



February 20, 2008

**REQUEST FOR QUALIFICATIONS
RFQ 08-36
INSTITUTIONS FOR INVESTMENTS**

HACC, Central Pennsylvania's Community College is requesting information from Financial Institutions that provide Investment Services. This request solicits information on the capabilities of financial institutions and broker/dealers for admission to our approved institutional investment's list. Respondents are advised that this is NOT an offer to enter into a contract.

Based on the information supplied, HACC, Central Pennsylvania's Community College will pre-qualify Respondents to this Request for Information to be included on the approved financial institution and brokers/dealers list.

Responses will be due on or before 1:30PM on Thursday, **March 6, 2008**. The Responses must be returned to HACC, Central Pennsylvania's Community College, One HACC Drive, Harrisburg, PA 17011, Whitaker Hall, Room W130A to the attention Garry Crider, Director of Purchasing. All responses to the Request for Information must be typed.

Respondents will find attached "**Criteria for Selecting Qualified Institutions for Investments**" (Attachment A). Respondents are asked to answer the questionnaire and return in sealed envelopes.

Requests for written explanation or clarification shall be made in writing and submitted via email (tjfogart@hacc.edu) or faxed (717-780-2325) to the attention of Thomas Fogarty, Executive Director of Business and Auxiliary Services. Such requests must be received no later than Thursday, February 28, 2008, by 11: 30 AM. Responses will be returned no later than Monday, March 3, 2008.

We look forward to your response and the sharing of information.

Attachments:

Attachment A - HACC, Central Pennsylvania's Community College, Criteria for Selecting Qualified Institutions for Investments

ATTACHMENT A

HACC, CENTRAL PENNSYLVANIA'S COMMUNITY COLLEGE CRITERIA FOR SELECTING QUALIFIED INSTITUTIONS FOR INVESTMENTS

Harrisburg Area Community College ("HACC") shall maintain a list of financial institutions and brokers/dealers that are approved for investment purposes ("Qualified Institutions").

Interested depository institutions must meet the following requirements to be eligible to serve as a Qualified Institution:

- 1) A national banking association, Federal Savings and Loan Association or Federal Savings Bank located in Pennsylvania or any bank, trust company, local government investment pool and/or money market mutual fund, or savings institution organized under Pennsylvania law;
- 2) Capital of no less than \$10,000,000;
- 3) The firm and assigned account representative have been engaged in the business of providing bank services and bank products for at least three (3) consecutive years.

Interested brokers/dealers must meet the following requirements to be eligible to serve as a Qualified Institution:

- 1) "Primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
- 2) Capital of no less than \$10,000,000;
- 3) Registered as a dealer under the Securities Exchange Act of 1934;
- 4) Member of the Financial Industry Regulation Authority ("FINRA");
- 5) Member of the Securities Investor Protection Corporation Insurance;
- 6) Registered to sell securities in Pennsylvania; and
- 7) The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least three (3) consecutive years.

All brokers, dealers and other financial institutions deemed to be Qualified Institutions shall be provided with current copies of HACC's Investment Policy. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which HACC transacts business.

In addition, all financial institutions interested in transacting securities trades with HACC are required to complete the attached questionnaire.

DEPOSITORY & FINANCIAL INSTITUTION QUESTIONNAIRE

A. QUALIFICATIONS AND EXPERIENCE – All respondents must provide this information.

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.
2. Provide the address of the office location(s) that will service the account.
3. Describe the experience of the financial institution in providing similar banking and cash management services for governmental entities.
4. Include a copy of the most recent audited annual financial statement and the latest 10-K report with the proposal.
5. Provide a list of the bank's holidays.

B. PERSONNEL – All respondents must provide this information.

1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account
2. Provide biographical information on the bank officers that will be directly involved in the management of HACC's account, and what, if any, experience these employees have in working with public institutions and agencies. For each person, show the number of years of experience in this field, the number of years with your firm, and their office location. Describe the proposed role of each with regard to HACC's account.

C. SERVICE GROUP SPECIFIC QUESTIONS – Respondents should provide the requested information only for the service categories for which they are proposing.

