

State of Nebraska (State Purchasing Bureau)
**REQUEST FOR PROPOSAL
FOR CONTRACTUAL SERVICES FORM**

RETURN TO:
State Purchasing Bureau
301 Centennial Mall South, 1st Fl
Lincoln, Nebraska 68508
OR
P.O. Box 94847
Lincoln, Nebraska 68509-4847
Phone: 402-471-2401
Fax: 402-471-2089

SOLICITATION NUMBER	RELEASE DATE
RFP Number 2508Z1	May 30, 2008
OPENING DATE AND TIME	PROCUREMENT CONTACT
August 29, 2008; 2:00 p.m. Central Time	Mary Lanning

This form is part of the specification package and must be signed and returned, along with proposal documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska, Department of Administrative Services, Materiel Division, Purchasing Bureau, is issuing this Request for Proposal, RFP Number 2508Z1 for the purpose of selecting a qualified contractor to provide Purchasing Card Services.

Written questions are due no later than July 2, 2008, and should be submitted via e-mail to matpurc@notes.state.ne.us. Written questions may also be sent by facsimile to (402) 471-2089.

Bidder should submit one (1) Original and six (6) copies of the entire proposal. In the event of any inconsistencies among the proposals, the language contained in the Original proposal shall govern. Proposals must be submitted by the proposal due date and time.

PROPOSALS MUST MEET THE REQUIREMENTS OUTLINED IN THIS REQUEST FOR PROPOSAL TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

1. Proposals must be received in State Purchasing by the date and time of proposal opening indicated above. NO late proposals will be accepted. NO fax, voice, or telephone proposals will be accepted.
2. This form "REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES" MUST be manually signed, in ink, and returned by the proposal opening date and time along with your proposal and any other requirements as specified in the Request for Proposal in order to be considered for an award.
3. It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows:
<http://www.das.state.ne.us/materiel/purchasing/>

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request for Proposal For Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies that they maintain a drug free work place environment.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

TABLE OF CONTENTS

REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES FORM.....	i
TABLE OF CONTENTS	ii
GLOSSARY OF TERMS	v
I. SCOPE OF THE REQUEST FOR PROPOSAL	1
A. SCHEDULE OF EVENTS	1
II. PROCUREMENT PROCEDURES	2
A. PROCURING OFFICE AND CONTACT PERSON	2
B. GENERAL INFORMATION	2
C. COMMUNICATION WITH STATE STAFF	2
D. NOTIFICATION OF INTENT TO BID	3
E. WRITTEN QUESTIONS AND ANSWERS	3
F. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS	3
G. SUBMISSION OF PROPOSALS	4
H. PROPOSAL OPENING	5
I. LATE PROPOSALS	5
J. REJECTION OF PROPOSALS	5
K. EVALUATION	5
L. EVALUATION COMMITTEE	6
M. MANDATORY REQUIREMENTS	6
N. REFERENCE CHECKS	6
O. FOREIGN CORPORATION, CERTIFICATE OF AUTHORITY	7
P. NONRESIDENT CONTRACTOR, REGISTRATION; CONTRACT, REGISTRATION; EXEMPTIONS	7
Q. VIOLATION OF TERMS AND CONDITIONS	8
III. TERMS AND CONDITIONS	9
A. GENERAL	9
B. AWARD	9
C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION	10
D. PERMITS, REGULATIONS, LAWS	10
E. OWNERSHIP OF INFORMATION AND DATA	10
F. INSURANCE REQUIREMENTS	11
G. COOPERATION WITH OTHER CONTRACTORS	12
H. INDEPENDENT CONTRACTOR	12
I. CONTRACTOR RESPONSIBILITY	13
J. CONTRACTOR PERSONNEL	13
K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION	13
L. CONFLICT OF INTEREST	14
M. PROPOSAL PREPARATION COSTS	14
N. ERRORS AND OMISSIONS	14

O.	BEGINNING OF WORK	14
P.	ASSIGNMENT BY THE STATE	14
Q.	ASSIGNMENT BY THE CONTRACTOR	14
R.	DEVIATIONS FROM THE CONTRACT	14
S.	GOVERNING LAW	14
T.	ATTORNEY'S FEES	15
U.	ADVERTISING	15
V.	STATE PROPERTY	15
W.	SITE RULES AND REGULATIONS	15
X.	NOTIFICATION	15
Y.	EARLY TERMINATION	16
Z.	FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS	16
AA.	BREACH BY CONTRACTOR	17
BB.	ASSURANCES BEFORE BREACH	17
CC.	PERFORMANCE BOND	17
DD.	LIQUIDATED DAMAGES	17
EE.	FORCE MAJEURE	19
FF.	PAYMENT	19
GG.	INVOICES	19
HH.	AUDIT REQUIREMENTS	19
II.	TAXES	20
JJ.	INSPECTION AND APPROVAL	20
KK.	CHANGES IN SCOPE/CHANGE ORDERS	20
LL.	LIMITATION OF LIABILITY	20
MM.	SEVERABILITY	20
NN.	CONFIDENTIALITY	20
OO.	PROPRIETARY INFORMATION	21
PP.	CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING	21
QQ.	PRICES	21
RR.	BEST AND FINAL OFFER	22
SS.	ETHICS IN PUBLIC CONTRACTING	22
TT.	INDEMNIFICATION	22
UU.	NEBRASKA TECHNOLOGY ACCESS STANDARDS	23
VV.	ANTITRUST	23
WW.	DISASTER RECOVERY/BACK UP PLAN	23
XX.	TIME IS OF THE ESSENCE	23
YY.	DRUG POLICY	23
IV.	PROJECT DESCRIPTION AND SCOPE OF WORK	24
A.	PROJECT OVERVIEW	25
B.	PROJECT ENVIRONMENT	25
C.	BUSINESS REQUIREMENTS	25
D.	PROJECT & TECHNICAL REQUIREMENTS	26
*If any costs are associated with the 1099 reporting (TR-15.1 & TR- 15.2) or TR - 15.3, fees/cost must be disclosed in the 1099 Cost Proposal (Attachment A)		36
E.	PERFORM IMPLEMENTATION	38

F.	PROVIDE POST IMPLEMENTATION SUPPORT	38
G.	DELIVERABLES	38
V.	PROPOSAL INSTRUCTIONS.....	39
A.	TECHNICAL PROPOSAL	39
B.	COST PROPOSAL REQUIREMENTS.....	43
FORM A.....		44
NOTIFICATION OF INTENT TO BID		44
Exhibit 1.....		45
Exhibit 2.....		47
Attachment A 1099 Cost Proposal		48
Attachment B Cost Proposal - Required Rebate Schedule		49
Attachment C Cost Proposal - Alternative Rebate Schedules/ Conversion Bonus		51

GLOSSARY OF TERMS

Acceptance Test Procedure: Benchmarks and other performance criteria, developed by the State of Nebraska or other sources of testing standards, for measuring the effectiveness of products or services and the means used for testing such performance.

Addendum: Something added or to be added.

Agency: Any State agency, board, or commission other than the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any officer or agency established by the Constitution of Nebraska.

Agent: A person authorized by a superior or organization to act on their behalf.

Amend: To alter or change by adding, subtracting, or substituting. A contract can be amended only by the parties participating in the contract. If the contract is written, it can be amended only in writing.

Amendment: Written correction or alteration.

Appropriation: Legislative authorization to expend public funds for a specific purpose. Money set apart for a specific use.

Award: All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

Bid: The executed document submitted by a bidder in response to a Request for Proposal.

Bid Bond: A bond given by a surety on behalf of the bidder to ensure that the bidder will enter into the contract and is retained by the State from the date of the bid opening to the date of contract signing.

Bidder: Any person or entity submitting a competitive bid in response to a solicitation.

Business: Any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other private legal entity.

Calendar Day: Every day shown on the calendar, Saturdays, Sundays and holidays included.

Card Issuer: A financial institution that issues card.

Cardholder: Employee, who makes purchase, reconciles monthly statements.

Collusion: A secret agreement or cooperation between two or more persons or entities to accomplish a fraudulent, deceitful or unlawful purpose.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Confidential Information: Unless otherwise defined below, “Confidential Information” shall also mean proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Nebraska Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide.

Contract: An agreement between two or more persons to perform a specific act or acts.

Contract Award: A document prepared by State Purchasing and the State Treasurer’s Office that details the estimated transaction volume to be processed and fees that will be paid for the duration of the contract per state agency utilizing services under the Contract awarded thru this RFP.

Contractor: Any person or entity that supplies goods and/or services.

Contract For Services: Any contract that directly engages the time or effort of an independent contractor whose purpose is to perform an identifiable task, study, or report rather than to furnish an end item of supply, goods, equipment, or material.

Conversion Period: A period of time not to exceed six (6) months, during which the State converts to a new Operating System under “Conversion” as per this RFP.

Copyright: A grant to a writer/artist that recognizes sole authorship/creation of a work and protects the creator’s interest(s) therein.

CPU: Any computer or computer system that is used by the State to store, process, or retrieve data or perform other functions using Operating Systems and applications software.

Critical Program Error: Any Program Error, whether or not known to the State, which prohibits or significantly impairs use of the Licensed Software as set forth in the documentation and intended in the Contract.

Default: The omission or failure to perform a contractual duty.

Documentation: The user manuals and any other materials in any form or medium customarily provided by the Contractor to the users of the Licensed Software which will provide the State with sufficient information to operate, diagnose, and maintain the Licensed Software properly, safely, and efficiently.

Evaluation Committee: A committee (or committees) appointed by the requesting agency that advises and assists the procuring office in the evaluation of proposals.

Evaluation of Proposal: The process of examining a proposal after opening to determine the bidder’s responsibility, responsiveness to requirements, and to ascertain other characteristics of the proposal that relate to determination of the successful bidder.

Extension: A provision, or exercise of a provision, of a contract that allows a continuance of the contract (at the option of the State of Nebraska) for an additional time according to contract conditions. Not to be confused with “Renewals.”

Financial Institution: A Financial Institution pursuant to Section 77-2301 R.R.S..

Fiscal Year: A fiscal year that runs from July 1st of one calendar year to June 30th of the next calendar year.

Implementation Plan: A comprehensive plan describing the timeline and steps necessary to implement and rollout the project for participating agencies.

Installation Date: The date when the procedures described in “Installation by Contractor, and Installation by State”, as found in the RFP, are completed.

Late Proposal: A proposal received at the place specified in the solicitation after the date and time designated for all proposals to be received.

Licensed Software: Any and all software and documentation by which the State acquires or is granted any rights under the Contract.

Mandatory: Required, compulsory or obligatory.

Merchant: An entity that accepts payment cards as payment for goods and services.

Module: A collection of routines and data structures that perform a specific function of the Licensed Software.

Must: Required, compulsory or obligatory.

Operating System: The control program in a computer that provides the interface to the computer hardware and peripheral devices, and the usage and allocation of memory resources, processor resources, input/output resources, and security resources.

Outsourcing: Acquiring computing or related services from a source outside of the State of Nebraska which may include programming and/or executing the State’s Licensed Software on the State’s CPU’s, programming, and/or executing the State’s programs and Licensed Software on the Contractor’s CPU’s or any mix thereof.

Outsourcing Company: A company that provides Outsourcing Services under Contract to the State.

Performance Bond: A bond given by a surety on behalf of the Contractor to ensure the timely performance of a Contract.

Platform: A specific hardware and Operating System combination that is different from other hardware and Operating System combinations to the extent that a different version of the Licensed Software product is required to execute properly in the environment established by such hardware and Operating System combination.

Pre-Proposal Conference: A meeting scheduled for the purpose of providing clarification regarding a Request for Proposal and related expectations.

Product: A module, a system, or any other software-related item provided by the Contractor to the State.

Program Error: Code in Licensed Software which produces unintended results or actions, or which produces results or actions other than those described in the specifications. A program error includes, without limitation, any “Critical Program Error.”

Program Set: The group of programs and products, including the Licensed Software specified in the RFP, plus any additional programs and products licensed by the State under the Contract for use by the State.

Project: The total of all software, documentation, and services to be provided by the Contractor under this Contract.

Proposal: The executed document submitted by a bidder in response to a Request for Proposal.

Proprietary Information: Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive.

Protest: A complaint about a governmental action or decision related to a Request for Proposal or the resultant Contract, brought by a prospective bidder, a bidder, a Contractor, or other interested party to Materiel Division or another designated agency with the intention of achieving a remedial result.

Public Proposal Opening: The process of opening proposals, conducted at the time and place specified in the Request for Proposal, and in the presence of anyone who wishes to attend.

