



Legislation Details (With Text)

File #: R-2016-193 **Version:** 1 **Name:** TeleCheck eCheck Services 2016
Type: Resolution **Status:** Passed
File created: 6/21/2016 **In control:** Department of Financial Services
On agenda: 7/6/2016 **Final action:** 7/6/2016
Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Enter Into An Agreement Between TeleCheck Services, Inc. And The City Of Hollywood To Provide Electronic Check Acceptance Processing Services Not To Exceed \$50,000.00.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 01 Resolution eCheck Services 2016.pdf, 2. 02 TeleCheck Agreement.pdf, 3. 03 TeleCheck Cost Estimate.pdf, 4. tertelecheck.pdf, 5. BIS 16221.pdf

Date	Ver.	Action By	Action	Result
7/6/2016	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Enter Into An Agreement Between TeleCheck Services, Inc. And The City Of Hollywood To Provide Electronic Check Acceptance Processing Services Not To Exceed \$50,000.00.

Staff Recommends: Approval of the attached Resolution.

Explanation:

As a convenience and to enhance the overall experience of its building, planning and engineering customers, the City will be offering electronic payment acceptance and would like to include electronic check acceptance through a new point of sale system to be located at each respective service area.

The City's existing merchant service provider, Bank of America N.A./Banc of America Merchant Services LLC offers the Clover Station point of sale system which will be used to facilitate credit card acceptance at building, planning and engineering service counter locations. Clover Station supports the electronic check acceptance processing services offered by TeleCheck Services, Inc. which would further enhance the customer experience by allowing those customers who pay by check to also make payment at the service counter location.

The processor fee costs associated with electronic check acceptance processing services offered by TeleCheck Services, Inc. are \$0.20 per transaction and 1.5% of check dollar value. To control costs, checks over \$5,000.00 which average approximately 13 checks per month would be expedited by staff and processed by Treasury Cashiering office. Given this constraint, the processor fees are estimated to be approximately \$35,000.00 for the upcoming year based on the annualized activity of related check transactions over the past 7 months.

Although the estimated annual cost for these services will not exceed \$50,000.00 and an agreement for this amount does not normally require City Commission approval, this agreement requires City Commission approval because of a provision for the City to indemnify TeleCheck Services, Inc. in the event the City fails to comply strictly with any: terms and conditions of the Agreement

The cost of these services will be paid for as a reduction to revenues consistent with current practice with other merchant service expense and is recorded as an expense or offset to revenues.

Recommended for inclusion on the agenda by:

Dr. Wazir Ishmael, City Manager

George Keller, Assistant City Manager

Mirtha Dziedzic, Interim Director of Financial Services