



Department of General Services
Office of Procurement
707 3rd Street, 2nd Floor
West Sacramento, CA 95605

**STATE OF CALIFORNIA
MASTER SERVICE AGREEMENT**

**ELECTRONIC PAYMENT ACCEPTANCE SERVICES
USER INSTRUCTIONS**

CONTRACT NO.: 5-08-99-02
CONTRACTOR: Discover-- DFS Services LLC
CONTRACT SERVICE: Electronic Payment Acceptance Services
CONTRACT TERM: July 1, 2008 through June 30, 2011
DISTRIBUTION LIST: http://www.pd.dgs.ca.gov/cc/default.htm

DGS CONTACT:
Mary Anne DeKoning
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_____ Date _____
Skip Ellsworth,

Multiple Awards Program

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I. INTRODUCTION AND GENERAL INFORMATION

A. INTRODUCTION

The DFS Services LLC (Discover) Master Service Agreement (“MSA”) provides State and local government agencies the ability to accept the Discover card for payment of various fees. Discover can only process its own card because it is not a general credit card processor.

In order to accept the Discover card the agency must complete a separate contract subscription with settlement made directly to the state or local government agency by Discover. The Visa/MasterCard processors listed elsewhere on this website can only provide authorization, capture, and routing services for Discover cards and then must pass the transaction to Discover to finalize the payment transaction.

This Agreement is designated as mandatory for State of California agencies seeking to accept the Discover card as a means of electronic payment. State agencies are required to adhere to the terms of this Agreement as well as the Department of General Services (DGS) contract and procurement policy and procedures.

The State of California makes this MSA available to local governmental agencies; however, each local agency must determine that the use of this MSA is consistent with its procurement policies and regulations.

B. DEPARTMENT CONTACT

Mary Anne DeKoning
Contract Administrator
Department of General Services
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C. CONTRACT AND CONTRACTOR INFORMATION

Discover Contact

June Sailas
Relationship Manager, National Accounts
Discover Network
2500 Lake Cook Road, 2/3/AA
Riverwoods, IL 60015
Telephone: (303) 252-4483
Fax: (303) 252-4687
Email: junesailas@discoverfinancial.com

Discover Contract: [MSA # 5-08-99-02](#)

D. CONTRACT TERM

The Discover MSA is effective from July 1, 2008 through June 31, 2011. This MSA has a provision for one two-year optional extension. Order placement and services based on this contract must be completed on or before the expiration date of the MSA.

E. CONTRACT APPROVAL

The contract executed between the ordering agency and Discover must be completely approved and executed prior to the start date of the contract. *Please allow ample processing time to avoid late contracts.* Departments/agencies may not authorize work/services under an MSA until the department/agency contract with the MSA contractor is fully approved and executed (including DGS/OLS approval if required).

F. REPORTING REQUIREMENTS FOR ORDERING DEPARTMENTS

1. Contract Award Report (STD 16)

<http://www.documents.dgs.ca.gov/osp/pdf/std016.pdf>

Awarding agencies are required to notify the Department of Fair Employment and Housing, Office of Compliance Programs of any contract award in excess of \$5,000 within 10 days of award date.

2. Contract/Contractor Evaluation (STD 4)

<http://www.documents.dgs.ca.gov/pd/masters/itconsult/SecVIContractorPerformanceReport.doc>

If a Contractor is either performing in an outstanding manner or if problems are encountered, agencies are encouraged to complete a State Agency MSA Contract Performance Report (link above). Please send this report to the DGS address above. If a Contractor receives three or more substantiated and unresolved reports of poor service within a year, that Contractor will be suspended from the MSA for a period of not less than ninety (90) days.

An evaluation must be completed for all consulting services contracts \$5,000 and over within 60 days of completion of the contract and remain in the agency's file. If the contractor's performance is unsatisfactory, the ordering department must send a copy of the completed Std. 4 (link below) to the DGS, Office of Legal Services within five (5) days after the completion of the evaluation. The contractor must be notified and sent a copy of the unsatisfactory Std. 4 evaluation by the ordering department within fifteen (15) days after its completion.

<http://www.documents.dgs.ca.gov/osp/pdf/std004.pdf>

G. DISABLED VETERAN BUSINESS ENTERPRISE

There are no subcontracting possibilities for Disabled Veteran Business Enterprise (DVBE) participation goals and, therefore, DVBE responses were not included as a requirement for this MSA. DVBE participation does not apply to contracts/orders placed against this MSA.

H. CALIFORNIA CERTIFIED SMALL BUSINESS

This contractor is not a certified California Small Businesses.

II. STATE AGENCIES ORDERING PROCEDURES

In addition to procedures delineated in these user instructions, requirements contained in the DGS/PD Purchasing Authority Manual (PAM), State Contracting Manual, and the ordering agency's internal contract procedures must be followed.

A. AUTHORITY TO USE THE MSA

Departments should use this MSA in accordance with State Contract Manual (SCM) Volume 1 for non-IT services.

B. COMPETITION & ADVERTISING

Ordering agencies are not required to solicit multiple offers nor post an advertisement in the State Contracts Register when executing contracts under this MSA.