Qualified Purchasing Card Agent (QPCA): A card organization (for example, MasterCard, or Visa--not the issuing organizations), which provides the system for payment card transactions. A QPCA would apply to the IRS for that designation; once approved as a QPCA, the organization would be authorized to do TIN solicitation and matching for the cardholders/payors. A QPCA "may act directly or indirectly through its members, affiliates, or licensees."

Rebate: A payment based on the quarterly volume of transactions (purchases less returns).

Recommended Hardware Configuration: The data processing hardware (including all terminals, auxiliary storage, communication, and other peripheral devices) to the extent utilized by the State as recommended by the Contractor.

Representative: Includes an agent, an officer of a corporation or association, a trustee, executor or administrator of an estate, or any other person legally empowered to act for another.

Request for Proposal (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals.

Shall: Denotes the imperative, required, compulsory or obligatory.

Solicitation: The process of notifying prospective bidders or offerors that the State of Nebraska wishes to receive proposals for furnishing services. The process may consist of public advertising, posting notices, or mailing Request for Proposals and/or Request for Proposal announcement letter to prospective bidders, or all of these.

Specifications: The information provided by or on behalf of the Contractor that fully describes the capabilities and functionality of the Licensed Software as set forth in any material provided by the Contractor, including the documentation and User's Manuals described herein.

System: Any collection or aggregation of two (2) or more Modules that is designed to function, or is represented by the Contractor as functioning or being capable of functioning as an entity.

Termination: Occurs when either party pursuant to a power created by agreement or law puts an end to the Contract. All obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

Trademark: A distinguishing sign, symbol, mark, word, or arrangement of words in the form of a label or other indication, that is adopted and used by a manufacturer or distributor to designate its particular goods and which no other person has the legal right to use.

Trade Secret: Information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code, or process that; (a) derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (see Neb. Rev. Stat. § 87-502(4)).

Upgrade: Any improvement or change in the Software that improves or alters its basic function.

Vendor: An actual or potential Contractor; a Contractor.

I. SCOPE OF THE REQUEST FOR PROPOSAL

The State of Nebraska, Department of Administrative Services, Materiel Division, Purchasing Bureau (hereafter known as State Purchasing Bureau), is issuing this Request for Proposal, RFP Number 2508Z1 for the purpose of selecting a qualified Contractor to provide Purchasing Card Services for state agencies and all other governmental entities and political subdivisions that wish to participate under the State's contract.

A Contract resulting from this Request for Proposal will be issued for a period of three (3) years effective April 1, 2009 through March 31, 2012 , with the option to renew for two (2) additional one-year (1) periods as mutually agreed upon by all parties.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR PROPOSAL CAN BE FOUND ON THE INTERNET AT: <http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

A. SCHEDULE OF EVENTS

The State expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

ACTIVITY		DATE/TIME
1.	Release Request for Proposal	May 30, 2008
2.	Last Day to Submit Written Questions	July 2, 2008
3.	Last Day to Submit Letter of Intent To Bid	July 2, 2008
4.	State Responds to Written Questions Through Request for Proposal Addendum and/or Amendment to be posted to the Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	July 18, 2008
5.	Proposal Opening Location: Nebraska State Office Building State Purchasing Bureau 301 Centennial Mall South, Mall Level Lincoln, NE 68508	August 29, 2008 2:00 p.m. Central Time
6.	Review for Conformance of Mandatory Requirements	August 29, 2008
7.	Start of Evaluation Period	August 29, 2008
8.	Oral Interviews/Presentations and/or Demonstrations (if required)	TBA
9.	Post Letter of Intent to Contract to Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	November 14, 2008
10.	Submit Performance Bond and/or Certificate of Insurance Mandatory	December 1, 2008
11.	Contract Award	January 19, 2009
12.	Contractor Start Date	April 1, 2009

II. PROCUREMENT PROCEDURES

A. PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the State Purchasing Bureau. The point of contact for the procurement is as follows:

Name: Mary Lanning
Agency: State Purchasing Bureau
Address: 301 Centennial Mall South, Mall Level
Lincoln, NE 68508

OR

Address: P.O. Box 94847
Lincoln, NE 68509
Telephone: 402-471-2401
Facsimile: 402-471-2089
E-Mail: matpurc@notes.state.ne.us

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing Purchasing Card Services which will provide the State a competitive rebate. Proposals that do not conform to the mandatory items as provided in the Proposal Instructions may not be considered.

Proposals shall conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective bidders are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

A Contract will be awarded as a result of this proposal. In addition to the provisions of this Request for Proposal and the awarded proposal, which shall be incorporated by reference in the Contract, any additional clauses or provisions required by the terms and conditions will be included as an amendment to the Contract.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is announced regarding the selection of the Contractor, contact regarding this project between potential Contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.

Once a Contractor is preliminarily selected, as documented in the intent to Contract, that Contractor is restricted from communicating with State staff until a Contract is signed. Violation of this condition may be considered sufficient cause to reject a Contractor's proposal and/or selection irrespective of any other condition.

The following exceptions to these restrictions are permitted:

1. Written communication with the person(s) designated as the point(s) of contact for this Request for Proposal or procurement;
2. Contacts made pursuant to any pre-existing Contracts or obligations;

3. State staff and/or Contractor staff present at the Pre-Proposal Conference when recognized by the State Purchasing Bureau staff facilitating the meeting for the purpose of addressing questions; and
4. State-requested presentations, key personnel interviews, clarification sessions or discussions to finalize a Contract.

Violations of these conditions may be considered sufficient cause to reject a bidder's proposal and/or selection irrespective of any other condition. No individual member of the State, employee of the State, or member of the Evaluation Committee is empowered to make binding statements regarding this Request for Proposal. The buyer will issue any clarifications or opinions regarding this Request for Proposal in writing.

D. NOTIFICATION OF INTENT TO BID

Bidders should hand deliver, return by facsimile, e-mail or delivery by US mail the "Notification of Intent to Bid Form" that accompanies this document (see Form A) to the contact person shown on the cover page of the Request for Proposal Form. This form should be filled out in its entirety and returned no later than the date shown on the Schedule of Events.

It is preferred that Form B, Notification of Intent To Bid, be sent via e-mail to matpurc@notes.state.ne.us, but may be hand delivered, sent via facsimile to 402-471-2089 or delivery by US mail.

E. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a bidder regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to the State Purchasing Bureau and clearly marked "RFP Number 2508Z1; Purchasing Card Services Questions". It is preferred that questions be sent via e-mail to matpurc@notes.state.ne.us. Questions may also be sent by facsimile to 402-471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Mary Lanning, showing the total number of pages transmitted, and clearly marked "RFP Number 2508Z1; Purchasing Card Services Questions".

Bidders should specify/site the exact section of the RFP the question is referencing. (Example: If the bidder had a question about this section, they would site Section II Procurement Procedures, E. Written Questions and Answers.

Written answers will be provided through an addendum to be posted on the Internet at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> on or before the date shown in the Schedule of Events.

F. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

The Evaluation Committee(s) may conclude after the completion of the Technical and Cost Proposal evaluation that oral interviews/presentations and/or demonstrations are required in order to determine the successful bidder. All bidders may not have an opportunity to interview/present and/or give demonstrations. The scores from the oral interviews/presentations and/or demonstrations will be added to the scores from the Technical and Cost Proposals. The presentation process will allow the bidders to demonstrate their proposal offering, demonstrate solutions discussed in their proposals, explaining and/or clarifying any unusual or significant elements related to their proposals. Bidders' key personnel may be requested to participate in a structured interview to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, and their management style and philosophy. Bidders shall not be allowed to alter or amend their proposals. Only representatives of the State and the presenting bidders will be permitted to attend the oral interviews/presentations and/or demonstrations.

Once the oral interviews/presentations and/or demonstrations have been completed the State reserves the right to make a Contract award without any further discussion with the bidders regarding the proposals received.

Detailed notes of oral interviews/presentations and/or demonstrations may be recorded and supplemental information (such as briefing charts, et cetera) may be accepted. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the bidder and will not be compensated by the State.

G. SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the State.

To facilitate the proposal evaluation process, one (1) original, clearly identified as such, and six (6) copies of the entire proposal should be submitted. The copy marked "Original" shall take precedence over any other copies, should there be a discrepancy. Proposals must be submitted by the proposal due date and time. A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. Where applicable, submit electronic documents in the following formats: Microsoft Office (Word, Excel, PowerPoint) or Adobe PDF. Proposals must reference the request for proposal number and be sent to the specified address. Container(s) utilized for original documents should be clearly marked "ORIGINAL DOCUMENTS". Please note that the address label should appear as specified on the face of each container. Regardless of the reason, proposals received late will not be accepted and will be returned to the sender unopened. If a recipient phone number is required for delivery purposes, 402-471-2401 should be used. The request for proposal number must be included in all correspondence.

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the bid. The separate package must be clearly marked "PROPRIETARY" on the outside of the package. Bidders may not mark their entire Request for Proposal as proprietary. Bidder's cost proposals may not be marked as proprietary information. Failure of the bidder to follow the instructions for submitting proprietary and copyrighted information may result in the information being viewed by other bidders and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the bidder's proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is

likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired. Bidders must submit a definitive description of the resources available and other pertinent factors to demonstrate the ability to perform the requested services.

The Technical and Cost Proposals shall be packaged separately (loose-leaf binders are preferred) on standard 8 ½" by 11" paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½" by 11" format. Pages may be consecutively numbered for the entire proposal, or may be numbered consecutively within sections. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text. The Technical Proposal must not contain any reference to dollar amounts. However, information such as data concerning labor hours and categories, materials, subcontracts and so forth, shall be considered in the Technical Proposal so that the bidder's understanding of the scope of work may be evaluated. The Technical Proposal shall disclose the bidder's technical approach in as much detail as possible, including, but not limited to, the information required by the Technical Proposal instructions.

H. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding entities announced on the date, time and location specified in the Schedule of Events. Proposals will be available for viewing after the proposal opening.

I. LATE PROPOSALS

Proposals received after the time and date of the proposal opening will be considered late proposals. Late proposals will be returned to the bidder unopened. The State is not responsible for proposals that are late or lost due to mail service inadequacies, traffic or other similar reasons.

J. REJECTION OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

K. EVALUATION

All responses to this Request for Proposal which fulfill all mandatory requirements will be evaluated. Each category will have a maximum possible point potential. The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. Areas that will be addressed and scored during the evaluation include:

1. The Executive Summary;
2. Corporate Overview shall include but is not limited to;
 - a. The ability, capacity and skill of the bidder to deliver and implement the system or project that meets the requirements of this Request for Proposal;
 - b. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
 - c. Whether the bidder can perform the Contract within the specified time frame;
3. Technical Approach; and
4. Cost Proposal.

Evaluation criteria will become public information at the time of the Request for Proposal opening. Evaluation criteria and a list of respondents will be posted to the State Purchasing Bureau website at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> Evaluation criteria will not be released prior to the proposal opening.

L. EVALUATION COMMITTEE

Proposals will be independently evaluated by members of the Evaluation Committee(s). The committee(s) will consist of staff with the appropriate expertise to conduct such proposal evaluations. Names of the members of the Evaluation Committee(s) will not become public information.

Prior to award, bidders are advised that only the point of contact indicated on the front cover of this Request for Proposal for Contractual Services Form can clarify issues or render any opinion regarding this Request for Proposal. No individual member of the State, employee of the State or member of the Evaluation Committee(s) is empowered to make binding statements regarding this Request for Proposal.

M. MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

1. The signed Request for Proposal for Contractual Services form;
2. Executive Summary;
3. Corporate Overview;
4. Technical Approach; and
5. Cost Proposal.

N. REFERENCE CHECKS

The State reserves the right to check any reference(s), regardless of the source of the reference information, including but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Bidders must submit at least three references from existing Bidder customers. Bidders will not include any more than one reference per corporate or governmental entity. These references must be utilizing the same types of required services requested in this proposal and been a customer for a period of at least 12 months or more. Bidders must not include any State of Nebraska employees in the references. Bidders must include a brief description of services provided for these entities and how long they have been a contractor for the referenced entity. Bidders should specify how they were awarded services (for example: thru competitive bid process, credit relationship, etc.) Please include the reference name, phone number, fax number, government entity name, title, and address.

It is the bidder's responsibility to verify the references willingness to participate in the State RFP process, the reference contact instructions and that the correct entity contact reference name is provided in the RFP response. The State will not contact bidders for additional references. A reference's refusal to participate in the process could cost the Bidder points in the evaluation process.

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: project description and background, job performed, functional and

technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, problems (poor quality deliverables, Contract disputes, work stoppages, et cetera), overall performance, and whether or not the reference would rehire the firm. Only top scoring bidders may receive reference checks and negative references may eliminate bidders from consideration for award.

