THE POWER OF CONNECTIONS

Pre-Award Proposal

Solicitation # SW0200

January 2020

BANK OF AMERICA

BANK OF AMERICA

Dear Lisa,

It's been our pleasure to participate in The Performance Information Procurement Systems (PIPS) response process for the State of Oklahoma Purchasing Card (P-Card). Bank of America has the distinction of being the State's current P-Card provider and we've done so successfully for the last ten years.

By continuing to work together, the State will benefit from an even more efficient and streamlined agency implementation process. In addition to working closely with David and myself, the State will be assigned a designated Implementation Manager, Jonathan Jerome, who is familiar with the customizations of your program. We share more about this enhanced implementation in our Milestone Schedule.

Our aim is to ensure that the State's Program Administrators and cardholders are getting everything they need, wherever and whenever they need it. To that end, we look forward to bringing you "value-added" solutions like: Virtual Payables, Virtual Travel and enhancements to our self-service portal, Global Card Access.

As it relates to risk, our deep understanding of the needs of the State and our open line of communication make us uniquely positioned to mitigate any risk factors and provide resolutions quickly.

In today's ever-changing economic landscape, you need a banking partner that understands who you are and what you need today, tomorrow and well into the future – Bank of America is that partner.

Thank you for your thoughtful review of our pre-award proposal and we look forward to our upcoming presentation to the State.

Sincerely,

Terry Endres

Senior Client Manager

Bank of America

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Scope of Services

Statement of Work

We look forward to continuing our collaboration with the State in providing you with our Purchasing Card program supported by the Works® platform, both of which we describe below. In our effort to keep the State at the forefront of treasury excellence, we are pleased to present additional solutions and value opportunities that will bring the State increased efficiencies, cost savings and help further improve productivity.

Some of which include: **Virtual Payables**, **Virtual Travel**, **"Benefits on Us"**, **3rd Party Partnerships**, **Global Card Access enhancements**, **Transaction auditing**, as well as **training and knowledge sharing**.

You are seeking a partner that can provide a trusted card payment solution that focuses on streamlining processes that lead to cost reduction and optimized working capital, along with customer satisfaction for your employees – that's where we come in.

Purchasing Power

The State will continue to enjoy the benefits of our Visa®-branded Purchasing Card program. Our card programs are accepted by more than 57 million merchants in more than 200 countries worldwide; far surpassing that of any other provider. For the last five consecutive years, we've been ranked as number one for Purchasing Card and Virtual Payables by the Nilson Report, Rankings of Visa and Mastercard® Issuers, with the most recent in 2019.

Our Purchasing Card program will continue to help the State significantly reduce purchasing, reconciliation and accounts payable processing expenses. The State can consolidate your cardholders' combined monthly purchases into one single deferred payment to the bank and receive an electronic file of transaction data sufficient to automatically allocate and interface into your PeopleSoft system.

To help manage spending policies, Purchasing Cards offer extensive cardholder restriction and control options, including:

- Authorization limits by employee (dollar maximums per transaction, by day, week or business cycle)
- Restrictions on number of transactions per day, amount of transactions per day and maximum single transaction amount
- Restrictions on merchant or supplier by Merchant Category Code (MCC)
- Cash advance blocking or restriction
- Management of available funds in real-time
- Chip & PIN functionality
- Mobile wallet functionality

In addition, the State can establish unique authorizations for each cardholder at the individual, departmental or global level.

Purchase transactions are allocated to the State's general ledger, allowing for re-allocation, as necessary. In addition, reconciled transactions are exported to a file for quick import into PeopleSoft which eliminates errors and dramatically reduces cycle-end reconciliation efforts.

The State's designated program administrators will work hand-in-hand with our card support staff as a key communicator and the day-to-day manager of the card program. The program administrators will have the authority to manage all aspects of the State's card program through the internet, including:

- Setting up and maintaining card accounts
- Issuing cards
- Changing cardholder spending limits
- Maintaining and generating management reports
- Identifying new areas where the card can be used to fully realize the benefits of your program throughout your organization by continuing to consolidate your vendor base, achieving considerable cost reductions

Program structure

Billing – Central billing consolidates all charges incurred by your cardholders into a single billing statement that is sent directly to the State.

Payment – To provide maximum flexibility, we support and prefer electronic bill payments. This includes ACH, Wire Transfer and Electronic Data Interchange (EDI).

Billing statement delivery options – An electronic billing statement serves as the legal invoice from Bank of America. For convenience, you may also receive electronic reporting files that contain electronic cardholder transactions. These electronic files include statement billing file (a proprietary text file), EDI 811, as well as various transaction output files from our online reporting system.

Liability – Under Corporate Liability coverage, the State is responsible for settlement of all charges; aggregate cardholder charges will be billed to your organization directly. You will assume liability and payment responsibility for expenses charged to your cardholder accounts. For qualified Political Subdivision participants, these entities will be liable for their own charges through the linking authorization agreement they execute with the bank.

Credit limits – To manage the cardholders, you will establish credit limits for your individual cardholders based on their specific usage and anticipated needs. Bank of America will consult with your program administrator to determine the appropriate credit limits and, if applicable, additional controls desired for your card program.

