



UNIVERSITY
OF KENTUCKY

Purchasing Division

Request for Proposal

UK-2350-23

Proposal Due Date - 06/01/23

Banking Services



UNIVERSITY OF KENTUCKY

Purchasing Division

REQUEST FOR PROPOSAL (RFP)

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

PROPOSAL NO.:	UK-2350-23	RETURN ORIGINAL COPY OF PROPOSAL TO:
Issue Date:	4/21/23	UNIVERSITY OF KENTUCKY
Title:	Banking Services	PURCHASING DIVISION
Purchasing Officer:	Rebecca Purcell	411 S LIMESTONE
Email/Phone:	rpurcell@uky.edu 859-257-5479	ROOM 322 PETERSON SERVICE BLDG.
		LEXINGTON, KY 40506-0005

IMPORTANT: PROPOSALS MUST BE RECEIVED BY: 6/1/23 3 P.M. LEXINGTON, KY TIME.

NOTICE OF REQUIREMENTS

1. The University's General Terms and Conditions and Instructions to Bidders, viewable at <https://purchasing.uky.edu/bid-and-proposal-opportunities>, apply to this RFP. When the RFP includes construction services, the University's General Conditions and Special Conditions for Construction and Instructions to Bidders, viewable at <https://purchasing.uky.edu/bid-and-proposal-opportunities>, apply to the RFP.
2. Contracts resulting from this RFP must be governed by and in accordance with the laws of the Commonwealth of Kentucky.
3. Any agreement or collusion among offerors or prospective offerors, which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from offering, or otherwise, is prohibited.
4. Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association who violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars or more than twenty thousand dollars.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:

1. That I am the offeror (if the offeror is an individual), a partner, (if the offeror is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the offeror is a corporation);
2. That the attached proposal has been arrived at by the offeror independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other Contractor of materials, supplies, equipment or services described in the RFP, designed to limit independent bidding or competition;
3. That the contents of the proposal have not been communicated by the offeror or its employees or agents to any person not an employee or agent of the offeror or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official closing of the RFP;
4. That the offeror is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including, but not limited to, those prohibited by the provisions of KRS 45A.330 to .340, and 164.390;
5. That the offeror, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sale and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award;
6. That I have fully informed myself regarding the accuracy of the statement made above.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS

In accordance with KRS 45A.110 (2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342

The contractor by signing and submitting a proposal agrees as required by 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of the statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful contractor prior to the award of a contract.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The contractor, by submitting a proposal, certifies that he/she is in compliance with the Code of Federal Regulations, No. 41 CFR 60-1.8(b) that prohibits the maintaining of segregated facilities.

SIGNATURE REQUIRED: This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

DELIVERY TIME:	NAME OF COMPANY:	DUNS #
PROPOSAL FIRM THROUGH:	ADDRESS:	Phone/Fax:
PAYMENT TERMS:	CITY, STATE & ZIP CODE:	E-MAIL:
SHIPPING TERMS: F. O. B. DESTINATION PREPAID AND ALLOWED	TYPED OR PRINTED NAME:	WEB ADDRESS:
FEDERAL EMPLOYER ID NO.:	SIGNATURE:	DATE:

Table of Contents

1.0 DEFINITIONS	6
2.0 GENERAL OVERVIEW.....	7
2.1 Intent and Scope	7
2.2 Background Information	7
2.3 University Information.....	14
2.4 Supplier Diversity and Procurement.....	16
3.0 PROPOSAL REQUIREMENTS.....	17
3.1 Key Event Dates.....	17
3.2 Offeror Communication	17
3.4 Offeror Presentations	18
3.5 Preparation of Offers	18
3.6 Proposed Deviations from the RFP	18
3.7 Proposal Submission and Deadline	19
3.8 Modification or Withdrawal of Offer.....	19
3.9 Acceptance or Rejection and Award of Proposal.....	19
3.10 Rejection	20
3.11 Addenda.....	20
3.12 Disclosure of Offeror's Response	20
3.13 Restrictions on Communications with University Staff	20
3.14 Cost of Preparing Proposal.....	21
3.15 Disposition of Proposals	21
3.16 Alternate Proposals	21
3.17 Questions	21
3.18 Section Titles in the RFP	21
3.19 No Contingent Fees.....	21
3.20 Proposal Addenda and Rules for Withdrawal.....	21
3.21 Requirement To Perform Vendor Onboarding and Registration.....	22
4.0 PROPOSAL FORMAT AND CONTENT	22
4.1 Proposal Information and Criteria	22
4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form	22

4.3	Transmittal Letter	23
4.4	Executive Summary and Proposal Overview	23
4.5	Criteria 1 - Offeror Qualifications	24
4.6	Criteria 2 – Services Defined	27
4.7	Criteria 3 – Financial Proposal.....	62
4.8	Criteria 4 – Evidence of Successful Performance and Implementation Schedule	62
4.9	Criteria 5 – Other Additional Information.....	63
5.0	EVALUATION CRITERIA PROCESS.....	64
6.0	SPECIAL CONDITIONS.....	65
6.1	Contract Term	65
6.2	Effective Date	65
6.3	Competitive Negotiation	65
6.4	Appearance Before Committee	65
6.5	Additions, Deletions or Contract Changes	65
6.6	Contractor Cooperation in Related Efforts	66
6.7	Entire Agreement	66
6.8	Governing Law	66
6.9	Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act	66
6.10	Termination for Convenience.....	67
6.11	Termination for Non-Performance	67
6.12	Funding Out	68
6.13	Prime Contractor Responsibility.....	68
6.14	Assignment and Subcontracting	68
6.15	Permits, Licenses, Taxes.....	68
6.16	Attorneys' Fees	68
6.17	Royalties, Patents, Copyrights and Trademarks	69
6.18	Indemnification	69
6.19	Insurance (To be completed by Todd Adkins, Risk Management)	69
6.20	Method of Award	70
6.21	Reciprocal Preference	70
6.22	Reports and Auditing	70
6.23	Confidentiality.....	70

6.24 Conflict of Interest 71

6.25 Personal Service Contract Policies 71

6.26 Copyright Ownership and Title to Designs and Copy 72

6.27 University Brand Standards 72

6.28 Printing Statutes 73

6.29 Payment Terms 73

7.0 SCOPE OF SERVICES 74

 7.1 Detailed Services Defined 74

8.0 FINANCIAL OFFER SUMMARY 84

 8.1 Mandatory Services (Section 7.1)..... 84

 8.2 Price Protection 86

 8.3 Alternate Pricing 86

1.0 DEFINITIONS

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of proposals that modify or interpret the RFP documents by additions, deletions, clarifications and/or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" mean the offeror's/offers' response to this RFP.

The term "offeror" means the entity or contractor group submitting the proposal.

The term "contractor" means the entity receiving a contract award.

The term "purchasing agency" means the University of Kentucky, Purchasing Division, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "purchasing official" means the University of Kentucky's appointed contracting representative.

The term "responsible offeror" means a person, company or corporation that has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an offeror is responsible, the University may evaluate various factors including (but not limited to): financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; adversarial relationship between the offeror and the University that is so serious and compelling that it may negatively impact the work performed under this RFP; or any other cause determined to be so serious and compelling as to affect the responsibility of the offeror.

The term "solicitation" means RFP.

The term "University" means University of Kentucky.

2.0 GENERAL OVERVIEW

2.1 Intent and Scope

This Request for Proposal (RFP) is being issued to solicit proposals from qualified and financially sound firms to provide comprehensive banking services for the University of Kentucky. The primary objective of this RFP is to provide the highest level of banking services to the University of Kentucky at the best possible value, and as a public entity ensure the safety of our funds and assets.

The University is also looking for a banking partner that can meet its desire to continually integrate innovative technological solutions throughout the term of our partnership to assist in enhancing operational efficiency. The use of technology to minimize manual or time-consuming operations will be a continuing effort and the successful offeror(s) will be expected to bring applicable new technologies to the system through the RFP and throughout the contract term. The University reserves the right to award one or multiple contracts from this RFP. The services needed are outlined below:

- Electronic Banking
- Depository Services
- Lockbox Processing
- Controlled Disbursement Services
- Wires
- ACH
- International Banking including International Student Payment Services
- Cash Concentration and Overnight Investments
- Custody and Safekeeping Services
- Other Services
- Optional Services

The scope of services is further defined in Section 2.2 and Section 7.0.

2.2 Background Information

University Financial Services has sole responsibility for contracting treasury service needs at the University of Kentucky. The Department of Treasury Services administers the banking service functions for all University of Kentucky operations. The successful offeror(s) is expected to assist University Financial Services in enforcing this responsibility by not entering into any agreements with members of the University community without the approval of University Financial Services.

Transactional banking is managed on a day-to-day basis via an online banking portal. This system is used to monitor account balances and transactions, download prior day activity for deposit reconciliation, initiate wires, initiate individual and batch ACH transactions and transfer funds between accounts as needed. The system is also used to manage lockbox receivables and deposit checks via remote deposit capture. Additionally, the system includes an investment portal for overnight liquidity investment purchases and redemptions of short-term securities for the purpose of daily cash positioning.

The ERP system of the University is SAP. Data files are generated by the University and transferred to the bank via ftp for direct deposit of payroll and positive pay. Data files are generated by the bank and retrieved by the University via ftp for account reconciliations and lockbox transactions.

The University uses GTreasury as its treasury workstation for daily cash positioning, bank account management, bank account analysis monitoring, cash forecasting, and investment tracking. Current day and previous day BAI files are generated by the bank and securely retrieved to be imported directly into GTreasury multiple times daily. On a monthly basis, account analysis EDI822 files are generated and imported directly into the treasury workstation. Direct API connectivity between GTreasury and the financial institution is expected in 2023.

