



County of El Paso Purchasing Department
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ADDENDUM 1

To: All Interested Bidders
From: Araceli Hernandez, Inventory Bid Technician
Date: February 8, 2013
Subject: RFP #12-080, Depository and Subdepository Banking Services

This addendum has been issued to notify the vendors of the following questions submitted.

1. Please specify what services would be utilized if a bank is chosen as the Subdepository?

Response: Chapter 116 of the Local Government Code allows a county to bid for one or more depository and/or subdepository banks. El Paso County's goal is to select a single, full service depository bank for County funds. The County wishes to avoid entering into one or more contracts that address only a portion of its banking needs. Therefore services for a subdepository bank have not been specified in the Proposal.

2. Please confirm the number of original and copies requested of the proposal and in what format the County prefers submission.

Response: (1) original hard copy and three (3) CD copies in Word/PDF format

3. What determines whether the County will enter into a two-year versus a four-year contract?

Response: If the County considers that a response from a financial institution offers the most favorable terms and conditions for the handling of the County's funds for an extended period of time, the County will contract with the bank for a four-year contract term. Otherwise the County may opt for a two-year contract. §116.021(a) of the Local Government Code allows for a two-year or four-year

contract term to be renewed for two years under terms negotiated by the Commissioners Court.

4. Does El Paso County currently utilize an Earnings Credit Rate to offset bank analysis charges?

Response: Currently the County does not offsets bank analysis charges with Earnings Credit Rate. Bank analysis charges are paid by hard dollar direct fee compensation.

5. What interest bearing instruments does the County currently utilize for investment of County funds?

Response: TexPool and TexPool Prime are currently the only interest bearing instrument utilized by the County. Previously, the County has purchased and has held any number of securities in accordance with the public funds investment act and the County's Investment Policy in a safekeeping account. We plan to maintain investment balances in any combination of accounts or securities that are compliant with statutes and most advantageous to the County.

6. Will the County provide the application (RFP), fee calculators and other documents in a word/excel document?

Response: click on the excel attachment.

7. On page 4 of the request for proposal document the number of applications is stated as one (1) original hard copy and three (3) CD copies in Word/PDF format; however, on page 6 the request is for one (1) original plus 6 identical duplicates. Please clarify the number of applications needed to be considered.

Response: (1) original hard copy and three (3) CD copies in Word/PDF format

8. On page 18 1099's for trust beneficiaries, will the County require information reporting online for the accounts? Currently, how many trust beneficiaries are held by the County?

Response: Not all trust beneficiaries accounts are kept at the County's depository bank. When a judge orders to open a new trust account, the County and/or District Clerk open the account with the financial institution that offers the best rate of return at that moment. Each beneficiary does not need online information reporting. The County does not require online information reporting, but it's helpful.

9. On page 14 deposits at Branch locations, will the County provide a list, with addresses, of all County locations making deposits?

Response: Most County deposits are made thru our armored carrier. Only a handful of County departments will have the need to take deposits directly to the bank. The list is attached.

10. On page 16 market value of collateral, will the County please explain in detail the requirement and rationale to have market collateral at 120% versus the Texas Public Funds Act requirement of 100% or standard Texas Counties requirements of 102%? Will you also, provide a copy of the most recent investment policy?

Response: The County feels more secure requiring 120% that's why it has always required 120%. The investment policy can be found at: http://epcounty.com/auditor/publications/investment_policy/2012/investment_policy_2012.htm

11. Does the County give permission for the Bank to use the County's logo in the application response?

Response: Yes, but only in the application response and nowhere else.

12. Currently, what type of interest bearing accounts does the County utilize? Are the interest-bearing accounts average daily balances of \$144 million, as reflected in the application/RFP, held at the County's depository or in various interest bearing investments? Repos, Sweeps or State pools?

Response: The average daily balance of \$144 million is held at the current depository bank. Currently, TexPool and TexPool Prime are currently the only other interest bearing investment utilized by the County. Previously, the County has purchased and has held securities in a safekeeping account. We plan to do it again. Please see response to question number five.

13. Does the County currently accept credit cards? If so, will you please provide transaction data or a copy of the last three merchant card statements?

Response: Yes, the County currently accepts credit cards thru a third party and is not requesting this service from the depository bank.

The following questions are in regard to the **FEE CALCULATOR**:

Checking Activity:

Commercial Account Maint	485
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14. How many of these accounts are the County's primary operating accounts vs. department related accounts? Can the County provide an account structure?

Response: For fiscal year 2012 the County on average maintained 40 bank accounts each month. Our current depository bank classifies all accounts as commercial accounts. The El Paso County Consolidated Fund is the County's primary operating bank account. Seven county departments maintain separate checking accounts. To the left of the account name is the name of the department maintaining the bank account.