Flexible authorization controls – To help maintain spending goals our Card solution offers extensive cardholder authorization control options that include:

- Dollar maximums per day, week, month or billing cycle
- Restrictions on number of transactions per day, week, month or billing cycle
- Single transaction limits
- Merchant category blocking

Additionally, the State can establish unique authorizations for each cardholder at an individual or organizational level.

The Works Platform

The State will continue to have the convenience of using our simple-to-use, web-based card management and reporting application – all of your card programs in one place. The State is able to improve control and spending visibility when you seamlessly integrate credit cards into your procurement and accounts payable processes.

Efficient Card Management

Purchase Request process

The Purchase Request feature within Works allows for preapprovals on Card transactions. Works is configured to map approval to each agency or entity hierarchy and spending authority. When a purchase requires multiple approvals based on hierarchy and/or spending authority, the system automatically routes the purchase request for approval and upon final required approval, the spending authority (funds) are instantly added to the requester's card.

When a transaction is processed against a request, an agency or entity can require a cardholder to reconcile the transaction. Upon reconciliation, when the amount of the transaction is less than the request, the remaining spending authority available on the card is removed. This limits exposure to the agency or local entity.

Using Works, the State can blend cardholder privileges, provide a set amount of discretionary funds (generally available on the card) and request funds (only available post-approval).

The Works application offers the State a streamlined process that allows cardholders to request spending authority be added to their cards based upon the appropriate approvals. With Active Card Control® your desired sets of controls are mapped in the application through a configurable hierarchy of access for maximum efficiency.

To maximize program effectiveness, Works is configurable to mandate that all or selected transactions be reviewed by the cardholder's manager or designee after the transaction has occurred. Post-purchase review makes sure that the cardholder's purchases are within agency or entity policy guidelines.

Declining Balance Cards issuance

Using the card administration tools within Works, cards can be issued with declining balance functionality. This is ideal for managing set budgets on projects and special expense types (such as infrequent users, special projects).

Merchant Category Code (MCC) restrictions

Within Works, the State can easily set and adjust MCC privileges real time. You can restrict use based on groups of MCCs and/or prompt notification emails for spend at a specific merchant type. Users may also require audit of all transactions under specific MCC codes. For example, the State is able to review all MCC purchases for entertainment category merchants, hotel and car rental.

An audit log is created and available for review anytime. This provides increased flexibility in card use but does not eliminate your ability to control spending.

The State can add granularity with Preferred Vendor Tables, which set up card processing that restricts purchases according to Vendor. Diversion Accounting allows cardholders to make larger purchases on specific MCCs without exhausting their credit limit.

Transaction Limits

Within the application, the State can easily set and adjust transaction limits for cards and groups of cards. Transaction limits can be set by:

- Maximum number of transactions per day
- Maximum amount of the transaction
- Maximum amount of spend per day

Flexible and customizable reporting

Reports generated within the application are available 24/7, at no cost, and are easy to use and access. Transactions are updated nightly, so all data up until the current day's transactions are available for reporting.

Configurable (Ad-hoc) reports

Through the configurable reports feature available within Works, users can create new templates at any time by selecting from more than 650 fields of data to determine the content and layout of reports. To meet the State's needs, scores of new filters can be used to narrow the results in a report — nearly every field can be filtered for true ad hoc reporting.

Works – Configurable Report options		
Report Categories	Card Purchase Request	Audit Spend
Filter Examples	Defined Groups Employees Card numbers	Card profiles Card status categories Card statement periods
Data Fields include but are not limited to	Allocation Cardholder Card Transaction	Card decline Card profile Card Renewal Date Cardholder spend limits

Some report templates are predefined and available to use or customize. Report templates can be created, stored and scheduled for future use. In addition, administrators can share report templates with other system users.

Report formats

Reports can be viewed online, printed or downloaded as Adobe PDF files, Microsoft® Excel® files, or text files (with a variety of delimiters to choose from) that can be exported into standard reporting packages or commonly used applications like Microsoft Access. Additional methods of accessing your report data include scheduled automatic retrieval using HTTPS Web Services, or delivery of your report data to a secure bank mailbox that can be configured for additional retrieval options.

Scheduled reports

Scheduled reporting is available to generate configurable reports immediately, at a specific time in the future, or recurring based on options selected by the user (daily, weekly, monthly, every billing cycle or quarterly).

Report templates can be created and stored for individual or company use and users can pre-set or modify the expiration date of a completed report.

Access

Cardholders, program administrators, accountants and others are given roles that dictate which reports are available to them (these privileges can be reviewed and updated throughout the term of the contract) and populates reports with data that is within their scope.

Users can enter the Works application and select Reporting on their home page and select the reports they want to view.

Transaction Level Data, including Level I, II and III Data Capture

A significant benefit of Works is its optional online transaction-logging feature that allows cardholders to log detailed transaction information for purchases as they are made, including invoice-level line item details. The online log supports the pre-allocation of transactions and enables cardholders to allocate a purchase down to a line-item level. Discounts and shipping information can also be broken out to reflect accurate transaction information. Logged items are automatically matched and reconciled to settled transactions as they are posted. Accountholders need only review non-matched exception transactions, which eliminates much of the work associated with typical purchasing card reconciliation processes.

