

TO: THOSE WISHING TO RESPOND TO A REQUEST FOR PROPOSAL TO  
PROVIDE BANKING SERVICES TO THE COBB COUNTY BOARD OF  
COMMISSIONERS COBB COUNTY

The Cobb County Board of Commissioners invites proposals to provide Banking Services to Cobb County.

Institutions are instructed to carefully read all terms, conditions and specifications and complete proposal forms in their entirety.

Only one proposal shall be prepared by each institution, the original (so marked) and five copies (so marked), for a total of 6, all of which must be submitted in a sealed envelope bearing the "Deliver To" label provided with this request for proposal. All six copies must be signed by an official authorized by the bank to do so.

The proposals must be delivered prior to 12:00 noon on Thursday, August 10, 2006. Requests for extension of time will not be granted. Late proposals, late requests for modification or late requests for withdrawal will not be considered.

Your interest and participation are encouraged and appreciated.

Sincerely,

Brad Bowers, CPA  
Finance Director-Comptroller

COBB COUNTY BOARD OF COMMISSIONERS  
REQUEST FOR PROPOSAL  
TO PROVIDE BANKING SERVICES

FINANCE DEPARTMENT

2006

**REQUEST FOR PROPOSAL  
TO PROVIDE BANKING SERVICES**

**COBB COUNTY BOARD OF COMMISSIONERS**

**TABLE OF CONTENTS**

**SECTION I: INTRODUCTION**

A.	Purpose of Request for Proposal.....	1
B.	Issuing Office .....	1
C.	Contact Person for Questions.....	1

**SECTION II: PROPOSAL INSTRUCTIONS AND EVALUATION**

A.	Proposed Schedule .....	2
B.	Pre-Proposal Conference.....	2
C.	Questions After the Pre-Proposal Conference .....	2
D.	Cancellation, Addenda and Amendments to the RFP.....	2
E.	Cost of Proposal .....	2
F.	Proposal Rejection.....	2
G.	Proposal Submission and Deadline.....	3
H.	Minimum Qualification of Bidders.....	3
I.	Evaluation and Award .....	6
J.	Terms and Conditions .....	6

**SECTION III: SCOPE OF BANKING SERVICES**

A.	Bank Account Structure.....	8
B.	Operation of the System.....	9
C.	Operation of the Direct Deposit Payroll System.....	10
D.	Interest on Available Funds .....	11
E.	Special Circumstances.....	11
	1. Water System Remittances	
	2. Credit Cards	
	3. Armored Car Services	
	4. Federal and State Tax Withholding Payments	
	5. ATM Machines	
F.	Statement Advice and Reporting Frequency .....	13
G.	Custodial Services.....	14
H.	Banking Supplies .....	14
I.	Wire Transfers .....	15
J.	Check Cashing-Payroll & Accounts Payable Checks .....	15
K.	Cost of Banking Services.....	15
L.	Other Services .....	15
M.	Bank Services Contact.....	15

**SECTION IV: BANKING SERVICES PROPOSAL FORM**

Explanation of Form .....16

**EXHIBITS:**

Exhibit A - Banking Services Proposal Form

REQUEST FOR PROPOSAL  
TO PROVIDE BANKING SERVICES  
COBB COUNTY BOARD OF COMMISSIONERS

**SECTION I: INTRODUCTION**

A. Purpose of Request for Proposal ("RFP")

The Cobb County Board of Commissioners, the governing authority of Cobb County, Georgia ("the County"), through its Finance Department, requests sealed proposals to provide banking services to the County.

The County's objectives are to ensure the highest degree of safety for its financial assets while at the same time managing its banking relations in a cost efficient manner. The County believes administrative efficiency is enhanced by awarding its commercial banking business to one financial institution.

Information regarding the overall system structure, general requirements and volume estimates is included elsewhere in this document and should be used as a basis for proposal preparation.

The current banking services contract is scheduled to expire on November 1, 2006 and contains a 90 day transition/run-out period after that.

B. Issuing Office

COBB COUNTY BOARD OF COMMISSIONERS  
FINANCE DEPARTMENT  
100 CHEROKEE STREET, SUITE 400  
MARIETTA, GEORGIA 30090-9610  
ATTN: BRAD BOWERS, CPA  
FINANCE DIRECTOR-COMPTROLLER  
770-528-1505

C. Contact Person for Questions

Any inquiries regarding this RFP should be directed in writing to:

Mr. Samuel Young, Director  
PURCHASING DEPARTMENT  
1772 County Services Parkway  
Marietta, GA 30008-4012  
770-528-1154 (FAX)  
purchasing@cobbcounty.org

Responses to written/FAXed inquiries will be distributed to document planholders. The deadline for questions is Friday, July 28, 2006.

**SECTION II: PROPOSAL INSTRUCTIONS AND EVALUATION**

A. Proposed Schedule

Pre-Proposal Conference	Monday, July 24, 2006
Cutoff for Submission of Questions	Friday, July 28, 2006
Receive Proposals	Thursday, August 10, 2006
Award Contract (Commission Date)	Tuesday, September 26, 2006
Begin Services	Thursday, February 1, 2007

B. Pre-Proposal Conference

A pre-proposal conference is scheduled for Monday, July 24, 2006 at 2:00p.m. by the Finance Director/Comptroller in the Board of Commissioners Meeting Room, 2<sup>nd</sup> Floor, 100 Cherokee Street, Marietta, Georgia. Responsible individuals from appropriate County departments will be present to answer questions relating to these specifications at that time. Accordingly, institution representative(s) are strongly urged to attend.

C. Questions After the Pre-Proposal Conference

After the Pre-Proposal conference, all questions must be submitted in writing (via email or FAX) to the Purchasing Director and will be answered in writing and returned to document planholders. Written/FAXed/emailed questions will not be accepted after Friday, July 28, 2006.

D. Cancellation, Addenda and Amendments to the RFP

If it becomes necessary to review or amend any part of this RFP, notice of the revision will be given to all prospective vendors who were sent an RFP. Receipt of amendments must be acknowledged by vendors in writing.

