

## PRF59ADesignatedOSC: Electronic Payment Solutions

UPDATED: December 1, 2020

<b>Contract #:</b>	PRF59ADesignatedOSC
<b>MMARS MA #:</b>	PRF59ADesignatedOSC*
<b>Initial Contract Term:</b>	September 28, 2015 – January 31, 2019
<b>Maximum End Date:</b>	Three one-year extensions to January 31, 2022
<b>Current Contract Term:</b>	September 28, 2015 – January 31, 2022
<b>Contract Manager:</b>	Patricia Davis, 617-973-2332, <a href="mailto:Patricia.Davis@mass.gov">Patricia.Davis@mass.gov</a>

\*The asterisk is required when referencing the contract in the Massachusetts Management Accounting Reporting System (MMARS).

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### Contract Summary

This is the Statewide Contract for Payment Solutions. PRF59ADesignatedOSC aligns the Commonwealth's customer expectations for modern, secure, and efficient government payment processes with their customer experience. This contract replaces and expands the service offering of the prior Statewide Electronic Payments contract, PRF44designatedOSC. Eligible entities may leverage this contract to engage the selected vendor that best meets their requirements for web payment page hosting, Integrated Voice Response (IVR) hosting, and newer payment channels and methods such as kiosk or mobile. Credit, debit, and traditional ACH transactions such as CCD, WEB, and TEL are facilitated through the services of these payment solutions vendors. The

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electronic payment solutions can be configured to integrate with the Commonwealth's primary financial system (MMARS) and other business or financial systems as specified.

Commonwealth entities may choose to implement some or all available payment channels and methods according to their respective business requirements.

Please note that credit and debit card processing is provided under a separate Statewide contract PRF59designatedOSC.

The Comptroller has broad authority to prescribe accounting rules and instructions for all state Departments and the appropriate use of the state accounting system. Pursuant to [G.L. c. 7A, § 7](#), [G.L. c. 7A, § 8](#), [G.L. c. 7A, § 9](#) and [G.L. c. 29, § 31](#), the Comptroller must implement a state accounting system (including a centralized payroll system) and issue instructions for the accounting practices to be used by all Departments for supplies, materials, assets, liabilities, equity, debt, encumbrances, expenditures, revenues, expenses, and obligations of all Commonwealth funds and accounts, including payroll, unless specifically exempted by general or special law. The Comptroller has full authority to prescribe, regulate, and make changes in the method of keeping and rendering accounts, and to direct state Departments to implement changes in their systems to meet these statewide standards.

The Comptroller has full authority to review the authority for a State Department to collect and record revenue, and to prescribe the appropriate process for recording that revenue once collected. In addition, the Comptroller has full authority to review the mediums, applications, or processes that are used or may be used to collect, handle, process, transfer, or remit revenue. Departments are instructed that any application, medium, process, software, hardware, application, or other medium that collects, handles, processes, transmits, or remits Commonwealth revenues that are recorded in the state accounting system (MMARS) must be approved by the Comptroller to ensure compliance with state finance law, including security and internal control considerations to prevent fraud, waste, and abuse. Any Department that is planning on procuring or instituting any process, application, software, hardware, or other medium that will collect, handle, process, transmit, remit, or in any way touch revenue in any form must be approved in advance of implementation, procurement, vendor selection, or use. The Comptroller reserves the right to review any system or process currently in use to review compliance with state finance law, including security and internal control considerations to prevent fraud, waste, and abuse, and the Comptroller may make any recommendations for remediation or corrective action plans. Departments with questions regarding this Statewide contract or seeking review should email [Patricia.Davis@mass.gov](mailto:Patricia.Davis@mass.gov).

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## Services, Benefits, and Cost Savings

The payment solutions vendors selected for the PRF59A designated OSC Electronic Payment Solutions Statewide Contract provide the following services, benefits, and cost savings:

- Improved customer experience.
- Business process efficiency, streamlined back office reconciliation, and expedited funds settlement.
- Competitive per item rates and convenience fee program rates.
- Secure hosted web sites and interactive voice response (IVR) implementations customized to eligible entities' requirements.
- Technical support of the payment solution.
- Capacity to handle increasing volumes, as well as peaks in payments.
- Option for output files to update the entities' accounts receivable or billing systems as well as updates to MMARS.
- Complete end-to-end reporting.
- Capacity to provide services to multiple Commonwealth entities simultaneously.
- Availability of value added payment solution services (i.e., mobile, kiosk).
- Data security -- The selected vendors demonstrate leading industry standards in security, Payment Card Industry (PCI) compliance, and other protocols to ensure data security and reduce scope. All three vendors hold certification on the Visa Global Registry of Service Providers and the MasterCard Compliant Service Provider lists.

