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To: All Vendors

From: Scott Schreiner, Director of Purchasing

Date: June 29, 2007

Re: Addendum #1, RFP # 157-2007

The following questions were asked by vendors preparing their response to RFP # 157-2007. The questions with UND's response are provided below:

1. When does UND anticipate publicizing answers to Respondent inquiries?

*UND Response: June 29, 2007.*

2. Our understanding is that all University financial obligations have been satisfied prior to refunding excess financial aid. Given this, what other student payments does UND anticipate being paid through the on-line accounts receivable system?

*UND Response: All student financial aid may not get posted to the students account at one time. For example, a scholarship could be posted one day, a loan one week later, and a payment by the student the day after the loan was posted. Students can add and drop classes which may or may not change billed charges which could result in more charges or credits to a student account. Students living in campus apartments are billed monthly, students may also incur flight charges, telecommunication charges, student health service charges, parking fines, etc. which all could be partially or fully credited for various reasons which may result in a refund to a student.*

3. What payments if any will UND employees make through the account receivable system?

*UND Response: UND employees can incur tuition and fees, housing, parking, student health charges, etc.*

4. At which frequency are the following payments processed:
  - Student excess financial aid refunds
  - Payroll

*UND Response: Student excess financial aid refunds are issued daily with peak periods at the start of each semester. Payroll is processed twice a month.*

5. Will a Visa-branded card that is e-Check compatible (in other words, the student can have funds debited from their card much the same way they would from a checking/savings account) meet UND's payment requirements?

*UND Response: See Section 2.A. Account Features*

6. Are there plans to expand credit card payments to enable Visa acceptance? If so, when?

*UND Response: That is an issue between VISA and TouchNet, our credit card processor.*

7. The majority of the requirements listed in the RFP center on paycard and ATM requirements. Would UND please clarify the role UND envisions for banking services and also the role of Bank of North Dakota.

*UND Response: See questions 22 to 28. The Bank of North Dakota will remain the main depository for UND cash and investments.*

8. Would UND consider separate awards for banking services and pay card/atm services?

*UND Response: Yes, Section 4.8.1 states "The University reserves the right to award a contract in whole or in part, to award multiple contracts to multiple Respondents,..."*

9. Item C-5, on page 13 refers to our ability to convert existing (bank) accounts to the paycard. Generally, if a student or employee already has an account and likely can take part in direct deposit, to what extent would this capability be necessary?

*UND Response: UND is not requiring direct deposit for student or employee payments. If student or employee is not participating in direct deposit, we will require a pay card.*

10. Will UND allow up-selling of additional features/services to UND paycard cardholders?

*UND Response: Yes, UND will assist in marketing the pay card. UND will require approval of all internal distribution of marketing to UND employees and students.*

11. If the card is only issued to and used by UND student and employee population, would UND expect royalty compensation?

*UND Response: Yes*

12. The University wants the ability to offer a pay card solution for financial aid and payroll transactions. Is the University willing to work with two pay card providers, one for the students and one for the staff and faculty?

*UND Response: No.*

13. What are the number of ATM's and their locations on campus?

*UND Response: UND has five ATMs on campus. They are located at:*

<i>Location</i>	<i>Capabilities</i>	<i>Transactions (12 month)</i>
<i>Twamley Hall</i>	<i>Withdrawals only</i>	<i>1,524</i>
<i>Wilkerson Hall</i>	<i>Withdrawals only</i>	<i>7,656</i>
<i>Memorial Union</i>	<i>Full service (deposits &amp; withdrawals)</i>	<i>18,960</i>
<i>Barnes &amp; Nobel</i>	<i>Withdrawals only</i>	<i>2,292</i>
<i>Medical School</i>	<i>Withdrawals only</i>	<i>1,656</i>

14. What is the transaction volume by machine (location) including transaction type:
- Withdrawals
  - Transfers
  - Balance Inquire

*UND Response: Data not available. See question 13 for annual number of transactions.*

**GENERAL**

15. In reference to the top of page 12, 2.1.2 SCOPE OF WORK, Project Summary, why has the University made the decision not to tie pay card to the U Card as many of the account features requested traditionally describe Campus Card products and services?

In banking terms, pay card typically refers to a reloadable card product that is not tied to a bank account as suggested in many of the RFP questions. The pay card product meets the needs of Universities that wish to provide an alternative means of payroll and financial aid disbursements to those who do not qualify for a bank account or simply do not wish to have an account.

Alternatively, a Campus Card program will allow the University to continue to electronically disburse payroll and financial aid disbursements to bank accounts that are accessible by the U Card.

Please provide further guidance on how Bidders should adequately respond to the University's RFP.

