

Inquiries for Banking Services

-) Can you provide an account analysis statement from your current bank? This statement will show the volumes of transactions processed for each of your services provided. An analysis statement will provide answers to # 2, 6, 7, and 8.

A copy of the account analysis will be provided to proposers based on request by email to jdonaghy@bgjwsc.org.

- 2) What is the average collected balance in your account?

Included in account analysis

- 3) Page 5 – **These accounts may be restricted as to the source and use of the monies and to the term of investment** – can you please explain what you mean by restricted? Will the bank be required to monitor the funds distributed from the accounts. Is there a “blocked” or “restricted” account set up required?

The JWSC has bank accounts that are restricted by law (customer deposits, capital tap fees) and others restricted by JWSC action (e.g. an operating reserve). The bank would not be required to monitor funds in these accounts.

- 4) Page 5 – **do you currently maintain a lockbox service for your Revenue Account?** If yes, how many checks do you deposit through your lockbox? Does your invoice have a micr line with scannable information? What services are attached to the lockbox (imaging front and back, data transmission of information). In the pre proposal meeting you stated that this service is currently outsourced and will be moved back to you.

We currently have a contract with a lockbox service. The JWSC is considering bring this function in-house.

- 5) Page 5 (1) **states 5,000 items per month** – is this the total amount of items deposited over the counter and lockbox?

5,000 “over-the-counter” payments only lockbox excluded

- 6) Page 6 – Payroll Account – how many employees receive an ach direct deposit?

On account analysis

- 7) Page 6 – How many outgoing wires do you process on a monthly basis? How many incoming wires?

On account analysis

- 8) Page 7 (11) How many outgoing ach files do you process per month?

Our new financial software provides the capability to perform this function. We have not fully implemented this function as yet. The total number of vendors willing to participate is unknown.

- 9) Please provide a copy of the RFP in word format (this helps us expedite the RFP response).
- 10) Please provide copy of last 2 months bank analysis statements (consolidated/group analysis statement preferred) for:
 - a. Revenue Account
 - b. Payroll Account
 - c. Disbursement Account
 - d. Lockbox Account(s) – we need as much detail on this account as possible if its volume will be included in Revenue account activity.

A copy of the account analysis will be provided to proposers based on request by email to jdonaghy@bgjwsc.org.

- 11) Please provide a copy of your investment policy statement for reserve and other interest bearing accounts.
 - a. Please provide a copy of the most recent bank/brokerage statement or summary by account for all reserve fund and other interest bearing accounts.

The investment section of the JWSC Financial Policy is:

11. Investments

This section does not apply to investments held by the trustees under the City and County bond indentures.

A. Objectives

The following investment objectives shall be met with this policy:

Safety – Preservation of principal shall always be the foremost objective in any investment transaction involving JWSC funds. Those investing funds on the JWSC’s behalf must first ensure that capital losses are avoided by limiting credit and interest risk. Credit risk is the risk of loss due to the failure of the security issues or backer. Interest risk is the risk that market value portfolios will fall due to an increase in general interest rates.

Liquidity – The second objective shall be the maintenance of sufficient liquidity within the investment portfolio. The investment portfolio shall be structured such that securities mature at the time when cash is needed to meet anticipated

demands (static liquidity). Additionally, since all possible cash demands cannot be anticipated, the portfolio should maintain some securities with active secondary or resale markets (dynamic liquidity).

Return on Investment – The third objective shall be the realization of competitive investment rates, relative to the risk being assumed. However, yield on the investment portfolio is of secondary importance compared to the safety and liquidity objectives described above.

B. Delegation of Authority

The overall management of the investment program is the responsibility of the Director. Daily investment activities are the responsibility of the Chief Financial Officer. Responsibilities to fulfill this authority include: opening accounts with banks, brokers, and dealers; arranging for the safekeeping of securities; and executing necessary documents.

The Director, CFO and all employees whose job requires, handling of cash or cash transactions will be bonded.

C. Authorized Investments

All bank, investment, broker, trustee, or other accounts held in the name of the JWSC will be properly authorized by resolution of the JWSC.

All investment activity is required to be in compliance with Chapter 83 of Title 36 of the *Official Code of Georgia*, which establishes guidelines for local government investment procedures.