Service Group 1: Approval of Eligible Broker-Dealers

1. Please provide the address of the firm providing broker-dealer services.
2. Please provide the contact information for the person(s) to call when executing a trade.
3. Provide background information concerning the account representative listed in Question #2. Please include information on the individual's employment history as it relates to the securities industry, official licenses and certificates, the history and details of any disciplinary actions or complaints.
4. Has/have the representative(s) listed in response to Question #2 been authorized by the firm to be an account representative for HACC? If yes, by whom?
5. Please list the name of the immediate supervisor of the account representative.
6. Is your firm a member of FINRA? If not, why?
7. Place an "X" by each regulatory agency that your firm is examined by and/or subject to its rules and regulations.

FDIC	_____	Comptroller of the Currency	_____
SEC	_____	Federal Reserve System	_____
NYSE	_____	Other	_____

Other (Please specify) (example: State Regulatory Agency). Multistate firms please note: It is not necessary to include regulatory agencies which do not have jurisdiction over your firm's activities in Pennsylvania.

8. Have you obtained all required licenses to operate as a broker/dealer in the Commonwealth of Pennsylvania?
9. If you are not a bank, please provide the following information regarding your principal banking relationship: (i) bank name, (ii) address, (iii) contact person, (iv) telephone number, and (v) length of relationship.
10. Place an "X" next to each of the instruments set forth below in which you make (have) an active market (both buy and sell)

T-Bills	_____	Treasury Notes	_____
BAs	_____	Commercial Paper	_____
CDs	_____	FNMA	_____
FHLMC	_____	FHLB	_____
Other Federal Agencies (Please Specify)			_____

11. Does your firm specialize in any of the instruments listed above? If so, please specify which ones.
12. To the best of your knowledge, has there been any "material" litigation, arbitration, or regulatory proceedings, either pending, adjudicated or settled, that your firm has been

subject to within the last five years that involved issues concerning the suitability of the sale or purchase of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to an institutional client? If so, please describe each such matter briefly. For purposes of this section, proceedings are “material” if your independent accountant, applying generally accepted accounting principals, determines that such proceedings require disclosure on your financial statements.

13. Please provide any additional information that you believe is pertinent but not specifically requested elsewhere.

Service Group 2: Approval of Eligible Depository Institutions

1. Please provide the contact information for the person(s) to call when requesting investment rates and terms/conditions.
2. With respect to the standards for collateralizing public deposits, please complete the following table with a *Yes* or *No* answer:

<u>Insurance and Collateralization Questions</u>	<u>Yes / No</u>
1. Will the collateral be marked to market at least once a month?	
2. Will the market value of the collateral be equal to at least 102% of the amount of the applicable public deposits (in excess of FDIC insurance)?	
3. Will the collateral consist solely of either full faith and credit obligations of the United States government or fixed rate obligations of agencies or instrumentalities of the United States Government?	
4. Will the collateral be held by the custodian in a separately designated Act 72 pledge account (the “Act 72 Account”)?	
5. Will the bank automatically provide an Act 72 letter on a monthly basis with information regarding the aggregate applicable public funds deposits being secured by the collateral and a listing of the collateral?	
6. Will the collateral presented show both the market value and the par value?	
7. Will the bank determine the value of collateral in good faith based on an independent third party vendor?	
8. Will the bank provide in its monthly report and in writing its collateralization policies and procedures (e.g., specific securities used as collateral, valuation source, frequency and methodology, safekeeping of collateral, collateral margin relative to HACC deposits and other public fund deposits, procedures for curing collateral valuation deficiencies)?	
9. Will the bank periodically provide financial data with regards to its credit ratings and credit standing?	

