



**COMMUNITY ACTION COUNCIL
FOR
LEXINGTON-FAYETTE, BOURBON, HARRISON, AND NICHOLAS
COUNTIES, INC.**

710 West High Street
P.O. Box 11610
Lexington, KY 40576

**REQUEST FOR PROPOSAL
FOR CREDIT CARD SERVICES**

INQUIRIES AND PROPOSALS SHOULD BE DIRECTED TO:

Erin Hensley
Chief Financial Officer
710 West High Street
P.O. Box 11610
Lexington, KY 40576
Phone: (859) 233-4600

REQUEST FOR PROPOSALS
Credit Card Services

Release Date: July 13, 2018

Last Day for Questions: July 31, 2018, 5:00 PM PST

Due Date, Time and Location: August 17, 2018, 5:00 PM PST

Community Action Council for Lexington-Fayette, Bourbon, Harrison & Nicholas Counties, Inc.
710 West High Street
Lexington, KY 40508

Sealed responses to this request for proposal (RFP), original and three (3) copies or one (1) electronic copy (PDF format) emailed to rfp.response@commaction.org will be properly opened by a committee convened by the Chief Financial Officer, Community Action Council, 710 West High Street, Lexington KY 40508 on August 20, 2018 at 9:00 AM EST.

Statements of Proposal shall be delivered in a sealed envelope or sealed box properly addressed to: Erin Hensley, Chief Financial Officer, Community Action Council, 710 West High Street, Lexington KY 40508. The envelope or box shall be clearly marked with "Request for Proposal – Credit Card Services".

All questions regarding this Request for Proposals must be directed to, and only to: Erin Hensley, Chief Financial Officer, Community Action Council, 710 West High Street, Lexington KY 40508 or Erin.hensley@commaction.org. All questions must be submitted in writing, and directed to Erin Hensley. Submitting companies are not to contact the board members, staff or other employees of Community Action Council.

Respondents are notified that Community Action Council reserves the right to reject any and all parts of the RFP.

1.0 INTRODUCTION

A. BACKGROUND

Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc. is a private, non-profit organization that studies the causes and effects of poverty in our communities and works toward solutions. The Council addresses poverty in Central Kentucky through service delivery, community involvement, and advocacy. The Council makes things happen in our communities. Each year we work with more than 30,000 people who are seeking economic security and a chance to achieve self-sufficiency. The Council is a member of the Community Action Partnership, a national network of more than 1,000 community action agencies across the United States that work to eliminate poverty on the local level. We are also a member of Community Action Kentucky, the state association representing Kentucky's 23 community action agencies. The Council has an annual operating budget of more than \$26 million and employs more than 270 staff.

B. OUR MISSION

Community Action Council prevents, reduces, and eliminates poverty among individuals, families, and communities through direct services and advocacy.

OUR PROMISE

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.

OUR HISTORY

Community Action agencies were established throughout the United States in response to the Economic Opportunity Act of 1964, a cornerstone of President Lyndon B. Johnson's War on Poverty. This law was intended to mobilize resources to fight poverty throughout the United States, and recognized that some efforts would be most effective when acting on the local level. The Act defined a community action program as one that provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work. Nonprofit agencies were established in communities throughout the country to administer such programs using funds from the federal government and other public and private sources. The look of American poverty has changed in some ways over the past fifty years, but the essential challenge remains the same. The chief values of the anti-poverty movement have always been to serve the best interests of people with low income and to improve the quality of life throughout communities by promoting economic development and expanding opportunity. Community Action Lexington-Fayette County (CALF) was organized by five local community activists in 1965. In 1974 the Council expanded its service area to include Nicholas County, and later, Bourbon and Harrison Counties. Today, the organization known as Community Action Council for Lexington-Fayette Bourbon, Harrison and Nicholas Counties addresses the needs of both urban and rural populations in Central Kentucky.

OUR PHILOSOPHY

As an organization that believes that people with low income must be active participants in the ultimate solutions to poverty, the Council is committed to developing civic capital and promoting involvement by identifying and capitalizing on the assets, leadership and talents present within the community. We collaborate closely with other local organizations and businesses in order to share resources. We use state-of-the-art technology to enhance the quality and efficiency of our services and service delivery, holding ourselves accountable for measurable results.

