



**POST CALL TRANSCRIPT &
ADDITIONAL QUESTIONS RECEIVED**

March 9, 2021

**Request for Proposal
RFP No. 021521**

**University of Arkansas
Comprehensive Banking Services**

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

On March 9, 2021, the University of Arkansas held a pre-proposal conference call for RFP021521.

Susan Slinkard, Director of Cash Management, welcomed respondents to the call and thanked them for their interest in doing business with the University. She provided an outline for how the call would go. She then read the following statement:

Good afternoon, everyone. Thank you for joining University of Arkansas, Fayetteville, for the pre-proposal call for RFP021521, Comprehensive Banking Services. My name is Susan Slinkard, and I am the Director of Cash Management and Compliance here at UAF. I want to open the call by letting you know that today's meeting is being recorded. The recording will be used, in part, to develop the post-call transcript. We will be creating a list of today's attendees. Therefore, please type your name and institution in the chat box. Everyone on the call should do this, including those from UAF and PFM. Please go ahead and begin now. Also, I invite you to turn on your camera, if you feel comfortable doing so.

It's my pleasure to introduce my colleagues from UAF who are on the call with us today:

*Mark Hubbell, Controller
Ann Gearity, Associate Controller
Jonathan Smith, Accounts Payable Manager
Jason Rankin, Bursar
Kyle Smith, Director of Payment Technology
Natalie Undernehr, Payment Compliance Officer,
Clayton Hamilton, Deputy Athletic Director – CFO, UAF Athletics
Amber Duncan, Assistant Director of Payroll
Leanne Collins, Payroll Services Coordinator
Carie Siria, Payroll Services Specialist
Hal Prescott, Director of Finance, Arkansas Alumni Association
Elizabeth Lisenbee, Cash/Investment Management Specialist
Rick Carter, Cash/Investment Management Specialist
D.J. Babb, IT Specialist
Ellen Ferguson, Sr. Procurement Coordinator
Whitney Smith, Procurement Manager/APO
Michael White, Associate Vice Chancellor for Finance/Treasurer*

Also joining us today from PFM, the consultant engaged to assist UAF with this bid, are:

*David Calvert, Director
Lauren Donley, Analyst*

Let's take a couple of minutes to cover a few housekeeping items and review today's agenda. The purpose of this meeting is to provide a forum for bidders to obtain clarification about the RFP prior to preparing their proposals. During the meeting, UAF will only be addressing questions that were submitted by the deadline for this call. We may, however, answer clarifying questions. Please use the chat feature to ask any questions you may have now, or that arise during the meeting. All questions in the chat will be addressed at the end of the call. Any new questions will be noted by the RFP committee and will be answered in a supplemental Q&A document that will be posted along with the transcript.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

A few reminders:

- *A transcript of the call will be published on Hogbid. It is the responsibility of each participant to review the Hogbid site for the transcript information.*
- *Should you have questions after today's call, any additional bidder questions related to this RFP should be sent via e-mail to ellenf@uark.edu, with copy to treasuryconsulting@pfm.com prior to the deadline of 03/12/2021, 4:00 pm CST.*
- *The RFP Committee reserves the right to extend deadlines and other requirements, which will be published on Hogbid accordingly.*
- *Until further notice, proposals are currently due: March 31, 2021, 10:00 am CST. The Bid opening will occur March 31, 2021 at 2:30 pm CST*
- *It is the obligation of bidders to follow the activities on Hogbid*
- *Bidders must sign all bid documents where required and submit with proposal. Failure to do so may result in rejection of the bid.*
- *Bidders are strongly encouraged to have their General Counsel review the RFP, in particular the language regarding contracting with entities of the State of Arkansas, prior to submission of a proposal*

Now let's turn our attention to the questions we received for this call...

As you know, there are seven sections included in this comprehensive RFP. We have grouped the questions by RFP section for this call and the transcript. We'll work our way through each section. Again, if you have questions, please note them in the chat. For clarifying questions, please reference the question number on the Q&A document you received yesterday.

The questions, answers, clarifications, are below. **Any clarifications are denoted in red font.**

General

1. What is the Workday Go Live Date?

Answer: The Workday Go Live Date was July 7, 2020. The University is still working through the transition and implementation of all the services Workday provides.

2. Can you confirm who from UA will be contacting references? We would like to confirm if references should be provided at the end user level, management, or leadership.

Answer: References will likely be contacted by the Director of Cash Management. Contact information for management level individuals would be appropriate.

3. What is your desired date to begin a new banking service contract?

Answer: The University's desired date to begin a new banking service contract is September 2021.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

4. Since March 2020, in response to COVID-19 and for the safety of our print team, most RFP's have allowed us to submit proposals electronically. May we submit our response electronically in lieu of print?

Answer: We recognize that COVID-19 presents challenges and have limited the number of physical copies requested, but printed copies are still required.

5. Does the original print version require a wet ink signature?

Answer: No, an electronic or digital signature is acceptable.

6. What is the University's current policy for in person meetings?

Answer: The University does not currently host in person meetings for visitors. In person meetings are limited for visitors. We are tentatively planning on having finalist presentation in-person. In regards to implementation, we anticipate much of the planning and coordination will be done with virtual meetings.

