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To: Whom It May Concern

From: Oakland City Identification Card Coalition (OCICC)

Re: Coalition Evaluation of ID/Value Storage Card RFQ Responses

OCICC would like to express its appreciation to City staff and to the vendors who responded to the City of Oakland's RFQ. City staff graciously allowed members of the Coalition to participate in pre-release meetings, generously answered questions, and provided timely email notices. All three responders to the RFQ met with members of the Coalition and provided the Coalition a copy of the documents that were submitted to the City.

OCICC's evaluation consisted of seven separate scores. The first score was **Respect**. This score consisted of a rating of the level of serious, respectful communications of the vendors with the Coalition. All the vendors scored high on this measure. The second score was a measure of the **Local** availability of the principal management staff in the Oakland area. The third measure, **Non-white Privilege**, is a diversity score for the vendors; the Coalition is committed to supporting opportunities for those who do not have the advantage of white privilege. The fourth score rated the responsiveness of the proposals to the **Stored Value** aspects of the RFQ; the Coalition feels that this function is minimally responsive to the cost-covering needs of the City to move forward with this card. The fifth score is a measure of the prominence in the proposals given to the local currency (**ACORN**) function for the card; this function is importantly synergistic to the mission and success of the card. The sixth score is a measure of the stand-alone **Costs** of the proposals to the City for implementation. The last and seventh score is a measure of the responsiveness of the proposals to the function of the card as a means of conveying **Remittances**. The ability to inexpensively transfer earned income overseas will be a decisive benefit and attraction for African, Asian, and Latin American immigrants. Oakland is a major international port that will be economically stimulated by these exchanges.

**PROPOSAL EVALUATION**

Vendors	Respect	Local	Non-white Privilege	Stored Value	ACORN	Costs	Remitt	TOTAL SCORE
Capture Technologies	67	100	0	0	0	0	0	167
SF Mexico Services	60	10	100	100	50	100	100	520
Veritec	100	80	100	100	100	100	0	580

Through these scoring means two vendors scored high: Veritec and SF Mexico Services. The Coalition recognizes that the City will be also evaluating the vendors' financial capabilities, corporate stability, and compliance with City contract requirements. Baring any major difference with these factors, the Coalition recommends that the City Council choose Veritec as the vendor for the City ID/Value Storage Card. We realize that there is much detail to negotiate with the chosen vendor. The Coalition believes that Veritec will be most responsive to City's mission for the project and responsible to the needs of all members of the community in Oakland. The Coalition did not find the Capture Technologies proposal sufficiently responsive, even though the RFQ allowed bids on separate parts of the project. Choosing Capture Technologies would necessitate a forced relationship with a vendor(s) to complete those activities for which they were not responsive.



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## OCCIC Follow-UP Point with Veritec's Answers

1. What is the difference between a merchant's benefit program and local currency?

**Answer** – The merchant benefit program focuses on “units of value” such as discounts, points, promotions, etc to encourage and motivate consumers to shop at or do business with a particular merchant or merchants. The “units of value” may be applied by the consumer to get merchandise and services at a lower price, up to and including no cost in public currency terms. These units of value typically do not have any public currency value and are not defined as “legal tender for any and all debts”. Local currency is a general “value unit” that functions similar to a national currency, but with more limited jurisdiction. Merchandise and services are priced individually in local currency units and would have to be discounted as a separate action from the use of the currency itself.

2. Is there a difference between a program like SF's where the benefit comes from flashing a card and where the benefit is programmed on the card?

**Answer** – The difference with programming is that the benefit can be more easily and consistently managed across a large population. Program rules and guidelines can be electronically enforced, and changes can be quickly implemented in order to keep the program relevant and fresh. Program performance and merchant/cardholder data is easily collected with a high degree of accuracy. With flashing a card, the program is dependent on the merchant to give the benefits as defined. Program performance and merchant/cardholder data is more difficult to collect.

3. The Coalition believes that some functions/benefits will have to be phased in but that all wanted functions must be designed for in the beginning. Is this accurate?

**Answer** - This is important because it allows the program to deliver benefits immediately based on complexity of implementing the benefit. For example, the design and implementation of the ID card with basic financial functionality would be much quicker than waiting until the more complex economic and local currency benefits are structured and agreed to by the other necessary participants.

4. How important is the broad marketing of the ID card to the success of the program for everyone?

**Answer** - Veritec is not only committed to marketing and promoting the local currency/ economic components, but views them as being critical to the success of the program. In order to achieve some of the key program



goals of self-funding and not stigmatizing the undocumented that need ID, the program needs to sign up a broad base of people in order to generate program revenue and make the card appealing for more reasons than to just get an ID card. In addition, the local currency/economic components bring value to the city and merchants buy increasing traffic to participating merchants and by stimulating more economic activity within the city boundaries. A percentage of the people that spend ACORNS in the city may also spend dollars as well.

5. Is there any detriment to functions initiated early when the local currency function is 'brought on-line in a latter phase?

**Answer** – The key is to establish the infrastructure for the local currency as part of the system implementation. That way only the local currency definition and rules will need to be added when ready. The analogy is laying the foundation of a building. If you want a building to ultimately be 5 stories tall, you lay a foundation for all 5 stories. You can build 3 stories first and add two more later. Not only will only no functions be lost, but you gain the benefit of having the infrastructure in place and working smoothly with some number of cardholders already in place and ready to use the local currency.

6. OCCIC feels that being able to issue cards to residents who have no documentation at all is important. Can you suggest some ways that the City might consider doing this?

**Answer** - One idea might be to require two pieces of mail (bills, medical, etc.) with the applicant's name on it for the address they are using, and, accept the verification by a second person that knows them and we verify the second person's ID (name, address, SSN/DL, place of employment). We keep a record of the second person that verified the applicant.

7. OCCIC also believes that all use fees should be at or below industry standards. Can you comment on this?

**Answer** – The vendor should be willing to accept a low margin. This will motivate the vendor to market the card to make money on Volume, not high fees. This is also important to make sure people that need an ID card are not taken advantage of from a pricing standpoint.

8. Please, clarify Veritec's use of non-profits, community organizations, and commercial property for intake. How can such facilities add to the success of the program?