



ROANOKE COUNTY

Purchasing Division

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May 5, 2023

ADDENDUM NO. 1 TO ALL OFFERRORS:

Reference – RFP # 2023-098

Description: 2023-098 - Banking Services for Roanoke County

Issue Date: April 24, 2023

Proposal Due: May 24, 2023

This Addendum # 1 Contains the below information:

- 1) Questions/Clarifications
- 2) Sample Insurance Requirements

Note: A signed acknowledgment (*Signature Page is at the bottom of the Document*) of this addendum must be received at the location indicated on the original solicitation either prior to the proposal due date or attached to your proposal. Signature on this addendum does not substitute for your signature on the original proposal/bid document. The original proposal/bid document must be signed.

1 – Questions/Clarifications

1. If you require capture of invoice amounts, must invoice amounts balance to the check amount? If “yes”, how should an out of balance transaction be processed:

A. In order for Lockbox to run the transaction, we typically ask that the posted payment amount match the coupon amount.

- 1.1. Insert a dummy invoice record for the difference (positive or negative)?

A. Based upon the previous answer, this payment would not be allowed, so a dummy invoice not required.

- 1.2. Reject the payment and forward it to you unprocessed?

A. Yes, reject and return to us. This is currently can be accomplished in 2 separate ways. First, deposit the checks, and show the rejects with deposits in a separate batch, or return the whole transaction to us, with check and coupon attached. It is preferred that the deposit is made, and we can electronically see the deposit and coupons on line, then receive the coupons back. You may suggest an alternative solution, if there is a recognized more efficient process.

- 1.3. Send to our web-based exception review and decision application, Web Decisioning? Web Decisioning allows you to view images of exception items throughout the day and provide missing information and a “deposit” or “reject” decision. Use of Web Decisioning reduces the number of exception items that hit your receivable system.
- A. We would need more information on this process, to determine if it would be efficient and useful, or simply slow the process down.
2. Do you want a daily data file transmission of lockbox detail to allow for automated payment posting to your accounts receivable system?
- A. Yes, currently we receive a standard payment text file by FTP protocol. We would need to determine if would be preferred that this was a push notification from the vendor to us, accompanied by either an email batch summary confirmation, or fax depending on capabilities.
3. Please describe any other lockbox-related reporting requirements you have, which may include lockbox deposit summary, lockbox batch listings, detailed lockbox transaction listings, deposit reporting with availability breakdown, etc. Be as explicit as possible regarding desired report content, format, method and timing of delivery. It may be easiest to provide examples of existing reports with an indication of how the existing reports are delivered/retrieved.
- A. Currently we receive a batch summary report confirmation at the same time the files are transferred. We then have immediate access of the check copies and coupon copies scanned during processing. It would be preferred that these files are searchable for dollar amount of other search criteria if available. Files are transferred every day around 2:30 to 3:00 pm, with backup available in short order. Additionally, we see deposit in our concentration account at a similar time range.
4. What percentage of your total check remittance volumes is:
- A. We are not sure that we have this information or can provide it.
- 4.1. Single check / single OCR coupon?
- A. We are not sure that we have this information or can provide it.
- 4.2. Multiple transactions (single check / multiple OCR coupons; multiple checks / single OCR coupons; multiple checks / multiple coupons)?
- A. While we cannot provide this information, most of our volume for multiple transactions is single Check – multiple OCR coupons. Multiple checks – multiple coupons. We usually do not have multiple checks-single coupon.
- 4.3. Check without OCR coupon but accompanied by other remittance documents (e.g., check stub/skirt; invoice; remittance advice)?

A. See above response.

4.4. Check only (no OCR coupon and no other materials, including check skirt/stub)?

A. See above response.

5. How many different OCR remittance documents do you issue/use for each lockbox?

A. Currently, we operate one lockbox, which receives 2 different coupons. One for personal property tax, and one for real estate tax. We receive 2 separate transmissions files, one for each tax type.

5.1. How would you like out of balance multiples (amounts to be applied to each coupon do not sum to the total check amount) handled? Forward to you unprocessed?

A. Return to us, unprocessed, or deposit funds, and return corresponding tickets.

5.2. Present to you via Web Decision application for you to allocate the check amount to the existing remittance coupons?