O. FOREIGN CORPORATION, CERTIFICATE OF AUTHORITY

Neb. Rev. Stat. § 21-20, 168

1. A foreign corporation may not transact business in this state until it obtains a certificate of authority from the Secretary of State.
2. The following activities, among others, shall not constitute transacting business within the meaning of subsection (1) of this section:
 - a. Maintaining, defending, or settling any proceeding;
 - b. Holding meetings of the board of directors or shareholders or carrying on other activities concerning internal corporate affairs;
 - c. Maintaining bank accounts;
 - d. Maintaining offices or agencies for the transfer, exchange, and registration of the corporation's own securities or maintaining trustees or depositaries with respect to those securities;
 - e. Selling through independent contractors;
 - f. Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts;
 - g. Creating or acquiring indebtedness, mortgages, and security interests in real or personal property;
 - h. Securing or collecting debts or enforcing mortgages and security interests in property securing the debts;
 - i. Owning, without more, real or personal property;
 - j. Conducting an isolated transaction that is completed within thirty days and that is not one in the course of repeated transactions of a like nature;
 - k. Transacting business in interstate commerce; or
 - l. Acting as a foreign corporate trustee to the extent authorized under section 30-3820.
3. The list of activities in subsection (2) of this section shall not be construed as exhaustive.
4. The requirements of the Business Corporation Act shall not be applicable to foreign or alien insurers which are subject to the requirements of Chapter 44.

Source:

Laws 1995, LB 109, § 168

Laws 2003, LB 130, § 113

It is the bidders responsibility to ensure their company is in compliance with Statutes. Failure to be properly registered will void any contract award.

P. NONRESIDENT CONTRACTOR, REGISTRATION; CONTRACT, REGISTRATION; EXEMPTIONS.

Neb. Rev. Stat. § 77-3102

1. (1) In order that the State of Nebraska and the political subdivisions thereof may receive all taxes due in every instance, including contributions due under the Employment Security Law, Contractors who are nonresidents of this state, desiring to engage in, prosecute, follow, or carry on the business of contracting within this state shall register with the Tax Commissioner.

2. (2) Each contract to which a nonresident Contractor is a party shall be registered with the Tax Commissioner; PROVIDED, that where the total contract price or compensation to be received is less than twenty-five hundred dollars, the Tax Commissioner may waive the requirements of this subsection.

Source:

Laws 1969, c. 637, § 2, p. 2547

Cross References:

Employment Security Law, see section 48-601

It is the bidders responsibility to ensure their company is in compliance with Statutes. Failure to be properly registered will void any contract award.

Q. VIOLATION OF TERMS AND CONDITIONS

Violation of the terms and conditions contained in this Request for Proposal or any resultant Contract, at any time before or after the award, shall be grounds for action by the State which may include, but is not limited to, the following:

1. Rejection of a bidder's proposal;
2. Suspension of the bidder from further bidding with the State for the period of time relative to the seriousness of the violation, such period to be within the sole discretion of the State.

III. TERMS AND CONDITIONS

By signing the "Request for Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions and certifies it maintains a drug free work place.

Vendors are expected to closely read the Terms and Conditions and provide a binding signature of intent to comply with such terms and conditions. Additionally, bidder must clearly identify by subsection number, any exceptions to the terms and conditions and include an explanation as to why the bidder cannot comply with the specific term and condition and a statement recommending terms and conditions the bidder would find acceptable. Rejection of these terms and conditions may be cause for rejection of a bidder's proposal.

A. GENERAL

The Contract resulting from this Request for Proposal shall incorporate the following documents:

1. The signed Request for Proposal form;
2. The original Request for Proposal document;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The Contractor's Proposal;
5. Any Contract Amendments, in order of significance; and
6. Contract Award.

Unless otherwise specifically stated in a Contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) the Contract award (as defined in Section III. TERMS AND CONDITIONS, B. AWARD), 2) Contract amendments with the latest dated amendment having the highest priority, 3) Request for Proposal addenda and/or amendments with the latest dated amendment having the highest priority, 4) the original Request for Proposal, 5) the signed Request for Proposal form, 6) the Contractor's proposal, and 7) alternative terms and conditions proposed by the selected bidder that are accepted by the State.

Any remaining uncertainty or ambiguity shall not be interpreted against either party because such party prepared any portion of the Contract, but shall be interpreted according to the application of rules of interpretation of Contracts generally.

Once proposals are opened they become the property of the State of Nebraska and will not be returned.

B. AWARD

All purchases, leases, or Contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part, and at its discretion, may withdraw or amend this Request for Proposal at any time. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State. This Request for Proposal does not commit the State to award a Contract. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended.

By submitting a proposal in response to this Request for Proposal, the bidder grants to the State the right to contact or arrange a visit in person with any or all of the bidder's clients.

The Contract Award is a document prepared by State Purchasing and the State Treasurer's Office that details the estimated transaction volume to be processed and fees that will be paid for the duration of the contract per state agency utilizing services under the Contract awarded through this RFP.

Once an intent to award decision has been determined, it will be posted to the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

Grievance and protest procedure is available on the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/rfpmanual/rfpmanual.htm>

Any protests must be filed by a vendor within ten (10) calendar days after the intent to award decision is posted to the Internet.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION

The Contractor shall comply with all applicable local, State and Federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin (Neb. Rev. Stat. § 48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of Contract. The Contractor shall insert a similar provision in all subcontracts for services to be covered by any Contract resulting from this Request for Proposal.

D. PERMITS, REGULATIONS, LAWS

The Contractor shall procure and pay for all permits, licenses and approvals necessary for the execution of the Contract. The Contractor shall comply with all applicable local, state, and federal laws, ordinances, rules, orders and regulations.

E. OWNERSHIP OF INFORMATION AND DATA

The State of Nebraska shall have the unlimited right to publish, duplicate, use and disclose all information and data developed or derived by the Contractor pursuant to this Contract.

The Contractor must guarantee that it has the full legal right to the materials, supplies, equipment, and other rights or titles (e.g. rights to licenses transfer or assign deliverables) necessary to execute this Contract. The Contract price shall, without exception, include compensation for all royalties and costs arising from patents, trademarks and copyrights that are in any way involved in the Contract. It shall be the responsibility of the Contractor to pay for all royalties and costs, and the State must be held harmless from any such claims.

F. INSURANCE REQUIREMENTS

The Contractor shall not commence work under this Contract until he or she has obtained all the insurance required hereunder and such insurance has been approved by the State. The Contractor shall not allow any subcontractor to commence work on his or her subcontract until all similar insurance required of the subcontractor has been obtained and approved by the State (or Contractor). Approval of the insurance by the State shall not limit, relieve or decrease the liability of the Contractor hereunder.

If by the terms of any insurance a mandatory deductible is required, or if the Contractor elects to increase the mandatory deductible amount, the Contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

1. WORKERS' COMPENSATION INSURANCE

The Contractor shall take out and maintain during the life of this Contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the Contractors' employees to be engaged in work on the project under this Contract and, in case any such work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. Where applicable, this policy shall provide USL&H coverage. This policy shall include a waiver of subrogation in favor of the State. The amounts of such insurance shall not be less than the limits stated hereinafter.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The Contractor shall take out and maintain during the life of this Contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Contractor and any subcontractor performing work covered by this Contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under this Contract, whether such operation be by the Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury and Contractual Liability coverage. The policy shall include the State, political subdivisions, government entities and others as required by the Contract Documents as an Additional Insured. This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered excess and non-contributory. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned and Hired vehicles.

3. INSURANCE COVERAGE AMOUNTS REQUIRED

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

b. COMMERCIAL GENERAL LIABILITY

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 any one person
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Fire Damage	\$50,000 any one fire
Medical Payments	\$5,000 any one person

c. COMMERCIAL AUTOMOBILE LIABILITY

Bodily Injury/Property Damage	\$1,000,000 combined single limit
-------------------------------	--------------------------------------

d. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance	\$1,000,000 per occurrence
------------------------	----------------------------

4. EVIDENCE OF COVERAGE

The Contractor shall furnish the State, at the opening date and time specified in the RFP, a certificate of insurance coverage complying with the above requirements, which shall be submitted to the Department of Administrative Services, Risk Management Division at 521 S. 14th Street, Suite 104, Lincoln, NE 68508 or by facsimile 402-471-2800. These certificates or the cover sheet shall reference the Contract number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

G. COOPERATION WITH OTHER CONTRACTORS

The State may already have in place or choose to award supplemental Contracts for work related to this Request for Proposal, or any portion thereof.

1. The State reserves the right to award the Contract jointly between two or more potential Contractors, if such an arrangement is in the best interest of the State.
2. The Contractor shall agree to cooperate with such other Contractors, and shall not commit or permit any act which may interfere with the performance of work by any other Contractor.

H. INDEPENDENT CONTRACTOR

It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The Contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under the Contract. The Contractor's employees and other persons engaged in work or services required by the Contractor under the Contract shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the Contractor, its officers or its agents) shall in no

way be the responsibility of the State. The Contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits from the State including without limit, tenure rights, medical and hospital care, sick and vacation leave, severance pay or retirement benefits.

I. CONTRACTOR RESPONSIBILITY

The Contractor is solely responsible for fulfilling the Contract, with responsibility for all services offered and products to be delivered as stated in the Request for Proposal, the Contractor's proposal, and the resulting Contract. The Contractor shall be the sole point of contact regarding all contractual matters.

If the Contractor intends to utilize any subcontractors' services, the subcontractors' level of effort, tasks and time allocation must be clearly defined in the Contractor's proposal. The Contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal, in the performance of the Contract, without the prior written authorization of the State. Following execution of the Contract, the Contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the Contract.

J. CONTRACTOR PERSONNEL

The Contractor warrants that all persons assigned to the project shall be employees of the Contractor or specified subcontractors, and shall be fully qualified to perform the work required herein. Personnel employed by the Contractor to fulfill the terms of the Contract shall remain under the sole direction and control of the Contractor. The Contractor shall include a similar provision in any Contract with any subcontractor selected to perform work on the project.

Personnel commitments made in the Contractor's proposal shall not be changed without the prior written approval of the State. Replacement of key personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

The State reserves the right to require the Contractor to reassign or remove from the project any Contractor or subcontractor employee.

In respect to its employees, the Contractor agrees to be responsible for the following:

1. Any and all employment taxes and/or other payroll withholding;
2. Any and all vehicles used by the Contractor's employees, including all insurance required by state law;
3. Damages incurred by Contractor's employees within the scope of their duties under the Contract;
4. Maintaining workers' compensation and health insurance and submitting any reports on such insurance to the extent required by governing State law; and
5. Determining the hours to be worked and the duties to be performed by the Contractor's employees.

Notice of cancellation of any required insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION

The Contractor shall not, at any time, recruit any State employee or agent who has worked on the Request for Proposal or project, or who had any influence on decisions affecting the Request for Proposal or project, throughout the duration of the project.

L. CONFLICT OF INTEREST

By submitting a proposal, bidder certifies that there does not now exist any relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this Request for Proposal or project.

The Contractor certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or appearance of conflict of interest.

The bidder also certifies that no person having any such known interests or whose employment would be or appear to be a conflict of interest shall be employed during the performance of the Contract.

M. PROPOSAL PREPARATION COSTS

The State shall not incur any liability for any costs incurred by bidders in replying to this Request for Proposal, in the demonstrations, or oral presentations, or in any other activity related to bidding on this Request for Proposal.

N. ERRORS AND OMISSIONS

The bidder shall not take advantage of any errors and/or omissions in this Request for Proposal or resulting Contract. The bidder must promptly notify the State of any errors and/or omissions that are discovered.

O. BEGINNING OF WORK

The bidder shall not commence any billable work until a valid Contract has been fully executed by the State and the successful Contractor. The Contractor will be notified in writing when work may begin.

P. ASSIGNMENT BY THE STATE

The State shall have the right to assign or transfer the Contract or any of its interests herein to any agency, board, commission, or political subdivision of the State of Nebraska. There shall be no charge to the State for any assignment hereunder.

Q. ASSIGNMENT BY THE CONTRACTOR

The Contractor may not assign the Contract or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party including as part of the sale in whole or part of the Contractor's operations or entity, and the Contract may not be involuntarily assigned or assigned by operation of law, without the prior written consent of the State, in the sole exercise of its discretion.

