



**RFP NO. 100161-FY17-24  
BANKING SERVICES**

**ADDENDUM NO. 2**

**APRIL 18, 2017**

*Please note the following responses to the questions received:*

1. Question: In Section #1.102, shouldn't the period be July 2014 – June 2016?  
(Reference: Attachment D – Group Specific Questionnaire)

Response: Yes; the correct dates should read July 2014 – June 2016.

2. Question: On Page 13, an Exhibit E is referenced but is not included in the RFP; can you please provide? (Reference: Service Group 1: Banking Services)

Response: Service Group 1: Banking Services, Section 13 ACH Processing, Subsection a., has been revised to read:

The Offeror shall provide an ACH Bank Draft Payment option for the Town to offer its customers as an alternative method of payment. Each Offeror shall submit with this Proposal the software specifications for review to determine compatibility with current Town's Munis system. This service must be provided via a secure electronic transmission, and include single and multiple batch formats.

3. Question: Can Attachments B & D be provided electrically so that we can have space to provide answers to the questionnaire?

Response: Attachments B and D are attached to this addendum in Word and Excel formats.

4. Question: Can the Town provide the number of transactions for the p-card program?  
(Reference: Service Group 4: Purchasing Card Program)

Response: The number of transactions for the period January 1, 2016 – December 31, 2016 was approximately 8,991.

5. Question: Can the Town provide the number of transactions (paper) for lockbox services.  
(Reference: Service Group 3: Retail Lockbox)

Response: Estimates for paper lockbox transactions for the period July 1, 2015 – June 30, 2016.

Leesburg Tax:

PPT Deposits:	\$1,620,521.07	12,349 payments
RPT Deposits: payments	\$3,058,093.07	4,073
Total Deposits (PPT and RPT):	\$4,678,614.14	

There were 963 rejected items for the following reasons:

No Payment, Correspondence only, Foreign checks, Real Estate Taxes – All Payment Only (Check Only) items, Real Estate Taxes – All documents, Personal Property rejects

Leesburg Water & Sewer:

Total Deposits	\$11,756,822.27	39,615 payments
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There were 155 rejected items for the following reasons:

No Payment, Correspondence only, Foreign checks, Post-dated or stale dated checks  
Check only items that have no account number or incorrect account number.

6. Question: A merchant statement is included in the attachments, but not included as a Service Group. Are merchant services included with this RFP?  
(Reference: Exhibit B – Sample Merchants Statement)

Response: Merchant services are not necessarily a part of the scope of work; however, if you would like to propose to these services to the Town, please include this as an additional proposed service under Tab 3 of your proposal response.

7. Question: Are you currently using custodial services?

Response: Custodial services are not currently being utilized by the Town; however, if you would like to propose these services, please include this service as an additional proposed service under Tab 3 of your proposal response. The Town uses custodial services for its OPEB investment trust that are not included the scope of these services. This item refers to custodial services for the Town should the Town decide to purchase short or intermediate term US Treasury or agency bonds as investments for reserves or temporarily idle funds. Presently, the Town does not make these investments directly but uses the VML VIP Pooled Trust for these investments. Should the Town decide to buy and hold some of these investment in the future, the Town would want to have these services provided and the pricing included in the contract. The volumes would be very low.

8. Question: Are you currently using courier services?

Response: Courier services are not currently being utilized by the Town; however, if you would like to propose these services, please include this service as an additional proposed service under Tab 3 of your proposal response. If the offeror does not have a branch very close (within the Town limits or two miles) to Town Hall, then the Town would require

those services and the pricing would be included by the Town in evaluating the cost of the offeror's services. If the offeror does not include the cost, the Town will use its own conservative estimate of what that would be.

9. Question: Are you willing to have the blank deposit included as a fee?  
(Reference: Service Group 1: Banking Services, Section 7. Banking Supplies)

Response: The Town currently is not being charged for deposit tickets or bags. Offerors should include all pricing for services as part of their response to the proposal. All fees will be evaluated as proposed. Firms who are trying to propose fees are cautioned that this cost will be considered when the evaluation committee evaluates the proposal responses.