A. See above response.

6. What is your estimated monthly volume of out of balance multiples?

A. There is not current process. This would not be monthly if utilized as our tax season, is roughly 8 weeks in the spring, and 8 weeks in the fall. Spring has roughly 105,000 mailed, and fall is only around 25,000.

7. If your remittance coupon allows for change of address information to be provided, how would you like us to handle scannable items received with change of address indicated?

A. Our remittance advice does not allow for change of address. We ask that any correspondence or written communication from our citizens be returned to our office.

8. Do you have custom batch size or batch numbering requirements? If "yes", please describe. Our standard batch sizes for scannable wholesale lockboxes are 300 for scannable payments and 50 for non-scannable payments.

A. We do receive a large file which contains multiple batches. Each batch typically has around 250 items included. This was originally set up years ago, and the exact reasoning for smaller batches is not known at this time. Additional input would be welcome. Smaller batches for non-scannable payments would be preferred for processing purposes.

9. Are you interested in a service to electronically collect payments that consumers initiate via online bill pay methods (e.g., their bank's bill pay module)? This service is frequently referred to as "E-Lockbox", "Electronic Lockbox" or "Bill Consolidation Service". If "yes":

A. Ebox or bill consolidation would be of interest.

10. What is the average monthly volume by billing entity (e.g., the utility department; property tax; permits; parking violations)?

A. We would only anticipate billing and collecting by this fashion for personal property and real estate taxes. We currently bill around 25,000 real estate bills twice a year in April and in October. An additional 25,000 real estate payments would not be included in the is option since they are paid by mortgage companies.

We also bill 80,000 personal property tax bills once a year in April for collection by May 31st each year. We would anticipate some of this volume would become delinquent and paid throughout the year. And, we also prorate personal property bills through the year as well, so there could be an additional 20,000 bills created and available for monthly payments between May – December each year

11. How to you currently post these items to your receivables system(s)?

A. We do not currently have this service, but would anticipate the bank offering a lock box style text file which could be loaded from processing.

12. Can you provide the monthly average balance that the County keeps in the Concentration account?

A. Typically, the County runs a monthly balance of around \$6M - \$10M per month to preserve cash flow and expenditures. During the main 7-week tax season, the County will maintain a balance between \$10M - \$30M to offset banking charges due to higher volumes as well as lock box cost.

13. Is the County willing to provide a year-to-date vendor file in order to run a spend analysis for alternative Payables solutions (item 17- Other Services)?

A. Currently the County is only in the discussion phase of an payables solution and has not produced a year to date vendor file for this purpose. The current banking RFP is just a beginning point for conversation, which would continue with the winning bidder.

14. Does the County use armored transport for cash deliveries or are those deposits made directly at a bank branch?

A. No transports are currently utilized, direct branch deposit by staff.

15. Exhibit 1 does not appear to contain the insurance requirements referenced on page 22. Can you provide these?

A. Please see section 2 – Sample Insurance Requirements of this Addendum # 1.

16. Can we provide a link or electronic copy the Bank's financial statements within our proposal in lieu of printing those physical copies (full 10K is 158 pages)?

A. An electronic Copy should be provided on the required Flash/USB Drive. If you want to also include a link to your electronic in addition to the copy on the Flash/USB drive that is acceptable as well.

17. Can you provide more information around the letter of credit as referenced in the pricing proforma (line item 600000/609999)?

A. Letter of credit was issued to Roanoke Valley Resource Authority for their work on the connector road for the trash trucks to access the landfill. This work has been completed, and the County does not have any Letters of credit.

18. What are the certain state revenues deposited directly into the Commonwealth account as mentioned on page 6?

A. Thank you for bringing this question to light. This is no longer applicable to the RFP. The County had been collecting Estimated and State Income tax, as well as some court fines and fees and depositing to the State. This process has just been replaced by the State EPay system, and we are now transferring their fund directly out of our concentration account.

19. Please provide more information on the reporting requirements and product needs for Electronic Escrow Reporting.

A. The Treasurer's office is responsible for the opening and closing of escrow accounts as collateral for building projects in the County by individuals and builders to meet code requirements. We typically average around 100 accounts, with 5 to 10 opening/closing monthly. We would like to see an electronic solution for opening and closing these accounts, with transfer of required documents, and EFT of related funds. For reporting we are seeking a solution which includes monthly emailed statements in bulk, vs. our staff having to pull down each statement individually and print. Would also be

interested in any monthly reconciliation option which may be provided for these smaller accounts.

