



**DALLAS COUNTY
PURCHASING DEPARTMENT**

500 Elm Street, Suite 5500
Dallas, Texas 75202

**Michael Frosch
Purchasing Director**

January 25, 2023

ADDENDUM #3

**Solicitation #2023-003-6970
Application for Dallas County Bank Depository Services**

WHEREAS,

Answers to the following questions are as follow,

Question 1: Here is a screenshot of the question. I think there is supposed to be a sample deposit for the banks to price out.

r. Price and report the total fees which would apply to the following sample deposit outlined below. (This does not reflect a normal County deposit and is used for cost comparison purposes only.) What is the price for processing this deposit?

Answer 1: Question R under Section 4. Standard Collection and Deposit Services of the questionnaire in Addendum #1 has been removed. Please see updated questionnaire within Addendum #3 titled "Attachment J – Updated Questionnaire".

Question 2: Is the sample contract going to be ready for review prior to the RFP due date? Bank legal teams will need sufficient time to review and comment on the terms, and therefore, we would require an additional due date of extension, preferably 4 weeks.

Answer 2: Sample contract is pending legal review. County will allow time for the apparent highest ranked applicant to review the sample contract with their legal department, once the apparent highest ranked applicant has been determined.

Question 3: A new Cost/Fee Worksheet is provided in Addendum 2. Will the County provide an Excel version of this worksheet? Or should we copy the information in the Addendum into a worksheet for submittal?

Answer 3: An updated cost worksheet has been provided has been provided as an excel sheet titled "Addendum 3 - Attachment K – Updated Cost Worksheet".

Question 4: The new Cost/Fee Worksheet provided in Addendum 2 shows Average Collected Balance of \$1,529,206,013.37 (see first line in worksheet at top of page 6 of the addendum), but this Average Collected Balance amount is approximately 10 times to 12 times higher than it should be. As shown on page 4 of the addendum, the County’s average monthly balances are in the \$100 million to \$150 million range, so the Average Collected Balance should be in this range also. Keeping this incorrect balance of \$1.5 billion in the spreadsheet will produce a fee on the “FDIC Assessment” line that is much higher than what the actual fee will be. Would it be possible for the County to provide an updated Average Collateral Balance in the worksheet that better reflects the reality of the balance level?

Answer 4: See updated cost worksheet titled “Addendum 3 - Attachment K – Updated Cost Worksheet” for updated average collateral balance.

WHEREAS,

Attachment C – Questionnaire has been updated and replaced with Addendum 3 - Attachment J – Updated Questionnaire.

WHEREAS,

Attachment I – Updated Cost Worksheet has been updated and replaced with Addendum 3 - Attachment K – Updated Cost Worksheet.

WHEREAS,

All other specifications of the original bid remain the same.

Except as provided herein/above, all other specification requirements of the original solicitation referenced shall remain unchanged in full force and effect. This addendum should be signed and returned with your Solicitation package on or before February 2, 2023 at 2:00 p.m. (CST).

This addendum is hereby acknowledged, understood and considered in our solicitation.

Printed Name: _____

Signature of Authorized Representative: _____

Title: _____

Company: _____

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Attachment J – Updated Questionnaire**

1. Customer Service - Describe the bank's philosophy and approach to satisfying this need through the following responses.

- a. Describe the bank's philosophy of customer service. What is distinctive about the bank's approach to customer service? How does the bank anticipate satisfying the County's need for customer service on both operational and technical issues?
- b. What plan does the bank have for providing the County with relationship support for its services?
- c. What services are provided at the holding company level or bank-wide level as opposed to the local level?
- d. How are local services and overall contract performance monitored at the holding company level? Is there an issue tracking structure or system in place?
- e. What, if anything, is distinctive about the bank's approach to customer service? How will this benefit and impact the County?
- f. What is distinctive about the bank's approach to its service automation? How does the bank intend to support the new and ongoing automation needs of the County? How will this impact the County now and throughout the contract period?
- g. Are there any new services planned which may impact the County? When are these planned services to be available?
- h. Is the bank offering any transition or retention incentives? Describe fully and quantify completely.
- i. What support will the bank be able to offer the County in a disaster situation to maintain stable banking functions? Focus on systems, telecommunications and power, operational facilities, and transportation.
- j. The County requires the right to use a third-party auditor to review the County's accounts, collateral, transactions, and bank records at any reasonable time. Confirm agreement with this condition.

