

ORDINANCE NO. _____

AN ORDINANCE WAIVING FORMAL BIDDING REQUIREMENTS AND AUTHORIZING THE PURCHASE OF PAYMENTWORKS SUBSCRIPTION, A SOLE SOURCE VENDOR; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, Ark. Code Ann. § 14-58-303 requires City purchases exceeding the amount of \$20,000 to follow statutory procedures of local advertisement and opening of sealed bids which may only be waived in exceptional situations where bidding is deemed not feasible or practical; and

WHEREAS, the City of North Little Rock (“the City”) is in need of a secure system to allow vendors to enter and verify payment information, thereby reducing fraud risk; and

WHEREAS, PaymentWorks is a business identity platform and the only supplier that provides on-going verification of vendor’s information to include banking information, increases security for the USG in fraud prevention, actively engages with vendors once identified, and allows information sharing across institutions for better security (see the full description of services attached hereto as Exhibit A); and

WHEREAS, the cost of a PaymentWorks subscription is Forty Five Thousand Dollars and 00/100 cents (\$45,000.00) per year; and

WHEREAS, the cost of the subscription shall be reimbursed through the Coronavirus Aid, Relief, and Economic Security (CARES) funding.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That formal bidding is hereby waived in connection with the purchase of a yearly subscription to PaymentWorks for a total amount of Forty Five Thousand Dollars and 00/100 cents (\$45,000.00).

SECTION 2: That the cost of the subscription in the amount of \$45,000.00 shall be paid from the Finance Department’s 2020 Budget, to be reimbursed through CARES funding.

SECTION 3: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 4: That the provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 5: That it is hereby found and determined that it is in the best interest of the City of North Little Rock to purchase a PaymentWorks subscription, and is necessary for the immediate preservation of the public health, safety and welfare; THEREFORE, an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

ATTEST:

Joe A. Smith

Mayor Joe A. Smith

JAF

Diane Whitbey, City Clerk

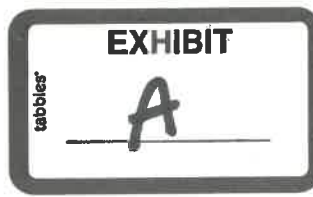
APPROVED AS TO FORM:

Amy Beckman Fields

Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

FILED	<u>10:45</u>	A.M.	_____	P.M.
By	<u>A. Fields</u>			
DATE	<u>9-22-20</u>			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	<u>S. Isberg</u>			



PaymentWorks Services Description

Feature	Description
<p>Create & Manage Payee Registrations</p>	<p>PaymentWorks enables payees to create and manage their accounts and profiles in an encrypted, credential environment. This includes continuous updates of the supplier master records.</p> <p>PaymentWorks' registration process is flexible and customizable, enabling Company Company to define types of payees, and specify which information is required for each type of payee. The new vendor registration form is a standard registration form that is customized for Company during the implementation phase to capture all the necessary information that the Company needs to collect for their payees.</p> <p>PaymentWorks generates electronic W9s, collects W8/W8BEN and stores any document necessary and meets IRS requirement 1099 information collection.</p>
<p>Payee Updates</p>	<p>Payees will update their information in a single instance for all the payers they're connected to on the PaymentWorks platform.</p> <p>PaymentWorks is designed to only allow the payee to have the capability to fill-in and edit/update their registration from and company profile. While increasing the security of sensitive information, this "payee self-service" model also frees your procurement department to spend less of their valuable time trying to track down payee information.</p>
<p>ERP Interface & Complex Account Structures</p>	<p>PaymentWorks and Company will collectively focus on all the data elements associated with the vendor master - ultimately leading to a mapping document that will serve as a blueprint for the integration. This integration will result in a seamless interface between PaymentWorks & ERP to eliminate manual data entry. If a Tax ID already exists in ERP, Company will have "routing options" for the existing payee, e.g., update an existing record with a new remittance address.</p> <p>Integration entails development of a bidirectional feed between PaymentWorks and your instance of ERP, specifically for data associated with new vendor registrations, vendor updates, and ACH Payee Account updates.</p>
<p>Data Validations</p>	<p><u>Tax Identification Number:</u> PaymentWorks utilizes a Third-Party Service, TINCheck, which checks against the IRS database to make sure that the legal name submitted by a payee matches with their submitted TIN, EIN, or SSN.</p> <p><u>Sanction List/Debarment Status:</u> The legal name of the payee is sent to a Third-Party service, RDC. RDC checks against hundreds of sanction and debarment lists, including OFAC & Sam.gov. If the vendor is on any of the lists, the report will identify which specific lists the vendor is on along with the reason for their inclusion. This service is initiated during the onboarding process and is continuously monitored throughout the payee relationship. Company will be notified of a change in status for any of the lists that are checked.</p> <p><u>Remittance/Corporate Addresses:</u> To validate addresses PaymentWorks utilizes a third-party provider, SmartyStreets. This provider does a real-time verification check of US addresses against the US Postal Service database. When a payee submits their new vendor registration form or makes an update to their address on their PaymentWorks profile, a real-time address validation will occur.</p> <p><u>Bank Account Details:</u> PaymentWorks will check the vendor's submitted bank account number, routing number and the name on the account against a third-party database managed by GIACT. This provider verifies if the payee's submitted information is accurate, associated with the same account, and in good standing. If there is any questionable information reported on the account, or if information is unable to be verified via GIACT, a manual process is initiated by a verification specialist for further review and a best-effort attempt to verify the banking information.</p>