E. Cost of Proposal

The County is not responsible for any expenses incurred by the institution in preparing and submitting their response.

F. Proposal Rejection

The County reserves the right to reject any or all proposals, to waive any informality in a proposal, and/or to accept that proposal which, in the judgment of the evaluation team, is in the best interest of the County.

The responses will be evaluated for mathematical accuracy and questions answered/clarified prior to any announcement of bid results. Institutions are strongly urged to review all decimal placements and dollar value extensions prior to submission as such errors could lead to disqualification of the response.

G. Proposal Submission and Deadline

Each institution shall submit only one proposal, the original (so marked) and five (5) copies (so marked) for a total of 6, all of which should be delivered prior to 12:00 p.m., Thursday, August 10, 2006. Proposals must be submitted in a sealed envelope bearing the "Deliver To" label provided with this RFP. The actual bid opening will occur at 2:00 p.m. that same day after which the responses will go to an evaluation team for review.

The proposal shall be prepared simply and economically, and shall be straightforward and concise in content. It should also adhere strictly to the proven capabilities of the institution to meet the requirements set forth in this RFP.

Requests for extension of time to submit will not be granted. Late proposals, late requests for modification or late requests for withdrawal will not be considered. Email or facsimile submission of proposals is not acceptable and any such proposals will not be considered.

Each proposal must use the "Banking Services Proposal Form" (attached hereto as Exhibit A) or copies thereof in submitting proposals. Replication of the form is permitted to allow additional space for responses but sequence and content of questions must not be altered. The "Banking Services Proposal Form" must be completed in its entirety.

It is the sole responsibility of the institution to ensure that the proposal arrives on time and bears the handwritten signature of a bank officer duly authorized to sign the proposal on all copies. The name, office address and office telephone number of the person to contact must be clearly identified.

H. Minimum Qualification of Bidders

Institutions wishing to bid on this RFP:

1. Must maintain a full-service home office or branch within a five mile radius of the Marietta Square and have a branch network convenient to the County's many operations.

2. Must be a federally chartered bank qualified to do business and accept public deposits in the State of Georgia.
3. Must not operate through an intermediary bank for any of its services.
4. Must have a moneycenter/vault operation in the metro-Atlanta area for purposes of receiving and processing deposits of checks, cash and bulk coin from various of the County's operations. Such deposits will be delivered by an armored car service.
5. Must have a password-protected, PC/internet-based treasury workstation which includes the following capabilities:
  - a. Daily "comprehensive" reporting of ledger, collected and available balances for all accounts including float and average month to date balance information.
  - b. "Previous day" balance/detail reporting for all accounts with history maintained online for at least 90 days.
  - c. Concentrator/zero balance account daily transaction/interaction reporting.
  - d. Intraday position reporting for all accounts.
  - e. Return item reporting, particularly for ACH payroll items.
  - f. Presentments of checks for controlled disbursement accounts not later than 10:00 a.m. each day.
  - g. Book, account, and wire transfers initiation and authorization.
  - h. County-originated stop payment of checks.
  - i. Capability to import and initiate transmission of Payroll and Accounts Payable ACH files created by the County's financial and human resources/payroll systems.
  - j. Capability to import and initiate transmission of "checks issued" files for Positive Pay and recon purposes, both for bulk check issuance files (weekly runs) and individual check issued files (for manual checks).

- k. Ability to provide cleared checks storage via CD-ROM and/or search bank's files for cleared checks if monthly CD is not yet received.
  - l. Ability to receive a "cleared checks" file generated by the institution's computer mainframe for each of the County's checking accounts.
6. Must maintain a portfolio of investments, safekept by a third party (i.e., the Federal Reserve Bank) and specifically pledged to the County, sufficient to collateralize all deposits of the County in excess of FDIC coverage in accordance with applicable Georgia Code sections 45-8-11 through 45-8-15 and 50-17-59. Georgia law mandates that public funds on deposit must be collateralized 110% after consideration of FDIC coverage. Estimated maximum cash balances which can occur several times throughout the year (tax/note proceeds receipts, debt service payment cycles) can be expected to approach and possibly exceed \$100 million. The successful institution will enter into a written collateral agreement with the County at the time such collateral is pledged. Such agreement will be approved by the Bank's Board of Directors and/or its loan committee and become an official record of the Bank throughout the life of this Banking Services Agreement.
  7. Must demonstrate that it has experience servicing customers with similar account attributes and transactional volumes as described herein.
  8. Must have experience serving customers whose employees are paid via direct deposit.
  9. Should be able to accept deposits at a branch up to at least 2:00 P.M. or at its operations center up to at least 6:00 P.M. and credit the County's account on that day.
  10. Must be able to accept credits for deposits and internal bank transfers into the controlled disbursement accounts.
  11. Must have a merchant services division or partner to provide credit card operations and support to the County's operating units who accept credit cards.

I. Evaluation and Award

The selection process used for determining the most favorable proposal is best described as a "Competitive Proposal" process in which pricing, or net cost to the County is one of the most important criteria but not the only criteria. Other factors in the evaluation process include staff assignments, past performance, approach, expertise, availability and financial stability.

The County will evaluate the proposals from the information at hand and may ask questions of a clarifying nature from the institution(s) and/or the references provided. Questions to institutions will be in writing and answers will become part of the official proposals. These questions will be mailed or FAXed only to institutions whose proposals require clarification. Information obtained from references will not be shared with other institutions.

When the County has tentatively selected an institution, it may request a conference to formulate plans in greater detail, to clarify any unclear areas, and to otherwise complete negotiations prior to the formal award.

Based upon the County's review and the results of any planning conferences, a proposed contract will be prepared. The "Banking Services Proposal Form" will be used as the basis for the proposed contract at this time.

J. Terms and Conditions

1. In the event that the institution to whom the contract is awarded does not execute a contract within thirty (30) days after such award, Cobb County may give notice to such institution of intent to award the contract to the next most qualified institution, or to call for new proposals.
2. The "Banking Services Proposal Form" indicates the number of transactions anticipated. Such information has been accumulated from actual bank account analyses forms provided over the past six months, and extrapolated to approximate estimated annual volume. The County in no way guarantees these volumes and institutions should consider them best estimates.
3. By submitting a proposal, the institution certifies that it has read and understands this RFP and has full knowledge of the scope, nature, quantity and quality of the work to be performed, the detailed requirements of the services to be provided and the conditions under which the services are to be performed.

