



THE SCHOOL DISTRICT OF LEE COUNTY
PROCUREMENT SERVICES DEPARTMENT

Susan Malay, Director of Procurement

ADDENDUM TO RFP DOCUMENTS

ADDENDUM NO.: 1

PROJECT NAME: RFP No. R147158BC – Banking and Financial Services

DATE OF ISSUE: February 19, 2014

The following information shall be included in the bid documents and is hereby made part of the project bid documents in the form of clarification, addition, deletion or revision to the contract specifications.

1. The following attachments and exhibits are published on the Procurement website at <http://procurement.leeschools.net> as a result of this addendum.

Attachment A, Revised
Attachments, Revised
Exhibit 5, Revised
Exhibit 6, Added
Exhibit 7, Added
Exhibit 8, Added

2. On the following pages, 136 questions are addressed.

There are no other changes at this time.

Thank you for your interest in the School District of Lee County.

Susan M. Malay
Director of Procurement

ADDENDUM TO RFP DOCUMENTS			
Item No.	Section	Question	Answer
1	NA	The following information shall be included in the RFP documents and is hereby made part of the project RFP documents in the form of clarification, addition, deletion or revision to the contract specifications. There are no other changes at this time.	
2	NA	Effective today, February 19, 2014; all correspondence in regards to RFP No. R147158BC for Banking and Financial Services shall be directed to Susan M. Malay at SusanMMA@Leeschools.net. Ms. Malay shall now be the assigned Procurement Agent	
3	NA	The following new attachments and exhibits are published and available on the Procurement website at http://procurement.leeschools.net as a result of this addendum. Attachment A, Revised, Attachments, Revised, Exhibit 5, Revised, Exhibit 6, 7, 8 added	
4	Addendum	Please let us know when the first addendum will be issued (answers to questions). We will need responses as soon as possible to finalize our response.	Memorandum #1 Released February 14, 2014
5	Banking Locations	Are checks deposited on a separate deposit slip or combined with the currency deposit?	Combination of both
6	Banking Services	Do the individual School accounts contain district funds that need to be collateralized as per QPD guidelines?	Yes they do.
7	Banking Services	What time of the day do schools typically drop off the FNS deposits at the branch?	Most Deposits are done after the noon hour. Specifically our food service deposits.
8	Banking Services	Would the District consider contracting with a courier directly?	The District is seeking a solution that includes all costs. Optionally, Proposers may submit this as a solution.
9	Banking Services	Is the District paying FDIC or Deposit Administration charges? If so can you provide the unit price?	No
10	Banking Services	Can you provide a copy of your most recent analysis statement?	Please see attached Exhibit 6, Last three months analysis statements
11	Banking Services	On Exhibit 2 can you provide further detail on the following line items:	N/A
12	Banking Services	a) ACH Optional Reports - Electronic	District is currently desires to evaluate the reports that the financial institutions can provide to us regarding ACH payments/transactions.
13	Banking Services	b) ACH Reports - Fax	District is currently desires to evaluate the reports that the financial institutions can provide to us regarding ACH payments/transactions.
14	Banking Services	c) ACH Standard Reports - Electronic	District is currently desires to evaluate the reports that the financial institutions can provide to us regarding ACH payments/transactions.
15	Banking Services	d) ACH Standard Reports - Fax	District is currently desires to evaluate the reports that the financial institutions can provide to us regarding ACH payments/transactions.
16	Banking Services	The balances listed on Exhibit 2 average \$2.2 million, can you please confirm that this represents 10% of the District's cash balances that will remain in non-interest bearing check accounts. The June 30, 2013 CAFR reflected \$356,026,820 in investments and \$37,526,368 in cash.	The \$2.2 million represented the balances of the Schools Internal Accounts. The Districts balances were swept into our Public Interest checking account which as of June 30, 2013 was approximately \$35 million. The amount that the District intends to leave in its operating account will be the amount equivalent to allow the District to offset most of its monthly fees.
17	Banking Services	Please confirm that this RFP includes the District's main operating accounts in addition to the school accounts.	Yes, but our Internal School accounts will have option to adopt the District chosen bank or remain with current provider.
18	Banking Services	What is the current account structure? Can you provide an account schematic?	Please see attached Exhibit 7, Bank Organizational Chart
19	Banking Services	How much is maintained in the Public Funds Interest Checking? How much at SBA?	Currently, the District is leaving approximately \$33-35 million in the Public Funds Interest Account. The SBA contains between \$150 to \$400 million depending on the time of the year.
20	Banking Services	What rate are you receiving on funds in the Public Funds Interest Checking and at SBA?	This amount varies but currently the Public Funds Interest Checking is approximately 10 basis points and the SBA is approximately 17 basis points.

