



THE TEXAS A&M UNIVERSITY SYSTEM

Office of HUB & Procurement Programs

REQUEST FOR PROPOSAL
RFP Number: RFP01 TRSY-16-012
Banking Services

PROPOSAL MUST BE RECEIVED BEFORE:
2:00 P.M. CENTRAL TIME ON MAY 31, 2016

MAIL, HAND DELIVER, OR EXPRESS MAIL PROPOSAL TO:

Attention: Jeff Zimmermann
The Texas A&M University System
Office of HUB & Procurement Programs
301 Tarrow, Suite 366
College Station, TX 77840

Show RFP Number, Opening Date and Time on Response Envelope/Package

NOTE: PROPOSAL must be time stamped at the Office of HUB & Procurement Programs before the hour and date specified for receipt of proposal.

Pursuant to the Provisions of Texas Government Code Title 10 Subtitle D Chapter 2156.121 - 2156.127, sealed proposals will be received until the date and time established for receipt. After receipt, only the names of proposers will be made public. Prices and other proposal details will only be divulged after the award, if one is made.

REFER INQUIRIES TO:

Jeff Zimmermann
Director, Procurement & Business Services
The Texas A&M University System
email: JZimmermann@tamus.edu

All proposals shall become the property of the State of Texas upon receipt. Proposals may be subject to public review after contracts have been executed. Refer to Section 2.8 for more information regarding public information.

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SECTION 1 INTRODUCTION

1.1 Introduction

The Texas A&M University System (A&M System) is seeking proposals from interested vendors to provide banking services for the A&M System. The services include lead bank services including, but not limited to controlled disbursement accounts, zero balance accounts (ZBAs), wire transfers, automated clearinghouse (ACH), online information inquiry and local depository services. Each section (service) has information regarding requirements. The current provider is Wells Fargo Bank and the contract will expire on April 30, 2017.

By submitting responses, each RESPONDENT (also referred to herein as “Vendor”) certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity 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. Each RESPONDENT also certifies that it understands that all costs relating to preparing and responding to this RFP will be the sole responsibility of the RESPONDENT.

Below is a list of services and requirements that are part of the scope of this RFP. Proposals that do not include these services may not be considered for award. Please indicate in your cover letter that you can provide each of these services.

- Collateral – The A&M System requires that total ledger balances be covered at the end of each day. A surety bond in the amount of \$25 million has been determined to be the best method to satisfy this requirement as it reduces risk of non-coverage and eliminates the timely process of adjusting pledged securities on a daily basis.
- Fraud Controls – The A&M System utilizes payee positive pay, ACH review (ability to review and decision incoming transactions), and controls to prevent checks from paying on accounts without positive pay services. Positive pay services must include the ability to retrieve images when reviewing items and must have long time windows in which decisions can be made.
- Controlled Disbursement Accounts – The A&M System uses a tiered ZBA structure to manage cash (each university/agency maintains a concentration account that funds two or more controlled disbursement accounts, as well as other specific purpose accounts, and each concentration account zeros to a master concentration account each night). Over the counter same day debits cannot be applied to the controlled disbursement accounts – only Federal Reserve Bank presentments and electronic transfer initiated by the A&M System.
- Remote Deposit Capture – The bank must offer a product to submit deposits remotely.
- Online Cash Management Module – The A&M System does not utilize third party software to consolidate cash. The bank should offer a product to consolidate all balances held at the bank that will roll up to the master account. The A&M System will initiate a transfer each day to either fund shortages or invest balances in the master account. The target balance for the master account is approximately \$150,000 to cover any unknown or unplanned transactions.
- Electronic and Information Resources Requirements (EIR) – Web pages for the online product must be accessible by disabled employees. Responding banks MUST submit a VPAT which documents accessibility. Failure to submit a VPAT may disqualify the proposal.
- Wire Transfers – Late cut-off is required – at least until 4:00 p.m. CT.
- Customer Service - Dedicated service representative is required to handle requests for research, ACH assistance, new accounts, signature card updates and other routine requests. A dedicated service representative or relationship manager located in the College Station area is preferred.
- Courier Service – Pick up of deposits is required for the College Station area, Baylor College of Dentistry in Dallas, and Texas A&M University at Galveston. The bank is expected to contract for these services and pass through the cost via account analysis.

1.2 Background

Treasury Services is a department of the Office of the Chief Investment Officer and Treasurer and oversees the banking requirements of the A&M System. For further information regarding the A&M System and its members, please visit <http://www.tamus.edu/>.

The Texas A&M University System was created in 1948 and is charged with providing and coordinating higher education, research, and extension activities for the people of the State of Texas. The A&M System is composed of eleven universities, seven state agencies, a health science center, and the system offices. The A&M System is governed by a Board of Regents appointed by the Governor. Currently serving on the Board are:

- Cliff Thomas, Victoria, Chairman – term expires 2017
- Elaine Mendoza, San Antonio, Vice Chairman – term expires 2017
- Judy Morgan, Texarkana – term expires 2017
- Anthony G. Buzbee, Houston – term expires 2019
- Morris E. Foster, Belton – term expires 2019
- Charles W. Schwartz, Houston – term expires 2019
- Phil Adams, Bryan – term expires 2021
- Robert L. Albritton, Fort Worth – term expires 2021
- Bill Mahomes, Dallas – term expires 2021
- Alvaro Gabriel Pereira, College Station, Student Regent – term expires 2016

Proposers are required to disclose any relationships with members of the Board of Regents and/or any relationships with the employees of The Texas A&M University System and its member institutions that may present a conflict of interest.

The A&M System educates more than 143,000 students and makes more than 22 million additional educational contacts through service and outreach programs each year. In 2015, externally funded research expenditures exceeded \$932 million to help drive the state's economy. The System members are briefly described as follows:

- 1.2.1. System Offices – The executive offices responsible for providing leadership and establishing general policies and procedures for the effective administration of the System and its member institutions and agencies. The office is located in College Station.
- 1.2.2. Texas A&M University – The land, sea and space grant university of Texas. Established in 1876, Texas A&M is located in College Station.
- 1.2.3. Prairie View A&M University – A general academic institution established in 1874 and located in Prairie View.
- 1.2.4. Tarleton State University – A general academic institution established in 1917 and located in Stephenville.
- 1.2.5. Texas A&M International University – A general academic institution established in 1969 and located in Laredo.
- 1.2.6. Texas A&M Health Science Center, an academic unit of Texas A&M University – The Health Science Center was founded in 1999 and transitioned into an academic unit of Texas A&M University in 2013 to include the College of Medicine, the College of Nursing, Irma Lerma Rangel College of Pharmacy, the School of Public Health, Baylor College of Dentistry (Dallas), Coastal Bend Health Education Center, Institute of Biosciences & Technology, and the Center for Innovation in Advanced Development & Manufacturing.
- 1.2.7. Texas A&M University-Corpus Christi – A general academic institution established in 1947 and located in Corpus Christi.
- 1.2.8. Texas A&M University at Galveston, a branch of Texas A&M University – A special purpose institution for instruction in naval sciences and marine resources located in Galveston.
- 1.2.9. Texas A&M University-Kingsville – A general academic institution established in 1925 and located in Kingsville.
- 1.2.10. Texas A&M Agrilife Research – The state's agricultural research agency, founded in 1887. Headquartered in College Station with major Research & Extension Centers in Amarillo, Beaumont, Corpus Christi, Dallas, El Paso, Lubbock, Overton, San Angelo, Uvalde, Vernon, and Weslaco. Smaller stations are located throughout Texas.
- 1.2.11. Texas A&M Agrilife Extension – The state's agricultural service agency of Texas. Headquartered in College Station, with offices in each county seat and regional offices located in strategic Texas cities.
- 1.2.12. Texas A&M Engineering Experiment Station – The state's engineering research agency; established in 1914 and headquartered in College Station.
- 1.2.13. Texas A&M Engineering Extension Service – The engineering service agency responsible for providing occupational and technical training to the citizens of Texas. Established in 1948 and headquartered in College Station with regional training centers in Houston, Dallas, San Antonio, El Paso, Laredo and Abilene.

- 1.2.14. Texas A&M Forest Service – This agency is responsible for forestry within the State of Texas, including the prevention of forest fires, enforcement of forestry laws, collection of forestry data and forestry research. Organized in 1915, it is headquartered in College Station with offices located throughout Texas.
- 1.2.15. Texas A&M Transportation Institute – A research agency charged with developing and refining transportation systems available in Texas. Created in 1950, it is headquartered in College Station with offices in Dallas, Arlington, Austin and Houston.
- 1.2.16. Texas Veterinary Medical Diagnostic Laboratory – The state diagnostic laboratory serving the veterinary and livestock industries in Texas. Established in 1967, it is headquartered in College Station with offices located throughout Texas.
- 1.2.17. West Texas A&M University – A general academic institution founded in 1910 and located in Canyon.
- 1.2.18. Texas A&M University-Commerce – A general academic institution founded in 1889 and located in Commerce.
- 1.2.19. Texas A&M University-Texarkana – A general academic institution founded in 1971 and located in Texarkana.
- 1.2.20. Texas A&M University-Central Texas – An upper-level academic institution established as a stand-alone university in 2009 and located in Killeen.
- 1.2.21. Texas A&M University-San Antonio – An upper-level academic institution established as a stand-alone university in 2009 and located in San Antonio.

1.3 Scope of Proposal and Contract Term

The Texas A&M System is seeking Request for Proposals (RFPs) to enter into an agreement(s) for banking services for the A&M System as specified and listed in Section 6 of this RFP.

Should the A&M System, in its sole discretion, enter into an agreement with the successful RESPONDENT as a result of this RFP, the agreement shall be effective from May 1, 2017 through April 30, 2022. The agreement may be extended for five (5) additional years, providing all parties mutually agree on the extension. Any extensions shall be at the same terms and conditions plus any approved changes to be determined by the A&M System and negotiated in writing with the successful respondent.

1.4 Priorities/Expectations

RESPONDENTS should note the following priorities/expectations with regard to the possibility of TAMUS establishing a contractual relationship with any RESPONDENT:

- (a) *Ensuring a Quality Level of Service.* This priority encompasses the quality of the level of service that can be provided to all TAMUS customers in a timely, cost effective manner. TAMUS is seeking a RESPONDENT that will ensure the provision of such quality in its delivery of service through proven training techniques and established metrics.
- (b) *Level of Experience and Expertise.* RESPONDENT must demonstrate its capabilities in providing the utmost level of experience and expertise to ensure a successful solution as determined by TAMUS. RESPONDENT shall provide information describing the RESPONDENT'S managed services and project execution experience, including the experience of the resources, account managers, and other key personnel on similar engagements, including past experience within the Texas A&M University System.
- (c) *Delivery Efficiency as it Relates to Total Costs.* RESPONDENT must demonstrate its ability to deliver the required solution in a cost-effective and timely manner while not sacrificing the quality required by a Tier I research System.
- (d) *Financial Stability.* RESPONDENT must demonstrate its financial stability and capabilities in providing the required solution.

SECTION 2 GENERAL INFORMATION

2.1 Instructions

This RFP outlines requirements as specified in Section 4. Submittals are to be in accordance with the outline and specifications contained herein, are to remain in effect until an agreement is executed prior to May 1, 2017. A statement to this effect should be contained in the RESPONDENT's cover letter.

This RFP contains specific requests for information. RESPONDENTS are encouraged to examine all sections of this RFP carefully, in that the degree of interrelationship between sections is critical. In responding to this RFP, RESPONDENTS are encouraged to provide any additional information they believe relevant.

Clause headings appearing in this RFP have been inserted for convenience and ready reference. They do not purport to define, limit or extend the scope of intent of the respective clauses. Whenever the terms "must", "shall", "will", "is required", or "are required" are used in the RFP, the subject being referred to is to be a required feature of this RFP and critical to the resulting submittal.

In those cases where mandatory requirements are stated, material failure to meet those requirements could result in disqualification of the RESPONDENT's response. Any deviation or exception from RFP specifications must be clearly identified by the RESPONDENT in its submittal.