2.0 PURPOSE, OBJECTIVE, AND SCOPE

A. Purpose of RFP

Community Action Council is requesting proposals from qualified financial services providers to implement and provide a Procurement/Purchasing Card Program that will allow authorized personnel to purchase necessary items in a simple and timely manner while maintaining a high level of internal control and complying with all relevant federal, state and local regulation, and with Council policy and procedures concerning such purchases. Additional scope is discussed below.

The Council currently works with various financial institutions to meet its banking and cash management needs. While the Council has developed robust treasury and operating account management, the Council does not currently have a procurement card product or process.

Throughout the proposal process, the Council welcomes suggestions to improve the effectiveness, cost and efficiency of its processes, specifically purchasing, travel and accounts payable processes.

Community Action Council intends to select one institution to provide Purchasing Card Program and Services. We anticipate the Purchasing Card Program will be an important aspect of our procurement and accounts payable functions and the program will focus on streamlining processes that result in cost reduction and greater efficiencies as well as increasing customer satisfaction to our end-users.

With an annual operating budget of approximately \$26,000,000.00, the Council anticipates significant annual credit card spend and a dramatic reduction in the volume of checks issued to vendors each year.

The over-arching goals of the Credit Purchasing Program are:

- Simplify Procurement Process
- Improve Expense Control
- Reduce Administrative Expense/Time/Effort
- Improve End-User Satisfaction
- Capitalize on Rebate Potential

Community Action Council Objectives

Community Action Council intends to select a provider that will support the following features:

- Ease of use for Card Holders
- Card Holder Spending Limits
- Preferred Supplier restrictions
- Single Purchase Limits
- Monthly Credit Limits (Cycle Limits)
- Single Transaction Limits
- Industry Restrictions
- Card Holder Activity/Statements
- Aggregate Activity/Statements
- Industry Spending Details and Summary
- Online Reporting
- Online Card Setup, Maintenance and Suspension
- Automatic Expense Allocation/System Integration
- Online Cost Code Validation
- Query Builder and Data Archiving
- Automated General Ledger Loading
- Fraud Detection
- Password Reactivation

3.0 TERMS AND CONDITIONS

A. Preparation of Proposal

All costs related to the preparation and submission of the statement of proposal documents shall be paid by the respondent. Issuance of this RFP does not commit Community Action Council, in any way, to pay any costs for the preparation and submission of proposals. **Nor does the issuance of the RFP obligate Community Action Council to award a contract or purchase any goods and services stated in the RFP.**

B. Timelines and Schedules

Community Action Council intends to adhere to the following schedule in seeking responses to this RFP: July 13, 2018
July 13, 2018

July 13, 2018

July 31, 2018

August 17, 2018

August 24, 2018

Week of September 3, 2018

September 10, 2018

RFP is issued and available.

Solicitation of vendors through direct issuance.

Solicitation of vendors through web-site RFP posting.

Last day for questions to Community Action Council by 1:00 PM EST

Responses to RFP due to CAC by 5:00 PM EST

Notification of finalists

Interviews for finalists

Notice of contract award (preliminary)

Community Action Council retains the right to make changes to the schedule as appropriate. Any changes will be communicated through the addenda process.

C. Addenda

The only method by which any requirement of this RFP may be modified is by written addendum issued by Community Action Council. Responses to inquiries which directly affect an interpretation or change to the RFP will be issued in writing by addenda. Any addenda will be posted to the Council's website at: www.commaaction.org. All such addenda issued by the Council prior to the time that proposals are received shall be considered binding. Oral and other interpretations or clarifications shall be without legal effect.

D. Submittal Content

The summary report should conform to the following:

- 1) 8.5 x 11 size format with some 11 X17 (folded) graphics allowable
- 2) PDF format on CD (1 copy)
- 3) One original and three (3) copies

Proposals should be presented in a clear and concise manner and include following information:

Letter of Interest/Executive Summary – Letter/Summary will clearly indicate the single contact and authorized representative with mailing address, telephone, facsimile numbers, e-mail addresses and website. Please provide a brief summary overview of your proposed offering to the Council. Include any information, not requested below, that we should consider when evaluating your proposal.