Please provide a collateral report as of December 31, 2007, that shows:

- Total balance of public funds secured in the pool less the portion covered by FDIC
 - Total market value of securities in the pledged portfolio
 - Full description of each security held in the ACT 72 pledge account including security description (issuer name, CUSIP, coupon rate, maturity date, etc.), par value, and market value as of December 31, 2007.
3. Can any maturity date for purchase of a CD be accommodated? If no, what specific maturity ranges are allowed?
 4. How will rates be quoted (actual / 360)? When will interest be posted?
 5. Any additional information you deem necessary to fully understand your suggested investment vehicle.
 6. For any of these investment solutions, do you impose any additional fees or charges? If so, please describe.
 7. As of January 1, 2006, and thereafter, each bidder will disclose whether it was acquired; did acquire; or will be acquired or acquiring another banking institution (if so, specifically the institution, address, date of acquisition, and amount of assets acquired). Please reveal if the financial institution has ever been under management supervision of any federal or state regulatory agency.
 8. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

Service Group 3: Approval of Local Government Investment Pools & Money Market Mutual Funds

1. Please provide the contact information for the person(s) to call when requesting investment rates and terms/conditions.
2. Please provide a copy of the most recent detailed collateral/portfolio report.
3. Can any maturity date be accommodated? If no, what specific maturity ranges are allowed?
4. How will rates be quoted (actual / 360)? When will interest be posted?
5. Please provide fixed-rate, fixed-term, investment rates as of January 15, 2008, for a \$97,000 and a \$500,000 deposit with the following maturities: 30, 60, 90, 120, 180, 270, and 360 days.
6. HACC may desire to utilize a AAA rated money market mutual fund or a AAA rated pooled investment account, consisting only of securities consistent with HACC's Investment Policy. This account should offer check-writing privileges (please note any restrictions). Please respond to the following:
 - Average maturity of the fund
 - Identify all fees associated with the fund and basis for calculation
 - Net yield (net of all expenses) on a monthly basis for the past two years
 - Any special features
 - Include a recent prospectus/information statement (where applicable)
7. Any additional information you deem necessary to fully understand your suggested investment vehicle.
8. For any of these investment solutions, do you impose any additional fees or charges? If so, please describe.
9. As of January 1, 2006, and thereafter, each bidder will disclose whether it was acquired; did acquire; or will be acquired or acquiring another banking institution (if so, specifically the institution, address, date of acquisition, and amount of assets acquired). Please reveal if the financial institution has ever been under management supervision of any federal or state regulatory agency.
10. Please provide any additional information that you believe to be pertinent but not specifically requested elsewhere.

Service Group 4: Information to be submitted in a separately sealed envelope:

The following information must be submitted in a separately sealed envelope from the above responses labeled RFQ – Financial Data and mailed to:

HACC, Central Pennsylvania's Community College
One HACC Drive
Harrisburg, PA 17110
Attn: Garry Crider
Director of Purchasing
Purchasing Department
Whitaker Hall, Room W130A

1. Please provide CD rates as of January 15, 2008, for a \$97,000 and a \$500,000 deposit with the following maturities: 30, 60, 90, 120, 180, 270, and 360 days.
2. In lieu of a traditional certificate of deposit, do you offer an overnight investment vehicle that could also be considered? If yes, provide return history on a monthly basis for the twenty-four month period from January 2006 through December 2007. If applicable, please list the index by which the interest rates will be benchmarked. Will balances be subject to the 10% reserve requirement?
3. Please provide fixed-rate, fixed-term, investment rates as of January 15, 2008, for a \$97,000 and a \$500,000 deposit with the following maturities: 30, 60, 90, 120, 180, 270, and 360 days.

HACC, Central Pennsylvania's Community College
Request for Qualification
08-36 – INVESTMENT SERVICES

HACC, Central Pennsylvania's Community College is requesting information that provides INVESTMENT SERVICES. A copy of the Request for Qualifications # 08-36 Investment Services may be obtained at: www.hacc.edu (click on "Business & Community" – under "Purchasing", click on "Request for Proposals") beginning Wednesday, February 20, 2008. Responses due by 1:30PM on Thursday, March 6, 2008 in Whitaker Hall room 130A. HACC, Central Pennsylvania's Community College reserves the right to accept or reject any or all Proposals. HACC is committed to providing opportunities for Minority Business Enterprises (MBE), and Woman Business Enterprises (WBE). HACC encourages MBE and WBE firms to submit a Proposal for the Work and all bidders to proactively solicit MBE and WBE firms in the bidding and subcontracting process.