Item No.	Section	Question	Answer
21	Banking Services	Please clarify the statement "The District will provide the Financial Institution an electronic transmission for the Accounts Payable/Payroll account no later than one (1) day after the check run. This will supply the Financial Institution with a list of check numbers issued, to whom they were issued and the value of each." Does the District typically send the issue file a day later than disbursement? How often are issue files sent? Does the District's current positive pay service include payee name verification?	The District produces a Positive Pay file which is generated from our ERP system automatically when AP or payroll process is run. The file contains Account number, Check Number, Date, Employee ID number, Vendor Number and Check amount information. This file is sent with in a FTP format with PGP Encryption. The AP file is processed weekly and sent to bank prior to disbursement of checks. Payroll file is sent to bank two days prior to payday.
22	Banking Services	Please clarify the statement "The Financial Institution shall provide the direct deposit of payroll funds to any Financial Institution that is member of the <u>Federal wire system</u> no later than 12:01AM on the specified pay date." Was it the District's intent to refer to ACH Payments network vs. Fed wire?	The District was desiring to ensure that Direct Deposit of Payroll would be processed in the appropriate method to ensure that payroll is available to employees by 12:01 am on the day of payday.
23	Banking Services	Pg. 13 1.14 Zero Balance Account Sweeps and Reinvestment. Is it the District's intent to move invested funds from SBA to alternative investment vehicles at the awarded Financial Institution? If so, how much in available funds would be available for these investments?	That is not the District's intent and the District is not looking to invest funds with the awarded institution.
24	Banking Services	throughout the fiscal year? Is the SBA/Florida Prime Fund the vehicle utilized currently?	Tax receipts are received by the District between November and March each year and any excess reserves are currently being invested with the SBA.
25	Banking Services	Please provide copies of the last three months of Account Analysis statements from your current bank.	Please see attached Exhibit 6, Last three months analysis statements
26	Banking Services	How many checks are cashed at the branch each month? Are these for payroll?	District is unable to determine this. Varies on the number of payroll checks being issued. Currently, the District is producing approximately 500 checks for its bimonthly payrolls.
27	Banking Services	What is the average amount of both cash and coin per deposit with the currency deposit?	Varies by location and day of the week. Unable to determine.
28	Banking Services	What is the maximum amount of coin typically deposited at a branch?	Varies by location and day of the week. Unable to determine.
29	Commercial Account	Does the District utilize Payee Positive Pay?	District utilizes Positive Pay for all Payroll and A/P checks.
30	Commercial Account	The RFP states the District originates both ACH credits and debits. What is the typical daily(or weekly) file size (in dollars)?	District produces approximately 90 ACH transactions per monthly totaling approximately \$25 million.
31	Commercial Account	Is it possible to specify which District locations utilize branch deposits?	All school locations make branch deposits daily for food service and internal accounts banking.
32	Commercial Account	What is the frequency of the branch deposits?	Daily
33	Commercial Account	Besides ACH and Positive Pay files, does the District utilize file transmission for any other services?	Not currently, but District does have the desire to import the daily bank statement into our PeopleSoft ERP system for reconciliation purposes.
34	Commercial Account	What type of transmission does the District utilize? HTTPs, Secure FTP, VPN, etc.	The District produces a Positive Pay file which is generated from our ERP system automatically when AP or payroll process is run. The file contains Account number, Check Number, Date, Employee ID number, Vendor Number and Check amount information. This file is sent with in a FTP format with PGP Encryption. The AP file is processed weekly and sent to bank prior to disbursement of checks. Payroll file is sent to bank two days prior to payday.
35	Commercial Account	Are you able to provide the number of percentage of employees that cash payroll checks at the branch?	No.
36	Commercial Account	Out of the 11,500 employees, how many are receiving direct deposit versus a check?	Approximately 500 receive a check, all others receive a direct deposit.
37	Courier Service	Are there any restrictions on pick up times at the schools?	Yes, District prefers afternoon pickups.
38	Courier Service	Do you currently have armored service today?	NO 2