The University utilizes a concentration account structure and zero balance controlled disbursement and depository accounts. The Concentration Account is the University's primary operating account. The concentration account structure is comprised of the concentration account, ten depository accounts and three associated zero-balance controlled disbursement accounts. Most daily deposits, wire transfers and ACH transactions are made to the primary zero balance depository account. All check disbursements flow to the zero balance disbursement accounts.

The University's banking relationship includes UK HealthCare (UKHC). The UKHC Enterprise Cash Management department utilizes bank lockbox services for collection and receives ACH and wire payments through the UKHC deposit account. UKHC uses the Change HealthCare Clearing House to retrieve electronic data files and images from the bank lockbox and from insurers. Lockbox checks and supporting documentation are forwarded to Change Healthcare for creation of an electronic 835 file through Change Healthcare Assurance Payment Automation. Payments received are applied via manual entry or by an electronic 835 remittance file imported into the EPIC electronic health record system. Additional information regarding this lockbox can be found in Section 7.1.3 and Appendix A.

Below is an illustration of the demand deposit account structure and a description of the depository and associated controlled disbursement accounts.

Overnight Sweep Accounts

1. UK Concentration Account – Primary zero balance funding account
2. CKMS – CKMS Sweep Account. Funding account for CKMS demand deposit account

Demand Deposit Accounts

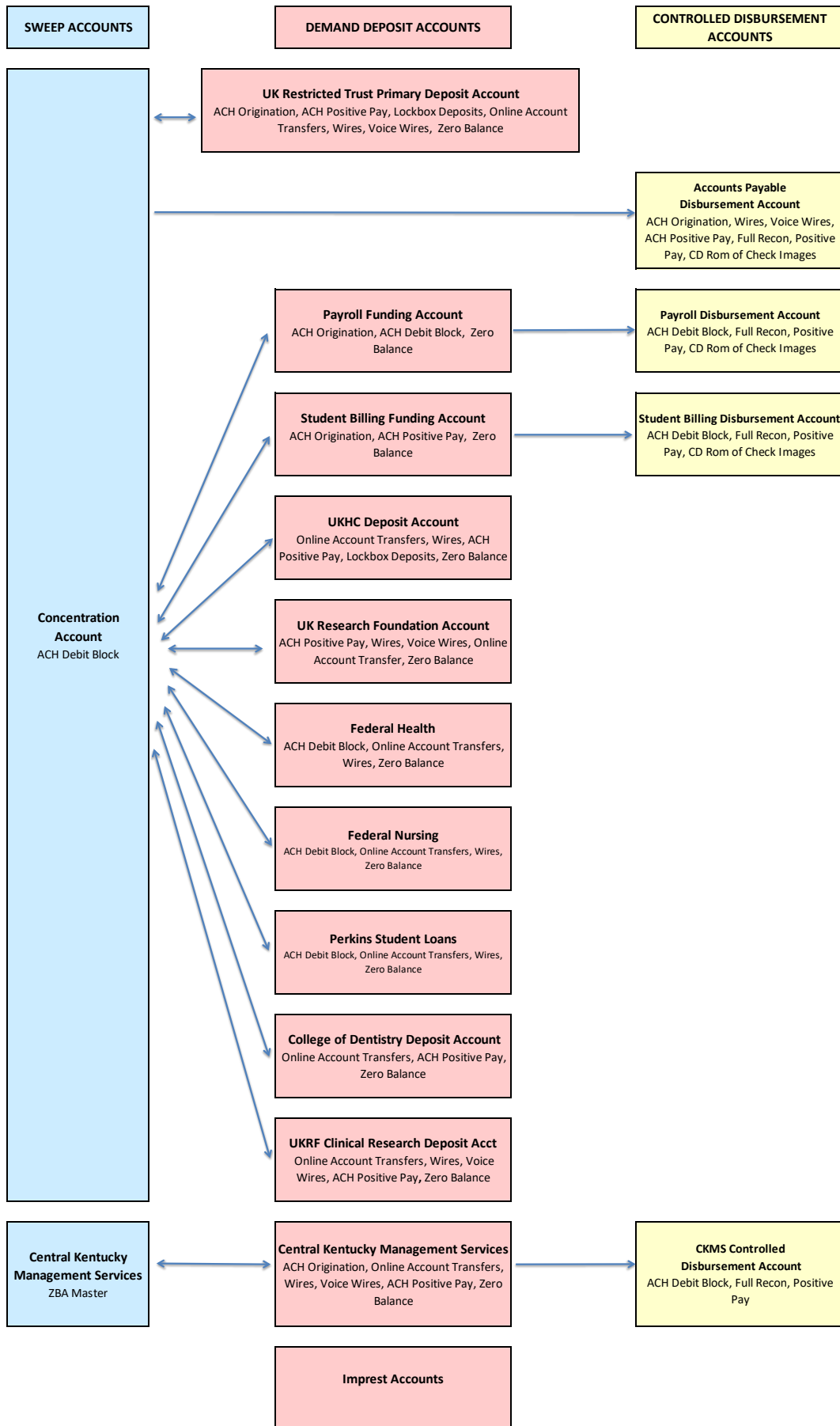
1. Restricted depository account - The University's primary depository bank account for University funds. Services include daily cash and check deposits delivered via armored car service, branch deposits, incoming and outgoing ACH's, ACH Positive Pay, wire transfers, CDA funding, and lockbox deposits. This account sweeps to the Restricted Concentration account at end of day.
2. Payroll - Zero balance funding account for the Payroll Controlled Disbursement Account and origination of ACH credits for payroll direct deposit. Funded from concentration account.
3. Student Billing – Zero balance funding account for the Student Billing Controlled Disbursement Account. This account is also used for origination of ACH debits and credits for student tuition payments and refunds. Sweeps to the Restricted Concentration account at end of day.

4. UK Healthcare – Deposit account receives daily healthcare lockbox deposits and ACH credits representing payments received from agency, governmental and other healthcare related vendor accounts. Sweeps to the Restricted Concentration account at end of day.
5. UK Research Foundation – Deposit account receives ACH credits, wires and deposits related to grants for implementing the scientific, educational, and development activities of the University. Sweeps to the Restricted Concentration account at end of day.
6. College of Dentistry – Deposit account receives daily lockbox deposits and ACH credits from dental patients and insurance payors. Sweeps to the Restricted Concentration account at end of day.
7. UKRF Clinical Research – Deposit account receives ACH credits, wires, deposits, and lockbox deposits related to funds received associated with clinical trials within UK HealthCare and the College of Medicine. This account also initiates outgoing wires to refund clinical trials. Sweeps to the Restricted Concentration account at end of day.
8. Three separate demand deposit accounts for federal loan programs which receive ACH credits that sweep to the Restricted Concentration account at end of day.
 - a. Federal Health
 - b. Federal Nursing
 - c. Perkins Student Loans
9. Central Kentucky Management Services (CKMS) – CKMS, an affiliate of the University, provides collection services for the University. Zero balance deposit account for CKMS operating activity. Funds the CKMS Controlled Disbursement Account used for vendor payments. Also funds the payment of ACH credits for payroll direct deposits and other payroll related EFTs such as IRS payments. Funded from CKMS ZBA Master Sweep account.

Controlled Disbursement Accounts

1. UK Restricted Disbursement Accounts
2. Payroll – Processes approximately 2,100 checks annually. Services include Full Reconciliation, Positive Pay, CD Rom for check images and safekeeping of checks.
3. Vendor - Processes approximately 116,000 checks and 28,000 ACH payments annually. Services include ACH origination, Full Reconciliation, Positive Pay, CD Rom for check images and safekeeping of checks.
4. Student Billings – Processes approximately 8,835 checks annually. Services include Full Reconciliation, Positive Pay, CD Rom for check images and safekeeping of checks.
5. CKMS – Processes approximately 850 checks annually. Services include Full Reconciliation, Positive Pay, CD Rom for check images and safekeeping of checks.

