

REQUEST FOR PROPOSAL
PROJECT NO. RFP 16-28
BANK DEPOSITORY SERVICES
QUESTIONS AND ANSWERS NO. 1

Date: July 28, 2016

To: Prospective Respondents

From: Procurement Operations Department, Houston Community College

Subject: Questions and Answers Responses

1. Our bank does not offer Controlled Disbursement Accounts, please let me know if this is an absolute requirement which would prevent us from being awarded the bid?

Answer: Yes, Controlled Disbursement Account is an absolute requirement.

2. On page 9 section C item 2 regarding integrated disbursement services, can you please elaborate on what is needed? It would be helpful if you can please explain how this is currently offered or provided and how the outsourcing is currently being handled.

Answer: HCC currently outsources student disbursement services.

3. Please clarify the following terms:

Answer: Listed below in red.

GEN DISB CKS PD-IS FRONT IMG (Page 20- line 3)

- **General Disbursement Checks Paid Front Image.**

CHECK DEPOSIT-ICL OR RDSO(Page 20- line 4)

- **Check Deposit–Image cash letter or Remote Deposit Service Online.**

IMAGE DEPOSITED ITEMS-RDSO (Page 20 – line 5)

- **Image Deposited Items- Remote Deposit Service Online.**

ACH STANDARD RPTS-ELECTRONIC (page 21 – line 3)

- **ACH Standard Reports.**

CPO PREM IR MAINTENANCE (Page 22 – line 9)

CPO PREM PDR ACCOUNT (Page 22 – line 10)

CPO PREM PDR ITM STORED (Page 22 – line 11)

CPO PREM CDR ACCOUNT (Page 22 – line 12)

CPO PREM CDR ITEM (Page 22 – line 13)

CPO PREM RESEARCH ITEM (Page 22 – line 14)

CPO PREM RESEARCH ITEM (Page 22 – line 15)

CPO PER IMAGE ACCESS (Page 22 – line 16)

CPO PER IMAGE ACCESS (Page 22 – line 17)

Below is HCC's terminologies responding to page 22, line 9, 10, 11, 12, 13, 14, 15, 16, and 17):

- CPS= CashPro (Bank of America online system).
- PDR= Previous Day Reporting.
- CDR= Current Day Reporting.

GCS TRANSACTION HISTORY (Page 22 – line 18)

- Fee for customer service line.

CASHPAY ATM WD DOMESTIC (Page 22 – line 24)

- ATM withdrawal domestic – Employee Payroll Card.

SAFEKEEPING ACCOUNT MAINT (Page 22 – line 26)

SAFEKEEPING OF ASSETS-RECEIPT (Page 23 – line 1)

\$1000 PAR VALUE (Page 23 – line 2)

NEXT \$4,000,000 PAR VALUE (Page 23 – line 3)

- The above are referencing Safekeeping services fees.

4. We are unable to enter the requested information onto pages 19-24 of the RFP because it is field protected. Will you please let me know how to edit the document?

Answer: Please refer to the attached Microsoft Excel file to enter the information.

5. Under Section 1, page 5 of the RFP, Please clarify which file format HCC is sending the Vendor ACH credit file in – NACHA CCD+ or CTX, or EDI X12.

Answer: CCD+.

6. Under Section 2, page 19 of the RFP, Please confirm the number of zero balance sub accounts.

Answer: The College currently uses five (5) ZBA/Subsidiary Accounts.

7. Under Section 2, page 20 of the RFP, Please confirm if the College is using remote check scanning only or sending an Image Cash Letter file to the current depository bank

Answer: The College is currently using Remote Deposit for checks.

8. Under Section 2, page 23 of the RFP, Please confirm there is only one safekeeping account? How many trades are made each month? What is the total value of assets held? What is the purpose of the safekeeping account?

Answer: There are five (5) safekeeping accounts. Typical trades are 1-2 monthly. Total market value of investments held in safekeeping is \$111,367,072. The safekeeping accounts are an electronic repository for investments and serve as conduit for trades with brokers. A total of 28 receipts are currently being held in safekeeping.

9. Under Section 2, page 23 of the RFP, Please confirm there are 18 scanners used across the College.

Answer: Yes, 18 scanners are being used across the College.

