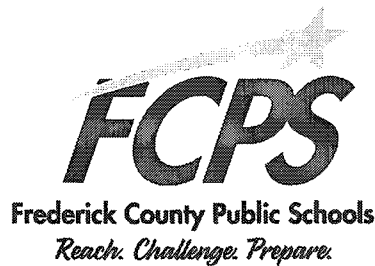


Purchasing Office
33 Thomas Johnson Drive
Frederick, Maryland 21702
301-644-5074 phone
301-644-5213 fax



Stephen P. Starmer, C.P.M., Purchasing Manager
Kim Miskell, Assistant Purchasing Manager
Billie Laughland, Buyer Specialist
Bill Meekins, Buyer Specialist
Scott Bachtell, Buyer Specialist

ADDENDUM

October 11, 2010

ADDENDUM #2

RFP #11-MISC-2, Banking and Procurement Card Services

RFP DUE DATE: October 15, 2010 @ 2:00 p.m. (at new location: FCPS/Purchasing Dept., 191 South East Street, Frederick, Maryland 21701)

REVISIONS:

Replace: Section 1 Item VI. p. 11

VI. Contract Period

Pricing shall remain firm for the duration of the initial contract period (five (5) years) with options to extend for two (2) additional two-year periods for a total of nine (9) years. Fee proposals indicating a willingness to hold prices for the term of the contract may receive preference in the analysis. **Contract renewals will be at the mutual consent of FCPS and the awarded firm.** Prior to a contract renewal, FCPS and the award firm will communicate regarding performance, revisions and modifications to this contract.

If either party chooses to not consent to a renewal, notification will be given to the other party no less than 90 days prior to the contract end date.

Section 8 Item B p. 44 –

Delete:

If written notice of acceptance of this Proposal is mailed, faxed, emailed or delivered to the undersigned within the time noted above, after the date of the opening of Proposals, or at any time hereafter before this Proposal is withdrawn, the undersigned agrees that it will execute and deliver a contract in the form prescribed by the Board of Education of Frederick County in accordance with the Proposal as accepted.

CLARIFICATIONS:

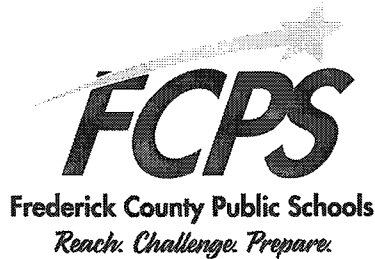
Technical responses that are too large for an envelope may be submitted via box package.

CLARIFICATIONS TO QUESTIONS:

This addendum is being issued to provide answers to questions that have been asked:

1. Section 1 VI says it's a five year term with options for two renewal terms of two years each. Whose option is it? Can the County exercise the options unilaterally or must the Bank consent?

Please see revisions above.



-
2. Section 8 B refers to a form of contract to be prescribed by the Board. Will the vendor have the opportunity to review the contract prior to award? Will FCPS consider using the Bank's form of agreement?

Please see revisions above.

3. Do you want a copy of our entire 10Q and 10K to be included in Section 3, Item IV, 6 Company Financial Condition?
Or can we refer you to our website?

Answer: As this is a bid submission we will require a hard copy to be included in the bid.

4. What section of the RFP should we include Procurement Card Rebate Schedule and Vendor Analysis. Should it be included in Appendix A Section 3, Item V, Procurement Card Project Approach or in Appendix B Procurement Card Cost Proposal?

Answer: Rebate schedules and vendor analysis are part of the cost proposal. Please include them in Appendix B

5. Information Services, Estimated Monthly values:

Previous Day Account 49
Current Day Account 46

Do these numbers include individual school accounts? If yes, are all these accounts linked for On-line access purpose or do the schools have separate login access to their own accounts?

Answer: Yes, these counts include schools with student activity accounts with our main bank currently. All of these accounts are accessible by the central office only, no individual school has the ability to log into the web based system.

6. Reconciliation Services:

Image Output CD volume 5300 TMA Code 151352 corresponds to Check Image(s) retrieved. Does the School system actually pull image of every check written?

Answer: No.