7. Will UofA accept digital/scanned signatures on this page and other forms, or does UofA require original/wet signatures?

Answer: Yes, UAF will accept digital/scanned signatures.

8. Is the University considering offering electronic payment solutions for students and alumni to reduce the number of incoming paper-based payments?

Answer: Yes, for Alumni. At the present time, UAF is not looking for additional solutions for student payments.

9. Appendix I-C - Please clarify what types of payments are deposited into each of the "Group" and "IRD Group" designations.

Answer: The types of payments deposited into each of the "Group" designations are checks. The types of payments deposited into the "IRD Group" designation are Image Replacement Documents (IRD).

Service Group 1: General Banking

10. What is the anticipated annual volume of Digital Payments and the average transaction size?

Answer: This is a new service being contemplated by UAF. Banks should suggest potential use cases for this service.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

11. Has the University identified specific use cases for digital payment disbursements?

Answer: Potential use cases for digital payment disbursements include expense reimbursements, etc.

12. What is the anticipated annual volume of Digital Receipts and the average transaction size?

Answer: This is a new service being contemplated by UAF. Banks should suggest potential use cases for this service.

13. Page 27, 16. Service Performance Standards and Page 8 or 16 Standard Terms and Conditions - There are different performance standards listed in these two documents. Please clarify which performance standards will be included in the contract. We acknowledge that there is a statutory requirement for performance standards, but would request the ability to negotiate the performance standards for this agreement.

Answer: Those are actually two different things. The section in the Standard Terms & Conditions is concerning acceptable timelines; Page 27, #16 of the RFP document is concerning acceptable performance of the elements in the scope of work. Both of these documents are considered part of the contract via reference to the RFP in the resulting contract. The “main” contract document will be the State of Arkansas Services Contract. Any document required by the winning respondent will be an attachment to that contract.

14. Page 33, G. Fraud and Protection & Controls, Question 5. What is the University's AP payments annually?

Answer: The University's annual AP payments for fiscal year 2019 were \$825.2 million via 237,421 transactions.

15. Collateralized Deposits: We've found with other public entity customers that a requirement to bid on collateralized deposits is to have a depository bank in the state. Unfortunately, we don't have a physical depository bank in Arkansas. Will that be an issue?

Answer: Yes.

A follow up question was received. Concerning question 15. I reviewed the RFP but see specific mention to a depository bank in state? I also reviewed A.C.A. 19-8-107 and also didn't see anything mentioned.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

This question has been sent to UAF's Office of General Counsel for further clarification. Their response will be included in a supplemental Q&A document soon.

16. Collateralized Deposits: We have another product, a Repo Sweep, where we can have your deposits swept to this collateralized pool for any deposit over the \$250k FDIC limit. This repo pool uses fed eligible securities as collateral and maintains at least 102% collateralization rate for each investment dollar. We've found this is ample for most public entities that utilize this almost \$2bn pool. Is that something the University would be interested in if the first item is an issue?

Answer: The University would entertain this solution as a possibility, so long as it complies with any relevant State statute and is reviewed by the University's Office of General Counsel.

17. Controlled Disbursement Accounts: How is the reporting, especially the timing of the reporting, for these accounts being used today? Is early morning reporting important for these accounts?

Answer: The early morning reporting offered by controlled disbursement is important for the University's cash management operations.

18. Reporting: Which reports will need to be available for three years? Just monthly activity statements or are you interested in having more reports available for that time period?

Answer: A minimum of 3 years is desired for the monthly account statements; however, longer retention for additional reports is beneficial. Extended retention for additional reports would be beneficial.

19. What is the remaining term currently left on the AP virtual card program with Bottomline Technologies? Is there a breakage fee? If so, how much is that fee?

Answer: There is no mention of an AP virtual card program with Bottomline Technologies in this RFP. Virtual card is not in scope of this RFP.

20. Would the University consider an all-inclusive payment solution that included outsourcing check, ACH, and virtual card (primary or supplementary to current program) if it was of financial benefit and produced greater efficiency for the University?

Answer: No.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

21. Would the University be open to sharing a payment vendor file for analysis?

Answer: Virtual card solutions is not within the scope of this RFP, therefore a vendor file is unnecessary.

22. Is escheatment currently being handled by the University or their banking partners? If handled in house, is this a pain point for the University?

Answer: Yes, escheatment is current handled by UAF and would be considered a pain point.

23. Do you have a current purchasing card program? If so, with who?

Answer: Yes, it is with the state-wide contract. The University is not bidding its purchasing card program through this RFP.

24. What concerns, if any, does the University have with awarding only one financial institution as the provider of all services related to Service Group 1 and 2: General and Depository/Local Banking?

Answer: There are no specific concerns preventing Service Groups 1 & 2 from being awarded to the same vendor.

25. What has precluded the University from utilizing Payee Validation in the past? Cost, process, current offering by bank or potential impact to payees attempting to cash checks?

Answer: The University's current banking provider has not required the use of Payee Validation services.

This answer should be clarified. UAF is now currently using Payee Validation / Payee Positive Pay on disbursement checks.

26. For imaging of cleared checks, will a 7-year retention be considered vs. the 7 plus this year, or potentially as long as 7 years, 364 days?

