



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Purchase Order

PURCHASE ORDER NO.

PCARD02

PAGE

1

BLANKET RELEASE

00

CORRECT PURCHASE ORDER NUMBER MUST APPEAR ON ALL PACKAGES, INVOICES, AND SHIPPING PAPERS. QUESTIONS CONCERNING THIS PURCHASE ORDER SHOULD BE DIRECTED TO THE BUYER AS NOTED BELOW.

CHANGE ORDER

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

02 ^{D 1} / _{R 513}

INVOICE TO

ALL STATE AGENCIES AND POLITICAL SUBDIVISIONS VARIOUS LOCALES AS INDICATED BY ORDER

VENDOR

*417144036 304-348-7078
 BB&T BRANCH BANKING & TRUST
 300 SUMMERS STREET

 CHARLESTON WV 25301

SHIP TO

ALL STATE AGENCIES AND POLITICAL SUBDIVISIONS VARIOUS LOCALES AS INDICATED BY ORDER

DATE PRINTED	TERMS OF SALE	FEIN/SSN	FUND
03/13/2002	NET 30	561074313	
SHIP VIA	F.O.B.	FREIGHT TERMS	ACCOUNT NUMBER
BEST WAY	DESTINATION	PREPAID	MUL-MUL

LINE	QUANTITY	UOP	VENDOR ITEM NO.	UNIT PRICE	AMOUNT
	DELIVERY DATE	CAT. NO.	ITEM NUMBER		
0001	11/24/2001	JB	946-35	.00000	
	CREDIT CARD	CHARGE CARD SERVICES			
			CONTRACT		
	VENDOR TO PROVIDE PURCHASING CARD (CREDIT CARD) FOR THE STATE OF WEST VIRGINIA PURCHASING CARD PROGRAM PER THE ATTACHED SPECIFICATIONS.				
	INCLUDED INTO THIS PURCHASE ORDER BY REFERENCE IS THE VENDORS PROPOSAL DATED NOVEMBER 27, 2001.				
					SWC
					Purchasing Division's File Copy
					WV State Purchasing Division Administration Unit Certified Encumbered MAR 22 2002 Amy Saichild
					ENTERAL

MICROFILME

RFR Preceded Tracking

APPROVED FOR ONE FISCAL YEAR

Dawn Wayfield
 APPROVED AS TO FORM BY ASSISTANT ATTORNEY GENERAL

NEW 3/14

EVAN WILLIAMS 304-558-2316

BY *[Signature]* PURCHASING DIVISION AUTHORIZED SIGNATURE

OPEN END

TOTAL

**GENERAL TERMS & CONDITIONS
PURCHASE ORDER/CONTRACT**

1. **ACCEPTANCE:** Seller shall be bound by this order and its terms and conditions upon receipt of this order.
2. **APPLICABLE LAW:** The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
3. **NON-FUNDING:** All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the terms of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
4. **COMPLIANCE:** Seller shall comply with all Federal, State and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the WV Division of Labor.
5. **MODIFICATIONS:** This writing is the parties final expression of intent. No modification of this order shall be binding unless agreed to in writing by the Buyer.
6. **ASSIGNMENT:** Neither this Order nor any monies due, or to become due hereunder may be assigned by the Seller without the Buyer's consent.
7. **WARRANTY:** The Seller expressly warrants that the goods and/or services covered by this Order will: [a] conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; [b] be merchantable and fit for the purpose intended; and/or [c] be free from defect in material and workmanship.
8. **CANCELLATION:** The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the Seller.
9. **SHIPPING, BILLING & PRICES:** Prices are those stated in this order. No price increase will be accepted without written authority from the Buyer. All goods or services shall be shipped on or before the date specified in this Order.
10. **LATE PAYMENTS:** Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the *West Virginia Code*.
11. **TAXES:** The State of West Virginia is exempt from Federal and State taxes and will not pay or reimburse such taxes.
12. **RENEWAL:** Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor / contractor files for bankruptcy protection, this contract is automatically null and void, and is terminated without further order.

Part 3

PROCUREMENT SPECIFICATIONS

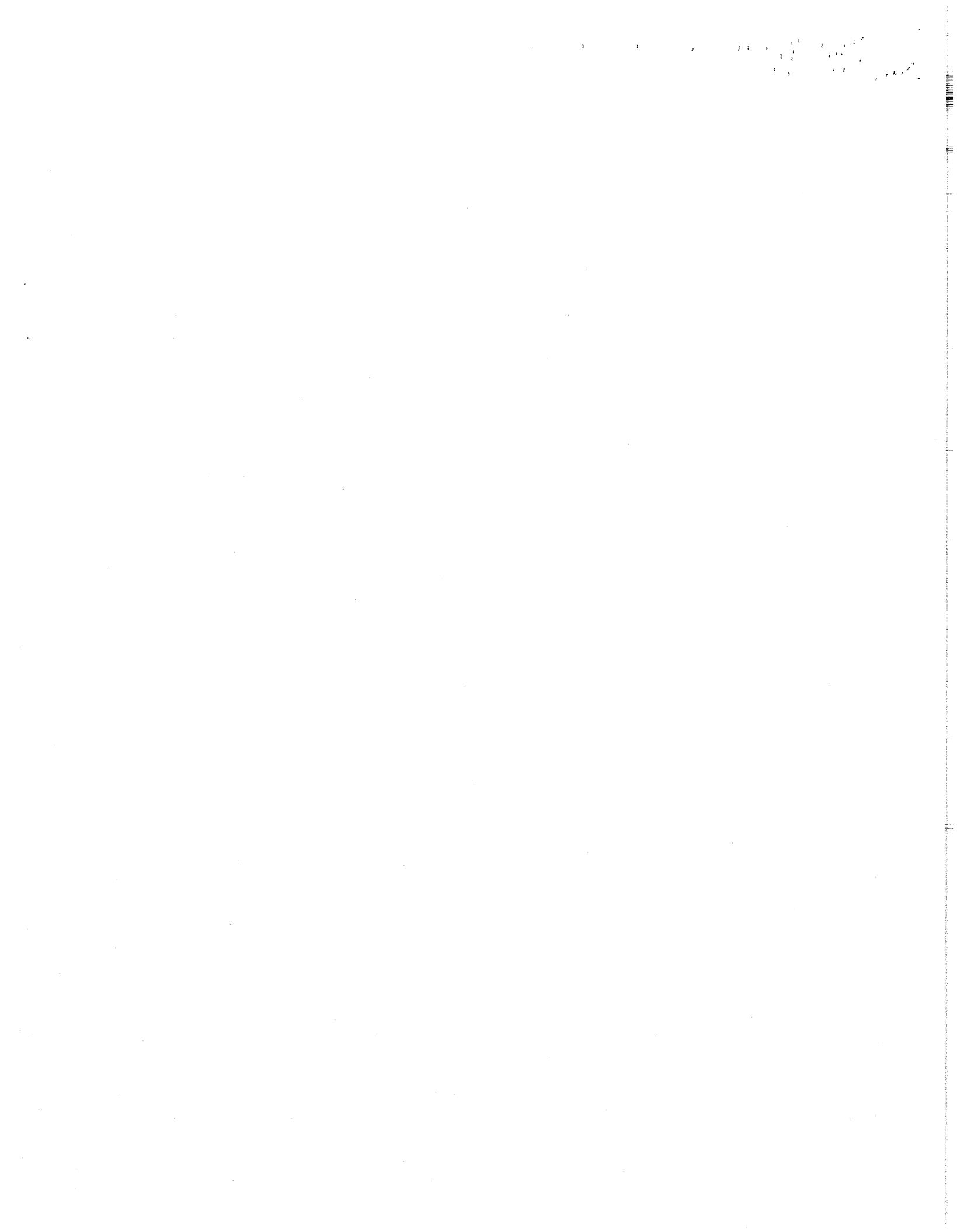
3.1 General Requirements & Scope of Work:

- 3.1.1 Memo statements must be provided to each cardholder on a monthly basis. A master statement must be provided for each master account (account from which individual memo statements are paid). Master statements must be mailed to the purchasing card coordinator of the agency responsible for payment.
- 3.1.2 With the Purchasing Card Program, the successful bidder will note that any business that accepts credit cards can participate and receive payment in generally 3 to 5 days from the card provider. Therefore, the State of West Virginia through its agencies desires to continue the program and obtain the ability to make small purchases through the use of a charge card (referred to as a "Purchasing Card". It is desired that the bidder provide services to each agency (totaling approximately 135) participating in the program.
- 3.1.3 It is the State's intention to open purchasing card procurement to all businesses that are set up to accept the type of card proposed by the bidder. The State's bidder registration process for such businesses is not required.
- 3.1.4 The State is also using the P/card to make purchases from statewide contract vendors and the program is being expanded to include agency contracts as well. The State will adjust the agency spending limits for such purchases on a case by case basis. The State is also using the Card for some utility payments and other ongoing routine payments. The successful vendor must be willing to accept those conditions and provide the service.
- 3.1.5 Successful Bidder shall be required to own and operate their own credit card portfolio. **No third party operator shall be permitted.**

3.2 Other Required Services

3.2.1 Issuance of Purchasing Cards

The Procurement Director or his/her designee as purchasing card coordinator (individual responsible for administering the procurement function at an agency) of each agency will determine to whom the cards should be issued based upon the purchasing authority of each individual. After receiving the approval of the State Purchasing Card Director (individual responsible for administering the program statewide), the Program shall be available for use by individual State employees (cardholders). Issuance of the card to any employee shall have the prior written approval of the Agency Purchasing Card Coordinator. This approval may be provided in one of the following forms:



- a. The Agency Purchasing Card Coordinator's signature on the State of WV's P-Card application form.
- b. Purchasing Cards must be issued in a cardholder's name. No team, agency, or workgroup cards will be issued. The financial institution will incur all costs associated with card issuance. The State would prefer a "one-stop/one-shop" vendor. This means that the winning bidder would be able to serve the purchasing card program as a sole point of contact, rather than dealing with multiple banking or card providing institutions. The bidder must describe the "one-stop/one-shop" capabilities in the proposal as well as the bidder's understanding of the issuance procedure envisioned by the State above. The bidder may present alternative issuance procedures.