The JWSC may invest funds subject to its control and jurisdiction in the following:

1. Certificates of Deposit (CD's) issued by banks insured by the Federal Deposit Insurance Corporation (FDIC). Deposits in excess of FDIC coverage must be collateralized by securities with a market value equal to at least 110% of the deposit. Only those securities described in Georgia Code 50-17-59 can be pledged as collateral;
2. Certificates of Deposit (CD's) issued by savings and loans associations issued by the Federal Savings and Loan Insurance Corporation (FSLIC). Deposits in excess of the FSLIC coverage must be collateralized by securities equal to at least 110% of the deposit. Only those securities described in Georgia Code 50-17-59 can be pledged as collateral;
3. Obligations issued by the United States government;

4. Obligations fully insured or guaranteed by the United States government or a United States government agency;
5. Obligation of any corporation of the United States government;
6. Obligation of the state of Georgia or of other states;
7. Obligation of other political subdivision of the state of Georgia;
8. The Local Government Investment Pool of the state of Georgia managed by the State Department of Administrative Services, Fiscal Division; and
9. Prime Banker's Acceptances.

D. Prudence

The standard of prudence to be shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Under the “prudent person” standard, investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable revenue to be gained.

The CFO and all designees acting in accordance with written procedures, this financial policy, and exercising due diligence shall be relieved of personal responsibility for an particular security's credit risk or market price changes (interest risk), provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse conditions.

E. Diversification

The JWSC agrees with the premise that diversification is an important component of portfolio security. Therefore, the JWSC shall endeavor to maintain an adequate level of diversification among its investments. The JWSC shall not be over invested in any one type of instrument or financial institution. No more than 25% of the total investment portfolio shall be placed with a single issuer. This limitation shall not apply to the Local Government Investment Pool, direct obligations of the United States government or obligations fully insured or guaranteed by the United States government or a United States government agency.

F. Maturities

To achieve the aforementioned objective of adequate liquidity within the portfolio, the JWSC shall attempt to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum

maturity of any instrument in the portfolio may not exceed five years from the date of acquisition. In order to preserve liquidity and to lessen market risk, no less than 25% of the total portfolio must mature in less than one year. The maturity of non-negotiable time deposits may not exceed one year.

G. Safekeeping and Custody

All investment securities purchased by the JWSC shall be delivered against payment and shall be held in a third-party safekeeping account by the trust department of a bank insured by the Federal Deposit Insurance Corporation. The Director, or designee, shall be responsible for the selection of a financial institution for this purpose, as well as the execution of a written safekeeping agreement with the trustee.

All cash and cash equivalent deposits must be collateralized by securities equal to at least 110% of the deposit. Only those securities described in Georgia Code 50-17-59 can be pledged as collateral.

H. Ethics and Conflicts of Interest

Officers and employees involved in the investment process will refrain from personal business activity that would conflict with proper execution of the investment program, or which would impair their ability to make impartial investment decisions. Employees and investment officials (brokers) will disclose to the Director any material financial interests in financial institutions that conduct business with the JWSC, and they will further disclose any material personal financial/investment positions that would be related to the performance of the JWSC portfolio.

I. Relationships with Banks and Brokers

The JWSC will select depositories through its purchasing procedures, including formal requests for proposals issued as needed. In selecting depositories, objective business criteria will be used. To the extent possible, preference will be given to depositories located within Glynn County and the City of Brunswick. The creditworthiness of the institutions will be a fundamental consideration.

J. Report on Deposits and Investments

Periodic investment reports will be submitted to the Director by the CFO. Reports should include a current portfolio yield for each investment pool and for the portfolio as a whole and a percent of available funds invested. The report shall also provide a list of investments and accrued interest as of the last day of the quarter.

K. Performance Evaluation

The CFO will seek to achieve a market average rate of return on the portfolio. Given the special safety and liquidity needs of the JWSC, the basis used to determine whether market yields are being achieved shall be based on a comparable benchmark.

A copy of our account summary will be provided to proposers based on request by email to jdonaghy@bgjwsc.org.

- 12) Can you provide the make and model number for the remote deposit equipment JWSC owns?
- a. If you will require new equipment, please let us know how many machines you will need and the scanning capacity required.

The JWSC has discontinued the use of remote deposit.

- 13) How many “online bill payment” deposits are made on a monthly basis?

Approximately 1,750 per month

- 14) Loomis Deposit Service:

- a. What services does Loomis currently provide JWSC? (i.e. – change orders; etc...)

Payments are picked up at a drop-off location on St. Simons Island and brought to the Admin Office. Deposits are picked up and transported to the bank

- 15) Reconciliation of Bank Statement:

- a. Do you currently receive a partial or full reconciliation file from your current bank?
- b. If you are receiving a consolidated statement for all of your accounts, can you provide an example for review? If you are only receiving statements on each account and consolidated account analysis statement, please let me know as this is something that we can provide without any customization for you.

The JWSC does not currently receive reconciliations. We receive individual account statements, no consolidated statement. CD’s are preferred.

16) Return Deposit:

- a. Are you under contract with a third party to handle returned deposit items?
If under contract, when does the contract expire and what services

E-CashFlow handles returned items on a month to month basis.