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2. Account and Sweep Structure

- a. Describe the bank's ability to provide a ZBA-master sweep structure and indicate whether the individual accounts would be swept first to a master account or be swept directly from individual accounts (for interest application). Indicate your most cost beneficial structure especially considering the large number of accounts. Include classifications of accounts (ZBA or other) to be used in the structure.
- b. Will sweep activity be reported on a daily detail basis (each debit and credit) or summarized on a monthly basis? Are sweep reports available for easier reconciliation?
- c. Will interest from the sweeps be applied at the master or can it be applied at the account level if the sweep is possible from the individual accounts?
- d. Is the sweep an end of day transaction? If it is a next day sweep, describe the collateral provisions for funds held overnight.
- e. In the case of a delay or transfer problem what actions will the bank take to assure that funds are collateralized?
- f. Provide the prospectus for the sweep fund. An AAA-rated, SEC registered government fund is preferred for the sweep.
- g. If the Bank cannot provide a sweep mechanism, or if alternative account types are proposed for the accounts (especially while rates are low), describe the account structure proposed including the type of accounts to be used along with the overall account structure. What would the rate index basis be on such accounts?
- h. The County may be required or may desire to open additional accounts or close/change accounts during the contract period. Any new accounts shall be charged at the same contracted amount. Confirm agreement to this condition.
- i. Does the bank have any ideas as to changes in the current account structure to serve the County's needs?

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- j. Describe the alternatives to the sweep during this low interest rate environment before sweeps again provide a viable alternative. Is the bank offering any internal account or a rate floor on liquid funds? Describe the account structure proposed including the type of accounts (interest bearing, money market, ZBA, etc.) along with the overall account structure. If rate indexed, what is the index basis?
- k. Will sweep activity, when used, be reported on a daily detail basis (each debit and credit) or summarized on a monthly basis? Preference would be to not provide daily detail for reconciliation purposes.
- l. Will interest from the sweeps be applied at the master or individual account level?
- m. Provide the prospectus for any sweep fund alternatives. An AAA-rated, SEC registered government fund must be utilized for the sweep.
- n. Is the sweep processed as the last transaction of the day? If it is a next day sweep, describe how funds are collateralized for funds held overnight.
- o. Will the bank assess a direct FDIC charge on the account analysis? At what rate and frequency currently?

3. Automated Cash Management Information Access

- a. Fully describe the bank's online service capabilities and systems with examples. List system's online capabilities (i.e. balance reporting, wires, positive pay, stop pay, etc.) and describe any differentiation on transaction and summary account types.
- b. Describe fully the ability to search on historical transactions and reports as well as the ability to retrieve and download historical images.
- c. Can customized reports draw across reporting modules and activities? Are reports downloadable to Excel, HTML, pdf, txt, csv?
- d. Can data be downloaded for County use? Give examples and any limits.
- e. Are all reporting processes and services web-based?
- f. Do the bank's systems include a cash forecasting module or capability?

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- g. Detail the availability of prior day and intra-day detail and summary reporting. When is prior day information available? Is intra-day information real-time or delayed? Specify by type.
- h. Define the history retention features available.
- i. What capabilities does the bank have for search and report customization? Can customized reports draw across reporting modules and activities? Describe and detail cross functionality features.
- j. Describe back-up procedures for use by the County with any interruption in the automated system delivery of information or transaction input functions.
- k. The County may be moving operations (for building renovations and modification) during the period of the contract. What support and guarantees can the bank provide for support during these moves?
- l. Describe provisions for off-site backup and continuation of services in local or regional disaster situations.
- m. Describe the security protocol for online services. How is authentication and authorization provided? How and by whom is the administration of the security module established and maintained?
- n. What are the hours of available technical support? Where is the technical support located? How is support provided normally?
- o. Submit samples of major screens and reports available or provide a website and sign-on information for an on-line review of all the County functions, if available. If not available, submit screen prints.