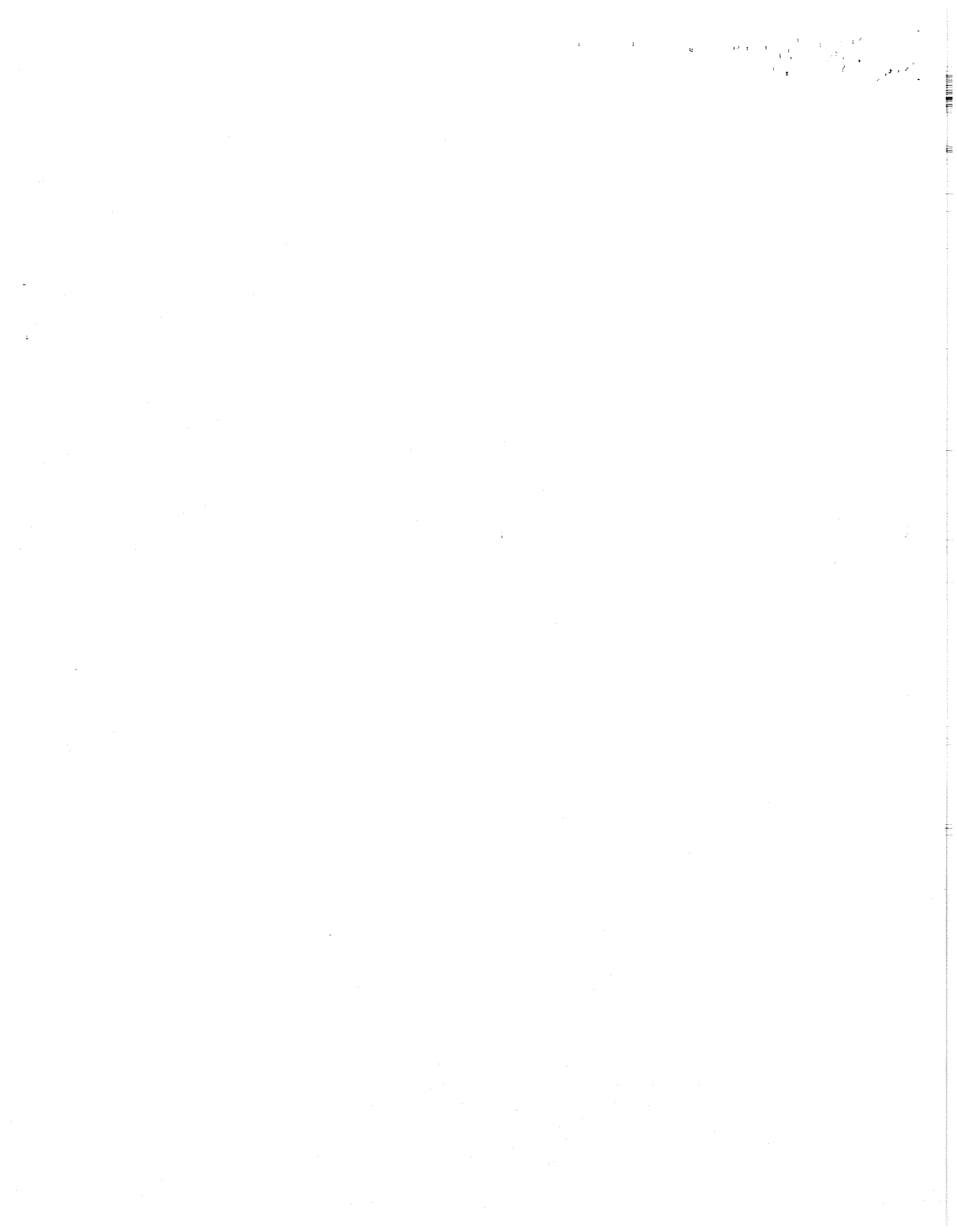
3.2.2 Liability

The State of West Virginia shall be liable for all valid transactions not exceeding the single Pcard transaction limit and initiated within control restrictions which may be put into effect as a result of item D below. The State will not accept liability for unauthorized use of credit cards, account numbers which are fraudulently used, and credit cards which are lost or stolen and reported to the financial institution within 24 hrs. of discovery. The bidder shall provide detailed information as to the liability for which the state will be responsible.

3.2.3 Card Format/Design

Successful Vendor shall provide a card designed specifically and exclusively for the State of West Virginia Purchasing Card Program similar to the existing card, however, each card shall at a minimum include the following features:

- a. The name of the STATE OF WEST VIRGINIA on the face of the card, and the State's official seal, or any other distinct feature approved by the State.
- b. The phrase FOR OFFICIAL USE ONLY shall be printed on the face.
- c. The phrase "TAX EXEMPT" and the agency's tax exempt number should be embossed or otherwise placed on the face of the card. The tax exempt number will be unique for each agency. The state does not have one number for statewide use. The bidder should indicate if the tax exempt number can be included into the magnetic strip of the card so that it could be printed on the receipt created for the transaction. The bidder should identify any difficulty and or additional expense these feature might impose.
- d. The bidder's toll free telephone number shall be to report a card lost or stolen printed on the back of the card.
- e. Picture of the individual cardholder.
- f. There shall be NO reference to Automatic Teller Machines (ATM's) on the card, since the cardholders are prohibited from using this card for cash advances. The bidder shall describe the identification (ID) number used on the card and what flexibility (number of digits, groupings, suggested uses, etc.) the State has to use the ID number fields. The bidder is encouraged to use examples in the description. Card numbers or numbering scheme should remain consistent with cards previously issued. The State has established policies and procedures for intentional misuse, fraud and or abuse.



3.2.4 Control Restrictions

The Procurement Directors of participating agencies and institutions will determine how the cards will be used, consistent with the terms of any resulting contract, and the State of WV's purchasing card policies procedures. Cash advances shall be strictly **prohibited**. Agencies and institutions participating in the Program will specify:

- a. Single per transaction dollar limits (not to exceed limits established by statute)
- b. Number of credit card authorizations per day.
- c. Number of credit card authorizations per billing cycle/month.
- d. Authorization tied to budget limits (cycle dollar limits)
- e. Dollar limits per day.
- f. Dollar limits per billing cycle/month
- g. Dollar limits per card holder

(The Bidder must describe in detail the ability to accommodate the individual cardholder profiles or restrictions as specified.)

The State also permits telephone and Internet orders (on secure sites) using the purchasing card. The bidder is encouraged to make suggestions regarding policies and procedures as well as system features that may be used to improve security and control of such orders.

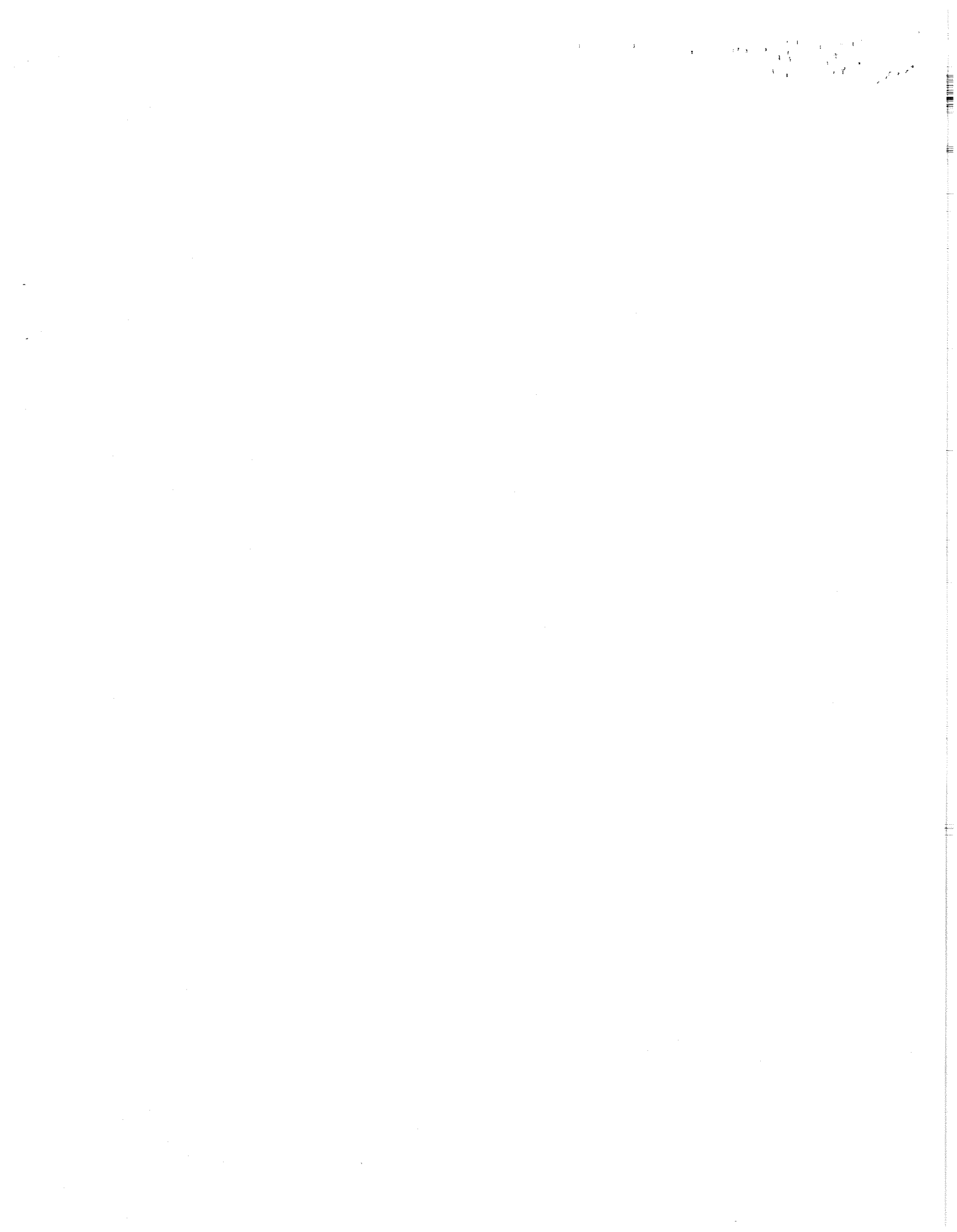
3.2.5 Training

State agencies may be added to the Program by written notice to the successful vendor authorized by the State Purchasing Card management at the option of the State. The application to establish the master account will include the agency name, address and the name and telephone number of the agency Purchasing Card Coordinator.

Upon notification that an agency has been added to the contract, the bidder shall establish an account for that agency and notify the State Auditor's Office Purchasing Card Program of the master account number assigned to the agency and make arrangements with that agency to receive training.

The Vendor shall describe both initial training of all agency coordinators and any follow up training need for participating agencies. The bidder shall provide training to the Purchasing Card Management (Auditor's Office and Purchasing Division personnel) regarding purchasing. Training will include but is not limited to:

- a. Updates on technology changes
- b. Updates on credit card rules and regulations affecting the State of WV.
- c. Updates on changes within the financial institution that affect the State of WV



3.2.6 Customer Support

The successful vendor shall provide customer support to the State Purchasing Card Director and the Purchasing Card Program Administrator. This support should include, but not be limited to the following features:

- a. A telephone card assistance number(s) and a toll free telephone number (s) to report lost or stolen cards, etc., and
- b. The number and titles of the customer account representatives who would respond to purchasing card program inquiries.
- c. A toll free automated number must be available for account inquires including credit limit information, payment information, and amount available for use.
- d. Bidder must describe the hours and days of coverage for each telephone number (s) for assistance and or reporting lost or stolen cards. A representative must be available to program 24/7. (All numbers identified must state the coverage hours.)

3.2.7 Disputed Items & Charge Backs

The Bidders shall propose detailed methods for handling questions concerning charges on a statement. Provisions for handling disputed items must include how to:

- a. Handle questioned/disputed charges appearing on the statement,
- b. Credit the agency's account, pending resolution of the questioned/disputed item,
- c. Process for charge backs of items resolved in the agency's favor.

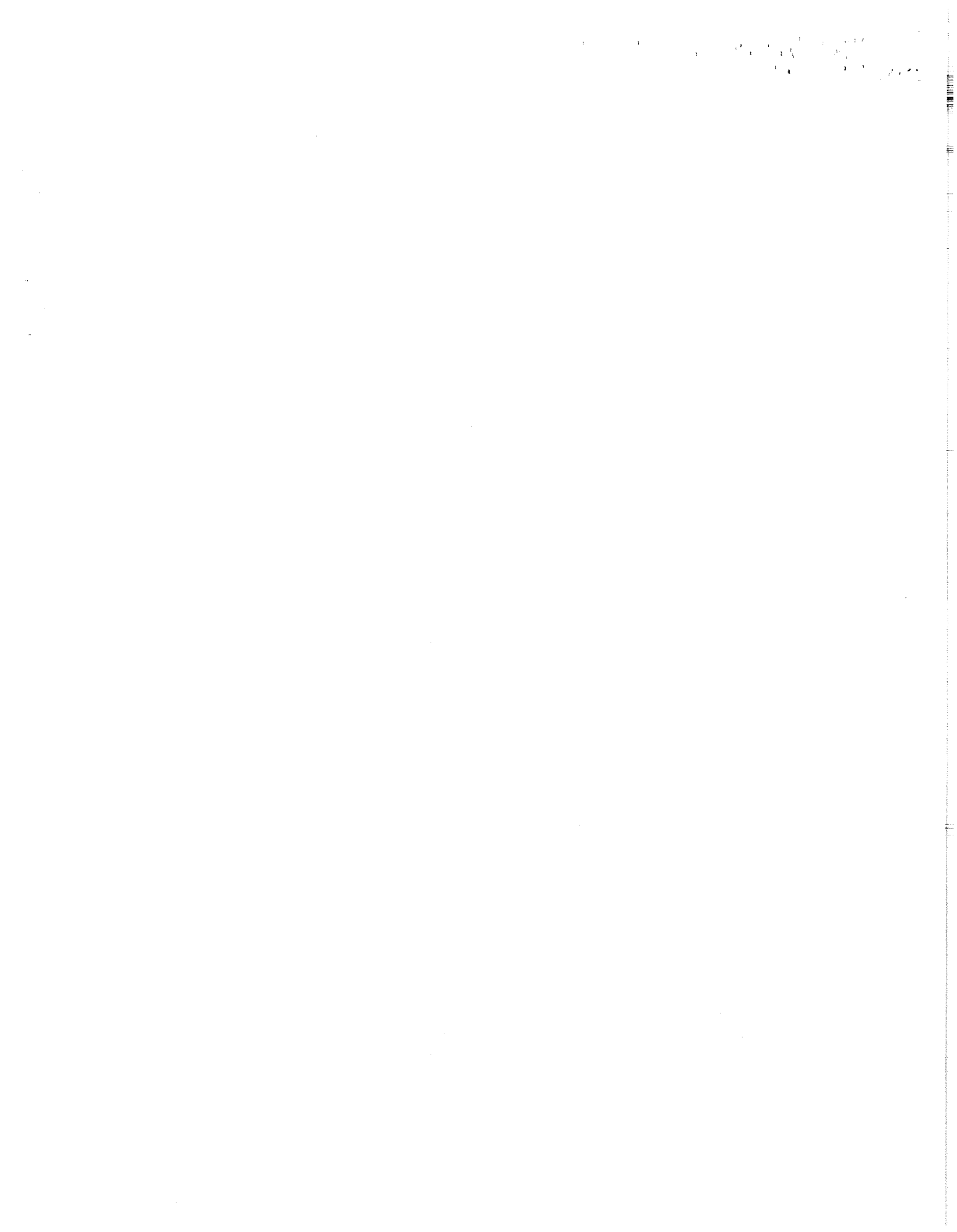
3.2.8 Changes in Cardholder or Agency Accounts

A participating agency's Purchasing Card Coordinator initiates changes to information in an agency cardholder's account which is reviewed and approved by the State Purchasing Card Program. Such changes may include card expenditure limits, transaction limits, purchase restrictions, cardholder name, cardholder billing address or telephone number, and termination or non-renewal of a cardholder's account. Bidders must state a time frame between receiving a request for change in a cardholder account or agency master account and accomplishing the change.

