

NOTICE

The Guadalupe County Commissioners' Court is soliciting applications for a four (4) year bank depository contract to commence June 1, 2013 as established in Chapter 116 and 117 of the Local Government Code.

Questions concerning the application should be addressed by e-mail to Linda Douglass, County Treasurer, lindad@co.guadalupe.tx.us.

Guadalupe County reserves the right to accept or reject in part or in whole any application submitted, and to waive any technicalities for the best interest of the county.

Larry Jones
Guadalupe County Judge

County Of Guadalupe



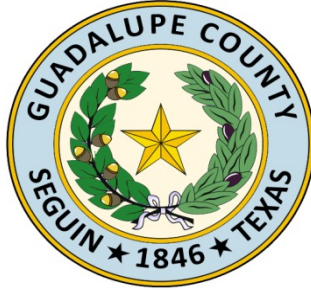
LEGAL NOTICE INVITATION TO BID

Guadalupe County will be receiving sealed bids until 2:00 p.m. on Friday, April 19, 2013 for Guadalupe County's Bank Depository Contract. This contract is for a four (4) year depository contract as established in Chapter 116 and 117 of the Local Government Code. Sealed bids will be received by County Judge Larry Jones, at 211 West Court Street, Seguin, Texas 78155.

The bids will be publicly opened in the Commissioners' Courtroom at 2:00 p.m. on Friday, April 19, 2013. All bids must be in a sealed envelope clearly marked "Depository Services – Bid No. 13-4160".

Exact specifications and technical questions, may be obtained by contacting Linda Douglass, County Treasurer, 307 West Court Street, Seguin, Texas at (830) 303-4188, ext. 338. Questions concerning the application should be addressed *in writing or emailed* to lindad@co.guadalupe.tx.us. Bids received after the time and date specified in the specifications will not be considered.

Guadalupe County reserves the right to reject any or all bids, and to waive any technicalities in the best interest of the county.



**REQUEST FOR APPLICATIONS (RFA) FOR
BANK DEPOSITORY AND BANKING SERVICES
GUADALUPE COUNTY
March 24, 2013**

The Guadalupe County Commissioners' Court is soliciting applications for a bank depository contract as established in Chapter 116 and 117 of the Local Government Code. The contract will be effective for a period of four (4) years ending sixty (60) days from the time fixed by law for the next selection of a county depository bank.

It is the intent of the Guadalupe County Commissioners' Court to contract with a bank or banks desiring to be designated as the Guadalupe County Depository Bank. The Contract will include deposits of Guadalupe County Public Monies including but not limited to direct deposits from State agencies, the Funds held by the Guadalupe County Clerk, the Registry Funds held by the Guadalupe County District Clerk, the Funds held by the Guadalupe County Sheriff's department, Funds collected by Guadalupe County Justice of the Peace, Funds collected by the Guadalupe County Tax Assessor-Collector and any other funds instructed by statute to be deposited with the County Treasurer or deposited to the County Depository as established in chapters 116 and 117 of the Local Government Code.

TABLE OF CONTENTS

- I. Application Submission Instructions
- II. General Specifications and Contract Conditions
- III. Financial Institution Qualifications
- IV. Required Services
- V. Optional Services
 - Attachment A: Proposed Fees
 - Attachment B: Historical Rates

I. APPLICATION SUBMISSION INSTRUCTIONS

The Request for Applications ("RFA") is being issued in electronic form only. However, submission of the Application must be in written form. Publication and notification of RFA has been made in accordance with State Statute. The RFA can be requested by emailing a request to lindad@co.guadalupe.tx.us. The RFA and all Attachments will be provided electronically only.

There will be no pre-proposal conference. Questions regarding this proposal request, or the services requested, will be accepted in e-mail form only.

- Submit all questions to lindad@co.guadalupe.tx.us by 3:00 pm, April 8, 2013.
- Responses to all material questions submitted will be emailed to all known Applicants by 3:00 pm April 10, 2013.

Schedule for Proposal Submission

The County will make every effort to adhere to the following schedule.

03/24/13	Release of Request for Proposal
04/08/13	Deadline for questions concerning the RFA or services requested
04/10/13	Responses given to any questions provided to all known interested depositories
04/19/13	Deadline for application submission – 2:00pm
05/07/13	Commissioners Court award of contract
06/01/12	Contract commencement

The Application must be submitted in a sealed envelope or packet marked "Depository Services- Bid No. 13-4160". An accompanying transmittal letter must be (a) signed by an individual authorized to bind the institution and negotiate conditions of the contract, (b) state that the application is valid for 180 days from the submission date, and (c) give full contact information for the application. The transmittal letter may not exceed one (1) page in length.

To be eligible for consideration under this request, one (1) original and one complete paper copy, and one electronic copy on CD or jump drive, shall be submitted by 2:00 pm on April 19, 2012 to the address below. Applications received after that time will not be accepted and will not be returned. No late bids will be considered. The Original application must be clearly marked "ORIGINAL" and contain all original signatures.

If any alteration of any kind to the County's published specifications is discovered the contract is subject to immediate cancellation.

Applications must be delivered by mail, express mail, or in person to:

**Guadalupe County Justice Center
Larry Jones, County Judge
211 West Court Street
Seguin, Texas 78155**

PUBLIC OPENING

All applications must be received in the County Judge's Office, Guadalupe County Justice Center, 211 West Court Street, on or before two o'clock p. m. (2:00 p.m.), Tuesday, April 19, 2013. Public openings of the bids will be held in the Commissioners' Courtroom, Guadalupe County Justice Center at that time but no information will be available until after solicitation evaluations are complete. Copies of the solicitation should be addressed by e-mail to Linda Douglass, County Treasurer (lindad@co.guadalupe.tx.us).

RESERVATION OF RIGHT TO REJECT

The Guadalupe County Commissioners' Court reserves the right to reject in whole or in part any or all applications, waive minor technicalities, and award the bid to the most qualified bidder. The bidder selected will be the qualified bidder or applicant that offers the most favorable terms and conditions for the handling of county funds Texas Local Government Code Ann, 116.024 (a) (3).

