PROCUREMENT SERVICES

ADDENDUM TO CONTRACT DOCUMENTS

ADDENDUM NO.: 2

PROJECT NAME: ITN No. N237429DG – Banking and Financial Services

DATE OF ISSUE: March 15, 2023

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

_____

Proposers' questions/issues and District answers (District answers are italicized):

Q1. What is the significance of sub-totaling vendor file of 278 vendors at $277mm and then again at the bottom with 1,837 vendors and ~$21mm?

A1. The list of 278 vendors are the vendors that received total payments over $100,000 per year and the list of 1,837 vendors are the vendors that received total payments under $100,000 per year.

Q2. What is the annual total of your current ePayables spend volume?

A2. The total current ePayable spend volume is approximately $34,725,000 (07/01/2021-06/30/22).

Q3. Are the vendors being paid currently by ePayables included in the vendor file?

A3. Yes.

Q4. What is the timeframe of the data provided in the vendor file, i.e. 12 months 3/1/2022-2/28/2023, etc.?

A4. The timeframe is 07/01/2021-06/30/2022.

Q5. What percentage of your B2B vendor payments (excluding individuals) are ACH/check?

A5. 30% are checks, 4% are ePayables, and 66% are ACH. This includes payments to both individuals and businesses.

Q6. Could the payment type for each vendor be included in the vendor file?

A6. No, there are vendors that are paid by both check and ePayable.

Q7. Could the number of payments per vendor be included in the vendor file (to help determine the average transaction size for each)?

A7. No.

Q8. Is Visa acceptable for Pcard and virtual card?

A8. Yes.

Q9.   Please provide an estimate of credit card processing volume in dollars and transaction count?

A9.   *See Q1 for Merchant credit card volume amount. For July 1, 2021 to June 30, 2022, the payment total was $4.5 million for 23,166 transactions.*

Q10.   Questionnaire - Do all responses need to be placed within the boxes provided in the Questionnaire, or can we provide our own formatted responses following the order of the questions presented? Illustrations and certain tables may create formatting issues if placed with the predefined text boxes.

A10.   *Proposers may submit their own formatted responses following the order of questions presented. This can be uploaded with the Questionnaire in Bonfire.*

Q11.   Please provide an estimate of credit card processing volume in dollars and transaction count?

A11.   *See Q9.*

Q12.   The ITN states "Contract or Agreement: If Proposer requires clients to sign a contract or any other document that legally obligates the client to any terms and conditions, the Proposer's contract or agreement documents must be submitted."

   Question: Since contract terms and conditions may be negotiated after award, how could we provide a contract ahead of time? We do not have a templated contract as each agreement differs from one entity to the next.

A12.   *Firms that do not have a contract or agreement will not be disqualified. Should your firm be selected for the short list to be interviewed, this can be discussed during negotiations.*

Q13.   Regarding Attachment E – Public Entity Crimes Form: Proposer shall complete form with all required information and all signatures as specified. The enclosed Public Entity Crimes Form must be signed and notarized.

   Question: Is the School District willing to accept a scanned version of the notarized form or does the form need to be completed via an acceptable digital notarized method? If the latter, please provide details.

A13.   *Yes, the District will accept a scanned version of the notarized form.*

Q14.   The ITN states "Proposers will demonstrate their banking platform functions and features such as wire, positive pay, P-Cards, etc. to the evaluation committee, and provide the committee access to a demo region where they can evaluate these functions and features. Proposers will provide the Evaluation Committee access to a test version of their banking platform and any process documents to allow the committee to test features and functions available."

   Question: Will the District be willing to accept a live demo of our platform if Shortlisted in lieu of a premade demo? Currently, we do not have a premade demo of our platform to share given the number of services and features our platform has to offer and due to the nature of the information being shared via the demo.

A14.   *Yes, as long as we can enter our data and see how it reacts and how it works.*

Q15. Due Date: Would the School District be open to an extension beyond 3/20, we understand per addendum 1 this was not grated, but note doing so would allow sufficient time to put together a comprehensive response that incorporates the responses to the questions posed. In addition, as the District is aware Spring Break falls within the allotted time period so references may not have sufficient time to complete the requested form and submit on a timely manner.

A15. *No.*

Q16. Proposal Response Form – The District's proposal form for pricing is blank in terms of services and volumes, does the District plan to provide an updated form with the services and applicable volumes for the banks to complete with their pricing, description, etc.