UK TRANSACTIONAL BANK ACCOUNT STRUCTURE
Concentration Account Structure



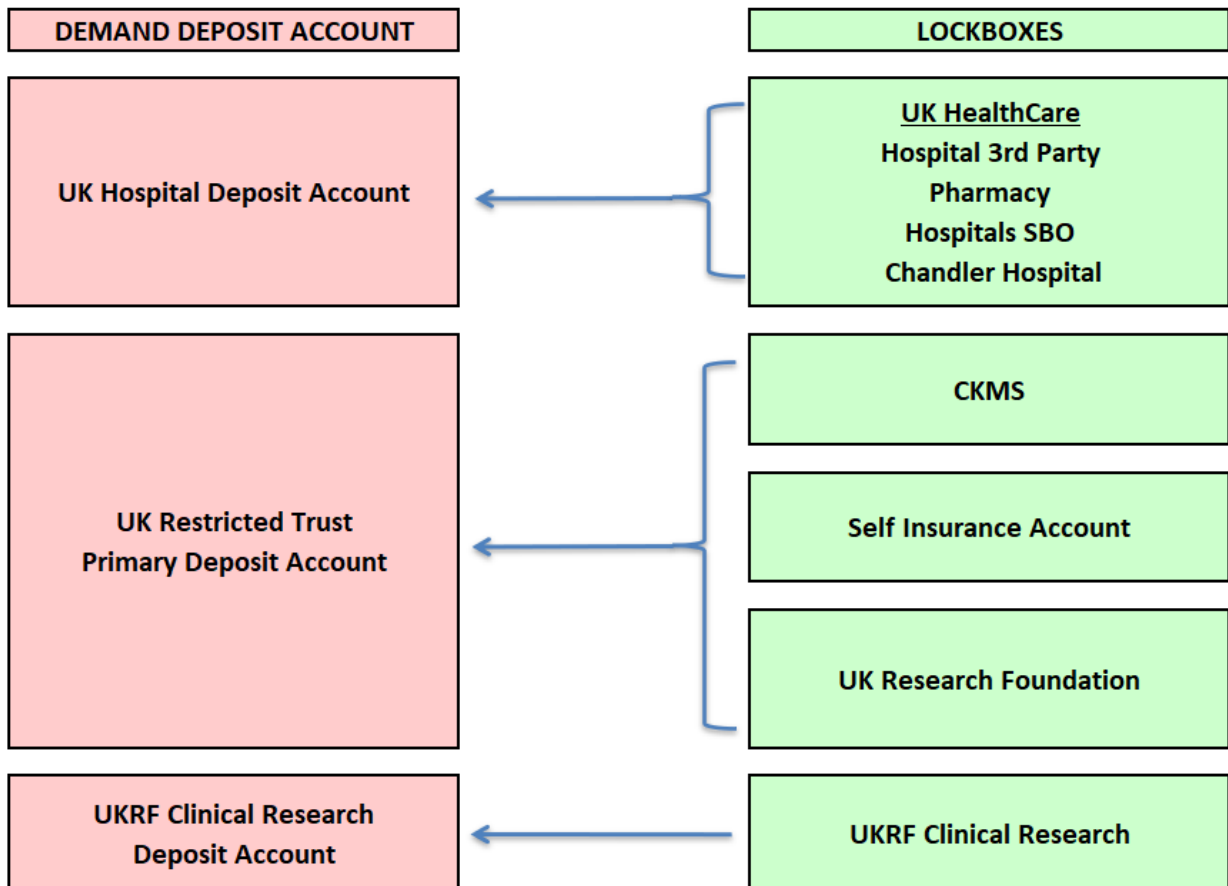
Lockbox Accounts

The University utilizes eight lockbox accounts. The services and configuration of each lockbox are detailed in Appendix A.

UK HealthCare
Hospital 3rd Party
Pharmacy
Hospitals SBO
Chandler Hospital

CKMS
UK Self Insurance
UK Research Foundation
UKRF Clinical Research

Lockbox Accounts



Departmental Imprest Accounts

Additionally, the University currently has 42 demand deposit accounts (“Imprest Funds”) that provide funds to pay research subjects, provide change funds, or make relatively small payments for purchases of supplies and non-personal services, with a total balance of approximately \$336 thousand. These accounts earn no interest for the University and are currently provided at no charge, including check and deposit ticket supplies. University Financial Services must approve the establishment of all University accounts, including these Imprest bank accounts. The individual custodians order supplies for these accounts and receive the monthly bank statements.

Wire Services

The University initiates and receives wires on a daily basis utilizing the electronic banking system. In fiscal year 2022, there were 937 wires received, 306 domestic wires sent, and 157 international wires sent. Almost all international wires were sent in USD.

ACH Services

Payroll - The University processed biweekly payroll ACH direct deposits for approximately 21,444 employees with an average amount of \$26,925,084 per biweekly payroll period during fiscal year 2022. The University processed monthly payroll direct deposits for approximately 8,741 employees with an average amount of \$45,080,285 per monthly payroll period during fiscal year 2022. The direct deposit files are transferred to the bank via ftp.

Student Account Services - The University processes ACH batch files daily for student refunds via ACH credit batch submission through the electronic banking system. For FY22, there were 50,985 refunds processed via ACH totaling \$124,484,374. For comparison, student refunds paid by check equated to 8,835 checks totaling \$14,041,256 in FY22. Additionally, the University processes student tuition payments via ACH debit batch submission through the electronic banking system. For FY22, there were 48,384 incoming ACH payments totaling \$154,371,938. The University also utilizes real-time account verification services via an API integration between the student payment portal and the financial institution to meet the requirements of the NACHA WEB Debit Account Validation Rules effective in March 2022.

The University also initiates numerous outgoing ACH payments to vendors and contractors. The University uses PaymentWorks, a third-party vendor onboarding and management solution, to provide vendor vetting and account verification services. PaymentWorks also provides some fraud reduction services to assist in preventing fraudulent ACH payments. Each day, our outgoing vendor payment ACH files are transmitted via secure ftp to PaymentWorks for fraud review prior to the files being securely transmitted by PaymentWorks directly to the financial institution for processing. In FY22, the University processed 28,467 vendor payments via ACH, totaling \$1.394 billion. Same Day ACH is used only for emergency payment purposes, such as for correcting errors in payroll.

In-depth details regarding the University’s major disbursement activity and operating cash balances can be found in Appendix B.

Cash Management and Investing

The investment structure for the University's operating funds is divided into tiers based on expected liquidity needs, return objectives and State statutes.

Category	Manager	Liquidity/Duration	Investment/Return Objective
Tier I – cash, overnight and short-term investments	Staff / external manager(s)	Daily	Principal preservation and liquidity
Tier II – cash on deposit with the Commonwealth (subject to KRS 164A.555)¹	Office of Financial Management	Daily	Principal preservation and liquidity
Tier III – other operating investments			
Short/intermediate term investments	Staff / external manager(s)	0 to 5 years	Principal preservation and enhanced return on investment
Intermediate/long-term investments	Staff / external manager(s)	> 5 to 10 years	Principal preservation and enhanced return on investment
Tier IV – operating funds invested in Endowment Investment Pool	Staff / external manager(s)	> 10 years	Long-term principal preservation and increased return on investment

The University currently utilizes bank balances, money market funds and short-term securities to manage its Tier I cash and investments. Tier II cash and investments are managed by the Commonwealth of Kentucky Office of Financial Management. Tier III investments are funds identified as not needed for immediate liquidity. These funds are invested with independent investment advisors and through investments purchased directly utilizing brokerage services. Tier IV investments are long-term reserves of the University and are invested in the University's Endowment Investment Pool. Please see the Operating Cash and Investment Report within Appendix B for additional detail on the University's operating investment portfolio as of June 30, 2022.

The University's current bank structure uses a compensating balance model that utilizes an earnings credit rate (ECR) on account balances in which the interest earned is applied towards the total

¹ The University is required to deposit all receipts collected with the State Treasury within 30 days of receipt except amounts received as gifts, received from grants and endowments, or received by affiliated corporations. The receipts remitted to the State are managed by the Office of Financial Management.

monthly service fees. Any funds in excess of the minimum balance required to cover the monthly service fees earn additional interest. The University's preference is for an interest rate indexed close to the Effective Fed Funds rate. In the future, balances may be used to cover bank charges, or the University may choose to invest funds in a sweep or interest-bearing account depending on the rates offered. The University may also reduce the balances held with its primary banking partner if rates offered become uncompetitive compared to market rates.

International Student Payment Services

The University utilizes international student payment services that allow students in foreign countries multiple options to pay tuition and fees utilizing payment methods most popular in their respective countries, or via wire transfer. These international student payment platforms offer reporting that enables Student Account Services staff to easily reconcile incoming international student payments.

Loadable (Pre-paid) Card Services

The University Athletics department uses a loadable (pre-paid) card service to pay athlete per diems and other athletic related payments to our student athletes. Each student athlete is issued a card in their name which is loaded by administrative staff when required for travel to athletic events or for other related athletic activity. In order to comply with NCAA rules, the card service has the ability for funds to be pulled back from a student-athlete's card in the event that travel plans change.

Additionally, University Financial Services has implemented a loadable (pre-paid) card service for use by the research community to make payments to research participants. Upon approval to utilize the service, researchers are assigned a stock of unbranded, unloaded cards for distribution to research participants upon the completion of the participant's role in the study. The researchers will then login to the card system and load the amount owed to the participant. UFS staff utilizes reporting provided by the card system to account for the card loads by uploading the card load activity into the ERP system, thus charging the various research project accounts. In order to reduce the risk of fraudulent use of the service, reporting is used by UFS and research departmental staff to monitor card load activity and ensure it is appropriate.

Recommendations on Bank Structure/Operations

The Offeror should note this is the current concentration and disbursement account structure the University is operating under with its present transactional banking services provider. A responding bank is invited to present a recommended concentration and disbursement account structure that best meets the needs of the University while most efficiently concentrating cash, simplifying structure complexity, and reducing costs.

2.3 University Information

Since his arrival, President Eli Capilouto has set forth an ambitious agenda to extend and enhance our role as Kentucky's land-grant and flagship research university. By focusing on infrastructure growth and improvement; creating opportunities for innovative teaching, learning, and academic excellence; fostering a robust research and creative scholarship enterprise; providing life-saving subspecialty care; empowering communities through service and outreach; and encouraging a transparent and shared dialogue about institutional priorities; the University of Kentucky will ensure a new century of promise for the people we impact.

Founded in 1865 as a land-grant institution adjacent to downtown Lexington, UK is nestled in the scenic heart of the beautiful Bluegrass Region of Kentucky. From its early beginnings, with only 190 students and 10 professors, UK's campus now covers more than 918 acres and is home to more than 30,000 students and approximately 14,500 employees, including more than 2,300 full-time faculty. UK is one of a small number of universities in the United States that has programs in agriculture, engineering, a full complement of health colleges including medicine and pharmacy, law and fine arts on a single campus, leading to groundbreaking discoveries and unique interdisciplinary collaboration. The state's flagship university consists of 17 academic and professional colleges where students can choose from more than 200 majors and degree programs at the undergraduate and graduate levels. The colleges are Agriculture, Food and Environment; Arts and Sciences; Business and Economics; Communication and Information; Dentistry; Design; Education; Engineering; Fine Arts; Graduate School; Health Sciences; Law; Medicine; Nursing; Pharmacy; Public Health; and Social Work. These colleges are supported by a modern research library system.

Research at the University of Kentucky is a dynamic enterprise encompassing both traditional scholarship and emerging technologies, and UK's research faculty, staff and students are establishing UK as one of the nation's most prolific public research universities. UK's research enterprise attracted \$285 million in research grants and contracts from out-of-state sources, which generated a \$580 million impact on the Kentucky economy. Included in this portfolio is \$153 million in federal awards from the National Institutes of Health, non-NIH grants from the Department Health and Human Services, the National Science Foundation, Department of Energy, Department of Agriculture and NASA, among others. The National Science Foundation ranks UK's research enterprise 44th among public institutions.