Each proposal shall be prepared simply and economically, providing a straightforward and concise description of RESPONDENT's ability to meet the requirements of this RFP. Emphasis shall be on completeness, clarity of content and responsiveness to the offer requirements. Expenses for developing and presenting submittals shall be the entire responsibility of the RESPONDENT and shall not be chargeable to TAMUS. All supporting documentation and manuals submitted with this submittal will become the property of TAMUS.

All technical questions concerning this RFP are to be directed to Jeff Zimmermann, Director, Procurement and Business Services, in writing, at zimmermann@tamus.edu. RESPONDENT may not contact other individuals at TAMUS to discuss any aspect of this RFP, unless expressly authorized by the Procurement Office to do so. Questions regarding the RFP, including questions for more data or information beyond that included in this RFP and attachment, should be presented in writing. **Deadline for submission of questions is by 5:00 P.M. May 12, 2016.** TAMUS will publish all questions with responses according to the schedule in Section 2.2.

2.2 Calendar of Events *

<u>Activity</u>	<u>Date</u>
Release of Request for Proposal	April 26, 2016
Release of Addendum 1 (if applicable)	May 6, 2016
Deadline to Submit Questions	May 12, 2016
Release of Addendum 2 (if applicable)	May 17, 2016
Responses Due	May 31, 2016 by 2:00 PM CT
Onsite Presentations for Finalists	TBD
Award	TBD
Service Start Date	May 1, 2017

* TAMUS will make every effort to adhere to the above schedule. The schedule, however, is subject to change. This may be in the event that further clarification of responses or terms of contract are in the best interest of TAMUS and/or in the event TAMUS requires more time to assure that the selection of the RESPONDENT is in accordance with its policies, rules and regulations, as well as actual timing needs.

2.3 Proposal Submission Instructions

All proposals must be received by TAMUS no later than 2:00 P.M. Central Time, May 31, 2016, in a sealed envelope or package marked "RFP01 TRSY-16-012 Banking Services".

Proposals are to be submitted to:

**MAIL, HAND DELIVER, AND /OR
EXPRESS MAIL SUBMITTAL TO:
The Texas A&M University System
Office of HUB & Procurement Programs
301 Tarrow, 3rd Floor, Suite 366
College Station, TX 77840
Attn: Jeff Zimmermann**

Late proposals will not be considered under any circumstances. Proposals submitted via telephone and/or facsimile (fax) are not acceptable under any circumstances.

2.4 Proposal Components

The documents and all requirements from noted sections listed below are to be returned as part of your proposal submittal. Failure to include these documents may be basis for response disqualification. The proposal should be organized as follows:

- ✓ Table of Contents
- ✓ TAB 1: Cover Letter, Execution of Offer and Non-Collusion Affidavit
- ✓ TAB 2: HUB Subcontracting Plan – Section 2.9 (if not applicable a statement to this affect shall be included)
- ✓ TAB 3: Voluntary Product Accessibility Templates (VPAT) – Section 4.5
- ✓ TAB 4: Questionnaire – Section 4.2
- ✓ TAB 5: Pricing Forms followed by pro-forma account analysis statement
- ✓ TAB 6: Vendor forms (if applicable) – any forms that the RESPONDENT may require of TAMUS

Additional tabs as necessary: Product descriptions and other items pertinent to the proposal, but not specifically requested.

RESPONDENT shall provide one (1) original copy, three (1) additional hard copies, and two (2) electronic copies of the complete RFP response as specified above. Note: The electronic copy shall be combined in a single file.

All electronic copies must either be in Microsoft Office software or Adobe Portable Document Format (PDF). All image files must be in one of the following formats: .jpg, .gif, .bmp, or .tif and submitted on a CDROM or thumb drive. We prefer image files to already be inserted as part of a document such as a PDF. Individual image files on the electronic media must be clearly named and referenced in your proposal response.

NOTE: The original signature on the ONE (1) hard copy will serve as the official signature of record for all electronic copies. The proposal must be manually signed by a person with authority to bind the firm under a contract.

Proposal response package (envelope/box/carton) must indicate on the lower left-hand corner the RESPONDENT's company name and address, and the RFP number and opening date.

Proposals are to be submitted as a booklet or in notebook form with appropriate indices. Each proposal should be prepared simply and economically, providing a straightforward concise description of the RESPONDENT's service, approach and ability to meet TAMUS' needs as stated in this RFP. Schedules and Exhibits must be clearly identified as such.

2.5 Inquiries and Interpretations

Responses to inquiries which directly affect an interpretation or change to this RFP will be issued in writing by addendum (amendment) and posted to the Electronic State Business Daily (ESBD). It is the responsibility of the RESPONDENT to check the ESBD for any and all addenda issued for this RFP. All such addenda issued by TAMUS prior to the time that proposals are received shall be considered part of the RFP, and the RESPONDENT shall consider and acknowledge receipt of such in their proposal.

Only those TAMUS replied to inquiries which are made by formal written addenda shall be binding. Oral and other interpretations or clarification will be without legal effect.

2.6 Selection Process

TAMUS will base its choice on demonstrated competence, knowledge, and qualifications and on the reasonableness of the

proposed fee for the solution and related services; and if other considerations are equal, give preference to a RESPONDENT whose principal place of business is in the state or who will manage the contract wholly from an office in the state.

The RESPONDENT selected will be the one who's experience and qualifications, as presented in response to this RFP, establish them, in the opinion of TAMUS, as well qualified and offering the greatest benefits, experience and value to TAMUS. TAMUS may cancel this RFP or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. Should TAMUS determine in its sole discretion that only one RESPONDENT is fully qualified, or that one RESPONDENT is clearly more highly qualified than the others under consideration, a contract may be negotiated and executed with that RESPONDENT. The contract will be an agreement incorporating by reference all the requirements, terms and conditions of the solicitation and the RESPONDENT's proposal as negotiated.

Submission of proposals indicates RESPONDENT's acceptance of the evaluation techniques and the recognition that subjective judgments must be made by TAMUS during the evaluation process.

The selection of the successful proposal may be made by TAMUS on the basis of the proposals initially submitted, without discussion, clarification, or modification. In the alternative, selection of the successful proposal may be made by TAMUS on the basis of negotiation with any of the RESPONDENTS. TAMUS shall not disclose any information derived from the proposals submitted by competing RESPONDENTS in conducting such discussions.

All proposals must be complete and convey all of the information requested to be considered responsive. If a proposal fails to conform to the essential requirements of the RFP, TAMUS alone will determine whether the variance is significant enough to consider the proposal susceptible to being made acceptable, and therefore a candidate for further consideration, or not susceptible and therefore not considered for award.

TAMUS reserves the right to check references prior to award. Any negative responses received may be grounds for disqualification of the proposal.

TAMUS reserves the right to accept or reject any or all offers, to waive informalities and technicalities, to accept the offer considered most advantageous, and/or to make the award to the most responsive RESPONDENT.

RESPONDENTS may be asked to discuss their proposals or to provide written clarification. All RESPONDENTS selected for further consideration may be asked to participate in onsite presentations. All key staff may be expected to participate in the onsite presentation. TAMUS will provide an agenda, location, and instructions when invitations are issued if applicable.

2.7 Evaluation Process and Criteria

The Texas A&M University System will utilize an evaluation team for the evaluation of RFP responses. The A&M System must be confident that the respondent's proposal of services will meet the needs of the A&M System. The Texas A&M University System will evaluate and make the award on the proposal that is determined to be the best value to the State based on the criteria listed below.

All proposals must be complete and convey all of the information requested to be considered responsive. If the proposal fails to conform to the essential requirements of the RFP, the A&M System alone will determine whether the variance is significant enough to consider the proposal susceptible to being made acceptable and therefore a candidate for further consideration, or not susceptible to being made acceptable and therefore not considered for award. The A&M System shall be the sole judge of the comparative evaluation of the proposals received. The award will be based on the basis of the proposal judged to be in the best interest of the A&M System and the A&M System's judgment in this regard shall be considered final. Any agreement resulting from this request shall be awarded to the proposer providing the best value proposal to the A&M System. Factors to be considered in determining the best value shall include but not limited to price, services, company experience, past experience, history, and financial condition reliability.

The Texas A&M University System reserves the right to reject any and all proposals.

EVALUATION CRITERIA AND WEIGHTS

Each proposal shall be evaluated on the ability to meet the A&M System's requirements and to provide the best value to the A&M System.

All proposals will be evaluated based on the following criteria. The maximum number of points that can be assigned to each item being evaluated are as listed. In the event of two or more equal proposals, the System reserves the right to award the

proposal to the proposer of its choice.

Costs – to include pricing, transition costs and software/hardware requirements	35 points
Technology and Service – to include level of service/technology, timeliness and quality	35 points
Number of A&M System universities and agencies that will have access to a local branch	15 points
References (to include A&M System experience with proposer, if any)	15 points

TOTAL POINTS	100 points
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2.8 Public Information Act

- (a) RESPONDENT acknowledges that TAMUS is obligated to strictly comply with the Public Information Act, Chapter 552, *Texas Government Code*, in responding to any request for public information pertaining to this Agreement, as well as any other disclosure of information required by applicable Texas law.
- (b) Upon a TAMUS written request, RESPONDENT will provide specified public information exchanged or created under this Agreement that is not otherwise excepted from disclosure under chapter 552, *Texas Government Code*, to TAMUS in a non-proprietary format acceptable to TAMUS. As used in this provision, “public information” has the meaning assigned Section 552.002, *Texas Government Code*, but only includes information to which TAMUS has a right of access.
- (c) RESPONDENT acknowledges that TAMUS may be required to post a copy of the fully executed Agreement on its Internet website in compliance with Section 2261.253(a)(1), *Texas Government Code*.

2.9 HUB Policy and Subcontracting Information

It is the policy of the State of Texas and The Texas A&M University System (TAMUS) to encourage the use of Historically Underutilized Businesses (HUBs) both directly and indirectly in our prime contracts. The goal of the HUB Program is to promote equal access and equal opportunity in TAMUS contracting and purchasing.

Based on the scope of this RFP, RESPONDENTS must determine if they can perform the entire scope with their own resources or if it will be necessary to subcontract any portion of the scope. Subcontracting opportunities are defined as those opportunities contracted with a vendor to provide services, supply commodities, or contribute toward completing work for a governmental entity.

Subcontracting opportunities are NOT anticipated for this RFP and therefore a HUB Subcontracting Plan (HSP) is NOT required.

However, if a subcontractor will be used to provide any commodity or service as part of this scope, the RESPONDENT WILL BE required to make a good faith effort and complete the state of Texas HSP. Complete the HSP as found at <http://www.tamus.edu/business/hub-procurement/hub-programs-3/system-offices-hub-program/> and submit it with the RFP response. If there are pre-existing agreements in place with companies who will be hired as subcontractors, the RESPONDENT will show those vendors as subcontractors on the HSP and provide an explanation as to why solicitations were not done, e.g. contractual requirements. If no pre-existing agreements with companies who will be hired as subcontractors exist, then the RESPONDENT will be expected to make a good faith effort according to the HSP instructions. Don't forget to include any backup documentation and sign the HSP form.

In the event that you determine you will be using a subcontractor, please contact Mr. Jeff Zimmermann from the A&M System's HUB Program at (979) 458-6410 or jzimmermann@tamus.edu for assistance in determining available HUB subcontractors and proper completion of the HSP. RESPONDENTS have the opportunity to submit a draft of the HSP prior to submittal of their response to the RFP for review by Mr. Zimmermann.

2.10 Terms and Conditions

The Terms and Conditions of the request for proposal shall govern any Agreement issued as a result of this solicitation RFP. Additional or attached terms and conditions which are determined to be unacceptable to the A&M System may result in the disqualification of your proposal. Examples include, but are not limited to, liability for payment of taxes, subjugation to the laws of another state, and limitations on remedies.