4. Standard Collection and Deposit Services

- a. What is the bank's daily cut-off time to assure same day ledger and, pending availability, collected credit at (a) banking center, (b) branch, and (c) vault?
- b. What deposits must be made to a vault? Where is the closest vault located? Describe the process if the vault is not located in Dallas County limits.
- c. Does the bank require deposit to the vault for any reason? Are any courier transfers necessary?
- d. When are credit/debit advices sent to the County from the deposit locations? Are these advices sent electronically? What delivery options are available? (Preference will be given to electronic delivery.) Are images of originals provided with each advice?

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- e. Does the bank have any program to actively assist the County in promoting collection through ACH with its vendors or repetitive citizen payments?
- f. Does the bank provide any online portal services for payment of County bills which could be added to the County website to facilitate credit card payments for various activities?
- g. Does the bank require or prefer strapping and rolling? What are the cost options/benefits/requirements for separating cash and checks?
- h. Is there any limit to the number of deposits in one bag? Are these handled as separate advices?
- i. How does the bank handle discrepancies in deposit amounts? What dollar limits are used for handling? What settlement process is followed?
- j. How and when does notification of return items take place? Provide an example and list elements reported.
- k. What type deposit bags are used or required? Are these bags available from the bank?
- l. What is the cost of deposit slips and plastic tamper proof deposit bags through the bank?
- m. Are deposits or credits delayed for any reason?
- n. If provisional credit is given on deposit before verification, when does verification occur?
- o. How much advance notice is required on coin and currency orders? Can orders be placed online? What is the turn-around time on orders?
- p. Describe any program available for immediate credit on coin/currency. Include a list of all the bank's deposit locations within the County's limits (banking center, branch, and vault).
- q. Does the online service require any additional software such as java or any other utility? If so, what utility and what version?

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5. Remote Check Processing

- a. Describe the bank's process and capabilities for remote capture. Describe equipment needs, capabilities, and limitations. A web-based system is required.
- b. Discuss and define any additional virtual collection services offered for the capture of both the check and remittance document (e-receivables).
- c. Does the bank accept check image deposit? Give three references for comparable entities including a contact name and number.
- d. Can batches be prepared and forwarded at multiple times during the business day?
- e. What is the final deposit cut-off time with remote?
- f. Are there any limitations on batch size or number of transmissions per day?
- g. Once deposited via check how long must the County hold voided checks?
- h. Once deposited does the bank assume full liability for the checks?
- i. If a check is accepted and subsequently returned by the bank NSF, define the process. What obligations/liabilities does the County have? The bank? How will collection be made?
- j. What options does the County have in scanners for use with the process in various volume locations? Is this equipment available through the contract: purchase or lease? List the equipment required along with its approximate cost(s).
- k. Does the bank have an e-box service available? Describe fully.
- l. Is the bank's system compatible with NCR 9850-8204?

6. Standard Disbursing Services

- a. When is daily check clearing information available online through intra-day reporting? How long are transaction details maintained online?
- b. Does the bank image all checks and deposit items? What options are available?
- c. The County requires that the bank shall cash free of charge all on-us payroll checks for County employees regardless of the individual's account status with the bank. Confirm agreement with this condition.