10. Could we get a copy of Exhibit 3, the Depository Agreement?

Answer: A Solicitation Amendment containing this information will be issued.

11. On page 30 under Tab 6 – Small Business Practices, could you give us a better idea of what you are looking for in this section?

Answer: Reference to Page 34, Section 14, Small Business Development Program (SBDP).

12. Page 28, Section 4 ii 1-6, could you please provide an idea of what you are looking for here?

Answer: Under the Proposer Response, ii., line 1 through 6, we would like your firm to provide your previous experience and relevant experience in providing similar services to public institutions.

13. Do you currently have an ATM in place at HCC and if yes? How many machines do you have? What are the volumes?

Answer: No, we do not have our own nor HigherOne (BankMobile) ATM in place. There are other ATM machines in the campuses that Procurement may have a contract with.

14. How do you upload your ACH files (vendor payments, DDP, Consumer Debit File (via direct transmission (scripted) or upload via login process)

Answer: HCC utilizes upload via login process on daily ACH transmission and online access via depository bank treasury portal.

15. Do all accounts listed have the same TIN?

Answer: Yes.

16. What is the analysis fee listed as "Cash Pay ATM w/d domestic?"

Answer: These are debit cards for employees who do not have bank accounts for their payroll checks to be direct deposited.

17. What merchant platform/software are you using for your online payments (is it TouchNet) and who host the payment page?

Answer: CashNet Software. Merchant platform is First Data.

18. I would like to request a copy of your previous Deposit Agreement and also on Page 28-30 with regards to Cover Letter (can this be more than 1 page), item h. Tab 7 – Firm’s Financial status (do you need a link or letter format).

Answer: Submit an open records request to recordsrequest@hccs.edu for a copy of previous depository agreement. The cover letter can be more than 1 page; however, keep it under 2 pages maximum.

19. What type of scanner do you currently use for remote deposit?

Answer: The model scanner that we currently use is Teller Scan TS240.

20. Page 2, Solicitation Schedule. Responses to questions are to be provided by HCC by July 28. Will the responses to questions be posted to the HCC Procurement website, emailed to interested parties, or both? Also, since the HCC responses will be provided only 8 days prior to the due date, would HCC consider extending the due date?

Answer: The questions and answers, and all amendments will be posted on the HCC website. No email will be sent to interested parties. At this time extension to proposal deadline will remain unchanged.

21. Page 9, # 3. Credit and Debit Card Payments. At the Pre-Proposal Meeting, there was a discussion of whether pricing and cost information for merchant services should be provided. Should we provide pricing and cost information related to merchant services as part of our response to this question?

Answer: This RFP is for Depository Bank Services. At this time HCC is not requiring any pricing for merchant services.

22. Page 9, # 4. Procurement Card. Could you provide us with a copy of the current procurement card contract? If this is not possible, could the name of the current vendor be provided with a brief summary of the contract terms?

Answer: No. HCC uses the state of Texas Contract with Citi Bank.

23. Pages 16 – 17, # 2. Formal Agreement Required. This question lists a few agreements to be included in our response, but there are other agreements and contracts that may be required. Please clarify which documents (agreements, draft contracts, etc.) should be included with our response.

Answer: This was discussed in the pre-bid conference stating the college is requiring only the requested agreements. But the college has reconsidered. Please provide all documents/agreements that you anticipate the college will need to review and/or sign.

24. (pg 3 #2) Please describe the difference between

- General Accounts Payable Clearing Account
- Accounts Payable Clearing Account
- Accounts Payable Account
- Current Operating Account

Answer:

- The General Accounts Payable Clearing Account was used for vendor invoice payments before the Controlled Disbursement Accounts Payable was opened. The account is still open however no activity.
- The Accounts Payable Clearing Account is the Controlled Disbursement Accounts Payable where all vendor invoice payments are issued.
- Accounts Payable Account – Controlled disbursement for vendor payments utilizing bond funds.
- Current Operating Account – ZBA Master account, Wire Transfers processed; accounts receivable account

25. (pg 3 #2) Which of the 17 accounts listed are NOT a DDA account listed on the Account analysis?