LATE APPLICATIONS

Late applications will not be opened or returned to the Bidder. **Guadalupe County will not be responsible for un-marked, or improperly marked applications or applications delivered to the wrong location.**

WITHDRAWAL AND ALTERING APPLICATIONS

Applications may be withdrawn at any time prior to the official opening. Alterations made before opening time must be initialed by the Bidder to guarantee authenticity. After the official opening, applications may not be amended, altered, or withdrawn. All applications become the property of Guadalupe County and will not be returned to the Bidder.

SUBMISSION OF THE APPLICATION ATTACHMENTS

Applications must be submitted as directed and using the Attachments provided. All applications **MUST** be submitted using the **EXACT** format provided for by this document. Make a clear distinction between the Invitation to Application's language and the Bank's response.

NON-CONFORMING APPLICATIONS

Any applications not conforming to the specifications shall be rejected. It will be the responsibility of the bidder to conform to the specifications unless deviations have been specifically cited by the vendor and acceptance made on the basis of the exception.

CONTRACT AWARD

This application along with worksheets, submitted documents, and any negotiations, when properly accepted and awarded by Guadalupe County Commissioners' Court, shall constitute a contract equally binding between the successful offer and Guadalupe County. No different or additional terms will become a part of the contract with the exception of a Change Order.

EVALUATION PROCESS—

Guadalupe County will award the Depository Bank contract based on, but not limited to, the following criteria:

- 1) Bank's financial position.
- 2) Bank's ability to pledge adequate securities against County funds.
- 3) Experience in providing depository services requested in bid to similar accounts.
- 4) Net rate of return on County funds.

- 5) Ability to meet service requirements.
- 6) Cost of services.
- 7) Banking and treasury management service availability

Guadalupe County reserves the right to select evaluation methods deemed most appropriate.

INTERVIEWS

The County may require bidding Banks to attend an interview with the Guadalupe County officials reviewing the proposals.

II. GENERAL SPECIFICATIONS AND CONTRACT CONDITIONS

Contained herein are general terms and conditions of the depository application. It shall be understood that these specifications are contractually binding. A Master Depository/Collateral Agreement will be executed under the terms of FIRREA by the Bank and the County.

The County reserves the right to:

- waive any defect, irregularity or informality in the application or application procedures;
- reject any and all applications;
- accept any application or portion thereof most advantageous to County;
- request additional information or require a meeting with Depository representatives for clarification;
- cancel, revise, and/or reissue this request for application or any portions thereof,
- negotiate any conditions;
- retain all other provisions even if any provision of the application is deemed invalid;
- modify deadlines; and,
- select any application deemed to be in its best interest as determined by the County.

Other

1. The successful depository will notify the County in writing within ten (10) days of any changes in Federal or State regulations or laws that would thereafter affect the depository agreement throughout the contract period.
2. The bank's records relating to the County's accounts shall be open to review by either the County, its independent auditors during normal business hours.
3. The County reserves the right to pay for Depository services by target balances or by fees.
4. This RFA and the application submitted will be incorporated into and form the basis of the bank depository services contract as will all service contracts. Fees will be set for the entire contract period as proposed in the RFA Response.

BANK COMPENSATION

The County reserves the right to pay for banking services on either a fee and/or compensating basis. A decision on the methodology to be used will be made initially only after analysis of the applications and on an on-going

basis as interest rates change. A change of methodology will require a notification from the County no less than twenty days before the first of the month in which the methodology changes.

If a fee basis is utilized, the bank may direct debit the designated account after five days after County receipt of the account analysis for a review and approval of fees each month. The County may or may not leave funds in the bank on this basis dependent upon the availability of a sweep mechanism and the interest rates being offered by the bank. All fees shall be fixed for the entire contract period as proposed on Attachment A. Only fees listed on Attachment A will be accepted.

If a compensating balance basis is utilized without a sweep mechanism, the bank will be responsible for estimating and notifying the County of the compensating target balance using its published or designated Earnings Credit Rate (ECR). If a compensating balance basis is used with a sweep (when rates increase) the sweep will be established to meet the compensating balance needs. If a carry-over settlement is required it will be calculated on a semi-annual basis.

Each application must include a completed Attachment A, listing all charges applicable to the services outlined in this application. The AFP number and basis of the charge (per item or per account/month) should be clearly noted for analysis purposes. If services or unbundled charges needed to provide this service are not currently listed on Attachment A, add same by name and number, including applicable fees. Clearly stipulate how reporting, imaging, and account maintenance charges are to be charged.

TAX EXEMPTIONS

Guadalupe County is exempt from Federal excise and sales tax; therefore, tax must not be included in this bid.

OFFERING OF APPLICATION PRICES

The undersigned agrees, if this application is accepted, to furnish any and all items upon which prices are offered, at the price(s) and upon the terms and conditions contained in the Request for Application. The period of acceptance of this application will be sixty (60) calendar days. Banking services to support required services but not detailed on the worksheet will be provided at no cost. New services will be provided at no more than the then published cost. All specified fees are to be firm for the life of the contract. Interest rates are subject to the renegotiation clause, Local Government Code 116.021 (b).

INSURANCE REQUIREMENTS

Banks may be self-insured. All insurance requirements, including Workers' Compensation, as outlined in the Texas State Statutes shall be met prior to any delivery and shall remain in effect during the life of this contract.

CONTINUING NON-PERFORMANCE

Continuing non-performance of the vendor in the terms of this Contract shall be a basis for the termination of the contract by the County. Guadalupe County shall not pay for services, equipment, or supplies that are unsatisfactory. Vendors will be given a reasonable opportunity before termination to correct deficiencies. This, however, shall in no way be construed as negating the basis for termination for non-performance.

TERMINATION OF AGREEMENT

Either party upon ninety (90) days written notice prior to cancellation may terminate The Contract.