	<p><u>Diversity</u>: PaymentWorks enables customers to require their registering vendors to submit and maintain diversity certification information. Certifications and diversity types can be customized to comply with Company's supplier diversity standards. PaymentWorks will work to validate and verify these certifications to the best extent possible.</p> <p><u>Insurance</u>: PaymentWorks enables customers to require their registering vendors to submit and maintain relevant insurance certificates. The platform provide the capability to inform vendors when their uploaded certificates are about to expire and need to be re-uploaded.</p> <p><u>Conflict of Interest Collection</u> The PaymentWorks platform can include Company's current conflict of interest policies and incorporate them into the Company's vendor registration form. This information will be stored and can be viewed for each vendor on the PaymentWorks platform.</p>
Workflows, Approvals and Business Controls	<p>PaymentWorks provides robust, multi-step approval workflow that can be applied for a) payee invitations, b) registrations and/or c) profile updates.</p> <p>Approvals are triggered and routed to appropriate approvers based on Company's business practices. For example, customers can route registrations by foreign vendors for approval by the tax office. With multi-step approvals, approvals can be required by one or more roles prior to routing the item for next level or final approval.</p>
The Network	<p>There is no other solution built with a network of connected suppliers to various Universities and business entities. Other P2P vendors work with Universities & their suppliers in a closed environment (One-to-One vs. One-to-Many).</p> <p>This is an integral component to prevent against fraud. The more the network grows, and the more validations against the appropriate identity elements, the more trust Payers will have in their B2B relationships.</p>
Receive & Send Messages	<p>PaymentWorks provides a messaging platform that supports several kinds of messages. This includes individual supplier communication and news/updates for broadcast notification to all connected suppliers.</p>
Report/Export (Data Extraction) of Payee Records	<p>Exporting of Supplier registration and profile update data is core functionality in PaymentWorks. Data can be extracted manually (ad hoc) or programmatically, as needed. The source data can be filtered on several dimensions ensuring that only the desired records are exported. The records are exported as CSV files, which can be loaded natively in Excel.</p>
Dynamic Discounting	<p>Company can offer suppliers discounted early payment offers for approved invoices. Company can configure the rules (APR, Limits, Pay Days, etc.) for the program. PaymentWorks makes discounted early payment offers based on Company's guidelines. Company can confirm early payment requests from suppliers and suppliers are notified when they are confirmed. Company can receive a file of confirmed early payment requests (to be uploaded to the ERP to adjust supplier payments).</p>
Reimbursements	<p>For payments not requiring submission of tax information for reporting purposes such as reimbursements/ refunds. Reimbursement feature can collect information in a streamlined request for basic information to enable processing of payments and entry into the client's financial system.</p>
Support	<p>First level email and phone support for all Company staff and Company payees.</p>