Answer: A 7-year retention will be considered. 7 years plus the current year is preferred.

27. What commentary and expectations can the University share in relation to the current market rate environment with respect to investment sweep services, investments and interest rates?

Answer: The University recognizes that overnight rates are at historic lows. The University expects that once the Federal Reserve begins raising rates, rates on bank balances and investment sweep services should increase as well.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

28. To what extent does the inability to deliver on a product service group limit the overall chance of being awarded a bid?

Answer: Firms may propose for one or more services. Each service group will be evaluated and awarded independent of the other service groups.

29. Page 37, Q1: “What short-term investment vehicle(s) or interest bearing account(s) does the Firm propose to use for the overnight sweep of the University’s demand deposit accounts?”

a. Would it be possible to get a copy of the University’s investment policy to help us advise on the investment suitable under policy?

Answer: Refer to the following link: <https://vcfa.uark.edu/fayetteville-policies-procedures/avcf/3140.php>

Service Group 2: Depository/Local Banking

30. Will you allow a joint bank response?

Answer: Yes.

31. What is the approximate value of large cash payments from students?

Answer: In recent years, the number of large cash payments from students has dropped dramatically, due in part to UAF’s offering of alternative payment methods. Pre-pandemic, UAF had approximately ten (10) large (\$10,000+) cash payments per year.

32. How many ATMs are on campus currently and in what location(s)?

Answer: There are approximately a dozen ATMs located around campus including the student union, football stadium, and one of the parking decks. These ATMs belong to various financial institutions.

33. The volumes show both remote deposited items and items deposited at the branch. Is there a reason all checks are not deposited by remote deposit scanners?

Answer: The University’s recent closure of the central receipting office is the driving factor. Our goal is to work with the University’s selected vendor to find solutions to reduce the need for departments and others to deposit items, particularly checks, directly at a bank branch. We encourage ideas and solutions to help in this area.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

34. What type of scanners is UofA using today?

Answer: UAF utilizes scanners that are leased from its current banking partner. An inventory of remote deposit scanners is not readily available.

35. Can UofA describe what types of services are being paid for with cash? This will help to determine what other services could be used in lieu of cash. (tuition, club dues, etc.)

Answer: Cash collections around campus have decreased in recent years. The primary areas where cash is still accepted include the University Athletics Ticket Office, University Recreation, Parking and Transit, and the Office of the Registrar. Note that UAF has outsourced its food service, concessions, and the book store, which reduces cash collected by UAF.

36. Can UofA break down the \$205,000 on average in currency and coin each month in terms of coin versus bills?

Answer: The University's account analysis statements do not provide this level of detail. Prior to the pandemic, coin collections from parking meters was estimated at approximately \$3,000 - \$5,000 per month. We expect this number to continue to decrease, as efforts made to reduce cash collection as a result of COVID are expected to continue post-pandemic.

37. Please define the steps that have been taken in moving toward a "cashless" campus? Where does the university see this going? How does the university anticipate financial institutions playing a role within the "cashless" framework?

Answer: Students and visitors are using mobile applications and walk-up to pay parking fees, which has decreased the amount of coin the University collects. The University's goal is to eliminate its centralized cashiering location and discontinue armored courier services. UAF is looking for its financial partner to offer innovative solutions to eliminate physical currency from being transacted (i.e. digital disbursements and receipts). Other solutions such as bank-by-mail and ATM deposits eliminate the internal 'processing' of cash. Students are expected to pay online or by check to UAF's lockbox. We also provide a method for international students to pay electronically. Departments on campus and around the state that still receive checks and currency are now either utilizing a check scanner or taking the deposits directly to a bank branch, rather than processing through a central receipting office. UAF is open to suggestions including leveraging additional scanners, utilizing cash vaults, etc., to continue this effort. While we don't anticipate removing all 'cash' from the campus, our goal is to reduce in person payments and find efficient and innovative ways to get those collections deposited without a central receipting office.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

38. Has the university considered using cash conversion kiosks where cash is converted into a pre-paid card?

Answer: No

Service Group 3: Lockbox Processing Services

39. Who currently provides lockbox services to the University?

Answer: BOK Financial.

40. Can the University provide samples of the student, invoice and non-data payments that will be received into Lockbox 1? Only sample of invoices for the alumni box were provided in Appendix II.

Answer: Please see the additional attachments.

- Lockbox #1 - Student Payment Invoice (P with 9 digits)
- Lockbox #1 - Invoice Payment (CI with 8 digits)
- Lockbox #2 – Alumni BAS Sponsorship
- Lockbox #2 – Alumni Rental Agreement

41. How many data files is the University receiving for Lockbox #1? A flat file for student payments and a payment file for Workday. Is there a third data file for the non-data payment types? Can you clarify what information is included in each data file received?

Answer: The student lockbox file contains a string of alphanumeric text including student ID, payment date, and amount. The invoice lockbox file, which is integrated with Workday, includes an alphanumeric text string containing customer name, payment date, and payment amount, reference number (usually check number), and the invoice number. There is no third data file. For the 'non-data' lockbox, the total amount of payments is deposited to the University's designated account, and the supporting documentation is scanned to the University for decisioning.