10. Question: Will you accept the reverse for what the deposit is but then notify the Town that there was an error? Are you expecting the bank to call and tell if there is a difference in the deposit, so that you have an adjustment to reconcile to?  
(Reference: Service Group 1: Banking Services, Section 5d)

Response: All offers for an alternative process to the detailed specifications of the request for proposal should clearly identify and detail how that process will work in an Offeror's response. A vague response will be considered as a negative, but the Town will consider alternative processes that are clearly documented without prejudice with the primary consideration being the extent to which the process complicates the Town's reconciliation process.

11. Question: Does the Town have day deposits or night deposits?  
(Reference: Service Group 1: Banking Services)

Response: The Town currently utilizes day and night deposits, including electronic and in person methods.

12. Question: What is the typical percentage of the online exceptions that you are having? Do you require two transmission files, one for Property Tax and one Utilities?  
(Reference: Service Group 1: Banking Services)

Response: Credit card processing includes real-time preauthorization only. Transactions recorded are approved at the time of processing.

13. Question: What is the volume of these checks and why the 2:00 p.m. stipulation?  
(Reference: Service Group 1: Banking Services, Section 5 Deposit Services (a)(3))

Response: The majority of these are electronic deposits using an EDI interface and are not paper checks.

14. Question: What is the volume of your international wires?  
(Reference: Service Group 1: Banking Services, Section 10 Outgoing Wire Transfers (c))

Response: The Town rarely utilizes international wires. A bank should include the pricing for the one-time wire, typically to Canada, but assume that one (1) or none is done annually. While it could happen, the Town ordinarily will not do international wires.

15. Question: How often does the Town send e-checks?  
(Reference: Service Group 1: Banking Services, Section 6 Checking Services (f))

Response: The Town does not currently send e-checks for outgoing payments. The Town will evaluate offers for additional services as part of Offeror submissions. This section of the RFP refers to when the vendors want to send the Town electronic business to business payments. The Town does not have that process in operation now, but can foresee needing it in the near future.

16. Question: What is the Town's volume of the coin daily drop off?

Response: Section II.C., Background, Cash Processing, paragraph 2 notes the average coin deposits are \$950.

17. Question: Can the Town provide current general banking analysis statements?  
(Reference: Service Group 1: Banking Services)

Response: The Town's December 2016 statement is attached to this addendum. Please see Attachment No. 1.

18. Question: Can the Town provide an Excel Spreadsheet of "Attachment D" in order to allow more convenient space for answering questions?  
(Reference: Service Group 1: Banking Services)

Response: See # 3 of this addendum.

19. Question: What is the current market value of the investment portfolio?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider. Investment services are outside of the scope of the RFP. OPEB investments use this sort of structure, but operate under a separate contract and are expressly outside the scope of this RFP.

20. Question: How many transactions did the Town execute the last year?  
(Reference: Service Group 2: Investment Custody Services)

Response: None. The Town does not have an active investment portfolio with its current banking services provider. Additional services may be proposed as part of the response to the RFP. The Town's investments other than OPEB are in CDAR's openly bid as needed and outside of the scope of the RFP, in the Local Government Investment Pool, VML – VIP intermediate bond pool, the VML Liquidity pool and interest bearing cash deposits. All of those investments and investment advice are outside of the scope of the RFP.

21. Question: Would the Town please provide a copy of a recent custody statements? Who is the current custody provider?  
(Reference: Service Group 2: Investment Custody Services)

Response: None. The Town does not have an active investment portfolio with its current banking services provider. Additional services may be proposed as part of the response to the RFP. OPEB investments are outside the scope of the RFP.

22. Question: What is the current custody fee schedule?  
(Reference: Service Group 2: Investment Custody Services)

Response: None. The Town does not have an active investment portfolio with its current banking services provider. Additional services may be proposed as part of the response to the RFP. OPEB investments are outside the scope of the RFP.