Item No.	Section	Question	Answer
39	Courier Service	How many days a week are pickups?	N/A
40	Courier Service	Are there any service windows that must be met?	During school hours, which vary by location.
41	Courier Service	Is this seasonal work and will there be off season/special pickups?	Would comprise the school year (August through June)
42	Courier Service	Who is your current financial institution vendor for treasury management?	Bank of America
43	Courier Service	Would it be next day drop off?	If proposal includes courier service, this would be at proposers discretion provided the guarantee of funds.
44	Detailed Specifications #6	Please confirm that the attachments provided in Excel should be returned to the District in Excel and the attachments provided in Adobe PDF should be returned to the District in Adobe PDF. If all Attachments within the RFP need to be included in Word or Excel, please provide them in the version that the District prefers.	Any attachment that is provided in Excel format shall be returned in Excel format. If the attachment is provided in Word or Adobe PDF, it shall be returned in that format.
45	Detailed Specifications #6	Form is listed within 6.13 as Attachment I - Waiver of Trade Secret Form; but is referred to as Attachment H on the actual form. Please confirm which is correct.	Delete pages 31-32 of the RFP specifications and insert pages 31a, 31b and 32a as provided herein.
46	E Payables	Can the District submit a new vendor payment file in the format attached so we can do a complete vendor match analysis?	Format cannot be changed, utilize the files provided within the RFP specifications.
47	E Payables	Can you provide additional information on the vendor listing including street address with zip code and number of transactions?	Please review R147158BC, Exhibit 5, Revised as posted on the procurement website.
48	E Payables	Does the District currently utilize an E-Payables program?	Please review Section 4, page 15, E-Payables
49	E Payables	Does the School District of Lee County prefer all incentive to be built in to a rebate or is there an interest in any up-front monies tied to annual spend objective with a prorated claw-back for shortfall?	Proposers should describe the best program(s) available to the District, stating the Pros and Cons of each.
50	E Payables	Is Quarterly or Annual payout of rebate preferred?	Detail best program available to the District stating Pros and Cons.
51	E Payables	Please complete the attached vendor template, which allows for an updated analysis of card acceptance by your vendors. (Reference E Payables Page 18 (4.6))	Format cannot be changed, utilize the files provided within the RFP specifications.
52	E Payables	What ERP modules are used in creating workflows in the procure to pay process?	District does not currently have an implemented E-Payables process, proposal should be compatible with PeopleSoft version 9.0 and 9.2. PeopleSoft E-Procurement, Purchasing, Accounts Payable, Asset Management are a few ERP modules utilized to support the District's current operating procedures.
53	E Payables	What process is currently in place to optimize the payment method and timing of vendor payments?	Weekly A/P check run process currently utilized. Online receiving is utilized in PeopleSoft.
54	E Payables	Do you have negotiated terms with your vendors?	No
55	E Payables	Does the School District of Lee County wish to leverage a vendor on boarding team to help move their suppliers from paper check to P-card?	The District is open to low cost and no cost options.
56	E Payables	What are your standard net terms for suppliers/vendors? Do you wait until goods are received prior to issuing payment?	When goods are received they are receipted in to PeopleSoft. At that time, invoices can get paid.
57	E Payables	If yes, do you have flexibility to pay as soon as the invoice is approved?	When goods are received they are receipted in to PeopleSoft. At that time, invoices can get paid.
58	E Payables	If no, why?	N/A
59	E Payables	The RFP mentions 3,300 Vendors and 85,000 purchase orders totaling approximately \$188MM.	N/A