CLAIMS, SUITS, CAUSES OF ACTION

Contractor shall provide the defense for and indemnify and hold harmless Guadalupe County from all claims,

suits, causes or action, and liability arising out of the execution of this contract or in connection with Contractor's use of the premises thereunder.

WARRANTIES

The Bidder agrees that the goods, equipment, supplies, or services furnished under this contract shall be covered by the most favorable commercial warranties offered by the Bidder to any customer for such goods, equipment, supplies or services. The Bidder shall not limit or exclude any express, written, or implied warranties and any attempt to do so shall render this contract voidable at the option of Guadalupe County. The Bidder warrants that the product sold to the County shall conform to the standards promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act of 1970.

COMPLIANCE WITH STATUTES

By submitting an Application, Bank acknowledges that it will comply with Texas Local Government Code, Chapter 116 "Depositories For County Public Funds" and Chapter 117 "Depositories For Certain Trust Funds and Court Registry Funds" that pertain to the managing and safekeeping of county funds, including but not limited to those specified, and will comply with those statutes. In this document the statutes will be referred to as the "Code".

BANK AFFILIATION

Each Applicant Bank must be a member of the Federal Reserve System and the Federal Deposit Insurance Corporation. All Applying banks **must be either a Federal or Texas chartered bank doing business in and having a full service facility within Guadalupe County, Texas.** Banks who operate under the State of Texas bank charter may submit an Application without membership in the Federal Reserve System but must be a member of the FDIC. All banks **MUST** be able to perform **ALL** required services outlined by this request for application.

INVESTMENTS MADE OUTSIDE DEPOSITORY BANKS

Time deposits may be solicited from the Bank but will be competitively bid outside of the Bank Depository contract.

ANNUAL FINANCIAL STATEMENTS

The Depository shall, during the term of the depository contract, furnish the County Treasurer annual financial reports.

III. COUNTY FINANCIAL OVERVIEW

The County's Treasurer handles all banking, treasury, and investment activities.. The County has multiple locations at which funds are collected and from which funds may be deposited directly by the departments. The departments do not necessarily make daily deposits. County makes an average of four deposits per business day. Currently deposits are carried to the branch by each department without a courier service. The Treasurer's Department handles all reconciliations. A history of historically based service volumes are found on Attachment A.

The County has an average of 570 employees and the payroll is paid on a monthly bi-weekly basis on a

mandatory direct deposit basis. A few physical payroll checks are written for new employees.

The County wants to automate banking services whenever efficient and cost effective. This application should address automation potential on any services.

The County currently maintains twenty-eight (28) bank accounts. The average month-end ledger balance for all accounts is \$ 2,248,395.00.

Deposits are prepared by individual departments. Only one set of statements will be required They must be electronic statements.

Sweep Structure

When the interest rates increase, the County will evaluate the use of a sweep account into a money market mutual fund or an internal bank account. Every respondent should be able to provide a sweep mechanism. The County will utilize interest bearing or money market accounts dependent upon interest rate opportunities and will decide on the use of the account as interest rates and conditions vary. All decisions will be made by the County. (Proposals will be required to explain alternative account structures below.)

Any or all County funds may be maintained and invested by the County outside this contract. The County will be under no obligation to maintain funds in the bank except under a compensating balance situation.

The County will not use the depository institution for brokerage services in order to assure ownership and complete separation on delivery versus payment delivery requirements.

The County Treasurer will be responsible for administering the agreement with respect to day-to-day activities, including deposits and withdrawals, ACH transactions, maintenance of account balances, daily reporting, etc. A list of County personnel authorized to deal directly with the bank will be provided following award of contract. The bank shall provide the County with a similar list of authorized personnel.

ACCOUNT STRUCTURE

The County's bank accounts will be structured as follows (numbers and dollar amounts are subject to change):

-- **Non-Interest Bearing Checking Accounts**

Approximately 9 accounts with estimated balance equal ~ \$ 1,200,000.00.

-- **Interest Bearing Checking and/or Money Market Savings Accounts**

Approximately 19 accounts with estimated balance equal ~ \$ 2,300,000.00

-- **Sweep Accounts -- 1**

(*will only be utilized if economical as determined by County depending on interest rate paid vs. bank charges for this service.) Accounts with the express purpose of sweeping deposits nightly. The accounts will utilize sub-account/store location technology. Estimated nightly balances range from ~ \$ 500,000 to ~ \$1,000,000.00. However, during tax collections, this balance could go as high \$16 million.

-- **Trust Funds - Separate Individual Savings Accounts**

These savings accounts will house the District and County Clerks' Trust/Registry funds mandated by the court. The accounts will be in the Clerk's name for the benefit of the beneficiary and will be registered with the beneficiary's Social Security number. There are occasions when the trust funds will not be deposited in the Depository Bank by order of the court. The County requests a bid for the interest rate on these accounts as a whole, (please see the following page). The County also requests that when compensating balances for services rendered are calculated, these accounts be considered. Total

balance for all such trust fund accounts as of 12/31/12 is approximately ~ \$1,000,000.00

III. FINANCIAL INSTITUTIONS QUALIFICATIONS

To be considered the proposal must include a response to each question in this Section.

1. Creditworthiness: In order to fulfill the County's fiduciary responsibility and to protect public funds, each bank submitting applications shall provide the following:
 - a. Provide an audited annual financial statement for the most recent fiscal period. The financial statements may be submitted in electronic form or provided as a reference link on the internet. The bank will be required to submit an audited statement to the County each year of the contract period, as soon as it is available. Confirm agreement to this requirement.
 - b. Provide certification of the bank's Community Reinvestment Act (CRA) rating by its rating agency.
 - c. Provide the bank's rating on senior and subordinate debt or the bank's most recent rating from an independent rating agency such as Highline, Veribanc.
 - d. The bank will be contractually liable for notifying the County within thirty (30) days of any change in any of these ratings during the contract period. Confirm agreement to this requirement.
2. Describe the bank's philosophy and approach to satisfying the County's need for customer service and automated services.
 - a. How will the bank coordinate communication between local representatives and holding company departments when assisting the County with services or implementation of new products?
 - b. Is there a formal process for escalation of issues that are unresolved? How will service and overall contract performance be monitored?
 - c. How does the bank intend to support the new and ongoing automation needs of the County?
 - d. 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.
 - e. Does the bank have a formal process or plan for reviewing and analyzing services with the County on a regular basis. Describe.
 - f. What programs or processes does the bank have in place to protect the County from electronic fraud of all types? Describe.
3. Is the bank offering any transition or retention incentive?
4. List references from at least three of the bank's current, comparable governmental clients. Include the length of time under contract, a client contact, title, email address, and telephone number.
5. Provide a proposed timeline for implementation of the contract including the timeline activities and direct responsibilities of the County and the bank during implementation.