R. DEVIATIONS FROM THE CONTRACT

The requirements contained in the Request for Proposal become a part of the terms and conditions of the Contract resulting from this Request for Proposal. Any deviations from the Request for Proposal must be clearly defined by the bidder in its proposal and, if accepted by the State, will become part of the Contract. Any specifically defined deviations must not be in conflict with the basic nature of the Request for Proposal or mandatory requirements. The State discourages deviations and reserves the right to reject proposed deviations.

S. GOVERNING LAW

The Contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State of Nebraska regarding this Request for Proposal or any resultant Contract shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The Contractor must be in compliance with all Nebraska statutory and regulatory law.

T. ATTORNEY'S FEES

In the event of any litigation, appeal or other legal action to enforce any provision of the Contract, the Contractor agrees to pay all expenses of such action, including attorney's fees and costs, at all stages of said litigation as set by the hearing officer or court if the State is the prevailing party.

U. ADVERTISING

The Contractor agrees not to refer to the Contract award in advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

V. STATE PROPERTY

The Contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the Contractor's use during the performance of the Contract. The Contractor shall reimburse the State for any loss or damage of such property, normal wear and tear is expected.

W. SITE RULES AND REGULATIONS

The Contractor shall use its best efforts to ensure that its employees, agents and subcontractors comply with site rules and regulations while on State premises. If the Contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the Contractor.

X. NOTIFICATION

After the award of the Contract, all notices under the Contract shall be deemed duly given upon delivery to the staff designated as the point of contact for this Request for Proposal, in person, or upon delivery by U.S. Mail, facsimile, or e-mail. Each bidder shall provide in its proposal the name, title and complete address of its designee to receive notices.

1. Except as otherwise expressly specified herein, all notices, requests or other communications shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) days following deposit in the mail.
2. Whenever the Contractor encounters any difficulty which is delaying or threatens to delay its timely performance under the Contract, the Contractor shall immediately give notice thereof in writing to the State reciting all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the State of any of its rights or remedies to which it is entitled by law or equity or pursuant to the provisions of the Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

Either party may change its address for notification purposes by giving notice of the change, and setting forth the new address and an effective date.

Y. EARLY TERMINATION

The Contract may be terminated as follows:

1. The State and the Contractor, by mutual written agreement, may terminate the Contract with 90 days written notice.
2. The State, in its sole discretion, may terminate the Contract for any reason upon 30 days written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the Contract. In the event of cancellation the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the Contract immediately for the following reasons:
 - a. If directed to do so by statute;
 - b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;
 - c. A trustee or receiver of the Contractor or of any substantial part of the Contractor's assets has been appointed by a court;
 - d. Fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the Contract by its Contractor, its employees, officers, directors or shareholders;
 - e. An involuntary proceeding has been commenced by any party against the Contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) days; or (ii) the Contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Contractor has been decreed or adjudged a debtor;
 - f. A voluntary petition has been filed by the Contractor under any of the chapters of Title 11 of the United States Code;
 - g. Contractor intentionally discloses confidential information;
 - h. Contractor has or announces it will discontinue support of the deliverable;
 - i. Second or subsequent documented "vendor performance report" as accepted by the State Purchasing Bureau.
4. In case of termination of this contract, the calculation of the rebate will be determined as set forth in the language in Section V. PROPOSAL INSTRUCTION, B. COST PROPOSAL REQUIREMENTS, 2. COST PROPOSAL- PURCHASE CARD REBATE, paragraph 2

Z. FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS

The State may terminate the Contract, in whole or in part, in the event funding is no longer available. The State's obligation to pay amounts due for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds for the Contract. Should said funds not be appropriated, the State may terminate the Contract with respect to those payments for the fiscal years for which such funds are not appropriated. The State will give the Contractor written notice thirty (30) days prior to the effective date of any termination, and advise the Contractor of the location (address and room number) of any related equipment. All obligations of the State to make payments after the termination date will cease and all interest of the State in any related equipment will terminate. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

AA. BREACH BY CONTRACTOR

The State may terminate the Contract, in whole or in part, if the Contractor fails to perform its obligations under the Contract in a timely and proper manner. The State may, by providing a written notice of default to the Contractor, allow the Contractor to cure a failure or breach of Contract within a period of thirty (30) days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the Contractor time to cure a failure or breach of Contract does not waive the State's right to immediately terminate the Contract for the same or different Contract breach which may occur at a different time. In case of default of the Contractor, the State may Contract the service from other sources and hold the Contractor responsible for any excess cost occasioned thereby.

BB. ASSURANCES BEFORE BREACH

If any document or deliverable required pursuant to the Contract does not fulfill the requirements of the Request for Proposal/resulting Contract, upon written notice from the State, the Contractor shall deliver assurances in the form of additional Contractor resources at no additional cost to the project in order to complete the deliverable, and to ensure that other project schedules will not be adversely affected.

CC. PERFORMANCE BOND

The selected Contractor will be required to supply a certified check or a bond executed by a corporation authorized to Contract surety in the State of Nebraska, payable to the State of Nebraska, which shall be valid for the life of the Contract to include any renewal and/or extension periods. The amount of the certified check or bond must be an established dollar amount of \$100,000. The check or bond will guarantee that the selected Contractor will faithfully perform all requirements, terms and conditions of the Contract. Failure to comply shall be grounds for forfeiture of the check or bond as liquidated damages. Amount of forfeiture will be determined by the agency based on loss to the State. The bond or certified check will be returned when the service has been satisfactorily completed.

DD. LIQUIDATED DAMAGES

The States and the Contractor agree that actual damages from a failure to perform certain requirements in any contract executed pursuant to this RFP are difficult to accurately estimate, that there has been a reasonable effort by parties to fix the compensation that is due under the contracts, and that it is possible to identify an amount of liquidated damages for the failure to perform those requirements that is proportionate to the actual damages that State would anticipate as a result of the failure.

In lieu of actual damages the State and the Contractor shall agree to a schedule of fees for failure to perform certain requirements in any contract executed pursuant to this RFP.

The following required schedule of liquidated damages in the form of fees for failure to perform certain requirements in the contract resulting from this RFP.

These fees are categorized as follows:

Standard	\$500 per day
High	\$1,000 per day
Critical	\$1,500 per day

Liquidated damages may be charged by the State under this paragraph for each day or partial day the Contractor has failed to perform or comply with certain requirements in the contract resulting from this RFP, other than failures caused by State or circumstances beyond the control of Contractor or its agents (natural disasters, etc.).

1. Unresolved requirements:

- a.** All Standard and High category requirements will move to Critical level of liquidated damages if not resolved within 48 hours after notification to the Contractor.
- b.** All Critical category requirements will double in liquidated damages payment if not resolved within 24 hours after notification to the Contractor.

2. Purchasing Card Services

a. Required Reporting

Within five business days of Contractor being notified by the State, reports have not been provided, the Contractor will make available the required reporting to the State or the contractor will pay liquidated damages.

Category: Standard

b. Purchasing card transaction text file

Upon being notified by a State representative that the State was not able to able to download/retrieve the purchasing card transaction text file, the Contractor will either resolve the situation within 48 hours (excluding weekends and holidays) after notification so that the State representative can retrieve/download the purchasing card transaction text file or pay liquidated damages.

Category: High

c. Transaction Authorization

Upon being notified by a State representative that the State cardholders were not able to utilize issued and authorized cards due to Contractor system failure, the Contractor will either resolve the situation within 24 hours after notification so that the State cardholders can use their cards for purchase and transactions are authorized or pay liquidated damages. This excludes instances where the merchant does not accept cards for payment, card association system failures, and III. Terms and Conditions, EE. Force Majeure.

Category: Critical

d. Rebate Remittance

Upon being notified by a State Representative by email that the State has not received the rebate due the State, the Contractor will either resolve the situation within 72 business hours after notification from the State so that the State has received the rebate or pay liquidated damages.

Category: Critical

- e. Failure to meet required Technical Requirements detailed in the RFP
Upon being notified by a State Representative by email that the selected bidder has failed to meet mandatory Technical Requirements detailed in the RFP, the bidder cure the situation within 7 business days or pay liquidated damages until the selected bidder is able to meet the required Technical Requirements.

Category: High

As to any liquidated damages owing hereunder, Contractor will pay liquidated damages to State by the tenth (10th) Business Day of the month following the month that the damages were incurred.

The State Treasurer, at his/her discretion, may waive a liquidated damage payment.

EE. FORCE MAJEURE

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the Contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the Contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The State may grant relief from performance of the Contract if the Contractor is prevented from performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the Contractor. To obtain release based on a Force Majeure Event, the Contractor shall file a written request for such relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the Contract.

FF. PAYMENT

The State hereby agrees, in consideration of the covenants and agreements specified to be kept and performed by the Contractor, to pay to the Contractor when the terms and conditions of the Contract and charge card transactions have been properly submitted on the part of the Contractor to the satisfaction of the State. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. § 81-2401 through 81-2408). The State will require the Contractor to accept payment by electronic means such as ACH deposit for any 1099 services utilized under this RFP.

GG. INVOICES

Charge card transactions must be submitted by the Contractor to the agency requesting the services with sufficient detail to support payment. The terms and conditions included in the Contractor's billing shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such billing shall be binding upon the State, and no action by the State, including without limitation the payment of any such billing in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the billing terms or conditions have been previously agreed to by the State as an amendment to the Contract. Billing for any 1099 services provided in conjunction with the services provided in this RFP must be submitted with sufficient detail to support payment.

HH. AUDIT REQUIREMENTS

All Contractor books, records and documents relating to work performed, rebate calculations or monies received under the Contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by the State. These records shall be maintained for a period of five (5) full years from the date of final payment, or until all issues related to an audit,

litigation or other action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles.

In addition to, and in no way in limitation of any obligation in the Contract, the Contractor shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the Contract for which an exception has been taken or which has been disallowed because of such an exception. The Contractor agrees to correct immediately any material weakness or condition reported to the State in the course of an audit.

II. TAXES

The State is not required to pay taxes of any kind and assumes no such liability as a result of this solicitation. Any property tax payable on the Contractor's equipment which may be installed in a state-owned facility is the responsibility of the Contractor.

JJ. INSPECTION AND APPROVAL

Final inspection and approval of all work required under the Contract shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where the Contractor or subcontractor duties under the Contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

KK. CHANGES IN SCOPE/CHANGE ORDERS

The State may, at any time with written notice to the Contractor, make changes within the general scope of the Contract. Changes in scope shall only be conducted with the written approval of the State's project coordinator. (The State retains the right to employ the services of a third party to perform any change order(s)).

Corrections of any deliverable services or performance of work required pursuant to the Contract shall not be deemed a modification requiring a change order.

LL. LIMITATION OF LIABILITY

The Contractor agrees that there will be no limitation to the Contractor's liability under the Contract.

MM. SEVERABILITY

If any term or condition of the Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

NN. CONFIDENTIALITY

All materials and information provided by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information. All materials and information provided by the State or acquired by the Contractor on behalf of the State shall be handled in accordance with Federal and State Law, and ethical standards. The Contractor must ensure the confidentiality of such materials or information.

It is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable to Contractors by 5 U.S.C. 552a (m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established

thereunder and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

OO. PROPRIETARY INFORMATION

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the proposal. The separate package must be clearly marked PROPRIETARY on the outside of the package. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

PP. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING

By submission of this proposal, the bidder certifies, that he or she is the party making the foregoing proposal that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in the proposal are true; and further that the bidder has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

QQ. PRICES

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made or the Request for Proposal is cancelled. The rebate offered in this RFP should be consistent with those offered to other States.

Contractor also represents and warrants that the rebate structure and 1099 service pricing set forth in the Contract does not and will not violate any existing federal, state or municipal law or regulations concerning price discrimination and/or price fixing. Contractor agrees to hold the State harmless from any such violation. 1099 Service pricing and any other prices quoted shall not be subject to increase throughout the Contract period unless specifically allowed by these specifications.

RR. BEST AND FINAL OFFER

The State will compile the final scores for each proposal, technical and cost. The award may be granted to the highest scoring responsive and responsible bidder. Alternatively, the highest scoring bidder or bidders may be requested to submit best and final offers. If best and final offers are requested by the State and submitted by the bidder, they will be evaluated (using the stated criteria), scored and ranked by the Evaluation Committee. The award will then be granted to the highest scoring bidder. However, a bidder should provide its best offer in its original proposal. Bidders should not expect that the State will request a best and final offer.

SS. ETHICS IN PUBLIC CONTRACTING

No bidder shall pay or offer to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or anything of value to any State officer, legislator or employee based on the understanding that the receiving person's vote, actions or judgment will be influenced thereby. No bidder shall give any item of value to any employee of the State Purchasing Bureau.