4. The term of the contract will be three years with an option to renew for an additional two year period contingent upon annual appropriations of funds by the Cobb County Board of Commissioners in accordance with Official Code of Georgia Annotated, Section 36-60-13, which states that the contract will terminate at the close of each calendar year, but will automatically renew absent any positive action by the County. Banking service charges for the optional renewal period will be based on the original charges proposed and in effect through the first three years of the contract, plus an increase (or decrease) in the U.S. Consumer Price Index (CPI), for the third year of the contract.
5. It is the intent of the County to allow contract termination by either party by giving written notice to the other party no later than 120 days before the termination date. This provision can be exercised only after the contract has been in effect for two (2) calendar months. In this event, the awarded bank shall be entitled to just and equitable compensation for satisfactory work completed.
6. After the contract period has been completed, the awarded bank agrees to maintain all terms of the contract during a transition period of at least 90 days while any accounts are closed.

**SECTION III: SCOPE OF BANKING SERVICES**

A. Bank Account Structure

Proposals are requested for banking services for the County's operating accounts within the scope of the following descriptions. The County will maintain multiple bank accounts during the term of the contract.

1. Main Concentration Group of Accounts

The Main Concentration Account Group is designed to allow the consolidation of all significant idle funds in order to more effectively administer the cash management and investment functions. Accounts in this group include:

	<u>ACCOUNT TYPE</u>
CCBOC-010-CONCENT/MASTER DEPOSIT	DemDep/SuperNow
CCBOC-200-CCTRANSIT	ZBA
CCBOC-270-GRANTS	ZBA
CCBOC-500-W/S REV	ZBA
CCBOC-510-W/S REI	ZBA
CCBOC-520-W/S STORMWATER	ZBA
CCBOC-580-W/S RSSDF	ZBA
CCBOC-600-SW REV	ZBA
CCBOC-610-COCOMP REV	ZBA
CCBOC-650-GOLF REV	ZBA
CCBOC-660-MABLE AMPHI REV	ZBA

2. Secondary Concentration Group of Accounts

The Secondary Concentration Account group is designed to allow the consolidation of monies representing funded but unpaid accounts payable and payroll items.

CCBOC-890-CONCENTRATOR #2	DemDep/SuperNow
CCBOC-800-ACCTS PAY	Checking/CDA/ZBA
CCBOC-810-PAYROLL	Checking/CDA/ZBA

3. Other Accounts

These accounts have minimal activity, but are maintained as stand-alone accounts due to bond covenants, statutory requirements and other reasons.

	<u>ACCOUNT TYPE</u>
CCBOC-220-CSBG	DemDep/SuperNow
CCBOC-270-MABLETON REDEVEL	DemDep/SuperNow
CCBOC-275-WIA	DemDep-No Interest
CCBOC-280-CDBG	DemDep-No Interest
CCBOC-280-CDBG PROGRAM	DemDep/No Interest
CCBOC-282-CDBG HOME	DemDep/No Interest
CCBOC-282-CDBG HOME-PROGRAM	DemDep/SuperNow
CCBOC-283-SUPER NOFA/HUD	DemDep/SuperNow
CCBOC-284-LLEBG-01	DemDep/SuperNow
CCBOC-284-LLEBG-04	DemDep/SuperNow
CCBOC-284-LLEBG-05	DemDep/SuperNow
CCBOC-340-SPLOST	DemDep/SuperNow
CCBOC-400-SINK-G.O.	DemDep/SuperNow
CCBOC-400-SINK-REC AUTH	DemDep/SuperNow
CCBOC-400-SINK-DMDA	DemDep/SuperNow
CCBOC-500-SINK-WATER	DemDep/SuperNow
CCBOC-530-SER. 2003 CAP IMP ACCT	DemDep/SuperNow
CCBOC-600-SINK-SOLID WASTE	DemDep/SuperNow
CCBOC-890-GA FUND I CLEARING	DemDep/SuperNow

During the term of this contract, it may be necessary to add accounts due to changes in the County's operating structure. New accounts will be incorporated utilizing the pricing terms proposed in response to this RFP.

B. Operation of the System

It is the intent of the County to eliminate float to the maximum extent possible. The accounts in the system shall be operated in accordance with the following instructions.

1. Funds collected daily by the various County departments and agencies will be deposited into the appropriate accounts. The total funds deposited into these accounts will be collected funds when such collected funds are available to the bank. Proposing banks are required to attach a copy of their current "availability schedule" to their proposal.

2. Returned checks are to be re-deposited a second time before charging back to the County. All returned checks are to be charged to the account into which they were originally deposited.
3. The Concentrator/Master Deposit Account (Main) is utilized by many departments. To facilitate identification of the source of deposits, the deposit tickets and endorsement stamps will include reference to the account, the originating department's name, and a unique identifying number ("stat" number) assigned to each depositing entity.
4. All incoming wire transfers shall be made to the accounts for immediate credit. All credits will be posted before debits and checks. There shall be no charge to the receiving account for incoming wires, book transfers, or ACH-originated credits.
5. Every Friday (for accounts payable) and every other Friday (for payroll), the controlled disbursement accounts are reimbursed by the appropriate fund operating account for disbursements processed on their behalf.

Cash to effect these transfers is derived from maturing investments, Georgia's Fund 1, and available idle cash in the accounts. Designated employees in the Treasury Division initiate, approve and release these transfers on the PC-based treasury workstation.

The awarded bank's PC-based treasury workstation should be able to accept the initiation and release of these interfund transfer authorizations even though some may be charged or credited to zero-balance accounts.

6. All checks, warrants and drafts drawn on the awarded bank and government checks (U.S., State and Local) will be deposited into the appropriate account for same-day availability.