6. Provide a copy of all agreements (depository, collateral and service agreements) which will be required to be executed under the contract. Any changes required on the agreements will be made and agreed upon before award of the contract is made by the County Council. The RFP and proposal submitted will be made a part of the agreement.

IV. REQUIRED BANKING SERVICES

To be considered, the proposal must include a response to each of the questions in this Section and all associated fees must be detailed on Attachment A. All fees for all services anticipated must be detailed on the Attachment. Add any level of detail as necessary.

1. Account Structure

The County requires that all funds be continuously earning at the best, then-current interest rates. The County requires a daily sweep mechanism to a repurchase agreement or preferably to a money market fund in order to procure its full investment goal. AAA-rated, SEC registered, government (or an enhanced government) money market mutual fund is to be used for the sweep. If the bank has a valid alternative to a SEC money market mutual fund it should be presented. It is recognized that with current low rates the sweep may not be efficient/available but the mechanism is required.

Automated distribution of interest to the individual accounts is preferred. A minimum of semi-annual, carry-over settlement is required on a compensating balance basis.

- a. Fully describe the most efficient and cost effective account structure for the County based on the information provided. Detail how and whether the sweep will be used and if it is to be from a master ZBA account or directly swept from the individual accounts.
- b. If the bank is proposing an alternative to a sweep, such as an indexed interest bearing or money market account, detail fully and stipulate historical earnings rates on Attachment B.
- c. State specifically how and when the interest from sweeps and interest on interest bearing accounts will be credited to the accounts (master and individual accounts).
- d. Can interest from sweeps be applied at the account level?
- e. If an SEC registered money market fund is utilized for the proposal, include the full name and identifying CUSIP of the fund along with a copy of the prospectus.
- f. Provide the proposed computation basis for interest bearing and money market accounts if rates are based on a set index or security (such as the 3-month Treasury Bill).
- g. Are FDIC assessments passed-through as a hard-dollar fee on the account analysis? Stipulate the bank's current assessment rate.
- h. Is the bank a member of the Federal Reserve? If not, which bank is used as a correspondent?
- i. Interest earned on interest bearing accounts shall not be charged as an expense on the account analysis. State agreement to the requirement.

The County may be required or may desire to open additional accounts, or change account types during the contract period. If this occurs the new accounts and their services shall be charged at the same contracted amount.

2. Automated Cash Management Information Access and EDI

The County requires web-based automated cash management services and daily balance reporting (inter- and intra-day) for timely access to balance information and transactions. A minimum of 60 day retention is required. Imaging of all checks and image retention is required. Imaging of deposit slips and deposit items is preferred. Preferably statements and account analysis will be available in electronic form along with archiving of information. The County is interested in continuing to replace paper based, manual systems with automation as efficient technology becomes available. Banks should be prepared to provide the Treasurer's office an opportunity to physically work with this technology before the RFP is selected.

- a. Fully describe the bank's online service capabilities and systems, with examples. List system's online capabilities by function (i.e. balance reporting, wires, positive pay, stop pay, etc.). 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. Can the County create customized reports?
- c. Address the download capabilities to the County's systems. What information can be formatted and downloaded. Denote any formatting limitations. Describe the process for creating interfaces to download banking information into other software applications.
- d. Describe the history retention/archiving features available for images and information.
- e. 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?
- f. What are the hours of available technical support? How is support provided?
- g. 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.
- h. Describe any mobile application services.

3. Standard Collection/Deposit Services

Standard commercial deposit services are required for all accounts. Deposits will consist of a small amount of coin and currency and include endorsed, encoded, and un-encoded checks. The County requires same bank day credit on all cash (coin and currency) deposits and on-us checks. There is very little cash vault activity in the deposits. Coin may be deposited loose, in partially filled bags. Coins will not be rolled. The County makes an average of four daily deposits by County employees with an average daily deposit of \$ 20,000.00. Deposits are batched with tapes attached.

The County requires remote deposit services which will allow deposit of both consumer and commercial checks (as substitute checks or ACH as applicable).

The County has established limited merchant services to accept credit and debit cards over the telephone, the internet and in person for multiple services and fees at multiple locations. Specific questions regarding

merchant services (as a separate service or part of the banking proposal) are below in Section VIII.

All cleared deposits received by the bank's established deadline must be processed for same day credit. The bank shall guarantee immediate credit on all incoming wire transfers, U.S. Treasury checks, ACH transactions, on-us items, and U.S. government security maturities and coupon payments.

The County expects all deposited checks to clear based on the bank's current published FRB availability schedule, but, any expedited availability options should be noted in the proposal. Failure to credit County accounts in a timely fashion will require interest payment reimbursement to the County at the then current daily Fed Funds rate.