SECTION 3 GENERAL TERMS AND CONDITIONS

3.1 Definitions

Whenever the following terms are used in these General Terms and Conditions or in other documents the intent and meaning shall be interpreted as follows:

the A&M System and TAMUS shall mean The Texas A&M University System and other System Members.

Proposer shall mean the individual, partnership, corporation, or other entity responding to this RFP.

Respondent (Vendor) shall mean the individual, partnership, corporation, or other entity awarded an agreement for services under this RFP in accordance with the terms, conditions, and requirements herein.

3.2 Default

In the event that the Respondent fails to carry out or comply with any of the terms and conditions of the agreement with the A&M System, the A&M System may notify the Respondent of such failure or default in writing and demand that the failure or default be remedied within ten (10) days; and in the event that the Respondent fails to remedy such failure or default within the ten (10) day period, the A&M System shall have the right to cancel the agreement upon thirty (30) days written notice.

The cancellation of the Agreement, under any circumstances whatsoever, shall not effect or relieve Respondent from any obligation or liability that may have been incurred or will be incurred pursuant to the agreement and such cancellation by the A&M System shall not limit any other right or remedy available to the A&M System at law or in equity.

3.3 Termination

3.3.1 For Convenience:

The agreement may be terminated, without penalty, by the A&M System without cause by giving one hundred eighty (180) days written notice of such termination to the Respondent.

3.3.2 Upon award, the agreement is subject to termination, without penalty, either in whole or in part, if funds are not appropriated.

3.3.3 In no event shall such termination by the A&M System as provided for under this Section give rise to any liability on the part of the A&M System including, but not limited to, claims of Respondent for compensation for anticipated profits, unabsorbed overhead, or interest on borrowing. The A&M System's sole obligation hereunder is to pay Respondent for services and received prior to the date of termination.

3.4 Agreement Amendments

No modification or amendment to the agreement shall become valid unless in writing and signed by both parties. All correspondence regarding modifications or amendments to the agreement must be forwarded to the Treasury Services for prior review and approval. Only the contract administrator or his/her designee will be authorized to sign changes or amendments.

3.5 TERMS AND CONDITIONS: TAMUS reserves the right to accept, reject, modify, and/or negotiate any and all submittals received in conjunction with this RFP. It reserves the right to waive any defect or informality in the submittals on the basis of what it considers to be in its best interests. Any submittal which TAMUS determines to be incomplete, conditional, obscure, or which has irregularities of any kind, may be rejected. TAMUS reserves the right to award to the firm, or firms, which in our sole judgment, will best serve our long-term interest. This RFP in no manner obligates TAMUS to the eventual purchase of any products or services described, implied, or which may be proposed, until confirmed by written agreement, and may be terminated by TAMUS without penalty or obligation at any time prior to the signing of a contract. The RESPONDENT must include a formal copy of any RESPONDENT terms and conditions applicable to this transaction. Evaluation and acceptance and/or modification of these terms and conditions by TAMUS Office of General Counsel are

essential prior to the award of the contract. In the event the RESPONDENT does not supply terms and conditions with their submittal, TAMUS terms and conditions will govern this transaction.

- 3.6** GOVERNING LAW: RESPONDENT agrees that, in the event of a dispute, laws of the State of Texas will prevail.
- 3.7** NON-DISCRIMINATION: The parties agree that in the performance of any contract they shall not discriminate in any manner on the basis of race, color, national origin, age, religion, sex, genetic information, veteran status or disability protected by law. Such action shall include, but is not limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation. By submitting a submittal, RESPONDENTS certify that they will conform to the provisions of the federal Civil Rights Act of 1964, as amended.
- 3.8** IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting a state of qualification, the RESPONDENTS certify that they do not and will not, during the performance of this contract, employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986, as amended.
- 3.9** DEBARMENT STATUS: By submitting a statement of qualification, RESPONDENTS certify that they are not currently debarred from submitting submittals on contracts nor are they an agent of any person or entity that is currently debarred from submitting bids on contracts.
- 3.10** INDEMNIFICATION AND HOLD HARMLESS: The RESPONDENT shall defend, indemnify and hold harmless TAMUS, its officers, employees and agents, against any and all liability of whatever nature which may arise directly or indirectly by reason of the RESPONDENT's performance under the contract. The RESPONDENT agrees to protect the State from claims involving infringement of patents or copyrights.
- 3.11** RESPONDENT LIABILITY: The RESPONDENT will be liable for any associated costs of repairs for damage to buildings or other TAMUS property caused by the negligence of the RESPONDENT's employees.
- 3.12** RESPONDENT PAYMENT/BILLING TERMS: Payment of invoices will be made thirty (30) days after receipt of a correct invoice and approval by the applicable department within TAMUS.
- 3.13** CIVIL RIGHTS REQUIREMENTS: All RESPONDENTS must comply with applicable civil rights laws.
- 3.14** NON-COLLUSION CLAUSE: The Non-Collusion Affidavit found in **APPENDIX B** must be executed as a part of the RESPONDENT's submittal.
- 3.15** SEVERABILITY: It is understood and agreed that if any part, term, or provision of the contract agreement is by the courts held to be illegal or in conflict with any law of the State of Texas, the validity of the remaining portions or provisions shall be construed and enforced as if the contract agreement did not contain the particular part, term, or provision held to be invalid.
- 3.16** MODIFICATION OF SERVICE: TAMUS reserves the right to modify the services during the course of the contract. Any changes in pricing and rates proposed by the RESPONDENT resulting from such changes are subject to acceptance by TAMUS.

In the event prices and rates cannot be negotiated to the satisfaction of both parties, the contract may be subject to competitive bidding based upon the new specifications.

- 3.17** PUBLICITY: RESPONDENTS must refrain from giving any reference to this project, whether in the form of press releases, brochures, photographic coverage, or verbal announcements, without specific written approval from TAMUS.

Information provided to RESPONDENT by TAMUS, including but not limited to information from the members, officers, agents, or employees of The Texas A&M University System or any of its members, and information provided to RESPONDENT by members of the public or any other third party shall belong to TAMUS

- 3.18** INDEPENDENT CONTRACTOR: The successful RESPONDENT agrees that in all respects its relationship with TAMUS will be that of an independent contractor, and that it will not act or represent that it is acting as an agent of TAMUS or incur any obligation on the part of TAMUS without written authority of TAMUS. As an independent contractor, RESPONDENT will be solely responsible for determining the means and methods for performing the services described. RESPONDENT shall observe and abide by all applicable laws and regulations, policies and procedures, including but not limited to, those of TAMUS relative to conduct on its premises.

- 3.19 CONFIDENTIALITY:** In accordance with the Texas Public Information Act, Submittals could be subject to public review after the contract has been executed. RESPONDENTS responding to this submittal are cautioned not to include any proprietary information as part of their submittal unless such proprietary information is carefully identified as such in writing, and TAMUS accepts, in writing, the information as proprietary.

Information created, derived, or otherwise produced by RESPONDENT shall remain the exclusive property of RESPONDENT. RESPONDENT acknowledges any final report or papers will be provided in accordance with this Agreement, and that any information contained in any report or papers, which RESPONDENT believes is confidential under Texas law will be clearly designated as such by RESPONDENT. In the event TAMUS receives a request for public information for any portion of any final report or papers that have been designated by RESPONDENT to be confidential, TAMUS will provide notice to RESPONDENT and RESPONDENT may submit a brief to the Office of the Attorney General, as provided by Chapter 552, Texas Government Code.

- 3.20 OWNERSHIP OF DOCUMENTS:** Upon completion or termination of any contract agreement, all documents prepared by the RESPONDENT for the benefit of TAMUS shall become the property of TAMUS. At TAMUS' option, such documents will be delivered to TAMUS Procurement Office. TAMUS acknowledges that the documents are prepared only for the contracted services specified. Prior to completion of the contracted services, TAMUS shall have a recognized proprietary interest in the work product of the RESPONDENT.

- 3.21 SUBCONTRACTING:** No subcontract or third party personnel will be permitted to perform services described herein, without the written consent of TAMUS. Upon written request, the RESPONDENT shall provide copies of all applicable licenses and other written approvals, which may be held by its subcontractors in order to perform the services described herein.

The RESPONDENT shall be fully responsible for all work performed under any contract resulting from this RFP. The RESPONDENT shall describe who will be, if any, subcontractor(s) for the contract. No subcontract, which the RESPONDENT entered into with respect to performance under this contract, shall in any way relieve the RESPONDENT of any responsibility for the performance of its duties under the terms of this contract. The RESPONDENT shall notify the agency in writing of any changes in subcontracting.

- 3.22 INSURANCE:** The RESPONDENT shall obtain and maintain, for the duration of this Agreement or longer, the minimum insurance coverage set forth below. With the exception of Professional Liability (E&O), all coverage shall be written on an occurrence basis. All coverage shall be underwritten by companies authorized to do business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code and have a financial strength rating of A- or better and a financial strength rating of VII or better as measured by A.M. Best Company or otherwise acceptable to TAMUS. By requiring such minimum insurance, the TAMUS shall not be deemed or construed to have assessed the risk that may be applicable to RESPONDENT under this Agreement. RESPONDENT shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. RESPONDENT is not relieved of any liability or other obligations assumed pursuant to this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. No policy will be canceled without unconditional written notice to TAMUS at least ten days before the effective date of the cancellation.

Insurance:

Coverage

Limit

1. Worker's Compensation

Statutory Benefits (Coverage A)	Statutory
Employers Liability (Coverage B)	\$1,000,000 Each
Accident	\$1,000,000
Disease/Employee	\$1,000,000
Disease/Policy Limit	

Workers' Compensation policy must include under Item 3.A. on the information page of the workers' compensation policy the state in which work is to be performed for TAMUS. Workers' compensation insurance is required, and no "alternative" forms of insurance will be permitted

2. Automobile Liability

Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than \$1,000,000 Single Limit of liability per accident for Bodily Injury and Property Damage;

If a separate Business Auto Liability policy is not available, coverage for hired and non-owned auto liability may be endorsed on the Commercial General Liability policy.

Additional Endorsements

The Auto and Commercial General Liability Policies shall name the Texas A&M University System Board of Regents for and on behalf of The Texas A&M University System and the RESPONDENT as additional insured's.

3. **Commercial General Liability**

Each Occurrence Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Products / Completed Operations	\$1,000,000
Personal / Advertising Injury	\$1,000,000
Damage to rented Premises	\$300,000
Medical Payments	\$5,000

The required commercial general liability policy will be issued on a form that insures RESPONDENT's or its subcontractors' liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Agreement.

4. Errors and Omissions (Banker's Professional Liability) \$10,000,000

5. RESPONDENT will deliver to TAMUS:

Evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence and actual limits of all insurance after the execution and delivery of this Agreement and prior to the performance of any services by RESPONDENT under this Agreement. Additional evidence of insurance will be provided on a Texas Department of Insurance approved certificate form verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

All insurance policies, with the exception of worker's compensation, employer's liability and professional liability will be endorsed and name The Board of Regents for and on behalf of The Texas A&M University System, The Texas A&M University System and TAMUS as Additional Insureds up to the actual liability limits of the policies maintained by RESPONDENT. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage. The Commercial General Liability Additional Insured endorsement will include on-going and completed operations and will be submitted with the Certificates of Insurance.

All insurance policies will be endorsed to provide a waiver of subrogation in favor of The Board of Regents of The Texas A&M University System, The Texas A&M University System and TAMUS. No policy will be canceled without unconditional written notice to TAMUS at least ten days before the effective date of the cancellation. **All insurance policies** will be endorsed to require the insurance carrier providing coverage to send notice to TAMUS ten (10) days prior to the effective date of cancellation, material change, or non-renewal relating to any insurance policy required in this Section.

Any deductible or self-insured retention must be declared to and approved by TAMUS prior to the performance of any services by RESPONDENT under this Agreement. RESPONDENT is responsible to pay any deductible or self-insured retention for any loss. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the following TAMUS contact:

The Texas A&M University System
301 Tarrow Street
College Station, TX 77840
Attn: Jeff Zimmermann
Facsimile Number: 979-458-6101
Email Address: jzimmermann@tamus.edu

The insurance coverage required by this Agreement will be kept in force until all services have been fully performed and accepted by TAMUS in writing.