42. Can UofA provide more detail on the data entry required in the lockbox? What payment detail fields are required?

Answer: Refer to information provided in the previous answer.

43. What information needs to be captured in Lockbox #2? Are the samples provided for this box the only type of invoice that would be received or are there other documents that would be sent in with donations, etc?

Answer: Documentation needing to be captured for Alumni is the membership support documentation, the check and the envelope. This will be the largest portion of what comes into the lockbox.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

There are additional documents that will come in on a lesser scale. The documents that would need to be captured would be the check, the remittance, and the supporting documentation included with the check, and a copy of the check if possible.

We could also receive payment from our affinity partners and travel partners. These checks could have support or they might come in as a check only. We would need a scan of the check and the remittance for these transactions.

Finally, we could just receive a random check. These would need a copy of the check, support, and the envelope.

Attached are two additional recent examples: a sponsorship and a rental agreement. Both of these forms will vary by event, but the overall format will be similar.

44. Question D. 5, What identifying information will let our lockbox team know that a payment is a scholarship payment, and that it should be handled as an exception item?

Answer: The instructions for the lockbox has any items in a data sort that includes the word ‘scholarship’ or ‘foundation’ in the remitter name, memo line, check stub, documents or title to be handled as an exception in the non-data lockbox.

45. Can UofA provide detailed **monthly** volume for each lockbox **location**, for the following payment types?

- Single full/match payments, with, and without remittance
- Single partial payments, with, and without remittance
- Multiples that balance with the remittance
- Multiples that do not balance with the remittance
- Check only payments with a valid UofA account number
- Check only payments without a valid UofA account number
- Foreign payments received in the lockbox
- Overnight payments (i.e.: Fed Ex and UPS overnight payments)
- Correspondence items (i.e.: with payment and without payment)
- Rejected items

Answer: This level of detailed information is not readily available. The RFP lists the aggregate number of transactions received: 9,634 in Lockbox #1 and 15,000 in Lockbox #2.

46. How does UofA want the lockbox to process Multiples that do not balance?

Answer: These items should be processed with the “non-data” transactions and communicated to UAF for exception handling.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

47. How does UofA want the lockbox to process Check Only payments without a valid account number?

Answer: The University would like Check Only payments without a valid account number should be deposited through the non-data lockbox and returned as exception item for the University to process.

48. Can UofA provide written processing instructions for each lockbox location?

Answer: The instructions are provided at the end of this document.

49. How does UofA want the lockbox to process exceptions, correspondence & rejects received by the lockbox?

Answer: Process payments received into the non-data lockbox, and scan all non-payment related documentation, including correspondence, and make it available to the University for additional research. All checks that are received are deposited.

50. Does UofA accept lockbox payments from Payment Consolidators? If so, how many are received monthly as a paper check versus an ACH?

Answer: The University does not currently accept lockbox payments from a Payment Consolidator. If payments are remitted by Payment Consolidators, they are received as paper checks.

51. Does UofA have any special processing or requirements such as: end of month or end of year processing?

Answer: No.

52. Would UofA like images of correspondence and/or any supporting documents received by the lockbox?

Answer: Yes.

53. Does UofA accept Credit Card payments in the lockbox? If so, how many are received each month in each lockbox location?

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

Answer: The University does not accept Credit Card payments in the lockbox. However, the Alumni Association does accept credit card payments into its lockbox.

54. Can UofA provide additional detail on the daily lockbox data transmission deadlines for each lockbox location?

Answer: Currently, the file is made available after same-day processing by 6:00 pm CST. The integration runs the next business day.

55. Does UofA accept ACH payments with supporting information sent by fax or email? If so, can UofA provide additional details on the quantities received and the supporting documents?

Answer: UAF does not accept ACH payments with supporting information sent by fax or email.

56. Can UofA provide information on the daily data transmission file specification/requirements? Can UofA support Secure FTP?

Answer: The file is currently a flat file with the relevant information. The invoice file is sent via Secure FTP. The student file is currently accessed by UAF staff through a secure portal, as there is no integration.

57. Can UofA provide sample remittances for each lockbox location?

Answer: See attached.

58. Does UofA receive the BAI file as a direct transmission from the bank mainframe or is it downloaded from UofA's online banking platform? Does UofA need both PD and CD?

Answer: Yes, the University receives a daily BAI2 file from the bank utilizing secure FTP.

59. Section 2.3 indicates UofA is using 2 lockboxes today. In Appendix I, tab SG3, where the volumes are stated, it appears there is only 1 lockbox. Can UofA clarify how many lockboxes are needed and the total volumes for each?

Answer: Lockbox #1 is for UAF; lockbox #2 is for the Alumni Association. Note that UAF's lockbox includes three 'buckets' including invoice payments, student payments, and non-data receipts. The University receives data files for the invoice and student payments only. No additional volume information will be provided at this time.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

60. Retail Lockbox: We aren't seeing a coupon example in the appendix with a scan line for your retail lockbox. Is it possible to get a sample coupon with a scan line?

Answer: After reviewing other sample remittance documents, there isn't a standard scan line used.

61. Can an OCR scanline be incorporated for the Retail remittance coupon?

Answer: No.

62. If an OCR scanline can be utilized, will one unique data point be leveraged, i.e. account number?

Answer: An OCR scanline doesn't seem feasible.