Checking Activity:

Wire Transfers	66
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15. How much of this volume is: 1.) incoming wires from other banks? 2.) outgoing wires to other banks? 3.) internal account-to-account transfers?

Response: The 66 wire transfers are outgoing wires to other banks. Incoming wires from other banks, are classified and included in credits posted by our current depository bank. Our current depository bank separates accounts by department. Any internal account to account transfer within the department is classified as credit or debit posted. Internal account to account transfers within the county but between separate departments are labeled Single ACH Transmissions. There were 814 in fiscal year 2012.

Disbursement Services:

Positive Pay Monthly Maint	384
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16. 1.) How many of these accounts are the County's primary operating accounts vs. department related accounts? 2.) How many accounts also have "Full Reconciliation" services?

Response: Please see the response to question number 14. The monthly average of accounts with positive pay is 32. All accounts with positive pay also have full reconciliation services.

Disbursement Services:

Positive Pay Void	6,322
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17. Would the County want monthly reporting?

Response: Yes, the County would want monthly reporting.

Disbursement Services:

Positive Pay Reversed	5,584
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18. Are these CANCELED or RETURNED checks?

Response: These are CANCELED checks.

Disbursement Services:

Positive Pay No Issue	0
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19. Would the County want monthly reporting?

Response: Yes, the County would want monthly reporting.

Lobby Services:

Branch Strap Shipped	1,243
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20. On average, all accounts: 1.) how many change orders are requested each month? 2.) What is the total dollars ordered through Lobby services? 3.) How many straps are of 100 bills of the same denomination? 4.) How many straps are of less than 100 bills of the same denomination?

Response: Several departments of the County request their own change. Two departments request change twice a month for an average of \$9,000.00 of mostly bills. Another department makes daily change requests for about \$900.00 of both

coins and bills. The rest of the departments make random and small change orders requests. The County does not have records of the straps denominations. Our current depository bank classifies all change orders under Lobby Services.

Lobby Services:

Branch Coin Shipped	1,576
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21. Is coin ordered by the individual roll or the box? If both, how many individual rolls and how many boxes?

Response: The County does not have records of the coins ordered.

Lobby Services:

Branch Note Processed	1,302,141
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22. On average, all accounts: 1.) what is the total dollars deposited each month through Lobby services, by all departments? 2.) What percentage of dollars deposited is done through night drop services, through lobby teller deposits and armored car deposits?

Response: Most County deposits are made through our armored carrier. The average daily amount is \$55,000.00. Only a handful of County departments will have the need to take deposits directly to the bank. About once a month a detective of one of the County's law enforcement divisions will walk-up to a teller and deposit seized funds. These amounts vary and may be large. Our current depository bank classifies all branch notes processed under Lobby Services regardless if they were received at the vault.

Vault Services:

C-mixed Deposit Vault	12,538
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23. On average, how many total dollars are deposited each month through Cash Vault services, by all departments?

Response: The average daily amount is \$55,000.00

Vault Services:

Misc. Charge-Chks/Deposits	48
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24. Can you explain these services?

Response: These are orders of blank checks and blank deposit slips. The current depository bank orders them for the County from a third party.

Vault Services:

Misc. Charge - Paper Straps	14
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25. Is this supplies ordered?

Response: Yes, these are supplies ordered.

Vault Services:

Currency Ordered/Shipped	
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26. On average, all accounts: 1.) how many change orders are requested each month? 2.) What is the total dollars ordered through Cash Vault services? 3.) How many straps are of 100 bills of the same denomination? 4.) How many straps are of less than 100 bills of the same denomination?

Response: Please see response to question number 20.

Vault Services:

Coin Shipped	
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27. Is coin ordered by the individual roll or the box? If both, how many individual rolls and how many boxes?

Response: Please see response to question number 21.

ACH Services:

File Transmission	148
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28. How often are vendor payments initiated?

Response: Vendor payments thru ACH Files are initiated on a weekly basis.

ACH Services:

Single ACH Transmission	814
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29. How does the "Single ACH Transmission" service differ from the ACH "File Transmission" service?

Response: Single ACH Transmission is how the current depository classifies and charges for internal electronic transfers between County departments. They are still County's bank account but from different departments and different authorized signers.

ACH Services:

Credits/Debits	76,530
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30. How many: 1.) vendor payments are originated each month? 2.) Payroll entries are originated each month? 3.) ACH entries does the County receive each month?

Response: On average, about 50 vendors and 6,000 employees are paid thru ACH Files every month. On the last payroll, the County paid 2,918 employees and 2,892 were paid thru ACH entries. The County's current depository bank classifies receiving ACH entries as electronic credits posted. In fiscal year 2012 the County received 12,365.