- a. What is the bank's daily cut-off time to assure same day ledger and, pending availability, collected credit at banking center or branch and vault?
- b. Must deposits of any kind be made to a vault? Where is the closest vault located?
- c. Does the bank provide for location tracking on deposits?
- d. Is deposit reconciliation available? Describe the process and options.
- e. Does the bank require or prefer strapping and rolling? What are the cost options/benefits/requirements for separating cash and checks?
- f. Is there any limit to the number of deposits in one bag? Are these separate advices?
- g. When are credit/debit advices sent to the County? What delivery options are available for advices? (Preference will be given to electronic delivery.) Are images of originals created and maintained on each advice?
- h. Does the bank have any program to actively assist the County in collection through ACH for vendors or ongoing repetitive citizen payments?
- i. How does the bank handle discrepancies in deposit amounts? What dollar limits are used for decisioning? What settlement process is followed?
- j. What type deposit bags are used or required? Are these available from the bank?
- k. How much advance notice is required on coin and currency orders? Can orders be placed online? What is the turn-around time on orders?
- l. What e-receivables programs does the bank have available? Describe fully.
- m. Describe any program available for immediate credit on coin/currency such as a **smart safe**.
- n. Include a list of all the bank's deposit locations within the County's limits (excluding ATM deposits).
- o. Describe the bank's NSF process.
- p. Is the bank able to create an ACH debit for second presentment to further the collection effort (re-presentment services or RCK)? Is the bank currently offering this option?
- q. Is the NSF information or occurrence available online?

4. Remote Deposit Services

The County currently uses remote deposit service in the tax office and plans to continue and potentially expand it use. A web-based system is required.

- a. Describe the bank's capabilities for remote capture. Describe equipment needs, capabilities, and limitations.
- b. What is the final deposit cut-off time with remote?

- c. What option 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.

5. Standard Disbursing Services

Standard disbursing services for all accounts are required to include the payment of all County payroll checks without charge on presentment. The County requires automated positive pay services on all accounts.

The County currently disburses from the General Fund account without any ZBA accounts. The County has made direct deposit mandatory for its employees..

- a. When is daily check clearing information available online through intra-day reporting? How long are transaction details maintained online?
- b. The County requires that the bank shall cash free of charge all payroll checks for County employees regardless of the individual's account status with the bank. Confirm agreement with this condition.
- c. Describe any payment consolidation services available. What data transfer options are available for payment consolidation systems?
- g. What e-payables (including check-writing) services does the bank have available? Describe fully.

6. Account Reconciliation and Positive Pay

The County requires positive pay services on four accounts with complete indemnification for fraudulent checks on check-writing accounts. Payee verification is desired but not required. Currently positive pay is currently being used on four accounts. The application must provide a fully automated, web compatible transmission process for positive pay. Transmissions will be made as part of each check run. Manual check information must be able to be input online.

- 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?
- c. Is exception reporting and handling managed totally online?
- d. At what specific time is positive pay exception information reported to the County? Is e-mail notification available or must the County take an action to check for exceptions?
- e. At what specific time is the response required for County exception elections?
- f. Does the bank review exception errors for possible repair before creating a County exception item? Describe process.
- g. 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?
- h. Are positive pay services provided without charge when provided in tandem with reconciliation services?
- i. What are the available default dispositions for payment or return? (pay, hold, do not pay)
- j. Describe your partial and full reconciliation services. Specify data transmission requirements.

7. Funds Transfer and Wire Services

The County currently has an average of minimal incoming wires per month and utilizes outgoing wires and internal transfers. Incoming wire transfers must receive immediate same day collected credit. Online wire initiation is required and online monitoring is preferred but not required. The County will require compensation for delays caused by bank errors at that day's Fed Funds rate.

- a. Can all wires and transfers be initiated online? Monitored online?
- b. Can repetitive templates be created and stored? Is there a limit to the number of templates? Is there a storage fee for the templates?
- c. What level of authorization/release do repetitive and non-repetitive wires require? Is it the same for repetitive and non-repetitive?
- d. How will the bank notify the County of incoming wires? When?
- e. Include a description of security provisions, PIN requirements, and back-up systems on wires and transfers on the automated system.
- f. Is future dating of wires and transfers available? How far in advance?
- g. State the bank's policy on the use of ledger balances for outgoing wires in anticipation of daily security activity or incoming wires.
- h. Can internal account transfers be processed totally online? Book debits/credits? Is there a fee for County internal transfers?

8. Optical Imaging

The County currently retrieves optical check images online. No physical checks are to be returned. In an effort to reduce paper handling and storage, the County is focused on imaging of documents as much as possible.

- a. Describe the bank's optical imaging process and list the items captured.
- b. What images are available online? When? How long are images maintained online?
- c. Is there a fee for each creation, use and retention of images? Describe.
- d. Are all images downloadable?
- e. Is a monthly CD provided? When?
- f. Can the County download all CD-ROM information without receiving a CD-ROM?

9. ACH Services

ACH services are required for receiving payments and making direct deposit payments. Approximately 450 credit transactions and 1,500-debit transactions are processed monthly, except during tax season when the volume increases. Filters and blocks are required to minimize the possibility of fraudulent transactions. The County requires a pre-notification on all new addresses. The County will not pre-fund entries.

- a. Is the ACH service fully available on-line for individual transactions as well as transmitted files?
- b. What specific filter and block mechanisms are available?
- c. Are ACH addenda shown in their entirety online and on reports? Note any limitations applicable.
- d. State data transfer alternatives, requirements and limitations.

- e. Does the bank routinely pre-note? Is the pre-note charged as a standard ACH transaction?
- f. Are addenda shown in their entirety online and on reports?
- g. Is the deadline for transmission for a payroll to credit employee accounts on Thursday different from the standard clearing house requirements?
- h. What protective measures has the bank taken to prevent or recover from electronic fraud?

10. Safekeeping Services

The bank will be required to provide book-entry segregated safekeeping services for securities owned by the County. All County investments will be made by the County and written instructions for clearing and safekeeping will be given to the bank.

Custody must be in the bank and not a brokerage subsidiary of the bank. All securities must be cleared on a **delivery versus payment** (DVP) basis and ownership documented by original clearing confirmations and safekeeping receipts provided within one business day of transaction settlement. Funds for investments will be drawn from a designated County DDA account. All P&I payments, coupon payments, and maturities must receive automated same day collected credit on the County designated account without requiring any additional County action.