Organization Overview

- 1) Describe your experience in expense management and include the number of years you have been in the expense management business.

- 2) Please provide your estimated market share surrounding commercial payment and procurement card solutions.
- 3) Describe any partnerships or alliances that you have in place that may benefit the Council.
- 4) How does expense management fit into your organization's products and services offerings portfolio.
- 5) Provide financial condition of the organization.
- 6) Provide details and highlights of any community involvement by your organization in Kentucky, specifically Lexington.

Card/Solution Questions

- 1) What card platform(s) does your program utilize (i.e. Visa, MasterCard, American Express)? Why? If more than one is utilized, which do you recommend for the Council and why?
- 2) Provide a detailed overview of the software/web based card program management system that supports the card program. Please include type of technology, application or technology support, security, capabilities given to administrators and availability of real-time review.
- 3) Is the software/web based card program management system wholly owned by your institution? If no, please specify the owner/developer of the software/web based system.
- 4) Specify the level of data captured by your procurement card.
- 5) Discuss settlement terms for your program, outlining available billing cycles.
- 6) Describe the card controls and usage restrictions supported by the issuer.
 - a. Company Level Restrictions
 - b. Cardholder Level Restrictions
 - c. Department Level Restrictions
 - d. MCC/SIC Restrictions
 - e. Cash Advance Restrictions
 - f. Dollar Limit Restrictions
 - g. Restrictions to Preferred Suppliers
- 7) How do you ensure that the Council is protected from unauthorized charges?
- 8) What are the liabilities of the Council and/or cardholder in the event of fraud, abuse or loss of card?
- 9) Describe the on-going fraud monitoring provided by your organization to cardholders.
- 10) What liability options do you offer?
- 11) If a card holder has a dispute or issue with a charge, what is the resolution process and timeline?
- 12) Detail all automatic and optional insurance coverage available.
- 13) Provide the capabilities of providing customized cards for the Council (i.e. including Community Action logo, stating for Official Use Only, Tax-Exempt).

Customer Support

- 1) Describe customer support for cardholders.
- 2) Please detail the process and turnaround for requesting new cards.

Expense Reporting/Coding Module

- 1) Detail the capabilities and highlights of your expense transaction coding module.
- 2) Does the expense reporting/coding module allow user to identify and code charges for automatic entry into the Council's general ledger?
- 3) Can the expense reporting/coding module be customized to reference the Council's general ledger account numbers?
- 4) Can the module support splitting transactions and allow for coding to multiple general ledger accounts?

Program Administrator Functionality

- 1) What capabilities and functionalities do Program Administrators have (i.e. adding new cardholders, adjusting credit limits, reviewing activities)?
- 2) Do Program Administrators have a dedicated customer service team to handle requests and service issues? If yes, what is the availability of this service team?

Implementation/Work Plan

- 1) It is the Council's goal to begin implementation of the card no later than November 1, 2018. Present a work plan including time line and detailed phases into which the program implementation will be divided and performed.

Community Action Council uses the ABILA fund Accounting System for all accounting and purchasing functions. It is anticipated that proposers be capable of providing all transaction records in an electronic file format compatible with that used by the Council. Proposers shall submit the layout of their data structure so that data can be integrated with our current accounting system. If selected as a finalist, proposer shall submit testing data and the name and contact information for their technical contact person for implementation.

Reporting

- 1) What on-line reporting is available? Describe the reporting provided to cardholders and the Council. What information is included in standard reports?
- 2) What 1099 reporting does the organization offer?

References

- 1) Provide at least five references (non-profit references preferred). Include client name, contact person, address, phone number, and email. Please provide services provided and the length of time your organization has worked for the entity.
- 2) How many non-profit have terminated or not renewed their purchasing services in the last three years?

Additional Services

- 1) Please describe any declining balance card programs you offer.

- 2) Detail any centralized billing or ghost travel related accounts or solutions.
- 3) Detail any travel related services available in conjunction with your card program.

Relationship Management/Continuous Improvement

- 1) Describe your organization's approach and philosophy in consulting with clients. After implementation, how frequently do you anticipate meeting with the Council? What level of consultation do you provide organizations of similar size?
- 2) Detail your organization's achievements collaborating with clients to leverage supplier relationships and data to drive savings and improve spending control.