- 3.23** DISPUTE RESOLUTION: The resolution process provided in Chapter 2260, *Texas Government Code*, and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by TAMUS and RESPONDENT to attempt to resolve any claim for breach of contract made by RESPONDENT that cannot be resolved in the ordinary course of business. RESPONDENT shall submit written notice of a claim of breach of contract under this Chapter to the Executive Vice Chancellor and Chief Financial Officer for TAMUS, who shall examine RESPONDENT's claim and any counterclaim and negotiate with RESPONDENT in an effort to resolve the claim.
- 3.24** VENUE: Pursuant to Section 85.18, *Texas Education Code*, venue for any suit filed against TAMUS shall be in the county in which the primary office of the chief executive officer of TAMUS is located.
- 3.25** STATE AUDITOR'S OFFICE: RESPONDENT understands that acceptance of funds under this Agreement constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Section 51.9335(c), *Texas Education Code*. RESPONDENT agrees to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation, providing all records requested. RESPONDENT will include this provision in all contracts with permitted subcontractors.
- 3.26** RESPONDENT shall neither assign its rights nor delegate its duties under this Agreement without the prior written consent of TAMUS.
- 3.27** RESPONDENT hereby assigns to purchaser, any and all claims for overcharges associated with any contract resulting from this RFP which arise under the antitrust laws of the United States 15 U.S.C.A. Section 1, et seq. (1973) and which arise under the antitrust laws of the State of Texas, Texas Business and Commercial Code Ann. Sec. 15.01, et seq. (1967).
- 3.28** WARRANTIES: In addition to all warranties established by law, RESPONDENT hereby warrants and agrees that:
- All goods and services covered by the agreement shall conform to the specifications or other descriptions set forth in the agreement or otherwise furnished or adopted by TAMUS, and shall be merchantable fit for the purpose intended, of best quality and workmanship, and free from all defects. TAMUS shall have the right of inspection and approval, and may, at RESPONDENT's expense, reject and return nonconforming goods or require re-performance of services which are not in compliance with the requirements of the agreement. Defects shall not be deemed waived by TAMUS's failure to notify RESPONDENT upon receipt of goods or completion of services, or by payment of invoice.
- All goods and/or services provided under the agreement shall meet or exceed the Safety Standards established and promulgated under the Federal Occupational Safety and Health Administration (Public Law 91-596) and its regulations effect or proposed as of the date of the agreement.
- All goods delivered pursuant to the agreement shall conform to standards established for such goods in accordance with any applicable federal, state or local laws and regulations, unless otherwise indicated in the agreement.
- 3.29** ACCEPTANCE OF SERVICES: All services performed under this agreement shall be to the satisfaction of each agency and in accordance with the specifications, terms, and conditions of the agreement. TAMUS reserves the right to review the services performed and to determine the quality and acceptability of such services.
- 3.30** SALES AND USE TAX: TAMUS, as an agency of the State of Texas, qualifies for exemption from State and Local Sales and Use Taxes pursuant to the provisions of the Texas Limited Sales, Excise, and Use Tax Act. The RESPONDENT may claim exemption from payment of applicable State taxes by complying with such procedures as may be prescribed by the State Comptroller of Public Accounts.
- 3.31** NON-WAIVER OF DEFAULTS: Any failure of the Agencies at any time, to enforce or require the strict keeping and performance of any of the terms and conditions of this agreement shall not constitute a waiver of such terms, conditions, or rights, and shall not affect or impair same, or the right of the Agencies at any time to avail itself of same.

SECTION 4

SCOPE AND PROPOSAL REQUIREMENTS

4.1 BANK SERVICES OVERVIEW

4.1.1 INTRODUCTION

A&M System Cash Concentration Pool (Pool) is comprised of 21 Members. Refer to Section 1.2 for a list of the Members and their locations. The Pool is a two-tier system in which each Member has one concentration account and at least two controlled disbursement accounts. Each controlled disbursement account is funded by the appropriate Member concentration account. Each Member concentration account is funded by any combination of: over-the-counter deposits; incoming wires; ACH credits; or zero balance transfers from/to the A&M System master concentration account.

The master concentration account is administered by the A&M System Office of Treasury Services and is funded by transfers from Members' concentration accounts or transfers from external investment vehicles.

4.1.2 INSTRUCTIONS CONCERNING PROPOSAL PACKAGE

4.1.2.1 A proposal questionnaire (Section 6.2) and a proposal pricing form (Attachment A) are required as part of your proposal. They include specific service requirements, volumes, and a schedule for submitting prices. Proposer must include all relevant prices - **the A&M System will not pay any fees, which have not been included in the proposal package. Proposer must include fees, if any, for all elements of each service requested.** Operational and procedural questions concerning each service are included in the questionnaire. To be responsive, the proposal pricing form must be completed in its entirety and all operational and procedural questions must be answered.

4.1.2.2 Other items to be included in proposal:

- (a) All agreements that the A&M System will be expected to sign
- (b) Bank's most recent annual report or most recent audited financial statements
- (c) Samples of output (information reporting print-out, presentment report, bank statement, reconciliation statements, account analysis, collateral report)
- (d) The bank's most recent Community Reinvestment Act Performance Evaluation

4.1.3 SERVICE REQUIREMENTS

4.1.3.1 Collateral

As required by the School Depository Act and the Texas Education Code, Section 51.003 (c) & (e), the successful proposer will be required to enter into an Agreement and make financial guarantee to the A&M System Board of Regents of all funds on deposit. Financial guarantee must be accomplished by posting a surety bond.

4.1.3.2 Zero Balance Account Structure

A two-tier system is required. The Members' controlled disbursement account(s) are funded by the Member concentration account. The Members' concentration accounts are funded by any combination of (1) over-the-counter deposits (2) incoming wires (3) ACH credits, or (4) zero balance transfers from/to A&M System master concentration account. Members also utilize additional zero balance accounts for specific types of funds such as credit card transactions or electronic deposits. These accounts zero to the Members' concentration accounts.

4.1.3.3 Controlled Disbursement Accounts

Each Member generally has two controlled disbursement accounts – one for payroll and one for accounts receivable. All accounts payable and payroll checks will be drawn on Members' controlled disbursement accounts. Debits covering ACH direct deposit of payroll will be charged to these accounts and ACH reimbursements may be credited to these accounts. Over the counter same day debits cannot be applied to the controlled disbursement accounts – only Fed presentments and electronic transfer initiated by the A&M System.

4.1.3.4 Wire Transfer

The A&M System will wire funds into and out of its accounts. Most of the System Members will also initiate and receive wire transfers for their accounts. Online wire transfer capabilities are required. Late cut-off is required – at least until 4:00p.m. CT.

4.1.3.5 Information Reporting

Information reporting is required for previous and current day balance and transaction related information at the account level and also required for controlled disbursement, ACH, wire transfer and other banking functions at both the relationship level and the account level. Internet access of account information reporting with different information available to different users is required.

4.1.3.6 Account Reconciliation

Fifty-three of the Members' disbursement accounts are set up on partial account reconciliation. One of the Members' accounts is set up on full account reconciliation. Paid check images are to be provided on CD ROM. Some Members will also require printed reconciliation reports. Certain Members require that the printed reconciliation report be sorted and subtotaled by serial number prefix. Bank must be able to electronically transmit account reconciliation records via server/mainframe to mainframe utilizing FTPs (File Transfer Protocol secure) via SSL (Secure Sockets Layer) and TLS (Transport Layer Security) or alternative technology. If the bank utilizes alternative technology and/or software, costs to implement and acquire will be considered.

4.1.3.7 Positive Pay

Positive pay, including payee verification, is required on controlled disbursement accounts. Some Members may require positive pay on non-controlled disbursement accounts. Bank must be able to accept files transmitted via server/mainframe to mainframe. If the bank utilizes alternative technology and/or software, associated costs will be considered.

Positive pay services must include the ability to retrieve images when reviewing and must have long time windows in which decisions can be made.

4.1.3.8 ACH Fraud Controls

The bank must provide a product that flags all incoming ACH debits and credits for review before posting. The product must allow for the electronic return of any fraudulent items (similar to positive pay). The product must also permit the account holder to exempt certain transactions from being flagged – typically, credits are exempted, certain vendors may be exempted and transactions below a certain dollar amount may be exempted from being flagged and allowed to automatically post without review.

4.1.3.9 No Check Activity

Bank must have the ability to restrict accounts from all check activity. This control will be implemented on accounts used only for deposits or electronic transactions.

4.1.3.10 ACH Direct Deposit of Payroll

All of the members use ACH direct deposit of payroll for both their monthly and bi-weekly payrolls. ACH credit data are transmitted via server/mainframe to mainframe. If the bank utilizes alternative technology and/or software, associated costs will be considered.

4.1.3.11 Account Analysis Statements

The A&M System requires that account analysis statements be tiered. Intermediate summaries are required for each A&M System member and an overall relationship summary is required.

4.1.3.12 Concentration Service

Some Members have locations where branches are not available and therefore use a local bank. The available balances for these members will be transferred on a periodic basis from the local bank to the primary bank. One-day ACH transfers will be initiated by the A&M System to transfer funds to the Members' respective concentration accounts. Describe the method(s) that could be used by the A&M System to initiate these ACH transfers and provide a fee schedule for each method.

4.1.3.13 Online ACH transaction origination

System members initiate ACH transactions for donations to the universities. ACH files are also created from data files provided by TouchNet (or other similar third party providers) to collect online payments.

4.1.3.14 Remote Deposit Capture

The bank must offer a product to submit deposits remotely. Please specify required equipment and compatibility of models.

4.1.3.15 Online Cash Management Module

The A&M System does not utilize third party software to consolidate cash. The lead bank should offer this product to consolidate all balances held at the lead bank that will roll up to the master account. The A&M System will initiate a transfer each day to either fund shortages or invest overages in the master account. The target balance for the master account is \$150,000 to cover any unknown or unplanned transactions.

4.1.3.16 Customer Service

Dedicated service representative is required to handle requests for research, ACH assistance, new accounts, signature card updates and other routine requests. A dedicated service representative or relationship manager located in the College Station area is preferred.

4.1.3.17 Courier Service

Pick up of deposits is required for the College Station area, Baylor College of Dentistry in Dallas, Texas A&M University at Galveston, and other locations as needed in the future. The bank is expected to contract for these services and pass through the cost via account analysis without markup.

4.1.3.18 Miscellaneous Other Services

- (a) On occasion, the A&M System's master account may be overdrawn. There may or may not be sufficient offsetting balances in various Members' accounts. What are the bank's policies and procedures concerning overdrafts in a particular account? Concerning a net overdraft position on the entire relationship?
- (b) Research requests initiated by telephone from the A&M System pertaining to the master concentration account should be turned around within 24 hours.
- (c) Some of the A&M System members use commercial accounts for funds that are not a part of the pooled resources. These accounts are not set up as ZBAs and the funds are usually held in the accounts only temporarily.

4.2 QUESTIONNAIRE - BANK SERVICES

4.2.1 BANK BACKGROUND INFORMATION

4.2.1.1 SAFETY AND SOUNDNESS

- (a) Identify key measures of the bank's financial strength, e.g., capital ratios, market capitalization, total assets.
- (b) Provide ratings for the bank and/or bank holding company from two of the following agencies: Standard & Poor's, Moody's, Thomson BankWatch, Sheshunoff, or Lace. Include ratings for: [Customer to specify: e.g., senior debt, subordinated debt, long-term deposit].

4.2.1.2 PERSONNEL

- (a) List names, titles, phone and fax numbers, and e-mail addresses and provide brief biographies of bank

contact personnel.

- (b) The A&M System requires that one primary contact be assigned to the relationship. From which area of the organization will this person be assigned?
- (c) How many employees does the bank have in key areas providing treasury management services?
- (d) Does the bank assign a dedicated client service officer to each relationship?