All County investments are made on a competitive basis. The bank will not be eligible to become an authorized broker/dealer to County in order to perfect delivery versus payment.

If the bank utilizes a correspondent bank for safekeeping of County securities, County instructions will be directed to the bank and the transactions will be handled through the bank's systems without additional manual or automatic transactions by the County with the correspondent bank. No delay in transactions, wires, or flow of funds will be acceptable under a correspondent relationship and may be basis for termination.

- a. Is the bank a member of the Federal Reserve and DTC? If not, which bank is to be used as a correspondent?
- b. Describe any safekeeping arrangement proposed with a correspondent bank including processing requirements by the County. What delays or transactions does this create if any?
- c. Can trades and settlement information be made online? Can trades be monitored online? Is this real-time or delayed?
- d. Are safekeeping fees hard charged or can they be charged through the account analysis?
- f. Are notifications sent on all transactions (purchase, sale, calls, and maturities)? When and how?

The County may choose to purchase time deposits from the bank but all time deposits will be competitively bid at the time of purchase.

11. Collateral Requirements

Authorized collateral, as defined in the County's Investment Policy and state statute must be pledged against the total time and demand deposits, net of FDIC insurance with a minimum 102% margin on the collateral maintained at all times by the bank. The proposal must state agreement to the following terms and conditions.

- All collateral pledged to the County must be held in an independent, third party bank outside the bank's holding company.
 - A tri-party safekeeping agreement shall be executed between the County, the depository, and the safekeeping bank for custody of pledged securities in full compliance with FIRREA requiring a bank resolution.
 - All time and demand deposits will be collateralized at a minimum of 102% of principal plus accrued interest daily, net of FDIC insurance.
 - The bank will be contractually liable for the daily monitoring and maintaining of collateral at the County's required margin levels.
 - Pledged collateral will be evidenced by original safekeeping receipts/report sent directly to the County by the custodian within one business day.
 - The County shall receive a monthly report of collateral from the custodian pledged including description, par, market value and cusip at a minimum.
 - Substitution rights will be granted if the bank obtains the County's prior approval and if substituting securities are received before previously pledged securities are removed from safekeeping.
 - Authorized collateral includes only:
 - Obligations of the US Treasury
 - Obligations of US Government agencies and instrumentalities including mortgage backed securities which pass the bank test
 - Securities of the State of Texas and its subdivisions
 - Surety Bonds
- a. State the bank's acceptance of all the collateral conditions above. Note any discrepancies or changes specifically.
 - b. Does the bank propose any collateral charges? If so, how is the charge calculated/applied?
 - c. What bank will be used as custodian?
 - d. Provide the bank's collateral agreement for review.

12. Account Analysis

Monthly account analysis reports must be provided for each account and on a consolidated account basis. Within five business days of receipt of the monthly account analysis (and subsequent approval of the fees by County) the bank may direct debit the designated account for fees due if compensation is being calculated on a fee basis.

A complete account analysis will be required monthly regardless of the payment basis.

- a. Provide a sample account analysis.
- b. State when the analysis will be available each month.
- c. Will the bank provide the account analysis online? If online, how long will it accessible?

13. Monthly Statements

The bank must provide monthly account statements on all accounts with complete supporting documentation on a timely basis. All accounts must be on a calendar monthly cycle and statements received by the fifth

working day of the succeeding month. Timeliness of statements is critical and non-performance will be grounds for termination of contract.

- a. Describe the statements and provide a sample.
- b. Does the bank provide the statement online and/or imaged?
- c. When are online or paper statements available? If provided online, how long are they accessible?

14. Account Executive

To insure smooth contract implementation and continuation of services, a specific account executive and a back-up must be assigned to the County account to coordinate services and expedite the solution of any operational problem encountered. Bank must identify a local senior level management person who will be responsible for overseeing the County's entire relationship, who would serve as the County's primary contact and who would be able to make decisions regarding operational aspects of this contract. The account executive should be available to meet with County staff on banking matters as needed. The Account Executive shall be available during work hours to serve as the County's single point-of-contact at the bank, and shall be capable of addressing all issues that may arise in connection with the bank's services.

- a. Provide the name, location, and title of the proposed account executive with a short biography.
- b. Provide the name, location, and title of the backup representative with a short biography.
- c. Will the representative be the single point-of-contact at the bank for all questions? If not, from which entity will additional information be provided?

15. Overdrafts

Every effort will be made to eliminate intra-day and inter-day overdrafts.

- a. State the bank's policy regarding account and aggregated account overdrafts.
- b. Are all accounts aggregated for overdraft calculation purposes or do accounts stand-alone?
- c. State the rate basis for intra-day and inter-day overdrafts.

16. Stop Payments

The County has very few stop pays. An automated stop pay process is preferred however if it is cost effective.

- a. Are stop pay orders initiated online? Is a paper follow-up document required?
- b. How long do stop pays remain in effect? What options are available for extended stop pay periods?
- c. Must stop pays be renewed or are they automatically renewed?
- d. What is the deadline for same day action on stop pays?
- e. Will the teller and clearing systems verify the check status before accepting the stop pay? How far back are historical transactions verified for the check clearance before a stop pay is applied?
- f. What information on current and expiring stop pays is available online?

17. Company Banking

The County is interested in giving its employees the opportunity for enhanced banking services.

- a. Describe any program the bank has available to benefit the employees and/or students of the County.
- b. List services provided and applicable fees to the County or employee.
- c. Is availability of the program based on use of direct deposit?

V. OPTIONAL SERVICES

The County continues to investigate new services for inclusion under its depository services contract. These services are not currently required but will be evaluated in terms of availability, feasibility, service levels, services provided and charges for potential current, or future, use under the contract. The County may make its determination on the service's use anytime during the contract period. If the service is initiated later in the contract period the services and charges stipulated in this proposal will be applied. If the bank currently does not offer the service but is planning to make it available during the initial contract period, it should so stipulate along with the anticipated date of activation.