3.2.9 Lost or Stolen Cards

The cardholder, agency Purchasing Card Coordinator and or State Purchasing Card Director will immediately report lost or stolen credit cards to the bidder. Such reports will be verbal with written follow-up. The bidder will provide for immediate cancellation and if necessary issuance of a replacement for the reported lost or stolen card.

The bidder must specify the time frame between receiving the report of a lost or stolen card and mailing a replacement card.



The bidder must also specify the time frame required to produce a card when a cardholder initially submits an application. The bidder should explain if there are any differences in the time frames for lost or lost or stolen cards and time frames for creating new cards.

3.2.10 Card Termination

The Purchasing Card Coordinator of each participating agency will immediately notify the bidder of card termination or cancellation. This notification will be made in writing or verbally with written follow-up. Upon notification, verbal or written, the bidder shall immediately cancel that cardholder's account. The state will not be liable for transactions posting to the account after card termination. Bidder must state in the proposal an understanding of this requirement. Bidder should also describe the procedures to address reoccurring charges that may occur after the card is canceled.

3.2.11 Program Enhancement

Bidder must describe any established program(s) to recruit new business for inclusion in the credit card program when notified by any agency that the bidder's card is not accepted. Bidders must describe in their proposal their program for recruiting any new business.

3.2.12 Electronic Media Capabilities

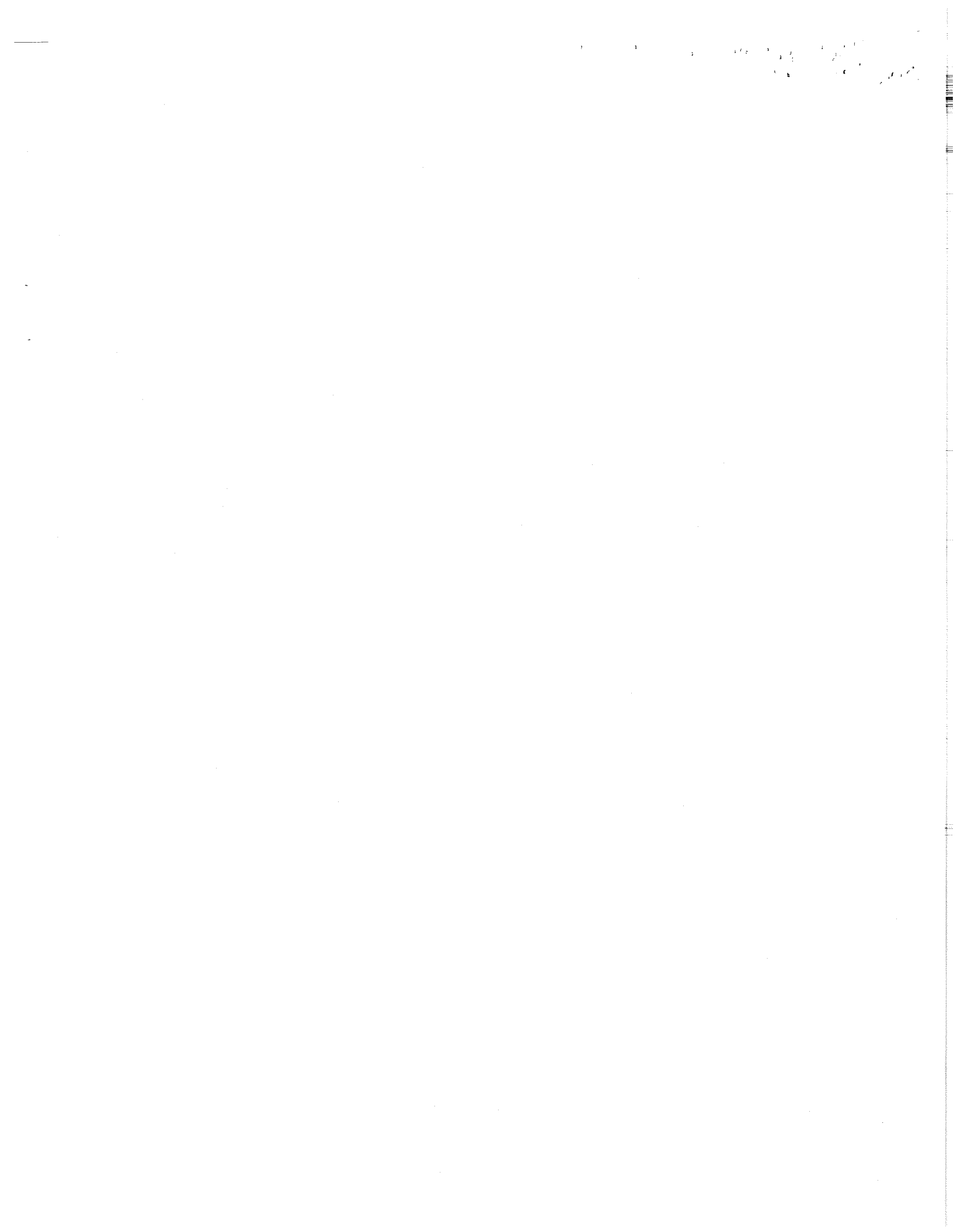
The State of West Virginia has the capability to receive data electronically through Electronic Data Interchange (EDI). It is mandatory that the bidder be capable of providing an EDI file containing monthly credit card billing information or other management reporting data in EDI formats. The bidder should describe how the purchasing card fits with EDI transactions sets. Bidder must assume all costs associated with new programming.

3.2.13 Billing

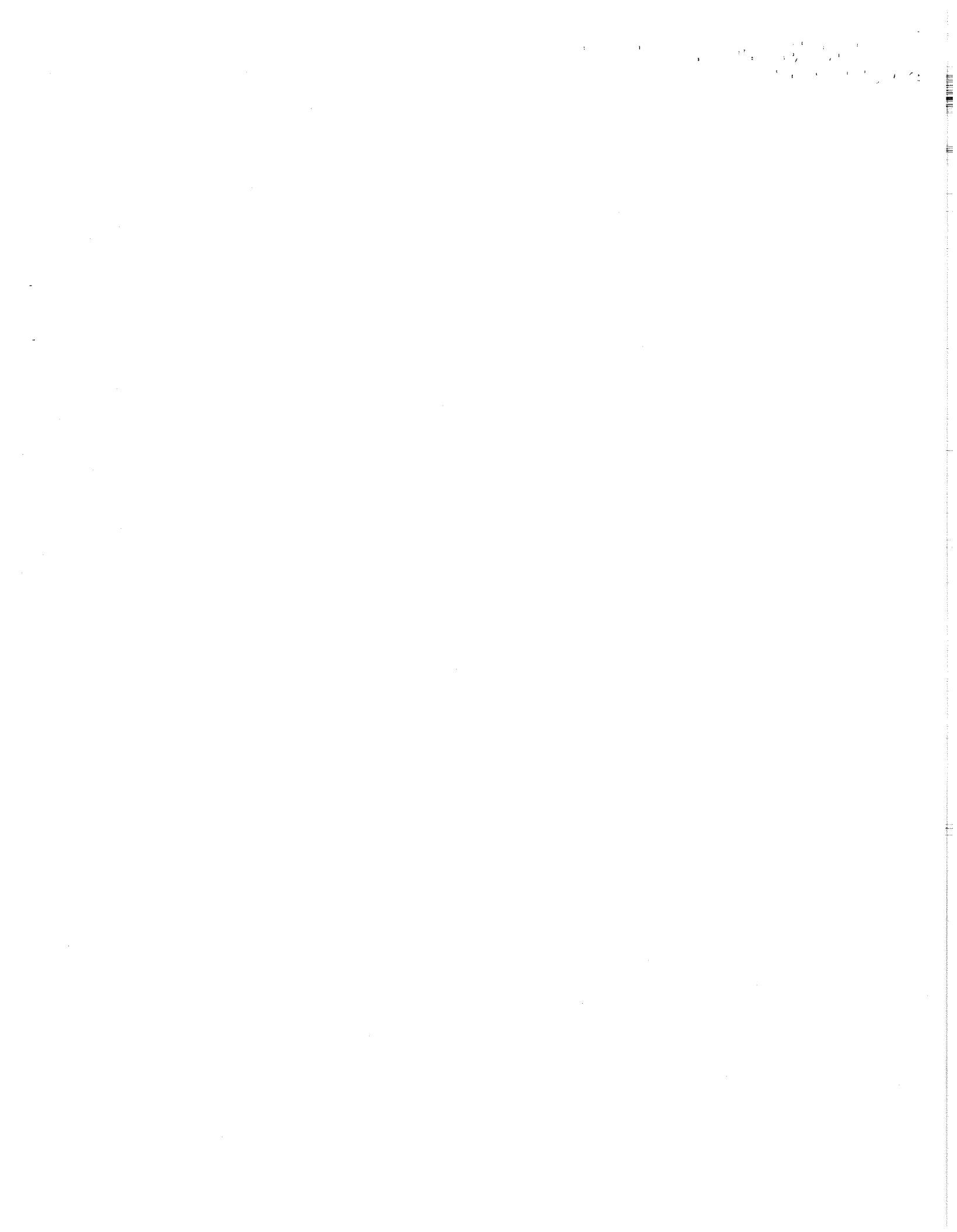
Billings shall be provided on a monthly basis (or billing cycle) with statements provided to whomever the agency Purchasing Card Coordinator identifies, including, but not limited to the agency Purchasing Card Coordinator and the individual Cardholders. Billing Cycles must be standardized for the State of WV Purchasing Card Program and may only change upon written consent of the State.

3.2.14 Management and Control Reporting Information

a. The bidder shall provide management and control information to the purchasing card program in the form of periodic reports. All reports may require identification and must have the ability to sort by all levels of reporting required. The Program Administrator shall specify which reports are to be distributed, at what levels, on what media, and frequency.