#### C. Operation of the Direct Deposit Payroll System

The County currently employs approximately 4,800 individuals, all of whom are paid bi-weekly on Fridays (unless Friday is a holiday, in which case, employees are paid on the workday preceding the holiday). Approximately 4,400 employees are paid via Direct Deposit and are permitted to allocate their pay to multiple bank accounts should they so desire. The current ACH transmission contains approximately 6,200 pay records. The County's commitment is that these employees be able to access their funds by 9:00 A.M. on payday.

The County transmits its Payroll ACH file in text format via the PC-based treasury workstation as soon as it is available and always uses an effective date that is one day prior to the actual payday to force the data through the

Federal system. A typical non-holiday pay scenario and timetable is presented below.

Paydate/Funds Available	Friday, Oct. 29, 9:00 a.m.
ACH File Transmitted	Tuesday, Oct. 26, 7:30 a.m.
ACH File Effective Date	Thursday, Oct 28.

The amount of the ACH file is transferred into the Payroll account on the effective date so as to be available when the ACH file total is charged to the account. The remaining/non-ACH portion of the payroll is transferred to the Payroll account on the paydate.

D. Interest on Available Funds

The awarded bank is expected to pay a "market interest rate" on idle cash remaining in all bank accounts other than interest-restricted accounts, shown as "No Interest" in the account listing. For example, currently such accounts are credited at a rate equal to the Average Effective Fed Funds Rate less 5 Basis Points [Available on a Bloomberg system by entering FEDL(Govt)HP(Go)] on their total average collected balance.

The formula used to calculate the interest credit is the following and should be used for proposal purposes.

$$\frac{\text{Avg Month Coll Bal, Net of Reserves} \times \text{\# Days in Month}}{360} \times \text{Market Interest Rate} = \text{Interest Credit}$$

This method is preferred to negate the need for overnight sweep or REPO arrangements. Other market interest rates may be considered. However, a six month history of alternate interest rates beginning at January 1, 2006 must be provided and it must be verifiable. Use of Bloomberg as a source is encouraged

Interest earned by the County should be credited to the appropriate account no later than the 10<sup>th</sup> workday following the end of the month

E. Special Circumstances

Special circumstances apply to segments of the County's operations and are explained below.

1. Water System Remittances

Most of the Water System's customers remit their payments to a bank lockbox processing facility. The lockbox contract is not a part of this

RFP. However, the successful institution will be expected to work with the lockbox processor to assure timely receipt and credit of funds into the County's Water System's Revenue Account.

Some Water System customers make their payment by pre-authorizing the Water System to extract the amount from their bank account via a reverse ACH. The Water System transmits these files on a daily basis. The successful institution will be expected to provide this same capability.

## 2. Credit Cards

Many County departments including the Water System, all parks facilities, Cobb Community Transit, Cobblestone Golf Course, Business License, Senior Services, and Mablehouse Amphitheater, are utilizing credit card terminals for payment acceptance. All of these facilities have separate merchant numbers assigned. Additionally, there is a separate merchant number assigned for purposes of taking credit cards for payments of registrations and other services via the internet. With the exception of the internet process, all locations own their own terminals, Hypercom T7P or equivalent.

The Parks Department currently is using, and Senior Services and Extension Services are anticipating using, CLASS software for purposes of registrations, reservations and receipts recording. CLASS accepts and verifies credit cards and submits them to the processor for settlement and subsequent credit to the County's designated account. It will accommodate transactions performed in person, via telephone, or over the internet.

The successful institution is expected to support the County's current system, providing re-programming and/or instruction as needed. Estimated volumes of transactions are provided later in this document for cost estimation purposes.

## 3. MoneyCenter/Vault Operations

Several County facilities (Water System, Solid Waste, Transit and Finance) require daily pick-up of prepared deposits and, for Transit, coin and currency. These deposits are picked up daily by an armored car service (which service, currently provided by Dunbar Armored is being re-bid concurrent with the banking services bid) and transported to the institution's moneycenter/vault operation. The institution's moneycenter/vault operation should accept these deposits and process them for same day credit to the various County accounts.

A daily record of all deposits processed/credited to the County's accounts will be FAXed or emailed to the County Treasury office for comparison with armored car service and internal logs.

4. Tax Payments

The County utilizes the Electronic Federal Tax Payment System ("EFTPS") for Federal withholding tax payments and the State of Georgia's Electronic Tax Payment system for State withholding tax payments. The County's secondary concentration account (CCBOC-890-CONCENTRATOR #2) is the Demand Deposit account utilized for these purposes. The awarded bank must support these methods of payment.

5. ATM Services

Currently, two machines are installed in County facilities: the Adult Detention Center on County Services Parkway and the Public Safety Building on Waddell Street. These machines dispense cash only. During the twelve months ended May 2006, the Detention Center and Public Safety ATMs had approximately 8,000 and 9,800 transactions, respectively. The successful institution is expected to maintain the existing locations. If installation of new machines is required, the County will cooperate with the institution but the cost of installation is to be borne by the institution.

F. Statement Advice and Reporting Frequency

All accounts will run on a calendar month basis beginning on the 1<sup>st</sup> and ending on the 28<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup> as appropriate.

All advices affecting a debit or credit memo transaction must be mailed daily.

Within ten (10) business days after the calendar month the awarded bank will furnish to the County:

1. A statement reflecting transactions occurring during the preceding calendar month for all accounts other than the Controlled Disbursement Checking accounts.
2. A CD-ROM containing front and back images of all cancelled accounts payable and payroll checks.
3. Full Reconciliations (outstanding check lists) for both Controlled Disbursement accounts.

Within ten (10) business days after the calendar month-end, the awarded bank will furnish to the County full reconciliations (outstanding check lists) for both Controlled Disbursement accounts.

G. Custodial Services

During the term of this contract, the County's portfolio is expected to grow substantially due to an anticipated buildup of Special Purpose Local Option Sales Tax ("SPLOST") funds. The County will invest these and other idle funds in U.S. Treasury and Agency securities which are all electronic book-entry. However, physical delivery securities may be acquired infrequently.