Bidders shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure the Contract. It is the intent of this provision to assure that the prohibition of state contact during the procurement process is not subverted through the use of lobbyists, attorneys, political activists, or consultants. It is the intent of the State that the process of evaluation of proposals and award of the Contract be completed without external influence. It is not the intent of this section to prohibit bidders from seeking professional advice, for example consulting legal counsel, regarding terms and conditions of this Request for Proposal or the format or content of their proposal.

If the bidder is found to be in non-compliance with this section of the Request for Proposal, they may forfeit the Contract if awarded to them or be disqualified from the selection process.

TT. INDEMNIFICATION

1. GENERAL

The Contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials (Indemnified Parties) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature; including investigation costs and expenses, settlement costs, and attorney fees and expenses (Claims), sustained or asserted against the State arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, subcontractors, consultants, representatives, and agents, provided the Contractor shall not be liable hereunder to indemnify the State against liability for damages arising out of bodily injury to people or damage to property caused by or resulting from the gross negligence or willful misconduct of the State, its agents, or employees.

2. INTELLECTUAL PROPERTY

The Contractor agrees it will at its sole cost and expense, defend, indemnify, and hold harmless the Indemnified Parties from and against any and all Claims, to the extent such Claims arise out of, result from, or are attributable to the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the Contractor prompt notice in writing of the Claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

3. JUDGMENT

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any Intellectual Property for which the Contractor has indemnified the State, the Contractor shall at the Contractor's sole cost and expense promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this RFP.

4. PERSONNEL

The Contractor shall, at its expense, indemnify and hold harmless the Indemnified Parties from and against any Claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Contractor.

UU. NEBRASKA TECHNOLOGY ACCESS STANDARDS

Contractor shall review the Nebraska Technology Access Standards, found at <http://www.nitc.state.ne.us/standards/accessibility> and ensure that products and/or services provided under the Contract comply with the applicable standards. In the event such standards change during the Contractor's performance, the State may create an amendment to the Contract to request that Contract comply with the changed standard at a cost mutually acceptable to the parties.

VV. ANTITRUST

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this Contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

WW. DISASTER RECOVERY/BACK UP PLAN

The Contractor shall have a disaster recovery and back-up plan which includes, but is not limited to equipment, personnel, facilities, and transportation in order to continue services as specified under these specifications in the event of a disaster.

XX. TIME IS OF THE ESSENCE

Time is of the essence in this Contract. The acceptance of late performance with or without objection or reservation by the State shall not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

YY. DRUG POLICY

Contractor certifies that it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

IV. PROJECT DESCRIPTION AND SCOPE OF WORK

The State Treasurer is requesting proposals for purchasing card services for state agencies and all other governmental entities and political subdivisions located in the State of Nebraska that wish to participate under the States' contract. The State has 1,142 purchasing cards being utilized by State agencies under the current State contract, which charged \$9,766,509.40 in calendar year (CY) 2007. Non-state governmental entities and political subdivisions utilizing services under the current state contract have 312 cards being utilized. Bidders may reference Exhibit #1 for detailed spending information by participating State agencies and the other entities utilizing services under the current contract. The State intends to expand the purchasing card program. It is expected that State vendors unable to accept Automated Clearing House (ACH) payments will be asked to accept Purchasing Cards for payment in order to further reduce state warrant (check) issuance.

State of Nebraska Agencies, the University of Nebraska and the State College System, as well as any other entity of county or municipal government, may utilize services under this contract. There are 93 counties and 530 cities, in addition to other non-state governmental subdivisions that could potentially utilize purchasing cards under the State of Nebraska contract or by contract addendum at the completion of this RFP. It is expected that this higher volume will result in a pricing and rebate schedule that takes this into account. It will be the responsibility of the selected contractor to contact the cities, counties and other non-state governmental subdivisions regarding the potential to participate under the contract. Each municipality, county or other governmental/political subdivision wishing to utilize services under this RFP will establish a contractual relationship with the selected bidder by signing a contract addendum to the State's contract and negotiate business and technical requirements according to their specific needs. Bidders should include a sample format of the contract addendum for adding participating political subdivisions/non-state governmental to the State Contract Award. The State will work with the selected bidder and the non-state governmental entity/political subdivision to finalize the contract addendum documents. Alternative terms and conditions conflicting with the RFP & State law should not be proposed in the contract addendum.

The State makes no representation that any state agency, municipality, county or other non-state governmental subdivision will choose to engage these services as a result of this RFP. The combined bidding of all services to State agencies eliminates the need for additional procurements by individual state agencies. All figures listed in the RFP represent a historical count of transactions processed by the State and non-state governmental entities and political subdivisions under the current State contract. These figures are not a guarantee of future transaction counts. Figures are provided for the benefit of bidders in the development of their proposals.

If an entity submits a RFP response in conjunction with other subcontractors, the primary bidder should understand they are responsible for all work that is assigned to their partner vendors under this RFP.

State objectives of this RFP include:

- 1.** To provide State agencies utilizing purchasing card services with expanded opportunities to utilize purchasing cards as a payment alternative to issuing State of Nebraska Treasury Warrants for payment.
- 2.** To offer multiple levels of non-state government entities/political subdivisions an opportunity to utilize the same State service providers, thereby benefiting from the overall volume of card usage throughout the State and development of a rebate schedule that takes into account the combined higher volumes.
- 3.** To contract with a vendor that will provide current and emerging technologies as available in the Purchasing Card industry.

4. To provide transaction reporting as needed by the state agencies, the Nebraska Department of Administrative Services and other entities utilizing services under this RFP.

A. PROJECT OVERVIEW

The State is interested in expanding the use of the purchasing card program in order to reduce the number of state treasury warrants (checks) issued in addition to qualifying for a rebate.

Bidders should review past transaction and dollar volume detailed in Exhibit 1 when preparing their response.

The State Treasurer's Office will manage the contract resulting from this RFP on behalf of State agencies. The purchasing card program administration at the State level will be handled by the Nebraska Administrative Services – State Accounting Division.

Each state agency has a designated Purchasing Card Agency Coordinator. The agency coordinator is responsible for initially approving all new card applications for their agency staff and setting spending limits. The agency coordinator also notifies the State Purchasing Card Program Administrator (referred to as "Program Administrator") when cards need to be issued, cancelled or changes made to a cardholders set up. The Program Administrator will have final approval of all card issuance.

B. PROJECT ENVIRONMENT

It will be the responsibility of the contractor to contact the cities, counties and other non-state governmental subdivisions regarding the potential to participate under the contract resulting from this RFP.

Bidders must review and acknowledge their ability to work with all entities wishing to utilize services under this RFP including those listed in Exhibit #1 and other state agencies and political/non-state governmental subdivisions that would be eligible to participate in the contract(s) resulting from this RFP.

C. BUSINESS REQUIREMENTS

Bidders must acknowledge agreement and ability to comply with all business requirements listed.

1. All bidders are responsible to research Nebraska State Statutes for their legal responsibilities when doing business with the State. A list of State Statutes is provided below and others are provided in this RFP. This is not all inclusive to the legal requirements of the selected contractor.

Neb.Rev.Stat. § 81-118.02—State Purchasing Card Program

Neb.Rev.Stat. § 81-1110.06 – State Purchasing Card Distributive Fund

Neb.Rev.Stat. §48-1122—Prohibition of Discrimination

Neb.Rev.Stat § 73-205(3)—Technology Access Standards

Neb.Rev.Stat § 73-506(2)—Service contracts with unspecified or unlimited duration

Neb.Rev.Stat § 73-506(1)—The State cannot pay for deliverables not received

Neb.Rev.Stat § 81-2401 to 81-2408—Prompt Payment Act

Nebraska State Constitution, Article XIII, § 3—prohibits indemnification and limitations of liability

Alternative Terms and Conditions that are in violation of or conflict with Nebraska State Statutes, this RFP document or the Nebraska State Constitution will be rejected by the State.

2. The bidder must be a member of Visa and/or MasterCard Card Associations.
3. Annual Report
The contractor is required to provide an annual report for the period 07/1 to 06/30 to the Nebraska State Treasurer's Office for all transactions and dollar volume processed under the contract and any addendums resulting from this RFP. The report will be due August 1st of each year. The report will include the following information: transaction counts, annual volume (sales less returns), and number of cards issued per entity (per state agency or other eligible entity) utilizing services under the contracts resulting from this RFP.

This report can be either emailed or mailed to:

Email: tmstaff@treasurer.org
Mail: Nebraska State Treasurer's Office
Attn: Treasury Management Director
P.O. Box 94788
State Capitol, RM 2005
Lincoln, NE 68509
4. The contractor may not sell or use any cardholder information, including names and addresses, for purposes other than those agreed upon in writing with the State Treasurer's Office. If any cardholder data is compromised, the contractor is required to immediately notify the State Treasurer and the State Program Administrator.
5. The primary bidder must be a Financial Institution or owned by a financial institution pursuant to Section 77-2301 R. R. S.

D. PROJECT & TECHNICAL REQUIREMENTS

Bidders must acknowledge agreement and ability to comply with all Project & Technical Requirements listed. Bidders must indicate if the solution proposed in the RFP response is customized or provided by a third-party. Bidders should indicate if proposed custom solutions listed in the RFP response are currently being utilized in a live environment. Bidders must detail any third-party subcontractors performing any functions, such as systems or customer support.

Bidders should provide screen prints in applicable sections of the requirements in order to assist the state during the evaluation process. Bidders are welcome to provide a CD demo or links to demos of proposed solutions included in their proposal responses.

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
TR - 1 Card Format and Design					
1.1	The contractor is required to provide a card designed specifically and exclusively for the State of Nebraska State Purchasing Card Program. Each plastic card issued shall, at a minimum: 1. Display on the face of the card, the name "State of Nebraska" and a logo selected by the State on the face of the card. The current logo is the Nebraska State Capitol. 2. Display on the face of the card, the phrase "For Official Use Only." 3. Have embossed on the face of the card, the phrase "NE State Sales Tax Exempt." 4. Have embossed on the face of the card, the name of the state employee to whom the card is issued. 5. Display on the back of the card, the Bidder's toll-free "customer service" phone number.				
Response:					
1.2	The cards must contain no reference to Automatic Teller machine (ATM) machine usage.				
Response:					
1.3	The Card shall be VISA or MasterCard branded. The bidder should detail the card branding.				
Response:					
1.4	The State requires the contractor meet all federal laws and regulations and card association industry standards, rules and requirements.				
Response:					
TR - 2 Card Issuance and Enrollment					
2.1	The Program Administrator requires the ability to order new or replacement cards from an on-line secure website. Bidders should provide screen prints of the card order/cancellation system.				
Response:					
2.2	The bidder's on-line card enrollment system must capture the following information (in order to pass information in the text electronic files. Name of the cardholder, Address, City, State, Zip Code, phone number, agency name, State agency business unit social security number (if required by bidder), State agency name, credit limit (monthly), single purchase limit) and birth date (if required by bidder).				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
Response:					
2.3	The bidder may not deny card issuance to any cardholder approved by the state for set up, unless required by federal or state law or a card association age restriction. The Contractor may not require or complete a credit line approval process or perform a credit check on an employee or an entity participating in the purchasing card program resulting from this RFP.				
Response:					
2.4	The bidder will include a brief description of the card distribution process including issuance timeframes. The State requires that any issued cards be mailed directly to the Program Administrator. The bidder must include a sample card carrier that is mailed along with the newly or reissued purchasing cards.				
Response:					
2.5	The bidder will discuss their ability to assist the State or other entities participating in this contract if a disaster should occur. The State is interested in utilizing emergency issued purchasing cards in the event of a declared disaster. The State and the bidder will establish agreed upon procedures for the use of the emergency issued cards.				
Response:					
2.6	Bidders will detail how often cards are reissued. Please describe any notice of card reissuance supplied to the Program Administrator prior to re-issuance, how far in advance is that information supplied. The State requires that replacement cards be mailed directly to the Program Administrator.				
Response:					
2.7	The bidder should detail how cardholder data (social security number, date of birth, etc.) are protected against a hacking or theft by internal staff? Are security background checks required of employees viewing this type of data? If a security background check is completed, bidders will detail the type of background check completed. Has the bidder's cardholder enrollment data ever been compromised either by data compromise, hacking or internal employee theft/compromise?				
Response:					
2.8	Should a breach of confidentiality occur as a result of an unauthorized disclosure by a person employed by the bidder, or by a subcontractor, the Contractor shall hold harmless the State of Nebraska or any entity utilizing services under this RFP, and its departments and personnel. The Contractor must assume total financial liability associated with any breach of confidentiality. The contractor is required to disclose any compromise of cardholder data to the entities utilizing services under this RFP.				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
Response:					
2.9	Bidders should detail their ability to open a purchasing card account that does not require the issuance of a plastic card. Describe the set up process and how quickly can the account be set up. Indicate how the non-plastic card number is relayed to the account holder and the Program Administrator.				
Response:					
TR - 3 Card Acceptance					
3.1	The contractor will provide a VISA or MasterCard branded Purchasing Card to be utilized for the purchase of goods or services at merchants nationally and internationally. The card must be able to be used for card present, internet and over-the-phone transactions.				
Response:					
3.2	The contractor's purchasing card program shall not allow cash advances.				
Response:					
3.3	The contractor shall have and operate an established program to recruit new businesses for inclusion in the purchasing card program. When notified by a cardholder that the contractor's card is not accepted by a particular business, the contractor shall contact such business and attempt to include the business as an entity that will accept the contractor's card.				
Response:					
TR - 4 Purchasing Card Program Administration					
4.1	The contractor's purchasing card program shall allow for the Program Administrator or his/her designee to specify (as set forth by the requesting state agency coordinator), but not limited to the following information, on a per card basis: a. Single transaction dollar limits for each cardholder of either \$2,000 or \$5,000. b. Monthly transaction credit limit per cardholder of either \$10,000 or \$25,000. NOTE: If the single transaction limit is \$2,000, the monthly credit limit is \$10,000. If the single transaction limit is \$5,000, the monthly credit limit is \$25,000. Currently, airline fare expenditures can only be made with cards that have a single transaction limit of \$5,000 and a monthly credit limit of \$25,000.				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
Response:					
4.2	Bidders will describe the process of changing Merchant Card Code (MCC) access and describe how quickly this process can take place. MCC changes are required to be able to be changed for an individual card. Bidder must indicate their ability to accept these changes in real-time.				
Response:					
4.3	The Program Administrator or his/her designee, upon request by a state agency, shall require the contractor to make changes to the cardholder's account which may include but are not limited to: card expenditure limits, transaction limits, purchase restrictions (add/restrict MCC codes), cardholder billing address and phone number, and termination or non-renewal of a cardholder's account. Bidders are required to detail the options available to make account changes, including: electronic options for requesting changes, controls in place to ensure that only authorized changes are made, and time frames from change request to change enactment.				
Response:					
4.4	The Contractor shall provide the State with a customized text transaction data extract file for upload into the State's Accounting System. Files are required to be transmitted or available on-line at least monthly. The delivery timeframes and method must be agreeable to the Program Administrator or his/her designee. The required format is detailed in Exhibit 2 of this RFP. Currently, two separate files/transmissions are required for the State of Nebraska (one file for all cardholders from the NE Department of Roads and a separate file for all other state agencies). Describe your ability to recreate files that may have been corrupted or lost.				
Response:					
4.5	The contractor shall provide selective card controls in accordance with the terms of the contractor's proposal to the State. Such controls must include at a minimum: single purchase dollar limits and monthly cycle dollar limits. The Bidder must detail their controls.				
Response:					