With more than 50 research centers and institutes, UK researchers are discovering new knowledge, providing a rich training ground for current students and the next generation of researchers, and advancing the economic growth of the Commonwealth of Kentucky. Several centers excel in the services offered to the public. The Gluck Equine Research Center is one of only three facilities of its kind in the world, conducting research in equine diseases.

The Center for Applied Energy Research is pursuing groundbreaking discovery across the energy disciplines. CAER staff are pioneering new ways to sustainably utilize Kentucky natural resources through carbon-capture algae technology, biomass/coal to liquid products and the opening of UK's first LEED-certified research lab to support the development of Kentucky's growing alternative energy industry. Among the brightest examples of UK's investment in transformative research is the Markey Cancer Center. As a center of excellence and distinction at UK, Markey's robust research and clinical enterprise is the cornerstone of our commitment to Kentucky – fundamental to our success in uplifting lives through our endeavors and improving the general health and welfare of our state – burdened by the nation's highest rate of cancer deaths per 100,000 people. In 2013, Markey earned the prestigious National Cancer Institute-designation (NCI) – one of 68 nationally and the only one in Kentucky.

The University of Kentucky was awarded a \$20 million Clinical Translational Sciences Award (CTSA) from the National Institutes of Health (NIH). As one of only 60 institutions with this research distinction, UK was awarded the CTSA for its potential in moving research and discovery in the lab into practical field and community applications. The CTSA and NCI are part of a trifecta of federal research grants that includes an Alzheimer's Disease Center. UK is one of only 22 universities in the country to hold all three premier grants from NIH.

Established in 1957, the medical center at UK is one of the nation's finest academic medical centers and includes the University's clinical enterprise, UK HealthCare. The 569-bed UK Albert B. Chandler Hospital and Kentucky Children's Hospital, along with 256 beds at UK Good Samaritan Hospital, are supported by a growing faculty and staff providing the most advanced subspecialty care for the most critically injured and ill patients throughout the Commonwealth and beyond. Over the last several years, the number of patients served by the medical enterprise has increased from roughly 19,000 discharges to more than 36,000 discharges in 2014.

UK Chandler Hospital includes the only Level 1 Trauma Center for both adult and pediatric patients in Central and Eastern Kentucky. In addition, UK HealthCare recently opened one of the country's largest robotic hybrid operating rooms and the first of its kind in the region. While our new patient care pavilion is the leading healthcare facility for advanced medical procedures in the region, our talented physicians consult with and travel to our network of affiliate hospitals so Kentucky citizens can receive the best health care available close to their home and never need to leave the Bluegrass for complex subspecialty care.

King's Daughters Medical Center based in Ashland Kentucky officially became part of the University of Kentucky. King's Daughters Medical Center serves a 16-county region across Kentucky, Ohio, and West Virginia. Its health system is comprised of two acute-care hospitals totaling 465 licensed beds, more than 50 ambulatory centers and practice locations, a long-term care facility, medical transport company, and six urgent care centers.

UK's agenda remains committed to accelerating the University's movement toward academic excellence in all areas and gain worldwide recognition for its outstanding academic programs, its commitment to students, its investment in pioneering research and discovery, its success in building a diverse community and its engagement with the larger society. It is all part of the University's fulfillment of our promise to Kentucky to position our state as a leader in American prosperity.

SUSTAINABILITY

Sustainability is an institution-wide priority for the University of Kentucky. We strive to ensure that all activities are ecologically sound, socially just, and economically viable, and that they will continue to be so for future generations. This commitment also prioritizes the integration of these principles in curricula, research, athletics, health care, creative works, and outreach. This principled approach to operational practices and intellectual pursuits is intended to prepare students and empower the campus community to support sustainable development in the Commonwealth and beyond. The UK Sustainability Strategic Plan guides these efforts (<https://www.uky.edu/sustainability/sustainability-strategic-plan>).

2.4 Supplier Diversity and Procurement

The University of Kentucky is committed to serve as an advocate for diverse businesses in their efforts to conduct business. Diverse Business Enterprises (DBE) consist of minority, women, disabled, veteran and disabled veteran owned business firms that are at least fifty-one percent owned and operated by an individual(s) of the aforementioned categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

The University is committed to increasing the amount of goods and services acquired from businesses owned and controlled by diverse persons to 10% of all procurement expenditures.

The University expects its suppliers to support and assist in this effort.

Among the University's goals for DBE participation in procurement are:

- To ensure the absence of barriers that reduce the participation of diverse suppliers
- Educate vendors on "how to" do business with the University
- Support diverse vendors seeking to do business with the University in the areas of goods, services, construction, and other areas of procurement
- Encourage participation of qualified diverse vendors by directing them to agencies that can benefit from their product or service
- Provide resources for diverse vendors
- Sponsor events to assist diverse vendors in becoming active, responsible, and responsive participants in the University's purchasing opportunities

For additional information regarding how diverse suppliers may participate in this Request for Proposal, submit any questions to the Purchasing Officer as indicated in Section 3.2 by the Deadline for Written Questions date.

3.0 PROPOSAL REQUIREMENTS

3.1 Key Event Dates

Release of RFP	04/21/2023
Deadline for Written Questions	3 p.m. Eastern Time on 05/05/2023
RFP Proposals Due	3 p.m. Eastern Time on 06/01/2023
Offeror Presentations*	Week of 07/10/23

*projected date

3.2 Offeror Communication

To ensure that RFP documentation and subsequent information (modifications, clarifications, addenda, Written Questions and Answers, etc.) are directed to the appropriate persons within the offeror's firm, each offeror who intends to participate in this RFP is to provide the following information to the purchasing officer. Prompt, thorough compliance is in the best interest of the offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the offeror. Without the prompt information, any communication shortfall shall reside with the offeror.

- Name of primary contact
- Mailing address of primary contact
- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

Rebecca Purcell
Purchasing Division
University of Kentucky
322 Peterson Service Building
Lexington, KY 40506-0005
Phone: (859) 257-5479
Fax: (859) 257-1951
E-mail: rpurcell@uky.edu

All communication with the University regarding this RFP shall only be directed to the purchasing officer listed above.

3.3 Offeror Presentations

All offerors whose proposals are judged acceptable for award may be required to make a presentation to the evaluation committee.

3.4 Preparation of Offers

The offeror is expected to follow all specifications, terms, conditions and instructions in this RFP.

The offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the offeror's capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP, in .PDF format only, is available through the University of Kentucky Purchasing Division website at: <https://purchasing.uky.edu/bid-and-proposal-opportunities>.

3.5 Proposed Deviations from the RFP

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom must be specifically defined in accordance with the transmittal letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations must not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the University's General Terms and Conditions. Each exception to the University's General Terms and Conditions shall be individually addressed.

3.6 Proposal Submission and Deadline

Offeror must provide the following materials prior to 3 p.m. (Lexington, KY time) on the date specified in Section 3.1 and addressed to the purchasing officer listed in Section 3.2:

- **Technical Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Technical Proposal) and two (2) printed original copies.
- **Financial Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Financial Proposal) and two (2) printed original copies.

Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or e-mail are not acceptable.

The University of Kentucky accepts deliveries of RFPs Monday through Friday from 8 a.m. to 5 p.m. Lexington, KY time. However, RFPs must be received by 3 p.m. Lexington, KY time on the date specified on the RFP in order to be considered.

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show on the face of the envelope: the closing time and date specified, the solicitation number and the name and address of the offeror. The technical proposal shall be submitted in a sealed envelope and the financial proposal shall be submitted in a sealed envelope under separate cover. Both sealed envelopes shall have identical information on the cover, with the addition that one will state "Technical Information," and the other, "Financial Proposal."

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

3.7 Modification or Withdrawal of Offer

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

3.8 Acceptance or Rejection and Award of Proposal

The University reserves the right to accept or reject any or all proposals (or parts of proposals), to waive any informalities or technicalities, to clarify any ambiguities in proposals and (unless otherwise specified) to accept any item in the proposal. In case of error in extension or prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to make a single award, split awards, multiple awards or no award, whichever is in the best interest of the University.

3.9 Rejection

Grounds for the rejection of proposals include (but shall not be limited to):

- Failure of a proposal to conform to the essential requirements of the RFP.
- Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the offeror's liability to the University on the contract awarded on the basis of such solicitation.
- Failure of the offeror to sign the University RFP. This includes the Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest statements.
- Receipt of proposal after the closing date and time specified in the RFP.

3.10 Addenda

Any addenda or instructions issued by the purchasing agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal. No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

3.11 Disclosure of Offeror's Response

The RFP specifies the format, required information and general content of proposals submitted in response to this RFP. The purchasing agency will not disclose any portions of the proposals prior to contract award to anyone outside the Purchasing Division, the University's administrative staff, representatives of the state or federal government (if required) and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use or disclose all proposal data submitted by offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain valid six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

3.12 Restrictions on Communications with University Staff

From the issue date of this RFP until a contractor is selected and a contract award is made, offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff or members of the board of trustees except: the purchasing office representative, any University purchasing official representing the University administration, others authorized in writing by the purchasing office and University representatives during offeror presentations. If violation of this provision occurs, the University reserves the right to reject the offeror's proposal.

3.13 Cost of Preparing Proposal

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the offerors. The University will provide no reimbursement for such costs.

3.14 Disposition of Proposals

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

3.15 Alternate Proposals

Offerors may submit alternate proposals. If more than one proposal is submitted, all must be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

3.16 Questions

All questions should be submitted by either fax or e-mail to the purchasing officer listed in Section 3.2 no later than the date listed in Section 3.1.

3.17 Section Titles in the RFP

Section titles used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

3.18 No Contingent Fees

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the offeror or bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

3.19 Proposal Addenda and Rules for Withdrawal

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University purchasing office, signed by the offeror. Unless requested by the University, the University will not accept revisions or alterations to proposals after the proposal due date.