Securities purchased at the direction of the County for its portfolio will be safekept by the institution in accordance with a Custodial Agreement, the terms of which will be mutually negotiated and agreed upon. The agreement, however, must specify that: 1) securities will be transacted "Delivery vs. Payment"; 2) a safekeeping receipt will be issued containing all pertinent details of the security; 3) all interest payments and maturities will be collected; and 4) statements of holdings will be provided on a monthly basis that include mark-to market information.

The institution will be expected to set up at least two safekeeping accounts, one for SPLOST investments and one for other investments of the County. If needs dictate, other safekeeping accounts may be established during the life of this contract.

H. Banking Supplies

Banking supplies should be provided at no cost and are estimated to include 3-part preprinted deposit slips (estimated at 11,000 per year); endorsement stamps (approx. 250 hand stamps), plastic sealable deposit bags for night drop and armored service pickup; currency straps, and coin wrappers; credit card sale and credit slips. Replacement stock and additional needs throughout the life of the contract should be provided at no cost by the awarded bank.

The County will purchase blank checkstock through its own internal bid process for use on its laser printers. The County specifies 28 pound white safety stock with numerous safety/security features. The County agrees to provide the institution with a representative sample of printed test checks to run through the institution's M.I.C.R. equipment.

I. Wire Transfers

The institution agrees to execute any orders for outgoing wire transfers on a timely basis. Transfers ordered by noon and not received by the destination party by 2:00 P.M. that are reported to the County will be traced by the institution from origin to destination to ascertain the party responsible for the delay.

It is the County's desire to enter a "Wire Transfer Agreement" with the institution. The terms of this agreement will be mutually negotiated and agreed upon.

J. Check Cashing-Payroll and Accounts Payable Checks

The institution will honor all payroll and accounts payable checks presented by payees at any of its Atlanta metro area branches when accompanied by appropriate identification and will not charge the presenter for this service.

K. Cost of Banking Services

The County elects to pay for all banking services by check based on the presentation of an invoice for services from the institution. The bill should show each account individually, and a summary sheet showing banking service cost as well as interest earned for the monthly billing period. Each individual account bill should be presented in substantially the same format as the "Banking Services Proposal Form."

When processing the invoice for payment, the County will note exceptions on a reconciliation worksheet and pay the adjusted amount, providing the worksheet with its payment.

L. Other Services

The County has made a diligent effort to include in this request for proposal all types of services utilized and to provide its best estimate of transactional counts and volume. Costs not included in the proposal cannot be added later without the County's approval.

M. Bank Services Contact

The institution must designate one senior staff person who will serve as the County's principal contact for purposes of questions and problem resolution throughout the life of the contract.

## **SECTION IV: BANKING SERVICES PROPOSAL FORM**

The "Banking Services Proposal Form", attached hereto as Exhibit A, must be used to furnish the requested information. The form consists of six parts all of which must be completed:

- I. GENERAL INFORMATION
- II. INSTITUTION'S EXCEPTIONS AND/OR ALTERNATIVE PROPOSED SERVICES
- III. OTHER SERVICES UNDER CONSIDERATION BY THE COUNTY
- IV. NET COST OF SERVICES
- IV. CONFLICT OF INTEREST
- V. DECLARATION AND SIGNATURE AREA

*When completing Part IV, a response should be made to all categories listed on the form. If no charge is to be made for a particular service, a "-0-" should be indicated.*

Any exceptions taken in either Part I or Part II must be indicated and fully explained under Part II along with any service alternatives resulting from the exception. The costs of the service alternatives should be cross-referenced to and priced in Part IV, #52, Other Charges.

EXHIBIT A.

COBB COUNTY BOARD OF COMMISSIONERS  
BANKING SERVICES PROPOSAL FORM

PART I - GENERAL INFORMATION

1. Name of Institution \_\_\_\_\_
2. Address of Headquarters \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Address of Cobb Office \_\_\_\_\_  
nearest to the \_\_\_\_\_  
Marietta Square \_\_\_\_\_  
\_\_\_\_\_
4. Date institution chartered \_\_\_\_\_
5. Attach a summary showing the institution's organization and principal staff members who will be involved in providing services to the County. Please indicate senior staff member who will be the County's contact.
6. Information regarding Service and Compensation issues:
  - a. What experience does your institution have in providing banking and custodial services to local governments?
  - b. Provide three references for government customers within a 100 mile radius of Atlanta with account attributes and transaction volumes similar to Cobb County.

<u>GOVERNMENT NAME</u>	<u>CONTACT</u>	<u>PHONE #</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

- c. Assuming a February 1, 2007 start date, provide a detailed implementation schedule including names or titles of parties responsible for each task. Include any services that require advance testing.

- d. Does your institution provide written user manuals for its various services?
- e. Is there a toll-free technical support hotline for your various services?
- f. Are there any limitations, such as hours of availability or emergency procedures, that would effect your customer support?
- g. Where is your institution's data processing/operations center located?
- h. Please provide your institution's Sheshunoff "Bank President's Weighted Rating in Asset Peer Group" and "Grade in Asset Peer Group" for each of the years ending December 31, 2005, 2004, and 2003.
- i. Please provide a sample account analysis statement including the major items that appear in our bid proposal form.
- j. Provide copies of your proposed master banking services agreement as well as all supporting agreements we may anticipate

7. Information regarding your institution's Treasury Workstation Software ("TWS").

- a. Does your institution have a password protected PC/internet-based TWS communicating through a secure website?
- b. Does the TWS operate on Windows XP?
- c. Does the TWS utilize encryption and authentication controls?
- d. Can Cobb County's system users be restricted to specific functions and/or sub-function within a function? If so, how do these features work?
- e. Regarding bank balance reporting, does your institution's TWS provide:
  - \* Ledger, collected and available balances?
  - \* Days of float information?
  - \* Pending debit and credit information?
  - \* Transaction detail for the prior day?
  - \* Transaction detail for at least 45 days?
  - \* Transaction detail for the current/intraday?
  - \* Are there any data items that cannot be reported intra-day? If so, what are they?
  - \* Can bank balance information be downloaded into Cobb County-developed spreadsheets on EXCEL and/or copied to WORD for inclusion in emails?