## Who Can Use This Contract

### Applicable Procurement Law

Executive Branch Goods and Services: MGL c. 7, § 22; c. 30, § 51, § 52; 801 CMR 21.00

### Eligible Entities

Executive Offices, Departments, Agencies, Offices, Divisions, Boards, Commissions, or Institutions within the Executive Branch are required to use this Statewide Contract. PRF59A designated OSC is the sole Statewide Contract for Electronic Payment Solutions and is available for use to all Commonwealth eligible entities:

- Cities, towns, districts, counties and other political subdivisions.
- Executive, Legislative and Judicial Branches, including all Departments and elected offices therein.
- Independent public authorities, commissions and quasi-public agencies.

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- Local public libraries, public school districts and charter schools.
- Public hospitals owned by the Commonwealth.
- Public institutions of higher education.
- Public purchasing cooperatives.
- Non-profit, UFR-certified organizations that are doing business with the Commonwealth.
- Other entities when designated in writing by the State Purchasing Agent.

The Commonwealth reserves the right to add or remove additional eligible entities during the contract term. Each eligible entity is responsible for executing Statements of Work, maintaining files of record, and paying invoices for goods and/or services acquired from this contract. Vendors will be responsible for marketing their goods and/or services to eligible entities.

### Vendor List and Contact Information

The contract provides access to three payment solutions vendors supporting a wide range of services and enables users to engage in services based on their specific requirements. For the lifetime of the procurement, CTR reserves the right to select additional vendors from the original procurement for additional work as warranted, or to re-open the procurement to add or replace vendors.

See below for a list of awarded vendors. Please refer to CommBuys at <https://www.commbuys.com/bsol/> or <http://www.macomptroller.info/comptroller/statewide-contracts/c-electronic-payment-solutions.htm> for more information.

**Please note that this contract is for Payment Solutions and that Card Processing was bid separately under PRF59designatedOSC. Each of these Payment Solutions Providers will work with the selected Card Processor, Vantiv/Worldpay.**

	Vendors	MMARS Vendor Customer (VC) Code	Contact	Email Address	Phone
1	nCourt	VC0000804578	Adam Wilkins	<a href="mailto:awilkins@ncourt.com">awilkins@ncourt.com</a>	678-214-6168
2	Billmatrix Corporation DBA Fiserv CP LLC (previously HP Enterprise Services, LLC)	VC0000836334	Kris Hirt	<a href="mailto:Kris.Hirt@Fiserv.com">Kris.Hirt@Fiserv.com</a>	480-433-9982

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3	Grant Street Group, Inc.	VC6000229698	Phil Runyard	<a href="mailto:phil.runyard@grantstreet.com">phil.runyard@grantstreet.com</a>	412-391-5555 ext. 341
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## Where to Find Contract Documents

- Eligible entities must execute a Statement of Work (SOW) with the selected vendor to initiate work under PRF59A.
- To find all contract-specific documents, including the Contract User Guide, RFR, Statement of Work template, and cost summary, visit [COMMBUYS.com](http://COMMBUYS.com) and search for PRF59A to find related Master Blanket Purchase Order (MBPO) information.
- To link directly to the MBPO for PRF59A visit:  
<https://www.commbuys.com/bso/external/purchaseorder/poSummary.sdo?docId=PO-16-1079-1079C-1079C-0000006474&releaseNbr=0&parentUrl=contract> .

## How to Get Started on the Statement of Work

1. Eligible entities should review this document (Contract User Guide) to ensure compliance with use of the Statewide Contract. Both eligible entities and the vendors have responsibilities for compliance with state finance laws, regulations, and rules.
2. Contact Patricia Davis, Office of the Comptroller (CTR) eCommerce Coordinator at [Patricia.Davis@mass.gov](mailto:Patricia.Davis@mass.gov) to discuss high level requirements, and for questions regarding contract details including the vendor Response, Pricing, and Statement of Work (SOW) template documents.
3. Eligible entities are encouraged to dialogue directly with the vendors, request a demo or webcast if desired, and select the vendor that best meets their requirements. Quotes are not required, however, the selection process should be documented.
4. Once a vendor is selected, all eligible entities must complete the PRF59A designated OSC Electronic Payment Solutions Statement of Work (SOW) template posted on CommBuys and CTR's website containing details of the engagement as outlined in this section.
  - a. Statements of Work will remain active for the duration of contract PRF59A designated OSC unless the vendor is terminated for absence of funding or emergency; breach or default, reduction of funding or change in law; or without cause. Please see section 4 of the Commonwealth Terms and Conditions for more information.