63. Will the University require the remittance envelope to be imaged with the transactions?

Answer: UAF does not. Alumni does.

64. Page 6, 2.3: "The first lockbox uses a single PO Box to receive 3 types of payments / correspondence."

a. Is the University willing to use scanlines for these remittance coupons?

Answer: Not at this time

b. Will there be acceptable payees or will we accept all, on top of the manual sorting?

Answer: We accept all

65. Page 8, 2.3: "The second PO Box is used for receipt of membership dues, donations, and other payments to the Arkansas Alumni Association."

a. Is this a process all payments box?

Answer: Yes.

66. Page 43, C1: "Does the Firm operate its own lockbox, or does it use the services of a third party?"

a. We are in the process of upgrading our lockbox. Currently, we operate our own lockbox. Should the upgrade not be completed at the time the bid is awarded, will the University be willing to transition from the old platform to the new platform?

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

Answer: If the University were to select this lockbox solution, the implementation would likely wait until after the lockbox has been upgraded.

67. Page 44, P1: “Stub in envelope with no check”

- a. What is the requirement for these items?

Answer: Documentation should be made available to UAF as part of the non-data lockbox.

68. Page 44, P2: “Check in envelope with no stub”

- a. Does the University accept all check only payments or are there specific data fields that are required on the check in order to process? For example, does the student have to write their UofA account number on the check for it to be accepted?

Answer: If payment cannot be sorted into the student or invoice lockbox, it should be deposited into Non-Data and any documentation made available to UAF for further research.

69. Page 44, P3: “Non-balancing remittances”

- a. What is the requirement for these items?

Answer: It should be deposited into Non-Data and any documentation made available to UAF for further research.

70. Page 45, Q2: “Can the University review exception items online?”

- a. If this is not available, is that an issue? We are in the process of implementing a new lockbox platform. Depending on timing, there may be a window of time when this is not available.

Answer: The University is able to review exception items online today and would like to continue to maintain the capability.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

71. Page 45, R3: “How much flexibility would University have to customize the specifications of data fields in remittance files?”

a. Is the University able to provide details on what this may include?

Answer: Given that both files end up being utilized in an integration (Workday or PeopleSoft), UAF would like to retain the current file format if at all possible.

Service Group 4: Merchant Card Processing

72. It is standard procedure for merchant services fees to be debited directly from the merchant bank account. Please confirm this is acceptable to the University.

Answer: Confirmed

73. Please explain the difference between processor and processor with responding bank.

Answer: On page 46, “Processor Only” is asking for the annual number of transactions and dollar volume of just the processor (i.e. Elavon, First Data, etc.), regardless of the financial institution(s) with which it partners. “Processor with Responding Bank” is asking for the annual number of transactions and dollar volume of the processor (i.e. Elavon, First Data, etc.) through the bank responding to the RFP. The latter will be smaller than the former since processors tend to partner with multiple financial institutions.

74. Is UofA interested in charging a service fee to all students rather than just tuition?

Answer: No.

75. Is UofA open to purchasing/renting new equipment as the existing equipment is proprietary?

Answer: Yes. The University would appreciate any offers of complimentary equipment.

76. Will the new vendor need to be open to working with Bluefin for the Athletics department?

Answer: No, the Bluefin relationship will be held with Athletics but the vendor will need to be able to provide the MID and TID for BlueFin Devices to function.

77. Would UofA be open to providing statements for review?

Answer: This information will not be provided.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

78. Cybersource and Payeezy are proprietary gateways, is UofA open to new vendors or will there be a need for the new vendor to integrate to these gateways?

Answer: The preference is for the new vendor to integrate with these gateways.

79. Is UofA under any leasing contracts for equipment that go beyond the current RFP contract?

Answer: The University owns 82 merchant card terminals. No merchant card equipment is leased.

80. For the 21 FD130 Networked/Analog phone lines, is it a requirement for the new equipment to have an analog connection as well? New equipment from Elavon does not support the Analog feature. Will this be okay with UofA?

Answer: It is not a requirement for the new equipment to have an analog connection, but any new equipment must be P2PE certified.

81. With the cost of conversion being high to replace existing proprietary equipment and update proprietary gateways, does UofA have the budget, time, and resources to take on a project of this size?

Answer: The University will weigh the cost of new credit card equipment against the benefits of a potential transition.

82. Per section 2.4, Service Group 4: Merchant Card Processing, the University charges a direct service fee on all tuition MIDs. The service fee is controlled by the University.

a. Is this a two-part service fee model?

Answer: For tuition payments, the University adds a percentage-based fee to the total amount of the transaction. It is a two-part service fee model.

b. Does the University participate in the government and higher education program?

Answer: Yes.

c. Is the University the merchant of record for the service fee MID?

Answer: Yes.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

83. Per section 17.6, Service Group 4: Merchant Card Processing, D.1, the University uses Civic Smart Meters and Verifone MX915. What do these solutions integrate to?

Answer: The Civic Smart Meters and Verifone MX915 devices directly integrate with the bank using a bank issued MID and TID for the First Data platform.

84. In 17.6 Service Group 4: Merchant Card Processing, D. Merchant Card Terminals question 2, the University indicates you use Civic Smart Meters. What gateway do these transactions run through?