ACH Services:

Receiving Addenda	12,359
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31. 1.) Is EDI detail reporting received in a direct file transmission or do users access the information through an online report? 2.) On how many accounts is EDI detail reporting needed?

Response: Currently users access the addenda information through an online report.

Information Reporting:

Online Reporting Monthly Maint	516
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32. How many accounts have: 1.) "Intraday" reporting? 2.) "Previous Day" reporting? 3.) EDI reporting? 4.) What other online reports are currently provided to the County?

Response: Currently all accounts have Intraday, Previous Day, and EDI reporting. Other online reports currently provided to the County are: Image Statements, Text Statements, Checks Issued Not Paid, Final Reconciled Checks, and Reconciled Checks.

Other Questions

33. Does the County use ZBA services? If yes, on how many accounts?

Response: The County does not currently use ZBA services.

34. Will another form be provided that includes columns for: 1.) Monthly Number of Units, 2.) Monthly Total Cost, and 3.) Monthly Compensating Balance or should we modify the FEE CALCULATOR provided?

Response: The County plans to analyze the responses on a yearly cost.

35. Will the County provide bidders a recent current analysis statement?

Response: Please see attachment.

36. Can we get an image of what the Warrants look like?

Response: Please see attachment.

37. How a “properly drawn warrant” is differs from a “County Check”?

Response: A properly drawn warrant is the same as a properly issued check.

38. Are there any other processing requirements related to the warrants?

Response: There are no other requirements related to warrants.

39. Will the winning financial institution be required to accept Property Payments for the County?

Response: Currently, the City of El Paso collects property taxes for all taxing entities by an inter-local governmental agreement approved by Commissioners Court. However, the County Tax Office collects property taxes from walk-in tax payers that choose to pay at the County.

40. Will El Paso County accept Federal Home Loan Bank of Atlanta's Letter of Credit as acceptable Collateral?

Response: The County will not accept letters of credit as collateral.

41. Is there any consideration/situation (i.e. with FHLB LOC) where El Paso County will accept 102%, the normal collateral commitment for Public Entities we bank, instead of the 120%?

Response: The County is firm on the 120% required collateral.

42. What is your average daily Vault Deposit amount?

Response: The average daily Vault deposit is \$55,000.00

43. What is your average daily Banking Center deposit? Your FEE CALCULATOR indicates "Branch Note Processed" our fees are based on per \$100.00 cash processed.

Response: The average daily deposit is \$55,000.00. Our current depository bank classifies all branch notes processed under Lobby Services regardless if they were received at the vault.

44. Branch Strap Shipped- Is this the number of standard "Full" straps to fill a change order? Fee Calculator indicates 1,243 Units

Response: Since County departments request their own change order, the County does not have records of the straps being "Full" or not.

45. Branch Coin Shipped- Is this for rolled coin to fill change orders? Fee Calculator indicates 1,576 Units

Response: Please see the answer to question number 44.

46. Misc. Charge – Chks/Deposits volume of 48 Units, Can you please provide a description of this service

Response: These are orders of blank checks and blank deposit slips. The current depository bank orders them for the County from a third party.

47. Misc. Charge – Paper Straps, volume of 14 Units, Can you please provide a description of this service?

Response: These are bank supplies ordered.

48. Monthly account statements delivered in electronic file format, as well as paper – Are you referring to Account Analysis Statements or Monthly Bank Statements?

Response: The County is referring to Monthly Bank Statements.

49. Does the County intend to use the Purchasing Card service? Should information on this service be included in the response to this RFP, or will a separate RFP be issued for that service.

Response: Purchasing Card service is not included in this RFP.

50. What is your TIN Number?

Response: The County's TIN is 746000762.

51. Will the County be scheduling a bidder's conference? If so, when will this meeting be held?

Response: The County will not have a bidder's conference.

52. Can you please indicate the average monthly fees for banking services during last 12 months?

Response: The average monthly fees for banking services for Fiscal Year 2012 was \$7,375.91.

53. Is payment made through fee charges or in the form of compensating balance; if compensating balances, what in the amount of compensating balance maintained to offset fees?

Response: Currently the County does not offsets bank analysis charges with compensating balances. Bank analysis charges are paid by hard dollar direct fee compensation.

54. What is the Interest rate paid on interest bearing accounts with the current depository contract bank? Please indicate index plus/minus if applicable.

Response: Our current depository bank pays an APY of 0.75% on eligible deposits.

55. What is the earnings credit rate for non interest bearing accounts held with the current depository contract bank?

Response: Under our current depository contract, non interest bearing accounts do not pay bank fees regardless of balance or earnings credit rates.

56. Is an account analysis of service charges provided to you by the current depository contract? If so, can you provide a copy of the latest account analysis statement?

Response: Please see attachment.