- f. Regarding funds transfer capabilities:
    - \* Does your institution's TWS provide for the establishment of code numbered "template" transfers both for internal/book and external wire transfers?
    - \* What is the initiation and release authorization protocol for the template transfers?
    - \* What is the initiation and release authorization protocol for non-template free-formatted transfers?
    - \* Does your TWS provide "sequence" and "fed reference" numbers upon release of transfers?
  
  - g. Regarding disbursement and Positive Pay ("PosiPay") information:
    - \* Is controlled disbursement information accessible through your institution's TWS?
    - \* For the purposes of PosiPay reporting, is the TWS utilized to report information on checks requiring decisions for payment?
    - \* Can a two-sided image of the PosiPay exception item be viewed prior to decisions to approve/return?
    - \* Can the approval/return decision be made through the TWS?
    - \* By what time of day must PosiPay decisions be completed?
    - \* If PosiPay items are not approved by cut-off time, how are they handled?
  
  - h. Regarding safekeeping of securities:
    - \* Is access provided to the County's safekeeping accounts via the TWS?
    - \* If so, what information is available?
  
  - i. Regarding merchant services transactions, is access provided through the TWS to transactional detail supporting the total amount posted to the bank account for each merchant number for any given day?
8. Information regarding Concentration, Zero-Balance Accounts ("ZBA") and other Demand Deposit Accounts:
- a. Is there one posting each day between the main concentrator account and the ZBAs?
  - b. Does the detail posting to the main concentrator account indicate the ZBA to/from which the daily posting is made and does it report on the TWS?

- c. Cobb County utilizes one of its Concentration accounts as the Demand Deposit account from which Federal and State payroll taxes are paid via EFTPS and Georgia's Electronic Tax Payment System. Does your bank accommodate this method? If not, why not, and what would you propose as an alternative method?
- d. Does your bank permit origination of outgoing book and/or wire transfers from ZBAs?
- e. On a daily basis, the County creates a cash requirements worksheet documenting its daily activity. Ending balances of this spreadsheet will always be positive. However, due to the sequence of initiation and release of transfers, daylight overdrafts could occur. What effect, if any, might this have on Cobb County?
- f. In the event of an absolute error on the part of Cobb County resulting in a true overdraft (negative balance at end of day), what charge, if any, would be assessed? Would such a charge, if any, be assessed if the overall relationship for the day was positive?

9. Information regarding Controlled Disbursements and the disbursement function:

- a. What is the location of the branch that will process Cobb County's Controlled disbursement items?
- b. Please indicate the service options offered by your institution:

	<u>YES</u>	<u>NO</u>
* Full Reconciliation	_____	_____
* Partial Reconciliation	_____	_____
* Numerical Check Sorting	_____	_____
* Check Storage	_____	_____
* Microfilm/Fiche of Canceled Checks on CD-ROM	_____	_____
* Positive Pay Check Verification	_____	_____
* Return File of Cleared Checks to Cobb	_____	_____

- c. Please provide a sample of your full account reconciliation.
- d. Can the monthly recon reports be downloaded and printed by the County in lieu of receiving them via mail? If so, when are they available?
- e. Can a cleared checks file be transmitted to the County by the institution?

- f. How long does your institution store canceled checks before disposing of them?
  - \* On the bank's premises? \_\_\_\_\_
  - \* Off the bank's premises? \_\_\_\_\_
- g. Can a copy of a canceled check be downloaded from the bank via the TWS?
- h. What quantity of canceled checks can be stored on one CD?
- i. In the experience of your bank, is a "bank-certified copy" of a canceled check legal in a court of law?
- j. In the experience of your bank, can a "bank-certified copy" of a canceled check be sent back through the Federal Reserve System for purposes of recovering funds paid out due to a forgery?
- k. For the proposed controlled disbursement location:
  - \* What is the average time of the first presentment? \_\_\_\_\_
  - \* What is the average time of the second presentment? \_\_\_\_\_
  - \* What percentage of total daily presentments are represented by each of the above? \_\_\_\_\_

10. Information regarding ACH services:

- a. Over the past twelve months, what is your bank's volume of ACH direct deposit transactions?
- b. What are your bank's controls to prevent file loss and duplicate transmissions?
- c. What back-up systems are in place at your bank to ensure continuous processing of ACH transactions in the event of a "disaster scenario" at your operations center?
- d. Has your operations center experienced such a "disaster" within the past two years? Please provide details.
- e. Can your bank accept ACH file transmissions "around the clock"? If not, what are the cut-off times?
- f. What are the transmission "windows" to the Federal Reserve?
- g. Assuming employees' accounts should be credited by 9:00 a.m. on a Friday, what day and time must the ACH file be transmitted to your operations center?

- h. Assuming the County made its direct deposit ACH file available on a timely basis (by 3:00 p.m. two days before payday), how would your bank resolve a situation where employees' funds were not available at 9:00 a.m. on payday?
- i. Can your bank accept and process a direct deposit ACH file for "1 day ACH credit"?
- j. Does your bank provide acknowledgments when it receives an ACH file? If so, what information is required/provided?
- k. Are pre-notes required for new direct deposit employees?
- l. How does your bank handle ACH return items?
- m. Will ACH items (i.e., the direct deposit funding requirement) be reported via the daily presentments reporting system? Will they be segregated from the check presentments for reporting purposes?

11. Information regarding deposit activity:

- a. Does your bank support a system whereby individual depositing entities are assigned a dedicated identification number (a "Stat number") for purposes of performing deposit reconciliation?
- b. For posting of deposits into the General/Depository account, does the "Stat line # reference" from the deposit slip show as detail supporting the dollar amount posted?
- c. For a Book/Account transfer from one Cobb account to another, does the detail posting to the both accounts indicate the account to/from which the amount is coming/going?
- d. For merchant card activities, will the merchant number be shown as part of the detail supporting the dollar amount posted?
- e. What is the latest time of day a branch will accept a deposit for same-day credit?
- f. What is the latest time of day an operations center will accept a deposit for same-day credit?