Item No.	Section	Question	Answer
60	E Payables	What percentage of this spend is paid by check?	100%
61	E Payables	What percentage of this spend is paid by ACH?	ZERO
62	E Payables	The RFP provided a subset of Vendor payments; vendors with totals above \$100,000 which reflects 200 total vendors and approximately \$165MM in spend.	N/A
63	E Payables	What percentage of this spend is paid by check?	100%
64	E Payables	What percentage of this spend is paid by ACH?	ZERO
65	E Payables	Is your AP process of the 3,300 vendors and 85,000 purchase orders centralized?	Yes
66	E Payables	Are there any regulations you must follow to pay suppliers within a certain period of time or can you set your own payment terms?	The District establishes its own payment terms which are currently set at Net 30. District does follow the Florida Prompt payment law requirement.
67	E Payables	Are there any regulations, or GPO (Group Purchasing Organizations), that the School District is subject to that could prevent your suppliers from being recruited for this initiative (payment by card)?	The District establishes its own payment terms which are currently set at Net 30. District does follow the Florida Prompt payment law requirement.
68	E Payables	If yes, what percentage of your spend is impacted?	100%
69	General Question	The District asks for "...an electronic copy, identical to the original signed paper document in a useable Excel format..." Does this mean you prefer the paper copies of our proposal to include the Excel version of Attachment A? Or are we allowed to include a Word version of Attachment A in the paper copies and the Excel version in the electronic copy?	Please print the Excel file and include it with your response. The electronic copy shall be a full copy of the Proposal being sent to the District including any Excel documents that are used as attachments.
70	General Question	Please explain the reason behind the issuance of the RFP by the School District of Lee County. Is there impetus for change or are you unsatisfied with your current provider?	The District relies on the competitive solicitation process to secure banking services. Our needs have drastically changed since the last RFP was released in 2008.
71	General Question	Can the District provide Exhibit 1 - Delivery Locations in Excel format?	The District can provide this document in Word and is hereby added as Exhibit 8.
72	General Question	Pg. 11 6. Proposal Submittal. The District states that attachments shall be completed in a usable Word or Excel format. Please confirm if this requirement applies to Attachments B-H (originally provided in pdf only)?	Any attachment that is provided in Excel format shall be returned in Excel format. If the attachment is provided in Word or Adobe PDF, it shall be returned in that format.
73	General T & C	Does this apply if vendor is not working on-site and has no contact with students?	Because Vendors shall not have direct contact with students, per Florida Statute, this requirement is waived.
74	General T & C	Given this is a banking services contract, will employees be required to be finger printed? No bank employee will be on school grounds without District staff.	Because Vendors shall not have direct contact with students, per Florida Statute, this requirement is waived.
75	Indemnity Language	Will the District consider any type of monetary limit on damages (not related to fees paid)?	Per Section 6, Proposal Submittal, 6.3, Letter of Transmittal, 6.3.5: Indicate any and all variances from the RFP specifications, terms and/or conditions regardless of how slight. If no variations are stated, it shall be conveyed that the proposed product or service fully complies with the specifications and terms and conditions of this RFP.
76	Indemnity Language	Indirect damages are typically excluded by both parties from service contracts. Is it the intent of the District that the responding banks accept liability for damages beyond actual damages, for example, indirect, consequential and punitive damages?	Per Section 6, Proposal Submittal, 6.3, Letter of Transmittal, 6.3.5: Indicate any and all variances from the RFP specifications, terms and/or conditions regardless of how slight. If no variations are stated, it shall be conveyed that the proposed product or service fully complies with the specifications and terms and conditions of this RFP.
Clarification # 1			
The District offers the following clarifying information regarding our Merchant Processing Services Pilot Program: The District's process was initiated two months ago and no data about its use is available at this time. The scale of how the District will use merchant processing services is unknown. This statement is provided in response to the following questions: 77-110			
77	Merchant Processing Services	Please provide all software/gateways the School District of Lee County uses to process payments.	Please see clarifying statement above