3.20 Requirement To Perform Vendor Onboarding and Registration

As a condition of award, and for any renewals performed during the life of the contract, successful Contractor agrees to register their company with PaymentWorks, Inc., the University's vendor onboarding application. Registration information will be provided by the Purchasing Division as part of the award process. During the vendor registration process, successful Contractor agrees to provide any applicable information pertaining to diversity demographics for their company. Further, should any company or diversity information change during the life of the contract, successful Contractor agrees to update this information in PaymentWorks as applicable.

4.0 PROPOSAL FORMAT AND CONTENT

4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University's review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that offerors use the same numbers for the following content that are used in the RFP.

- Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form
- Transmittal Letter
- Executive Summary and Proposal Overview
- Criteria 1 - Offeror Qualifications
- Criteria 2 - Services Defined
- Criteria 3 - Financial Proposal
- Criteria 4 - Evidence of Successful Performance and Implementation Schedule
- Criteria 5 - Other Additional Information

4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type their name, firm, address, telephone number and date. The person signing the offer must initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of their authority unless such evidence has been previously furnished to the purchasing agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud; and that the signer is authorized to bind the principal offeror.

4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the offeror. It shall include:

- A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the offeror (If no addenda have been received, a statement to that effect should be included.).
- A statement that the offeror's proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.
- A statement that the offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.
- A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.
- A statement that identifies the confidential information as described in Section 6.23.

4.4 Executive Summary and Proposal Overview

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

As part of the Executive Summary and Proposal Overview, Offeror shall submit with their response a summarized profile describing the demographic nature of their company or organization:

1. When was your organization established and/or incorporated?
2. Indicate whether your organization is classified as local, regional, national, or international.
3. Describe the size of your company in terms of number of employees, gross sales, etc.
4. Is your company certified as small business, minority-owned, women-owned, veteran-owned, disabled-owned, or similar classification?
5. Include other demographic information that you feel may be applicable to the Request for Proposal submission.
6. Offeror shall describe in detail their company's commitment to diversity, equity, and inclusion. Information shall be provided as to the number of diverse individuals that the vendor employees as well as a description of vendors efforts to do business with Diverse Business Enterprises as they conduct their own business. In additional, please indicate the diversity nature of your company as well as ownership race/ethnicity.

Diverse Business Description	Check All That Apply
Minority-Owned	
Woman-Owned	
Small Business	
Veteran-Owned	
LGBTQ-Owned	
Disability-Owned Business Entity (DOBE)	
Diversity not indicated	

Race/Ethnicity	Check One
Asian	
Black/African American	
Hispanic or Latino	
Native American	
Native Hawaiian/Pacific Islander	
White	
Other	
Prefer not to say	

4.5 Criteria 1 - Offeror Qualifications

The purpose of the Offeror Qualifications section is to determine the ability of the offeror to respond to this RFP. Offerors should describe and offer evidence of their ability to meet each of the qualifications listed below.

Our supply chains and business partnerships are an important aspect of this work. In your proposal, please (A) provide your company’s mission and vision relative to sustainability, and (B) how your company, through services, products, and partnerships, will help the University of Kentucky advance specific elements of the Sustainability Strategic Plan.

Background and Safety and Soundness

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.
2. Provide a list of cities within Kentucky in which a full-service bank branch is located. How many branches are located in each city?
3. Discuss the firm’s current capital structure, adequacy, and coverage. Please confirm the bank meets the following requirements. If subsidiary companies will provide any services requested in the RFP, provide the financial strength data on them as well.

Requirement	Confirmation	Additional Information
<p>The bank must be “Well Capitalized” as defined by the Federal Deposit Insurance Corporation with total risk-based capital ratio equal to or greater than 10% and tier 1 risk-based capital ratio equal to or greater than 8%, and common equity tier I capital ratio equal to or greater than 6.5% and leverage ratio equal to or greater than 5%.</p>	<p>Yes</p> <p>No</p>	<p>Total risk-based capital ratio:</p> <p>Tier 1 risk-based capital ratio:</p> <p>Common equity tier 1 capital ratio:</p> <p>Leverage ratio:</p>

4. Complete the following table with current credit ratings by Standard & Poor’s and Moody’s. If the bank is not rated by these organizations, provide other evidence of the institution’s financial strength and compliance.

	Standard & Poor’s Rating	Moody’s Rating
Firm/Bank		
Short-Term Unsecured Senior Debt		
Long-Term Unsecured Senior Debt		
Bank Holding Company		
Short-Term Unsecured Senior Debt		
Long-Term Unsecured Senior Debt		

5. Provide a copy of the latest annual financial audit and the most recent quarterly call report.

6. Provide a copy of the bank's most recent SOC 2 Audit report regarding the security, availability, processing integrity, confidentiality and privacy of its banking systems.

Personnel and Customer Service

7. List names, titles, phone, and e-mail addresses and provide brief biographies of relationship management contacts and senior management.
8. Describe the relationship management team that will service the account, as well as their functional responsibilities. Describe the higher education experience of the individuals assigned to work with the University.
9. How many employees does the bank have in each functional area involved in providing each service to the University?
10. What are the hours of operation of the customer service unit involved in supporting the proposed services?
11. For routine day-to-day transactions, will a specific customer service representative or a customer service department be assigned? Provide biographical information for the individual(s) that will be assigned day-to-day support on this account.
12. Describe the escalation process for non-routine service issues.

Experience

13. How long has your bank offered each of the services listed below?
 - ACH
 - Wire Transfer
 - Lockbox Processing
 - Electronic Banking and Information Reporting
 - Investment and Custodial Services
 - International Banking (including Student Payment Services)
14. Does the bank utilize any third-party service providers for any of the products or services within this proposal?
 - a. If third parties are used, describe which services are provided by the vendor(s) and the name(s) of the vendor(s).
 - b. Describe how any third-party vendors are monitored for service levels and how they store critical information.
15. Specify the number of higher education clients that are using these services. Where would the university rank based on volume amongst your higher education clients?
16. What would be our volume ranking amongst your overall corporate customers?
17. Does your financial institution have a higher education focused support team?

18. Where will the service locations for our proposed account be located? Include locations for depository, lockbox, controlled disbursement, investment management and safekeeping. What is each location's relationship to your organization: main office, branch, affiliate, correspondent, service bureau, other?

Competitive Position, Differentiators, and Future Services Commitment

19. What differentiates your financial institution from others?
20. What approach is the bank taking in the development of new services? What new services or features does the bank plan to offer, and within what time frame?
21. Provide details on any merger or acquisition that the bank is currently committed to and the expected impact on the services requested in this RFP.

4.6 Criteria 2 – Services Defined

4.6.1 Electronic Banking

General

1. Describe your electronic banking system or software and access methods (e.g., Internet, PC) that may be used to access account information and manage transactions. Discuss the methods by which the University can view daily activity detail and balance information. Identify if information is previous day or current day deposits.
 - a. Can information be accessed by multiple users?
 - b. Can information be accessed from multiple locations?
 - c. Can individual users be restricted to accessing information only on certain accounts, services, or transaction types?
 - d. Can users specify the types of information that they want to view?
2. What bank services are available through the system? List all account information, services, and transaction types that can be initiated using the electronic banking system. Are any of the banking services requested in this RFP NOT available through the electronic system or available only by use of multiple systems? If yes, please specify.
3. Describe the technical requirements for your banking system software.
 - a. What are the hardware requirements?
 - b. What browsers are compatible?
 - c. Is this a pure browser-based application, or does the user need to download a thin client application?
 - d. Is there any additional software required to enhance browser-based access to the banking system?

4. Does the electronic banking system allow the University to access prior day information? If so, discuss:
 - a. At what time is previous day information available for access by the customer?
 - b. What transaction types are reported in prior day reporting?
 - c. What prior day reports are available? Provide samples of all prior day balance and transaction reports.
5. Does the electronic banking system allow the University to access current day information? If the electronic banking system allows access to current day information, discuss:
 - a. How frequently is this information updated throughout the day?
 - b. What transaction types are reported in current day information?
 - c. What current day reports are available? Provide samples of all current day balance and transaction reports.
6. What are the hours of access of the electronic banking system? Discuss any differences between availability for information reporting and transaction initiation.
7. How many years of history can be accessed through the system?
 - a. Please list any short-term and long-term retention options from which the customer can choose.
 - b. Does the system provide for history inquiry by date ranges?
 - c. Can the bank provide the customer with a download of historical data? If so, in what format(s)?
8. Does the electronic banking system provide image delivery for deposit, disbursement and/or adjusting items? If so, describe.
9. Can the system import information from other banks (both domestic and international)? If so describe the information that is available in terms of detail, frequency and updates.
10. Can the system import information provided by the University on external banking transactions or balances?
11. Provide either a demo video or website address to demonstrate the bank's electronic banking system.
12. What training does the bank provide? Is the training provided on-site or virtually? If so, is there any charge for such training?
13. Describe mobile banking application for cell phones including functionality and security characteristics.
14. Does the electronic banking system include a Liquidity Management portal used for overnight liquidity investment purchases and redemptions of short-term securities for the purpose of daily cash positioning?
 - a. Does the Liquidity Management portal have the ability to set investment rules to limit trading in accordance with the University's investment policy?