20. For this RFP response, are you seeking a response for all of the services described in Section 6 or are you just looking for responses from Attachment B?

A. Yes, for all of section 6 and anything required/requested separate in Attachment B.

21. In regards to the recent Bid proposal that was released yesterday, I was hoping to receive clarification on the wording used to describe office. Could you please define your term office and what types of services would be required by that office?

A. The County expects that the winning financial institution, would have an office with situs in the County of Roanoke.

The Office, would be a depository branch, which would assist in traditional banking relationships in conjunction with the County, to facilitate retail and commercial banking needs. Such needs would include deposit processing, return check exchange, currency exchange, or coin provision, as well as multiple commercial functions. A provision and understanding are made, acknowledging that some commercial banking requirements can now be provide from other locations electronically.

Roanoke County Government covers a large geographic footprint, and also has fiscal responsibility to several Government entities, which included Roanoke County Public Schools, which have 27 school locations across the valley. A physical location, or multiple locations are desired.

****** Addendum # 1 Continued on Following Page ******

2 - SAMPLE INSURANCE REQUIREMENTS

REFERENCE: RFP # 2023-098

INSURANCE REQUIREMENTS SECTION

The Contractor shall comply with the insurance requirements set forth in the Contract, including the items set forth below:

- A. Neither the Contractor nor any subcontractor shall commence work under this Contract until the Contractor has obtained and provided proof of the required insurance coverages to the County, and such proof has been approved by the County. The Contractor confirms to the County that all subcontractors have provided Contractor with proof of such insurance, or will do so prior to commencing any work under this Contract.
- B. Contractor, including all subcontractors, shall, at its and/or their sole expense, obtain and maintain during the life of this Contract the insurance policies and/or coverages required by this section. The County and its officers, employees, agents, assigns, and volunteers shall be added as an additional insureds, by endorsement, to the general liability and automobile coverages of any such policies and such insurance coverages shall be primary and noncontributory to any insurance and/or self-insurance such additional insureds may have. The Contractor shall immediately notify in writing the County of any changes, modifications, and/or termination of any insurance coverages and/or policies required by this Contract. The Contractor shall provide to the County with the signed Contract an Acord certificate of insurance which states in the description of operations section one of the two paragraphs below:
 - (1) The County and its officers, employees, agents, assigns, and volunteers are additional insureds by endorsement as coverage under this policy includes ISO endorsement CG 20 33 which provides that the insured status of such entities is automatic if required by a contract or a written agreement. (If additional insured status is automatic under a different coverage form, Contractor must attach a copy of the coverage form to its certificate. Any required insurance policies shall be effective prior to the beginning of any work or other performance by Contractor and any subcontractors under this Contract).

OR

- (2) ISO endorsement CG 20 10 will be issued, prior to the beginning of any work or other performance by Contractor under this Contract, to the County and its officers, employees, agents, assigns, and volunteers naming them as an additional insured under the general liability coverage. (A copy of the binder confirming the issuance must be attached to the certificate. Any required

insurance policies shall be effective prior to the beginning of any work or other performance by Contractor and any subcontractors under this Contract).

However, if B (1) or (2) cannot be provided, the County's Risk Manager, in such Manager's sole discretion, may approve such other certificate of insurance or insurance document(s) that the Risk Manager deems acceptable. The County of Roanoke shall also be named as the Certificate Holder.

C. The following insurance coverages and limits are required in order to provide services or materials to Roanoke County general government agencies and Roanoke County Public Schools. These limits may be adjusted depending on the type of service or materials being provided and the exposure to risk.

The Successful Offeror shall carry Liability Insurance in the amount specified below, including contractual liability assumed by the Successful Offeror, and shall deliver a Certificate of Insurance from carriers acceptable to the owner specifying such limits. The Certificate shall show the County of Roanoke and Roanoke County Public Schools, their supervisory boards and members thereof, officers, agents, employees and volunteers as additional insureds, by endorsement, on the Commercial General Liability, Automobile Liability and Excess/Umbrella Liability coverage. The additional insured status shall be endorsed to the coverage with the provision that this coverage "is primary to all other coverage the County of Roanoke and/or Roanoke County Public Schools may possess." A Certificate of Insurance evidencing the additional insured status must be presented to the County of Roanoke and/or Roanoke County Public Schools along with a copy of the Endorsement prior to work or services beginning.