C. ORDER LIMITS/DOLLAR THRESHOLDS

Contracts may not exceed \$500,000 in accordance with MM 08-05. Pursuant to PCC Section 10329, an order shall not be split into more than one transaction to circumvent the dollar threshold. MSA transactions with an estimated value in excess of \$500,000 must have *prior* DGS/PD approval. Departments must submit all exemption requests for review and approval to DGS/PD/PAMS.

D. CONTRACT PREPARATION

1. CONTRACT LANGUAGE

In accordance with all applicable contracting procedures, use the State Standard Agreement (Std. 213) and Agreement Summary (Std. 215). Incorporate the MSA number by reference on the Std. 213 by inserting this clause on your 213 cover sheet: "MSA # 5-08-99-02 is hereby incorporated by reference and made a part of this agreement." You may obtain a copy of the Std. 213 at the following link:

<http://www.documents.dgs.ca.gov/ols/contracting%20info/std213-june%2003.doc>

2. SCOPE OF WORK

Ordering agencies must include a Scope of Work for each contract. The Scope of Work should identify the specific services being ordered and service level agreements (measurable deliverables). A departmental contract manager/project representative should be identified as well.

3. BUDGET, INVOICE, AND PAYMENT PROVISIONS

Ordering agencies must include Budget, Invoice, and Payment Provisions. While there is no need to duplicate the MSA contract language on this topic, do include those cost details specific to the contract between the ordering agency and the MSA Contractor. These provisions should also include information on where, to whom, and how often the invoices will be submitted.

All Authorized Users are required to open a Zero Balance Account (ZBA) at an approved State financial institution to accept electronic payments under this MSA. The contractor shall transmit the total amount of the payment transactions to each Authorized User's appropriate designated bank account in accordance with the schedule noted in Exhibit A of the MSA. The contractor does not have authority to debit the Authorized User's designated bank account.

4. INSURANCE REQUIREMENTS

a. Liability Insurance

The contractor shall furnish to the agency at no cost to the State, a Certificate of Liability Insurance (\$1,000,000 or greater) if federal funds are used. The Bond shall be on a form from an admitted surety insurer and must guarantee the contractor's compliance with the terms of this contract. The contractor shall furnish to the agency, prior to commencement of the work or within twenty-one (21) calendar days after issuance of order.

b. Workers' Compensation

The contractor shall furnish to the State a certificate of insurance stating that there is Workers' Compensation insurance on all of its employees who will be engaged in the performance of this agreement.

The certificate of insurance must include the provision that the insurer will not cancel the insured's coverage without 30 days prior written notice to the State.

Ordering departments should request a copy of the proof of Workers' Compensation Insurance at the time of order placement to ensure Workers' Compensation Insurance is current.

NOTE: The State will not be responsible for any premium or assessments on the policy.

5. FEDERAL DEBARMENT

The Federal Department of Labor requires State departments that are expending Federal funds of \$25,000 or more to have a certification by the supplier that they have not been debarred or suspended from doing business with the Federal Government in the contract file.

6. FILE DOCUMENTATION

To the extent possible, State agencies should make every effort to follow the administrative and file documentation requirements for service contracts listed below:

- a. Statement of Work
- b. Financial Information/Bond, if applicable
- c. Secretary of State Certification
- d. Certificate of Liability Insurance greater than \$1,000,000 if federal funds are used
- e. Federal Debarment certification signed by the contractor stating it has not been suspended from doing business with the Federal Government, if applicable
- f. Workers' Compensation Liability Insurance
- g. Payee Data Record (STD 204)
<http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf>
- h. Standard Agreement (STD 213)
<http://www.documents.dgs.ca.gov/ols/CONTRACTING%20INFO/STD213-JUNE%2003.doc>
- i. Include the Statement of Work, Department Billing Code, Leverage Procurement Agreement number, Delegation number, and supporting documentation. Copies of the STD 213/215 documents must be sent to the Department of General Services, Procurement Division, Master Agreement Unit.

III. LOCAL AGENCIES MSA GUIDELINES

A. INTERNAL APPROVAL

Local agencies must have obtained internal approval prior to issuing an order against this MSA. Local agencies must agree to all the terms and conditions of this MSA when issuing orders against this MSA.

B. CONTRACT/ORDER FORM

Local agencies may use their own contract forms but must include all pertinent information as required by State ordering agencies—the data elements are described in Section II-6.

C. LOCAL AGENCY REPORTING

Send one copy of the approved order/contract form along with a copy of the Contractor and Evaluation and Selection Form to DGS/Procurement Division, Attn: Multiple Award Program Section (MAPS). The local agency resolution, if required, approving use of the MSA must be attached to the approval order/contract. The local agency order/contract document **must** include the DGS billing code. If a local agency has not been assigned a DGS billing code, it may obtain one by e-mailing the following required information as follows:

To: Marilyn.ebert@dgs.ca.gov

Cc: Wilson.lee@dgs.ca.gov

1. Complete Agency Name
2. Complete Agency billing address
3. Agency billing contact name
4. Agency billing contact's phone number

Upon receipt of the local agency's e-mail, Marilyn or Wilson will assign and e-mail the billing code back to the requesting local agency.