23. Question: Who is the Town's investment advisor?  
(Reference: Service Group 2: Investment Custody Services)

Response: None. The Town does not have an active investment portfolio with its current banking services provider. Additional services may be proposed as part of the response to the RFP. OPEB investments are outside the scope of the RFP.

24. Question: How many managers does the Town use?  
(Reference: Service Group 2: Investment Custody Services)

Response: None. The Town does not have an active investment portfolio with its current banking services provider. Additional services may be proposed as part of the response to the RFP. OPEB investments are outside the scope of the RFP.

25. Question: Is the indemnification language listed in the sample contract negotiable?  
(Reference: Service Group 2: Investment Custody Services)

Response: No. This is a standard requirement of the Town Attorney's Office and is included in all Town Contracts.

26. Question: Would the Town provide processing procedures for each application?  
(Reference: Service Group 3: Lockbox Services)

Response: Current lockbox processing procedures are provided in Attachment No. 2 of this addendum.

27. Question: Does the Town require the PO Box to be in Leesburg?  
(Reference: Service Group 3: Lockbox Services)

Response: Per Service Group 3, Retail Lockbox, the Town prefers the PO Box to be in Leesburg. Alternatives to the RFP can be proposed and will be evaluated with the offer. The Leesburg address is a preference of the Town Council.

28. Question: What is the Town's full year volume information for each application?  
(Reference: Service Group 3: Lockbox Services)

Response: See #5 of this addendum.

29. Question: Is the full account analysis data detailing specific processing TMA codes available?  
(Reference: Service Group 3: Lockbox Services)

Response: See #17 of this addendum.

30. Question: Are sample bills for all applications available?  
(Reference: Service Group 3: Lockbox Services)

Response: A sample bill for water and sewer was provided with the RFP. Sample bills for real estate and personal property tax are being provided with this addendum. See Attachment No. 3.

31. Question: What statement billing cycle or settlement terms does the Town currently use for its purchasing card? (Reference: Service Group 4: Purchasing Card Program)

Response: The current billing cycle ends the 25<sup>th</sup> of every month and our settlement terms are currently 30 & 7.

32. Question: Can the Town provide a minimum of three months of detailed procurement costs/expenses (including A/Ps) and travel and entertainment expenses to be paid through the purchasing card? (Reference: Service Group 4: Purchasing Card Program)

Response: A list of detailed expenses for the period of January 1, 2016 – December 31, 2016 is provided in Attachment No. 4 of this addendum.

33. Question: Can the Town provide a minimum of six months of operating deposit account statements and detailed A/R agings?  
(Reference: Service Group 4: Purchasing Card Program)

Response: No. This is not relevant to purchase card operations and is outside of the scope of this RFP.

34. Question: Are the online bill payment processing services, currently provided by Official Payments, being considered as a part of this RFP?

Response: No; however, if you would like to propose to these services to the Town, please include this as an additional proposed service under Tab 3 of your proposal response.

35. Question: What is the approximate total market value of the portfolio?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider. OPEB investments use this sort of structure, but operate under a separate contract and are expressly outside the scope of this RFP.

36. Question: What does the asset make-up of the portfolio look like?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

37. Question: Do you utilize any Separate Account Managers?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

38. Question: What is the approximate annual transaction volume? Maturities and paydowns? (Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

39. Question: Do you require more than one account, and, if so, how many?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

40. Question: Do you have any non-US/Global settlements? If so, which countries and transaction volumes?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

41. Question: Can you share the most recent statement from the current custodian?  
(Reference: Service Group 2: Investment Custody Services)

Response: The Town does not have an active investment portfolio with its current banking services provider.

42. Question: We would like the ability to analyze your A/P file, mostly the remaining vendors who receive a check. This analysis will help the Town grow your electronic disbursements. Is this possible? (Reference: Service Group 1: General Banking, Page 10, Section 6f)

Response: It is not possible to provide this information within the timeframe of the RFP. Vendors are free to propose this service and provide a description of the advantages and potential savings. This would be an additional service proposed outside of the scope of the RFP and would be considered, but is not within the scope of the current RFP.

