

**HARRISBURG AREA COMMUNITY COLLEGE
REQUEST FOR PROPOSAL
#07-37
BANKING SERVICES
ADDENDUM #2
ANSWERS TO QUESTIONS**

APRIL 20, 2007

Question 1: NOTE: There were several questions concerning the ATM machines.

Answer 1: Harrisburg Area Community College has elected to remove the ATM portion from this Request for Proposal.

Question 2: Is the payroll direct deposit file being generated by the College's software a standard NACHA-formatted file? If not, please specify file layout.

Answer 2: The direct deposit file was provided in the format requested by our current banking institution and we should be able to accommodate most any format requested.

Question 3: The Federal Fund Accounts are described as "agency interest bearing accounts." Does this mean that they should not be interest-bearing at the bank?

Answer 3: No, HACC has agency accounts internally (fund accounting guidelines) and these accounts earn interest.

Question 4: Please specify the volumes of coin and cash purchases and deposits, by location if possible.

Answer 4: See excel spreadsheet attached with the RFP for specific detail by account.

Question 5: For accounts that routinely receive deposits, please provide the approximate monthly average of checks deposited per account.

Answer 5: See excel spreadsheet attached with the RFP for specific detail by account.

Question 6: Are any of the EFT transactions you mention true Fedwire transactions, or are they all next-day ACH? Also, is the college initiating these transactions through some type of ACH origination platform?

Answer 6: All are not ACH like payroll. Other wire transfers like debt service and lease payments are wired to day they are requested. We use repetitive transfer templates created by the bank in most cases. On occasion there are non-repetitive wires such as international travel payments.

Question 7: Is it possible for a bidder to be considered without providing ATMs? Or will bids submitted without proposing to include ATMs be automatically disqualified?

Answer 7: Yes

Question 8: Is the College's current bank providing ATMs that would have to be removed and replaced? In 2002, when proposals were last requested, this was also a requirement. However it appears that no new ATM's have been installed at either campus location, because only the two original PSECU ATM's are referenced.

Answer 8: No

Question 9: Under section B, Investment Services, number 2, Custodian (Safekeeping Services), is the RFP asking the servicing bank to hold securities in a separate custody account? If so, to provide pricing it would be helpful to know the Current Market value of the securities, the number of securities and the trading activity within the account on average on a monthly basis.

Answer 9: No. At times HACC may have a significant balance in the general operating account. The College needs these funds to be liquid for daily operating costs while still earning a competitive interest rate. I have seen this done through an overnight sweep to an investment or a separate HACC account at the bank where funds could reside until needed for operating expenditures. Note any deposits with the bank must follow ACT 72.

Question 10: Can you provide volume and monetary amount of coin and cash services (page 19, #2) and amount of unrolled coin deposits (page 19, #3)?

Answer 10: Actual numbers are unavailable ... amount of coins are minimal ... periodically throughout the year during book-buyback (three time a year), the bank will receive a check requesting "change" in the form of \$1, \$5, \$10, and \$20's for approximately \$200,000 each time in order to pay the students for their books; otherwise, minimal requests for change are made.

Question 11: General Account; Please explain the difference between Number of College Transfers to/from the General Account. Are they Wire Transfers, ACH Transfers or Zero Balance Transfers. Please breakdown the number of each type of transfer and disclose whether they are credits or debits. If they are simply Zero Balance Transfers....no explanation is required.

Answer 11: The operating account transfers to payroll and student refund accounts are zero balance transfers. There are both ACH and wire transfers in and out of the operating account but only out of the plant fund account. The Stafford loan account will ACH transfers in. All other movement between HACC's accounts are just book entries.

Question 12: All Other Accounts; Please define EFT...Are they simply ACH transactions or do they also include Wires transfers. If these transactions include both types of applications, please breakdown the number of each type of transaction.

Not including Zero Balance Accounts, how do you transfer funds between accounts at your Bank.....some sort of internal bank transfer on -line? Do you originate through paper debit or credit? Or, through the use of ACH origination? Please explain....

Answer 12: Both ACH and EFT are included in these numbers But the great majority are ACH transfers EFT transfers are more involved with the operating accounts. Being a college, we are involved with some EFT's for handling our federal and state funds.

HACC uses our current bank's features for allowing us to handle these online transfers via their internal systems.

Question 13: Are you using book value or market value for your threshold for the stockholder equity?

Answer 13: Market value is acceptable.

Question 14: Would you please provide the number of deposited items for each of the accounts. You provide the number of deposits, but not the number of items included in these deposits.

Answer 14: Information is not available.

Question 15: Related to Exhibit D: Please elaborate on the Printing Services and Outgoing Collection Services that HACC is requesting.

Answer 15: Printing Services: items such as Deposit Slips -- Outgoing Collection Services: Item such as NSF Checks

Question 16: Related to E) Invoices & Statements and G) Payment: The language in the requirements doesn't appear to be for banking services. Are you expecting an invoice number to be included with each Analysis statement?

Answer 16: Not Applicable

Question 17: RE: the current ARMS on campus.

- a) What is the student, staff population of the main campus and the Lebanon Campus where PSECU ARMS are installed.
- b) In which buildings are these ARMS installed?
- c) What are the hours these buildings are accessible ?
- d) Are these ARMS remaining? If they are under contract when does the contract expire? What is the Surcharge at these ARMS ? Would an ATM provider offering to place ARMS in the two locations requested, be able to offer to replace this ARMS contingently?

Answer 17: Harrisburg Area Community College has elected to remove the ATM portion from this Request for Proposal.

Question 18: By campus, what % and number of the students, faculty are part time/full time - students degree vs returning ed? By Semester?

What are the after hour security arrangements on campus?

Are there times of the year the building you suggest placing the ATM will be closed?

What directional signage exists or other means of advertising locations and availability of ARMS?

Will the ATM provider be able to reach out to students and faculty on campus and in enrollment materials to offer banking services?

In the buildings you are requesting ARMS, what's the distance from the ATM to the telecom D-Mark coming into the building?

Will a revenue sharing arrangement above ATM operating costs be attractive?

Answer 18: Harrisburg Area Community College has elected to remove the ATM portion from this Request for Proposal.

Question 19: Please clarify the balance amounts on the spreadsheet – aggregate total for the year? Collected balances or ledger balances?

Answer 19: Average Balance in the G/L for these accounts

Question 20: Page 16, #4b. and page 17, #8 states accounts are non-interest bearing. #12 states they should be interest bearing.

Answer 20: #12 begins with saying "with the exception to..# 4 ...#7...#8."

Question 21: Please distinguish between ACH transactions and wire transfers and the respective totals.

Answer 21: Most transfers at ACH such payroll. Other wire transfers like debt service and lease payments are wired to day they are requested. We use repetitive transfer templates created by the bank in most cases.

Question 22: Page 18, C.1, second paragraph refers to a "...per tape charge for each payroll." Are your payroll files not transmitted via the Internet or by direct transmission?

Answer 22: This is old school wording ... a file transfer if done via the internet.