic submission should contain:

- A complete copy of Respondent's Proposal, organized in the manner described in Section A.4 with all required signatures in Portable Document Format (PDF)
- A completed copy of **Attachment F - Mandatory Price Grid** in its original Microsoft Excel format. *Warning: DO NOT add or delete any columns, rows, or tabs in the original file, and DO NOT edit cells not highlighted in yellow in any way. Doing so may subject your entire proposal to disqualification*

CCG IS NOT RESPONSIBLE FOR DOCUMENTS THAT CANNOT BE READ OR CONVERTED. UNREADABLE PROPOSALS MAY BE, IN CCG'S DISCRETION, REJECTED AS NONRESPONSIVE.

Note: Please be aware that your Internet Service Provider may limit file sizes on your outgoing emails, so try to avoid graphics, pictures, letterheads, etc., which consume a lot of space. These typically include *.tif/*.tiff, *.gif, & *.bmp file extensions, but may include others, as well. CCG/CPA's firewall virus protection runs at all times, so during times of new active virus alerts, incoming traffic may be delayed while virus software scans emails with attachments.

A.5.1 Confidential, Proprietary or Copyrighted Information

CCG is a government agency subject to the Texas Public Information Act (PIA), Chapter 552, Government Code. The Proposal and other information submitted to CCG by the Contractor are subject to release as public information. The Proposal and other submitted information shall be presumed to be subject to disclosure unless a specific exception to disclosure under the PIA applies. If it is necessary for the Contractor to include proprietary or otherwise confidential information in its Proposal or other submitted information, the Contractor must clearly label that proprietary or confidential information and identify the specific exception to disclosure in the PIA, and comply with the submission requirements set out below.

Merely making a blanket claim that the entire Proposal is protected from disclosure because it contains some proprietary information is not acceptable, and may make the entire Proposal subject to release under the PIA. In order to trigger the process of seeking an Attorney General opinion on the release of proprietary or confidential information, the specific provisions of the Proposal that are considered by the Contractor to be proprietary or confidential must be clearly labeled as described above. Any information which is not clearly identified as proprietary or confidential shall be deemed to be subject to disclosure pursuant to the PIA.

The Contractor, by submitting a Proposal, shall thereby be irrevocably deemed to have fully indemnified and agreed to defend CCG from any claim of infringement in the intellectual rights of the Contractor or any third party for any materials appearing in the Proposal.

A.6 Evaluation, Negotiations and Award of Contract

A.6.1 Evaluation of Offers

CCG shall award a Contract(s) to the Contractor(s) whose proposal is considered to be the best value to the State, as defined in Texas Government Code §2155.074. Proposals may be evaluated by CCG and non-CCG state agency or CO-OP employees who may be invited to assist as evaluators. Each member evaluating proposals shall execute a confidentiality agreement for this RFP. Each evaluated proposal will be reviewed and scored according to the criteria outlined in this section of the RFP.

CCG reserves the right to conduct studies and other investigations as necessary to evaluate any proposal. CCG reserves the right to waive any minor or immaterial response requirements noted in the submission process. Submission of proposals confers no legal rights upon any Contractor. CCG will determine whether negotiations or Best and Final Offers are necessary and may invite selected Contractors to provide presentations of their proposals. **Therefore, Contractors are cautioned to provide their most competitive pricing and terms in their original proposals. CCG makes no guarantee that respondents will have any additional opportunities to improve upon their proposals.**

A.6.2 Multiple Contract Awards

CCG reserves the right to award for some, none or all of the services outlined in this RFP. CCG reserves the right to award to one or multiple Contractors based on an assessment of state needs and best value.

A.6.3 Phase I: Evaluation of Minimum Requirements

For Phase I evaluations, the proposals received will be reviewed by the assigned Procurement Officer, with assistance from CCG. The purpose of this phase is to determine whether each proposal has met the response submission requirements, including financials, conforms to the rules of the procurement and is sufficiently responsive to permit further evaluation. In the minimum proposal requirements evaluation phase, each proposal shall be evaluated as either “pass” or “fail”. Only those proposals that pass Phase I shall be considered for Phase II evaluation.