Item No.	Section	Question	Answer
78	Merchant Processing Services	Please list terminal make(s)/model(s).	Please see clarifying statement above
79	Merchant Processing Services	Please provide annual volume.	Please see clarifying statement above
80	Merchant Processing Services	Please provide average ticket (transaction amount).	Please see clarifying statement above
81	Merchant Processing Services	Please provide three months of processing statements for an analysis.	Please see clarifying statement above
82	Merchant Processing Services	Please provide any improvements the School District of Lee County is looking to achieve through the RFP process.	Please see clarifying statement above
83	Merchant Processing Services	Please list all payments channels (i.e. online, in person, mobile, IVR).	Please see clarifying statement above
84	Merchant Processing Services	Please list payments being processed by the School District of Lee County (i.e. Food Service, Pay to Play Fees).	Please see clarifying statement above
85	Merchant Processing Services	What is the annual credit card volume and average transaction size?	Please see clarifying statement above
86	Merchant Processing Services	What equipment are you using to process these transactions and what products or service are you taking card for?	Please see clarifying statement above
87	Merchant Processing Services	Please provide a copy of the most recent merchant statement.	Please see clarifying statement above
88	Merchant Processing Services	Is the District currently accepting Visa, MasterCard and/or American Express?	Please see clarifying statement above
89	Merchant Processing Services	Will the District have the need for Card Present (FACE TO FACE) transactions? If so, does the District have current software that will support a payments application or will it need the Merchant Services provider to supply a form of accepting transactions face to face? If the District currently has software that can be upgraded to accept card payments, what is the name of the company, name of the software, the name of the payments application and version number?	Please see clarifying statement above
90	Merchant Processing Services	If the District would like the merchant services provider to supply a means to accept face to face transactions, does it prefer a terminal based solution or software based solution?	Please see clarifying statement above
91	Merchant Processing Services	If the District is currently using a 3 rd party for merchant services, please provide the name of the current, 3 rd party provider.	Please see clarifying statement above
92	Merchant Processing Services	Will the District have the need for Card Not Present (NON- FACE TO FACE) transactions? If so, does the District have current software that will support a payments application or will it need the Merchant Services provider to supply a form of accepting transactions face to face? If the District currently has software that can be upgraded to accept card payments, what is the name of the company, name of the software, the name of the payments application and version number?	Please see clarifying statement above

Item No.	Section	Question	Answer
93	Merchant Processing Services	Card Not Present card acceptance transactions can consist of acceptance by phone, mail, lockbox, bill presentment and internet. Will the District need any or all of these capabilities? Please list which capabilities the District would like to utilize.	Please see clarifying statement above
94	Merchant Processing Services	Does the District have a current bill presentment program for other forms of payment? (such as check, ACH, etc...) if so, please describe this service.	Please see clarifying statement above
95	Merchant Processing Services	If internet acceptance is requested, does the District have payment application capabilities within their current internet software?	Please see clarifying statement above
96	Merchant Processing Services	How many merchant accounts will the District need?	Please see clarifying statement above
97	Merchant Processing Services	Once the program is fully implemented, please list the departments/business units that will utilize a merchant account.	Please see clarifying statement above
98	Merchant Processing Services	Please describe the services that will be offered to the card holder for each merchant account to be used by the District.	Please see clarifying statement above
99	Merchant Processing Services	Please use your best guess and predict what the annual processing dollar volume will be for all cards accepted for payments.	Please see clarifying statement above
100	Merchant Processing Services	Please use your best guess and predict what the average sale amount will be for all card acceptance.	Please see clarifying statement above
101	Merchant Processing Services	We understand that the District has a pilot program for processing payments via credit card at (2) locations for Merchant Services. Please provide the following:	Please see clarifying statement above
102	Merchant Processing Services	1) Current merchant services processing statements.	Please see clarifying statement above
103	Merchant Processing Services	2) Annual Visa/MasterCard/Discover card transaction volume and amount.	Please see clarifying statement above
104	Merchant Processing Services	3) What percentage of transactions are processed face to face in which the card is present, allowing the District to swipe the card through the terminal?	Please see clarifying statement above
105	Merchant Processing Services	4) What percentage of transactions are manually entered due to the card not being present?	Please see clarifying statement above
106	Merchant Processing Services	5) Make and Model of all current terminals used to accept card payments.	Please see clarifying statement above
107	Merchant Processing Services	6) Name and version of the District's software used for merchant services.	Please see clarifying statement above
108	Merchant Processing Services	7) Name of the Ecommerce software the District currently uses to enable internet-based transactions.	Please see clarifying statement above
109	Merchant Processing Services	8) What percentage of the transactions are internet-based transactions?	Please see clarifying statement above