Matched transactions also contain the allocation and transaction details entered into the log. This powerful tool enables the State to receive the desired level of transaction and accounting detail for purchasing card transactions without having to rely on the suppliers' point of sale capabilities. When a merchant passes Level I, II or III data, it is available for review within the Works application.

Another notable feature is Customer Reference Identifier (CRI) to General Ledger (GL) mapping that allows the State to map incoming CRI value sets that have been inputted by vendors, with specific GL codes for automated reconciliation.

Data Storage

Data is stored for access within the application for a period of three years, after which time it is archived for an additional three years. The bank will retain the State's card transaction data for a period of three years after the termination of this contract. The bank's records are generally maintained for a rolling seven (7) years from the date of the transaction.

Works technology

The State's users only need internet access and a web browser to access Works. Although Works does not block access from any internet browser, the application is tested and verified against the following supported browsers such as Internet Explorer, Mozilla Firefox, Safari or Google Chrome. Users achieve the best results when using one of the recommended modern browsers (Internet Explorer 10.0 or the most recent version of Mozilla Firefox).

Works maintains secure connections with Bank of America's processor to enact changes on your behalf.

To perform card-related operations securely, the application maintains appropriately controlled connectivity on three fronts:

1. Connection between the application and the credit card processor for near-real-time card control
2. A nightly transaction file feed coming from the processor that contains information about posted transactions and new cards
3. Card request mechanism

The Works application has a Secure Proxy in place to provide the appropriate level of control to these connections. The Secure Proxy is placed between the Works application and these connections to provide a protection and control mechanism for the card issuer and the Works application.

The Secure Proxy is connected to the Works application by a set of authenticated application interfaces and to the client machine at the processor by an encrypted Virtual Private Network or leased line. Nightly, encrypted transaction file feeds are fed back into Works through the Secure Proxy, which references card accounts to the application with opaque identifiers. Card issuance requests currently go through the issuing bank for validation.

Virtual Payables

As the State looks for check payment alternatives, we stand prepared with products that are simple to implement, cost-effective and require minimal IT support. Virtual Payables is an efficient card program that allows you to eliminate bank fees and processing costs.

An electronic payment product targeting disbursement and accounts payable spend, Virtual Payables leverages our card network and innovative technology to combine streamlined card account integration with your existing Enterprise Resource Planning (ERP) and payables processes. With hassle-free, standard options and no need for physical plastic distribution, Virtual Payables is easy to implement.

When you begin using the service, the card accounts have zero dollars in available funds until a request is received from the State to initiate a payment to the vendor. The vendor receives a notification with remittance information to process the transaction, decreasing the probability for fraud.

By partnering with Visa and using our Virtual Payables technology, the State can benefit from a service that automatically matches a list of your vendors to a database of companies that accept Visa. This match service provides information on the vendors that accept card for accounts payable or purchasing card payments, making it efficient and easy to identify which check payments can be converted to electronic card payments.

Additionally, we lead the enrollment effort to contact vendors that you want to pay through card and provide onboarding support through the life of the program. The State will continue to build strong supplier relationships that enable mutual success by having this ability to offer fast, reliable invoice and payment options.

How Virtual Payables works

Simply give us your vendor payment information — we do the rest. The State provides vendor payment information for a match process. To target the appropriate suppliers, this exercise searches for known vendors that currently accept card payments and those who have transacted using our Virtual Payables program.

Additionally, we identify vendors capable of accepting straight-through processing. Based on this match, the State identifies paper payments to convert to card.

Upon receipt of your vendor payment information:

1. Targeted vendors are contacted by our enrollment team to request their participation in receiving your future payments by a card versus a check.
2. The vendors that accept a card payment are assigned a unique card account number. You change their payment type to “card” or “other” within your ERP or A/P system.
3. The State receives and reviews invoices from your vendors and approves them for payment (this does not require any change to your current process). You then transmit a payment file to the bank with invoice payment information for all vendors to be paid by card.

4. Upon receipt, the available funds on the appropriate vendor accounts are increased to match the invoice amount, and vendors receive remittance information with the authorization to process their charge. Vendors set up for straight-through processing have the exact payment amount pushed to their merchant account. Once processed appropriately, each account's available funds return to zero. When processed per the instructions in the remittance advice, automatic reconciliation occurs and a confirmation file is available to download and integrate into the State's ERP or A/P system.
5. You also have the ability to set exact authorization controls so that the vendor is restricted to processing the full payment amount, not multiple or partial payments.
6. The card accounts can cycle weekly, biweekly or on a monthly basis. The payment due date is selected according to the cycle that is chosen. Bank of America debits the State's demand deposit account to settle transactions on the due date.
7. After implementation, we continue to provide vendor matching and onboarding services through the life of the program. (For Visa programs only, future supplier enablement campaigns may target for straight-through processing enrollment specifically. This is helpful when there are repeat partial payment reconciliation issues with a particular supplier, and, as a way to extend card spend to additional suppliers that desire a streamlined payment automation.)

