



PIMA COUNTY

PROCUREMENT

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February 18, 2015

RFP # 169552 Banking Services

ADDENDUM # 2

The following changes and clarifications are hereby incorporated into RFP # 169552

Changes:

Instructions to Offerors, page 4, Submission of Offers, section 6, A. Exhibit A: Sample Contract

Delete: A. Exhibit A: Sample Contract (Sample contract is hereby deleted from the list of documents that the offeror must submit)

Instructions to Offerors, page 4, section 6, D. Exhibit E: Reference Form

Now reads: Offeror must provide the names and contact information (phone and e-mail address) for at least 3 current clients.

Change to: Offeror must provide the names and contact information (phone and e-mail address) for at least 5 current clients.

Exhibit D, Questionnaire, page 23

Delete line "Refer to Exhibits A and B within attached SAMPLE CONTRACT for instructions regarding 'initials line' and 'Signature block' which must be included in your Exhibits A and B." has been deleted

Clarifications – Vendor Questions:

(See attached list of vendor questions with County responses)

All other terms and conditions remain the same.

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Wells Fargo Bank, N.A.

General Banking/Treasury Questions

- On page 4 of the RFP we are advised to include Exhibit A (Sample Contract) with our response. Should we insert information into the highlighted portions of Exhibit A as indicated or does the County prefer that we simply include a copy of the existing Exhibit A document without insertions?
County Response: Submission of Sample contract will be deleted per published solicitation addendum.
- On page 23 of the RFP we are directed to “Refer to Exhibits A and B within attached SAMPLE CONTRACT for instructions regarding ‘initials line’ and ‘Signature block’ which must be included in your Exhibits A and B.” We were not able to locate information in the Sample Contract regarding an “initials line” or “Signature Block” in Exhibits A and B. Can the County please advise as to the inclusion of an “initials line” or “Signature Block” in the Exhibits?
County Response: Page 23 line “Refer to Exhibits A and B within attached SAMPLE CONTRACT for instructions regarding ‘initials line’ and ‘Signature block’ which must be included in your Exhibits A and B.” has been deleted
- In Exhibit D, Section 1 – Banking Services, subsection 7 ACH Services, an item J is included on page 24 of the RFP with a question mark. Is there a question to respond to for item J or should this item be disregarded?
County Response: It can be disregarded.
- Item 1 from Exhibit C (Minimum Qualifications Verification Form) requests that we provide the latest audited financial statements. Will the County accept a link to electronic statements? If not, with the goal of providing a green response, would the County accept one copy of the latest audited financial statement included with the original copy of our response, or would the County prefer that the report be included with each response copy?
County Response: Please provide one hard copy and the link to electronic statements.
- Page 4 of the RFP states that we should provide contact information for a minimum of three current clients. Item 6 from Exhibit C (Minimum Qualifications Verification Form) states that the respondent shall provide a minimum of five references. Can the County advise of the correct requested minimum number of references.
County Response: Five references should be submitted County will contact the references.
- Due to the complexity of the RFP is a two week extension possible?
County Response: Based on the timeline established in order to meet State requirements a two week or any other extension is not possible.
- Can we obtain a copy of the analysis statement? Merchant statement?
County Response: No
- Are there other forms of payment received by your lockbox in addition to property tax payments?
County Response: No
- How many lines of credit are needed for your political subdivisions? What are the historical borrowing patterns of these districts?
County Response: County has as many as 24 districts with lines totaling \$126M. Current borrowings have not exceeded \$50M the last two years.
- Who is the current provider of the County’s merchant services? Lockbox? Safekeeping? & Investments?
County Response: Bank of America
- How often do you settle analysis charges?
County Response: Annually
- Can we obtain a Word version of the RFP?
County Response: Word version of RFP can be provided.
- What is the County’s current Earnings Credit Rate?
County Response: .30%
- What is the County’s average monthly ledger and average collected balance per month?
County Response: It varies per account. We try to peg our cash balances around \$30M.

- Is the County experiencing any specific pain points that it would like to have specifically addressed in the proposal? If so, what are those? **County Response: No, but looking to improve performance.**
- How are deposits currently made for Pima County, i.e. branch; cash vault; remote deposit, electronic deposit? And what is the volume/month by method? **County Response: All of the above, see Volume of Activity**
- If electronic deposit – which vendor does the County use to transmit electronic deposits?
County Response: Lockbox deposits are made via Image Cash Letter
- How many ACH transmissions are created each month by Pima County and what are the purposes used for ACH? i.e. Payroll, Vendor Payments, etc.?
County Response: Various purposes including vendors and Payroll, see Volume of Activity
- When would the County issue a Warrant versus a check?
County Response: Checks are issued on bank accounts outside the responsibility of the Treasurer. Only the Treasurer issues checks, all others are warrants.
- Besides Previous day, what types of online reporting does the County utilize, i.e. Intraday, BAI reports; ACH Reporting? **County Response: Merchant services, intraday, BAI, ACH, Investments**
- Would the County please provide lockbox processing instructions? Could the County please provide samples of lockbox coupons? **County Response: Please see Overview of Current Services. Coupons are available for inspection. And can be provided per written request.**
- How many returned items does the County receive each month and does the county automatically redeposit or chargeback all items? **County Response: Approximately 100 per month, our servicing bank currently presents checks twice before they are returned to us.**
- How is the County notified of returned items? **County Response: On-line and the original by mail.**