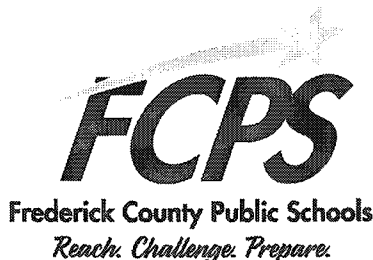
What is the frequency of receiving the Full Reconciliation files?

Answer: Monthly

7. Depository Services:

Cash deposits – per \$100 TMA Code 100600, Estimated Monthly Volume of 316
Is inconsistent with the actual TMA Code description of Deposit Recon Service.
Please explain.

Answer: TMA Code 100600 has been modified to an estimated monthly volume of 2,580 in Addendum #1.



-
8. Quantity of checks paid, as disclosed on the Cost Proposal pages in the RFP are quoted as 5,281. When reviewing the text of the RFP, Public Funds Banking, pages 23 – 25, the disclosed number of checks paid, totals 2,050. What account(s) represent the remaining 3,231 checks paid?

Answer: The amounts used on the original cost template for Checks paid, Issue Plan Reconciliation Items, Image Items and Output Transmissions were overstated. The quantities have been adjusted to 2,750 which is closer to what was stated in the narrative. The variance between the narrative and the cost template are the accounts which do not specify an amount of checks written monthly.

9. Page 10, Section IV 3. Experience and Page 51 – Please clarify what the FCPS is looking for: *Firms shall demonstrate that they have experience in the performance of similar services to those required by this solicitation, and shall provide information for up to ten (10) similar projects that your firm has administered in the past ten (10) years.* Wouldn't the references provided suffice?

Answer: References would suffice for experience. It's been noticed in other RFP's, however, that companies provided under experience may not be the company that the bid vendor wants to put down as a reference. This is why we offer the two separate sections.

Also: *Vendors must be able to demonstrate sufficient experience at providing electronic interface to PeopleSoft 8.8 financial management software.* What is the FCPS looking for here?

Answer: For the second question, we would like to see a company, or companies, that the bid vendor has experience with that also had the PeopleSoft 8.8 Financial package.

10. What is the difference between Section IV 3 and Section IV 5?

Answer: See above.

11. Page 11, Section IV 5. References: Due to privacy concerns/ requirements it is not feasible nor are we able to provide all education clients of the bank for the last 10 years with names and contact information. Similarly, it is not feasible nor are we able to provide all government entities and corporate accounts for which we provide procurement card services.

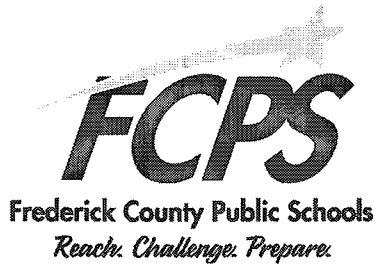
Answer: Provide us with whatever information that you can.

12. What are your average monthly ledger and collected balances for all accounts?

Answer: Our average ledger balance is \$5.6 Million and our average collected balance is \$5.5 Million.

13. FDIC is normally assessed based on the average ledger balance, the RFP does not give a sense of the average ledger balances for the 9 accounts. How should the vendors reflect this pricing?

Answer: The average ledger balance for the 9 main accounts is \$5.6 Million. Please price the FDIC charge using this average ledger balance and quote it bases on cost per \$100 monthly. The Cost Proposal template has been revised.



-
14. If a vendor does not recommend certain services in the RFP can they exclude them from the pricing in Appendix B?

Answer: Please clearly mark the service as "Not Recommended", but please indicate what the pricing would be if FCPS chooses to use this service. Please explain in the technical proposal why this service is not being recommended.

15. If the vendor is recommending one and not another service, do they still need to include the pricing, or should it be excluded?

Answer: Please clearly mark the service that is not recommended as "Not Recommended", but please indicate what the pricing would be for both the suggested and not recommended service. This will assist in the proposal reviews in case FCPS chooses to use the non-recommended service. Please explain in the technical proposal why the non-recommended service is not being recommended.

16. If the vendor is recommending a ZBA transfer and not a wire, do we still need to include pricing assessment?

Answer: Please modify the quantity if necessary, but indicate a cost per item.

17. Based on the information provided in the Frederick County Public Schools RFP, I was wondering if Custodial services would be needed in addition to the banking and procurement card services.