1. ATM SERVICES

The County is exploring the possibilities of adding ATM services to one in the Justice Center. If Bidder is interested in exploring this opportunity please provide product and cost information. **THIS IS FOR INFORMATION ONLY AND WILL NOT BE INCLUDED IN THE BANK DEPOSITORY evaluation. Provide information regarding the volumes required for installation of an ATM and any rebate opportunities to the County. .**

2. BANK ISSUED PURCHASING CARDS

The County is exploring the possibilities of adding a purchase card system, where budgeted monthly charges may be charged by certain approved county employees on a county credit card which charge is immediately reflected on the computerized account and can therefore be monitored by the Treasurer and Auditor's office.

- a. Does the bank currently have a purchasing card program? How long has it been in place and how many corporate/business clients use the service?
- b. Will one contact be assigned to the County account for this purpose?
- c. Provide a general overview of the service. What issues should the County consider as we move forward on this program? List the critical success factors for such a program for the County.
- d. What card platform do you use? Why?
- e. What third party processor, if any, is used for authorizations and transaction processing? Are any third parties involved in the service?
- f. What billing cycles are available? How are billing statements received? What are the payment terms? What options are available?
- g. Do you have the capability to bill multiple business units within the County?

- h. Discuss card controls and usage restriction capabilities: company level controls, card level controls, merchant category code/Standard Industry Classification restrictions (MCC/SIC), cash advance controls, dollar limits, etc.
- i. What are the liabilities to the County and the card holder in the event of fraud, abuse or loss of the card?
- j. Do you screen transaction activity for fraud patterns? How do you report it?
- k. Can you reproduce lost charge slips?
- l. Describe the card management process including: card issuance, removal or deletion of cards, handling of lost cards, and modifying a cardholders profile. Is this online?
- m. Describe your reporting capabilities.
- n. Describe the implementation process and schedule for the service. What support is included?
- o. Describe any rebate promotions that you have. What are the criteria for awarding a rebate?
- p. Describe the card system online capabilities and software system.

3. ARMORED CAR DEPOSITORY SERVICE

The County departments collect revenues that generate large depository needs, and therefore the Guadalupe County Commissioners' Court may desire the Depository Bank to provide armored car security pickup service for these deposits on a daily basis through the analysis. Please specify the cost for this armored car service, including any cost variance for same banking day or next banking day deposit.

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF GUADALUPE

Before Me, on this day, personally appeared _____
President of _____, known to me to be the same person whose name is
subscribed to the foregoing instrument, and acknowledgment to me that he executed the same as the
act and deed of the _____, for the purpose and consideration therein
expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, A D. 2013

Notary Public in and for

_____ County, Texas.

(SEAL)

Term expires

The within contract showing approval by the Commissioners Court of this County, and the Comptroller
of Public Accounts of the State of Texas was filed for record on the day of _____, 2013
_____, and duly recorded in Book _____, Page
_____, Bond Record of Guadalupe County, Texas.

Witness my hand and seal of office, this the _____ day of _____, 2013.

Teresa Kiel, County Clerk
Guadalupe County, Texas

Note:

1. V.T.C.A., Local Government Code, Chapter 116(c), prescribes the character of securities that may be pledged.
2. Securities pledged are to be accepted at their market value and not at their face value.
3. This form of Pledge Contract was prescribed by the Attorney General and should be strictly adhered to.
4. This blank form should be used where possible.

APPLICATION VALIDATION

DEPOSITORY BANK

The Bank must complete the information below to validate the bid for Guadalupe County Depository Bank.

The undersigned affirms that they are fully authorized to execute this contract by providing Guadalupe County with a Certified and Attested Resolution from a duly authorized meeting of the Board of Directors of the submitting Bank authorizing or empowering the undersigned to execute this contract; that this Bank has not prepared this bid in collusion with any other bidder; and that the contents of this bid as to fees, interest rates, terms, or conditions of said bid have not been communicated by the undersigned, nor by any employee or agent, to any other bidder or to any other persons engaged in this type of business prior to the official opening of this bid.

Name and address of Bank:

The undersigned affirms that they are duly authorized to execute this RFP, that this RFP has not been communicated to any other Bidder prior to the official opening of this RFP. It is further affirmed that responses have been made to all the questions in the Request for Application for Depository and Attachments A and B have been completed and attached.

Name and Address of Bidder:

_____	Signature: _____
_____	Name: _____
_____	Title: _____
_____	Phone No: _____
_____	E-mail: _____

All unsigned RFP's will be disqualified

ATTACHMENT A
Proposed Banking Service Fees
GUADALUPE COUNTY, TX

Monthly History is found in the hidden columns C-N
Account analysis breakdowns changed in Sept. 2012
affecting category counts.

*Please not items in blue which have no history but are
expected to be used/charged under new contract.*

Service Description	Avg Mo Volume	Proposed Fee	Bank Notes, if applicable
			Designate any fees differential by account type.
Collected Balance	4,161,559		
Account Services			
Account Maintenance	26		
Debits Posted	1,204		
Credits Posted	344		
Sweep Maintenance - master account			
Sweep Maintenance subsidiary accts			
Debit Posted - Electronic			
Credit Posted - Electronic			
Account Statement - Paper			
Statement Photocopy			
Presentment of On-Us Checks (Payroll) OTC			
Overdraft NSF Item Paid			
Balance Reporting			
Reporting Monthly Base			
Online Reporting Client Maintenance Fee			
Account Maint - 45 Day History			
Acct Transfer Item			
Transaction Reported			
Online Access Maintenance Fee			
Online Access Subscription Fee			
Intraday Subscription Monthly Base			
Previous Day Subscription Monthly Base	1		
Previous Day Subscription Detail Item			
Intraday Subscription Monthly Base			
Intraday Subscription - Item			
Event Messaging Service - Email			
Banking Center Services			
Branch Deposits	160		
Checks	524		
Deposited Checks - On Us	586		
Deposited Checks - Transit	8,255		
"All items"	2,566		
Deposit Item	4		
Transfer Deposit	9		
Transfer Withdrawal			
Pay First Checks	8		
Cash Dep/\$1 Ver at Teller Window			
Coin Deposited Full Bags			
Branch Deposit - Immediate Verification			
Branch Deposit - Post Verification			
Branch Order - Currency Strap			
Branch Order - Processed			
Branch Order - Coin Roll	12		
Branch Deposit In Non Standard Bag			
Branch Deposit Adjustment			
Overdraft Charge - Paid Item			
Change Order Charge - Branch/Store			
Currency Ordered/\$1 - Branch Store			
Return Item - Chargeback	7		
Return Item Retrieval - Image			
Return Item Services Monthly Base			
Return Item Redeposited			