The coverage shall be provided by a carrier(s) rated "Excellent" by A.M. Best. In addition, the insurer shall agree to give the County 30 days' notice of its decision to cancel coverage.

(1) Workers' Compensation

Statutory Virginia Limits

Employers' Liability Insurance

- \$100,000 for each Accident by employee
- \$100,000 for each Disease by employee
- \$500,000 policy limit by Disease

(2) Commercial General Liability - Combined Single Limit

- \$2,000,000 each occurrence including contractual liability for specified agreement
- \$5,000,000 General Aggregate (other than Products/Completed Operations)
- \$2,000,000 General Liability-Products/Completed Operations
- \$1,000,000 Personal and Advertising injury
- \$ 100,000 Fire Damage Legal Liability

Coverage must include Broad Form property damage and (XCU) Explosion, Collapse and Underground Coverage

- (3) **Business Automobile Liability** – including owned, non-owned and hired car coverage
- Combined Single Limit - \$1,000,000 each accident

Compliance by the Contractor with the foregoing requirements as to carrying insurance shall not relieve the Contractor of their liabilities provisions of the Contract

- D. Contractual Liability covers the following indemnity agreement: “The Successful Offeror agrees to indemnify, defend and hold harmless the County of Roanoke and Roanoke County Public Schools, their supervisory boards and members thereof, officers, agents, employees and volunteers from any claims, damages, suits, actions, liabilities and costs of any kind or nature, including attorneys’ fees, arising from or caused by the provision of any services, the failure to provide any services or the use of any services or materials furnished (or made available) by the Successful Offeror, provided that such liability is not attributable to the County or School Division’s sole negligence.”
- E. The continued maintenance of the insurance policies and coverages required by the Agreement is a continuing obligation, and the lapse and/or termination of any such policies or coverages without approved replacement policies and/or coverages being obtained shall be grounds for termination of the Consultant/Contractor for default.
- F. Nothing contained in the insurance requirements is to be construed as limiting the liability of the Consultant/Contractor, and/or its subcontractors, or their insurance carriers. The County does not in any way represent that the coverages or the limits of insurance specified are sufficient or adequate to protect the Consultant/Contractor’s interest or liabilities, but are merely minimums. The obligation of the Consultant/Contractor, and its subcontractors, to purchase insurance shall not in any way limit the obligations of the Consultant/Contractor in the event that the County or any of those named above should suffer any injury or loss in excess of the amount actually recoverable through insurance.
- G. The classification code numbers appearing on the Commercial General Liability coverage parts shall not exclude the symbols “X-C-U”.
- H. The intent of this insurance specification is to provide the coverage required and the limits expected for each type of coverage. With regard to the Business Automobile Liability and Commercial General Liability, the total amount of coverage can be accomplished through any combination of primary and excess/umbrella insurance. However, the total insurance protection provided for Commercial General Liability or for Business Automobile Liability, either individually or in combination with the Excess/Umbrella Liability, must total \$1,000,000 per occurrence. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance

programs afforded the County of Roanoke and Roanoke County Public Schools. This policy shall be endorsed to be primary with respect to the additional insured.

- I. The certificate holders on the Accord form Certificates of Insurance shall be:

County of Roanoke

Roanoke County Board of Supervisors
5204 Bernard Drive, Suite 300F
Roanoke, VA 24019-0798
Attn: Purchasing Dept.

Roanoke County Public Schools

Roanoke County School Board
5937 Cove Road,
Roanoke, VA 24019
Attn: Purchasing Dept.

J. **Claims Made Policies**

If the liability insurance has been issued on a "claims made" basis, the Successful Offeror must either:

- (1) Agree to provide certificates of insurance evidencing the above coverage for a period of three (3) years after final payment under the Agreement for General Liability policies. This certificate shall evidence a "retroactive date" no later than the beginning of the Offeror's work; or
- (2) Purchase the extended reporting period endorsement for the policies and provide certificates of insurance and a copy of the endorsement.

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Thank you,



Purchasing Division Director
W.L. Heath Honaker
Phone: (540) 283-8146
HHonaker@roanokecountyva.gov

2023-098 - BANKING SERVICES FOR ROANOKE COUNTY

Addendum # 1 Signature Page

Sign Name:

Print Name:

Name of Firm:

Date: