



REQUEST FOR PROPOSALS

**PURCHASING CARD SERVICES
BID NO: 18-18003
ADDENDUM 1**

BIDS DUE: February 14, 2018 @ 3:00 PM Central Time

**To report suspected ethics violations impacting the San Antonio Water System,
please call 1-800-687-1918.**

Addendum 1 is issued to:

1. Extend the due date to February 14, 2018.
2. Provide the questions received and the responses to those questions.

The questions received and the responses to the questions are as follows:

1. Scope of Services - Item A– Please describe the function of the 30 liaisons that would be entering and managing data for cardholders. Does this include Expense Reporting functions such as GL coding and review and approve functions? Other requirements?

Response: *The liaisons are responsible for GL coding, review, approval, and reconciliations.*

2. Item 6 - Innovation, Leadership & Technology Capabilities Section – References that SAWS is requesting an electronic payment option for vendors. Is this related to vendor payments in other formats outside of P-card transactions? (e.g. Wire, ACH, etc.).

Response: *SAWS currently pays vendors by check, ACH, or P-Card. SAWS is interested in electronic payment options for vendors currently paid by check.*

3. Would SAWS be amenable to accepting an incentive program based on points that would allow for redemption options including statement credit or Cash back versus an exclusive cash payout program? (Note: annual cash back could be affected.)

Response: *Yes*

4. What type of card controls would SAWS need to most effectively monitor its program? (Restrictions on Cash advances or merchant controls)

Response: *We would need both types of controls. We would want to restrict all cash advances and be able to restrict based on merchant category codes.*

5. Are there circumstances that could increase the estimated annual spend of the program?

Response: *If there was an emergency situation, where the normal purchasing process would not be available, additional purchasing card purchases would be allowed.*

6. It appears spend has dropped since your last RFP in 2013 (\$2.5MM to currently \$1.5MM) – can SAWS expand on what has attributed to the drop in spend? Change in policy?

Response: We reviewed our policy and updated what could be purchased with the P-card.

7. Does SAWS anticipate a growth in card spend over the next contract?

Response: *Based on the previous three year trend, we anticipate a 6-7% annual growth in card spend over the next contract.*

8. The RFP lists 200 – 350 cardholders. Since that is a large range, is the number of cardholders closer to 200 or 350 cardholders?

Response: *The range includes active, closed, lost/stolen counts. In 2017, there were 241 accounts with activity.*

9. \$1.5MM is listed as the estimated annual spend, with 7,000 transactions and a \$250 average transaction amount. According to volume and transactions, the average ticket is \$214. Can you confirm?

Response: *The annual spend and transaction counts are rounded amounts based on the last three years. The average transaction amount ranges from \$230 - \$270.*

10. What billing terms (cycle) is SAWS currently on? What is the grace period before payment is due?

Response: *Billing terms are typically the 21st through the 20th of each month. If the 20th falls on a weekend, the date extends to the next business day. There is a grace period of 13 days.*

11. What bank issues SAWS' current Purchasing Cards?

Response: *JPMorgan Chase Bank, N.A.*

12. What software does SAWS use to manage their current Purchasing Card program?

Response: *MasterCard Smart Data*

13. In section 6. Leadership, Innovation and Technology, SAWS indicates a desire to have an electronic payment option for vendors. Is this ACH or an electronic Visa payment? Or both? Would SAWS be willing to provide a vendor spend file to analyze and allow us to project how many vendors could be converted to an electronic payment and what that would mean to SAWS in the form of a financial proposal (rebate)?

Response: *Electronic Visa payment. Yes, a vendor spend file is attached for 2017 check payments.*

14. Would you prefer that each section of our response be separated by tabs?

Response: Yes

15. For proper evaluation and discussion of any electronic payment option for vendors, would you kindly provide a supplier report that includes 12 months aggregate spend (sample template attached)? Or if it is easier, we can extract the information we need from a check register covering a 12 month span. Excel format will be preferred in either way you respond.

Response: Yes, a vendor spend file is attached for 2017 check payments.

16. Please provide a copy of your current rebate schedule.

Response: Current rebate based upon SAWS annual spend is between 1 – 1.6%.

17. Regarding the electronic payment option for vendors, please confirm you are referring to a virtual card / e-payables process.

Response: Yes

18. Does SAWS currently pay any fees for the use of its card program? If so, please detail

Response: No