



City of Cambridge

Purchasing Department

Cynthia H. Griffin
Purchasing Agent

To: All bidders
From: City of Cambridge
Date: February 22, 2012
Re: File No. 5723- Banking Services-Addendum No. 2

The following Questions have been submitted and answered.

1. Page 3 Contract – Our Terms and Conditions document addresses items specific to our treasury products, the City’s contract does not. Can we execute an “Umbrella Agreement” that would include both documents?

No

2. Are the City’s funds fully collateralized now? In what manner?

Yes the City’s funds at Citizen’s bank are fully collateralized. Currently, Citizens Bank, N.A. has a Tri-Party Collateral agreement with Bank of New York at the BNY Mellon. All current days deposits are collateralized with Government Agency Bonds.

3. Does the City require a match of Issue date, Check number, amount and payee?

Yes the City requires a match of Issue date, Check number, amount and payee.

4. Lock Box deposit – Is Century Bank providing an image cash letter for the lockbox deposited items? If not, do they have the ability to provide Image Cash Letter?

Century bank does not provide an image cash letter for the lockbox deposited items to Citizens bank. The City does not have a depository account with Century Bank.

ACS Parking Deposits into lockbox are also physical check deposits and a Cash Letter is not an option at this time.

5. Account Balance Reporting – Daily fax of account information – If this information is provided online, could that replace the fax process?

Yes daily account information can replace the fax process.

- a. Can it replace the faxed information for Federal and State Payments?

Yes Federal and State payment fax process can be replaced with online reporting.



- b. Can online reporting replace receipt of monthly Bank Statements?

No at this time, the City would still like to receive paper copies of monthly bank statements.

6. Quality requirements - #9 Daily Armored Car Service – If the parking meter coin is not part of the RFP, why is there a requirement for an armored car pick up at the Traffic Department? The Traffic and Parking department receives payments daily for permits, fines, parking tickets, etc. and their deposits thru the Armored Car service averaged \$3,091 cash and \$2,828 checks per day for last six months. The pick up at the Traffic Department has nothing to do with parking meter coin at all.

The pick up at City Hall is mainly cash and checks received that do not scan properly.

Foreign coin processing – If foreign coin processing cannot be provided, will the respondent be disqualified?

No it is preferred but will not cause the respondent to be disqualified.

Ability to send electronic payments and detailed remittance data to City vendors – Is the Bank required to maintain the vendor's payment information (Name, Address, email address, bank name, Bank ABA, Bank account number) or does the City maintain this information and just supply an ACH file with additional addenda information to the bank for processing?

The City has a vendor who currently maintains the vendor banking information. The City would maintain any other payment information and supply an ACH file with additional addenda information to the bank for processing.

7. Bid Submission Requirement – Audited financial statements - One of our "Green Initiatives" is to reduce the consumption of paper. Can we provide an internet link to these reports in place of the paper statements?

Yes an internet link to the required Audited financial statements would be acceptable.

8. Pricing – Can additional line items be added to the grid?

No

- a. Check deposit Volume of 25,000 per month – Does this include the \$8,500 pre encoded items from Century Bank?

Yes

- b. Reconciliation per deposit – Does the City require Deposit Reconciliation Services, it was not mentioned in the Scope of Services?

The City currently utilizes deposit reconciliation services for three accounts.

- c. Collateralization Fee \$95M – Does this mean \$95 million? If it does, it does not correspond to the average daily balance of \$14 million on page 10. Please clarify.
The City does mean \$95 million and that is because at times throughout the year we may have an average daily balance of \$95 million if it isn't advantageous for the City to transfer excess cash reserves to the Massachusetts Municipal Depository Trust fund.
This bid is not a compensating balance agreement. The average daily balance of \$14 million on page 10 is for calculation purposes only, and is not a guaranteed minimum balance.

9. Attachment A – Full and Partial Reconciliation - Does the City require that the physical paid checks be sorted and returned to the City? Can the images be provided on CD ROM instead?

The City does not require that the physical paid checks be sorted and returned to the City. A CD ROM with check images is preferred.

10. Could the City provide a copy of a recent summary analysis statement?

The recent summary analysis statements (three attachments) are posted to the website. These statements can be viewed on the Purchasing website attached to Addendum 2 in pdf format.

11. This current invitation for Formal Bid does NOT include parking meter coin processing. The processing of parking meter coin is under contract with the MBTA.

12. Remote Deposit per transaction fee – Does the transaction count of 225 items represent deposits or something else? If it represents deposits, are these 225 items included in the 400 volume or are they in addition?

The 225 items represents the number of deposits made through eleven remote locations. The remote deposits are NOT included with the 400 deposits. Some deposit types included in the 400 deposits are the daily lock box deposits, departmental night deposits and armored car deposits.

What do the following charges represent?

- Electronic payment set up fee (volume 1) is the fee charged to set up a new monthly electronic payment. Some of the electronic payments the City currently utilize are for the payment of payroll taxes weekly and the weekly payment to the state for child support payments.
- Electronic payments maintenance (volume 100) to cover any maintenance charges related to the electronic payments.
- Electronic payments per transaction fee (volume 1) charge for each electronic payment.

13. How many scanners are in use?

At this time, the City has eleven scanners in use.

14. What is the model number(s) of the Panini machines?

The model number is VX30FF

15. How long have these machines been in use?

The range of use depends on the time of set up but between 6 months and three years.

16. Does the City own the machines, or will they expect the awarded vendor to provide them?

The City owns the Panini machines.

17. What is the content of the coin pickup? Number of bags/canisters?

There is no parking meter coin pick up included in this IFB. The only coin that maybe pick up by the armored carrier is coin processed at the Traffic and Parking payment windows.

18. Will the City provide three months copies of existing AA statements?

The City will provide three months copies of existing AA statements.

19. Does the City need the proforma balance information in the form of fax or online?

The information can be either in the form of fax and or online.

20. Does the City sign an armored carrier contract directly with a company of their choice?

In our current contract, a contract with the armored carrier was signed by the City.

21. What are the daily average account balances?

The daily average account balances fluctuate depending on the time of year.

22. Will a bank be considered that is unable to provide armored carrier service?

No armored carrier service is very important to our daily operations.

23. What is the City's last 12 months of activity for RANS and BANS?

The City has not had RANS or BANS activity in last three years.

24. What are the City's expectations of their bank with regards to purchasing the City's RANS and BANS?

The City has no expectation of our bank with regards to purchasing the City's RANS or BANS.

25. What is the average size for BANS and RANS? Maturity?

Not Applicable.

26. What are the City's collateral requirements?

The City requires all deposits over \$250K to be covered by adequate insurance or collateralized by Government Agency Bonds or U.S. Treasuries.

27. Does the City expect to be hard charged for fees, receive full interest on its balances and does not plan on using ECR? Please clarify/confirm.

This is not a compensating balance contract. The City does expect to receive hard charges for fees and to receive full interest on our interest bearing accounts.

28. The banking institution has its principal offices located in the Commonwealth of Massachusetts is a quality requirement. Would it preclude the bank from bidding if the Corporate Headquarters are in Bridgeport CT and their Massachusetts Headquarters are located in Boston?

No it will not.

All other details remain the same



CYNTHIA H. GRIFFIN
PURCHASING AGENT

ADDENDUM NO. 2