4.2.1.3 EXPERIENCE

- (a) How long has your bank offered treasury management services?
- (b) Specify the number of corporate/business customers using this service.

4.2.1.4 REFERENCES

Provide names, phone numbers and email addresses of three references, preferably within higher education or with comparable volumes, which are currently using the services requested in this RFP. Select a mix of long-standing and recent customers.

4.2.1.5 COMPETITIVE POSITION AND FUTURE COMMITMENT

- (a) How do you plan to keep your products current and competitive?
- (b) What approach is the bank taking in the development of new services?
- (c) What new services or features does the bank plan to offer, and within what time frame?

4.2.2 CONTROLLED DISBURSEMENT SERVICES

4.2.2.1 PROCESSING

The following responses shall refer to the site at which the processing will be done for The Texas A&M University System. This site is located at _____.

- (a) The controlled disbursement point must be designated a High Dollar Group Sort (HDGS) endpoint.
 - a. What percentage of **items** are received at:
1st Presentment? _____ 2nd Presentment? _____
 - b. What percentage of **dollars** are received at:
1st Presentment? _____ 2nd Presentment? _____
- (b) What is the average daily total dollars and total items presented to the bank's controlled disbursement site?
- (c) Describe your methods for accepting Same-Day Settlements.
 - Is the controlled disbursement point receiving Same-Day Settlements?
 - When will the customer be notified of Same-Day Settlement checks?
 - If next day, is there a charge for the use of funds for the period between presentment and posting?
- (d) Does this controlled disbursement endpoint allow encashment of over-the-counter checks?
 - If yes, at what branch(es) may they be cashed?
 - When will the customer be notified of over-the-counter checks?
 - Will there be a charge for non-customers to cash A&M System checks over-the-counter?
 - If next day, is there a charge for the use of funds for the period between presentment and posting?
- (e) Where will the point or points for our proposed disbursement account be located? What is its relationship to your organization: main office, branch, affiliate, correspondent, service bureau, other? How are the points classified -- city, Regional Check Processing Center (RCPC), or country?
- (f) Will the customer be able to initiate ACH debits and/or credits from the controlled disbursement accounts? Can third-party ACH debits and/or credits be processed to controlled disbursement accounts? Can wire transfers be initiated from controlled disbursement accounts?

- (g) Are illegible serial numbers repaired for all controlled disbursement checks? Are illegible serial numbers repaired as part of the Account Reconciliation for ARP checks?
- (h) How does the bank process and report controlled disbursement checks that have been converted to ACH? How do these items affect stop payments, positive pay, account reconciliation and presentment totals?
- (i) Are images of paid checks available on a CD ROM sent monthly with the statement? Are paid check images available online before the statement is issued?

4.2.2.2 IMPLEMENTATION OF CONTROLLED DISBURSEMENT SERVICES

- (j) Provide a detailed description of the implementation process, including testing and a sample implementation schedule. Is check testing required? If yes, how many checks must be tested?
- (k) What is the average lead time to open a controlled disbursement account with partial or full ARP and with Positive Pay?

4.2.2.3 CONTINGENCY AND RECOVERY TIME

- (a) Is a formal disaster recovery plan in place in the event of a systems failure or other disaster at the bank's primary processing site? Describe. When was the plan last updated and tested?
- (b) Is there a "hot" back-up processing site? Describe its capabilities and test results. Have disaster recovery procedures ever been implemented for a real disaster?
- (c) What is the contingency plan if a "hot" back-up site is not available and a disaster occurs which prevents all work from being processed on a same-day basis? Does the bank compensate in the event of loss? Explain.

4.2.2.4 NOTIFICATION

If the bank is recommending more than one site, complete a separate notification questionnaire for each site.

- (a) Describe the method by which the customer is notified of the amount of checks to be charged to its account?
 - What is the published time to notify customers of their daily clearings?
 - How many notifications are made?
 - How will the customer be notified if the daily notification is delayed?
- (b) Is same day detail information available for the proposed controlled disbursement location?
 - What was the average amount of time detail information was made available for customer access during the previous quarter?
 - What information is available? (e.g. check number, amount, image)
- (c) Does notification of daily clearings (or funding requirements) include both check and ACH debits and credits? If yes, how are ACH totals reported?
- (d) Is high order prefix reporting available?

4.2.2.5 FUNDING METHODS - CREDIT REQUIREMENTS

- (a) What is the cut-off time for receiving a funding wire?
- (b) The System will fund the controlled disbursement accounts as described under Section 6.1.3.2. Will your controlled disbursement program accommodate this method of funding?

- (c) Does the bank offer zero balance sub-accounts that may be funded automatically from a designated funding account?
 - Where will the funding account be located, and what transfer mechanism funds the subsidiary account?
 - Is there a limit to the number of sub-accounts for each parent?
 - How many tiers of accounts are offered?
- (d) What procedures are used to resolve overdrafts caused by funding failures as a result of:
 - Improper funding by the customer?
 - The bank's error or delay in notification (i.e. internet site problems)?
 - A Federal Reserve problem?

4.2.2.6 ACCOUNT RECONCILIATION SERVICES

- (a) Describe the bank Account Reconciliation Program (ARP) services for controlled disbursement customers?
- (b) ARP files must be transmitted via server/mainframe to mainframe utilizing FTPs (File Transfer Protocol secure) via SSL (Secure Sockets Layer) and TLS (Transport Layer Security) or alternative technology. If the bank utilizes alternative technology and/or software, associated costs will be considered. Please specify transmission method.
- (c) Please specify whether the ARP options listed below are available at your bank.
 - ☐ Maximum Dollar Limits
 - ☐ Automatic Register/Issue File Editing
 - ☐ Sub-Accounting within Accounts
 - ☐ Float Analysis
- (d) Can the customer specify a month-end cut-off date for ARP reports and bank statements?
- (e) How soon after the cut-off date will bank statements, canceled checks, or CD ROM images, and reconciliation information be sent?
- (f) Does the bank offer check images (front and back) on CD ROM with the monthly statements or reconciliations?
- (g) How long are check images retained by the bank?
- (h) Explain whether copies or images of checks (front and back) can be requested on-line. If yes, how are they delivered? How long are they available online?
- (i) Can stop payments be placed on-line?
 - What is the deadline for same-day action?
 - Will the system verify if a check has been paid before accepting the stop?
 - How much history is examined in the verification process?
 - How long will the stops remain in effect?
 - Can the period be extended?
 - Can you request stop payments for a range of checks? What is the limit of the range?
- (j) Can stop payments be placed manually?
 - What is the deadline for same-day action?
 - Will the system verify if a check has been paid before accepting the stop?
 - How much history is examined in the verification process?
 - How long will the stops remain in effect?
 - Can the period be extended?

- Can you request stop payments for a range of checks? What is the limit of the range?

(k) What other reconciliation features does the bank have that distinguish it from other banks?

4.2.2.7 POSITIVE PAY

(a) The Texas A&M University System will provide the bank with a file of all checks issued and voided prior to the checks being distributed. The file will be transmitted electronically via server/mainframe to mainframe. If the bank utilizes alternative technology and/or software, associated costs will be considered.

- What technology does the bank support to provide secure file transmission?
- Will this technology be provided to the A&M System by the bank?
- Is there an additional cost for this technology?

(b) Briefly describe how the positive pay program works.

(c) Does the bank support PAYEE positive pay? If so, describe the service and format requirements for printed payee name.

(d) How are manual issues or deletes accepted by the bank?

(e) How are rejects handled?

(f) Are cashed checks verified against the issue file at the point of encashment, i.e., by your bank's teller? If no, what is the process for dealing with cashed checks?

(g) How are exception reports delivered?

- Is this report integrated with the bank's balance reporting system/software?
- Are MICR errors/misreads deleted from the exception report prior to the report being sent/transmitted?
- Are check images available online to facilitate pay/return decisions?
- If yes, how are check copies delivered?
- If no, can check copies be delivered separately from the exception report? If yes, describe.

(h) Does the bank offer same-day or prior-day Positive Pay?

- What is the bank's delivery deadline for notifying the customer of exception checks?
- What is the response deadline for the customer's pay decisions?
- Are approved exception checks automatically added to the issue file for account reconciliation purposes?
- What is the deadline for the transmission of check issuance files to the bank?

(i) Can the customer set the default disposition to "return" in the event that the bank does not receive the customer's pay decision response by the stated deadline?

4.2.3 WIRE TRANSFER

4.2.3.1 GENERAL INFORMATION

(a) How many wire transfer operations centers does the bank have? In which Federal Reserve districts are they located?

(b) Is the bank a member of CHIPS and SWIFT?

4.2.3.2 PROCESSING

(a) A web-based secure internet connection for information reporting and transaction initiation is required. Please describe your bank's wire transfer internet product and process including initiation, approval

and release as well as self-administration.

- (b) Does the bank offer secure messaging? If so, please describe.
- (c) If online access is temporarily unavailable what is an alternative method to initiate a wire transfer.
- (d) What provisions are in place to allow the customer to initiate a priority wire transfer requiring special handling and immediate release? Is there an additional charge for this service?
- (e) For free-form wire transfers, does the bank offer an on-line name/ABA/CHIPS search file to facilitate processing? How is this file updated?
- (f) What are the opening hours and the cut-off times in Central Standard Time for initiating wire transfers to ensure same-day execution? **Attach your schedule.**
- (g) What is the cut-off time for incoming domestic wire transfers to receive same-day credit?
- (h) Does the bank provide end of day time extensions for processing if Fedwire hours are extended? If so, how would the company be advised?
- (i) How long does it take for the Fed Reference number to be assigned to a wire assuming no repairs are needed and there are sufficient funds in the account? Explain any delays.
- (j) Have there been interruptions in the processing of wire transfers due to the bank managing its net debit cap? What steps are you taking to ensure uninterrupted service?
- (k) When and how can a wire transfer be canceled after it is released to the system by the company? What is the latest time in the day to cancel? Is there a charge for cancellation? What is the process for recalling a wire transfer?
- (l) How is the status of transfers tracked by the customer once the transfer is in the system (input, approved, released)?
- (m) At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?
- (n) What is the bank's policy in the event of a wire transfer failure for which receipt of instructions has been confirmed to the customer?
- (o) How and when is the customer notified of a failed wire transfer?
- (p) Can the wires be entered, approved and released so they will be executed automatically on value day? How many days/months in advance? What time of day are future value dated wires automatically executed on the value date? Will the wire transfer system provide a tickler report of warehoused transfers that are pending current day release?
- (q) Is it possible to cancel a previously warehoused wire transfer request before value day? On value day?
- (r) The bank must have an on-line setup function for repetitive wires. Can the customer structure a new repetitive wire number on-line without relying on an exchange of paper documents with the bank?
- (s) How much time is required to set up a new repetitive wire using the on-line function? Can this be done in real-time? How long before we receive confirmation from the bank?
- (t) Are repetitive wires stored on the customer's PC or the bank's system?
- (u) What is the average turnaround time for responding to inquiries about failed repetitive and free-form wire transfers?
- (v) Describe the bank's procedures for resolution of wire transfer discrepancies? Does the bank have an on-line customer service/inquiry facility? Describe inquiry options.

- (w) If either the originating or receiving bank makes an error, how are back value adjustments handled:
- Between banks?
 - On the customer's account analysis?
 - When notifying the customer?
 - How would the adjustment be calculated?
- (x) Is the customer charged for wire transfer investigations? If so, how?
- (y) Describe international wire transfer capabilities. Include in your description all currencies and payment methods.
- (z) What are the lead times for initiating a value dated international payment? What are the cut-off times for transacting international payments (incoming/outgoing)? Provide a cut-off schedule for each world time zone to which your bank transfers funds.
- (aa) Is the bank's international wire operation part of its domestic wire transfer operation? Are customer service and operations contacts the same for international transfers and domestic transfers?
- (bb) What information is available to confirm initiation and release of an international transfer?
- (cc) Can the bank transfer to any bank worldwide? List country or currency restrictions.
- (dd) Can the bank facilitate international transfers between accounts within its own bank on a worldwide basis?
- (ee) Does the bank have any other special wire transfer services not mentioned in this RFP? If so, explain.