Improve visibility with flexible and customizable reporting

Reports generated within the application are available 24/7, at no cost, and are easy to use and access. Transactions are updated nightly, so all data up until the current day's transactions are available for reporting.

Through the configurable reports feature available within Works, users can create new templates at any time by selecting from more than 650 fields of data to determine the content and layout of reports. To meet the State's needs, scores of new filters can be used to narrow the results in a report — nearly every field can be filtered for true ad hoc reporting.

Some report templates are predefined and available to use or customize. Report templates can be created, stored and scheduled for future use. Additionally, administrators can share report templates with other system users.

Purchase Control

As an added feature to our Virtual Payables program, we offer a virtual account number solution. This solution will give the State the ability to request virtual accounts that are randomly-generated, unique account numbers associated with a specific payment. Every transaction can be assigned specific authorization controls (supplier/supplier category, transaction amount, # of uses, date/date range) and gives you complete transaction visibility. Additionally, each virtual account is mapped by Purchase Control to make the reconciliation process quick and easy.

Application Programming Interface (API) technology

APIs are leading a paradigm shift in how banks interact with corporations and clients. We have, and continue to, develop a range of APIs that not only improve internal efficiencies within our platforms, but also create efficiencies for our clients. APIs presently improve real-time payment disbursements through Virtual Payables and Virtual Travel, and enhance reporting, balance checks and data retrieval.

Supplier acceptance and retention

As a value-added feature to Virtual Payables, we've entered partnerships to help facilitate straight-through processing to automate card payments and reporting – payment network solutions that help to address card acceptance concerns but can affect standard rebate qualification for these transactions. Here's how it works:

Supplier A/R Process:

- Payment network automates card payment process
- Provides buyer's reconciliation detail/files and deposits funds into supplier's account

Buyer Payment Reconciliation:

- Payment network processes the card payment in full
- Automation reduces partial payment and credit process concerns

Supplier fees

- Payment network facilitates the payment with Straight Through Processing (STP)
- Reduces interchange for supplier

Virtual Travel

This is the latest evolution in centralized travel payments technology. Integrating custom virtual accounts numbers for each transaction with your Travel Management Company, helps expand spending controls and improve data capture. With increased data linked to a virtual account (cost center, supplier, business unit, etc.) Virtual Travel allows the State to centralize payment for air and rail tickets, hotels and ground transportation services.

We automatically bundle your pre-defined reconciliation and allocation data with the transaction and associated virtual account number. This ultimately saves time, improves spending control and reduces reconciliation issues.

With Virtual Travel, you can:

- Expand central travel bookings from air to hotel, low-cost airlines, rail and car hire, with enhanced data for all
- Streamline the travel booking experience
- Save time reconciling travel bookings
- Increase control over where and how employees travel
- Consolidate reporting in multiple languages, across multiple currencies and countries
- Manage travel for both employees and non-employees

Flexible program controls – To help maintain spending goals, the Virtual Travel offers extensive cardholder authorization control options that include:

- Velocity controls (specific dollar range, up-to dollar limit, exact dollar limit, time range, tolerance thresholds)
- Supplier controls (Merchant Category Code controls by ranges, merchant country, merchant state)
- Time controls (day of the week, time of day)

Program features

- Integrates easily with popular online booking tools and more than 400 Travel Management Companies (TMCs).
- Conferma WEBPAY allows program administrators to generate virtual account numbers on demand for lost or stranded travelers, one-time vendors or non-employee travel.
- Conferma Pay mobile app is an end-to-end travel payment option that integrates with your Online Booking Tool and TMC. The app allows travelers to see their virtual card image or resend third-party hotel authorization within the Conferma Pay app.

Reconciliation

Conferma SNAP Tool – A reporting tool to assist the State with reconciliation. The reconciliation file can be set up to mirror the billing period for direct comparison or set up to report daily, weekly or monthly.

Billing statements – Bank of America can send statements electronically in XML format or they may be downloaded from Global Card Access.

Central billing and payment

Payments are supported via direct debit, Electronic Funds Transfer (EFT)/ACH/Wire, Check or payment at a local Bank of America branch.

Settlement options/grace periods

- Central billing – The following grace periods are determined based on the billing frequency:
  - Weekly – Three or seven days (requires auto-debit)
  - Biweekly – Up to 14 days
  - Monthly – Up to 25 days

Global Card Access

While the State has been using the Global Card Access dashboard, there are enhancements we'd like to share. This mobile-friendly site offers increased functionality to the State's cardholders:

- Cardholder Account Dashboard – View important account details such as credit limit, current balance, available credit and recent card activity.
- Online PIN Check – Cardholders are able to view their PIN or change their PIN from any mobile device.
- Alerts – Receive alerts through SMS text message, email or phone call to help protect your card from fraudulent activity.
- Lock and unlock – this feature enables cardholders to lock their card if it's ever lost and then unlock it once it's found as to avoid their card being compromised.

Getting a clear audit picture

We appreciate how important it is for the State to have a transparent insights to ensure card program controls are working properly. Currently the State has access to a Visa-hosted, web-based tool that can monitor the State's Visa Purchasing card and provide a clear card monitoring program for the State's audit operations. This Visa tool can receive daily file uploads directly from Bank of America, so no need for users to upload files or host files on their systems.