- b. The bidder must describe the reporting (with examples of reports) that can be expected. Also, the descriptions should cover customized reporting capabilities and associated charges.
- c. The bidder shall also periodically provide the State Purchasing card Director and/or Program Administrator standard Statewide management and control information. These reports will contain the same information that will be provided to agencies and institutions except reports will be consolidated on a statewide basis.
- d. It is desired that the bidder provide the State with monthly and or quarterly and or annual reports reflecting the following:
- (1) Federal Employer Identification Numbers and/or Social Security Numbers of merchants from whom purchases have been made by State agencies and institutions.
 - (2) Name of merchant;
 - (3) Address of merchant (mailing and physical);
 - (4) Total dollars paid to merchant by agency; and
 - (5) Total dollars paid to merchant (sum of all agencies).
 - (6) Total dollars paid to merchant as 1099 reportable.
- e. Bidder must describe how 1099 reporting and interfaces are handled in their proposed solution. The state may want to merge 1099 reportable information captured by the bidder with 1099 reportable information captured via the state's mainframe accounting system.
- f. West Virginia Higher Education Facilities are required to produce an annual purchasing report to the state's Legislature per S. B. 547 (showing what is bought and from whom). See Attachment 2 showing the code. The bidder must describe the capabilities to fulfill this requirement. (Specific language and examples are presented in Attachment 2.) These reports should be sorted by merchants paid by the credit card bidder in descending dollar amounts. A secondary sort would be on the total payments to each merchant by individual State agencies and institutions.
- g. The bidder should describe how the reporting provides detail and summary reporting. Basically the reporting should provide levels of detail for the card holder, agency and state government (Purchasing Director). The bidder should also describe what options are available to the State for frequency of reports, (daily, quarterly, annual, ad hoc, etc.).
- h. It would be advantageous to the State to use the State's accounting/coding structure for capturing data and reporting. The bidder must describe willingness and what possibilities exist to utilize the State's coding structures.



i. The bidder must describe any other media that reports can be produced upon, e.g., disk, micro-fiche, COLD technology, etc.

3.2.15 Cardholder Information

The successful vendor shall **not** sell or distribute a list of participating agencies/institutions addresses, cardholder names and addresses or any other information to any person, firm, or other entity for any purpose. **The bidder MUST clearly state in their proposal that they understand and will abide by this restriction.**

3.2.16 Program Implementation

Describe in detail with time chart the your firm's implement plan to reissue approximately 6000 Purchasing Cards statewide for all cardholders.

3.2.17 Automation Capabilities

The State recognizes the value of automation capabilities. Bidder must summarize in this section the automation capabilities that the bidder can offer. The bidder should address such topics as On-line inquiries, Up-load and down-load capabilities, Internet access, etc. The State expects the successful bidder to have a high degree of technical expertise. The bidder should comment on future plans to retain that high level of expertise. The bidder should address such topics as; research and development commitment, continuing education of staff, Associations/Memberships of bidder, etc.

The bidder should describe available technology to transfer transaction activity to West Virginia account software. The bidder should also describe plans for future electronic and technology enhancements deliverable with 6 months.

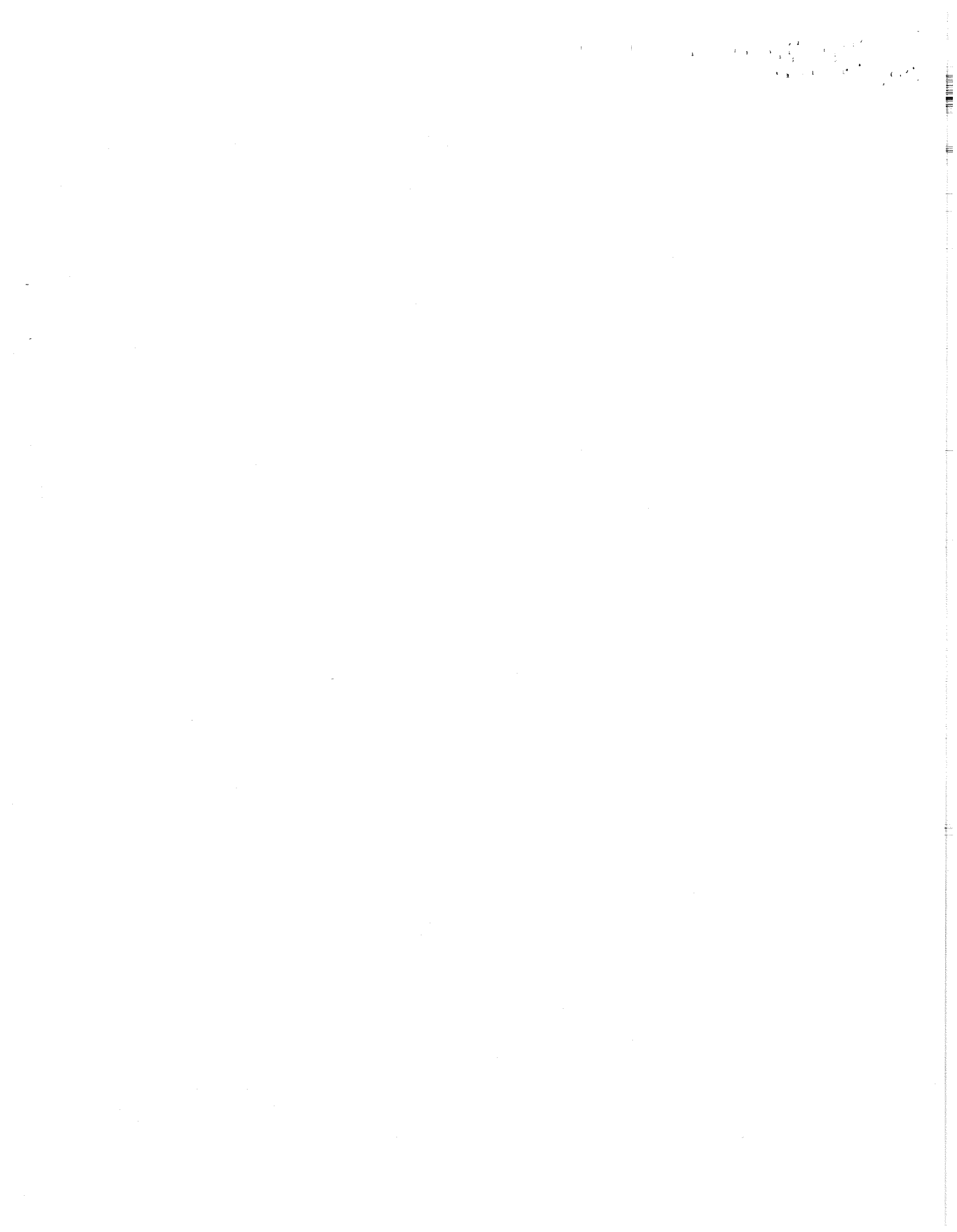
3.2.18 Interagency Purchasing Issue

The State has a few internal sources (Sheltered Workshops, Correctional Industries, etc.) that serve as "merchants" to other state agencies providing goods and services. When one state agency initiates a transaction with the internal source agency, it is advantageous to use the purchasing card. The "merchant-agency" would expect to have zero (\$0) transaction charges for this service. i.e. the "merchant-agency" would not be charged any fee/discount for the transaction.

The bidder must describe in detail their electronic capabilities or internal process to accommodate "inter-agency" purchasing transactions, any restrictions, guidelines, and fees, if any. Any such internal transaction fees, must be reflected in the Cost Quotation.

3.2.19 Rebate

Successful vendor must provide a rebate to the State of West Virginia. The current contract provides a percentage rebate of the total net charges placed by using the Purchasing Card. The rebate shall be quotes in % of total undisputed billings per month.



3.2.20 Credit Line

The successful vendor must provide the State with a minimum \$35 million dollar initial line of credit with the option to increase as transaction volume increases.

3.2.21 Emergency Purchasing Cards

The State of West Virginia currently has an Emergency Purchase Card program which are issued to emergency personnel. The Cards are activated and used in the event of a federal or state declared emergency. The Cards have transaction limits of up to \$25,000 each. The bidder must provide contact individuals who can activate and perform maintenance on emergency cards 24/7.

3.2.22 Fraud Investigations

The bidder must provide a fraud security system that will alert the State of transactions that fall into categories commonly targeted by fraud. The State must be permitted to specify parameters used to detect fraud. Bidder must describe in detail how they monitor and identify (electronically and/or manually) suspect cardholder transactions to identify fraud or misuse when security of the card has been breeched. Explain your procedure to pursue suspect accounts for fraud and misuse.

3.3 *Disaster Recovery Plan*

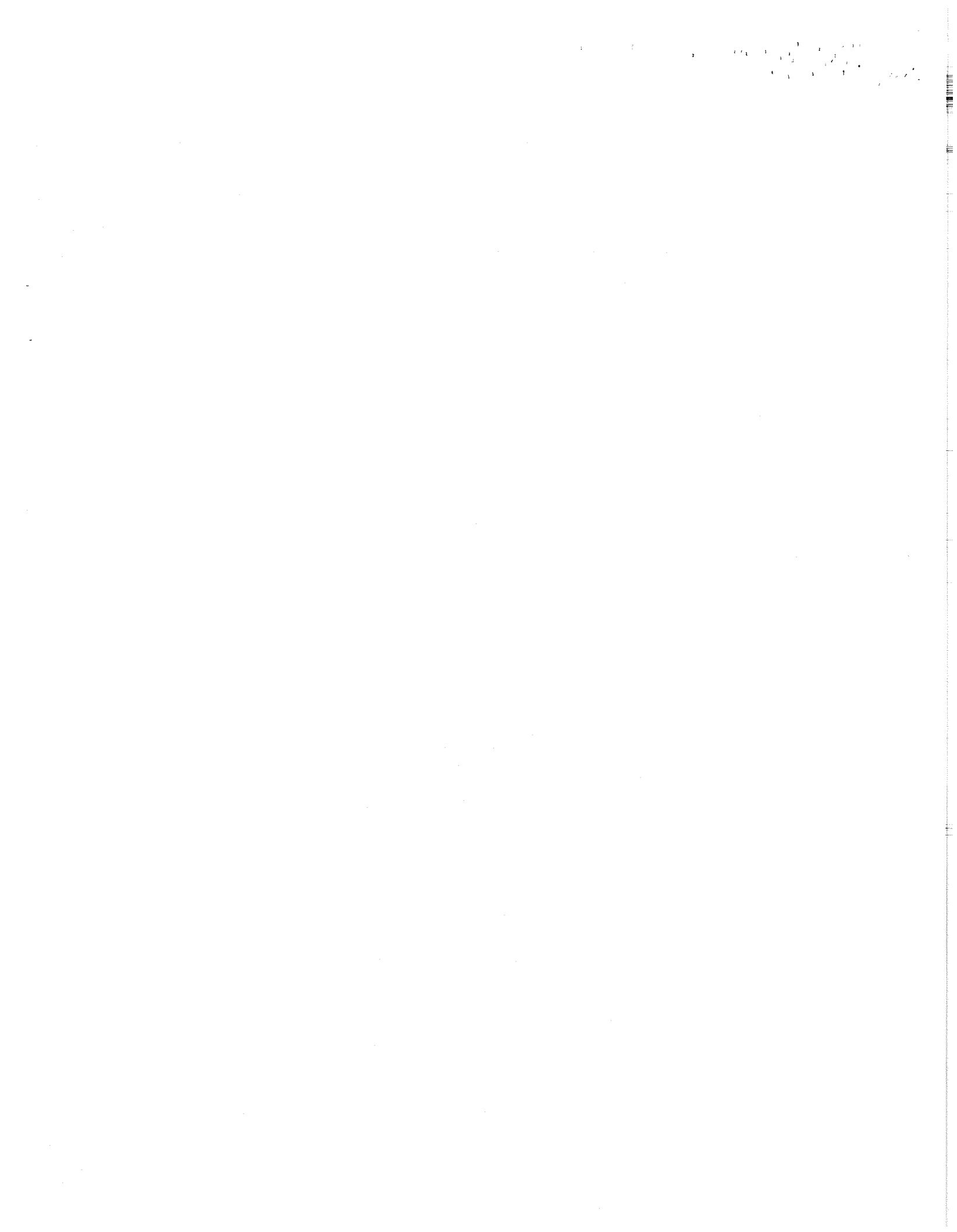
The bidder must describe the bidder's disaster recovery plan in detail and indicate the length of time to restore full service under this proposal assuming that the bidder's primary operation site is unavailable due to either man-made or natural disaster.

3.4. *Location Providing Services*

The bidder should describe how it will deliver the requested services to the State of West Virginia. Each bidder should provide the applicable addresses for each operating location which will be utilized in providing the services described in the bidder's proposal. The bidder should describe the method proposed for handling large volumes of transactions for a client in a distant location. The use of the card will not be restricted only to WV merchants.

3.5 *Organizational Experience, Size and Qualifications*

This section shall contain all pertinent data relating to the bidder's organization, personnel, and experience that would substantiate its qualifications and capabilities to perform the services described in all of Section 2 and 3 of this document.