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- d. Describe any payment consolidation (e-payables) services available. What data transfer options are available for payment consolidation systems?
- e. Define and illustrate the payee information provided the County for single and multiple payments.
- f. Describe the handling of exception or non-standard items through the payment consolidation process.
- g. Describe the error tolerance limitations and subsequent handling requirements.
- h. Define your controlled disbursement services. Which bank is designated for controlled disbursements? How many Fed letters are received daily and by what times? Is positive pay in place on the controlled disbursement accounts?
- i. When and how is controlled disbursement clearing information available? Is this information available online?
- j. Describe the controlled disbursement funding process? Are transfers charged?
- k. Are the controlled disbursement points designating a high dollar group sort (HDGS) endpoint?
- l. What percentage of items is collected on first presentment? On second presentment?
- m. As a matter of policy, does the endpoint contract with other banks include acceptance of direct presentments?
- n. Can third party ACH debits be charged to the controlled disbursement endpoint? Can they be blocked?
- o. Does the bank provide RCK (re-presentment of checks) services? Describe fully.

7. Stored Value Cards (Pay Cards)

- a. Does the bank provide pay cards or a comparable service? Describe fully.
- b. How many customers use the service? Provide three comparable references for the service.
- c. Describe the enrollment process. Is enrollment online and does it provide for batched and individual item processing? Are there limitations on the batches?
- d. What are the costs to the institution associated with inactivity (dormancy) or liquidation of stored value amounts to the County?
- e. What are the costs to the card holder?

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- f. What are the inactivity (dormancy) levels for the program? What triggers inactivity?
- g. Describe your customer servicing. Is multi-lingual customer service staff available?
- h. Will the bank handle the escheatment process for terminated employees?
- i. Describe data transmission requirements and deadline.

8. Positive Pay

- a. Describe data transmission file and timing requirements for check registers. Are transmissions charged by file and by detail item?
- b. Is positive pay input for manual checks available on-line? Describe fully.
- c. Is exception reporting and handling managed totally online? Describe.
- d. At what specific time is positive pay exception information reported to the County? Is e-mail notification available or must the County check for exceptions?
- e. At what specific time is the response required for County exception elections?
- f. Does the bank provide payee positive pay?
- g. Describe your payee verification process. What check elements are being verified by the process during clearing?
- h. Does the bank review exceptions errors such as encoding for possible repair before creating a County exception item?
- i. Are all checks, including those received over the counter by the tellers, verified against the positive pay file before processing? How often is teller information updated? If not verified, what are the process, liability, and security on OTC transactions?
- j. Are positive pay services linked with reconciliation services?
- k. What are the available default dispositions for payment or return? (pay, hold, do not pay)
- l. Can the bank provide fraud control paper check stock?

9. Wires and Internal Transfer Services

- a. Can all wire transactions be initiated online and/or monitored online?

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- b. Can repetitive templates be created and stored? Is there a fee for wire and transfer template storage?
- c. What level of authorization/release do repetitive or non-repetitive wires require? Is authorization for repetitive and non-repetitive the same?
- d. Is future dating of wires and transfers available? How far in advance?
- e. State wire access, posting, and cut-off times.
- f. State the bank's policy on the use of ledger balances for outgoing wires in anticipation of scheduled activity or incoming wires.
- g. Can internal account transfers be processed totally on-line? Book debits/credits? Is there a fee for County internal transfers?

10. Account Reconciliation

- a. Describe your partial and full reconciliation services.
- b. Specify data transmission requirements. Can this post directly to County ledgers through Oracle?
- c. When are reconciliation reports available? Are they online? How long are they retained online? Are they downloadable? Do they contain images of checks?
- d. Provide samples of all.

11. Optical Imaging

- a. Describe the bank's optical imaging process and what items are captured (checks, statements, deposit slips, deposited items, etc.).
- b. Describe what images are available on-line? When? How long are images retained online?
- c. Are all images downloadable? Describe.
- d. Is a monthly CD provided?
- e. Are there any other archiving facilities available through the bank for County documents?

12. ACH Services

- a. Is online ACH service available for individual transactions as well as by transmission for batched files? What are the cut-off times for each?