Transactions load into the tool daily and can be queried against rules, statistical samples, or using Visa's proprietary scoring process at any time. Users have access to 27 months of data online and can query by date range or billing cycle.

There are standard rules and reports that address common policy issues in purchase travel and fleet card programs such as the list below. Users can create more specific rules to address changes in policy areas of focus over time.

- Weekend purchases
- Split purchases
- Cash with no other associated travel
- Premium travel tickets
- Holiday transactions
- Single cardholder with a single vendor
  Restaurants and bars over $100

The State has access to an automated workflow that allows users to execute their role in the internal review process with speed and minimal time commitment. The system tracks all actions, sends email notices to the appropriate users required to take the next action, and provides status reporting on all cases created.

Additionally, the program uses a proprietary scoring process that identifies transactions that may be unusual for a card program allowing the user to determine whether they want to further investigate those transactions and receive validation on them. Transactions are scored with a range of five to 99. Reviewing high scoring transactions will help program administrators quickly view anomalous transactions.

Users can create rules that will look at common cardholder profiles. For large organizations such as the State, creating rule profiles at the cardholder level while possible would require extensive manual effort on the part of the user. However, there are transaction filters that allow for quick identification of transactions related to specific cardholders.

Users benefit from an automated workflow process that will email them when they have an action to take. Transaction determinations are available through a report and a dashboard. The system does not email a cardholder regarding the determination of whether the transaction was determined to be valid or not. All responses are tracked and all actions related to a case are documented.

All reports provided in the system can be downloaded to Excel, CSV and other formats. Search capabilities exist to identify users. There is however, no record of whether a user downloads a set of transactions or not. Case creation is tracked and documented.

Program administrator functions can be assigned to anyone at the State's choosing. The program administrator role allows for creation of rules that can be shared as well as other controls. Access is based on the card hierarchy received by the processor file. Users cannot change the hierarchy within the system. Hierarchy changes made at the processor will flow through and be reflected in the tool.

Moreover, the system contains online help that includes training modules for each module of the tool. Users experiencing system problems can report the issue to the bank that will convey the information to Visa. Visa will also provide an initial user training session to the State. Training beyond initial set up is available with a separate pricing structure.

We will continue to collaborate with the State on additional tools to support card transaction auditing. These might include custom reports from the Bank, or alternative transaction auditing solutions. Potential cost for new solutions will be negotiated as available.

Benefits on Us

This complimentary program gives the State and your cardholders access to a variety of offers. First among the program features is **"Museums on Us"**, which provides Bank of America cardholders eligibility for one free general admission at more than 200 museums and cultural institutions across the U.S.

Within Oklahoma, cardholders can enjoy admission to: Oklahoma City Museum of Art, National Cowboy & Western Heritage Museum, Woolaroc Museum and Wildlife Preserve in Bartlesville and in Tulsa, Gilcrease Museum and the Philbrook Museum of Art are on the participant list.

State cardholders simply visit a participating location on the first full weekend of every month and present a photo ID and their active Bank of America Purchasing Card.

Preferred dining

In addition to the museum program, we offer access to a **preferred dining program** that enables the State to capture dining spend and earn rebates as your cardholders enjoy incentives and discounts. We are partnered with Dinova, which has a list of more than 18,000 partner restaurants and growing. There's a place for every price point and occasion. Cardholders use the web and mobile search tool to find a participating location, pay using their Bank of America Purchasing card and then earn points for in-network dining redeemable for gift cards.

We will assist the State with enrollment and promotion to your cardholders, you then earn a rebate for dining at in-network restaurants, receive a detailed report from Dinova and collect an annual rebate based on the total spend.

Training & Knowledge sharing

We are pleased to continue providing the State with ongoing, customized training, access to webinars and card forums.

Furthermore, Bank of America sponsors a client conference, which occurs approximately every 18 months. It promotes educational opportunities through the use of breakout sessions, roundtable discussions and general sessions that are designed to inform clients about new and ongoing developments in the commercial card industry. A trademark of our conference is that many of these sessions are led by subject-matter experts that are often invited to the conference by clients themselves. In addition, the conference offers entry-level and advanced training sessions on our card-technologies. We also use the conference as an opportunity to update attendees on our latest product features/enhancements through the product showcase.

One of the most valuable components of the annual conference is the chance for your associates to network with card program administration professionals from other organizations. There are countless opportunities for clients to learn what peers are doing to address similar purchasing, travel and entertainment, and eProcurement issues, concerns or needs. Following the conference, we find that many clients often use these new peer contacts to benchmark their current programs and seek new ideas that can add value to their current programs.

Dedicated, trusted team

Here is a list of the State's dedicated team, which includes the addition of an Implementation Manager – we provide more details about the role in our Milestone Schedule.