43. Question: What is the number of accounts the Town has today with your current provider? Can you provide the number of investment managers you have worked with in the past?  
(Reference: Service Group 2: Investment Custody Services, Page 14)

Response: The Town does not have an active investment portfolio with its current banking services provider.

44. Question: It was mentioned at the pre-proposal meeting that the Town currently does not utilize your custody services for the Town's investments. Are you able to provide answers to the items below should the Town look to invest in the future?  
(Reference: Service Group 2: Investment Custody Services, Page 14)

- Approximate number of investment transactions/trades per month
- Approximate number of ACH and wires per month
- Future funding estimates
- Future withdrawal estimates
- What type of trade date and settlement date reporting do you have today with your current provider?
- Does the Town have any unique reporting needs?

Response: The Town does not have an active investment portfolio with its current banking services provider.

45. Question: Can the Town provide a sample copy of both the real estate and personal property coupons with the OCR line and an explanation of the fields within OCR Line? (Reference: Service Group 3: Retail Lockbox, Section 2)

Response: Sample bills are provided with this addendum; see Attachment No. 3. OCR information should include information such as bill number, customer identification number, amount due, and bill due date.

46. Question: Can the Town provide the data transmission formats currently in place for both the tax lockbox and utility lockbox? It is mentioned there are two files received, one containing data and another one containing a report file.  
(Reference: Service Group 3: Retail Lockbox, Section 3)

Response: File format information is provided with this addendum; see Attachment Nos. 5 and 6. Offerors must provide services compatible with MUNIS.

47. Question: Would the Town be amendable to receiving reports online that will provide the dollar value and quantity of each transaction instead of a secure email? (Reference: Service Group 3: Retail Lockbox, Section 6)

Response: Yes, provided the reports are password protected or secured via some other method.

48. Question: Can the Town provide a sample of the lockbox reports that are used today to reconcile your lockbox receivables?  
(Reference: Service Group 3: Retail Lockbox)

Response: Offerors should provide detailed responses as to reports to be provided with services being offered.

49. Question: Can the Town provide the average purchase transaction size for your current card program?  
(Reference: Service Group 4: Purchasing Card Program)



Response: The number of transactions for the period January 1, 2016 – December 31, 2016 was approximately 8,991. The average purchase transaction size during this same timeframe was \$283.96. See Attachment No. 4.

50. Question: Can the Town provide what your existing settlement/billing terms are for your current card program?  
(Reference: Service Group 4: Purchasing Card Program)

Response: Our current billing cycle ends the 25<sup>th</sup> of every month and our settlement terms are 30 & 7.

51. Question: Is the Town able to share the percentage of large ticket transactions within your existing program?  
(Reference: Service Group 4: Purchasing Card Program)

Response: 0%. The Town's purchase card program was established in order to provide a convenient, cost-effective method for small dollar purchases. Additionally, the Town has not had any large ticket transactions since 2011.

52. Question: If we have additional line items pertaining to a service the Town has today, should we create a separate document with those line items or insert the additional line items within the Pricing Forms?  
(Reference: Attachment B – Pricing Form)

Response: Please insert your additional line items within the Pricing Form.

53. Question: Within the middle of this document, the dates indicate June 30, 2010. Can the Town provide what date the bank should use for the reserve requirement and earnings allowance rate?  
(Reference: Attachment C – Compensation Balance Methods)

Response: See #1 of this addendum.

54. Question: In responding to these questions, in most cases it is more than a yes/no answer. Are we able to include the additional information (when applicable) at the bottom of the page referencing the question number with our additional information? Or will the Town provide the word document for responses to include this additional information?  
(Reference: Attachment D – Group Specific Questionnaire)

Response: The Town has provided Attachment D as an attachment to this addendum.