Answer: No, due to the nature of our cash flow, we do not require Custodial Services at this time.

Attachement: Revised Form of Proposal

I apologize for any inconvenience this may cause in the bidding process. Please do not hesitate to call me if you should have any questions. Contractors shall acknowledge receipt of this Addendum on the Form of Proposal.

Thank you for your interest in bidding with Frederick County Public Schools.

Sincerely,

Bill Meekins.
Buyers Specialist

BM/kppc: Ms. Leslie Pellegrino, Assistant Director of Fiscal Services
Bid File

The purpose of the Pre-Proposal Conference will be to allow vendors the opportunity to obtain clarification of the RFP and ask questions directly of FCPS staff to assist them in the preparation of proposals. Questions raised at the Pre-Proposal Conference which cannot be answered immediately will be answered in writing by addendum to this RFP by October 11, 2010. All prospective vendors will receive copies of all questions and answers.

V. Closing Date

One (1) original and four (4) copies of the Technical Proposal and Cost Proposal shall be submitted, or hand delivered to Frederick County Public Schools, 191 South East Street, 2nd Floor, Frederick, MD 21701, Attn: Purchasing Department, not later than 2:00 PM local time on October 15, 2010. **PLEASE NOTE THIS IS A DIFFERENT LOCATION FROM THE PRE-PROPOSAL MEETING DUE TO THE PURCHASING DEPARTMENT'S RELOCATION ON OCTOBER 1, 2010.** Technical and Cost Proposals must be submitted in separate envelopes or other mailing container showing the RFP number, vendor's name and address, and proposal due date on the outside. Proposals submitted after that time and date will be returned unopened. A Register of Proposals will be prepared publicly at the closing time. The Register of Proposals shall be open for inspection after award of contract.

VI. Contract Period

Pricing shall remain firm for the duration of the initial contract period (five (5) years) with options to extend for two (2) additional two-year periods for a total of nine (9) years. Fee proposals indicating a willingness to hold prices for the term of the contract may receive preference in the analysis. **Contract renewals will be at the mutual consent of FCPS and the awarded firm.** Prior to a contract renewal, FCPS and the award firm will communicate regarding performance, revisions and modifications to this contract.

If either party chooses to not consent to a renewal, notification will be given to the other party no less than 90 days prior to the contract end date.

VII. Proposal Acceptance

Price and service offers are irrevocable for ninety (90) days following the proposal due date. Any modifications made by the vendor, pursuant to discussions, and best and final offers are irrevocable for ninety (90) days after the date made. This period may be extended by mutual written agreement between the vendor and the Board of Education of Frederick County (the "Board"). Once a contract is awarded, all prices, terms and conditions shall remain unchanged throughout the contract period unless specifically agreed to otherwise by both the Board and the vendor in writing.

The Board reserves the right to accept or reject any or all proposals, waive informalities, and select the proposal(s) which will serve in its best interest.

Proposals must contain all of the required components and supplemental materials in order to be considered. Vendors are requested to be as complete and thorough as possible in their responses. Proposals failing to contain all required components and supplemental materials will be rejected as non-responsive.

Frederick County Public Schools
Cost Proposal - RFP 11-MISC-02 - Revised 10/11/10
Public Funds Banking

Vendor: _____

Services Description	TMA Code	Estimated Monthly Volume	Unit Cost	Total Cost
General Account Services				
Account Maintenance	010000	9		
Analysis Statements	010411	9		
Dual Statement Delivery	999999	7		
FDIC Charge (average ledger balance = \$5.6 Million)	000230	9		
Zero Balance Monthly Maintenance	010020	1		
Zero Balance Transfer - Debit	010112	35		
Zero Balance Transfer - Credit	010112	10		
Audit Confirmations	10630	1 (annual)		

Depository Services				
Deposit Tickets	102000	951		
Deposited Items (checks)	020052	7420		
Returned Deposit Item - Charge	100400	50		
Returned Deposit Item - Redeposit	100402	1		
Returned Deposit Items - Special Handling Fee	100401	1		
Cash deposits - per \$100	100600	2580		
Deposit Corrections	100500	1		
Coin Deposit - Separated	100044	1		
Night Drop Bags	100005	230		