The Bank of America Team

Terry Endres	Client Manager	314 446 6774	terry.m.endre@bofa.com
David Randolph	Card Account Manager	480 624 0565	david.a.randolph@bofa.com
Jimmy Newman	Card Account Specialist	1 888 715 1000	jimmy.newman@bofa.com
Jonathan Jerome	Implementation Manager	312 992 0381	Jonathan.p.jerome@bofa.com

C.4. Expected Outcomes

In order to clearly identify the expected outcomes that will be provided in this proposal or clarifications on the capabilities from the bank, we have included each of the 34 items listed from the RFP here with our 'yes' or 'no' responses for each. We envision this document along with our previously submitted agreements and clarifications to provide the basis for negotiating a successful contract with the State once again.

1) **C.4.1. Robust reporting system**

Yes, the State will continue to enjoy the efficiencies and convenience of our web-based platform, Works® as described above.

2) **C.4.2. Ability to see user information and card information on one tab**

Yes. With Works, the State's program administrators will be able to see their cardholder and user information by accessing one tab within the application.

3) **C.4.3. Real time for all changes and information**

Yes. Works allows your program administrator(s) to make changes in real time in order to manage the day-to-day card program tasks including:

- Credit limit
- Available funds
- Single transaction limit
- Merchant Category Code blocking

4) **C.4.4. Increased rebate**

Yes. With our new proposal, the State will see a substantial increase in the rebates paid on your program's card volume.

5) **C.4.5. One Stop Customer Service: pin, reset password, accurate balance, why card was declined, etc.**

Yes. Through Works, your cardholders can gain access to their account information online via the web, 24/7. The Works home page offers your cardholders access to their available funds, available credit, credit limit, Merchant Category Code restrictions, transaction activity, memo statements and more.

The cardholder may request password assistance using the Forgot Password link on the home page or by contacting the State's program administrator, who may also engage the Card Digital Services (help desk) team for assistance as needed.

Global Card Access

Global Card Access (GCA) will become Bank of America's portal for Card applications. State cardholders have the ability to view and change their PIN, lock/unlock their card, view statements, set alerts, and will eventually access Works – thus allowing for true 'one stop' customer service.

Establish alerts to improve visibility and prevent fraudulent transactions

Additionally, the State and your cardholders can receive real-time account activity notifications via mobile devices. The notification is set up and managed online through a user-friendly website. The following alerts are available to cardholders:

- Suspicious activity – Proactive notification of activity outside your normal purchasing pattern.

- Transaction activity – Includes cash withdrawals, declined transactions, transaction exceeding specified dollar amounts and transactions made via the phone or mail.
- Account activity – Includes a request for a new card, personal information updated, payment due and payment received.

Company-level or program administrator alerts can include:

- Credit and account balance – Can include amount of credit available, percentage of credit available and specific balance amount information.
- Payments – Includes payment amount, missed payment and that a payment is due in a specified amount of days.

6) C.4.6. Easy way to get electronic statements

Yes. The State's program administrators can set up statement reports to be delivered electronically to your cardholders through Works. Or online statements are also available through our Global Card Access application for cardholder and administrator access.

7) C.4.7. Totals at bottom of columns, especially dollar columns

Not in the application at this time, but Works allows for exporting of transaction data. Once exported, totals can be calculated.

8) C.4.8. Multiple levels of review and approval for transactions

Yes. Works workflow capabilities provide multiple review and approval levels within the application for electronic routing, approvals and processing from the cardholder to managers/approvers to accounting. .

9) C.4.9. User friendly software

Yes. Works is an easy-to-use, web based application.

10) C.4.10. Comment section associated with user viewable only by P-Card admins

No. Works does not currently have a comments section for P-Card admins.

11) C.4.11. Upload receipts

Yes. Receipts imaging allows users to upload and store receipts for purchase- and travel-related transactions, route receipts efficiently for approval and manage expenses using one platform. Images can be attached to a purchase transaction or expense report for reconciliation. This functionality enhances our market-leading Works® application.

The workflow for storing receipts with expense reports is as follows.

To upload receipts

Once enrolled in the program, the cardholder logs into Works. The cardholder selects the transaction, reimbursement request or expense folder that corresponds to a receipt image:

- The accountholder clicks on the Single Action Menu (SAM) and selects Manage Receipts.
- The user clicks Add, selects the receipt image to be uploaded and clicks OK.
- To fax receipts:
- The enrolled (receipts imaging) cardholder logs into Works.
- The cardholder requests a bar-coded cover sheet to be printed from his expense folder.
- The cardholder places receipts behind the bar-coded cover sheet and faxes the pages to the bank.
- Works sends a “confirmation of image availability” email to the cardholder. Retrieving uploaded and/or faxed receipts

To view image(s), the cardholder/manager logs into Works:

- The cardholder/manager selects a transaction, expense report to view attached receipts. The user clicks on the name of the image in order to view the image. The user can then print and save PDF images to his computer.

12) C.4.12. Description of purchase required

Yes. The State can configure Works to require transaction comments, description, and receipts.

13) C.4.13. Level 3 detail

Yes. The amount of data passed with a transaction from a merchant varies based on the merchant’s Point of Sale capabilities. When a merchant passes Level II or III data, you are able to review it within the Works application.

14) C.4.14. All data fields available on all reports

Not all, but Works reporting capabilities include over 650 reportable data fields on the State’s program transactions, users and hierarchy information. Works also includes reporting on Level II and III data through its reporting capabilities. Report templates can be customized to add category related reportable fields as desired.