*UND Response: UND anticipates using the U card as an identification badge that is worn and also serves as a device for proximity electronic door access. We are not aware of a proven solution to combine this technology and a pay card solution. We are also concerned about the security of wearing an identification badge that is also a financial card with account numbers, etc. We are also concerned about the likelihood of losing a card that combines these two technologies and the processes of canceling and replacing that financial card. We would prefer a one card solution and we will welcome a proposal.*

16. Would the University consider a second round of follow-up questions or an in-person question and answer opportunity with all Bidders in attendance?

*UND Response: No*

17. In reference to the e-payment services described on page 11, 2.1.1 BACKGROUND, are the bill payments University-related bills? From what type of account are these bills paid?

*UND Response: Yes, the customer pays the bill, not UND.*

## **ATMS**

18. How many ATMS does the University require?

*UND Response: UND does not have a required number; we are open to vendor recommendations.*

19. What are the desired locations?

*UND Response: See question 18*

20. What providers are currently operating ATMs on campus? Where are they located? What are the average transactions? Do these ATMs have surcharge fees? If so, what are they? Does the University intend to keep existing ATMs on campus? If so, how long?

*UND Response: Bremer has the current ATM contract with UND. See response to question 13 for ATM locations and transaction data. Yes, the ATMs have a surcharge fee of \$1.50 per transaction (cash withdrawals and cash advances). No, UND does not intend to keep the existing ATMs.*

21. What is the proposed rental income?

*UND Response: We are open to vendor proposals.*

## **LOCAL DEPOSITORY BANK**

22. Will depository details be provided to financial institutions (i.e. number of checks deposited, credits posted, etc.)

*UND Response: see questions 23 to 28*

23. What is the average collected balance maintained in accounts?

*UND Response: UND maintains \$100,000 in this account. The average daily balances were:*  
*January 2007 - \$585,875.53*  
*November 2006 - \$217,896.94*  
*April 2006 - \$215,647.12*  
*September 2006 - \$488,612.47*

24. How many accounts are currently used within your depository structure?

*UND Response: One*

25. What is the dollar amount of coin and currency deposited?

*UND Response: The total deposited the last 6 months has been \$3,606,574.27 in cash and \$38,959,358.88 in checks.*

26. What is the dollar amount of coin and currency ordered?

*UND Response: The cash and coin order is from the Business Office but is for the following UND departments*

*Business Office - \$3,500 to \$1,500 a week*

*Student Union - \$3,600 to \$1,200 2 to 3 times a week*

*Credit Union - \$15,000 to \$50,000 – 1 to 2 times a week*

*Other various departments - \$465 to \$3,110 daily*

27. Number of checks written on accounts?

*UND Response: None*

28. Will disbursement of payroll and excess financial aid via ACH be done through the local account?

*UND Response: No*

#### **PAY CARD**

29. On page 12, 2.1.2 DESCRIPTION OF SERVICES, What type of individual account information does UND require to download into your financial software?

*UND Response: See UND direct deposit from at [www.und.edu/dept/busoff/html/studentform.htm](http://www.und.edu/dept/busoff/html/studentform.htm)*

30. On page 12, G. GENERAL INFORMATION, question #1, was that question intended to refer to pay cards rather than Campus Cards?

*UND Response: Yes*

31. RFP indicates the preferred band on PayCard be Mastercard – will they entertain bids on a VISA logo card?

*UND Response: Yes*

#### **Pay Card**

32. How often are financial aid reimbursements made?

*UND Response: Currently, these funds are issued via check or direct deposit.*

33. In reference to A.2, please expand upon what constitutes accounts receivable. Is this meant more from the standpoint of business-to-business payment transactions or do these include, for example, a student purchasing a book at a book store on campus?

*UND Response: Yes, UND departments post accounts receivable to customers who may be students, non-students, and employees. In addition to tuition and fees, the following UND departments post to accounts receivable; Aerospace, Athletics, Bookstore, Postal Services, Catering/Dining, Chester Fritz Auditorium, Chester Fritz Library, Childcare, Continuing Education, Bookstore, Dakota Student, Duplicating Services, Environmental Training Institute, Financial Aid, Housing, Facilities, Housing, Graduate School, International Programs, Parking, Printing Center, Telecommunications, Transportation, TV Center, U-Card, etc.*

### **University Deposit Accounts**

34. How many deposit accounts will the university need?

*UND Response: One*

35. Will there be regular deposits made to the accounts in any method other than ACH and FedWire?

*UND Response: No, only checks and cash. ACH and FedWires are sent directly to the Bank of North Dakota.*

a. Can the university provide expected volumes for deposited checks?

*UND Response: See question 25*

b. Can the university provide expected volumes for cash and coin deposits?

*UND Response: See question 26*

36. Can the university provide expected volumes for cash and coin orders?

*UND Response: See question 26*

37. Is the university expecting the deposit accounts to be interest bearing?

*UND Response: Yes*

38. Does the university receive an account analysis from its current bank? Can the University provide these statements?

*UND Response: Yes, 4 months attached as PDF*

### **ATMs**

39. How many ATMs are currently on campus?

*UND Response: See response to question 13 for ATM locations.*

a. Who are the current ATM providers?