3.5.1 Eligibility of Bidder

The bidder shall supply a statement and documentation describing the bidder's business and ability to provide services described in this RFP.

3.5.2 Organizational Size/Structure in Relation to the Scope of Work To be Performed

This section shall contain evidence of the transaction capacity currently being utilized as well as any additional capacity to be acquired to provide the specific work requirements as detailed in all of section 2 of this document.

Proposals should be as thorough and detailed as possible so that the State may properly evaluate the Bidder's capabilities to provide the required services. Bidders are required to submit the following items as a complete proposal:

1. A written narrative statement including:
 - a. Qualifications of bidder to provide the services described in the statement of needs, i.e. experience in providing credit card services, financial stability and financial responsibility.
 - b. Sufficient information to establish that adequate personnel resources are available to implement and support the State of West Virginia's Purchasing Card for Small Purchases Program. The following information and/or material must be provided;
 - (1) The number of employees currently assigned to government credit card and corporate credit card accounts identified separately.
 - (2) The number of positions that would be assigned to the State's Purchasing Card for Small Purchases account, and the number of hours each position will spend on implementation and on-going operations for the duration of the contract; and
 - (3) The physical location of employees assigned to this account.
 - c. Detailed information concerning the number and types of business establishments within West Virginia that accept the proposed Purchasing Card for Small Purchases sorted geographically. The Bidder shall provide the number on travel and non-entertainment related vendors within the State of West Virginia which will accept the offered cards.



Travel and entertainment related vendors are defined as follows: Hotels, motels, travel agents, ticket agents, bars and taverns, restaurants, gasoline stations, theaters, airlines, passenger railroads, amusement parks, and passenger car rentals. The card must be accepted by a minimum of 2,000 non-travel and non-entertainment related businesses in West Virginia.

2. Specific plans for providing credit card services for small purchases described in the Statement of Needs. The following information is required to be specifically addressed;

a. The Program control features including the following:

- (1) Available charge card billing cycles;
- (2) Processing time necessary to issue card;
- (3) Bill inquiry response time;
- (4) Billing procedures;
- (5) Lost or stolen card replacement capability and procedures;
- (6) Delinquent account collection procedures; and
- (7) Credit card collection procedures;
- (8) Capabilities to access supplier data base information for reporting and management of suppliers/vendors.

a. Copies of any forms, letters and billing formats which must be completed in connection with this program.

b. Description and samples of management and other reports that can be provided to participating agencies and institutions, and occasionally the State Purchasing Card Director. These central agencies of the State may request standard management information on a statewide basis. The bidder must have the capability to transmit reports by hard copy, all magnetic formats (tapes, disk, etc.), microfilm/fiche, or by electronic data interchange. Include media in which these reports are available and charges for these reports, if any. Also the bidder must describe options regarding the frequency of report productions (daily, weekly, monthly, ad hoc, etc.).

3.6 Special Terms and Conditions:

3.6.1 *Bid and Performance Bonds:* N/A

3.6.2 *Insurance Requirements:* N/A



3.6.3 *License Requirements:* N/A

3.6.4 *Litigation Bond:* N/A

3.6.5 *No Debt Affidavit:*

West Virginia State Code §5A-3-10a-(3)(d) requires that all vendors submit an affidavit of debt which certifies that there are no outstanding obligations or debts owing the State of West Virginia. The Debt Affidavit is attached to this request for proposal which *must* be completed, signed and returned *with* the vendor's proposal. If bidding a joint proposal, a Debt Affidavit must be completed for both vendors.

3.7 General Terms and Conditions:

By signing and submitting their proposal, the successful-Vendor agrees to be bound by all the terms contained in Section Three (3) of this RFP.

3.7.1 *Conflict of Interest:*

Vendor affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect which would conflict or compromise in any manner or degree with the performance or its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to the Agency.

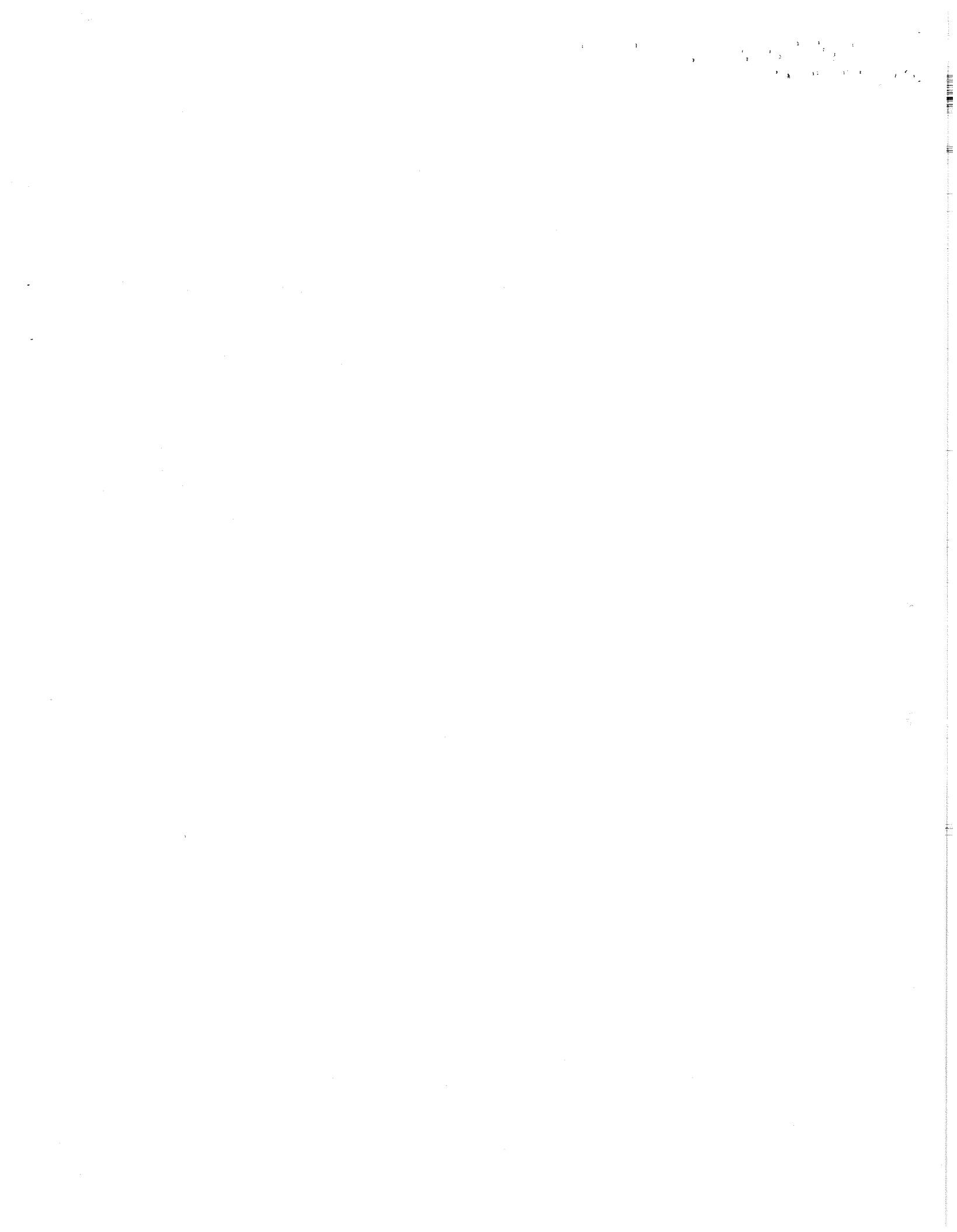
3.7.2 *Prohibition Against Gratuities:*

Vendor warrants that it has not employed any company or person other than a bona fide employee working solely for the vendor or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award of the contract.

For breach or violation of this warranty, the State shall have the right to annul this contract without liability at its discretion, and/or to pursue any other remedies available under this contract or by law.

3.7.3 *Certifications Related to Lobbying:*

Vendor certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or attempting to influence an officer or employee of any Federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.



If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Vendor shall complete and submit a disclosure form to report the lobbying.

Vendor agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this contract was made and entered into.

3.7.4 Vendor Relationship:

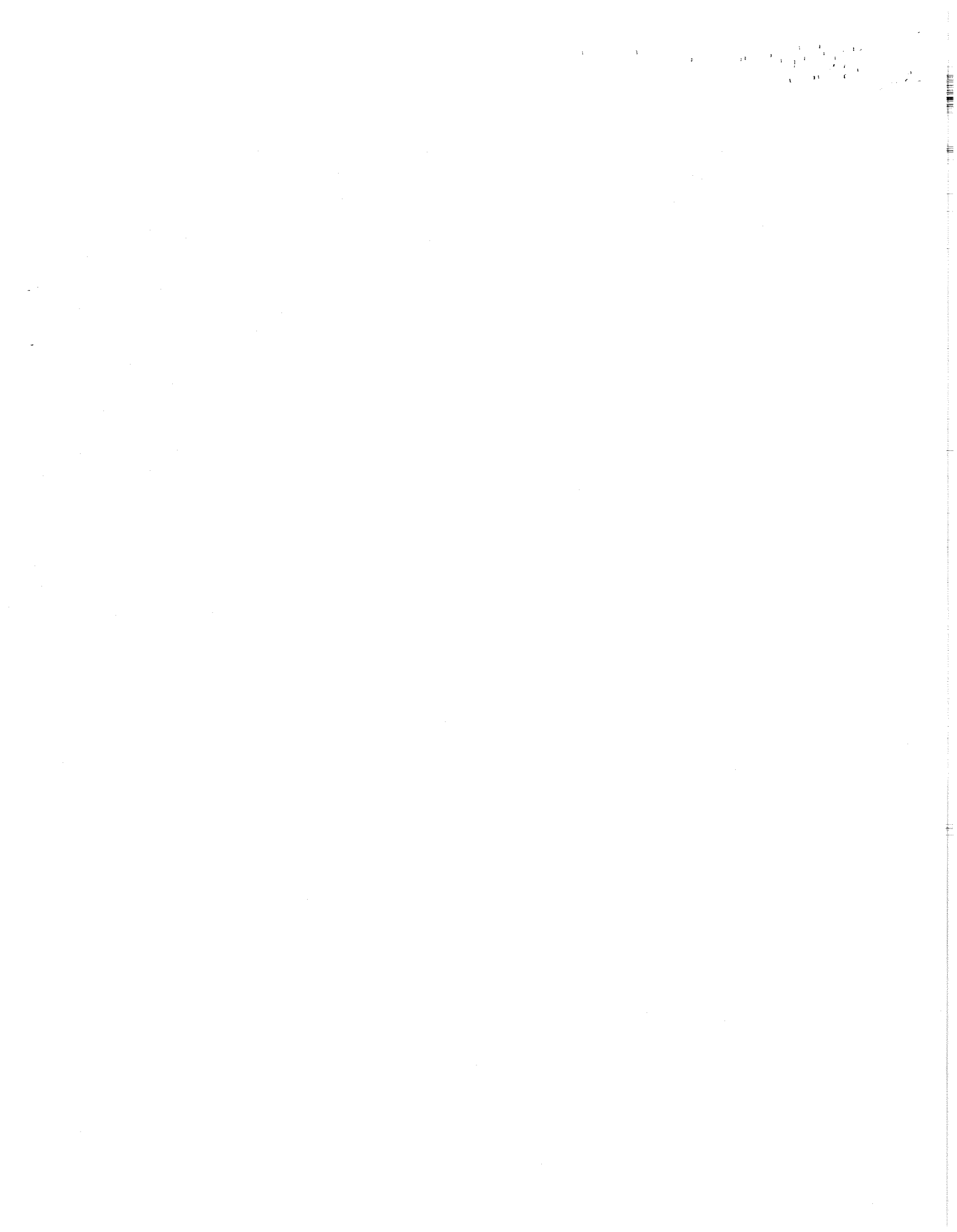
The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by the parties to this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor nor any employees or contractors of the vendor shall be deemed to be employees of the State for any purposes whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Agency.



3.7.5 Indemnification:

The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

3.7.6 Contract Provisions:

After the successful Vendor is selected, a formal contract document will be executed between the State and the Vendor. In addition, the RFP and the Vendor's response will be included as part of the contract by reference. The order of precedence is the contract, the RFP and the Vendor's proposal in response to the RFP.