TECHNOLOGY: Reporting, File Delivery and Technical Capabilities

15. Describe the reporting functionalities of the system. Can the University create customized reports?
16. Can the system generate a cash position report listing beginning balance and major transaction types progressed to ending balance to provide information for daily cash positioning tools? (See cash positioning tool examples in Appendix C).
17. Discuss the transaction inquiry and reporting capabilities of the electronic banking system. For example, can the University research and prepare reports on:
 - a. A particular type of transaction over time, for example on all wires or ACH initiated over the past year? Or on all wires or ACH received over the past year?
 - b. Daily balances on accounts over six months or other user designated time frame?
 - c. Monthly lockbox activity and funds availability?
18. What is the bank's standard cut-off for monthly statements?
 - a. How soon after the cut-off date will bank statements be available for access in the system?
 - b. Can the statements be exported into Excel?
 - c. Can the bank generate an 822 EDI file for the Analysis Statement that can be transmitted and imported into a treasury workstation?
19. What options does the bank offer for information reporting via electronic file delivery to our systems? In what formats is information available for retrieval (e.g., BAI, ANSI ASC X12 Transaction Set 821, formatted reports)?
20. Can transaction data be exported from the electronic banking system to Excel? Discuss exactly what data can be exported, the process, and the specific file types (i.e., csv, xls, pdf, etc.) to which the information can be exported.
21. Discuss the ability of the electronic banking system to interface directly with SAP.
 - a. Do any of the bank's customers currently interface with SAP? If so, who are they?
 - b. Is this an existing interface or would a custom interface need to be developed?
 - c. What languages or protocols (e.g., EDI, XML) are used to facilitate the interface?
 - d. Has API connectivity been developed to provide real-time connectivity between the banking system and SAP?
 - e. Is there a charge for the interface?
22. Can the system return a file to SAP that meets the format specifications in Appendix D that shows all wire transfers, ACH/bulk payments, drafts and checks that have cleared the University's accounts?
23. Can the system receive a file that meets the format specifications in Appendix D of wire transfers, ACH/bulk payments, drafts, and checks created in SAP in order to originate transactions and create an issued file for positive pay service? If so, describe.

24. Does the electronic banking system provide consolidated reporting of all transaction types and account balances for the services requested in this RFP? For example, can information on account balances, controlled disbursement presentments, ACHs, Wires, Deposits and investment balances be provided in one report? If yes, provide a sample of the report. Can this report be exported to excel?
25. How does the bank monitor network availability and response speeds? How often and when might the University be unable to access information? What is the escalation process when/if this occurs?

User Security

26. Discuss the security features of the electronic banking system. Are dual-authentication methods used for login and the initiation of EFT transactions?
27. Describe the security levels that are available in the software, including whether security levels can be set by user, business unit, account, dollar amount, and type of transaction. How and when can these security levels be changed?
28. Describe the process for adding and deleting users of the electronic banking and information reporting system. Can users be created by mimicking existing users?
29. Describe the capabilities of the electronic banking system to segregate user authority by function (e.g., access account information, initiate transactions, approve transactions).
30. Describe the security administrator's functions. What audit features are available?
31. Does the system require secondary administrator approval for granting entitlements to users for certain functions, such as wire and ACH initiation?
32. What access-control methods does the bank recommend to the University?

Bank/System Security

33. Describe the security procedures (e.g., hardware, software, physical) that the bank uses internally to protect bank systems and customer data from access by bank employees and vendor personnel?
34. Provide information on the frequency of external security audits and who conducts these audits.
35. Has your organization completed a Higher Education Cloud Vendor Assessment Tool (HECVAT) assessment? If so, please provide a copy. If not, please complete the HECVAT assessment using Attachment A - HECVAT Excel Workbook file provided with this RFP. Return the completed assessment in Excel format along with your Technical proposal on digital media.
36. What log/reporting information is kept to track bank or vendor employees who access the University's information or initiate transactions on the University's accounts? How long is this information retained?

37. Describe the internal controls built within the system to reduce the opportunity for fraud. For instance, is the system configured to prevent a single person from initiating and approving an EFT transaction?
38. If the electronic banking system has a liquidity management portal, are there controls in place to allow administrators the ability to set investment policy rules without having to be entitled to conduct or approve trades?
39. Discuss the type and level of any authentication and encryption methodology used for communicating with customers.
40. Describe the bank's ability to establish a secure network connection using technology such as TLS encryption in order to freely exchange confidential banking information via email between the University and bank.
41. Discuss the firewalls and intrusion detection systems that the bank has in place.

4.6.2 Depository Services

General

1. Describe the bank's deposit operations. Describe both vault (via armored courier) and branch deposit options. Is pricing different for utilizing these different deposit options?
2. Are any deposit processing applications outsourced to a third-party? If so, name the vendor(s) and describe the application(s).
3. What is the cut-off time to ensure same day ledger credit?
 - a. Address any differences for cash versus checks, drafts, etc.
 - b. Are there any options that might affect this cut-off time (e.g., provisional credit, delayed verification)?
4. Do you require that cash be deposited in standard straps only? Is there a penalty for depositing non-standard straps?
5. Do you accept loose and/or rolled coin for deposit at vault, branch and night drop locations? If so, list any fees for depositing loose or rolled coin in the price proposal outlined in Section 8.
6. How do you determine and calculate availability of deposited items?
 - a. Do you give immediate availability for on-us items?
 - b. Do you calculate availability by item or formula?
 - c. Do you use a standard schedule? Accelerated schedule? How often is it updated?
 - d. Is the schedule flexible? For example, can accommodations be made for high volume accounts or pre-encoded checks?
7. Please provide a discussion of collateralization of University deposits. How is the collateral calculated? The University requires that collateral be delivered to a Federal Reserve account. How will the bank manage this collateral and communicate with the University regarding collateral changes?

8. Does the bank accept and/or exchange foreign currency? If so, what currencies? Please describe the process for making a deposit of foreign currency.
9. Describe the process of depositing checks drawn off financial institutions in foreign countries. When will the University receive funds available on these items?

Remote Deposit Capture

10. Please describe the bank's remote deposit capture (RDC) service, including:
 - a. Accessibility within the electronic banking system.
 - b. Accessibility via a mobile application.
 - c. Scanning options, either by scanner and/or mobile device.
 - d. Scanning and mobile devices specifications.
 - e. Availability of funds of remote scanned check deposits.
 - f. Any limitations on the number of checks being scanned and deposited.
 - g. The process of conducting an RDC deposit.
11. Can departments be assigned unique location identification numbers to be used when making an RDC deposit that is recorded within the banking system for each check deposit submitted?
12. Can system users be entitled to only make RDC deposits using a specific (or multiple) location identification numbers?

Deposit Supplies

13. Does the customer order deposit tickets and other supplies (e.g., endorsement stamps, locked bags) through the bank or directly from a vendor? How are the charges handled?
14. Do you accept deposit tickets from a third-party printer? List any limitations and attach a specifications sheet.
15. Can deposit tickets contain an auxiliary MICR field for transaction information? What is the maximum number of usable digits in this field?
16. Can deposit tickets be ordered for each department that contain a unique location identification number assigned to that department that is captured and recorded in the banking system at the time of each deposit?
17. How many copies of each deposit ticket does the bank require with each deposit?
18. What types of deposit bags do you allow/require? How are these bags obtained? Are there any restrictions on deposit bags provided by the customer?

Deposit Verification

19. Discuss the bank's procedures for post-verification.
 - a. How many bank employees are present when deposit bags are opened?
 - b. Where are the bags opened?
 - c. What additional security measures are employed?
20. How will the bank return the validated deposit receipts? Within what time frame?

21. Does the bank identify and adjust all discrepancies?
 - a. If you do not, at what dollar amount do you write off discrepancies?
 - b. Do you adjust the deposit amount or process an adjusting debit or credit?
 - c. What is the standard procedure for reporting deposit adjustments and what additional options are available (e.g., electronic reporting with location ID attached, adjustment copies to multiple locations)?
 - d. What information do you provide to the University regarding a deposit adjustment (e.g., deposit bag number, denomination breakdown)?
22. Describe the process for the University to report errors discovered with deposits, including how quickly those errors are researched and corrected by the bank.

Coin/Currency Ordering Services

23. Does the bank have an automated coin/currency ordering service? Describe the deposit and change order procedures, cut-off times, security and other features of this system.
24. For both cash vault and branch change orders, discuss whether there are minimum purchase requirements (e.g., standard straps of currency and full boxes of coin). Is a discount offered for purchasing standard amounts and/or use of standard change orders? What settlement options are available for change orders (e.g., cash, check, debit to account, wire)?

Return Item Processing

25. Please describe your return item processing.
 - a. Can return items be automatically redeposited? If so, how many times?
 - b. Can copies of all redeposited return items be provided to the depositing location or a central office? If so, within what time frame?
 - c. Provide the bank's standard return item and reclear processing instructions. List any non-standard options that are available.
26. Can you provide a detailed return item transmission to depository customers? If not, when do you plan to have the service available?
 - a. Does the transmission include both returns and reclears?
 - b. Is there a separate record for each returned item?
 - c. Can these records identify the depositing location and the type of item being returned (e.g., personal check, traveler's check, money order)?
 - d. Indicate the details the bank can report.
27. Does the bank refuse return items not sent through the system within a particular time frame? If so, what is this time frame?
28. Do you assign float to return items?

Deposit Reporting

29. Describe deposit reporting provided by your electronic banking system. Discuss the methods by which the University can view daily deposit activity detail and balance information. Identify if deposit information is previous day or current day deposits.

- 30. Will the daily deposit reporting system provide beginning and ending ledger balances, collected balances, available balances, and float assignment?
- 31. Does your deposit reporting service report electronic transactions (e.g., ACH, wire), as well as paper documents?
- 32. How often is current day information updated (real-time or batch updates)? What are the reporting times throughout the day (Specify time zone)?
- 33. Discuss the format and delivery options available to the University for receiving previous day deposit activity detail files.
 - a. In what formats (e.g., BAI, flat file, etc.) is the daily deposit activity detail file available? Supply file layout specifications and a sample of each format option.
 - b. By what methods can the University receive this file (e.g., electronic transmission, Web-based, FTP, third-party data exchange, etc.)? Describe the technical requirements and technical support for each delivery method.