A.6.3.1 Past Performance

A Contractor’s past performance will be measured based upon pass/fail criteria, in compliance with applicable provisions of §§2155.074, 2155.075, 2156.007, 2157.003, and 2157.125, Gov’t Code. Contractors may fail this selection criterion for any of the following conditions:

- Currently under a Corrective Action Plan through any state agency
- Having repeated negative Contractor Performance Reports for the same reason
- Having a record of repeated non-responsiveness to Contractor Performance issues
- Having purchase orders that have been cancelled in the previous 12 months for non-performance (i.e. late delivery, etc.).

Contractor performance information is located on the CPA web site at:

http://www.window.state.tx.us/procurement/prog/Contractor_performance/

CCG may conduct reference checks with other entities regarding past performance. Due to the unique nature of the services provided, CCG may particularly focus, in its discretion, on conducting reference checks with other governmental entities regarding billing accuracy and contract compliance with services provided. In addition to evaluating performance through the Contractor Performance Tracking System (as authorized by 34 Texas Administrative Code §20.108), CCG may examine other sources of Contractor performance including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of contracts. Any such investigations shall be at the sole discretion of CCG, and any negative findings, as determined by CCG, may result in non-award to the Contractor.

A.6.4 Phase II: Evaluation of Cost Proposal

For Phase II evaluation, CCG shall evaluate the corresponding cost proposal using standardized tools and forms, based on the cost proposal submitted by the Contractor. Based on the outcome of the computations performed, each proposal will be assigned a raw score. The assigned weight will then be applied to these scores to calculate an overall score.

CCG reserves the right based on the evaluation of the cost proposals, to limit further evaluation of Contractor Proposals not found to be in a competitive range with those of other respondents. **Therefore, Contractors are cautioned to provide their most competitive pricing and terms in their original proposals. CCG makes no guarantee that respondents will have any additional opportunities to improve upon their proposals.**

A.6.5 Phase III: Evaluation of Qualifications

For Phase III evaluation, the CCG shall appoint an evaluation team to evaluate the merits of the Contractor's response to requirements as well as the Contractor Experience, Transition Plan, Marketing Plan, References and all other components of the proposal that are appropriate. For each proposal that advances to Phase III, each evaluator shall use standardized evaluation tools and forms to assign raw point scores identified in Section A.6.6 of this RFP. The State will then apply the assigned weights to these scores to calculate an overall score for each proposal for Phase III.

The Evaluation Committee may choose, in its sole discretion, to require one or more oral presentations from respondents. The Evaluation Committee may also, at its sole discretion, choose to conduct additional rounds of negotiation with one or more respondents.

Based on its evaluation of the proposals and the presentations, if any, staff will prepare a written recommendation of the evaluation results of the proposals to the Council for review and consideration at an open meeting. Upon the selection of an apparently successful Contractor(s), CCG's legal counsel may proceed with contract negotiations and attempt to finalize the Contract with the successful Contractor(s). CCG anticipates that these negotiations will involve few issues and be expedited; however, if a Contract cannot be successfully negotiated within a reasonable period of time, contract negotiations will be terminated, and negotiations with the next highest-ranking respondent may commence. This process may continue until a Contract is signed or this RFP is withdrawn. CCG reserves the right, in its sole discretion to reissue or withdraw this RFP rather than continue with negotiations.

A.6.6 Evaluation Criteria

Phase I - Evaluation of Minimum Requirements	Scoring
Evaluation of Mandatory Administrative Proposal Requirements	Pass/Fail
Evaluation of Minimum Requirements	Pass/Fail
Financial Stability of Contractor	Pass/Fail
Contractor Past Performance	Pass/Fail

Phase II - Evaluation of Cost and Revenue Sharing Proposal (Objective Scoring)	Weight
Cost Proposal (Attachment F)	40%

Phase III - Evaluation of Qualifications (Subjective Scoring)	Weight
Response to Requirements (A.4.7.7 – A.4.11)	45%
Transition Plan (A.4.12)	10%
Marketing Plan (A.4.13)	5%