



**CITY OF ALBANY, OREGON  
FINANCE DEPARTMENT**

**RFP #240210, Banking, Merchant, Procurement Card Services  
Request for Proposals, Addendum 2**

---

**March 25, 2024**

The purpose of this addendum is to modify the RFP documents only to the extent indicated herein. All other areas not changed or otherwise modified by other addenda, shall remain in full force and effect. This addendum is hereby made an integral part of the original Project Documents.

**1. Section 2.2 Please explain if the City has any requirements regarding the use of subcontractors. Are we required to only use state-certified contractors?**

*Answer: No. Section 2.2 provides information regarding the state certified DBE contractors. The banking services, merchant services and Pcard services contract is not funded by federal funds, and therefore does not prescribe DBE subcontractors MUST be used.*

*Section 2.2 has been modified as follows: In all solicitations either by competitive bidding, proposals, or negotiation made by the successful Proposer for work to be performed under a subconsultant/subcontractor, including procurements of materials or leases of equipment, each potential supplier **shall** be notified by the successful Proposer of the Proposer's obligations under this contract (**if federal funds are being used**), Title VI of the Civil Rights Act of 1964, and other federal nondiscrimination laws.*

**2. Section 3.4.1 With regards to potential lockbox processing, how many different types of receipts do you estimate collecting? Think of things like different coupons, different data captured, and different posting processes or systems. We will use this to determine if you need more than one lockbox.**

*Answer: The City Utility Billing department is the primary department that may be interested in a lockbox option. We have not used one in the past and are not sure how it would incorporate with the current billing system. We would only consider one lockbox at this time.*

**3. Section 3.4.1 Is the expected monthly number of checks to be processed in a lockbox the 7,200 utility checks or something more/less?**

*Answer: UB receives an average of 7,200 checks a month. Those sent to a lockbox would be less. This number includes customers that personally deliver their payments.*

**4. Section 3.4.1 Do you provide your customers a bill that includes a tear-off remittance coupon with an OCR scan line which is meant to be sent with the check? The response may differ if there are multiple payment types.**

*Answer: All bills include a remittance coupon (not perforated) and they do include an OCR scan line for processing payments.*

**5. Section 3.4.1 Do you receive correspondence-only (remittances without a check enclosed) items? If so, would you be open to the bank imaging them and segregating them for ease of review?**

*Answer: No. Correspondence is received with payments on occasion. Correspondence-only is minimal.*

**6. Section 3.4.1 We offer image-based lockbox services where checks and remittance materials are imaged and delivered to you. What type of image delivery best suits your needs:**

- a) Internet-based browser application with online retention of:
  - i. 90 days (default)?
  - ii. 2 years?
  - iii. 7 years?
  - iv. 10 years?
- b) Periodic Virtual CD:
  - i. Monthly (default)?
  - ii. Weekly?
  - iii. Daily?
- c) Daily transmission of indexed images to be imported into your in-house image database? You may elect more than one delivery method (e.g., browser with monthly CDs; browser and daily transmission).

*Answer: Daily, internet-based application with a two-year retention.*

**7. Section 3.4.1 What would you like imaged?**

- a. Checks (default)
- b. Remittance materials enclosed with the check (check stub/skirt, invoices, remittance coupon, correspondence)?
- c. Correspondence-only items (materials received in envelopes that have no check or card payment enclosed)?
- d. Credit card payments (credit card number will be masked except the last four digits)?
- d) Envelopes?

*Answer: Remittance materials enclosed with the check (check stub/skirt, invoices, remittance coupon, correspondence).*

**8. Section 3.4.1 Do you receive checks drawn on Canadian banks? If yes, how would you like Canadian checks processed?**

- a. If in Canadian dollars:
  - i. Do not process; forward original check and accompanying documents to you?
  - ii. Convert to U.S. dollars and deposit for converted amount?
  - iii. Send to International Banking for deposit to Canadian account?
- b. If in U.S. dollars:
  - i. Process check?
  - ii. Do not process; forward original check and accompanying documents to you?

*Answer: If in Canadian dollars, do not process and forward the original check and documents to the City. If in US dollars, process check.*

**9. Section 3.4.1 Do you receive checks drawn on *non-Canadian* foreign banks? If yes, how would you like foreign items handled?**

- a. Send to International Banking for collection?
- b. Do not process; forward original check and accompanying documents to you?