Service Description	Avg Mo Volume	Proposed Fee	Bank Notes, if applicable
			<i>Designate any fees differential by account type.</i>
Positive Pay & Reconciliation			
Positive Pay Monthly Base	5		
Positive Pay Exception - CEO Image			
ARP Checks Paid - Partial Recon			
ARP Register Input - Item			
ARP Monthly Base - Partial			
ARP Part Positive Pay Issue - Item			
ARP Output - Transmission			
ARP Optional Reports			
ARP Aged Issue Records On File - Item			
Outgoing Transmission - Item			
Positive Pay Exceptions - Item			
ARP Partial Reconciliation - Item			
Imaging			
Imaging Monthly Maintenance			
Online Image View < 90 Days - Item			
Online Image View < 90 Days - Item			
Online Image View > 90 Days - Item			
Image Paid Check Monthly Base			
Image Paid Check Per CD			
Image Paid Check Per Item			
Image Search			
Stop Pay			
Stop Payment - Online	1		
Stop Pay renewal			
ACH			
ACH Monthly Base	0		
ACH Deposit	33		
ACH Originated	197		
ACH Received			
ACH One Day Item			
ACH Two Day Item			
ACH Same Day			
ACH Return Item - Fax Advice			
ACH Transmission Charge			
ACH Debit Refund	61		
ACH Fax Service			
ACH Delete - Item			
ACH Reversal - Item			
ACH Exception Process - Duplicate File			
ACH Special Investigation			
ACH Fraud Filter Stop Monthly Base			
ACH Fraud Filter Stop Monthly Base			
ACH Fraud Filter Review Monthly Base			
ACH Fraud Filter Review Monthly Base			
ACH Fraud Filter Review - Item			
Wire and Transfers			
Incoming - domestic Straight - Fed Credit Electronic	8		
Incoming/Outgoing Repair	1		
Fed Credit S/T			
Outgoing - repetitive - automated, domestic Debit S/T			
Outgoing - non-repetitive - automated, domestic			
Wire Out Repair Surcharge			
Wire Investigation			
Wire Detail Rpt Subscription - Account			
Wire Detail Rpt Subscription - Account			
Wire Detail Rpt Subscription - Account			
Wire Detail Rpt Subscription - Item			
Wire In Domestic			

Service Description	Avg Mo Volume	Proposed Fee	Bank Notes, if applicable
			<i>Designate any fees differential by account type.</i>
Wire - Outgoing Domestic - CEO			
Wire - Book Transfer - CEO			
Electronic Book Debit S/T			
Book Credit			
Book Debit S/T - Electronic			
Book Credit			
Book Transfer Non-Repetitive			
Template Storage			
Remote Deposit Services (New Service)			
Remote Deposit Maintenance	1		
On-us Item Capture	500		
Off-Us Item Capture	1,000		
Remote Capture Items Deposited			
Transmission			
Transmission Detail			
Safekeeping			
Monthly Maintenance			
Clearing FRB			
Clearing DTC			
Safekeeping by cusip			
Safekeeping by Par			
Income Distribution - maturities			
- calls			
Safekeeping Receipt Issuance			
Redemption - Book Entry			
Purchasing Cards (Optional Service)			
Monthly Maintenance			
Card Issuance Fee			
Transaction Fee			
License Fee			
Rebate opportunities			
Reporting			

**GUADALUPE COUNTY, TEXAS
ATTACHMENT B - HISTORICAL RATES**

Bank Name _____

Earnings Credit Rate (ECR)		
Month/Year	Rate	Notes, if applicable
Mar-12	0.000%	
Apr-12	0.000%	
May-12	0.000%	
Jun-12	0.000%	
Jul-12	0.000%	
Aug-12	0.000%	
Sep-12	0.000%	
Oct-12	0.000%	
Nov-12	0.000%	
Dec-12	0.000%	
Jan-13	0.000%	
Feb-13	0.000%	
	0.00%	

Interest Bearing Accounts		
Month/Year	Rate	Notes, if applicable
Mar-12	0.000%	
Apr-12	0.000%	
May-12	0.000%	
Jun-12	0.000%	
Jul-12	0.000%	
Aug-12	0.000%	
Sep-12	0.000%	
Oct-12	0.000%	
Nov-12	0.000%	
Dec-12	0.000%	
Jan-13	0.000%	
Feb-13	0.000%	
	0.00%	

Money Market Accounts		
Month/Year	Rate	Notes, if applicable
Mar-12	0.000%	
Apr-12	0.000%	
May-12	0.000%	
Jun-12	0.000%	
Jul-12	0.000%	
Aug-12	0.000%	
Sep-12	0.000%	
Oct-12	0.000%	
Nov-12	0.000%	
Dec-12	0.000%	
Jan-13	0.000%	
Feb-13	0.000%	
	0.00%	

Sweep Alternative(s)		
Month/Year	Rate	Notes, if applicable
Mar-12	0.000%	
Apr-12	0.000%	
May-12	0.000%	
Jun-12	0.000%	
Jul-12	0.000%	
Aug-12	0.000%	
Sep-12	0.000%	
Oct-12	0.000%	
Nov-12	0.000%	
Dec-12	0.000%	
Jan-13	0.000%	
Feb-13	0.000%	
	0.00%	