City of Powder Springs
Finance Department
PO Box 46
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Powder Springs, GA 30127-0046

RFP # 14-001 Addenda #1
Pre-Proposal Conference: Question and Answers

1. Q. Will the City provide a copy of the RFP in Word and Excel formats?

   A. Yes. The City will make these available on the website no later than Friday, January 17, 2014.

2. Q. Will the City provide its Tax Identification Number?

   A. Yes. The City will make a copy of its W9 available to any plan holder who wishes to bid on this RFP.

3. Q. Will the City provide the average collected balance for each account?

   A. See below for the last three month's collections. Please note that the City billed for property taxes on September 15, and that property taxes were considered delinquent after November 30; therefore, the Cash Pool account reflects a higher than average balance during these months. For the purposes of the RFP, the City anticipates $5 millions as the average balance for this account.

	October	November	December	Average
Cash Pool	5,462,906.47	6,941,374.12	6,861,146.27	6,421,808.95
SPLOST	1,320,142.18	1,175,914.00	1,312,517.23	1,269,524.47
Water	1,149,049.91	1,246,022.69	1,351,114.05	1,248,728.88
Impact	179,402.76	179,402.76	183,971.26	180,925.59
SPLOST	384,689.20	360,850.45	356,460.63	367,333.43
DDA	65,645.54	65,645.54	65,645.54	65,645.54
Seizure	12,566.45	12,566.45	12,566.45	12,566.45
Total	8,574,402.51	9,981,776.01	10,143,421.43	9,566,533.32

4. Q. Who is the current banking services provider?

   A. PNC Bank

5. Q. Section II-A-2 of the Minimum Qualifications (page 5) states that the bank must be a federally chartered bank. We are a *state* chartered bank. Will the City of Powder Springs consider banks who are state chartered to do business with and accept public deposits in the State of Georgia?

   A. Yes.

6. Q. Section II-A-4 of the Minimum Qualifications (page 5) states the bank must have a money center/vault operation in the Downtown Powder Springs area for purposes of receiving and processing deposits of checks, cash, and bulk coin from several of the City's operations. Will the City consider banks who can meet the City's standards for pickup and delivery, but have a vault in a surrounding City?

   A. Yes.

7. Q. Section IV - Submission of Proposals (page 22) states that all bids shall be submitted on the Bid Proposal Form. Will the City provide this form during the Pre-Proposal Conference?

   A. Please see Exhibit A on Page 30. This is to be used as the "Bid Proposal Form." This will be provided in a Word format as well.

8. Q. On page 23 it states, "Upon receipt of a proposal containing a City of Powder Springs "Sample Contract" as part of the requirements", will the City provide a sample contract or will the awarded bank use a standard contract that will be negotiated with modifications.

   A. The awarded bank will submit its standard contract with modifications added based on negotiations with the City.

9. Q. On page 17, there are 10 accounts listed; however, on the sheet providing the average balances, there are only six accounts listed.

   A. Since the construction of this RFP, the City closed the Payroll Reserve Account, as this account was a clearing account using ZBAs. The City may reinstate this account. The Sanitation Operating account and the Renewal and Extension account were also subsequently "cashed out" into the Cash Pool/Main Operating Account.

10. Q. On Exhibit B, line 30, what format are you referring to by "Addenda Records Received??" Are you referring to Electronic Data Interchange?

    A. The City referred to PNC for response, as "Exhibit B" was based upon activity the City incurs in its current banking structure. PNC responded with 'yes. EDI.'

11. Q. What type of ACH activity does the City use?

    A. The City uses Edmunds Financial Software for its accounting system. We are able to create uploads from Edmunds that will create an ACH file within our current Treasury Workstation. Our current Treasury Workstation also provides for multiple approval level processes. The ACH activity includes ten billing cycles, as well as two payroll cycles per month.