4.2.3.3 TECHNICAL CAPABILITIES

- (a) Does the bank operate its own wire transfer system in-house? If not, is the system purchased and customized? Who is the vendor? Do all of the bank's branches and affiliates utilize the same system?
- (b) Does the wire transfer system reside on the bank's central computer system? Do customers interact with that system?
- (c) Is the bank's automated money transfer system on-line with Fedwire? CHIPS? SWIFT?

4.2.3.4 SECURITY

- (a) Describe the method for granting bank employees physical access to the wire transfer department. By what means do employees gain access to the department (e.g., security cards)?
- (b) Does the system require the segregation of duties so that the same wire transfer operator cannot enter and release a payment?
- (c) Please describe the levels and types of security safeguards exist when initiating and releasing wires for each method below? Describe:
- Internet
 - Voice
 - Fax
- (d) Is security the same for repetitive and free-form wires initiated by all of the methods listed above? Explain.
- (e) How is the customer's access to the bank's wire transfer systems controlled?
- (f) Does the bank offer its customers dual control release options (intermediary approval level) for online transfers? If so, describe.

- (g) Are online transmissions encrypted or authenticated? At what level and on what fields? Describe procedures in the event a violated transmission arrives at the bank.
- (h) Describe the security measures for the Master User/Security Administrator. Does the system support self-administration? Can the system require dual Security Administrators? What functions does the Security Administrator perform?
- (i) Are security access codes (passwords) encrypted or authenticated? Is a Log-on Report available showing all log-ons over a given period, including User ID, date and time?
- (j) Does the bank utilize two actor authentication for monetary and administrative functions? Describe.
- (k) Describe procedures when security codes are violated.
 - How many log-on attempts does the system allow before disabling a user?
 - Does the software automatically log-off an inactive user? If so, when?
- (l) Can passwords be assigned an expiration date? Is the date assigned by the bank or the Security Administrator?
- (m) Are passwords user-defined or bank-provided?
- (n) Can user passwords be restricted to certain functions, such as:
 - _____ Debit Account
 - _____ Repetitive Only
 - _____ Data Entry Only
 - _____ Approve Only
 - _____ Inquiry Only
 - _____ Other (Describe)
- (o) Can dollar limits by user and function be established for single transaction amounts and daily aggregate amounts?
- (p) What controls has the bank put in place to prevent wire transfer fraud? What has been the bank's experience with fraud in the wire transfer area?

4.2.3.5 DISASTER RECOVERY

- (a) Is the bank's wire transfer system exclusively dedicated to that function? What contingency plans does the bank have for backup in the event of equipment (hardware) or system (software) failure? How frequently is this plan tested? Indicate the date of the most recent test.
- (b) Does the bank have off-site backup capability? Is this site managed by the bank or a third party provider?
- (c) Describe your recommendations for disaster recovery for the customer that is unable to access the bank's system in the usual manner.
- (d) What is the uptime percentage of the bank's wire transfer system? What is the date of this statistic? What is the uptime percentage between 7am and 6pm CST?
- (e) How often in the last 12 months has the bank's wire transfer system had unscheduled downtime for a total of more than 30 minutes in a single day? What are the most common causes of unscheduled downtime?

4.2.4 AUTOMATED CLEARING HOUSE (ACH)

4.2.5.6 PROCESSING – DIRECT DEPOSIT OF PAYROLL

- (a) The Texas A&M University System will electronically transmit via server/mainframe to mainframe. If the bank utilizes alternative technology and/or software, associated costs will be considered. Please specify encryption requirements and transmission methods.
- (b) Does the bank use transaction or file dollar limits? If so, is the customer informed of its limit? What procedures are followed when the customer submits a file that exceeds the limit?
- (c) What are the hours of operation of the ACH unit?
- (d) What are the bank's cut-off times for customer initiation of ACH transactions?
- (e) Describe the procedures used to verify accurate and secure receipt of transmissions.
- (f) Describe the bank's ACH return process including reporting methods. When will returned funds be posted to the customer's account?
- (g) Can the bank automatically redeposit items returned for insufficient or uncollected funds? When items are redeposited, are any entries posted to the customer's account?
- (h) What is the bank's maximum retention period for future dated transactions? How long are transactions maintained for on-line reporting after the effective date?
- (i) Can the bank modify a transaction which the company has originated prior to releasing the transaction to the ACH operator? What modifications can be made? If modifications are permissible, what is the deadline for receiving instructions to modify a transaction?
- (j) How does the bank handle file, batch and item reversals and deletions?
 - What are the deadlines for reversing or deleting a file? Batch? Item?
 - Describe your bank's process for reversing and deleting files, batches and items.
 - What security procedures are used?
 - How is the customer notified?
- (k) Does the bank accept both debits and credits on the same file? If so, are there any additional requirements?
- (l) Does the bank provide a database of ACH member institutions? Describe.
- (m) How do you advise customers of NACHA rule changes and their impact?

4.2.5.7 PROCESSING – INTERNET/BROWSER BASED SERVICES

- (a) What are the hardware/software requirements?
- (b) Is a specific browser required?
- (c) Is this a pure browser-based application? If not, please explain.
- (d) What training does the bank provide?
- (e) Does the ACH software offer the ability to establish security levels by user and by business unit? By transaction amount or type?
- (f) Does the ACH system support self-administration for user maintenance? Please describe.
- (g) What report options are available? Can reports be imported into a spreadsheet application?
- (h) Can transactions be warehoused? Please describe.
- (i) Can the customer build a database of repetitive transactions? If so, which party maintains the

database? How much lead time is required to set up a new repetitive transfer?

- (j) What report options are available?

4.2.5.8 TECHNICAL CAPABILITIES AND SECURITY

- (a) What disaster recovery plans does the bank have to avoid interruptions in service? Describe specific occasions in the past year when these plans were implemented.
- (b) What security procedures are in place to minimize the risk of unauthorized transactions (e.g., encryption/authentication)?
- (c) What controls are in place to protect against lost files and duplication of transmissions?
- (d) Does the bank provide automatic file receipt acknowledgments? If so, how? If not, describe how the bank verifies receipt of ACH transmissions.
- (e) Describe the role of any third-party processor used by the bank to provide this service.
- (f) Does the bank utilize two factor authentication for monetary and administrative functions? Describe.

4.2.5.9 INFORMATION REPORTING FOR ACH TRANSACTIONS

- (a) Is internet reporting available for incoming credit and debit ACH transactions? Describe your reporting methods.
- (b) Specify the data provided on current and previous day reports. Provide sample reports. How is addenda information for CTX transactions provided to the customer?
- (c) By what methods can the customer receive notification of change and returned item advices? When will this information be available to use, e.g., posting day, morning after? What information is provided, e.g., date of origination, date submitted, date of return. Provide sample reports.
- (d) Do you provide notification of redeposited items?
- (e) By what methods do you provide confirmation of deletions and reversals?
- (f) Can returns and incoming transactions be list-posted to the bank statement? What supporting information can the bank provide to reconcile the transactions? How will this information be made available to us?
- (g) How often is same-day information updated?
- (h) Is historical information available on the system? How many days of history are available? Provide sample reports.
- (i) Can the bank export reports in various file formats to the System's other management systems? If so, what formats and transmission methods are available?
- (j) Please describe the bank's ACH block and/or filter function. If there is a block or filter on an account and an "unauthorized" ACH transaction attempts to clear the account, is there an opportunity for the client to review the transaction before it is automatically returned to the sender? Can credits and transactions from approved vendors be "exempted" from the review process?
- (k) What time and day will the customer receive availability for ACH collections?
- (l) When will settlements for this service be reported and/or posted?

4.2.5 DEPOSITORY SERVICE OPTIONS

- 4.2.6.6 List the number and location of your branches, cash vaults or affiliated banks by state. Provide a proximity study based on the list of System Members in Section 1.2.
- 4.2.6.7 List all deposit service options available (i.e. night drop, vault, remote and branch).
- Is pricing different for utilizing these different deposit options?
 - Are any processing applications outsourced to a third party? If so, name the vendor(s) and describe the application(s).
 - What security features are employed to secure external night drop or ATM servicing locations?
- 4.2.6.8 What is the cut-off time to ensure same-day ledger credit? **Attach a copy of the bank's availability schedule.**
- Is it the same for night drop, vault, and branch services?
 - Is it the same for cash as for checks, drafts, etc.?
 - Are there any options that might affect this cut-off time (e.g., provisional credit, delayed verification)?
- 4.2.6.9 What type of deposit bags do you allow/require?
- Do you provide these bags?
 - Do you charge a fee for these bags?
- 4.2.6.10 Are there any restrictions on deposit bags provided by the customer?
- 4.2.6.11 What are the requirements for depositing checks (e.g. pack size, audit tapes)?
- 4.2.6.12 Are there any benefits to separating cash and checks in two deposit bags?
- 4.2.6.13 Do you require that checks and currency be on separate deposit tickets?
- 4.2.6.14 Do you limit the number of deposit tickets that can be included in one deposit bag?
- 4.2.6.15 Can the deposit tickets contain an auxiliary MICR field for our location and/or transaction information?
- 4.2.6.16 Do you require that cash be deposited in standard straps only? Is there a penalty for depositing non-standard straps?
- 4.2.6.17 Do you accept loose and/or rolled coin for deposit at vault, branch and night drop locations? Is there a fee for depositing loose or rolled coin?
- 4.2.6.18 How do you determine and calculate availability of deposited items?
- Do you give immediate availability for on-us items?
 - Do you calculate availability by item or formula?
 - Do you use a standard schedule? Accelerated schedule? How often is it updated?
 - Can you provide same-day or next-day recap of our deposit availability?
- 4.2.6.19 Are courier services provided by the bank, and billed through account analysis, for pick-up and delivery of deposits? This is a requirement for the local depositories servicing College Station, Galveston and Dallas. Please describe this service.
- 4.2.6.20 Does the bank offer remote deposit of items via electronic transmission of check images? Please describe the product in detail including daily cut-off time and availability.
- 4.2.6.21 Does the bank offer services to convert consumer checks to ACH debits? Please explain.
- 4.2.6.22 DEPOSIT VERIFICATION
- How many bank employees are present when deposit bags are opened? What specific security measures are employed?
 - How will you return the validated deposit receipts to us? Within what time frame?

- (c) If provisional credit is given, when does verification take place? In 24 hours? 48 hours?
- (d) Does the bank identify and adjust all discrepancies?
 - If no, at what dollar amount do you write off discrepancies?
 - Do you adjust the deposit amount or process an adjusting debit or credit?
 - What is the standard procedure for reporting deposit adjustments? What additional options are available (e.g., copies to multiple locations)?
- (e) What is the bank's policy on receipt of tampered bags?
- (f) When counterfeit bills are discovered, what is your notification and adjustment process?

4.2.6.23 VAULT SERVICES

- (a) Does the bank have an automated vault service? Describe the deposit and change order procedures, cut-off times and other features for this system.
- (b) How much advance notice is required for coin and currency orders?

Lobby pickup _____
Armored or courier pickup _____
- (c) Are there minimum purchase requirements (e.g., standard straps of currency and full boxes of coin)? Is a discount offered for purchasing standard amounts? What settlement options are available for change orders (e.g., cash, check, debit to account, wire)?
- (d) Describe security at the cash vault center. What fraud prevention procedures are in place?