Item No.	Section	Question	Answer
110	Merchant Processing Services	9) Do the internet-based transactions occur via a gateway?	Please see clarifying statement above
111	Pricing	Merchant Services can provide a complete listing of all State of Florida (current contract) pricing. Will this be acceptable for the summary of pricing?	The District desires an all inclusive fee schedule to be included in each response.
112	Pricing	Can we attach an EXCEL spreadsheet to the Attachment A/Tab 2 - Fee Schedule, in lieu of adding rows?	Please utilize Attachment A, REVISED
113	Pricing	Attachment A/Tab 1 has two columns making it more difficult to insert the necessary text and also requires a password to unprotect the sheet for completion. Can we consolidate to one column in order to properly format for our response and be provided the access password?	Please utilize Attachment A, REVISED
114	Pricing	Regarding Attachment A, would the District like us to use services listed in Exhibit 2 and the average volumes provided, and calculate a monthly cost?	The data provided is to assist Proposer's with developing a response. Proposer's are request to devise an all inclusive fee schedule for the requested services.
115	Purchasing Card	Can you add mailing addresses to the vendor list provided in Exhibit 5?	Please utilize Exhibit 5, REVISED
116	Purchasing Card	Is there a brand preference between Visa/MasterCard?	No preference.
117	Purchasing Card	Please clarify your requirement that finance charges may only be assessed on balances of sixty (60) days old unless an item is disputed.	School District pays its invoices in a timely manner and does not intend to pay any finance charges on any transactions unless in excess of 60 days, and never on disputed transactions.
118	Purchasing Card	Please state your preferred cycle in days	14 Day cycle periods are preferred.
119	Purchasing Card	Please state your preferred grace period in days.	60 days
120	Purchasing Card	Please state your preferred cycle date and payment due date.	Cycle dates will be determined in conjunction with vendor and District utilizing a 14 day cycle period.
121	Purchasing Card	Please clarify your requirement to not assume or accept liability for unauthorized transactions if the transaction is accepted by a merchant from an authenticated cardholder.	District reserves right to dispute any charges, but does not intend to dispute any transactions accepted by a merchant from an authenticated cardholder.
122	Purchasing Card	Please define "unauthorized transaction" (Reference P-card Page 15 Section 2.18)	Any fraudulent transaction processed on a District card or account number.
123	Purchasing Card	What is the current annual spend?	Last fiscal year was approximately \$2.4 million.
124	Purchasing Card	Please provide the current rebate schedule/program that the District is receiving.	District does not currently receive a rebate due to not meeting minimum spend requirements.
125	Purchasing Card	What is the current payment terms on the existing PCARD?	District make payments every 14 days.
126	Purchasing Card	Section 2.18 (page 15) states "The District shall not assume or accept liability for unauthorized use or fraudulent transactions. The District will not accept liability beyond a maximum time frame of twenty-four (24) hours after the Financial Institution is notified of unauthorized use and/or fraudulent transactions." Please clarify.	Once financial institution is notified of a fraudulent transaction, the District will not assume any liability for any fraudulent transactions charged to an account after 24 hours of notification of fraud to vendor.
127	Purchasing Cards	Please clarify the term "new user requests". Does new user requests mean employees applying for cards?	Yes
128	Purchasing Cards	In regards to your existing P-Card program, what has been the average annual spend over the most recent three years? Have controls changed and in result is this spend trending up, down or neutral?	Last three year spends are averaging approximately just over \$2 million per year. Controls have remained steady with relatively neutral trends in purchases.
129	Purchasing Cards	What is the current rebate and terms?	The District does not currently have a rebate program
130	Purchasing Cards	What is the current annual spend on the Purchasing Card?	Last fiscal year was approximately \$2.4 million

Item No.	Section	Question	Answer
131	Purchasing Cards	What is the preferred download format for reconciliation purposes?	District currently utilizes and requires an excel and PDF format so it can be uploaded into our PeopleSoft ERP system.
132	Purchasing Cards	Can the School District of Lee County confirm the total card spend for the current P-card solution?	Yes, see response to question # 123 and #130
133	Purchasing Cards	What are the current challenges with the P-card reconciliation process?	Very limited challenges. Current process is adequate for District needs.
134	Purchasing Cards	What is the current workflow approval process for employee out-of-pocket expenses?	Out of pocket expenses are not allowed to be charged to P card.
135	Purchasing Cards	What is the current workflow approval process for Invoice Processing?	Payments for P card transactions are invoiced every 14 days and reconciled to the PeopleSoft ERP system and paid.
136	Purchasing Cards & E Payables	Will the payables module be equipped to generate "Card" payments/"Card" payments file?	District does not intend to utilize the P card for E-Payables transactions.