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- b. Describe how are individual ACH transactions input online?
- c. What is the policy and process for handling of ACH returned items?
- d. Can ACH items and files be future dated?
- e. What specific filters and blocks are available on the accounts?
- f. Define and describe all your fraud filter options
- g. What policy and process are used for file and item reversals and deletions?
- h. Are ACH addenda shown in their entirety on-line and on detail reporting, reports and statements? Does access to this information require access to additional specific EDI modules?
- i. Does the bank routinely pre-note?
- j. Will the County incur a transmission and/or file processing fees for on-line individual ACH transactions?

13. Custodial Services

- a. Is online monitoring information available for securities? Describe.
- b. Can the bank custody the assets and accommodate the movement of funds to a money market fund for each of the identified investment managers? Describe your proposed process and identify whether a bank money market account could be used in lieu of the money market fund to achieve possibly higher interest rates.
- c. Describe the custodial safekeeping arrangements proposed.
- d. Define the structure of fees charged. Are services bundled under safekeeping by CUSIP or PAR amount or are charges made for individual clearing, safekeeping and income distribution?
- e. Are custodial fees hard charged or paid through the analysis?
- f. How will the County and Managers receive call and maturity notification?
- g. How will trade notifications be sent to the County? When?
- h. What time are delivery instructions required? Is this a firm cut-off?

14. Collateral Requirements

- a. Describe the monthly reports to be sent.

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- b. Does the Custodian have an online system for County inquiry to the holdings? List reports available.
- c. What bank is anticipated to be the Custodian?
- d. Confirm agreement to the collateral conditions stated above (Section 11.7 through 11.11). Detail any exceptions to the conditions.

15. Account Analysis

- a. Provide a sample account analysis.
- b. State how and when the analysis will be available each month.
- c. Is the analysis provided online? How long is the analysis retained on-line? Downloadable?

16. Monthly Statements

- a. Provide a sample statement.
- b. When and how are statements available? Is statement provided in both CD and electronic formats? Are the statements downloadable?
- c. When is the statement available online? On CD? Will be shown online at the first business day?
- d. How long are statements retained online?

17. Overdrafts

- a. State the bank's policy regarding aggregate overdraft charges and the fees, if any.
- b. How is the overdraft rate calculated? What is the minimum and maximum?

18. Stop Payments

- a. Describe the stop pay service. Is it all online?
- b. Does your system automatically renew stop pays?
- c. How long do standard stop pays and renewals remain in effect? What time options are available on renewals?
- d. How is a stop pay renewal or cancellation accomplished?
- e. What is the deadline for same day action?
- f. Will the on-line system verify if the check was cleared before accepting the stop pay?

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19. Lockbox

- a. Where is the lockbox facility located? What/which post office options are available for use? Who performs the fine sort, the bank or the post office?
- b. What address (city location) would, or could, be used for remittance on each?
- c. Describe the flow and processing at the facilities.
- d. Describe the different methods by which deposit and balance information is made available.
- e. By lockbox facility, detail whether the mail is picked up or delivered directly to the facility? How many times daily? How many hours of operation each day?
- f. Describe the major components of the overall process focusing on funds availability and quality control. How many deposits are made daily?
- g. Is image processing currently included? Are there additional imaging costs for each item (check and remittance document)? Is there a separate fee assigned for the transmission of images?
- h. How are the fees set for lockboxes? Describe each fee type.
- i. Will mail be processed on all shifts including weekends?
- j. Can the bank combine multiple deposits to a single ledger credit for statement purposes? Can you provide the multiple deposit information?
- k. What are the bank's ledger cut-off times?
- l. Does the bank process wholesale and retail lockbox on the same equipment? If so, how are payments prioritized?
- m. Is there a formal procedure for responding to and correcting errors and problems? If yes, please describe including average response time.
- n. Provide the names, contact names and telephone numbers of at least two comparable lockbox clients for the lockbox facility.
- o. In the case of system failure, what are the back-up arrangements for processing? What delays would be expected in such a situation?