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
4.6	The State shall not be liable for any purchase or charge authorized after receipt of notice of termination or cancellation of a Purchasing Card by the State Purchasing Program Administrator or his/her designee.				
Response:					
4.7	The State shall not be liable for any purchase or charge incurred after notification by the Program Administrator or his/her designee that the Purchasing Card was reported lost or stolen.				
Response:					
4.8	Cards issued under this program must have the ability to have different single transaction/monthly limits as set forth by the Program Administrator or his/her designees per the request of the state agency coordinator.				
Response:					
4.9	The State requires a contract addendum to be signed by the State Treasurer, the selected bidder and any governmental entity/political subdivision interested in utilizing services under the contract awarded thru this RFP. The contractor is required to have all contract addendums signed and a signed copy provided to all parties prior to work being started. Fax 402-471-0816 attn: Treasury Management Director Email: tmstaff@treasurer.org Mail: Nebraska State Treasurer's Office Attn: Treasury Management Director P.O. Box 94788 State Capitol, RM 2005 Lincoln, NE 68509				
Response:					
TR - 5 Customer Service for Cardholders					
5.1	The bidder will detail their procedures for lost, stolen, or compromised cards, including: the ways to notify the bidder (letter, toll-free telephone number, fax number, email), time frame for card cancellation after notification, time frame for mailing a replacement card after notification, average time to obtain a replacement card and how the bidder would handle urgent card replacement (when required).				
Response:					

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
5.2	The contractor will provide a toll-free customer service line and established policies and procedures to handle lost or stolen payment cards and assist cardholders with card issues. The customer service line will be available at no cost to the State or its Cardholders and it shall be available 24 hours a day, 365 days a year. Bidders must detail the types of inquires handled by their customer-service numbers.				
Response:					
TR - 6 Billing Statements					
6.1	The State requires the contractor to send at least, a monthly statement of charges to each cardholder and to the Program Administrator within 5 business days after each statement cycle closes. The bidder should indicate whether they have the ability to make monthly statements available online to individual cardholders and the ability to email statements to individual cardholders.				
Response:					
6.2	The State is interested in cardholders being able to access monthly activity via an online contractor run web-based program reporting solution. State agencies are interested in being able to export both PDF and CSV reports on transaction activity. Bidders should detail any solutions they have available and provide samples of the reports.				
Response:					
6.3	Bidders must detail the billing cycles available.				
Response:					
6.4	The bidder must indicate if they have the ability to set up a state agency/division hierarchy for statement viewing that would allow a state agency coordinator or their designee to view all/or certain purchasing card transaction activity online. Authority for the hierarchy set up would be at the discretion of the Program Administrator.				
Response:					
6.5	The contractor will list the sales tax separately for each transaction on the cardholder billing statement, if tax was charged and the information was passed thru during the authorization process. The State finds this listing of sales tax useful in situations where the cardholder was erroneously charged sales tax				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
	and the state must request a refund. If the bidder does not have the ability to print sales tax on the billing statements, the bidder is required to propose an alternative solution.				
Response:					
TR - 7 Reporting					
7.1	The contractor should have minimum 90 days on-line data retention. Bidders should detail the lengths of on-line data retention available.				
Response:					
7.2	Bidders must describe how their entity handles system upgrades. The bidder should detail technical support available during setup or upgrades.				
Response:					
7.3	Multiple State users must be able to access the on-line system simultaneously. Bidders should detail any limit to the number of users the State can have assigned to the Bidder's system.				
Response:					
7.4	Bidders must detail the ability for reports to be generated for various time frames or accounting periods. Describe the inquiry and ad hoc reporting capabilities of your reporting package.				
Response:					
7.5	Bidders must describe current software/hardware requirements to be able to access internet/online solutions and any PC based applications offered in the RFP response and specify the required Windows version.				
Response:					
TR - 8 Fee Requirements for Purchasing Card					
8.1	The contractor shall not charge fees for the purchasing card program, implementation or any of the services detailed in the RFP or the contractor's RFP response.				
Response:					
8.2	Unless otherwise specified, the contractor shall furnish all necessary labor, forms, equipment, supplies, written or visual aides, literature, and related information to perform the services required in this RFP at no cost to the State of Nebraska and its employees.				
Response:					

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
8.3	The contractor's purchasing card program shall have no interest or carrying charges on balances less than forty-five (45) days old.				
Response:					
8.4	The contractor's purchasing card program shall have no interest or carrying charges for purchases/charges in dispute.				
Response:					
TR - 9 Transaction Dispute Process/Reconciliation					
9.1	Bidders must detail their process and time requirements regarding dispute transactions indicating the responsibilities of the parties involved. Bidders should indicate if cardholders accounts are suspended during a transaction dispute. Bidders are required to include copies of the forms required to be completed in cases of transaction disputes.				
Response:					
9.2	Indicate if the bidder has the ability for cardholders/the State to match a credit to the original transaction.				
Response:					
TR - 10 Other					
10.1	Can the bidder reproduce lost charge slips? Is there a charge for retrieving these slips? What is the typical turn around time for providing copies of charge slips?				
Response:					
10.2	List any services related to requirements in this RFP that your entity has outsourced in the past 24 months and provide an explanation for the decision to outsource these services. If the bidder has outsourced any services, state how long has the vendor provided these services to the Bidder? Bidders will discuss any anticipated changes in these relationships and how that would affect the State.				
Response:					
10.3	Describe any situation where the bidder has been fined by any Card Association for a violation of rules or regulations that was not caused by a customer.				
Response:					
10.4	Bidders must acknowledge their willingness to participate in State Treasurer sponsored education and banking expo sessions for State agencies or entities eligible to participate under state contracts. This could include attending multiple sessions to make State agencies aware of different services available through State banking business partners.				
Response:					

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
10.5	The State requires the contractor to work cooperatively for an orderly and seamless transition should a new service provider be selected in a future RFP. The bidder will provide a business reference (including entity name, phone number, program service dates) for a program that has been transitioned to a new service provider.				
Response:					
10.6	Bidders should detail performance/services qualities that are measured. Indicate how often these are measured and whether or not the bidder provides any reporting to its clients.				
Response:					
10.7	Describe the approach the bidder is taking in the development of new services. If the State or an entity utilizing services under this RFP were to request enhancements, describe the prioritization process for such request. Describe the types of enhancements have been completed in the last 12 months.				
Response:					
TR - 11 Fraud Prevention					
11.1	The contractor shall monitor, identify and alert the Program Administrator of potentially fraudulent transactions. The bidder will detail fraud prevention, monitoring and detection mechanisms utilized. Describe the circumstances in which the State is alerted of potentially fraudulent transactions detected by the contractor. Indicate if the bidder contacts the cardholder regarding suspicious activity.				
Response:					
11.2	Describe Card Association programs/services are available to protect or cover the cards being issued under this RFP. Describe card association programs the bidder participates in that will protect the State against loss.				
Response:					
TR - 12 Data Capture					
12.1	Bidders should detail their ability to provide detailed data on spending information. Bidders should provide the levels of data available to entities using services under this contract. Indicate how the detailed data can be retrieved and what formats are available.				
Response:					
TR - 13 Disaster Recovery					
13.1	In the case of a disaster, describe solutions for all types of services utilized in the scope of this RFP can the bidder provide to assist the State.				
Response:					
13.2	Describe how often the Bidder's disaster recovery plan is tested and, how quickly the bidder can begin operations. Bidders will provide detailed information regarding how quickly and efficiently the entity will be able to operate and what steps are taken to test the plan.				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
Response:					
13.3	Indicate if the contractor has ever implemented the disaster recovery plan. How long was the disaster recovery solution implemented for? How quickly was the bidder operational following the disaster?				
Response:					
TR - 14 Settlement Terms					
14.1	The contractor is required to accept all payments made by the State of Nebraska by Automated Clearing House (ACH) for the term of the contract. The required enrollment form is included as an additional RFP attachment. The ACH enrollment must be completed by the selected bidder and provided to the state prior to final contract award.				
Response:					
TR - 15 New Services					
*If any costs are associated with the 1099 reporting (TR-15.1 & TR- 15.2) or TR - 15.3, fees/cost must be disclosed in the 1099 Cost Proposal (Attachment A).					
15.1	*Bidders should detail what services they have developed in other state/governmental programs to assist with IRS 1099 – Misc information reporting, can be any custom reports available and the frequency of the reporting. Indicate if such reports can be customized by accounting period, format (CSV, PDF, and HTML), transaction type (debit or credit), merchant category and describe method of retrieval.				
Response:					
15.2	*Indicate if the bidder is a participant in the Qualified Purchasing Card Agent (QPCA) program thru the Internal Revenue Services. Bidders should detail the ability in conjunction with QPCA, to provide the State or other entities utilizing services under this RFP, an annual file with accurate and up-to-date identification and amount of payment to vendors with whom the State of Nebraska transacts purchasing card purchases that are classified as 1099 reportable vendors.				
Response:					
15.3	Bidders should describe any purchasing card pilot program participation and/or unique program features provided by their entity that the State should consider in relation to services detailed in this RFP.				
Response:					
TR - 16 Rebate					
16.1	For any entity that participates in contracts resulting from this RFP, the volume of purchases from the entities shall be incorporated into the State of Nebraska's rebate calculation.				