A16. *No.*

Q17. We noticed the analysis statements provided were for June 2022, and this is a typical low month for school activity. Would it be possible to get an analysis statement when schools are in session that would shed light into the activity anticipated when school is in session?

A17. *See Exhibit 2 (Fee Schedule and Analysis Statement) for Fiscal Year 2022 Analysis Statement.*

Q18. Can we have a list of the schools and their addresses to run a proximity study?

A18. *See Exhibit 1 (District Locations).*

Q19. What are the cash deposits for?

A19. *Cash deposits could be for a variety of reasons, including cafeteria revenue, field trips, fundraisers, insurance payments, etc.*

Q20. Can we get the amount of cash processed by each individual school monthly?

A20. *The District does not currently break deposits down by cash, check or credit cards. See EXHIBIT 8 (School Average Monthly Receipts) for average monthly deposits by school location.*

Q21. The school district has approximately 5000 checks deposited monthly, what are those payments for?

A21. *Check deposits could be for a variety of reasons, including cafeteria revenue, field trips, fundraisers, insurance payments, etc.*

Q22. How often are deposits taken to the branch weekly?

A22. *Daily deposits vary based on need. Deposits could be made 1-5 time weekly.*

Q23. Has the school district looked at armored car services and smart safes in the past? If yes, what type of contracts were offered by the armored car carriers?

A23. *Yes, many years ago but received no responses for armored car service. We have not looked into smart safes.*

Q24. Has the School District looked at moving to eliminate cash all together? Is that even an option??

A24. *The District is unable to eliminate cash payments entirely, but has offered other means for payments.*

Q25. Deposit Slips – How many deposit slips are needed for each site? Are single, duplicate or triplicate deposit slips needed?

A25. *Triplicate deposit slips are needed for District locations and all food service locations. School Internal accounts require duplicate slips. Quantity will vary based on needs of the location.*

Q26. Proposal - Would the School District be open to extending the due date for the ITN to the first week of April to allow additional time to provide a comprehensive response?

A26. *See Addendum 1.*

Q27. Receivable/Depository Services - What is the average number of checks being deposited at each location on a monthly basis?

A27. *The average number of checks being deposited is 5,400 per month for all locations.*

Q28. Receivable/Depository Services - How do you receive remittances for electronic receivables (ACH/Wires)? Provide an outline on how you reconcile electronic payments.

A28. *We only receive ACH credits from other governmental entities and liability insurance carriers. We reconcile the daily ACH credits to the various payment notifications received.*

Q29. Payables - What is the frequency of your payroll ACH files transmissions?

A29. *Bi-monthly.*

Q30. Payables - Please provide the amount of your largest originated ACH file to include vendor payments and payroll?

A30. *$28,984,008.95 for 4/30/22 payroll direct deposit.*

Q31. Payables - What is the average annual spend on your ePayables program?

A31. *See Q2.*

Q32. Payables - Please provide a breakdown of the number of transactions and spend per month for the past 12 months on your ePayables program.

A32. *See EXHIBIT 9 (ePayable Annual Payment Summary).*

Q33. Payables - What is your current AP Process from Invoice receipt to payment?

A33. *The vendors remit their invoices to the Financial Accounting Department. The schools and departments receipt in their goods and services into PeopleSoft when received. The accounting specialists reconcile the vendor invoices against the receipts and process the vouchers for payment. The director will run the weekly accounts payable process and print vendor checks. The accountants verify the vendor checks against our digital records to ensure our records were updated correctly during the a/p run and mail the checks to the vendors.*

Q34. Payables - How many invoices are received (paper or email/PDF) on a monthly basis?

A34. *Approximately 3,700 are received electronically and 2,800 received by paper.*

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Q35.   Payables - How do invoices get approved? Is it a manual workflow or electronic? If Electronic, what software if being utilized?

A35.   *Electronic, PeopleSoft.*

Q36.   Payables - How long does it typically take to get an invoice approved?

A36.   *Approximately 30 days.*

Q37.   Payables - Is the invoice receipt process centralized or decentralized (branch offices)?

A37.   *Centralized for School Accounts and decentralized for District account.*

Q38.   Payables - Do you do a 2 way or 3 way match for the POs?

A38.   *Varies based on vendor. Either 2 way or 3 way.*

Q39.   Payables - Do you have any type of invoice matching system in place currently? If so, please provide the name of the software.

A39.   *PeopleSoft.*

Q40.   Payables - Do you have an approval process incorporated into your AP process?

A40.   *Yes.*

Q41.   Payables - How many people will handle an invoice from receipt to approval?