15) C.4.15. App for software

An app is not available at this time. But, as a web-based application, users may access Works using mobile devices — as long as the mobile device has supported browser and internet access. Cardholders can log in to Works to view statements, inquire about limits and investigate transactions. At this time, there is not an app for Works.

16) **C.4.16. System will not allow a transaction to be split between funding sources or expense codes unless the total of the split equals the total of the purchase**

Yes, the parameters for saving transaction allocations including split transactions can be configured to only save and sign off on a transaction if 100% of the transaction amount is allocated.

17) **C.4.17. E-payable Platform – effective and efficient**

Yes, the State can easily move the non-payroll, accounts payable-based payments that you currently pay by check to a card program. More importantly, you do not need to change your existing workflow, as Virtual Payables integrates with your existing accounts payable processes and is also managed through the Works platform.

By implementing this service, you can:

- Reduce check processing costs and fees
- Increase float
- Improve working capital management
- Qualify to earn rebates above and beyond your traditional purchasing card program
- Reduce your exposure to check fraud

18) **C.4.18. Different color cards for declining balance cards, travel only cards and One card**

No. At this time, the State's card plastics are the same for all purchase cardholders. The requirement for different plastics is that they would need to be segregated by different billing accounts and grouped accordingly. We are open to discussing this need and how it could be accomplished efficiently and economically. Cost for multiple plastic designs may need to be negotiated.

19) **C.4.19. Level 2 & 3 data detail**

Yes, as noted above, Works includes reporting on Level II and III data through its reporting capabilities as long as the data is transmitted via the vendor. Online reports have drill down capabilities displaying all of the Level II and Level III details.

20) **C.4.20. Ability to capture and view vendor TIN**

Yes, we can configure programs to have vendor TIN detail flow into Works. As long as the vendor passes this information, we will make it available to you.

21) **C.4.21. At least 10 fields to enter accounting and transaction information**

Yes, Works provides ten data field for use by the State in configuring your account coding and allocations for the card transactions.

22) C.4.22. Ability for Entity to maintain data in valid value tables and/or upload new tables

Yes, the State can provide valid combination tables for Works to validate and allow only valid account code combinations for allocation purposes. These files can be updated as often as the State needs to and can be integrated to load into Works via automated file transmission.

23) C.4.23. Ability for system to validate segment data against valid value table data

Yes, please see above response for more details.

24) C.4.24. Provisions for scoped administrator roles

Yes, there are nine roles in Works. The State's global program administrator can assign an administrator to a particular group/agency within the organizational hierarchy, limiting that administrator's scope of management to the assigned group and its subgroups. This is referred to as a scoped administrator. Scoped administrators are especially useful in large, decentralized organizations, when multiple people are tasked with administering a portion of the organization.

25) C.4.25. Provisions for scoped purchase requests

No. Currently Works cannot accommodate scoped purchase request.

26) C.4.26. Ability to split code transactions

Yes, cardholders have the ability to add details, divide transactions (such as hotel bills) for improved expense reporting and split expenditures between General Ledgers (as authorized).

27) C.4.27. Must be PCI compliant with proof

Yes. Network architecture and security specifics cannot be discussed in detail, but these are implemented in accordance with Bank of America policies and standards and meet the requirements for Payment Card Industry (PCI) compliance. We perform security audits in the form of Works SSAE18 and Payment Card Industry (PCI) Audit reports. We're happy to make those reports available to the State upon request.

28) C.4.28. Online disputes can be set to OFF

Yes, the State will continue to have the option to disable online dispute entry via Works.

29) C.4.29. Create/modify own reports

Yes, Works reporting capabilities provide for the customization of all reports to add or delete any of the 650+ reportable fields within the application. Our Works Technical Help Desk is available to assist your program administrators in creating the desired reports.

30) C.4.30. Mail all cards in scope to central location, even overnighted cards – no exceptions

The instructions provided for the State's card accounts and agency programs have specific details to mail all cards to the State's designated central location. We will continue to make every effort to enforce this process.

31) C.4.31. Unlock cards that have entered bad PIN at POS if possible

Yes. If a cardholder locks their PIN due to several invalid attempts, they can contact our cardholder servicing team. After verifying information, their PIN can be reset.

If a cardholder is having difficulty with their PIN, we suggest they log into Global Card Access and view their PIN even changing it if need be. This action should be taken after, perhaps, two invalid attempts.

32) C.4.32. Allow all invoices/receipts attached in reconciliation system to be printed with the cardholder statement

No. At this time documents/receipts attached within Works will not print with the cardholder statement.

33) C.4.33. Awarded vendor must have a local presence in the state's major cities

Yes. Bank of America has been proudly serving the State of Oklahoma for more than 120 years. Throughout the state, we have 24 financial centers, 61 ATMs and 425 employees locally.

Within the Oklahoma City region alone, we have 12 financial centers, 32 ATMs and 200 local employees.

34) C.4.34. Rebate review every 2 years

Yes, as part of the contract terms, we understand that this contract will be renewed by mutual agreement each year. We also will continue to provide annual program review meetings to the State after each annual rebate period and can review and discuss the rebate rates at these meetings.