Answer: The Civic Smart Meters directly integrate with the bank using a bank issued MID and TID for the First Data platform.

85. Per section 17.6, Service Group 4: Merchant Card Processing, E.1, the University uses CyberSource. Do you have a contract directly with CyberSource, or is that relationship through your current processor?

Answer: UAF holds the contract with CyberSource directly.

86. Who is the University's current merchant services processor?

Answer: BOK Financial/Transfund

87. What PCI level is the University?

Answer: Level 3

88. What is the University's current PCI Level?

Answer: Level 3

89. In 17.6 Service Group 4: Merchant Card Processing, D. Merchant Card Terminals question 2, the University indicates you use Parkion Pay by Foot Meters. Is "Parkeon" the correct spelling of the solution? We want to ensure we fully understand your processing environment.

Answer: Yes, "Parkeon" is the correct spelling of the solution.

90. In 17.6 Service Group 4: Merchant Card Processing, E. Payment Applications question 1, the University outlines applications in use. Please provide the following information on those solutions:

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

- a. Athletics use of Paciolan - Who do you partner with to process those payments?

Answer: First Data.

- b. Parkion with Woosh - Please confirm the correct spelling, as we only find reference to "Parkeon".

Answer: "Parkeon" is the correct spelling.

91. The University processes a total of \$115.5MM in credit card volume, what percentage of the volume are tuition payments? What is the average ticket size?

Answer: The percentage of the annual volume that results from tuition payments varies from 45% - 55%. The average ticket size is \$141.

92. What software does the University use for Tuition payments?

Answer: The University uses Cashnet for tuition payments.

93. Would the University split tuition payments and the rest of the credit card acceptance between two providers?

Answer: The University may consider this option if advantageous.

94. The University Computer Store uses Ratex with MX915's.

- a. Describe the processing environment for this MID.

Answer: Ratex the (inventory system) connect to the Verifone point system to send a secure message to the MX915 to initiate payment. The payment then is collected on the MX915 and the success or fail of the transaction is then sent back through the point system to tell Ratex that the payment was or was not successful. The 2 systems live in their own ecosystem.

- b. What is sold at this location?

Answer: Computers and Computer Peripherals.

- c. What is the percentage of card present vs. card not present transactions for this location?

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

Answer: 50/50

- d. Is this Point of Sale tied to any other systems regarding inventory, reporting etc. or is it a free-standing Point of Sale?

Answer: Ratex is the inventory and reporting system.

95. Can you breakout your channels of acceptance between card present, over the phone, ecommerce, recurring, etc. across your entire merchant acceptance portfolio according to dollar volume and according to number of transactions?

Answer: This information will not be provided at this time.

96. Do you currently have any IVR technology in place for accepting payments?

Answer: No.

97. Do you have recurring payments? If so, what is the annual volume and annual transactions? Which merchant location would recurring payments take place?

Answer: Yes, Gift Services \$50,000 annually.

98. Do you accept check payments as a method of payment on your web portal? If so, what is the current annual volume and number of transactions processed? Which locations accept check payments?

Answer: Yes. The only 'location' is UAF through the CashNet platform connected with PeopleSoft. Estimated volume of check payments through the web portal will be provided when we provide the transcript.

Additional information was provided during the call. The total volume of web debits for tuition for the fiscal year ended June 30, 2020, was approximately \$118 million.

99. Which merchant account do you use the Clover Mini Cellular for? Are you near WIFI in accepting payments when using this device?

Answer: We currently have all cellular at Garvin Woodland Gardens, and there is no Wi-Fi in the processing area.

100. The University processes \$20.8 MM in Visa Debit.

- a. Is this Visa Debit activity PIN based activity or is this going through Visa interchange?

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

Answer: No, this activity is not PIN based.

b. Is the Visa Debit volume all card present debit activity?

Answer: Yes.

c. Which locations process this Visa debit activity?

Answer: All card present departments process PIN/Debit.

A follow-up question was asked and will be answered in a supplemental Q&A document.

101. Does the University have plans to increase card acceptance locations?

Answer: Not in the near future.

102. Does the University have plans to reduce or consolidate card acceptance locations?

Answer: Currently, there are no plans to reduce or consolidate card acceptance locations.

103. Are there plans to add Service/Convenience/Surcharge to the University's processing?

Answer: Currently, there are no plans to add Service/Convenience/Surcharge to the University's processing.

104. Is there currently an outside vendor performing PCI certifications and if so, are those contract details available?

Answer: A dedicated PCI Compliance officer is employed by the University and works directly with Transfund.

Service Group 5: Payroll Card Processing

105. What are the benefits from the use of payroll cards through Skylight/NetSpend?

Answer: Payroll cards offer an electronic means of paying employees in lieu of paper checks.

106. What issues or concerns have arisen with the current provider?

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

Answer: This information will not be provided.

107. Does the University expect the use of payroll cards to grow or decline over the foreseeable future?

Answer: No growth or decline in payroll cards is expected. The University has had a payroll card for several years and is “mature”.

Service Group 6: Outsourced Check Printing

108. What is your internal cost to issue a check?

Answer: This information is not available.