3.7.7 Governing Law:

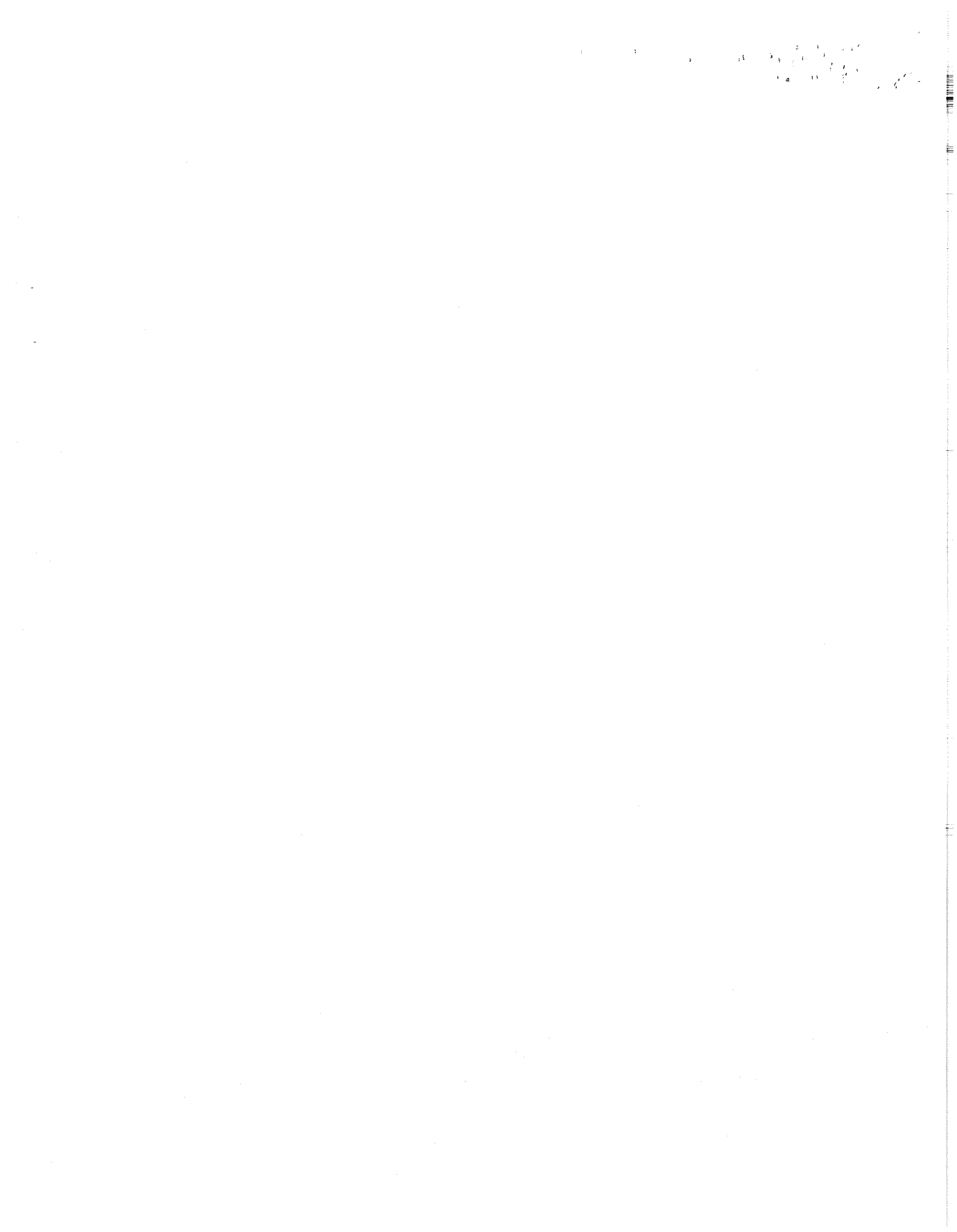
This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws (Federal, State or Local Government) regulations.

3.7.8 Compliance with Laws and Regulations:

The vendor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body. The Vendor shall pay any applicable sales, use, or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant here to shall be borne by the contractor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract.

3.7.9 Subcontracts/Joint Ventures:

The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The State will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the State, enter into written subcontracts for performance of work under this contract, however, the vendor is totally responsible for payment of all subcontractors. All Subcontracting or joint venture arrangements that are planned or were formulated in order to respond and comply with the scope of work must be clearly identified in the proposal.



3.7.10 Term of Contract & Renewals:

This contract will be effective April 15, 2002 and shall extend for the period of one (1) year, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (4) one year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable time" period shall not exceed twelve (12) months. During the "reasonable time" period the vendor may terminate the contract for any reason upon giving the Agency ninety (90) days written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue to provide services according to the contract.

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Agency and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the State upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

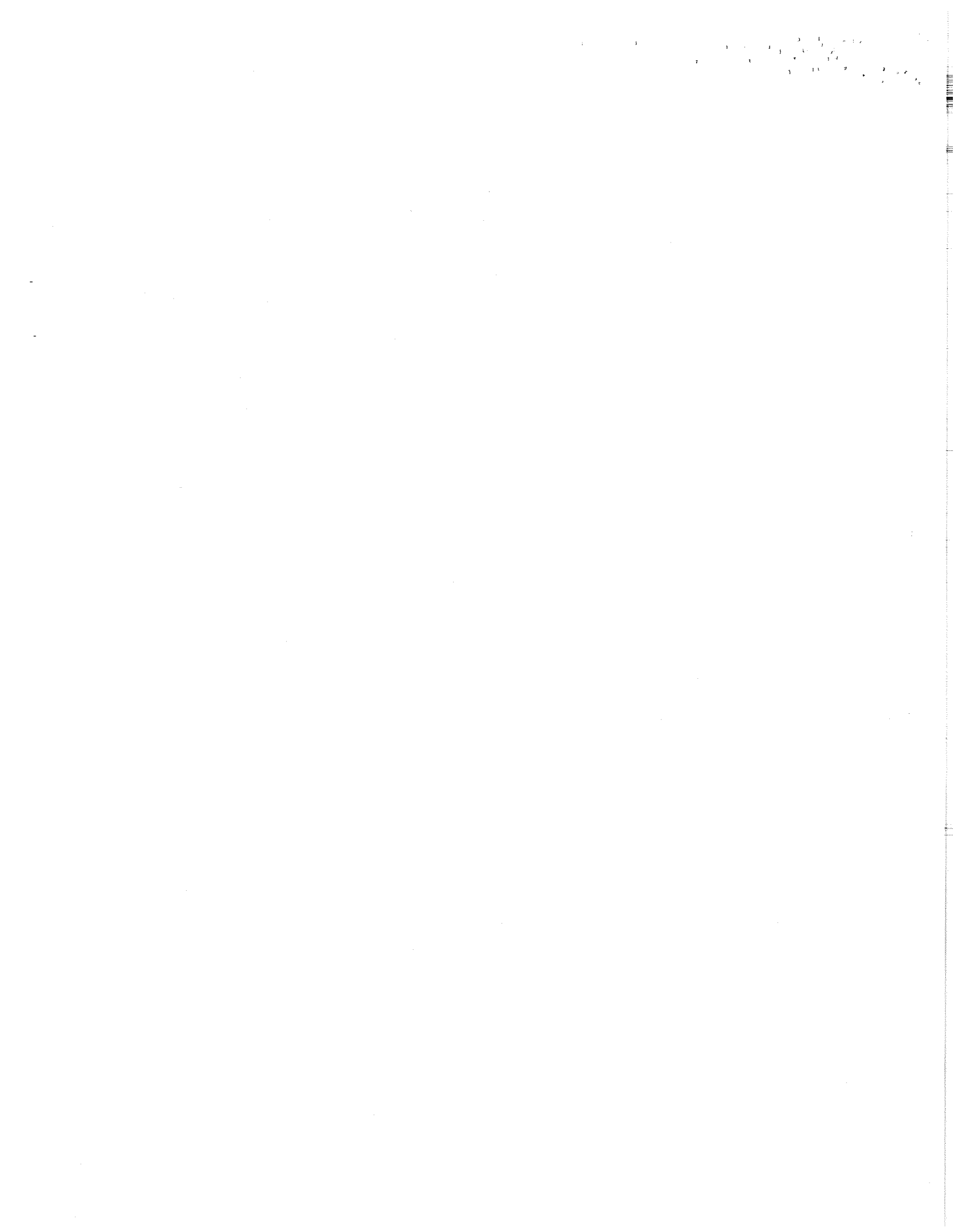
3.7.11 Non-Appropriation of Funds:

If the Agency is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by the West Virginia Legislature, the Agency may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Agency shall give the vendor written notice of such non-allocation of funds as soon as possible after the Agency receives notice. No penalty shall accrue to the Agency in the event this provision is exercised.

3.7.12 Contract Termination:

The State may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The State shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the State shall issue the Vendor an order to cease and desist any and all work immediately. The State shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated upon mutual agreement of the parties with thirty (30) days prior notice.



3.7.13 Changes:

If changes to the original contract become necessary, a formal contract change order will be negotiated by the State, the Agency and the Vendor, to address changes to the terms and conditions, costs of work included under the contract. An approved contract change order is defined as one approved by the Purchasing Division and approved as to form by the West Virginia Attorney General's Office prior to the effective date of such amendment. An approved contract change order is required whenever the change affects the payment provision and/or the scope of the work. Such changes may be necessitated by new and amended Federal and State regulations and requirements.

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change requested and provide the Agency a written statement to identifying any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall, provide a description of the price increase or decrease involved in implementing the requested change.

NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER.

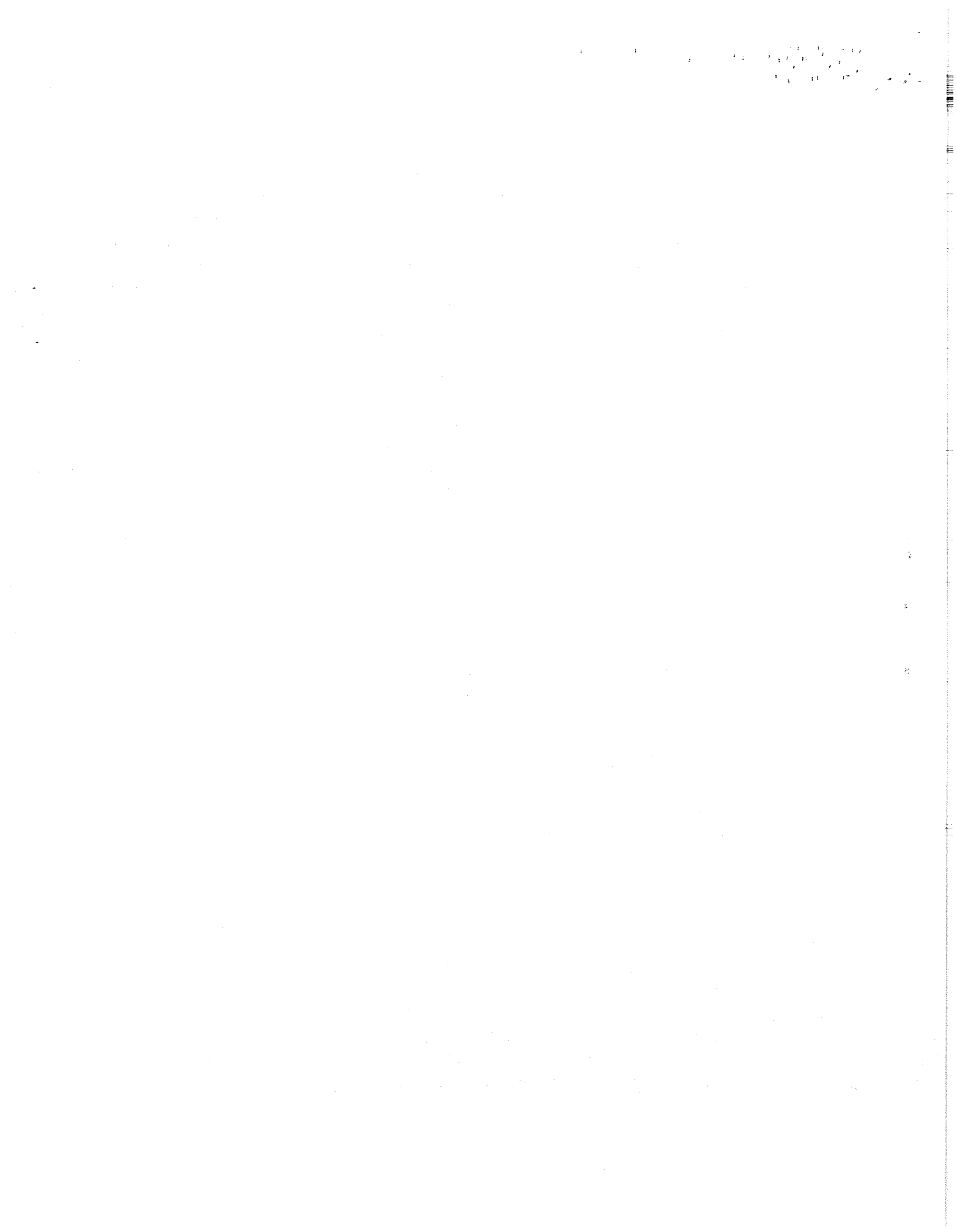
3.7.14 Invoices, Progress Payments, & Retainage: N/A

3.7.15 Liquidated Damages: N/A

3.7.16 Record Retention (Access & Confidentiality):

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Agency against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors, or individuals permitted access by Vendor.