Answer: Plant Fund, 2013 Limited Tax Bond, Managed PFI, Retirement of Indebtedness, 2001A Bond Debt Service Reserve, and 2003 Limited Tax Bond accounts.

26. Are all accounts interest bearing?

Answer: Six accounts are interest bearing accounts: Plant Fund Account; 2013 Limited Tax Bonds Account; Managed PFI Account; Retirement of Indebtedness Account; 2001A Bond Debt Service Reserve Account and 2003 Limited Tax Bonds Account.

27. Who is your payroll card vendor?

Answer: Bank of America. The payroll card was a treasury service the current depository bank was able to provide.

28. (Pg 9 #3) although the service will have a Separate RFP, Can HCC provide Merchant Services Statements for a more efficient cost / fee disclosure for the RFP. If no, can we opt to disclose the cost / fee at the time of the separate RFP?

Answer: This RFP is for Depository Bank. At this time pricing is not being requested for merchant service.

29. (Pg 9 #4) is HCC on a Consortium program with your current Procurement Card Program.

Answer: State Cooperative Contract.

30. (Pg 9 # 4) describe what HCC uses the PCard for, and does HCC utilize an online platform for Administrative and Payment Automation. T&E, Vendor Payments, other.

Answer: The Houston Community College (HCC) Procurement Card is a MasterCard credit

card for business - related purchases of goods and services. It is intended to assist with purchases for department and/or program needs. We have a small amount of Travel cards issued out. There is a Program Administrator who manages the program with access to make changes on a real time basis.

31. Does the current Financial Institution pass the collateral fee back to HCC?

Answer: Yes. However, this was not in the original depository agreement. The college accepted the FDIC pass through in the additional year renewal option.

32. Is HCC interested in a CDARS program through Investments?

Answer: All different types of investment programs are reviewed by the college.

33. (Pg 15 # 2) if the financial institution does not utilize Mail for confirmations due to security reasons, is online and email and or fax acceptable formats for receiving wire confirmations?

Answer: Yes. Online and email are preferred.

34. Please provide a sample of the Depository agreement

Answer: A separate Solicitation Amendment containing this information will be issued.

35. Please confirm HCC does not wish to review Financial Institutions

- Treasury Master Services Agreement
- Rules and Regulations for Depository Accounts
- Collateral Agreement
- Custodial Agreement

Answer: This was discussed in the pre-bid conference stating the college is requiring only the requested agreements. But the college has reconsidered. Please provide all documents/agreements that you anticipate the college will need to review and/or sign.

36. Can the financial Institution attach their own Proforma showing all services and pricing for the duration of the contract for any future services that might be wanted by HCC? If so, where would you like for us to add in the responses.

Answer: Provide this document as a separate attachment at the end of the proposal.

37. Please describe how ACH files are sent to the bank for processing? NACHA file with direct send? SFTP/FTP? Manual entry?

Answer: Currently HCC transmits ACH files formatted as standard NACHA file for CCD+ via a secured browser as https to a specific URL with login for all vendor invoice payments and garnishments. In addition HCC transmits payroll direct deposit formatted as standard NACHA file for PPD.

38. (Pg 20) What type of ACH reports does HCC receive? Daily? Weekly? Monthly?

Answer: HCC has the capability to retrieve all of the mentioned above via depository bank on-line access treasury portal.

39. (Pg 23) Please explain the following:

- Safekeeping of assets – receipt is 1 however; Next \$4,000,000 Par Value is 605...

Answer: "Safekeeping of Assets – Receipt" is the safekeeping maintenance fee based on the average number of receipts held per month. The "Par Value" fees are the safekeeping maintenance fees based on average par value held during the month. The tiered prices apply to the total par in each stated range.

40. What type and brand of scanners are being used at HCC for Remote Deposit Service?

Answer: The model scanner that we currently use is Teller Scan TS240.

41. Does HCC utilize Image Cash Letter as well?

Answer: No.

42. What is on the CDRom's?

Answer: Cleared checks for two controlled disbursement accounts and payroll account.

43. (Section 4, pg 27) What is supposed to be in tab 2?