109. How often does the University foresee a need to add custom correspondence or other documentation with check payments? Are you able to provide any specific examples?

Answer: We don't foresee the need to add 'custom' correspondence or other documentation.

110. Check Outsourcing: Are you currently handling payroll in house or do you use a 3rd party provider?

Answer: Payroll is handled in house.

111. Has the Workday payment output file feature been used by the University for any payment method to date?

Answer: No.

Service Group 7: Invoice Management Services

112. Can UofA provide a vendor history file?

Answer: This will not be provided.

113. How many payables invoices are processed annually?

Answer: Approximately 42,000 to 48,000.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

114. How many invoices are received by the University on a monthly basis?

Answer: Approximately 3,500 to 4,000.

115. What is the breakdown of how the University currently receives its invoices?

- Paper by Mail
- Email attached PDF
- Email Body of email
- Fax
- EDI

Answer: Although specific volume is not available at this time, UAF receives invoices by paper (mail) and electronically by e-mail (both as an attachment and in the body of the e-mail). The majority of the 3,500 to 4,000 invoices received each month are paper by mail.

We are not currently receiving invoices by fax. We do have automated invoice receiving with certain vendors through a Workday integration.

116. E. Data Capture Services: Does the University keep a vendor list of all vendors who will be submitting payment?

Answer: The University does have a master vendor list, which is shared with the entire UA System.

- a. Are those vendors linked to an invoice by PO Numbers, Vendor Numbers, etc.?

Answer: Some are linked by PO or contract number, others are not.

- b. Are PO or Vendor IDs Alpha or Number Based?

Answer: Alphanumeric

117. What is the expected timeline for the University to adopt Invoice Management Services? If a product solution is in development, would you want to hear in this RFP, or wait until the product development has been completed?

Answer: The University is only exploring invoice management services through the RFP. If a product solution is in development, the University would like to hear about it in the RFP.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

118. Has the University considered outside software or applications in conjunction with Workday to accommodate the task of invoice automation or an invoice to pay solution?

Answer: No. This RFP is an initial step of considering invoice automation or an invoice to pay solution.

Additional Questions Submitted

1. Does the University of Arkansas maintain any campuses, facilities or offices in the EU?

This question has been sent to the University's Office of General Counsel for response. We will post an answer in a supplemental Q&A document.

2. Does the University of Arkansas offers goods or services to individuals in the EU?

This question has been sent to the University's Office of General Counsel for response. We will post an answer in a supplemental Q&A document.

3. Does the University of Arkansas monitor the behavior of individuals in the EU?

This question has been sent to the University's Office of General Counsel for response. We will post an answer in a supplemental Q&A document.

4. Concerning question 15. I reviewed the RFP but see specific mention to a depository bank in state? I also reviewed A.C.A. 19-8-107 and also didn't see anything mentioned.

See response in body of Q&A above.

5. Related to Service Group 4: Merchant: Question 100c: you say all departments process PIN debit. Can you confirm again that the \$20.8 MM is signature debit and not pin based? If any PIN debit is processed, can you provide volume and # of trans?

We will post an answer in a supplemental Q&A document.

6. Are there any specific pain points the University has experienced from a merchant processing perspective?

For Alumni, there have been occasional connectivity issues on our cellular card terminals. We attribute this more to the cell service at the location than an issue of the merchant card processor.

7. Page 55, 17.9 Service Group 7: Invoice Management How many invoices & payments is the University making every month?

Approximately 3,500 to 4,000 are paid each month.

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

8. Page 55, 17.9 Service Group 7: Invoice Management How many Purchase Orders does the University issue every month?

Approximately 1,700 purchase orders are issued within a month.

9. Page 55, 17.9 Service Group 7: Invoice Management: What percent of payables requires a Purchase Order?

Approximately 70% of invoices are paid from issued purchase orders.

The call was concluded with reminders of upcoming deadlines, as well as reminder from Ms. Smith to be sure to sign all required documentation in order to avoid rejection of bids. Ms. Slinkard reminded all participants to either send an e-mail or comment in the chat with attendee name and institution in order to track required attendance. She also reminded participants to have their General Counsel review the RFP, specifically provisions related to contracting with the University.

The call concluded.

Lockbox Instructions – Student Payments

**** DO NOT PROCESS TRANSACTIONS WITH A CREDIT **** MAKE THEM AN EXCEPTION

****DO NOT PROCESS ANY CHECKS THAT ARE NOT COMPLETELY FILLED OUT***MAKE THEM
AN EXCEPTION***

**RUN ANY CHECK W/THE WORD SCHOLARSHIP IN DEPT 12382

*****This Lockbox is 12381 Data only. *****

12381:

This lockbox includes a nine digit invoice number that start with "01" or "00" and may begin with or without a 'P' with or without a paper invoice. NOTE: this must have a total of 10 characters and can start with a P plus 9 digits or be all numeric as long as it is 10 fields in length. If it is not 10 characters, or does not start with "01" or "00" put in the Non Data sort of 12382.

12383:

Any payments that come in with a UA, RA, IC, TA, TR or RA with or without a paper invoice. If a payment comes in with more than one invoice it needs to specify the amount for each invoice and balance back to the checks, If it does not then it should be processed in non data 12382.