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- p. Describe any future plans for enhancements to the service and the dates these should be available.
- q. Describe how availability will be computed.
- r. Who retains liability for the deposit?
- s. Describe the data transmission protocol process (BAI, 823, 820, or other) and provide sample reports to be received, if any. Is their full MICR capture?
- t. What is the earliest transmission time that information is available on the daily deposit(s)? Intraday? Is this information available online?
- u. On any given day, at what time can the bank report the total amount to be credited to the designated account? Does this include same-day; one-day and two-day float information?
- v. How long before the notification deadline do you stop accepting/processing incoming mail?

20. Checking Printing

- a. Does the bank have any program for check printing, i.e., utilizing a file from the County for generation and mailing of County checks? Describe fully.
- b. What time frames and turn-around are available? How often are checks processed?

21. Smart Safes

- a. Does the bank have any arrangement with the courier services to provide smart safes? Describe.

22. Image Lockbox

- a. Describe the lockbox services available and recommended. Describe the workflow and processing of payments.
- b. Is any redesign of the remittance document anticipated?
- c. When and how is information available to the County daily?
- d. Describe the potential implementation timeline. When could the lockbox be transitioned if necessary?
- e. What level of technical assistance would be given to the County to transition the lockboxes and redesign the remittance document if necessary?

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- f. Where is the lockbox facility located? What address (County, not street or specific location) would be used for remittance on each?
- g. When is mail collected and delivered to the facility? How many times daily? How many hours of operation each day?
- h. Can the lockbox handle remittances paid by credit card?
- i. Describe the major components of your quality control checkpoints.
- j. Is image processing currently in place? Are there imaging costs for each item (check and remittance document)? Is there a separate fee assigned for the transmission of images? Describe the fee structure.
- k. Will mail be processed on all shifts including weekends?
- l. Do you process wholesale and retail lockbox on the same equipment? If so, on what priority?
- m. How are returned checks handled and what information does the County receive on that account information for posting to the County systems?
- n. Is there a formal procedure for responding to and correcting errors and problems? What is the average response time?
- o. Provide the names, contact names and telephone numbers of at least two comparable public image lockbox clients.
- p. In the case of system failure, what are the back-up arrangements for processing? What delays would be expected in such a situation?
- q. Describe the data transmission process and protocol. Provide sample reports. What options are available? Is their full MICR capture?
- r. What is the earliest transmission time that information is available on the daily deposit(s)? Intra-day? Is this information available on-line?
- s. Who is responsible for handling adjustments and error resolution? How?

23. Automatic Teller Machines (ATM)

- a. Does your institution provide ATMs for Dallas County locations?

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24. Depository Bank and Community Reinvestment Act Information

- a. Amount of Paid-up Capital Stock: \$ _____
- b. Permanent Surplus: \$ _____
- c. Current Bank Credit Rating by:

Moody's (Long Term/Short Term): _____

Standard & Poor's (Long Term/Short Term): _____

Bank hereby certifies that it maintains a "Dallas County" main operating Headquarters or Branch and capable of providing all services to Dallas County, including a fully secured bank vault and courier service delivery area:

Address:

If the address of the delivery location for either check or cash/coin deposits is different than the above address, list below:

- d. Is the Bank in compliance with the Community Reinvestment Act (CRA)? () Yes or () No
- e. Provide a copy of CRA Statement and Report with proposal response.
- f. Please list the type loans your institution is willing to make within the Dallas County area:
- g. Using zip code boundaries and Home Mortgage Disclosure Act, data, please describe, over the most recently completed fiscal year, your institution's record at meeting the credit needs of the community:
- h. Please describe your institution's efforts at complying with the Community Reinvestment Act over the most recently completed fiscal year, as well as your affirmative marketing efforts:
- i. Does your institution employ a full-time individual whose sole responsibility is developing and implementing your institutions' community reinvestment program?
- j. Over the past 25 months, has your institution been involved in a protest based on the Community Reinvestment Act? If so, please provide sufficient details