Answer: The revised tabs numbers are as followed:

- Tab 3 2– Proposed Approach & Methodology
- Tab 4 3- Past Performance and References
- Tab 5 4– Price Proposal
- Tab 6 5- Small Business Practices
- Tab 7 6- Firm's Financial Status
- Tab 8 7– Business Relationship Strength
- Tab 9 8– Required Attachments

44. (pg 28 #4) does the cover letter have to be limited to 1 page if HCC is requiring lots of information?

Answer: No, keep it under 2 pages maximum.

45. (Section 4) as mentioned in the pre-proposal, the theme with Section 4 seems to stem around corporations and not financial institutions, please Section 4 please be reviewed and revised.

Answer: Refer to question #18 and #24.

46. (Section 4 Tab 4) – References can be given, however due to privacy regulations, Financial institutions cannot disclose performance or services given, this will need to come from the references themselves to HCC. Please explain in detail how you would like to handle.

Answer: This is related to past working relationship you have with your previous clients.

47. (pg 19) Please explain the following and the difference between:

- TFR Master Account:
- TFR Subsidiary Acct
- Depository + Sub Account

Answer:

- TFR Master Account: ZBA Master Acct.
- TFR Subsidiary Acct: ZBA Subsidiary Acct.
- Depository + Sub Account: It refers to a ZBA subsidiary acct as well. The ZBA Master in this case serves as the master account for both, the ZBA and the TFR/Dep+ accounts.

48. (pg 22) Please describe CASHPAY ATM WD Domestic

Answer: Please refer to question #16

49. How do we respond to Attachments that do not apply to Financial Institutions?

Answer: Please note "Not Applicable" on the attachments that do not apply to your firm.

50. If forms were completed online in vendor portal, do we still complete the paper form?

Answer: Yes, complete applicable forms stated in the RFP.

51. Annual settlement: Would HCCS consider semi-annual or quarterly settlement?

Answer: Annual settlement is preferred. Semiannual will be considered.

52. Regarding Procurement Cards – Item 4, Page 9:

- Who is the current provider?

Answer: State of Texas Contract - Citi Bank.

- When does the current agreement go out for bid?

Answer: HCC piggybacks on the State of Texas Contract, which expires on August 31, 2016.

- What is the credit limit?

Answer: \$975,000.

- Is the program structure broken down by facilities (hierarchies) or is it all on one central program with one central billing account?

Answer: Hierarchies but one central billing.

- What type of transactions do you currently run? (i.e. T&E purchases, Point of Sale transactions, via the internet or B2B)?

Answer: T&E purchases, Point of Sale transactions, via the internet.

- Do you have a Program Consultant assigned to your program?

Answer: No, a Program Administrator

- Are you currently on any type of Revenue Share or Rebate Program? If so, how is it structured?

Answer: Yes.

53. Bank Depository Services Agreement – Item 6, Page 15 references Exhibit 3 of this RFP, but no Exhibit 3 was included in the RFP. Can we please get a copy of the Depository Services Agreement the college requires?

Answer: A separate amendment containing the information will be issued.

54. What is the difference between TFR Subsidiary Acct Maint and Depository + Sub Acct Maint?

Answer: Please refer to question #50.

55. Are there 7 Zero Balance accounts? Looks like the Accounts Payable Clearing account has a peg of \$250 but does it sweep nightly to another account?

Answer: We have 6 ZBA: 1 Master Acct and 5 Subsidiary.

56. What is the Stop Pay Automated <=12 Months fee for?

Answer: Stop Payment request entered under the bank online access portal.

57. Is the Check Deposit – ICL or RDSO for items deposited with the check scanner (the total # of deposits)?

Answer: Checks are deposited remotely thru BA CashPro Remote Deposit system. Average number of monthly deposit is 329.

58. Is the total dollar amount deposited at the banking center \$25,900 & vault = \$340,800?

Answer: Commercial Deposit to banking center is definitely more than \$25,900 & \$340,800 average monthly.

59. How many accounts are involved with cash vault deposits?

Answer: There are only 2 accounts involved in cash vault deposit.

60. Is HCC depositing loose coin with every deposit?

Answer: Yes, there are loose coin deposits from time to time.

61. For cash ordered please provide an estimate of how many full straps and less than full straps ordered.

Answer: Unknown. We request cash for Neo-Market.