A41.   *Two.*

Q42.   Payables - What is your current cost to produce a check in house?

A42.   *Not applicable.*

Q43.   Payables - What challenges, obstacles, or delays in your disbursement process do you wish to improve?

A43.   *Not applicable.*

Q44.   Payables - Are early pay discounts available and/or achieved?

A44.   *Yes.*

Q45.   Payables - Are there any existing pain points with regard to your current electronic (ACH/EFT) process? For example, do vendors complain about reconciliation issues (eg: payment received, and then trailing addendum sent a few days later).

A45.   *No.*

Q46.   Payables - Internally, are there pain points with regard to managing ACH payments to vendors? For example, vendor bank account information, liability with regard to storing vendor bank account info, etc.

A46.   *No.*

Q47. Payables - Please elaborate on buyer/supplier relationships & payment terms and Procurement strategy. Example: In general, does your organization focus on vendor discounts at the procurement level, or is there more of a focus on "post-purchase" terms (payment terms, rebates, etc.).

A47. *Both.*

Q48. Payables - Are most suppliers repetitive?

A48. *Yes.*

Q49. Payables - Are there any current initiatives with regard to your ERP?

A49. *No.*

Q50. Commercial Card - What is more important to the School District, high rebate or longer billing cycle?

A50. *Higher rebate.*

Q51. Commercial Card - Is the School District utilizing an expense report management software? If so, please provide the name. i.e. Concur, etc.

A51. *We are using the software provided through the current bank.*

Q52. Merchant Services - If the School District decides to continue accepting credit card payments, how many terminals would you anticipate would be needed at each location?

A52. *Up to 100, if we have to convert the equipment currently in use.*

Q53. Merchant Services - Please provide a monthly statement for the three pilot locations.

A53. *We do not have merchant statements for the schools' accounts.*

Q54. Merchant Services - Would the School District like to offer an online payment channel for school events?

A54. *The District is in the process of adding that service to the schools' new software system. The District would like to offer online payment channel for insurance payments.*

Q55. What solutions does the school use to capture cardholder payments?

A55. *FIServe and Clover.*

Q56. Does the proposed merchant solutions need to integrate with any of the school's current ERPs? If so, which ones?

A56. *Yes, Schools are in the process of changing software to School Cash.*

Q57. Does the school pass fees to the cardholders?

A57. *No.*

Q58. Will the School District of Lee County accept proposals with a particular area of service not bid on? For instance, Merchant Processing Services.

A58. *Yes.*

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Q59.   Will the District consider an extension to the deadline by at least two weeks, thus making it due April 3rd instead?

A59.   *See Addendum 1.*

Q60.   How many interest-bearing accounts does the District currently maintain?

A60.   *One.*

Q61.   Do you utilize an advisor or investment consultant?

A61.   *Yes.*

Q62.   What software and version of PeopleSoft is currently in use for your ERP or accounting?

A62.   *PeopleSoft 9.2 and Manatee.*

Q63.   Do the Special Centers all deposit into one account?

A63.   *No.*

Q64.   What is the average number of checks printed monthly?

A64.   *Approximately 930.*

Q65.   What type of Deposit tickets are utilized? What is the annual volume? Does your current bank provide supplies at no cost?

A65.   *See Q25.*

Q66.   Are paper statements and/or reports including mail/fax necessary?

A66.   *Not if available on Bank website.*

Q67.   Is the District interested in utilizing an armored courier and smart safes for receipt of coin and currency?

A67.   *Yes.*

Q68.   Card services questions from ITN (page numbers relate to the document, not PDF pages): Page 17 - The District prefers 14-day cycle periods and 60-day grace period. Please confirm the 60 day grace period as this is very uncommon and we may not be able to accommodate.

A68.   *The District is open to all offers.*

Q69.   Card services questions from ITN (page numbers relate to the document, not PDF pages): Page 17 - The District makes payments once a month by ACH wire – Please confirm the payment is made monthly as this statement seems to conflict with the above statement that they cycle every 14 days. Additionally, is payment by ACH or by Wire?

A69.   *Payments are made monthly via wire.*

Q70.   Will the District be able to factor in a waiver or other incentives as part of the pricing score?

A70.   *No.*

Q71.   Payment services questions from ITN Referring to:

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.