*Answer: Do not process; forward original check and accompanying documents to City.*

**10. Section 3.4.1 How many acceptable payees do you have?**

- a. 7 or fewer acceptable payees
- b. 8-15 acceptable payees (additional fees apply)
- c. 16-25 acceptable payees (additional fees apply)
- d. 26-50 acceptable payees (additional fees apply)
- e. "Accept All Payees" instruction (additional fees apply)

*Answer: We would have seven or fewer acceptable payees.*

**11. Section 3.4.1 What information, other than the check MICR line (routing transit number, checking account number, check number, check amount) do you want captured *from the face of the check* (e.g., remitter name, check date, other)?**

*Answer: We would like all information on the face of the check captured.*

**12. Section 3.4.1 What remittance detail do you need captured to post payments? *To be used to estimate keystrokes for items without payment coupons.***

*Answer: At a minimum, remitter name, address, telephone number, check number, amount, date, and memo field.*

**13. Section 3.4.1 For payments received without your desired data capture fields, we offer several exception handling options:**

- Payment Lookup – You provide us an inbound file of your customer data; when we encounter a payment with missing information, we try to identify the customer within your data set and locate the missing information.
- Web Decisioning – We present images of incomplete items to you for review; you can provide missing information and release the item back into the deposit processing flow.

Are both or either of these services of interest to you?

*Answer: Web Decisioning.*

**14. Section 3.4.1 If you require capture of invoice amounts, must invoice amounts balance to the check amount? If "yes", how should an out of balance transaction be processed.**

- a. Insert a dummy invoice record for the difference (positive or negative)?
- b. Reject the payment and forward it to you unprocessed?
- c. Send to our web-based exception review and decision application, Web Decisioning? Web Decisioning allows you to view images of exception items throughout the day and provide missing information and a "deposit" or "reject" decision. Use of Web Decisioning reduces the number of exception items that hit your receivable system.

*Answer: No. It is acceptable if an invoice amount differs from the payment.*

**15. Section 3.4.1 Do you have the need to use positive or negative file services on any of your lockboxes? If “yes”, for how many boxes is the service required?**

(With a positive file, we process only those checks which match information on a file provided by you (e.g., matching to a captured field). With a negative file, we reject payments which match information on a file provided by you. As a point of reference, negative files are commonly used in the mortgage industry to reject payments for properties which are in foreclosure.)

*Answer: A negative file will provide the City with oversight of accounts that have check writing privileges revoked. We assume an exceptions report will be generated.*

**16. Section 3.4.1 Do you want a daily data file transmission of lockbox detail to allow for automated payment posting to your accounts receivable system?**

*Answer: Yes.*

**17. Section 3.4.1 Please describe any other lockbox-related reporting requirements you have, which may include lockbox deposit summary, lockbox batch listings, detailed lockbox transaction listings, deposit reporting with availability breakdown, etc. Be as explicit as possible regarding desired report content, format, method and timing of delivery. It may be easiest to provide examples of existing reports with an indication of how the existing reports are delivered/retrieved.**

*Answer: A PDF of the lockbox records is needed daily. City requests an electronic platform to access and review the daily transaction details.*

**18. Section 3.4.1 Do you require any paper returned to you other than un-processable items? If so, please describe what your document return requirements are.**

*Answer: Paper returned is not required. City must receive a digital PDF copy.*

**19. Section 3.4.1 For any lockbox items being physically forwarded to you, how are they to be shipped:**

- a. U.S. Mail?
- b. Courier (local or national)? When a courier is used, we require that you provide us with our account number with the chosen courier so that transportation fees are charged directly to you.

*Answer: Lockbox items should be forwarded using U.S. Mail.*

**20. Scannable Wholesale Supplemental Questions. Ignore if you do not supply scannable coupons for return with payment.**

**Section 3.4.1 How many different OCR remittance documents do you issue/use? Please provide us with a pdf sample (front and back) of each document accompanied by an explanation of the scan line content so that we may:**

- a. Examine the document layout.
- b. Determine if an amount due is included in the scan line.
- c. Learn how check digits are used (e.g., one for the full scan line; one for the scan line plus one on the account number field; etc.).

*Answer: See Appendix D - Utility Billing Department Billing Statement.*

**21. Section 3.4.1 How would you like out of balance multiples (amounts to be applied to each coupon do not sum to the total check amount) handled?**

- a. Forward to you unprocessed?
- b. Present to you via Web Decision application for you to allocate the check amount to the existing remittance coupons?

