



## BOONE COUNTY, MISSOURI

### Request for Proposal #: 13-20JUL17 – *Depository of County Funds*

#### ADDENDUM #3 - Issued July 10, 2017

This addendum is issued in accordance with the RFP Response Page in the Request for Proposal and is hereby incorporated into and made a part of the Request for Proposal Documents. Offerors are reminded that receipt of this addendum ***should be acknowledged*** and submitted with Offeror's *Response Form*. Signed addendums should be uploaded in the Required Documents section of the Proposal Cover Sheet.

Specifications for the above noted Request for Proposal and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect.

I. The County received the following questions and is providing a response:

1. Can you please provide an answer/situation where this might occur? We want to ensure we understand the statement below.

*5.5.1 The implementation of Positive Pay is in some cases dependent on the County's ability to access data from systems outside of the County's control (i.e. Court processing software owned and operated by the State of Missouri). As such, the implementation of Positive Pay shall in no way impact the financial institution's liability under any state and federal law. Specifically, nothing in the agreement shall be interpreted as shifting or varying the liability of check fraud from the bank to the County under U.C.C.(34).*

**Response: Section 5.5.1 is intended to make clear to depositories that the County does not intend to change by contract any of the legal liability for check fraud as reflected in the Uniform Commercial Code, specifically Articles 3 and 4 of the Uniform Commercial Code as adopted in Missouri. (See RSMo Secs. 400.3-403 and 400.4-401 and surrounding sections for more information). The County does not intend nor will accept any shifting of legal liability imposed under the law on the financial institution for processing fraudulent checks.**

2. In Addendum #1, IV.f., it was stated "Interest on the additional \$50 million (Collector Overflow Account) was paid at a different rate". What was the negotiated rate? Was it a variable rate tied to an index with a plus/minus

variance or a fixed rate? If it was a variable rate, what was the index and what was the variance? If was a fixed rate, what was the fixed rate?

**Response: For the 2015-2016 peak tax collection season, an interest rate of .20% was applied to all balances in the Overflow account up to \$50 million. For the 2016-2017 peak tax collection season, an interest rate of .20% was applied to all balances in the Overflow account up to \$67 million.**

3. Within the Terms and Conditions, Section 2 Investment, there are several questions with regard to safekeeping of securities.

a. Where are the Treasurer's security investments currently held?

**Response: At the Federal Reserve Bank of Boston with Landmark Bank N.A. as the Safekeeper.**

b. How many security positions are currently held by the Treasurer?

**Response: As of 07/03/2017, there are 47 Federal Agency Securities and U.S. Treasury bonds in our account.**

c. How many securities are typically purchased by the Treasurer per month and/or over the course of the year?

**Response: We have 4 to 7 purchases per month and 50 to 100 per year.**

d. What type(s) of securities are held within the Treasurer's portfolio?

**Response: In addition to 2b we have various CD's and MOSIP investments.**

e. How many principal and/or interest transactions are processed in the Treasurer's investment account per month on average?

**Response: 5 to 10 per month.**

f. Are there any security limitations for purchased investments for the Collector's account? In other words, are the purchase of agency securities allowed or are investment of US Treasury securities only allowed?

**Response: The investment of funds under the Collector's control shall adhere to the Constitution and Laws of the State of Missouri. Funds under the Collector's control are held for short-term needs. Investments shall be sufficiently liquid to meet the**

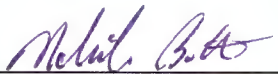
distribution needs of the Collector's office. Funds must be available for disbursement to the taxing entities as prescribed by law. The principal amount of any investment shall be made whole. There can be no loss of property tax revenue that is held for investment. Treasury bills have been used in the past so that the maturity date would corresponding with the disbursements of property tax revenue.

- g. If agency securities are allowed, are there any concentration limitations by issuing agency?

**Response: Not expressly in our Investment Policy.**

- 4. Under Terms and Conditions, 2.2.7, this section asks "For investment securities held in safekeeping, either purchased through the depository or through outside bids and purchases, the proposal should state if there will be any service charge for providing market values of the securities on a monthly basis." As stated, market values can only be provided for securities held in safekeeping. It is my understanding that the Treasurer's investment have typically occurred outside the depository institution. If the pricing is favorable, would those purchases be made through the depository institution?

**Response: If pricing is competitive, then yes the depository can provide this service, although the depository would not be the exclusive provider for the County.**

By:   
**Melinda Bobbitt, CPPO, CPPB**  
**Director of Purchasing**

OFFEROR has examined **Addendum #3** to Request for Proposal# **13-20JUL17 – Depository of County Funds**, receipt of which is hereby acknowledged:

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Representative Printed Name: \_\_\_\_\_