How many ACH returns does the County currently receive on a monthly basis? **County Response: Varies, approx. 50**
- How is the County notified of ACH Returns and NOC's? **County Response: On-line**
- Would the County be open to Positive Pay rather than a Reverse Positive Pay process? **County Response: No**
- Does the County utilize Controlled Disbursement for its warrant process, if yes, where are the checks drawn?
County Response: Treasurer not familiar with Controlled Disbursement.
- Would the County consider an out of state Controlled Disbursement presentment site if it could add value to the current process? **County Response: Controlled Disbursement needs to be defined before response can be provided.**
- Can the County provide a sample of a warrant? **County Response: They vary by district**
- Does the County currently provide online payment processing? If so, for what functionality?
County Response: Yes, various
- Please confirm that any contract exceptions from our end must be submitted no later than eight days before the due date? **County Response: Since this is a proposal contract exceptions may be submitted with the proposal. However, the County may choose not to accept the proposed exceptions.**

Purchasing Card Questions

- Current credit card program, if so, with whom? **County Response: Chase**

- How many cards? What is the brand (Visa, MC, Amex) **County Response: 253 Visa cards**
- How many transactions in the last year or average ticket size?
County Response: Transactions 15,300 +/-; Avg. ticket size \$500
Does the County client utilize purchase orders? What is the dollar threshold? (ex: \$2500 or greater)
County Response: Purchase Orders are utilized by the County, PO award in excess of \$250,000 requires Board of Supervisors approval. County usually does not issue PO's for purchases under \$5,000.00
- Who pays the bill? (Individual versus corporate liability) **County Response: Corporate**
- How are statements being reconciled? Excel, Concur, etc.? **County Response: For cardholders: Manually against receipts and individual Cardholder statements and P-Card banking software; for Corporate statement: Manually ACH payments against corporate statement and transactions in P-Card banking software.**
- How are cards being used today? (Travel, small dollar items, AP, etc.?)
County Response: all of the above
- Is the organization already utilizing electronic payments – like ACH? Why? What percentage of your payments are electronic? **County Response: Only on an exception basis currently**
- How are invoices received? (Centrally or decentralized?) **County Response: Centralized**
- How does the County retain receipts for expense reimbursements? **County Response: Image**
- How do employees who do not have cards get reimbursed for items such as mileage? Or how is it tracked?
County Response: Paper
- What is your ERP or accounting system? **County Response: AMS Advantage**
- Does the organization have any key financial objectives for the year – improve working capital, reduce paper invoices, take advantage of discounts, etc.? **County Response: The county has a green agenda and is moving to be paperless, it is also looking to maximize discounts and rebates, it is working to automate processes**

Trust / Investments Questions

- Number of accounts required **County Response: Currently one**
- Are there any outside investment managers? If so, how many? **County Response: None currently**
- Market value of portfolio **County Response: See Volume of Activity**
- Make up of current portfolio (100% fixed income, individual securities, etc.) **County Response: Fixed income**
- Approx. number of annual transactions (purchases, sales, maturities) **County Response: 200**
- Average monthly sweep balance **County Response: No sweep required currently**
- Do you have any special reporting needs (if yes, would you provide a sample report) **County Response: Current activity and market value.**

Merchant Services Questions

- Please provide a breakout of volume and average payment amount across the 44 total (active) merchant accounts. If possible, please notate what product or service is being provided on each and if payments are primarily card present or card-not-present. **County Response: Please see Volume of Activity. Almost all county services accept card. Card present or not present depends on the department**
- Please confirm processing solution for each merchant account/location (e.g. terminal – make/model/manufacture, software – version/serial number, payment gateway – provider). **County Response: Most departments are using T7 Plus terminals, and there are 4 gateways.**

Bank Of America questions:

1. Page 14, the last sentence reads "The key personnel include the following staff:" but then moves to the next section of the RFP. Was this intentionally left blank?
County response: sentence should read "The key personnel include the following staff the Relationship manager for banking services, merchant services, lockbox provider"
2. Page 15, Article IV – Insurance. The bidder's insurers do not give notice of cancellation of insurance to any entity other than the bidder; however, the bidder itself can provide notice to the County should it ever be necessary. Is this acceptable? County response: Yes.
3. Regarding Card Services:
What has been the County's Card volume over the past three years?
County response: \$7,442,000, \$8,162,000 and \$7,790,000
How many cardholders does the County have?
County response: 253 cards
How is transaction reconciliation completed?
County response: For cardholders: Manually against receipts and individual Cardholder statements and P-Card banking software; for Corporate statement: Manually ACH payments against corporate statement and transactions in P-Card banking software.
How are receipts managed?
County response: Originals are maintained in file, scanned copies are submitted for backup with statement.
What are you using your program to purchase – goods, services, AP, etc.?
County response: Travel, small dollar items, AP, etc.
4. Regarding Safekeeping and Investment Services:
 - Confirm the account size is approximately \$325 million County response: Yes \$325 million.
 - Types of securities held in the portfolio. County response: fixed income securities including treasuries, agency securities, corporate bonds and commercial paper
 - Estimate of the number of transactions in a year. County response: County currently holds 123 securities and purchases between 50 and 100 securities a year.
 - Provide a copy of the custodian statement. County response: County Investment report is available on our website which lists all securities in the portfolio at www.to.pima.gov.
5. Can you provide estimate of usage on lines of credit for each of the next 3 years?
County response: Difficult due to changing economic conditions particularly at the state level. The county has borrowed \$50M twice a year for the last two years. Treasurer anticipates that borrowing will continue.
6. Page 25 Exhibit D section 9 b it says - The data must include Record Code, Cleared Date, Warrant Number and amount paid. Please provide clarification of the record code?
County response: All the warrants start with a two digit code that identifies the issuer of the warrant.