4.2.6.24 RETURN ITEM PROCESSING

- (a) Can return items be automatically redeposited? If so, how many times and in what time frame?
- (b) Provide the bank's standard return item and re-clear processing instructions. List any non-standard options that are available.
- (c) If requested, will the bank send our return items directly to a third party for collection?
- (d) Can the bank provide a detailed return item transmission to depository customers? Is this available through the Information Reporting product?
 - Does the transmission include both returns and re-clears?
 - Is there a separate record for each returned item?
 - Can these records identify the depositing location and the type of item being returned (e.g., personal check, traveler's check, money order)? Is an image of the item available?
 - Indicate which of the following details the bank can report:

Check number _____	Full name on check _____
Check date _____	Complete address _____
Check amount _____	Phone numbers _____
Reason code _____	Driver's license # and state _____
Account and ABA number _____	Original deposit date _____
- (e) Is it bank policy to refuse return items not sent through the system in a timely manner?
- (f) Do you have the ability to interface with third party providers of negative databases?

4.2.6.25 TRANSACTION RESEARCH

- (a) What documentation is provided with deposit correction adjustments? What delivery methods are available?

- (b) Within what time frame can you provide requested copies or documentation? What delivery options are available?

4.2.6 INFORMATION REPORTING

Information reporting is required for previous and current day balance and transaction related information at the account level and is also required for ACH, wire transfer and other banking functions at both the relationship level and the account level. THE REFERENCES IN THIS RFP TO INFORMATION REPORTING ASSUME THAT THE PRODUCT IS INTERNET BASED AND DOES NOT REQUIRE PROPRIETARY SOFTWARE. If the bank's information reporting product does rely on proprietary software, this must be disclosed in Section 6.2.6.2.

Online access of account information reporting with capability to customize by user is required. The A&M System has over 230 users.

4.2.7.6 PROCESSING

- (a) At what time is previous-day information available for access by the customer? If information is delayed, how and when will the customer be notified?
- (b) What are the hours of access of the information reporting system?
- (c) At what time is current-day information available for access by the customer? How frequently is this information updated throughout the day? Provide a list of transaction types available on your current day reports.
- (d) Describe the level of detail provided in previous and current day reports and provide examples of balance and transaction reports.
- Is current day ACH transaction information available for access by the customer? How is addenda for CTX transactions provided to the customer?
 - Do zero balance account (ZBA) reports include float?
- (e) Can customized reports be created?
- (f) Discuss the features of your inquiry capabilities. Does the bank's system offer the ability to inquire about specific transaction types?
- (g) How many days of history can be accessed through the system? Provide sample reports.
- Does the system provide for history inquiry by date ranges?
 - Does the system allow history retention to be determined by the customer?
 - Does the bank have the ability to provide the customer with a download of historical data?
 - Is there an additional cost for retaining longer history?
- (h) Does the information reporting system provide for image retrieval of deposit, disbursement and adjustment items?
- (i) What other bank services are available through the system?
- (j) Is information available for retrieval in the following formats?
- BAI
 - ANSI ASC X12 Transaction Set 821
 - Formatted reports
 - Other
- (k) Does the bank provide all of the services associated with this product, or does a third party provide any of the services? If third parties are used, describe which services are provided by the vendors(s) and the name(s) of the vendor(s).

- (l) Describe the bank's security procedures for its information reporting system, both for access and information protection.
- (m) Describe your international reporting capabilities.
- (n) Can access to account information be segregated by user? Can accounts be grouped for self-administration purposes?
- (o) Please provide a demo or web site address to demonstrate the information reporting system.
- (p) Is self-administration available for Information Reporting?

4.2.7.7 TECHNICAL CAPABILITIES

- (a) Is this a pure browser-based application? If not, please explain.
- (b) What are the hardware requirements?
- (c) Is a specific browser required?
- (d) What security measures (including firewalls) does the bank use to protect access to customer data (hardware/software, physical)?
- (e) What training does the bank provide?
- (f) Does the bank use and support any authentication and encryption methodology for communicating with customers? If so, explain.
- (g) Does the bank maintain any linkages to Value Added Networks (VANs) to deliver information to customers? If yes, who are the vendors, describe the bank's relationship with the vendors and any additional cost to the company.
- (h) What are the hours of technical support? Nights, weekends, across multiple time zones?
- (i) What support can the bank provide to recreate files and reports that may have been corrupted, destroyed, or not accessed?
- (j) What disaster recovery services can the bank provide to the customer if the customer cannot operate from its own facilities?
- (k) What are the bank's disaster recovery procedures? How quickly can back-up facilities be activated?
- (l) Does the bank interface offer a treasury workstation module? Please describe in detail.

4.2.7 IMPLEMENTATION

- 4.2.7.1 Provide a copy of all agreements that will be required to initiate all the services described in this RFP.
- 4.2.7.2 Provide a detailed description of the implementation process, including testing, and a sample implementation schedule.
- 4.2.7.3 What is the average lead time for implementation? What are the critical factors which may impact that lead time?
- 4.2.7.4 Describe support provided during implementation, including training, technical assistance, user manuals and on-site visits. Does the bank assign an implementation team?

4.2.8 CUSTOMER SERVICE AND QUALITY

4.2.8.1 CUSTOMER SERVICE

- (a) Indicate your bank's customer service organizational structure (choose one):

_____ Separate customer service department for information reporting.
 _____ Centralized customer service department for all cash management services.
 _____ Customer service function contained within information reporting operating unit.

- (b) Will a specific customer service representative be assigned to handle this business? Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.
- (c) What are the hours of operation of the information reporting customer service unit? Specify time zone.
- (d) How are inquiries requiring research handled by the bank?
- (e) Are there established turn-around times for responses? If so, specify.
- (f) What is the bank's record on meeting established response times?
- (g) Does the bank provide technical customer support for computer hardware, software and communications problems?

4.2.8.2 QUALITY

- (a) Does the bank have a formal quality improvement program? If so, describe.
- (b) Do you measure any of the Bank Administration Institute (BAI) Critical Quality Indicators listed below? For each BAI Critical Quality Indicator that you measure, indicate the measurement reported for the most recent Annual BAI Survey. Also indicate your tracking frequency (e.g., weekly, monthly, annually), period covered, and rate attained for your last 2 measurements.

Critical Quality Indicator	Indicator reported for the last BAI Survey	Tracking Frequency	Period Covered	Last Two Measurements
Information Reporting Missed Deadline Rate # of Reporting Deadlines Missed _____ x 1,000 Total # of Reporting Deadlines				
Information Reporting System Availability Total Number of Minutes System is Available During Published Access Time _____ x 100 Total Published Access Time to Minutes				

- (c) Do you monitor other performance indicators? If so, what other key performance measures do you track? What is the reporting frequency and period covered for each measure? What are your last three performance levels for each measure?

4.2.9 COLLATERAL

As described in the overview, the successful proposer will be required to enter into an Agreement and make financial guarantee to the A&M System Board of Regents for protection of all funds on deposit. To ensure that funds are properly collateralized at all times, Treasury Services requires that collateral be based on ledger balances.

4.2.9.1 AMOUNT OF COLLATERAL REQUIRED

The average amount of collateral required during the past 5 years has been \$25,000,000, which usually includes a cushion of excess collateral of around \$10 million. Occasionally, the A&M System receives substantial unanticipated deposits or wire transfers and the Office of Treasury Services will require the

surety bond to be maintained to cover the deposits in these circumstances. Please describe the all charges for the collateral (including any charges for excess collateral).

4.2.9.2 TYPE OF COLLATERAL

The A&M System requires collateral in the form of a \$25 million surety bond and other alternatives may not be considered. Please describe the type of collateral proposed including the name of the proposed surety bond provider or the bank's third party safekeeping agent.

4.2.9.3 ADDITIONAL COLLATERAL

Please indicate the deadline for requesting additional collateral on the same day. How will the Office of Treasury Services be notified that the additional collateral has been pledged?

4.2.10 COMPENSATION

4.2.10.1 PRICING

- (a) Complete the proposal pricing form (Attachment A). Include any one-time or set-up charges, and all other fees that will be charged.
- (b) Provide a pro forma analysis based on the volumes and services listed on the proposal pricing form (Attachment A).

4.2.10.2 ANALYSIS

- (a) Does the bank accept compensation in fees, balances or a combination of the two? If fees are accepted, is there a surcharge or a different price schedule for fee compensation? Describe.
- (b) What fee payment options does the bank offer, e.g., direct debit, ACH?
- (c) Describe the method used to calculate the earnings credit rate (ECR)? Is the reserve requirement deducted from the available balance before the ECR is calculated? If not, explain. List the bank's ECR for the most recent six months.
- (d) Is there a fee or other assessment for FDIC Insurance? If so, how does the bank calculate the charge?
- (e) Can the customer decide how the balances in its accounts will be grouped for purposes of compensation, e.g., assessed individually, by division, or at the relationship level?
- (f) When calculating average balances, are positive and negative balances netted?
- (g) How does the bank charge for overdrafts?
 - Is there a fee per check or per occurrence when there is an overdraft?
 - Is there a daily cap on fees?
 - How are fees calculated?
- (h) Does the bank charge for use of uncollected funds?
 - How is the charge calculated?
 - How is the rate determined?
- (i) Will the balance for the whole System relationship be considered before an overdraft fee and/or interest is assessed for an overdraft amount in a single account? Please explain.
- (j) How long can excess balances be carried forward to apply to charges in future billing periods?
- (k) How soon after the close of the billing period is the account analysis available to the customer?
- (l) Is the bank's account analysis available electronically? If so, by what methods can the analysis be

transmitted?

4.3 THIRD PARTY PROVIDERS

List any services that are outsourced to third party providers and the names of the providers. Please disclose if any changes are in process or anticipated.

4.4 DISASTER RECOVERY

- 4.2.4 Describe the bank's disaster recovery plan in detail.
- 4.2.5 Where are off-site facilities located?
- 4.2.6 How quickly can the "hot" site be implemented in the event of an emergency?
- 4.2.7 How often are off-site facilities tested? When was the last test? Were there any issues?

4.5 ELECTRONIC AND INFORMATION RESOURCES (EIR) REQUIREMENTS

EIR accessibility requirements and technical standards from Texas Administrative Code, Title 1, Chapter 206 and Chapter 213 have been determined to apply to this Request for Proposal. RESPONDENTS must describe how the EIR product deliverables included as part of the service requirements meet at least those technical provisions identified as applicable in the attached Voluntary Product/Service Accessibility Templates (VPATs).

For EACH applicable EIR product, RESPONDENTS should provide the following accessibility information by way of Voluntary Product Accessibility Templates (VPATs) (See EXHIBIT C) or other equivalent reporting templates. RESPONDENTS must describe how the EIR product deliverables included as part of the service requirements meet the following requirements.

- 1) The appropriate Technical Accessibility Standards based on EIR Category (see table below)
- 2) Functional Performance Criteria described in 1 TAC §213.35 (i.e., Section 508 equivalent - 36 CFR Part 1194 Subpart C)
- 3) Information, Documentation, and Support described in 1 TAC §213.36 (i.e., Section 508 equivalent - 36 CFR Part 1194 Subpart D)

EIR Category	Technical Accessibility Standards	Section 508 equivalent
Software Applications and Operating Systems	1 TAC §213.30	36 CFR §1194.21
Websites	1 TAC §206.70 Web Content Accessibility Guidelines (WCAG) 2.0 , Level AA	36 CFR §1194.22
Telecommunications Products	1 TAC §213.31	36 CFR §1194.23
Video and Multimedia Products	1 TAC §213.32	36 CFR §1194.24
Self-Contained, Closed Products	1 TAC §213.33	36 CFR §1194.25
Desktop and Portable Computers	1 TAC §213.34	36 CFR §1194.26

Only proposals which contain adequate information to document their responsiveness to the EIR accessibility requirements (e.g. VPATs or equivalent and supporting documentation) will be eligible for consideration.

EXHIBIT A
EXECUTION OF OFFER

RFP01 TRSY-16-012

DATE:

In compliance with this RFP, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all commodities or services at the prices quoted.

A.1 RESPONDENT Affirmation

NOTE TO RESPONDENTS: SUBMIT ENTIRE SECTION WITH RESPONSE.

This execution of offer must be completed, signed, and returned with the RESPONDENT's proposal. Failure to complete, sign and return this execution of offer with the qualifications may result in rejection of the qualifications.