COST & REVENUE PROPOSAL

REVENUE:

The standard rebate rate to the State will be * % per month of the net monthly billings. For evaluation purposes, we will calculate the rate based on \$8,000,000 per month net billings for 12 months to produce the annual revenue.

BID SUMMARY:

Rebate rate .40%/.45% X \$8,000,000 X 12 = \$407,000.00

Example:

\$96,000,000 in qualifying volume

Volume Range

\$0-\$49.9 MM

\$50.0MM - \$96.0MM

Total Rebate

Rebate Amount

Calculation

\$200,000.00 (\$49,999,999 x .0040)

\$207,000.00 (\$46,000,001 x .0045)

\$407,000.00

* *Higher rates can be achieved with higher volume. Please see attached for tiered rebate rates based on volume.*

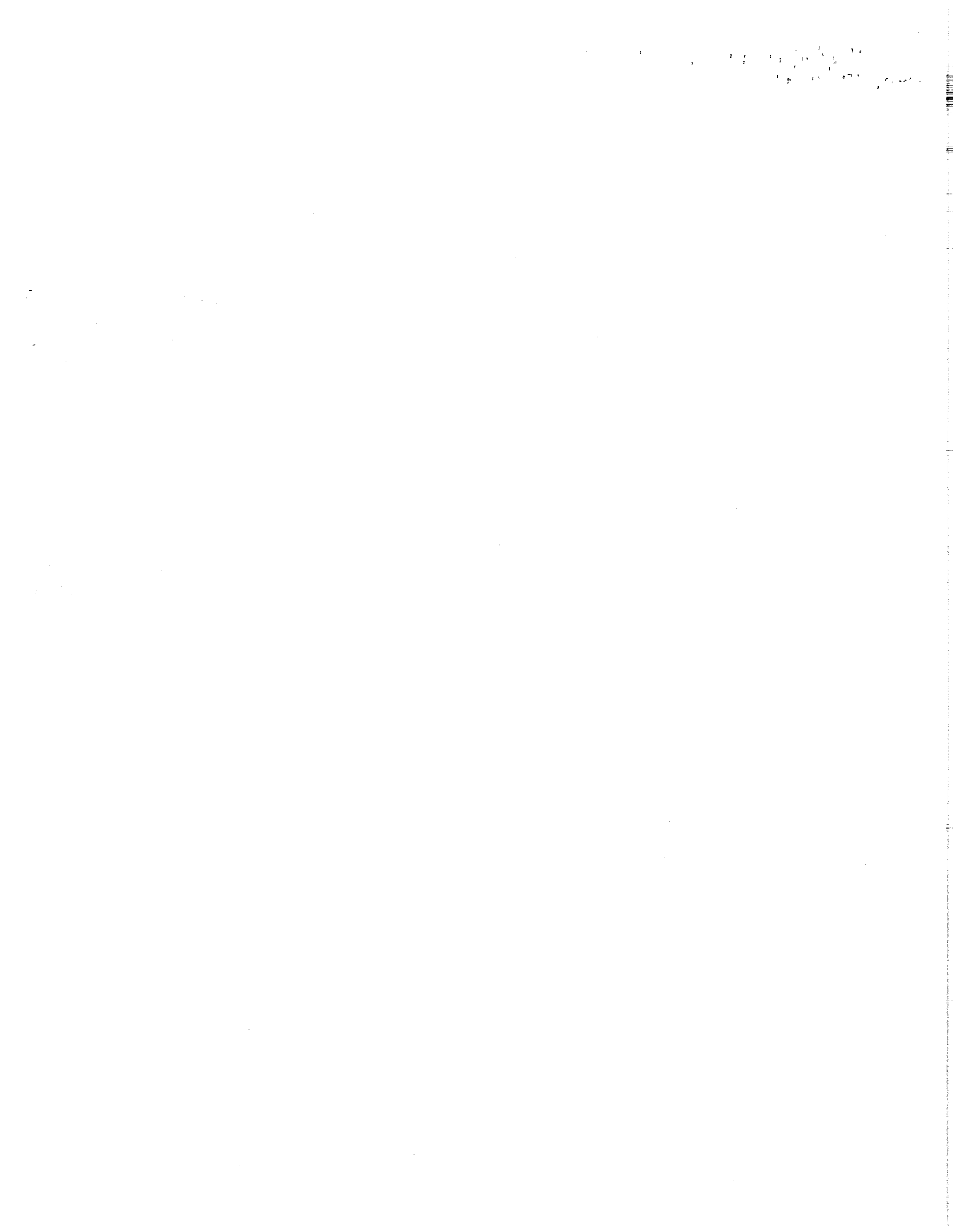
OPTIONAL ITEMS:

The State reserves the right to consider optional items at its sole discretion. Vendors are requested to address the following:

◆ Picture ID Cards:

Please refer to the attached for the cost of Picture ID Cards.

The optional charge per card to provide the cardholder's picture on the Purchasing Card is \$ xxx each. For evaluation purposes, the State will multiply this amount by the current number of cardholders (6000) to arrive at the total cost for this option. The State may require all cardholder's pictures to be placed on the card at the State's option (all or none). If the option is exercised and the picture card is required, the cost for issuing 6000 cards will be deducted from the revenue.



◆ Interagency Transaction Fees:

*Please refer to Section 3.2.18 of the BB&T proposal titled:
Inter-Agency Purchasing Issue (Enclosed)*

The cost per transaction for interagency transactions using the purchasing card shall be xxx % of the total amount of each transaction. For evaluation purposes, the State will multiple the internal transaction rate by \$250,000/month for twelve months to arrive at an annual cost for processing internal transactions. The cost will be deducted from the revenue. This item is explained in greater detail in section 3.2.18 of the RFP.

◆ Hidden Costs:

The vendor must clearly identify any and all other sources of revenue to be considered or cost that must be deducted from the gross rebate revenue. Costs or revenue not identified in this proposal shall not be considered in the award.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

REBATE PROPOSAL

State of West Virginia
 RFQ Number: PCARD02
 Nov 14, 2001

Qualifying Annual Volume	Rebate Percentage
\$0.00 - \$ 49,999,999	0.40%
\$50,000,000 - \$ 99,999,999	0.45%
\$100,000,000 - \$ 199,999,999	0.50%
\$200,000,000 - \$ 299,999,999	0.60%
\$300,000,000 - \$ 399,999,999	0.70%

Example Rebate Calculations:

Rebates are rounded to the nearest dollar
 \$55,000,000 in qualifying volume

Volume Range	Rebate Amount	Calculation
\$0-\$49.9 MM		\$200,000.00 (\$49,999,999 x .0040)
\$50.0MM - \$99.9MM		\$22,500.00 (\$ 5,000,001 x .0045)
Total Rebate		\$222,500.00

\$96,000,000 in qualifying volume

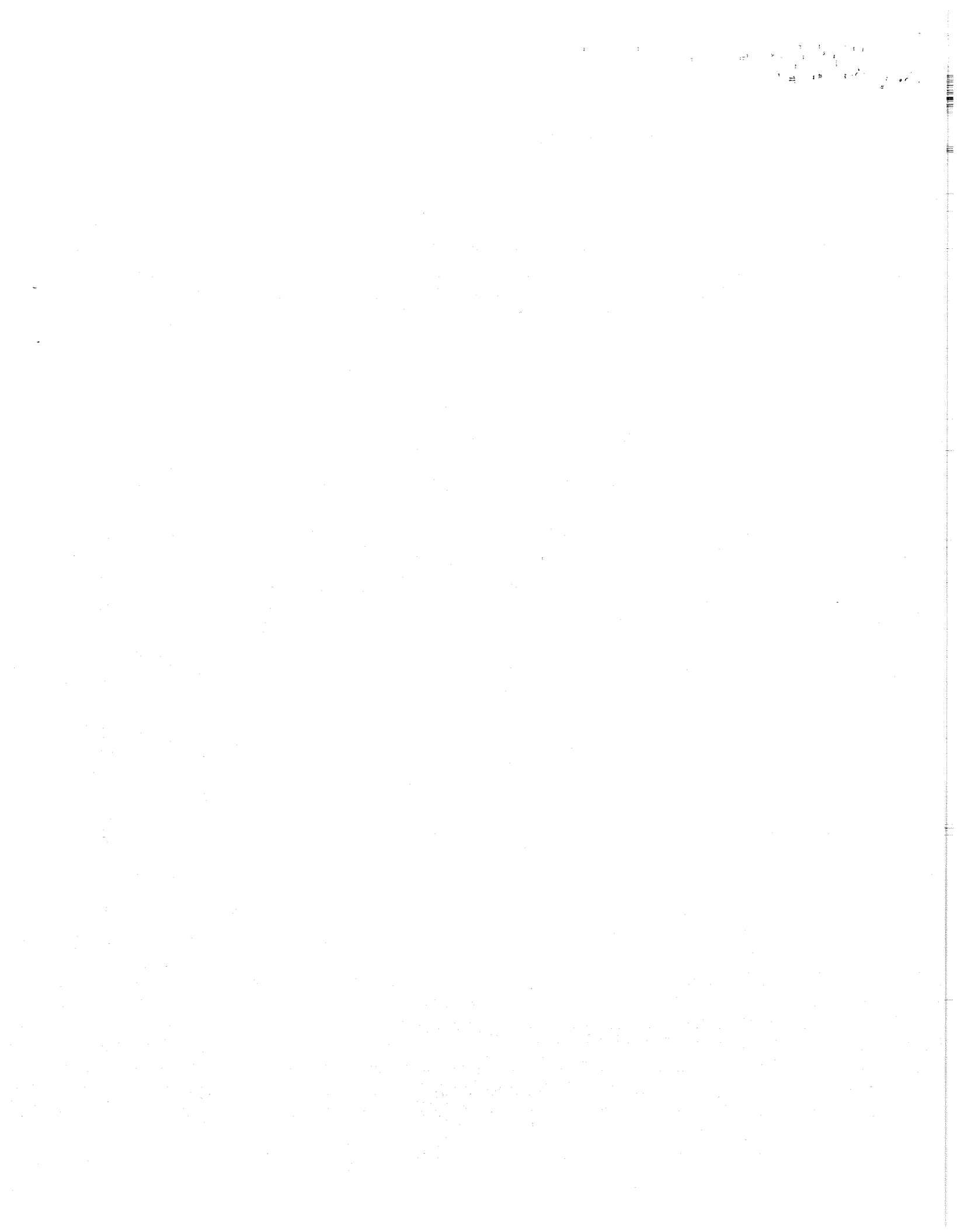
Volume Range	Rebate Amount	Calculation
\$0-\$49.9 MM		\$200,000.00 (\$49,999,999 x .0040)
\$50.0MM - \$99.9MM		\$207,000.00 (\$46,000,001 x .0045)
Total Rebate		\$407,000.00

\$130,000,000 in qualifying volume

Volume Range	Rebate Amount	Calculation
\$0-\$49.9 MM		\$200,000.00 (\$49,999,999 x .0040)
\$50.0MM - \$99.9MM		\$225,000.00 (\$50,000,000 x .0045)
\$100MM - \$199.9 MM		\$150,000.00 (\$30,000,001 x .0050)
Total Rebate		\$575,000.00

Rebates are based on the following terms:

1. BB&T will pay a "purchase volume rebate" based on the tiered schedule above.
2. Qualifying volume is the total amount of purchases during the "calculation period" less returns, credits, losses and disputed charges.
3. The "Calculation Period" is a 3 month period. It shall begin with the first month the program is in place and will be paid 4 quarterly.
4. A penalty of ".00858%" will be deducted from any payment not received by the statement due date.
5. BB&T reserves the right to review the rebate schedule and program volumes quarterly.



