

ADDENDUM TO RFP # 06038VF
COUNTY OF ERIE, NEW YORK
REQUEST FOR PROPOSALS (RFP)
FOR BANKING, MERCHANT CARD PROCESSING,
PURCHASE CARD PROCESSING
AND INVESTMENT CUSTODY SERVICES

Fiduciary Responsibility of Erie County

The County is seeking enhancements to streamline and automate procedures including the ability to disburse and transfer funds from the accounts using internet access.

I. The Erie County Comptroller's Office is the custodian, set by NYS law, to maintain custody funds deposited as a result of Court actions in interest bearing accounts. Under the current banking arrangement a master control savings account has been established for each of five courts with each individual court action having its own sub-account that is covered under Federal Deposit Insurance Corporation regulations.

Court Accounts as of 7/31/06:

| <u>Primary Accounts</u> | <u>Number of sub accounts</u> | <u>\$ Amount</u> |
|-----------------------------|-----------------------------------|------------------|
| Lackawanna-Tonawanda courts | 8 | 5,925.39 |
| Buffalo City Court | 41 | 14,220.97 |
| Surrogate Court | 31 | 251,990.18 |
| Supreme Court | 78 | 1,773,322.28 |
| Erie County Court | 111 | 4,361,737.00 |

Under the current banking arrangement a master control savings account has been established for each of five courts with each individual court action having its own sub-account that is covered under Federal Deposit Insurance Corporation regulations.

II. The Social Services Department is the representative payee for selected clients for whom they receive Social Security and Veterans benefit payments on behalf of clients that cannot manage their finances.

Currently, payments are received by mail or at the cashier's window, all by personal check or money orders, no cash payments. Approximately 5,000 payments are photocopied and deposited monthly. Each payment is entered into an individual client account.

Electronic payments (SSI, SSA) are received on a disk from Cash Management Branch of the Comptroller's Office which is then converted into a program showing clients name, account number and amount of deposit.

Some electronic payments will be transferred to Senior Services at some future date.

Bad checks returned by the bank having either the actual check or a yellow copy of the check are used to remove the payment from the account.

Each month files of checks issued and checks cancelled from this account are sent electronically to the bank.

III. The Senior Services Department is the representative payee for selected clients for whom they receive Social Security and Veterans benefit payments on behalf of clients that cannot manage their finances.

Senior Services – Protective Services for Adults (PSA) banking overview:

Currently funds for 315 clients are managed by the Department of Senior Services.
(*Note: PSA will be absorbing an additional 500-600 clients within the next three months due to the commencement of handling the financial aspect of Adult and Family cases.)
We act as Representative Payee for Social Security and individual pension companies and are Power of Attorney (P.O.A.) and Guardian of Property for clients. Currently, one checking account is used, for all our clients' funds. This account was opened 4/13/1992. Our current average daily balance is approximately \$983,367.00.

In addition, Individual savings accounts are used to hold excess client funds with the potential for two accounts, a burial account and a PSA account for each client. Under the current banking arrangement a master control savings account has been established. One for the burial accounts and a second for the savings each client having its own sub-account that is covered under Federal Deposit Insurance Corporation regulations.

Quick Books Enterprise Solutions is the software we use to account for the clients' funds. We have established separate sub-accounts for each client's checking and savings in Quick Books so that we can account for and manage individual's funds.

Deposits and payments are made on a daily basis with most client funds received as direct deposits into the checking account.

Below are statistics regarding the volume of activity that we did in Quick Books for our current PSA clients (i.e. deposits, checks issued, stop payments placed).

| Month | Checks Issued | | No. Stop Pymts. | Deposits Accepted | |
|----------|---------------|--------------|-----------------|-------------------|--------------|
| | No. | Amt. | | No. | Amt. |
| Jan. '06 | 1039 | \$298,210.75 | 1 | 395 | \$313,981.38 |
| Feb. '06 | 1099 | \$298,964.54 | 3 | 424 | \$449,597.37 |
| Mar. '06 | 1135 | \$355,268.33 | 2 | 456 | \$423,888.86 |
| Apr. '06 | 1090 | \$320,684.48 | 1 | 419 | \$378,367.31 |
| May '06 | 1092 | \$431,264.88 | 0 | 461 | \$436,230.36 |
| June '06 | 1111 | \$328,154.97 | 4 | 446 | \$317,885.47 |
| July '06 | 1130 | \$289,486.46 | 2 | 407 | \$330,077.73 |

Limitations requiring account enhancements

- ? Checking account cannot be set up as escrow with sub-accounts for each client, because of the volume of our daily activity.
- ? Cannot order deposit slips on-line.
- ? Cannot download for bank reconciliation purposes.
- ? Cannot query past 30 days for check paid status.
- ? Cannot view history of stop payments placed.
- ? Cannot see all pertinent information on stop payment confirmation.
- ? Cannot view sub-accounts for burial and savings escrow accounts.
- ? Cannot access archived files.
- ? Cannot view and print bank statements.
- ? ? Cannot wire transfer funds from escrow burial and savings accounts to checking account.

In order to manage clients' funds more efficiently and expedite the process of monthly processing of deposits and journals into SAP system the following ability within the online banking system is desired.

This applies to all accounts: PSA Checking, PSA Burial, PSA Savings, and PSA CDs.

1. Checking account escrow, with one main account and interest earning sub-accounts for each client with option of daily transactions. (Daily activity can be faxed to a bank representative for sub-account detail.)
2. Download from account for bank reconciliation purposes into Quick Books Enterprise Books, paid check data and interest earnings.
3. View and print daily activity 60 days- including CURRENT day.
4. View and print bank statements.
5. Ability to click on an item, debit or credit, and view the image and details, plus ability to print image. (i.e. Paid Checks-view image of front and back of check and print; ACH credits and debits-able to click and view full details of deposit and print)
6. Ability to query regarding payment on a particular check or range of checks by using date, amount, or check number for one check or by range for each category. Would like to be able to search back as far as nine (9) months.
7. Ability to place stop payments on checks or range of checks.

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8. Ability to view and print a history of the stop payments on the account.
9. Ability to view/print at sub-accounts level for PSA Checking, Burial and Savings.
10. Ability to wire transfer funds between burial, savings, escrow accounts and checking account.
11. Ability to move funds from burial, savings escrow to another bank to maximize interest for the clients.
12. Ability to order deposit slips, when needed, for all accounts.
13. Ability to export and download into excel spreadsheet all ACH Credits and Debits.
14. Require phone number, fax number and direct contact name for representative in the bank's Reclamation Dept. that is responsible for returning funds per Green Book to original source of ACH Credits. This is done in the circumstances where a client is deceased and not entitled to the benefit. Notification to the original source may not have been done in time to stop the Direct Deposit.