34. Indicate the provider’s capability to provide the specified detailed information listed below for each transaction type:

Transaction Type	Master Account Number	Auxiliary MICR Field	Transaction Date	Transaction Amount	BAI Transaction Code
Deposits - Checks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deposits - Cash					
Return Items	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deposit Correction – Teller	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deposit Correction – Vault	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deposit Correction – Proof	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Coin and Currency Orders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Misc. Debits and Credits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ACH Debits and Credits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wires	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 35. Is a summary report totaling deposits for the period by location and lockbox available at month end? What is the format (i.e., paper, electronic, etc.)?
- 36. Is deposit activity for all depositing locations reported individually or is it summarized?
- 37. How many business days of current day information are stored on the reporting system and available for customer access?

Image Processing

38. Describe the check and document imaging capabilities.
- a. Do you offer online customer access to images for paid items, deposit items, return items, and adjustments?
 - b. Can the images be downloaded for storage?
 - c. Do you provide CD's or other media with check images on a monthly basis? Is so, are they indexed or searchable?
 - d. List any third-party vendors used to provide images to customers.
 - e. How long are images retained for retrieval online? List any options for long term archiving of check images online.
39. Does the service capture the image of the front and back of the check?
40. How many fields can be used as an indexed field? Can users define which fields are used as indices?
41. Does your service have the ability to create a non-proprietary image export file that can be imported into an industry standard image storage and retrieval solution?
42. Describe the process used for ensuring high quality check images.

Check Conversion

37. Do you provide check conversion services such as Accounts Receivable Conversion (ARC), Back Office Conversion (BOC), Point of Purchase (POP), and/or an image exchange paper process?
- a. If so, describe the services.
 - b. If not, discuss any plans to offer this service and when it will be offered to customers.
38. Do you employ any accredited ACH professionals and are they available for implementation and customer support?
39. Is the user able to add information to the exclusion table for items that cannot be converted to ACH?
40. What do you do to ensure compliance with NACHA rules?

Remote Cash Capture

41. Describe your capabilities to provide provisional credit in conjunction with armored car smart safe solutions.
42. What time does the bank need to receive cash deposit information to post to current day transaction activity?
43. What armored car companies and safe companies do you work with for smart safe services?
44. Does the provider provide smart safe equipment?

45. Describe the process of coordinating the installation of this product.
46. What schedule for cash delivery to your vault do you support? (Once, twice, multiple times a week?)
47. Do you provide a courier with this service? Is there a separate agreement to sign? If so, please provide a copy for review.

4.6.3 Lockbox Processing

General

1. Please describe your lockbox process. Discuss both retail and wholesale lockbox operations. Include the following:
 - a. Location of operations and hours of operation.
 - b. Pickup process for lockbox mail.
 - c. Security procedures for the control and processing of cash received in remittance envelopes.
 - d. The lockbox department's processing workflow. Include a schematic or flow chart of the processing procedures and discuss controls in place to ensure accurate processing.
 - e. The ledger cut-off time for lockbox deposits. Will you process and deposit all customer payments on the same ledger day as received? If not, when are these items deposited? What is the latest mail pickup to be included in the last deposit?
2. What are your recommended required specifications for reply envelopes and remittance documents? Can you accommodate customized scanline formats?
3. What are the deposit times for the customer's lockbox and how are they determined?
4. Is there a maximum number of lockboxes that you can provide?
5. Is the mail delivered directly to the lockbox department from the post office? If not, please describe each delivery phase and the associated time delay.
 - a. What is the distance to the post office and the average length of time between the pickup of items at the post office and delivery to your lockbox department?
 - b. Is the courier an outside service or internally managed?
 - c. Describe the receipt and handling of remittances delivered by private services (e.g., FedEx, UPS, courier) to the lockbox for processing.
6. Does the bank have a unique five-digit zip code assigned exclusively for receipt of lockbox items?
7. Does the bank use post office box numbers or vanity street addresses when assigning new lockbox numbers?
8. Who performs the fine sort per box number, the bank or the post office?
9. How would the bank handle remittances that require significant amounts of data?
10. Does the bank offer specialized healthcare lockbox services? If so, please respond under **Section 4.6.13 – Other Services – Healthcare Banking** of this proposal.

11. Outline lockbox and customer procedures for out-of-balance conditions at the transaction level, batch level, deposit level and end-of-day level.
12. Can the bank tailor its service to accommodate procedures for processing checks marked "paid in full", post-dated checks, stale dated checks, checks missing a payee and checks missing a signature? If so, what are your requirements. If not, what is your policy for handling these items?
13. Does the bank process both wholesale and retail payments on the same equipment in the lockbox department? If yes:
 - a. How are payments prioritized for processing?
 - b. What were the average monthly volumes for your retail lockboxes during the last six months (items, dollars, number of lockboxes and number of customers)?
 - c. What were the average monthly volumes for your wholesale lockboxes during the last six months (items, dollars, number of lockboxes and number of customers)?
14. Describe how you will compute the availability.
 - a. How many availability schedules are offered to your lockbox customers?
 - b. Is the schedule you are offering us your best retail schedule? If not, quantify the difference and explain how we can obtain your best availability schedule.
 - c. Describe the extra charge, if any, for obtaining your best availability schedule.
15. Is availability assignment made continuously as checks are released for collection, or is assignment made at specific times during the day? Explain.
16. How does the provider handle return items on the lockbox account? Are there special fees associated with the processing of returned items? Are data capture and reporting available for return items?
17. Is the provider currently clearing any wholesale lockbox checks via image exchange? If yes, provide details. If no, discuss plans and associated timeframes for image exchange.
18. Does the bank's electronic banking system contain a service where payments and correspondence received on-site at the University can be remotely scanned into the lockbox for deposit? Please describe this service.
19. Does the provider support the conversion of consumer checks and eligible corporate checks to ACH debits (ARC) at a lockbox?
 - a. If yes, describe the provider's services and the benefits of this service.
 - b. If no, discuss any plans to offer this service and when it will be offered to customers.
20. In the case of an automated equipment or system failure, what back up arrangements are in place for lockbox processing?
21. Can you process credit card payments through your lockbox? If yes, explain your processing system and the procedures used to process a credit card lockbox payment.
 - a. What types of credit cards are accepted?
 - b. Who are your merchant card processing partners for lockbox transactions?
 - c. Are you able to process credit card payments with Worldpay (the University's current processor for all non-athletic payments)?
 - d. Is your process PCI DSS Compliant?
 - e. Is credit card information deleted or masked before scanning and transmitting the correspondence to the University in the image file?

22. Please indicate which of the following types of electronic payments the provider is capable of receiving into a lockbox:
- a. Wire Transfers
 - b. ACH-CCD Format
 - c. ACH-CCD+ Format/Vendor Express
 - d. ACH-CTX Format
 - e. EDI Payments - ASC X12
 - f. Remote Deposit Check Files
 - g. Other
23. Discuss how the provider handles each type of electronic payment listed in the above question that is received into the University's lockbox.
- a. How does the provider notify the University that it has received an electronic payment in the lockbox?
 - b. How are electronic payments posted to a corporate demand deposit account? When does this occur, and how is availability assigned?
 - c. How can the University access payment and remittance information (e.g., Internet, PC, e-mail, fax)?
24. Is the provider capable of transmitting a file containing electronic payment and remittance information to the University? If so, discuss the transmission formats and the timing of the transmissions.

Imaging

25. Describe the bank's lockbox imaging services.

26. Which of the following documents can be imaged:

- | | |
|-------|------------------------------------|
| _____ | Checks |
| _____ | Front and Back |
| _____ | Front Only |
| _____ | Remittance Documentation |
| _____ | Correspondence (no check enclosed) |
| _____ | Envelopes |
| _____ | Other |

27. If a copy of the check is required, how is that copy made and what other information is available on the check copy document (e.g., batch #, item #, check amount included in deposit, processing time)? Provide a sample.
28. If a copy of the check is required along with the envelope and remittance advices, are the items matched up or provided separately?
29. Is duplex imaging of the invoice/accompanying remittance documentation available? If so,
- a. Is it possible to only image the back when necessary (not blank)?
 - b. Is there an additional fee for this service?
 - c. If not, how do you determine which side is imaged?
30. Can additional remittance data capture (e.g., invoice number, net amount) be included as part of the image index for search purposes? Describe.

31. Can images be accessed on the same day they are processed? If so, by what methods?

_____	Web Browser
_____	Image File Transmission
_____	Other

32. If images can be accessed using a web browser, describe the recommended hardware and software.

33. How soon after the images are captured are they available for online viewing?

34. For what period of time are images available online (e.g., 30 days, 90 days, 1 year, 3 years)? Are there options for the long-term archiving of images online? What are the fees for the different retention time frames?

35. What frequency options (e.g., daily, weekly, monthly) does the bank offer for issuing images to the University on CDs or other media? Discuss the security measures associated with the media.

36. How does the bank handle original items not returned to the University if imaging and/or data capture and transmission is used (e.g., archive, destroy)?

37. How does the bank handle correspondence, returned items and any other items that may be received in the lockbox? How do you communicate this type of information to the customer?

38. Can the original paper remittance detail be mailed to the University?

- a. If yes, describe the options available for returning paper remittance information to the University.
- b. If no, describe your short-term retention period and subsequent paper destruction process.

Data Capture and Transmission

39. Describe your procedures for the capture and transmission of remittance detail, such as account or invoice number or other data for automated posting of accounts receivable records. Describe methods to ensure validity of data. What back up arrangements exist should the system fail?

40. If using image technology, describe what type of Courtesy Amount Read (CAR) or Intelligent Character Recognition (ICR) hardware and/or software is utilized. Describe the number of encoding errors tracked that are attributed to CAR/ICR versus manual key payments and compare the error percentages for the two methods.

41. In what standard formats do you transmit data file? Will you customize? Can you provide data in the format outlined in Appendix A?