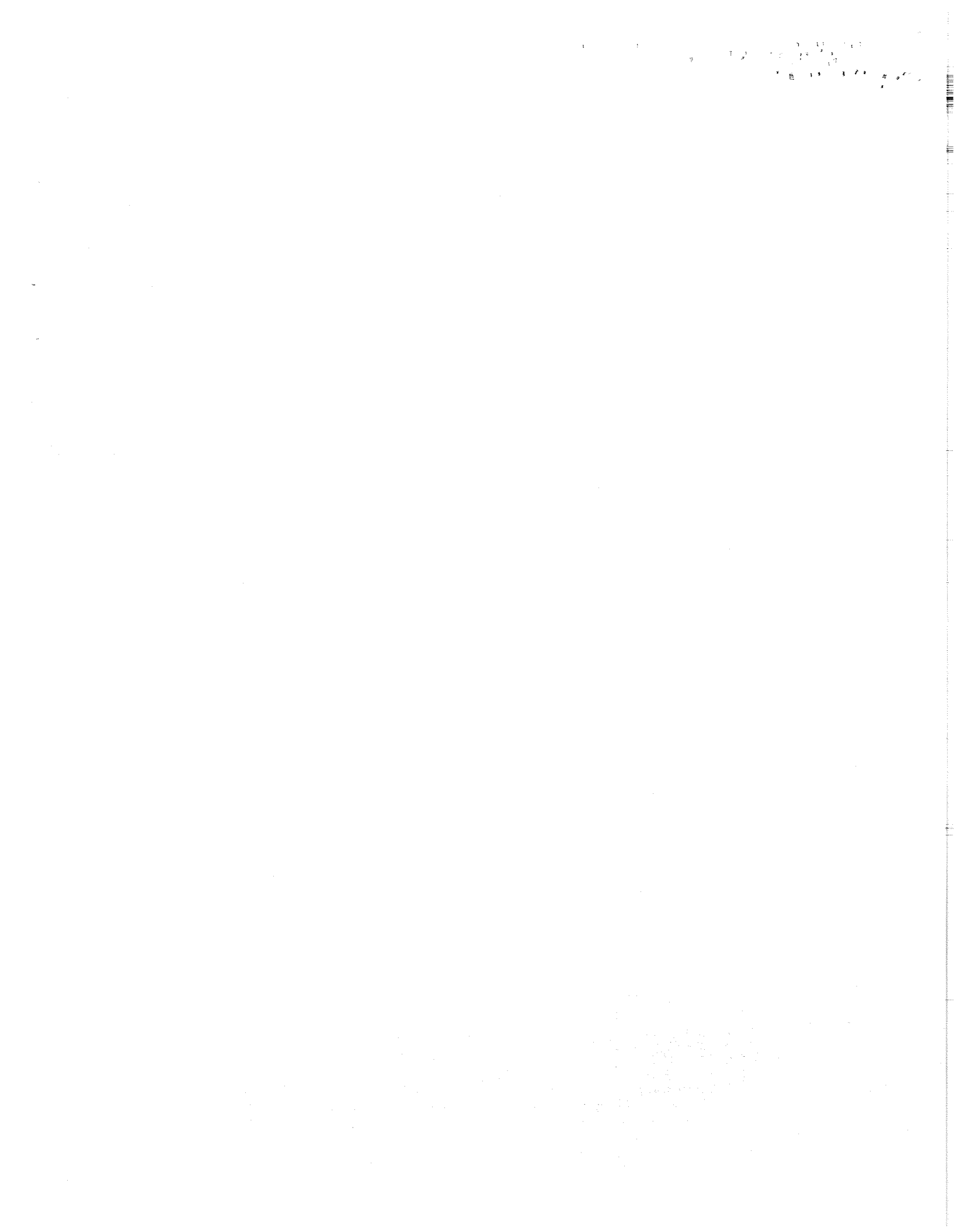
COST PROPOSAL

BB&T CONFIDENTIAL

State of West Virginia
RFQ Number: PCARD02
Nov 14, 2001

Exhibit A: Itemized Charges

<u>Item</u>	<u>Item Cost</u>
Card Issuance Fee	\$0.00
Control Account Issuance Fee	\$0.00
Card Annual Fee	\$0.00
Control Account Issuance Fee	\$0.00
Photo ID Cards Initial Set-up Fee - 1 time charge	\$5,000.00
Photo ID Initial Card Issuance Fee - based on reissuing 6000 cards (\$4.50*6,000) - 1 time charge to replace existing cards	\$27,000.00
Photo ID Minimum Monthly Fee (2,000 card monthly minimum at \$4.50 per card)	\$9,000.00
Rush Card Fee	\$25.00
<u>A.2. Dispute Fees:</u>	
Chargeback Fee	\$0.00
Credit Slip Copy Request - 1-500	\$0.00
Credit Slip Copy Request - over 500	\$5.00/copy
<u>A.3. Late Fees and Interest Charges:</u>	
Late Fees	\$0.00
Overlimit Fees	\$0.00
Interest-first 60 days	\$0.00
Interest-after 60 days	Prime + 5.9% on Average Daily Balance
<u>A.4. Merchant Fees:</u>	
Interagency Fees- Discount Rate mandated by State Contract - Treasurers Office	1.98%
Transaction Fee for using Purchasing Card	\$0.00
<u>A.5. Transmission Fees:</u>	
Daily Data Exchange File	\$0.00
Monthly Billing File	\$0.00



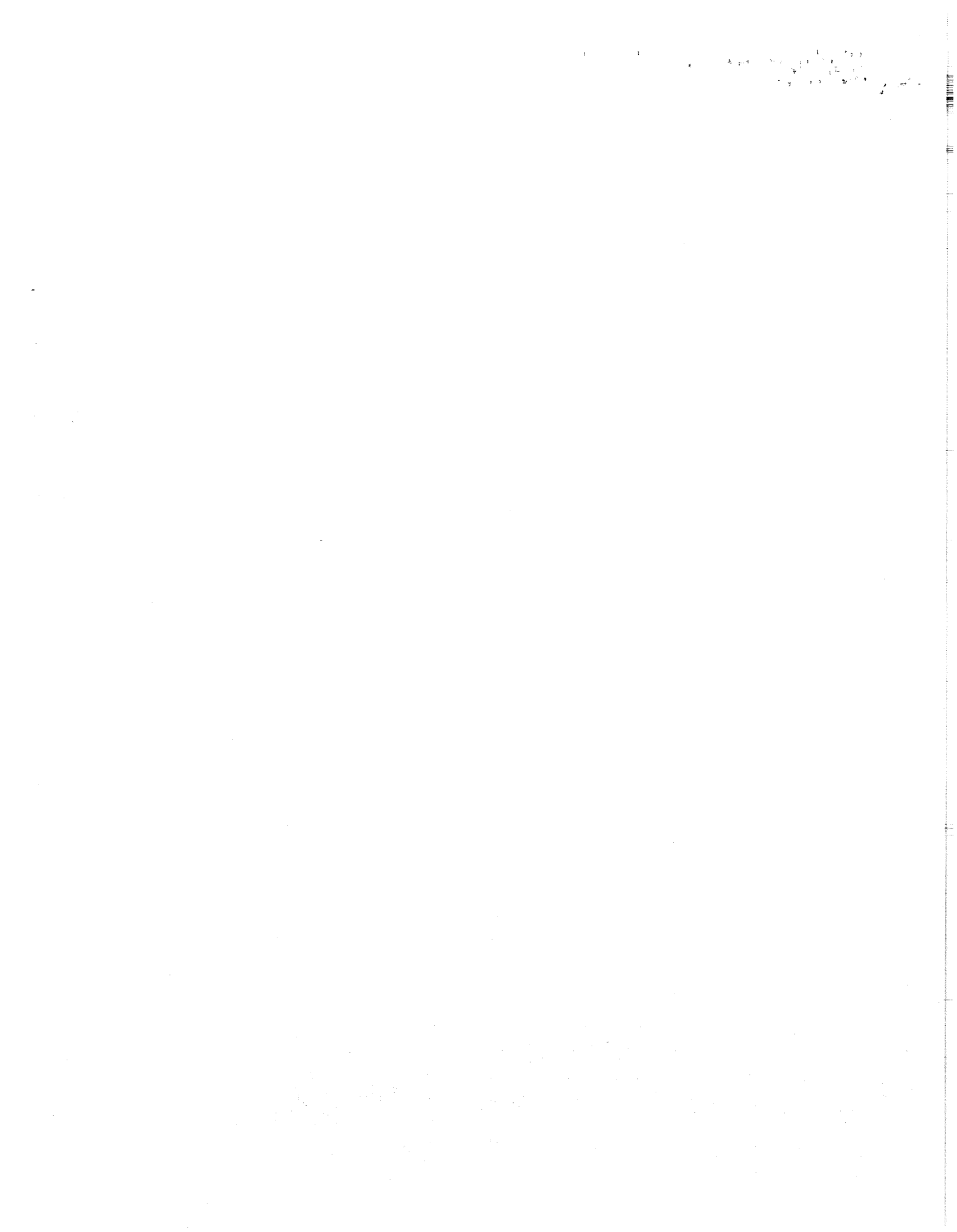
COST PROPOSAL

BB&T CONFIDENTIAL

State of West Virginia
RFQ Number: PCARD02
Nov 14, 2001

Exhibit A: Itemized Charges

<u>Item</u>	<u>Item Cost</u>
<u>A.7 InfoSpan Fees:</u> InfoSpan	Standard \$500.00 license fee
<u>A.8 ProCard 4.0 Fees:</u> All ProCard fees are pass through fees from the vendor and are subject to change	
Transaction fee	\$ 0.25 per transaction
Monthly subscription fee	\$150.00
<u>A.9 ProCard Pathway Net Fees:</u> Transaction fee:	\$ 0.25 per transaction
Hosting Fees:	
Setup fee:	\$1,200 per site
Transaction fee:	\$ 0.01 per transaction
Monthly subscription fee (hosting services):	
Transaction Volume	Monthly Fee
0 to 500	\$150
501 to 2,000	\$300
2001 to 5,000	\$500
5,001 to 7,500	\$750
Greater than 7,500	\$1,000
Custom Mapper Fees:	
Initial Custom Mapper	\$2,500
Additional Custom Mappers or changes	\$ 150 per hour
Consultation and Training:	
In-Person Client consultation, training, product demonstrations, etc.	\$ 750 per day (3)
Product demonstrations , etc. by telephone	\$ 150 per hour (2)
Graphical User Interface Customization Fee:	Price quote based on requirements
Statement and Report Generation Services:	
Generation & Mailing of Reports:	\$5.00 per report plus \$1.00/page (+ postage or other transmission cost)
<u>A.10 BB&T Credit Card Connection:</u> Monthly Fee	Pricing is negotiable Product will not be available until 1st quarter 2002



3.2.6

Inter-Agency Purchases

BB&T cannot make a change to the merchant discount that is currently charged on an interagency purchase. The discount rate is set based on a contract with the State Treasurer's Office. Although this is an interagency charge for the State, the transaction still flows through the MasterCard and Visa networks for authorization and processing. The flow of this transaction prompts a charge from MasterCard or Visa to the bank that issues the merchant account.

The expedited processing of the transaction saves the State money because the funds are electronically deposited into a State checking account within 1-2 business days. Although a discount is paid, the State benefits from lower processing costs and invoicing costs as well as better cash management control. BB&T currently includes and will continue to include interagency transactions in the Purchasing Card rebate. BB&T does not charge a transaction fee to Purchasing Card accounts for transactions at interagency locations or other locations.

0 1 2 3 4 5 6 7 8 9

10