12. Q. Does the City currently use Lockbox Services and if so who is the service provider?

    A. The City has Lockbox services provided by Arista with the hosting services provided by SEDC.

13. Q. How often does the City require “change services”?

    A. The activity fluctuates a lot, and the City requests change services on an “as needed” basis.

14. Q. Would the City be interested in any remote deposit services [utilizing mobile devices]?

    A. No interest at this time.

15. Q. Does the City have any wire transfer activity?

    A. No. The City does not complete any wire transfers. The bulk of the disbursement activity is through checks or ACHs.

16. Q. When the City uploads its ACH file, is a separate file received in return?

    A. No. The City receives a confirmation, but no separate file.

17. Q. In the RFP, the City requests information regarding the financial institutions’ safekeeping capabilities, is that a service that this City is interested in?

    A. Not at this time.

18. Q. What is the City’s current policy regarding returned items? Are they re-deposited?

    A. Currently, our bank sends the item through twice before it is returned. Once it is deemed returned, we do not make an attempt to re-deposit. We contact the customer directly to seek repayment.

19. Q. On Exhibit B it refers to any reduction for paperless/paper reduced, how does the City currently receive its statements?

    A. Currently we are able to download our statements from our bank's Treasury Management System. We like this approach and want to move forward with a paperless process. This also assists the City in our reconciliation process.

20. Q. On page 14 of the RFP, it states, "Insert your responses to questions and discussion items in Exhibit D." Is this correct?

    A. This statement should read Exhibit A.

21. Q. Would the City be interested in learning about additional services we can provide, such as positive pay, or reconciliations.

    A. Yes. Please list these items separately as "Additional Services."

22. Q. Can you tell us some of the high-level goals the City is trying to achieve through this RFP?

    A. The City is seeking a treasury management partner to assist in financial strategies and building goals and strategies for the future. The City has been with the same bank for a number of years and many of the cash management strategies have not been addressed at a high level. The City would like a partnership to develop these strategies.

23. Q. What are some of the day-to-day pains you experience with your cash/banking activities?

    A. The City's biggest pain regarding day-to-day cash operations involves the use of on-line bill pay. Currently, customers' information is not posting accurately. We are experiencing a situation whereby items will be returned from our bank, yet the customers have no knowledge of nor returned items reflected in their accounts. Of the items returned, the volume consists of 50% paper and 50% on-line bill pay checks.

24. Q. Would the City consider an E-Lockbox option?

    A. We have a service provider who currently provides this service. Answer provided by Chase bank: The service provider would need a third party vendor for account verification purposes.

25. Q. Does the City have any controlled disbursement or concentrator accounts?

    A. The City utilizes a cash pool for its main operating account. All disbursements and deposits relative to the funds that make up this pool are done so from this one main account. The City currently does not use this account for cash forecasting purposes.

26. Q. Can you explain the cash pool?

    A. The City has one main operating account with the bank that serves as the cash account for six separate funds that are associated with the account's activity. The City tracks the accounts separately in the Edmunds Financial System.

27. Q. Does the City currently use ZBAs, and if so, is the activity listed in Exhibit B still accurate?

    A. The City had a Payroll clearing account that utilized the ZBA process. This account recently closed, and therefore the City does not have any ZBA activity at this time.

28. Q. Will any other departments within the City need access to Treasury Management Services?

    A. No. Account access will be maintained strictly by the Finance Department.

29. Q. On Exhibit B Line 11, what does the 'Returned Item Data Keyed' refer to?

    A. The City referred to PNC Bank to answer this question. PNC Bank stated that would research to clarify the answer. The response received from PNC is as follows: "…a question was asked pertaining to the items we are keying with your returns from checks that are deposited via the branch. Here is the additional information that is keyed for the City of Powder Springs: Check number, Deposit Date, Micr Routing Number, Micr account number and Payee Bank Name**.** The City stated that the information reviewed for returns refers to the reason the funds were returned [i.e. NSF, Account Closed, Refer to Maker]

30. Q. On Exhibit B Line 11, what does the 'Web Disb Stops AND Cancels' refer to?

    A. The City has the ability to issue a 'Stop Payment' by logging into and authorizing this process via the Treasury Management Services.