Signing a false statement may void the submitted proposal or any agreements or other contractual arrangements, which may result from the submission of RESPONDENT's proposal. A false certification shall be deemed a material breach of contract and, at owner's option, may result in termination of any resulting contract or purchase order.

Addenda Acknowledgment

Receipt is hereby acknowledged of the following addenda to this RFP by entering yes or no in space provided and indicating date acquired. Enter "N/A" if none received.

No. 1 _____ Date _____

No. 2 _____ Date _____

A.2 Signature

By signing below, the RESPONDENT hereby certifies as follows, and acknowledges that such certifications will be included in any resulting contract:

- (i) the Response and all statements and information prepared and submitted in response to this RFP are current, complete, true and correct;
- (ii) it is not given, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount trip, favor or service to a public servant in connection with the submitted response or any subsequent proposal. Failure to sign below, or signing a false statement, may void the response or any resulting contracts at TAMUS' option, and the RESPONDENT may be removed from all future proposal lists at this state agency;
- (iii) the individual signing this document and the documents made part of the RFP is authorized to sign such documents on behalf of the RESPONDENT and to bind the RESPONDENT under any contract which may result from the submission of the Response;
- (iv) no relationship, whether as a relative, business associate, by capital funding agreement or by any other such kinship exists between RESPONDENT and an employee of TAMUS;
- (v) RESPONDENT has not been an employee of TAMUS within the immediate twelve (12) months prior to the RFP response;
- (vi) no compensation has been received for participation in the preparation of this RFP (ref. Section 2155.004 Texas Government Code);
- (vii) all services to be provided in response to this RFP will meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health law (Public Law 91-596) and its regulations in effect as of the date of this solicitation;
- (viii) RESPONDENT complies with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action;

- (ix) to the best of its knowledge, no member of the Board of Regents of The Texas A&M University System, or the Executive Officers of the Texas A&M University System or its member institutions or agencies, has a financial interest, directly or indirectly, in the Project;
- (x) if the RESPONDENT is subject to the Texas franchise tax, it is not currently delinquent in the payment of any franchise tax due under Chapter 171, Texas Tax Code, or is exempt from the payment of such taxes. A false certification may result in the RESPONDENT's disqualification;
- (xi) under Section 231.006, Family Code, the RESPONDENT or applicant certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate; and,
- (xii) under Section 2155.006, Government Code, the RESPONDENT certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

RESPONDENT should give Payee Identification Number (PIN) (Formally RESPONDENT ID), full firm name and address of RESPONDENT (enter in block provided if not shown). Failure to manually sign submittal will disqualify it. The person signing the submittal should show title or authority to bind his/her firm in contract. The Payee Identification Number is the taxpayer number assigned and used by the Comptroller of Public Accounts of Texas. Enter this number in the spaces provided on the Execution of Offer.

Payee Identification Number (PIN): _____

Sole Owner should also enter Social Security Number: _____

RESPONDENT/Company: _____

Signature (INK): _____

Name: _____

Title: _____

Street: _____

City/State/Zip: _____

Telephone No.: _____

Fax No.: _____

E-mail: _____

<p>* By signing this RFP, RESPONDENT certifies that if a Texas address is shown as the address of the RESPONDENT, RESPONDENT qualifies as a Texas Resident Bidder as defined in Texas Government Code, § 2252.001(4).</p>

**EXHIBIT B
NON-COLLUSION AFFIDAVIT**

The undersigned, duly authorized to represent the persons, firms and corporations joining and participating in the submission of the foregoing Proposal (such persons, firms and corporations hereinafter being referred to as the "RESPONDENT"), being duly sworn, on his or her oath, states that to the best of his or her belief and knowledge no person, firm or corporation, nor any person duly representing the same joining and participating in the submission of the foregoing Proposal, has directly or indirectly entered into any agreement or arrangement with any other RESPONDENTS, or with any official of TAMUS or any employee thereof, or any person, firm or corporation under contract with TAMUS whereby the RESPONDENT, in order to induce acceptance of the foregoing Proposal by said TAMUS, has paid or is to pay to any other RESPONDENT or to any of the aforementioned persons anything of value whatever, and that the RESPONDENT has not, directly or indirectly entered into any arrangement or agreement with any other RESPONDENT or RESPONDENTS which tends to or does lessen or destroy free competition in the letting of the contract sought for by the foregoing Proposal.

The RESPONDENT hereby certifies that neither it, its officers, partners, owners, providers, representatives, employees and parties in interest, including the affiant, have in any way colluded, conspired, connived or agreed, directly or indirectly, with any other RESPONDENT, potential RESPONDENT, firm or person, in connection with this solicitation, to submit a collusive or sham bid, to refrain from bidding, to manipulate or ascertain the price(s) of other RESPONDENTS or potential RESPONDENTS, or to obtain through any unlawful act an advantage over other RESPONDENTS or TAMUS.

The prices submitted herein have been arrived at in an entirely independent and lawful manner by the RESPONDENT without consultation with other RESPONDENTS or potential RESPONDENTS or foreknowledge of the prices to be submitted in response to this solicitation by other RESPONDENTS or potential RESPONDENTS on the part of the RESPONDENT, its officers, partners, owners, providers, representatives, employees or parties in interest, including the affiant.

CONFLICT OF INTEREST

The undersigned RESPONDENT and each person signing on behalf of the RESPONDENT certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief, no member of TAMUS, nor any employee, or person, whose salary is payable in whole or in part by TAMUS, has a direct or indirect financial interest in the award of this Proposal, or in the services to which this Proposal relates, or in any of the profits, real or potential, thereof, except as noted otherwise herein.

Signature _____

Company Name _____

Date _____

Subscribed and sworn to before me this

_____ day of _____, 2016.

Notary Public in and for the County of _____, State of

_____. My commission expires: _____

THE EXECUTION OF OFFER AND NON-COLLUSION AFFIDAVIT MUST BE COMPLETED, SIGNED, AND RETURNED WITH RESPONDENT'S SUBMISSION. FAILURE TO SIGN AND RETURN THESE DOCUMENTS WILL RESULT IN THE REJECTION OF YOUR SUBMISSION.

EXHIBIT C

Instructions to Vendors on Section 508 VPAT Completion

1. Instructions to Vendors for responding to the applicable Section 508 Standards

Vendors are required to supply detailed information on how their proposed products, services, and solutions address the requirements of Section 508 of the Rehabilitation Act of 1973 (revised).

2. Section 508 Technical Quotation Instructions:

For each electronic and information resource (EIR) product or service included in solicitation responses subject to Texas Administrative Codes 1 TAC 206 and 1 TAC 213 (which include the US Section 508 technical specifications), the Vendor shall provide documentation of how each requirement or specification is met.

It is the Vendor's responsibility to maintain the integrity of any accessibility documentation provided to DIR of Texas state agencies / institutions of higher education. Any documentation shall be considered a self-attestation unless expressly affirmed otherwise.

If the Vendor plans to provide commercial off the shelf (COTS) software as part or all of a solicitation response, the Vendor shall provide a completed Voluntary Product Accessibility Template (VPAT) for each COTS product offered. For third party COTS products, the Vendor must obtain and submit VPATS or links to them from the third party as part of the solicitation response.

3. Instructions for completing a Voluntary Product Accessibility Template (VPAT)

The Vendor shall provide a complete description of how the EIR included in the solicitation response shall address all applicable 1TAC 206 / 1TAC 213 technical standards. The Vendor shall provide this information in a VPAT to document conformance to the applicable Section 508 Standards. The VPAT template can be obtained at ITI's website:

<http://www.itic.org/dotAsset/5644ecd2-5024-417f-bc23-a52650f47ef8.doc>

The VPAT consists of a long series of tables. The initial one, the Summary Table, is used to provide a sense of your product's overall "level-of-compliance" with Texas Administrative Codes 1TAC 206 and 1TAC 213 Accessibility Requirements. Subsequently, the Section 1194.xx Tables contain the detailed subparagraphs the Section 508 requirements are comprised of. It is within these tables you shall define in detail how your product did or did not comply with a specific requirement.

Use the following information to understand the use of the three columns in the VPAT's tables:

Summary Table	
Column Name	Use
Criteria:	Describes Subparts B, C, and D of the Section 508 Standards.
Supporting Features:	To <i>Enter</i> information summarizing a product's overall "level-of support" for the corresponding Subpart or, when appropriate, to specify <i>Not Applicable</i> .
Remarks/Explanations:	To <i>Enter</i> general comments regarding a product's overall "level-of-compliance" with the <i>Applicable</i> Subpart.

Section 1194.xx Tables	
Column Name	Use
Criteria:	Describes a specific guideline a Subpart is composed of.
Supporting Features:	To <i>Enter</i> information summarizing a product's "level-of-support" for a specific guideline.

Remarks/Explanations:	To <u>Enter</u> detailed information on how the product did or did not support a specific guideline.
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The **Supporting Features** and **Remarks/Explanations** columns in the VPAT are used to document exactly how a product conforms or does not conform to the Section 508 standards. In order to promote consistency in Vendor responses, the columns shall be answered in the following manner:

Supporting Features (second column)	
Language	Description
Supports	Product FULLY meets the letter and intent of the Criteria.
Supports with Exceptions	Product does not ENTIRELY meet the letter and intent of the Criteria, but does provide some level of access.
Supports through Equivalent Facilitation	Product(s) provide <i>alternative</i> methods to meet the intent of the Criteria.
Does not Support	Product does not meet the letter or intent of the Criteria.
Not Applicable	The Criteria does not apply to the product.

Remarks & Explanations (third column)	
If 2 nd column states...	Then...
Supports	List exactly <u>what</u> features of the product do meet and describe <u>how</u> they are used to support the Criteria.
Supports with Exceptions	List exactly <u>what</u> features of the product do meet and describe <u>how</u> they are used to support the Criteria. AND List exactly <u>what</u> parts of the product do not meet and describe <u>how</u> they fail to support the Criteria.
Supports through Equivalent Facilitation	List exactly <u>what</u> <i>other</i> methods exist in the product and describe <u>how</u> they are used to support the Criteria.
Does not Support	Describe exactly <u>how</u> the product does not support the Criteria.
Not Applicable	Describe exactly <u>why</u> the criteria are not applicable to the product.

4. Quality standards relative to responses to applicable Section 508 standards

When responding, the Vendor shall state exactly how the proposed EIR solution meets the applicable standards in the remarks/explanations column, or through additional narrative. In addition, all “not applicable” (N/A) responses shall be supported in the remarks/explanations column or through additional narrative. The Vendor is cautioned to address each requirement individually and with specificity, and to be clear whether conformance is achieved throughout the entire EIR solution (i.e. both user functionality and administrator functionality), or only in limited areas of the EIR

solution.

In addition, the Vendor shall also disclose the method used to validate conformance claims (i.e. expert review, manual testing, automated testing, no method used, other - please describe), and who validated conformance (Vendor, third party name, none).

5. Additional Vendor requirements if testing is required

Texas state agencies and state institutions of higher education reserve the right to perform testing on a Vendor's proposed deliverables to ensure the accuracy of their response regarding conformance with the 1TAC 206 / 1TAC 213 technical standards before making an award.

Upon request for the opportunity to perform hands-on testing, the Vendor shall provide a demonstration product(s) or copy of their EIR solution so the agency may validate their claims of accessibility. If the Vendor's EIR solution is comprised of commercially available products which shall be configured or modified, the agency may request a demonstration product(s) or copy of the product(s) to gauge the likelihood of a fully conforming EIR solution being delivered based on these products.

The EIR solution being provided for testing purposes shall be equivalent to the final commercially available release version in terms of functionality and features. Demonstration and/or trial versions of EIR solutions, therefore, shall **NOT** be considered for testing purposes. This is necessary since limits imposed in the functionality and features would detract from accurate testing of an EIR solution's level of conformance. In addition to the actual EIR solution, the Vendor shall be prepared to provide upon request, a Test Plan illustrating "typical" user scenarios shall be included in order to ensure fair and accurate testing.