Disbursement Services				
Checks Paid	150100	2750		
Automated Stop Payment Maintenance	151710	1		
Automated Stop Payment Inquiry	209999	1		
Automated Stop Payment Placed	150410	18		

Funds Transfer				
ACH Debits Received	250200	70		
ACH Credits Received	250201	76		
Incoming Wires	350300	4		
Mail Advice	350419	22		
Manual Repetitive Wires	350200	6		
Manual Non-Repetitive Wire	350401	1		
Automated Wire Monthly Maintenance	350000	1		
Repetitive Fed Wire	350300	6		
Non-Repetitive Fed Wire	350320	1		
Electronic Advice	359999	23		
Voice Domestic - Repetitive	350200	2		
Book Transfers (internal)	350129	10		
Incoming Book Transfers	999999	9		
Web Template Storage	999999	8		

Reconciliation Services				
Issue Plan Maintenance	200010	7		
Issue Plan Reconciliation Items	200110	2750		
Image Maintenance	151350	7		
Image Items	151352	2750		

Image Output CD	151353	6		
Output Transmission/Item	151351	2750		
Positive Pay - Base Fee (per Account)	150120	2		

Information Services

Internet Info Reporting Monthly Fee	400207	1		
Previous Day Account	400222	49		
Current Day Account	400225	46		
Internet Previous Day Images	999999	1		
Web Disbursement Check Inquiry	151352	200		
Web Disbursement Ad Hoc Image	151352	10		

Corporate Cash Sweep

Muni Sweep	450020	3		
Next Day Sweep Monthly Fee	510100	3		

Collateral/Surety Bond

Blanket Surety Bond (varies with account balance) or				
Posted Collateral (varies with account balance)				

Additional/Mandatory Items

Excess Checks Paid Rejects >1%	100230			
Excess Checks Paid Rejects >5%	100230			
Image Check Inquiry Maintenance	010620			
Checks Paid Summary	200020			
Manual Repo/Investment	450020			
Monthly Safekeeping/Custody Charges	450001			

Grand Total for Proposed Services - Monthly

x 12

Annualized Cost

These volumes are comprised of 9 main accounts: General Fund, Restricted Fund, Food Service Disbursement Account, Food Service Depository Account, Payroll, Construction, Self Insurance, Imprest Fund and Print Fund.

If there is a mandatory item not otherwise listed in the bid proposal, the bank is required to add it on, and total it as part of the bid.

The quantities and/or dollar values stated in the RFP are given as a general guide and represent a best estimate over a one month period.

Many of the items with a quantity of one, do not necessarily occur every month, but for our analysis we are assuming a worse case scenario.

Overnight Sweep Interest Rate Basis:

Explain Calculation of Sweep Interest: _____

Information Needed for Earning Credit Analysis

Average Investable Balance

\$6 Million

Vendor to indicate:

Earnings Credit Rate

Earnings Allowance

Please include any Pro Forma Earning Credit Analysis with this cost proposal.

Authorized Representative of the Vendor must execute below, binding the Vendor to the services and pricing contained herein.

Authorized Signature

Name: _____

Title: _____

Firm Name: _____

Date: _____

**Frederick County Public Schools
Cost Proposal - RFP 11-MISC-02 Revised 10/11/10
Direct Deposit Services**

Vendor: _____

Services Description	TMA Code	Estimated Monthly Volume	Unit Cost	Total Cost
FDIC Charge	000230	1		
Account Maintenance	010000	1		
Checks Paid Summary	159999	1		
ACH Maintenance	250000	1		
ACH Credits Received	250101	2		
ACH PPD Credits Originated	250107	13000		
ACH PPD Debits Originated	250107	2		
ACH Debits Received	250200	4		
ACH Returns - Electronic	250302	1		
Notification of Change - Electronic	250302	1		
ACH File Handling	250501	2		
Incoming FedWire Funds Transfer	350300	2		

Grand Total for Proposed Services - Monthly

x 12

Annualized Cost

If there is a mandatory item not otherwise listed in the bid proposal, the bank is required to add it on, and total it as part of the bid.

The quantities and/or dollar values stated in the RFP are given as a general guide and represent a best estimate over a one month period.

Authorized Representative of the Vendor must execute below, binding the Vendor to the services and pricing contained herein.

Authorized Signature _____

Name: _____

Title: _____

Firm Name: _____

Date: _____