*UND Response: Bremer is the current ATM provider.*

b. When do the current ATM contracts expire?

*UND Response: The contract is month-to-month.*

c. Are current ATMs free-standing ATMs or are they through-the wall ATMs?

*UND Response: All current ATMs are free-standing.*

d. Are the ATMs in indoor or outdoor locations?

*UND Response: All ATMs are located indoors.*

- e. What is the monthly transaction volume for the ATMs currently on campus? Please provide twelve months of ATM transaction history for each ATM.

*UND Response: See response to question 13 for ATM locations.*

- f. What is the current surcharge fee charged by the ATM provider?

*UND Response: The current surcharge is \$1.50.*

- g. Do any of the current ATMs accept deposits? If so, which locations?

*UND Response: Yes, the Memorial Union ATM accepts deposits.*

- h. Is the university expecting the same number and layout of ATMs or may we suggest alternate configurations?

*UND Response: UND will accept suggestions for alternate configurations.*

- 40. Please outline the current payment arrangements for ATM rental / royalty payments on a per ATM basis.

*UND Response: Upon reaching the monthly surcharge threshold value of \$2,000 from all ATMs, UND receives 100% of all surcharges exceeding the \$2,000 threshold.*

- 41. Will the university allow the ATM vendor to run our own data lines on campus, or will the vendor need to utilize the university's services to extend data lines from phone rooms to the ATM locations? If required to utilize the university for on campus wiring, what are the estimated costs to the vendor for installation and ongoing monthly services?

*UND Response: UND's Telecommunications Department would install any data or phone lines necessary for operation of the ATM machines. Their current hourly rate is \$43.60. Total cost would depend on whether there currently are phone or data lines available or if new lines would need to be installed. That would vary by selected locations. We would expect the successful vendor to be responsible for any ongoing monthly service costs.*

- 42. Will the successful bidder be granted exclusive ATMs?

*UND Response: Yes.*

### **U Card**

- 43. It is evident the university has invested a great deal of time and effort to develop the U Card program and keep it on the cutting edge of card technology. Along the same lines, is the university willing to explore adding a Visa or MasterCard logo to the U Card for added convenience to cardholders and additional revenue opportunities to the university?

*UND Response: See question 15*

44. A great deal of information is given regarding the U Card and its functions. Will the winning firm be allowed to attach banking services to the U Card (a direct deposit driver) as an additional alternative to the pay card option?

*UND Response: See question 15*

45. What is the current encoding format on Track 2 of your U Card?

*UND Response: UND currently uses magstripe technology for all on-campus financial transactions. The platform on track 2 is an ABA high-coercivity magnetic strip encoding 11-digits consisting of two padded zeros, student/staff ID number (generated by PeopleSoft) followed by a two-digit subcode or "issuance number".*

46. Does UND have an off-campus merchant program? Is it accessible through the U Card?

*UND Response: No. We would consider any proposals the vendor might want to include.*

#### **Miscellaneous**

47. Please provide a breakdown of the 12,384 students (undergraduate vs. graduate students and full-time vs. part-time students).

*UND Response: 81% of the 12,834 are undergraduate students. 82% of the 12,834 are full-time students.*

48. What percent of your students live on campus?

*UND Response: 22%*

49. Is the university willing to provide mailing lists of incoming freshman and graduating seniors for the sole purposes of educating them on using the banking services while transitioning on/off campus?

*UND Response: See question 10*

50. How are your new student orientation sessions structured? Do you have several sessions over the summer for incoming freshmen? If so, when do these sessions take place?

*UND Response: UND's summer registration program for first year students is called "Getting Started". The 2007 program is June 14 – July 13 with sessions Monday thru Thursday. It is a two day session with the first day beginning at 8:00 am and concluding the 2<sup>nd</sup> day at noon.*

51. In reference to H.1, can we direct the university to a web link for electronic copies of our audited financial statements?

*UND Response: Yes*

52. Is the university interested in adding additional banking services via an on-campus branch?

*UND Response: Yes*

53. Are you requested pay cards or campus cards? From previous conversations I was thinking you were looking for campus cards, but the RFP is clear that pay cards are what you are looking for.

*UND Response: See question 15*

54. Is this a package deal or will UND consider each portion of the RFP separately?

*UND Response: Refer to Question #8.*

55. Will you please provide transaction details for the ATM's currently on campus as well as the bank accounts that UND is maintaining (at least those that would be included in this RFP)?

*UND Response: See response to question 13 for ATM transactions.*

56. Can you provide the questions that have been asked by other institutions along with the answers, or aren't you able to provide that information?

*UND Response: Yes, this addendum contains all of the vendor questions and UND responses.*

Please acknowledge receipt of Addendum #1 in your RFP response.