Req#	Project & Technical Requirements	Comply	Unable to comply	(a) Custom	(b) 3 rd Party
Response:					
16.2	Bidders are required to utilize the rebate schedule provided in the cost proposal of the RFP (Attachment B). Bidders are not to deviate from that schedule. Bidders may propose alternative rebate schedules in Attachment C in addition to completing required Attachments A & B.				
Response:					
16.3	Within fifteen (15) business days after the end of each quarter, the contractor shall either overnight a rebate check to the following location or shall make electronic payment by Automated Clearing House (ACH) to the Nebraska Department of Administrative Services. The bidder will notify the state of the rebate amount in advance of remittance of the rebate if sent by ACH either by fax or email. Mail: Department of Administrative Services Attn: State Accounting Administrator P.O. Box 94664 State Capitol, RM 1309 Lincoln, NE 68509 Fax: 402-471-0816 attn: Treasury Management Director Email: tmstaff@treasurer.org				
Response:					
16.4	For any rebate amount applicable to a participating non-state governmental agency or political subdivision, the rebate shall be paid directly to the State of Nebraska as per TR 16.3 and Neb.Rev.Stat. § 81-1110.06 – State Purchasing Card Distributive Fund.				
Response:					

E. PERFORM IMPLEMENTATION

1. Bidders must provide a detailed description of the implementation process, including a detailed test plan and implementation schedule. The State has multiple state agencies that will be a part of the implementation process.
2. Please state the average lead time needed for implementation of a government contract. Describe the critical factors that may impact the lead time. The State expects the contract resulting from this RFP to be completed in 45 calendar days. If a contract cannot be completed due to unresponsive terms, the State may elect to award to the next qualified bidder. Describe the resources the bidder will make available to complete contracts in a timely basis in order that contract implementation will begin and be completed within 45 days after RFP award.
3. Describe the resources that the bidder will provide during implementation, including training (in person, over the phone, user manuals, or web based), technical support, or on-site visits/State Agency implementation meetings. State what staff the bidder will assign as the implementation team or manager. Describe the training materials to be provided.
4. Bidders must not propose any implementation costs.

F. PROVIDE POST IMPLEMENTATION SUPPORT

1. Describe the resources that the bidder will provide for post implementation, including services requested in the RFP scope of work, technical support or on-site visits.
2. Indicate if your organization provides a newsletter or email covering industry issues, rules and regulations updates and how often that is distributed/published.
3. Describe any on-going training that will be made available as upgrades or system changes occur.

G. DELIVERABLES

Bidder will provide a copy of all agreements that are required to initiate all services listed in this RFP. Bidders submitting agreements with terms conflicting with State law and/or Section III. Terms and Conditions understand that alternative terms and conditions can be rejected by the State. Rejection or non-compliance of the RFP terms and conditions and/or State law may be cause for rejection of the bidder alternative terms and conditions and/or of a bidder's proposal.

V. PROPOSAL INSTRUCTIONS

This section documents the mandatory requirements that must be met by bidders in preparing the Technical and Cost Proposal. Bidders should identify the subdivisions of "Project Description and Scope of Work" clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the State's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions:

A. TECHNICAL PROPOSAL

The Technical Proposal shall consist of four (4) sections:

1. The SIGNED "State of Nebraska Request for Proposal for Contractual Services" form;
2. Executive Summary;
3. Corporate Overview; and
4. Technical Approach.

1. REQUEST FOR PROPOSAL FORM

By signing the "Request for Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the Terms and Conditions stated in this Request for Proposal and certifies they maintain a drug free work place.

The Request for Proposal for Contractual Services form must be signed in ink and returned by the stated date and time in order to be considered for an award.

2. EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the solution being proposed by the bidder in such a way as to provide the Evaluation Committee with a broad understanding of the Contractor's Technical Proposal.

Bidders must present their understanding of the problems being addressed by implementing a new system, the objectives and intended results of the project, and the scope of work. Bidders shall summarize how their Technical Proposal meets the requirements of the Request for Proposal, and why they are best qualified to perform the work required herein.

3. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal must consist of the following subdivisions:

a. BIDDER IDENTIFICATION AND INFORMATION

The bidder must provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the bidder is incorporated or otherwise organized to do business, year in which the bidder first organized to do business, whether the name and form of organization has changed since first organized, and Federal Employer Identification Number and/or Social Security Number.

b. FINANCIAL STATEMENTS

The bidder must provide financial statements applicable to the firm. If publicly held, the bidder must provide a copy of the corporation's most recent audited

financial reports and statements, and the name, address and telephone number of the fiscally responsible representative of the bidder's financial or banking organization.

If the bidder is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information must be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm must provide a banking reference. The State will accept a reference for a non-publicly held firm from an appropriate representative from one of the following: the primary regulatory agency overseeing the non-publicly held firm, the Federal Reserve or a Visa / MasterCard Card Association compliance officer.

The bidder must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or state that no such condition is known to exist.

The bidder is required to detail the effect the sub-prime mortgage crisis will have on the bidder's financial statements.

c. CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated/committed to during the twelve (12) months following the proposal due date, the bidder must describe the circumstances of such change and indicate when the change will likely occur. Any change of ownership to an awarded vendor(s) will require notification to the State. Bidders must detail any expected impact on the services requested in this RFP.

d. OFFICE LOCATION

The bidder's office location responsible for performance pursuant to an award of a Contract with the State of Nebraska must be identified.

e. RELATIONSHIPS WITH THE STATE

The bidder shall describe any dealings with the State over the previous five (5) years. If the organization, its predecessor, or any party named in the bidder's proposal response has contracted with the State, the bidder shall identify the Contract number(s) and/or any other information available to identify such Contract(s). If no such Contracts exist, so declare.

f. BIDDER'S EMPLOYEE RELATIONS TO STATE

If any party named in the bidder's proposal response is or was an employee of the State within the past twelve (12) months, identify the individual(s) by name, State agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the bidder or is a subcontractor to the bidder, as of the due date for proposal submission, identify all such persons by name, position held with the bidder, and position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after

review of this information by the State, it is determined that a conflict of interest exists or may exist, the bidder may be disqualified from further consideration in this proposal. If no such relationship exists, so declare.

g. CONTRACT PERFORMANCE

If the bidder or any proposed subcontractor has had a Contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the bidder's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the bidder, or litigated and such litigation determined the bidder to be in default.

It is mandatory that the bidder submit full details of all termination for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the bidder's position on the matter. The State will evaluate the facts and will score the bidder's proposal accordingly. If no such termination for default has been experienced by the bidder in the past five (5) years, so declare.

If at any time during the past five (5) years, the bidder has had a Contract terminated for convenience, non-performance, non-allocation of funds, or any other reason which termination occurred before completion of all obligations under the initial Contract provisions, describe fully all such termination including the name and address of the other contracting party, and the circumstances surrounding the termination. If no such early termination has occurred, so declare.

h. SUMMARY OF BIDDER'S CORPORATE EXPERIENCE

The bidder shall provide a summary matrix listing the bidder's previous projects similar to this Request for Proposal in size, scope and complexity. The State will use no more than three (3) narrative project descriptions submitted by the bidder during its evaluation of the proposal.

The bidder must address the following:

- i.** Bidder must provide narrative descriptions to highlight the similarities between their experience and this Request for Proposal. These descriptions must include:
 - a)** the time period of the project;
 - b)** the scheduled and actual completion dates;
 - c)** the Contractor's responsibilities;
 - d)** for reference purposes, a customer name (including the name of a contact person, a current telephone number, a facsimile number and e-mail address); and
 - e)** each project description shall identify whether the work was performed as the prime Contractor or as a subcontractor. If a bidder performed as the prime Contractor, the description must provide the originally scheduled completion date and budget, as well as the actual (or currently planned) completion date and actual (or currently planned) budget.
 - f)** If your entity is the selected bidder, the State reserves the right to look at the rebate schedule for these programs.

- ii. Contractor and subcontractor(s) experience must be listed separately. Narrative descriptions submitted for subcontractors must be specifically identified as subcontractor projects.
- iii. If the work was performed as a subcontractor, the narrative description shall identify the same information as requested for the Contractors above. In addition, subcontractors shall identify what share of Contract costs, project responsibilities, and time period were performed as a subcontractor.

i. **SUMMARY OF BIDDER'S PROPOSED PERSONNEL/MANAGEMENT APPROACH**

The bidder must present a detailed description of its proposed approach to the management of the project.

The bidder must identify the specific professionals who will work on the State's project if their company is awarded the Contract resulting from this Request for Proposal. The names and titles of the team proposed for assignment to the State project shall be identified in full, with a description of the team leadership, interface and support functions, and reporting relationships. The primary work assigned to each person should also be identified.

The bidder shall provide resumes for all personnel proposed by the bidder to work on the project. The State will consider the resumes as a key indicator of the bidder's understanding of the skill mixes required to carry out the requirements of the Request for Proposal in addition to assessing the experience of specific individuals.

Resumes must not be longer than three (3) pages. Resumes shall include, at a minimum, academic background and degrees, professional certifications, understanding of the process, and at least three (3) references (name, address, and telephone number) who can attest to the competence and skill level of the individual.

Bidders shall list all industry-related associations or organizations of which your company is a member or in which it has direct representation. Bidders should include any company's representation on MasterCard or Visa's boards or committees.

j. **SUBCONTRACTORS**

If the bidder intends to subcontract any part of its performance hereunder, the bidder must provide:

- a. name, address and telephone number of the subcontractor(s);
- b. specific tasks for each subcontractor(s);
- c. percentage of performance hours intended for each subcontract; and
- d. total percentage of subcontractor(s) performance hours.

i. **TECHNICAL APPROACH**

The technical approach section of the Technical Proposal must consist of the following subsections.

1. Understanding of the Project Requirements;
2. Proposed Development Approach;
3. Technical Considerations;
4. Detailed Project Work Plan; and Deliverables and Due Dates.

B. COST PROPOSAL REQUIREMENTS

This section describes the requirements to be addressed by bidders in preparing the Cost Proposal. The bidder must submit the Cost Proposal in a section of the proposal that is separate section or is packaged separately as specified in this RFP from the Technical Proposal section.

The component costs of the fixed price proposal for providing the services set forth in the Request for Proposal must be provided by submitting forms substantially equivalent those described below.

1. FORM 1099 COST PROPOSAL

This summary shall present the total fixed price to perform all of the requirements of the Request for Proposal relating to Form 1099 reporting.

The bidder must include details in the Cost Proposal supporting any and all costs. These details must include, at a minimum, detailed descriptions and/or specifications of the goods and/or services to be provided, quantities, and timing and unit costs, if applicable. The bidder must complete Attachment A.

2. COST PROPOSAL – PURCHASE CARD REBATE

No direct fees are permitted in determining the amount of the rebate the State and other political subdivisions may earn as a result of the use of purchasing cards under this contract. The bidder must complete Attachment B, indicating the percentage to be paid.

In case of termination of this contract, the calculation of the rebate in the quarter of termination from the beginning of the quarter until the date of termination (Final Quarter Period) shall be computed as determined in Attachment B, except that the rebate shall be calculated as follows:

the Quarterly Volume (for determining the rebate amount) shall equal the actual volume for the Final Quarter Period times 90 divided by the actual number of days in the Final Quarter Period. The applicable percentage from Attachment B shall then be applied to the actual volume in the Final Quarter Period. The final rebate payment for such Final Quarter Period, and any other outstanding rebates owed, shall be made within thirty (30) days of the date of termination.

The State reserves the right to review all aspects of the Cost Proposal for reasonableness and to request clarification of any proposal where the cost component shows significant and unsupported deviation from industry standards or in areas where detailed pricing is required.

FORM A

NOTIFICATION OF INTENT TO BID

REQUEST FOR PROPOSAL NUMBER 2508Z1

Bidder Name:	
Bidder Address:	
Contact Person:	
E-mail Address:	
Telephone Number:	
Fax Number:	

Notification of Intent to Bid should be submitted to the State Purchasing Bureau via e-mail (matpurc@notes.state.ne.us), facsimile (402-471-2089), hand delivered or US Mail by the date specified in the Schedule of Events.

Exhibit 1

The following is dollar volume processed by state agency under the State wide purchasing card contract for calendar year 2004 to calendar year 2007. Past volume is not indicative of future activity level.