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- b. The SOW is not a separate contract, but an engagement under the Statewide Contract PRF59AdesignatedOSC, incorporated by reference therein. The details of the engagement (services to be performed, schedule of performance completion dates, and funding model) should be finalized by updating the SOW that is executed by authorized signatories of the vendor and eligible entity.
  - c. Eligible entities must maintain the Statement of Work engagement file of record.
  - d. Pricing for any SOW engagement may be equal to or less than, but not greater than, prices posted under the Contract.
  - e. Additional conflicting contract terms and conditions may not be included, referenced, or attached to the SOW.
  - f. Engagements under a Statement of Work (SOW) may be entered into at any time prior to the end date of the Contract for an authorized vendor. If the initiation of the SOW is during the last year of the Statewide contract, its duration should not exceed one year.
5. The eligible entity and the vendor collaborate on finalizing and executing the Statement of Work. The eligible entity distributes the executed Statement of Work to all parties including CTR. Eligible entities may request a copy of the Contractor Authorized Signatory Listing (CASL) from CTR that is used to validate authorized signatories for a Contractor.
6. Once the SOW is executed, the eligible entity and/or vendor must contact [Patricia.Davis@mass.gov](mailto:Patricia.Davis@mass.gov), Office of the Comptroller (CTR) eCommerce Coordinator to facilitate enrollment and coordinate a kickoff conference call to discuss detailed functional requirements, timeline, and scope.
7. Vendors are required to notify [Patricia.Davis@mass.gov](mailto:Patricia.Davis@mass.gov) when beginning a new engagement. Vendors must establish an on-boarding process that facilitates contract-wide reporting, and CTR requires a periodic status report of all engagements at any time from eligible entities and vendors.
8. All payments for this contract made by State Entities in the state accounting system MMARS must reference Master Agreement (MA) MA OSD PRF59AdesignatedOSC. If a transaction override is needed to encumber funds for engagements entered into prior to the end date of the Contract but extending beyond the end date, the entity should work with the CTR Contracts Bureau to facilitate

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the encumbrance and contact [Patricia.Davis@mass.gov](mailto:Patricia.Davis@mass.gov) to validate the use of the Statewide Contract for an engagement.

### Terms of the Contract

Additional non-conflicting terms related to service performance details that comply with the required terms of the RFR may be added to a Statement of Work (SOW) engagement as published for this Statewide Contract, provided the intent or effect of the language does not supersede or replace the language of the Contract and this Contract User Guide.

### Pricing and Fee Options

This is a fee for service contract with three fee models: direct bill, convenience fee, and payment facilitator. For complete pricing information, see CommBuys or the CTR web page at <http://www.macomptroller.info/comptroller/statewide-contracts/c-electronic-payment-solutions.htm> . When contacting a vendor on the statewide contract, always reference PRF59A to receive contract pricing. Each eligible entity accepting electronic payment solutions services shall be solely legally responsible for funding the entity's obligations under the Contract.

**Direct Bill** – In this funding model, payment solutions vendors will bill eligible entities for services rendered. (If offering credit and debit cards as a payment method, Vantiv/Worldpay and American Express, if applicable, will also bill the eligible entity). Vendors only receive payment after they invoice the eligible entity for fees negotiated as part of this contract for transaction fees, hardware, development fees, or other fees identified in the vendor response. The vendor(s) may not seek payment of such obligations from the Office of the State Comptroller or any other Commonwealth entity, nor shall any Commonwealth entity have any legal obligation to make payments for electronic payment solution services other than the entity requesting and accepting such services. Pricing for payment solution services is based on the options each entity chooses to implement. Commonwealth eligible entities may not negotiate separate terms from those posted on CommBuys without prior written approval from CTR.

Once a new engagement is scoped, entities should work with the primary contact and electronic payment solutions vendor(s) to determine an estimated amount of fees and other costs for each fiscal year based upon historical or anticipated electronic payments usage. Encumbrances (CTs) and payments must reference Master Agreement (MA) MAOSDPRF59A designated OSC from SOW execution going forward.

In addition, two alternate funding models exist for payment solutions for web and IVR:

**Convenience Fee** – Entities may choose to fund their web and IVR programs by passing the associated fees on to the customer. A nominal convenience fee is charged to the customer at the time of purchase and collected

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per transaction directly by the vendor as a separate charge from the payment to the eligible entity. The fee can be a percentage of the transaction amount or a flat fee, but percentage based convenience fee programs may take longer to implement due to card association program rules. Convenience fees are collected and retained by the payment solutions provider, never enter the Commonwealth's accounts, and appear as a separate charge on the customer's statement. Since the fee is charged solely to offset the entire cost of the credit card transaction as a convenience to customers, an eligible entity will not receive an invoice from the payment solutions provider under this model. Note: Under Massachusetts law, convenience fees are prohibited at the point of sale, but may be implemented over the web or Interactive Voice Response (IVR).