Milestone Schedule

One of the benefits of selecting Bank of America as your card provider again is that your card program will not require an implementation conversion. We will operate under the premise that all programs are already implemented and we are ready to proceed with any additional services or process changes that you would like to have implemented.

Streamlined Implementation

Under this new contract, Bank of America commits to the State that we will work in tandem with you to create a more efficient and streamlined agency implementation process. This will entail assigning an Implementation Manager for the State to work on all of the State's implementation set ups and implementation maintenance projects. This means you will always have an implementation manager who is familiar with the customizations and unique requirements of the State's program. Additionally, a State agency specific implementation workbook will be created.

See below for steps in the streamlined process.

- State completes Implementation Workbook
- State sends completed workbook to Implementation Manager and Card Account Manager
- Implementation Manager reviews, confirms details with State, and begins work.
- Implementation Manager contacts State with agency set up details
- State confirms setup completion
- Implementation Manager closes project.

After we receive the worksheet from the State, we anticipate agency setup within a week and a half.

Virtual Travel Implementation

Overall, the implementation effort for our integrated Virtual Travel solution will be easy for the State.

The steps to implementation include:

- State partners with a TMC (Travel Management Company) partnered with Conferma
- State notifies Bank of America of desire implement
- Bank assigns Implementation Manager to hold project kickoff call to confirm project and billing account details with State. This includes details regarding the State's travel needs.
- During this call we encourage the State's TMC to participate
- Bank, Conferma, and TMC work on Virtual Travel setup
- Bank and Conferma conduct training to State on the Conferma Webpay tool
- Weekly calls are held by Bank to keep State and TMC informed of project status

Most Virtual Travel programs are implemented within 30 days. Of note, if the TMC is not currently a partner with Conferma, they can be set up within 21 days. This is included as part of the 30 day setup time.

Risk Management Plan

Risk factor – Misuse of fraud is committed by a State employee.

Solution:

1. We work closely with the State Audit teams to provide reports and data mining processes and applications to help them scan and find card policy violations and take corrective action.
2. The state is protected with employee misuse insurance coverage up to $100,000 per account.

Risk Factor – Incidents of fraud on a cardholder's account.

Solution:

1. The cardholder, program administrator or account specialist are contacted immediately and the attempted transaction also may be temporarily blocked for positive verification.
2. We've been ranked number one in fraud protection for the last 10 consecutive years in a card issuer's safety study conducted by a leading research firm for financial services.
3. The State is not liable for any charges resulting from fraud.
4. We have a unit dedicated to fraud prevention, who proactively monitors cardholder activity.
5. We provide provisional credit for fraud charges when internal efforts fail to keep the fraud attempts transparent.
6. We issue Chip and PIN cards and the cardholder must call to activate card.
7. We emboss fraud control features on our cards and include an algorithm on the magnetic stripe. Additionally cardholders can include their cards within a mobile wallet.
8. Such transactions are more secure as card details are encrypted and not subject to data breaches.
9. Constantly scan the dark web and other sources for potentially compromised card accounts and proactively reissue these cards in order to prevent any fraudulent activity.

Risk Factor – A breach in security of our online reporting tool.

Solution:

1. The State would be notified immediately by your Card Account Manager and/or another member of your client team.
2. Our online reporting tool and account maintenance application uses a host of security measures, which include HTTPS secure protocol, digital certificates, the requirement of a unique user ID and password for each program participant.

Risk Factor – A breach in cardholder data confidentiality at one of our data centers.

Solution:

1. The State's Card Account Manager and/or another member of your client team would alert the State immediately.
2. We have both online and physical security measures to keep cardholder data confidential
3. Independent auditors and security specialists test the physical security of these buildings throughout the year.
4. Contracted vendors are required to be independently audited annually and details of the actual locations and/or security measures are confidential.

Risk Factor – Disaster to one of the production centers that house your account data.

Solution:

1. The State would be immediately notified by your Card Account Manager.
2. The disaster recovery site in a different geographic location will be used.
3. A backup electrical power system for the primary data center and the disaster recovery data center in a different geographic location include an uninterruptible power supply module, batteries and a turbo-charged diesel generator.
4. We have installed environmental controls to protect both data centers.
5. While our internal service level standards specify 24 to 48 hours for disaster recovery, annual tests indicate it takes approximately one hour from the start of the disaster recovery process to bring the disaster recovery site to full recovery capability.

Risk Factor – Cardholder loses their card.

Solution:

1. Through a mobile-friendly dashboard, cardholders have the ability to immediately lock his/her card when they discover it's been lost and then unlock the card once it's been found, so they may use it again right away.
2. If the card is not found, we offer standard and/or expedited delivery of replacement cards to your cardholders.
3. Replacement cards are issued within one business day via First Class U.S. Mail.
4. The state has zero liability for any unauthorized card transactions.

Risk Factor – Delays in implementation.

Solution:

1. Our implementation manager will work closely with the State's team and ensure that we're reaching each project milestone.
2. We'll provide the State a "Weekly Risk Report" throughout the implementation process.