A71.   See answers in bold italics

 How does the District plan to use the Employee ID number and Vendor number:
   1.   Are you planning to perform paid item searches using those fields? *No.*
   2.   What is the character length of the Employee ID number? *Nine.*
   3.   What is the character length of the Vendor Number? *Ten.*
   4.   Are you requesting the Employee ID number and/or Vendor number to be returned to you in Cycle End Output files? *Yes.*
   5.   Are you requesting the Employee ID number and/or Vendor number to be returned to you in hard copy reports? The *District would like to receive information electronically*.

Q72.   Referring to:
  i.   The District will provide the Financial Institution an electronic transmission for the Accounts Payable 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.
   •   Why are check issuance files for Accounts Payable transmitted no later than one day after the check run rather than the same day as the check run?   Why is Payroll timing for the check issuance file different (i.e., no later than one day prior to the check value date)?

A72.   Accounts Payable transmission will be issued the same day as the checks issued. The payroll file is typically transmitted two days prior but could be filed as lates as one day prior to payday.

Q73.   Referring to:
  i.   The District will provide the Financial Institution an electronic transmission for the Accounts Payable 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.
   •   The District will provide the Financial Institution with a list of check numbers issued, to whom they were issued and the value of each.   Will your check issuance files also contain the Employee or Vendor Number?

A73.   Yes.

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Q74. Referring to:

Bank Reconciliations for Accounts Payable and Payroll Accounts: The Financial Institution will provide the District, once a month, both in electronic and paper versions, a numerical listing of checks paid and any outstanding or voided checks. The listing will include exception codes for missing check numbers, checks paid but not on the District's electronic transmission, checks paid for amounts different than the issued amounts, or other exceptions that may occur. All Accounts Payable and Payroll Account reconciliation reports shall be sequential by check number and value.

1. Please define/clarify what is meant by exception codes for missing serial numbers?

A74. *The District would like report of any break in check # range remitted on transmission file.*

Q75. Referring to:

Bank Reconciliations for Accounts Payable and Payroll Accounts: The Financial Institution will provide the District, once a month, both in electronic and paper versions, a numerical listing of checks paid and any outstanding or voided checks. The listing will include exception codes for missing check numbers, checks paid but not on the District's electronic transmission, checks paid for amounts different than the issued amounts, or other exceptions that may occur. All Accounts Payable and Payroll Account reconciliation reports shall be sequential by check number and value.

1. Are you referring to checks that post with Zero Serial Number?

A75. *No.*

Q76. Please clarify the use cases for ACH debit processing and origination?

A76. *The District only permits a few federal and state agencies to ACH debit the Districts bank as they do not allow ACH credit. All other ACH payments are processed as ACH credit.*

Q77. What is the type of information you are seeking with question 14 under Section A, Government Banking – where the only word in the box is "Checks"?

A77. *The District is requesting the online services available for adding checks, inquiring of checks.*

Q78. Please provide recent 3 months of Merchant Processing Statements.

   a. If unable to provide statements, what is the District's annual processing dollar volume, broken down by card type?

   b. What is the District 's average transaction amount, and highest individual transaction amount?

A78. *See Attached three months merchant statements and see Q1.*

Q79. Are you looking to upgrade or change the system you currently use to process credit & debit card transactions?

   a. If yes, what will that look like?

A79. *Yes, the District is open to new options offered by the bank.*

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Q80.   If the District is currently using terminals:

A80.   *See answers in bold italics:*

a. Does the District use a dedicated phone line or the Internet/Ethernet for the credit card machines? ***Both.***

b. Do the District's terminals integrate with Software and/or a Gateway or are they stand alone? ***Stand alone.***

    i. If they integrate, what name & version is the Software and/or Gateway? ***Not applicable.***

c. Does the District want terminals that connect via phone, IP or Wi-Fi? ***Wi-fi.***

d. Does the District have a need for wireless terminals? ***Yes.***

Q81.   What percentage of your transactions are Card Present? And Card Not Present?

A81.   *100% card present.*

Q82.   Does the District accept Advanced Payment by Credit Card and if so, what is the timeframe from authorization to use?

A82.   *We do not accept Advance Payments.*

Q83.   Is the District currently charging or using a Convenience Fee service?

    a. If yes, which locations charge it?

    b. If yes, what % or $ are you charging?

    c. If yes, are you or do you have a 3rd party managing the Convenience Fees?

A83.   *The District does not currently charge a convenience Fee.*

Responses to the final questions received will be posted in the next addendum.

REMINDER: Client References are due by 2:00 PM, Monday, March 20, 2023.

There are no other changes at this time. Please acknowledge this addendum via Attachment D, Addenda Acknowledgement Form, in your submittal.

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

Doug Gupton
Procurement Agent