*Answer: Web Decision application.*

**22. Section 3.4.1 If your remittance coupon allows for change of address information to be provided, how would you like us to handle scannable items received with change of address indicated?**

*Answer: Preferably, provide an image of the remittance coupon and provide it to City electronically for internal review and account update, if applicable.*

**23. Section 3.4.1 Do you have custom batch size or batch numbering requirements? If “yes”, please describe. Our standard batch sizes for scannable wholesale lockboxes are 300 for scannable payments and 50 for non-scannable payments.**

*Answer: If this is regarding utility bills and volume of bills incoming, we average 165 bills per day, ranging from 70 to 400 each day.*

**24. Attachment G – Cost Proposal Pcard - Can the City provide an AP file to help us in projecting potential volume spend and rebate potential for the ePayables program by having us analyze the AP spend?**

- a. Vendor name
- b. Twelve months of standard AP spend
- c. Payment type (check, ACH, wire, etc.)
- d. Supplier address
- e. Tax ID# (optional)
- f. Transaction count (how many payments a year)
- g. Excel format

*Answer: See Appendix B - Vendor Listing and Spend Data (July 2022 – June 2023) and Appendix C – Procurement Card Vendor Listing.*

**25. Could you please clarify the different payment type please:**

- a. EFT (this is ACH payments—right?)
- b. Printed
- c. Check type

*Answer: “EFT” is the same as ACH in this report. “Printed” means a printed check and “Check type” was a place holder for an active supplier over the last 12-month period who did not have any reported spend during that time period (July 1, 2022, through June 30, 2023.)*

**26. Proposer’s Submittal Checklist** has been changed to “...a written statement of no redaction must be indicated on the Proposal Certification.”

**27. Section 3.4.2 - Merchant Card Services.** Was updated to add Utility Billing uses Converge as a gateway processor currently.

- 28. Attachment I** – Combined Merchant Information - A few department corrections were made.
- 29. Section 3.4.2 A - Minimum Qualifications.** Added must be compatible with the payment processor used with Tyler Cashiering for the on-premise version. Tyler Munis cashiering information is provided at: [Credit Card Gateway Options for Enterprise ERP Resident Access and Cashiering Flyer](#). See Cashiering 2021.1.

- 30. Updated the List of Appendices** to reflect those added via Addendum 1 and Addendum 2.

Appendix A – Account Analysis Statement as of December 2023

Appendix B – Vendor Listing and Spend Data as of July 2022 – June 2023

Appendix C – Procurement Card Vendor Listing

Appendix D - Utility Billing Department Billing Statement

- 31. Does the City wish to utilize both a Retail Lockbox and an E-Lockbox service? If so, there are cost savings from an implementation, monthly maintenance, and reporting standpoint.**

- a. How does the City want the potential vendor to include the cost savings for implementing both Retail Lockbox and E-Lockbox at the same time in the Cost Proposal section?

*Answer: To clarify, the City is exploring the differences in cost between the E-lockbox and Retail LockBox. Both are addressed on Page 75. You may add additional lines to offset the cost under the listed cost components per category. Please note it as Other - cost savings. The City may not select Lockbox Services initially due to Utility Billing implementing a new software system.*

- 32. Questions on the Retail Lockbox section of Attachment E - Cost Proposal (page 76)**

1. Reports Fee Line Item: What reports does the City wish to receive?
2. Transmission: Please provide an example or further define the transmission line item.
3. Surcharge: Please provide an example or further define the surcharge line item.

*Answer: If reporting is available, indicate the type of reports and the associated costs. The City would like to see a detailed breakout of varied costs associated with retail lock box services. Transmission - should include per item and file type cost. Surcharge has been omitted.*

- 33. Questions on the E-LockBox section of Attachment E - Cost Proposal (page 76)**

1. Transmission Payment: Please provide an example to help define the transmission payment line item.
2. Data Transmission Output: Please provide an example or further define the City's data needs for a data transmission output.

*Answer: 1 – Transmission payment is the cost to provide single bulk deposit to the City with itemized back-up detail of the individual transaction. 2- CSV file.*

- 34. Section 3.4.2 - BridgePay is a gateway being phased out by Tyler Technologies as they now require processing to be done through them. Is Tyler now your Gateway?**

*Answer: Yes, at the end of the calendar year.*

**35. Section 3.4.1, E - Could you clarify as to whether or not you are asking us to hold up to \$20MM in our local branch?**

*Answer: This would be on a rare occasion when the City is selling/buying bonds or paying debt services payments. Most payments are made via LGIP.*

**36. 3.4.1 - What ERP System are you using?**

*Answer: Tyler Technologies Enterprise ERP System.*

**37. 3.4.1 - Are you using API today? If so, for what?**

*Answer: We do not currently use API; however, the City is interested in this feature for daily reconciliation.*

**38. Attachment E – Cost Proposal Banking Services** was modified to allow for Cost Savings to be incorporated and applied under “Other” in the Lockbox Section.

**39. Section 5.4.9 and Section 6.6 Evaluation Criteria Score Grid** – These sections have been modified to include the percentage of points applicable between Project Approach & Understanding, Implementation, & Security Measures. This section will be increased to 80 points and the total Phase 2 Evaluation points will be increased to 190. The distribution is as follows: Project Approach & Understanding (25%), Implementation (25%), & Security Measures (50%) Per Category of Service(s).

[finance.cityofalbany.net](http://finance.cityofalbany.net)