12. Information regarding credit card processing:

NOTE:

THE COUNTY IS CONTEMPLATING A MORE COMPREHENSIVE, SEPARATE RFP FOR CREDIT CARD/MERCHANT SERVICES WHICH

WOULD ENCOMPASS THE BOARD OF COMMISSIONERS' UNITS INCLUDED IN THIS RFP AS WELL AS THOSE OF THE ELECTED OFFICIALS AND COURTS SYSTEMS. YOUR COST ESTIMATES FOR MERCHANT SERVICES WILL BE CAPTURED IN A SEGREGATED AREA OF THE "NET COST OF SERVICES" WORKSHEET. SHOULD THE SEPARATE RFP PROCESS MOVE FORWARD, YOUR ESTIMATES IN THIS RESPONSE WILL BE IGNORED.

- a. Numerous County agencies accept credit cards for payment of services and merchandise. Based on the following estimated annual volumes by location and assuming the use of electronic card verification and authorization equipment, what are your bank's discount rate and charges?

Annualize and show in Part IV, #56-61

1. Parks/Recreation facilities:		
Annual \$'s Charged		\$800,000
Average Charge		\$90
2. Cobblestone Golf Course:		
Annual \$'s Charged		\$1,800,000
Average Charge		\$60
3. Water System:		
Annual \$'s Charged		\$3,000,000
Average Charge		\$85
4. Business License		
Annual \$'s Charged		\$212,500
Average Charge		\$125
5. Cobb Community Transit		
Annual \$'s Charged		\$350,000
Average Charge		\$50
6. Senior Services		
Annual \$'s Charged		\$200,000
Average Charge		\$75

- b. The County's agencies accepting credit cards utilize Hypercom T7P equipment which they own. What would be your institution's charge to purchase this/or an equivalent piece of equipment for new facilities or replacement?
- c. Do you offer a rental option for such equipment? If so, what is the fee?
- d. If your institution is the successful proposer can the County retain all current merchant numbers or must new ones be assigned?

- e. Assuming locations can retain and use their current equipment, if your institution is the successful proposer will you provide any necessary equipment reprogramming and training for your merchant card system?

13. Information regarding your bank's investment operations and interest credits:

- a. Discuss your institution's capabilities in the area of investment advisory services. Include types of instruments in which you make markets and the types of research and educational material your institution publishes for the benefit of its customers.
- b. For purposes of crediting interest on idle cash balances in interest-bearing accounts, please determine a "market interest rate" and calculate the interest credit for the month of June and for twelve months as follows:

Average Collected Balance for June	\$10,000,000
Reserve Requirements, if any	(            )
Collected Balance Eligible to Earn Interest	
Market Interest Rate	%
June Days/Annual Days	30/360
Interest Credit for June	\$ _____
Annualize and Show in Part IV, #54	\$ _____

Provide a verifiable six-month history of the market interest rate beginning on January 1, 2006. Segregate the June 1-June 30, 2006 period in support of the market interest rate utilized in this calculation. Alternative interest calculations must be shown in Part IV, Item #54.

14. Information regarding FDIC/FICO coverage:

- a. Is your institution charged a fee for this coverage?
- b. How often per year are you assessed this charge by FDIC?
- c. On what balances (i.e., ledger, end of quarter) are you assessed this charge?
- d. Do you pass this fee on to your customer?
- e. If answer to 14.d is "YES", describe the formula and show the calculation and resulting charge based on an applicable bank balance of \$10,000,000. Annualize as appropriate and include in Part IV, #51.

15. Information regarding collateralization of public funds?

- a. In accordance with requirements of the Financial Institutions Reform, Recovery and Enforcement Act, ("FIRREA") will your institution enter into a collateral agreement supporting the "dedicated method " of securing deposits that:

- \* is in writing.
- \* is executed at same time the collateral is pledged.
- \* is approved by the bank's board of directors and/or loan committee.
- \* will become an official record of your institution continuously from the date of its execution.
- \* pledges appropriate securities whose market value is equal to at least 110% of the County's total deposits less the \$100,000 FDIC insurance.

16. Please furnish your institution's latest audited annual financial statements and latest quarterly financial report.

17. Please provide a map and listing of your institution's branch network within Cobb County.

PART II - INSTITUTION'S EXCEPTIONS AND/OR ALTERNATIVES PROPOSED SERVICES

Please fully explain any exceptions to the RFP'S specifications and any alternative services you propose in their place. Costs of these exceptions and alternative services should be carried forward to Part III of the "Banking Services Proposal Form" and shown in the "Other Charges/Exceptions" section IV, #52.

PART III – OTHER SERVICES UNDER CONSIDERATION BY THE COUNTY

The County requests information and pricing data for evaluation purposes on the following services. This information will not have a bearing on the results of this RFP process.

1-Electronic check conversion to ACH

Please provide a description of the service, any special equipment needs, and possible costs and/or savings associated with it.