12382:

Any payment that does not meet the above requirements.

**INVOICE # STARTS WITH"01" or "00" AND MAY BEGIN WITH OR WITHOUT A "P" AND BE
10 CHARACTERS IN LENGTH

3RD Party Checks - If endorsed

Signature Stamp

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

PAYEE VERIFY:

Do NOT Accept any payments in a Data Sort that have the words "Scholarship". Regardless of where the word "Scholarship" is located (remitter, memo line, check stub, documents...). These checks will be placed in the Non Data sort, 12382.

Accept any variation of listed payee's

MANUAL:

12381- These payments require a 10 character invoice #. It can start with the letter P or it can contain all numbers, provided it is 10 characters long. Key the P if included before the remaining 9 digits.

If the P is not present on the coupon or check but there are 9 numbers, key a P then the 9 numbers creating the 10 character account number.

If account number is not 10 digits then check will be processed in 12382

Any payments that include a credit will be processed in 12382

If the word "Scholarship" is included on the check or anywhere in the backup, reject and process in 12382

12383- Key either UA or RA with 8 digit number does not require an invoice.

If it does not have a UA or RA then it will be processed in 12382

REASSOCIATION:

Check Copies

Reassociation- Stack copies on bottom

MAIL OUT:

SEND:

Batch Summary- 1 Summary w/all 3 Dept's listed

Check Detail – 1 for each Dept

All Original Documents

All Exceptions

Lockbox Instructions – Invoice Payments

***** This Lockbox is 1238.3 Data only. *****

1238.3:

Any payments that come in with a UA, RA, IC, TA, TR, CI or RA with or without a paper invoice. If a payment comes in with more than one invoice but does not specify amount for each invoice, then it should be processed in non data 1238.2.

Do NOT Accept any payments in a Data Sort that have the words "Scholarship". Regardless of where the word "Scholarship" is located (remitter, memo line, check stub, documents...). These checks will be placed in the Non Data sort, 1238.2.

1238.1:

This lockbox includes a nine-digit invoice number with or without a 'P' with or without a paper invoice. Note, this must have a total of 9 characters and can start with a P plus 8 digits or be all numeric as long as it is 9 fields in length. If it is not 9 characters, put in the Non Data sort of 1238.2.

1238.2:

Any payment that does not meet the above requirements.

SPECIAL INSTRUCTIONS:

- All items from "*Perkins*" or "*Perkins Loan Payment*" are to be scanned in **12382**.
- Any payments that come in with a UA, RA, IC, TA, TR, CI or RA with or without a paper invoice. If a payment comes in with more than one invoice but does not specify amount for each invoice, then it should be processed in non-data 1238.2.
- RUN ANY CHECK W/THE WORD SCHOLARSHIP IN DEPT 12382

3RD Party Checks - If endorsed

Signature Stamp

University of Arkansas
RFP No. 021521 University of Arkansas Comprehensive Banking Services

PAYEE VERIFY:

Do NOT Accept any payments in a Data Sort that have the words "Scholarship". Regardless of where the word "Scholarship" is located (remitter, memo line, check stub, documents...). These checks will be placed in the Non Data sort, 12382.

Accept any variation of listed payee's

MANUAL:

1238.3- Key the UA, IC, RA, TA, CI, or TR with 8-digit number.

If it does not have a UA, IC, RA, TR, CI, or TC then it will be processed in 1238.2

If account number is not 10 digits, reject the transaction and process in 1238.2

If the account number begins with a letter P, reject the transaction and process in 1238-1.

If the word Scholarship is on the check or back up, reject and run as 1238-2

REASSOCIATION:

Check Copies

Reassociation- Stack copies on bottom

MAIL OUT:

SEND:

Batch Summary- 1 Summary w/all 3 Dept.'s listed

Check Detail – 1 for each Dept.

All Original Documents

All Exceptions

Lockbox Instructions – Non-Data

This Lockbox is for any items that cannot be processed in 12381 or 12383

- WRONG PAYEE
- NO ACCOUNT # LISTED
- ANY TRANS W/THE WORD SCHOLARSHIP
- IF TRANS IS \$1000.00 OVER AMT DUE OR \$2500.00 UNDER AMT DUE
- MULTI CHECKS OR INVOICES OUT OF BALANCE
- CREDIT PAYMENTS
- CHECKS THAT ARE NOT COMPLETELY FILLED OUT

3RD Party Checks- if endorsed

Signature Stamp

Accept All Payee's addressed to Dept. 1238

EXCEPTIONS:

All Exceptions

REASSOCIATION:

Check Copies- Stack copy on bottom

MAIL OUT:

SEND:

Batch Summary- 1 Summary w/all 3 Dept's listed

Check Detail – 1 for each Dept

All Original Documents

All Exceptions

Courier:

With other Arkansas accounts next day

Lockbox Instructions – Alumni

Scan Envelopes

3RD Party if endorsed

Signature Stamp

Paid in Full

Credit Card Processing

EXCEPTIONS: EWDE

Correspondence

PAYEE VERIFY:

Accept anything address to Dept 2759, PO Box 1070 & PO Box 1981.

MAIL OUT:

Retain

SEND:

Batch Summary

Live Item Exceptions