Sample Contract/Agreement

- 1) Provide a sample of the proposed contract/agreement for your organization's services. Also provide ALL other documents which must be signed/entered into related to the provision of services/products requested in this RFP including any documents referenced/incorporated into the contract/agreement.

Pricing, Fee and Rebate Structures

- 1) Please matrix all relevant fees (i.e. card issuance fees, international transaction fees, replacement cards, monthly maintenance fees, late fees, etc.)
- 2) Please matrix a rebate schedule for card activity at various usage levels.
- 3) Please describe in detail rebates based on spending factors such as average transaction size, speed of payment, etc.
- 4) Are there any exceptions to the rebate schedule (i.e. large ticket items, etc.)?
- 5) Please detail the guarantee of the proposed rebate schedule.

E. Evaluation of RFP Responses

In order to provide a uniform basis for evaluation of all submittals, each submittal shall be evaluated quantitatively in accordance with the scale listed below. Community Action Council reserves the right to consider, and utilize in the selection process, any other significant data that may become available during the course of its evaluation. All RFP's received by the deadline will be evaluated by an evaluation committee comprised of various stakeholders. Factors on which proposals will be judged include, but are not limited to:

- 1) Provider's ability to assist the Council in meeting the overall goals and objectives and to reduce administrative costs associated with the procurement process.
- 2) The quality and range of services the firm proposed to provide.
- 3) The extent to which goods and services meet the Council's needs.
- 4) The firm's overall experience, reputation, expertise, stability and financial responsibility.
- 5) The provider's past performance with the Council, if any.
- 6) The ability to provide service in an expedient and efficient manner.
- 7) Training program provided.

- 8) Overall service and service standards detailed in the proposal.
- 9) Financial terms offered to the Council.
- 10) Rebate Schedule and benefits.
- 11) Providers ability to provide reporting and integrate with the Council's accounting systems.

F. Selection Process

Proposal submittals will be opened in a manner that avoids disclosure of the contents to competing respondents. Contents of the proposal submittals will remain confidential during the negotiations period. Only the RFP number and the identity of the respondent submitting proposals will be made available to the public. Once a selection has been made, all materials will become public record.

Trade secrets or proprietary information submitted by a proposer shall not be publicly disclosed, however, the proposer shall request this protection prior to or upon submission of the data or other material and must identify the data or other materials to be protected and state the reasons why protection is necessary.

Community Action Council will:

- encourage persons or firms engaged in the services being solicited to submit proposals and performance data;
- establish the criteria and procedures used for the selection of qualified respondents to perform such services;
- from the respondents, prepare a ranked list in order of preference, pursuant to the Council's established criteria and procedures;
- from the ranked list of respondents, select a group (shortlist) of finalists whom the Council determines to be best qualified to provide the required services, ranked in order of preference, pursuant to the Council's established criteria and procedures;
- interview the finalists and prepare a ranked list in order of preference, pursuant to the Council's established criteria and procedures;
- negotiate with the highest ranked finalist for a contract to perform such services at a price determined to be reasonable and fair after considering the estimated value, the scope, the complexity and the nature of the services;
- if unable to negotiate a satisfactory contract or agreement from the highest ranked finalist, formally terminate negotiations and undertake negotiations with the next highest ranked finalist.

Should Community Action Council be unable to negotiate a satisfactory contract or agreement with any of the ranked finalists, the Council may (1) continue the negotiation process with other respondents not selected as finalists in their listed order of ranking until a contract or agreement is reached, or (2) cease the selection process and begin again.

G. Award of Contract

A contract will be awarded to the respondent(s), who is responsive to the needs outlined, conforms to the Request for Proposals and will be the most advantageous to Community Action Council. Information and/or factors gathered during interviews, negotiations, and any reference checks, in addition to the evaluation criteria rankings, shall be utilized in the final award decisions. Community Action Council reserves the right to contact references other than, and/or in addition to, those furnished by a respondent.

The selected firm will be required to submit their firm's Certificate of Insurance.

The statement of proposal, in its entirety, shall be considered a part of the contract for services for the selected firm.

Community Action Council reserves the right to reject any or all RFP responses, or any part of the response, and to waive informalities and minor irregularities in the RFP responses received.