**PART IV-NET COST OF SERVICES**

SERVICE TYPE	EXPLANATION/RFP SOURCE REFERENCE	ESTIMATED ANNUAL VOLUME	R.F.P. CHARGE PER ITEM	ANNUAL R.F.P. CHARGES
<b>ACCOUNTS:</b>				
1	DemDepAccts-Non-Master (19)	# of ACCOUNTS	228	0
2	DemDepAccts-Master (2)	# of ACCOUNTS	24	0
3	ContDisbAccts/ZeroBalance Accts (2)	# of ACCOUNTS	24	0
4	ZeroBalance Accts (10)	# of ACCOUNTS	120	0
<b>DEPOSIT ACTIVITIES:</b>				
<b>AT BRANCHES</b>				
5	Deposits	COUNT	2,700	0
6	Deposited Items Unencoded	# OF CHECKS	21,500	0
7	Disposable Night Bags	COUNT	2,200	0
8	Rolled Coins Requested	# OF ROLLS	200	0
9	Strapped Currency Requested	# OF STRAPS	12	0
10	Cash Deposited	\$ VALUE/ \$100	\$ 23,000	0
11	Deposit Corrections	COUNT	40	0
<b>AT MONEYCENTER/VAULT</b>				
12	Deposits	COUNT	11,100	0
13	Deposited Items Unencoded	# OF CHECKS	215,000	0
14	Disposable deposit bags	COUNT	5,300	0
15	Cash Deposited	\$ VALUE/ \$100	55,000	0
16	Deposit Corrections	COUNT	50	0
17	Redeposited Items	COUNT	2,700	0
18	Redeposited Items Charged Back	COUNT	2,100	0
19	Deposit Recon	DEPOSIT COUNT	11,100	0
<b>ACH ACTIVITIES:</b>				
20	ACH Misc. Items Paid/Charged to accounts	COUNT	2,700	0
21	ACH Files Processed-Water	COUNT	250	0
22	ACH Originated Items-Ppd Debit (Water)	COUNT	72,000	0
23	ACH Originated Items-Ppd Credit (Water)	COUNT	250	0
24	ACH Files Processed-Payroll	COUNT	26	0
25	ACH Originated Items-Ppd Credit (Payroll)	COUNT	163,000	0
26	ACH Files Processed-Accounts Payable	COUNT	40	0
27	ACH Originated Items-CTX Debit (Accts Pay)	COUNT	40	0
28	ACH Originated Items-CTX Credit (Accts Pay)	COUNT	100	0
29	ACH Returns	COUNT	850	0
30	ACH Reversal Requests	COUNT	40	0
<b>CHECKING/ACCOUNT RECONCILEMENT ACTIVITIES:</b>				
31	Full Recon-Checking Accounts	COUNT	73,000	0
32	Checking Accounts w/ PosiPay Feature (2)	# OF ACCOUNTS	24	0
33	Checks Issued-Payroll	COUNT	13,000	0
34	Checks Issued-Accounts Payable	COUNT	60,000	0
35	PosiPay Files Transmitted to Bank-Payroll	COUNT	26	0
36	PosiPay Files Transmitted to Bank-Accts Payable	COUNT	52	0
37	Cleared Checks File Transmitted by Bank to Cobb	COUNT	12	0
38	Stop Pays-Initiated Through Workstation	COUNT	200	0
39	PosiPay Exception Imaging	COUNT	400	0
40	CD Images of Cancelled Checks	COUNT	73,000	0
<b>TRANSFER/WIRE ACTIVITIES:</b>				
41	Domestic Wires (Cobb to another bank)	COUNT	500	0
42	Book Transfers (Cobb to same bank)	COUNT	250	0
43	Account Transfers (Cobb to Cobb)	COUNT	1,000	0
<b>FEDERAL AND STATE TAX PAYMENTS:</b>				
44	Federal	EACH PAYROLL	26	0
45	State	EACH PAYROLL	26	0
<b>TREASURY WORKSTATION:</b>				
46	All Access	ESTIMATED USERS ASSIGNED	3 USERS	0
47	Restricted Features Access	ESTIMATED USERS ASSIGNED	6 USERS	0
<b>SECURITY CUSTODIAL SERVICES:</b>				
48	SECURITIES HELD	ESTIMATED COUNT	40	0
49	SECURITIES PURCHASED	ESTIMATED COUNT	40	0
50	COUPONS	ESTIMATED COUNT	80	0
<b>FDIC COVERAGE:</b>				
51	CHARGES	EST. AVG LEDGER BALANCES	\$10,000,000	
<b>OTHER CHARGES/EXCEPTIONS:</b>				
52				
<b>53 TOTAL PROPOSED BANKING SERVICES CHARGES (SUM 1-52)</b>				\$ -
<b>INTEREST CREDIT</b>				
54	ON BALANCES (SHOW AS NEGATIVE ITEM)	EST. AVG COLLECTED BALANCES	\$10,000,000	
<b>55 TOTAL NET COST OF SERVICE - PRE MERCHANT SERVICES</b>				\$ -

<b>MERCHANT CARD SERVICES:</b>				
56	Water System	EST. \$s CHARGED/EST.AVG.CHG.	\$3,000,000/ \$85	0
57	Golf Course	EST. \$s CHARGED/EST.AVG.CHG.	\$1,800,000/ \$60	0
58	Business License	EST. \$s CHARGED/EST.AVG.CHG.	\$ 212,500/ \$125	0
59	Cobb Community Transit	EST. \$s CHARGED/EST.AVG.CHG.	\$ 350,000/ \$50	0

PART V - CONFLICT OF INTEREST

The institution certifies that to the best of its knowledge, no circumstances exist which will cause a conflict of interest in performing the services required by this contract; that no employee of the County, or any member thereof, or any public agency or official affected by this contract has any pecuniary interest in the contract; and that no person associated with the institution or his subcontractor(s) has any interest that would conflict in any manner or degree with the performance of the contract.

Should the institution become aware of any circumstances which may cause a conflict of interest during the term of this contract, the institution shall immediately notify the County. If the County determines that a conflict of interest exists, the County may require the institution to take action to remedy the conflict of interest or terminate the agreement without liability. The County shall have the right to recover any fees paid for services rendered to the institution which were performed while a conflict of interest existed and did not notify the County within one week of becoming aware of the existence of the conflict of interest.

PART VI - DECLARATION AND SIGNATURE AREA

The undersigned hereby declares that we have carefully examined the specifications for banking services for the Cobb County (Georgia) for which proposals were advertised to be received \_\_\_\_\_ and further declares that

\_\_\_\_\_  
INSTITUTION NAME

will provide the banking services per the County's specification if it is the successful institution other than exceptions explained.

Cobb County reserves the right to accept or reject any or all proposals, to waive any informality, and to accept all or any part of any proposal as it may deem to be in the best interest of the County.

DATE: \_\_\_\_\_

\_\_\_\_\_  
BANK

\_\_\_\_\_  
BANK ADDRESS

\_\_\_\_\_  
SIGNATURE OF AUTHORIZED BANK OFFICIAL

\_\_\_\_\_  
TELEPHONE NUMBER

\_\_\_\_\_  
FAX NUMBER