Purchasing Card dollar volume CY 2004 -CY 2007				
Agency	CY 2004	CY 2005	CY 2006	CY 2007
Aeronautics	\$15,844.33	\$12,339.15	\$15,462.32	\$17,811.05
Agriculture	\$0.00	\$0.00	\$0.00	\$196.57
Arts Council	\$3,904.42	\$7,719.78	\$9,936.91	\$9,655.66
Attorney General	\$23,828.73	\$35,585.04	\$55,508.93	\$49,880.52
Banking and Finance	\$4,317.84	\$3,982.39	\$16,492.74	\$22,862.73
Blind Commission	\$18,518.34	\$9,974.59	\$17,555.55	\$24,539.81
Board of Eng. & Arch.	\$0.00	\$0.00	\$8,661.48	\$5,207.82
Brand Commission	\$0.00	\$1,267.81	\$369.14	\$323.08
Chadron State College	\$26,056.82	\$76,709.10	\$111,937.31	\$117,355.88
Comm. On Indian Affairs	\$1,375.95	\$0.00	\$0.00	\$0.00
Corn Board	\$0.00	\$0.00	\$28,316.47	\$41,317.19
Correctional Services	\$0.00	\$0.00	\$0.00	\$424,299.49
Crime Commission	\$3,865.38	\$6,858.87	\$11,318.12	\$9,875.03
DAS Budget	\$1,500.94	\$3,436.82	\$4,552.95	\$3,554.40
DAS Building	\$135,753.25	\$112,564.55	\$614,134.57	\$1,756,259.56
DAS Capitol Commission	\$11,592.01	\$75,785.69	\$92,824.71	\$119,739.83
DAS CIO	\$0.00	\$0.00	\$10,989.95	\$32,993.08
DAS Communications	\$9,425.69	\$16,734.77	\$5,695.42	\$0.00
DAS Director's Office	\$4,114.17	\$5,798.97	\$14,214.61	\$11,876.95
DAS Employee Relations	\$0.00	\$178.00	\$0.00	\$0.00
DAS IM Services	\$4,598.38	\$12,000.01	\$34,166.30	\$0.00
DAS Materiel	\$2,660.14	\$3,777.98	\$3,545.23	\$8,479.70
DAS State Accounting	\$18,849.80	\$15,013.12	\$146,956.35	\$16,293.92
DAS State Personnel	\$1,481.60	\$2,815.82	\$4,500.67	\$15,259.82
DAS TSB	\$73,277.01	\$88,157.35	\$85,540.72	\$83,338.17
Economic Development	\$93,681.86	\$73,923.59	\$117,992.00	\$120,739.46
Education	\$7,724.56	\$10,527.54	\$18,746.32	\$19,215.61
Equal Opportunity	\$256.85	\$2,123.02	\$2,681.14	\$1,635.21
Foster Care	\$0.00	\$0.00	\$3,025.15	\$2,889.15
Game & Parks	\$635,913.52	\$1,239,694.35	\$1,979,555.18	\$2,275,501.40
Governor's Office	\$9,658.57	\$16,076.57	\$14,323.54	\$16,846.29
Dept. Health & Human Services	\$41,432.21	\$85,458.37	\$215,992.29	\$328,312.45
Historical Society	\$0.00	\$0.00	\$6,298.69	\$11,155.58
Labor	\$9,839.31	\$9,882.95	\$19,574.01	\$15,544.37
Legislative Council	\$0.00	\$0.00	\$1,266.03	\$0.00
Library Commission	\$1,512.69	\$4,240.65	\$7,702.95	\$12,629.10
Mexican-American Comm.	\$0.00	\$0.00	\$4,255.29	\$1,241.63
Military	\$44,846.35	\$121,756.88	\$123,219.93	\$78,119.82
Motor Vehicles	\$6,363.94	\$4,814.53	\$4,066.49	\$6,545.63
NE ETV Commission	\$0.00	\$69.95	\$4,181.83	\$20,259.46
Oil and Gas Commission	\$4,194.50	\$4,877.90	\$3,326.39	\$10,327.94

Purchasing Card dollar volume CY 2004 -CY 2007				
Property Assessment & Tax	\$0.00	\$0.00	\$13,251.09	\$37,425.41
Public Emp. Retire. System	\$0.00	\$0.00	\$109.12	\$587.14
Revenue	\$20,158.59	\$35,737.63	\$78,458.99	\$119,064.31
Roads	\$3,101,042.27	\$3,396,930.13	\$3,378,461.35	\$3,704,527.53
State College System	\$0.00	\$0.00	\$0.00	\$5,286.19
State Electrical Board	\$0.00	\$0.00	\$6,126.68	\$6,273.01
State Fire Marshall	\$91.00	\$48.90	\$81.91	\$0.00
State Patrol	\$0.00	\$0.00	\$0.00	\$887.30
Supreme Court	\$0.00	\$0.00	\$4,430.51	\$21,465.45
Wayne State College	\$79,792.04	\$134,275.80	\$149,045.44	\$165,362.94
Wheat Board	\$2,533.31	\$9,426.87	\$3,488.55	\$1,686.89
Women's Commission	\$0.00	\$0.00	\$625.96	\$382.85
Worker's Comp. Court	\$0.00	\$541.97	\$6,212.87	\$11,477.02
State Agency Total	\$4,420,006.37	\$5,641,107.41	\$7,459,180.15	\$9,766,509.40
Other entities utilizing services under state contract				
City of Gering	N/A	N/A	\$21,375.00	\$228,429
City of Norfolk	\$1,503,480	\$1,375,177	\$1,261,574	\$1,528,381
City of Papillion	N/A	N/A	N/A	\$11,998
City of Kearney	\$635,606	\$670,741	\$814,043	\$896,832
County of Scotts Bluff *New 2008	N/A	N/A	N/A	N/A
Other Entity total	\$2,139,086	\$2,045,918	\$2,096,992	\$2,665,640,
All entity total	\$6,559,092.37	\$7,687,025.41	\$9,556,172.15	\$12,432,149.40

Exhibit 2

Purchase Card Electronic File Layout

The five record types shown below constitute the Purchase Card Electronic File Layout the State currently uses. We recognize that these record types may utilize an older standard and not the current bank standard. The State is willing to work with the bidders to utilize the latest standard. In each of the record types, the State currently uses only select fields in each record type. These select fields are shown below under each of the five record types used. Please note that the full lengths of these fields are not always populated. There will be one Type 0 record for each file. There will be a Type 1 record for each corporate account. There will be multiple Type 2, 5, and 7 records per corporate account.

Input Files:					
TYPE 0 BANK HEADER RECORD					
FIELD NAME	TYPE	LEN	START	END	DESCRIPTION
SBTHDATE	C	6	0006	0011	PROCESSING DATE MMDDYY
TYPE 1 COMPANY HEADER RECORD					
SBTTYPE1	C	1	0001	0001	RECORD TYPE ID
SBTDATE	C	6	0011	0016	PROCESSING DATE MMDDYY
SBTCACCT	C	16	0017	0032	CORPORATE ACCOUNT NUMBER
TYPE 2 ACCOUNT HEADER RECORD					
SBTACCT	C	16	0002	0017	BUSINESS UNIT NUMBER
SBTNLIN1	C	25	0018	0042	NAME LINE - 1
SBTALIN2	C	35	0067	0101	BUSINESS UNIT NUMBER
SBTPYDD	C	6	0163	0168	PAYMENT DUE DATE MMDDYY
TYPE 5 ACCOUNT DETAIL TRANSACTION RECORD					
SBTMERDS	C	25	0030	0054	MERCHANT NAME
SBTREFN	C	23	0074	0096	REFERENCE NUMBER
SBTVXCOD	C	2	0114	0115	VISA TRANSACTION CODE
TYPE 7 ACCOUNT TRAILER RECORD					
SBTDEBT	C	12	0018	0029	TOTAL DEBITS
SBTCREDIT	C	12	0030	0041	TOTAL CREDITS

Attachment A
1099 Cost Proposal

Bidders must include any proposed fees for 1099 services listed in this RFP. Fees are required to be fixed for the term of the contract. If fees are proposed, bidders must detail if the fee is per transaction, per day, monthly, annual or other unit of measure.

Fee description	Cost	Unit of measure: per transaction, daily, monthly, annual, maximum	Comments
1099 Services	\$		

Attachment B

Cost Proposal - Required Rebate Schedule

Rebate Schedule: The bidder must provide a firm, percentage rebate for each of the quarterly volumes (purchases less returns), in the table below for each year of the original contract period and a minimum percentage for each year of each potential renewal period for providing services in accordance with the provisions and requirements in this RFP. The rebate schedule should be based on the assumption that the state will pay 5-7 business days following the receipt of the electronic file excluding extraordinary circumstances.

Bidders are required to utilize the following rebate schedule. Bidders may not alter this rebate schedule. Bidders altering the rebate schedule or not submitting the Required Rebate Schedule will be deemed unresponsive and eliminated from further evaluation.

Required Rebate Schedule	Original Contract Period					First Renewal	Second Renewal
Quarterly Volume (purchases less returns)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
\$0.00 to \$3,000,000.00	%	%	%	%	%	%	%
\$3,000,000.01 to \$4,000,000.00	%	%	%	%	%	%	%
\$4,000,000.01 to \$5,000,000.00	%	%	%	%	%	%	%
\$5,000,000.01 to \$6,000,000.00	%	%	%	%	%	%	%
\$6,000,000.01 to \$7,000,000.00	%	%	%	%	%	%	%
\$7,000,000.01 to \$8,000,000.00	%	%	%	%	%	%	%
\$8,000,000.01 to \$9,000,000.00	%	%	%	%	%	%	%
\$9,000,000.01 to \$10,000,000.00	%	%	%	%	%	%	%
\$10,000,000.01 to \$11,000,000.00	%	%	%	%	%	%	%
\$11,000,000.01 to \$12,000,000.00	%	%	%	%	%	%	%
\$12,000,000.01 to \$13,000,000.00	%	%	%	%	%	%	%
\$13,000,000.01 to \$14,000,000.00	%	%	%	%	%	%	%
\$14,000,000.01 to \$15,000,000.00	%	%	%	%	%	%	%
\$15,000,000.01 to \$16,000,000.00	%	%	%	%	%	%	%
\$16,000,000.01 to \$17,000,000.00	%	%	%	%	%	%	%
\$17,000,000.01 to \$18,000,000.00	%	%	%	%	%	%	%
\$18,000,000.01 to \$19,000,000.00	%	%	%	%	%	%	%

Required Rebate Schedule	Original Contract Period					First Renewal	Second Renewal
Quarterly Volume (purchases less returns)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
\$19,000,000.01 to \$20,000,000.00	%	%	%	%	%	%	%
\$20,000,000.01 to \$21,000,000.00	%	%	%	%	%	%	%
\$21,000,000.01 to \$22,000,000.00	%	%	%	%	%	%	%
\$22,000,000.01 to \$23,000,000.00	%	%	%	%	%	%	%
\$23,000,000.01 to \$24,000,000.00	%	%	%	%	%	%	%
\$24,000,000.01 to \$25,000,000.00	%	%	%	%	%	%	%
\$25,000,000.01 to \$26,000,000.00	%	%	%	%	%	%	%
\$26,000,000.01 to \$27,000,000.00	%	%	%	%	%	%	%
\$27,000,000.01 to \$28,000,000.00	%	%	%	%	%	%	%
\$28,000,000.01 to \$29,000,000.00	%	%	%	%	%	%	%
\$29,000,000.01 to \$30,000,000.00	%	%	%	%	%	%	%
\$30,000,000.01 to \$31,000,000.00	%	%	%	%	%	%	%
\$31,000,000.01 to \$32,000,000.00	%	%	%	%	%	%	%
\$32,000,000.01 to \$33,000,000.00	%	%	%	%	%	%	%
\$33,000,000.01 to \$34,000,000.00	%	%	%	%	%	%	%
\$34,000,000.01 to \$35,000,000.00	%	%	%	%	%	%	%
\$35,000,000.01 to \$36,000,000.00	%	%	%	%	%	%	%
\$36,000,000.01 to \$37,000,000.00	%	%	%	%	%	%	%
\$37,000,000.01 to \$38,000,000.00	%	%	%	%	%	%	%
\$38,000,000.01 to \$39,000,000.00	%	%	%	%	%	%	%
\$39,000,000.01 to \$40,000,000.00	%	%	%	%	%	%	%
\$40,000,000.01 to \$42,000,000.00	%	%	%	%	%	%	%
\$42,000,000.01 to \$44,000,000.00	%	%	%	%	%	%	%
\$44,000,000.01 to \$46,000,000.00	%	%	%	%	%	%	%
\$46,000,000.01 to \$48,000,000.00	%	%	%	%	%	%	%
\$48,000,000.01 to \$50,000,000.00	%	%	%	%	%	%	%
Over \$50,000,000.01	%	%	%	%	%	%	%

Attachment C
Cost Proposal - Alternative Rebate Schedules/ Conversion Bonus

The State is willing to consider alternative rebate schedules that would require the state to pay weekly in lieu of monthly. The State would also consider an alternative rebate schedule in conjunction with a conversion bonus. Bidders should detail the terms of the alternate schedule including the rebate percentage, proposed rebate schedule (quarterly, semi-annual, annual), and the time frame required for billing payment by the State. Bidders proposing alternative rebate schedules must be able to provide the State with the required files/transmissions in order to meet the alternative rebate schedule requirements. Bidders must comply with Technical Requirement #16.2 when completing Attachment C.