62. What information is the College requiring for Vault Services and how (fax, paper report, online)?

Answer: Information is currently required online.

63. What are the ACH Optional Rpts – Electronic?

Answer: ACH reporting that is not part of standard daily ACH reporting.

64. What is the fee for ACH Input E-Channel?

Answer: Per file fee to process ACH items that were delivered via a bank provided echannel service such as CashPro.

Channel refers to file delivery through CashPro.

65. What information is included in the ACH Standard Fax? Why are there both Electronic & Fax ACH Standard reports – is it the same info?

Answer: Direct deposit for payroll receives an ACH Return Standard Report via fax. AP ACH accounts are online. Payroll does not have access to treasury reports online.

66. For the 16,008 ACH items originated are they all originated via the same channel (ACH Direct Transmission or ACH Online Platform upload)?

Answer: No.

67. What is the storage history (ex. 45 days, 90 days, 6 months, 1 year) setup for online reporting of items to include debits and credits posted and balances?

Answer: Storage history varies depending on what data is being captured. Information Reporting (Current Day –CDR and Previous Day - PDR) as follows:

CDR Retention period is 10 days.

PDR – Retention period is 24 months.

Image Access on specific items has a standard retention of 90 days. Additional retention time may be requested.

68. What is the CPO PREM Research Item? (there are 2 line items please explain)

Answer: This is the fee charged for search query in CashPro.

69. Is the CPO Per Image Access for images of checks paid accessed via online reporting?

Answer: Charge for view on a check image in CashPro.

70. What is the GCS Transaction History fee for under Information Services?

Answer: Fee for customer service line.

71. EDI Services – Is the EDI for reporting only (to view vendor payments received to review addenda details) and/or transacting vendor payments? Page 5 of 56 specifically states at the end of the sentence “transacting vendor payments” ... Is this specifically sending EDI addenda with an ACH transaction? Or something different? Please explain.

Answer: Yes, EDI is used for reporting and it is sending addenda with the ACH.

72. Explain the CPC Rec Invoice Volume of 191 items charge.

Answer: Per INVOICE fee for reporting EDI remittance information to CPC receivables client.

73. What is the CPC Rec Cash Pro Monthly Maint?

Answer: Monthly maintenance fee for Cashpro Connect Receivables Reporting.

74. What is the CASHPAY ATM WD DOMESTIC fee for?

Answer: Please refer to question #16.

75. Do the 18 scanners currently being used by HCC belong to the college? If so, what is the make/model? Do you require new ones or would you be willing to use the same ones?

Answer: The 18 scanners belong to the college. The model scanner that we currently use is Teller Scan TS240. We will be willing to use our existing scanners as long as the software provided by the bank is compatible.

In addition, the college may have the need for more scanners in the future.

76. How many accounts do you have included in the CDRom for paid check images?

Answer: 3 Accounts, 2 Control disbursements and 1 payroll.

77. Do you require images of checks or deposited items via CDRom as well or just paid check images?

Answer: Paid check images.

78. Is the college being assessed a Reserve Requirement?

Answer: No.

83. How many banks will HCC award for this project?

Answer: HCC intends to award multiple banks in a primary banking relationship.

84. If there is a line item that our firm will provide at no cost, how would you like us to state it on the response?

Answer: Please indicate ZERO (\$0.00). For additional items, please add a separate line to the excel file and indicate price and description. Additional comments can be inserted on the first empty column to the right.

85. Do you have a line of credit today?

Answer: HCC does not have a line of credit.

86. What is your typical size of portfolio?

Answer: HCC's total investment portfolio, including cash is approximately \$450MM.

87. Why is your RDSOL number so large? What is your requirement for long-term storage?

Answer: The RDSOL number in the fee schedule refers to the amount of data within the image that is being stored. Currently we have a 60 days period for storage.

88. Do you want to eliminate CD ROM?

Answer: No.

89. How many standard remote deposits do you currently have? Could you provide your standard?

Answer: Average number of monthly deposit is 329.

90. How is your cash and coin deposit been conducted currently? Are you asking us to pick-up cash at every campus and branches?

Answer: HCC does not require Cash Pick-up. Currently, we use Dunbar Armored for this service twice a week.

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