**Payment Facilitator (PayFac) Model** – Entities may choose to set up their web and IVR programs with a Payment Facilitator, or PayFac business model. Under PayFac, the Payment Solutions vendor is the merchant of record, and the eligible entity is the submerchant, which impacts the underwriting process. Instead of the processor settling funds directly to the eligible entity, the Payment Solutions vendor settles funds to the eligible entity. Associated fees may be passed on to the customer in the form of a convenience fee, or paid by the submerchant. In addition, PCI compliance may be reported to the merchant (PayFac/Payment Solutions vendor) instead of directly to the card processor (Vantiv/Worldpay) in this model.

### **Instructions for MMARS Users**

MMARS users must reference the MA number (MA OSD PRF59AdesignatedOSC) in the proper field in MMARS if entering an encumbrance or payment for a direct bill/client paid implementation.

### **Contract Exclusions and Related Statewide Contracts**

Credit and debit card processing is provided under a separate Statewide contract - PRF59designatedOSC. For more information on PRF59 – Card Processing, see:

<https://www.commbuys.com/bso/external/purchaseorder/poSummary.sdo?docId=PO-16-1079-1079C-1079C-0000006151&releaseNbr=0&parentUrl=contract> .

### **Performance and Payment Time Frames**

The duration of the Contract is the date of execution through January 31, 2020 with two remaining one-year options to renew. Statements of Work (SOW) remain active for the duration of the contract unless the vendor is terminated for cause, without cause, or through legislative action. In addition, the contract may be extended under the same terms and conditions as needed for any period necessary to transition to a new procurement.

Engagements under a Statement of Work may be entered into at any time prior to the end date of the Contract for an authorized vendor. If the initiation of the SOW is during the last year of the Statewide contract, its duration should not exceed one year. Prior to the contract end date, vendors are required to support any

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transition of SOWs and to close out any SOW at the direction of the eligible entity, including returning any reports, data, or other information used during performance and submitting any final deliverables in accordance with the SOW engagement terms.

## Additional Information

### Setting Up a COMMBUYS Account

COMMBUYS is the Commonwealth's electronic Market Center supporting online commerce between government purchasers and businesses. If you do not have one already, contact the COMMBUYS Help Desk to set up a COMMBUYS buyer account for your organization: (888)-627-8283 or [COMMBUYS@mass.gov](mailto:COMMBUYS@mass.gov).

### PCI Compliance

PCI Data Security Standard (DSS) is a mandatory compliance program of the major credit card associations to create common industry security requirements for cardholder data. The PCI DSS is a multifaceted security standard that includes requirements for security management, policies, procedures, network architecture, software design, and other critical protective measures. PCI Compliance is required for all Commonwealth entities conducting electronic commerce, regardless of merchant level, channel, or method. This section provides information about our approach in meeting this challenge.

When accepting credit cards, each Commonwealth entity operates as a "merchant" or "submerchant". If your entity accepts electronic payments via any means (e.g., mail, mobile, cashier window, swipe terminal, kiosk, telephone, or the web), then adherence to these standards is mandatory under payment card brand rules and current Comptroller policy. For more details on the joint Comptroller/ITD policy, see the [Payment Collection Data Security Policy](#).

The primary focus of the PCI standards is to help merchants and submerchants (in our case, Commonwealth entities) improve the safekeeping of electronic payments information by tightening overall security. This overall review reduces the chances of experiencing security breaches, fraud, and potential catastrophic financial losses, penalties, and loss of trust in Commonwealth public facing applications. Merchants found to be non-compliant with the respective security requirements may be subject to substantial fines and penalties. More information about PCI Compliance can be found at <https://www.pcisecuritystandards.org/>.

PRF56designatedOSC is the statewide contract procured to provide consulting, validation, and network scanning services to Commonwealth entities. The contract consists of five qualified vendors: Qualified Security Assessors (QSAs), Approved Scanning Vendors (ASVs), and Non-PCI Data Security Audits. For details on this contract, go to [www.CommBuys.com](http://www.CommBuys.com) and search for PRF56designatedOSC or Master Blanket Purchase Order

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PO-14-1079-1079C-1079C-00000001430. It is of the utmost importance that citizens feel secure about transacting business with the Commonwealth. The PCI Compliance initiative enables us to ensure that we are doing all we can to protect our constituents' sensitive payment data.

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# Contract User Guide for PRF59ADesignatedOSC

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## Strategic Sourcing Team Members

- Tim O'Neill, CTR
- Patricia Davis, CTR
- Brian Devine, DOE
- Beth Pellegrini, DOT
- Sarah Johnson, SCA
- Ajay Saini, DPH
- Bill Conroy, DOR
- Jackie Harris, EHS

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