42. Does the bank initiate file delivery or do you offer another secure file retrieval service?

43. What file transfer protocols are used?

44. Are transmissions available on Saturdays, Sundays and/or holidays?

45. Does the bank have the capability to send multiple non-cumulative transmissions per day for a single customer (e.g., 8:00 a.m. for transactions processed overnight for current deposit date and 5:00 p.m. for everything else processed for current deposit date)? If yes, explain capabilities including maximum number of transmissions and associated timing.
46. What is the earliest transmission time available to a customer without affecting your ability to deposit all checks received for a ledger credit day? Describe your procedures if we were to choose an earlier transmission time.
47. How does the bank notify the customer that the file is available for pickup or viewing data transmission?
48. What is the backup in the event that the transmission of remittance detail cannot be successfully completed?
49. Describe procedures to ensure that transmissions are received successfully and contain all remittance payment detail.
50. Explain what type of controls and procedures would be in place to ensure the data security, integrity of handling and transmission of separate lockbox files.
51. How long will remittance payment detail files be retained for retrieval?

Lockbox Reporting

52. Describe the different systems and methods by which you make deposit and balance reporting information available. Do you have the capability to report lockbox deposits separately from the primary balance reporting system?
53. For a given day's lockbox activity, at what time of day can you report each lockbox amount and the total amount that will be credited to our account? If multiple deposits are made during the day, do you report these deposits same day or is there a reporting cut-off during the day?

4.6.4 Controlled Disbursement Processing

General

1. Describe your controlled disbursement operations. How long has your bank offered controlled disbursement services?
2. Specify the number of corporate/business customers using this service.
3. What is the average dollar size of your customers' daily clearings? What is the average dollar size of the clearings of your largest customer?
4. What is the average item volume of your customers' daily clearings? What is the average item volume of the clearings of your largest customer?
5. 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?

6. Please describe in detail your bank's policy for handling daylight overdrafts, and in particular how daylight overdrafts caused by the University will be handled. If your bank has adopted a policy of not allowing daylight overdrafts, then please state your policy in your proposal.

Processing

7. Is your controlled disbursement point designated a High Dollar Group Sort (HDGS) endpoint?
- a. If HDGS, what percentage of **items** are received at:
 - 1st Presentment _____
 - 2nd Presentment _____
 - b. If HDGS, what percentage of **dollars** are received at:
 - 1st Presentment _____
 - 2nd Presentment _____
8. What are the average daily total dollars and total daily items presented to the bank's controlled disbursement site?
9. Discuss how the bank handles items presented after the University is notified of its total daily clearings.
- a. Are these items posted against the account, or held over and included with the next day's first presentment?
 - b. If these items are held over, discuss whether the bank charges for the held over items and, if so, how the charge is determined?
10. Where is the physical capture of controlled disbursement checks performed?
11. If the physical capture of checks does not agree with electronic presentment totals, how are discrepancies handled? Describe.
12. Discuss how the bank processes and reports any University transactions that originated as checks that are converted to ACH debits at the point-of-sale or at a lockbox. How do converted checks affect the following?
- a. Controlled disbursement presentment totals
 - b. Stop payments
 - c. Account reconciliation
 - d. Positive pay
13. Can third-party ACH debits be charged to the controlled disbursement account? Can the bank block the posting of ACH debits?

Notification

14. What is the published time to notify customers of their daily clearings?
15. How many notifications are made? If more than one notification is made, what percent of the dollars and items was included in each notification during the previous quarter?
16. By what methods can the customer be notified of the amount of checks to be charged to its account? Does the method selected affect the notification time?

17. Is same day detail information available?
18. What information is available (e.g., check number, amount)?
19. Does notification of daily clearings (or funding requirements) include both check and ACH debits? If yes, how are ACH totals reported? Specifically, are they integrated with check information or reported separately?

Funding Methods

20. List customer funding options and identify the requirements and restrictions of each option (e.g., wire, ACH, delayed funding, separate account). For funding mechanisms that result in next-day funds, does the bank require compensation for the availability delay? If so, explain.
21. What is the cut-off time for funding the controlled disbursement presentment total?
22. Does the bank offer zero balance sub-accounts that may be funded automatically from a designated funding account?
 - a. Where will the funding account be located and what transfer mechanism funds the subsidiary account, if not automatic?
 - b. Is there a limit to the number of sub-accounts for each parent?
23. What procedures are used to resolve overdrafts caused by funding failures as a result of:
 - a. Improper funding by the University?
 - b. The bank's error or delay in notification?
 - c. A Federal Reserve problem?
24. How are overdraft fees calculated?
 - a. Is there a daily cap on fees?
 - b. Is interest assessed on overdrafts?
 - c. How is the interest rate calculated for overdrafts?
 - d. How are the fees billed?
25. Are any line(s) of credit required for controlled disbursement customers? If so, discuss requirements.

Account Reconciliation Services

26. Does the bank offer Account Reconciliation Program (ARP) services for controlled disbursement customers? For Checks? For ACH?
27. Are both full and partial reconciliation offered? Please provide sample reports.

28. Please specify whether the following ARP options are available at your bank.
- a. Electronic Data Transmission
 - b. CD ROM
 - c. PC/Internet Access to ARP Reports
 - d. Image of ARP Reports
 - i. PC/Internet
 - ii. CD ROM
 - e. Index of checks
 - i. PC/Internet
 - ii. CD ROM
 - iii. Filmed in check serial number order
 - iv. Filmed randomly with indexing
 - f. High Order Digit Break
 - g. Stale Date Parameters
 - h. Maximum Dollar Limits
 - i. Fine Sorting of Paid Checks
 - j. Automatic Register/Issue File Editing
 - k. Sub-Accounting within Accounts
 - l. Float Analysis
 - m. Electronic transmission of period-end bank statements
 - n. Interim bank statements
29. What are the cut-off dates for ARP reports? Can the customer specify a cut-off date for ARP reports?
30. What are the cut-off dates for bank statements? Can the customer specify a cut-off date for bank statements?
31. How soon after the cut-off date will the following be sent?
- a. For **full** reconciliation:
 - i. Bank statements
 - ii. Canceled checks (CD ROM or other digital media)
 - iii. Reconciliation information
 - b. For **partial** reconciliation:
 - i. Bank statements
 - ii. Canceled checks (CD ROM or other digital media)
 - iii. Reconciliation information
32. Can the bank return a file to be imported to SAP that shows all wire transfers, ACH/bulk payments, drafts and checks that have cleared the University's accounts? If so, describe.
33. If check truncation is used, how long do you retain the physical checks? After what period are they stored off-site? How long are bank copies retained?
34. Explain whether copies or images of checks can be requested online and, if so, how they are delivered (e.g., fax, email, PC/Internet)?
35. What is the turnaround time to receive:
- a. A copy or image of a check?
 - b. The original check (if stored on-site)?
 - c. The original check (if truncated and stored off-site)?

36. Describe the methods the bank offers to place stop payments.
- 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?
 - Can a spreadsheet file containing multiple stop payments be imported into the electronic banking system?
 - What time is the system available for placing stop payments?
37. What other reconciliation features does the bank have that distinguish it from other banks?

File Transmission Detail

38. What is the bank's cut-off time for:
- Receiving issued check files (for full reconciliation)?
 - Receiving adds and deletes?
 - Receiving manual issues?
 - Transmitting paid check files (for partial reconciliation)?
 - Transmitting reconciled check files (for full reconciliation)?
39. Describe the process that your bank uses to verify all records have been received and processed.
40. Can the bank receive a file of wire transfers, ACH/bulk payments, drafts and checks created by SAP or a treasury workstation in order to originate transactions and create an issued file for positive pay service? If so, describe.
41. On a daily basis, can UK transmit multiple issue files to the bank?
42. Are there special procedures or naming conventions required for multiple transmissions? If yes, please explain.
43. Discuss the bank's ability to interface directly with SAP and support the file transmission specification listed in Appendix D.
- Do any of the bank's customers currently interface with SAP?
 - Is this an existing interface or would a custom interface need to be developed?
 - Is there a charge for the interface?
 - How often are FTP files retrieved or delivered?
44. Does your system provide for electronic confirmation of receipt for daily file transmissions?
45. Describe the bank's encryption standards for inbound and outbound file transmission.

Imaging

46. Does your bank provide an image capture of paid items? If so, please describe.
47. Does your system provide real time, online check images for positive pay reporting to allow easier pay/return decisions?
48. What mediums are available for receiving check image detail?
49. Are there any volume limitations for receiving check image detail?
50. Can your system index according to a miscellaneous field that captures a payee identifier (e.g., vendor number, account number)?
51. Describe any other information (e.g., statements, account analysis statements) that is available via image and how that information is made available to UK.

Positive Pay

52. Is the bank able to match items presented for payment against an electronic file of checks issued by the University (i.e., positive pay) and/or transmit checks paid data to the customer and accept a file of exception items (i.e., reverse positive pay)? If no, skip to next section.
53. Does the bank offer a daily service to compare checks paid against a check issue file and provide the customer with a daily notification of all exception items (i.e., prior day Positive Pay)?
 - a. What is the bank's delivery deadline for notifying the customer of exception items?
 - b. What is the response deadline for the customer's pay/return decisions?
 - c. Are approved exception items automatically added to the issue file for account reconciliation purposes?
 - d. If not, what is the mechanism to add to the issue file for account reconciliation purposes?
 - e. What is the deadline for the transmission of check issuance files to the bank?
54. Does the bank offer a daily service to transmit checks paid data to the customer and accept a file of exception items (i.e., Reverse Positive Pay)?
 - a. What is the bank's deadline for transmitting paid check data?
 - b. What is the deadline for receiving an exception file?
 - c. What is the delivery deadline for notifying the customer of actual (non-MICR error/misread) exception items?
 - d. What is the response deadline for the customer's pay/return decisions?

55. Does the bank offer a daily service to compare same day checks presented against a check issue file and provide the customer with a daily notification of all exception items in conjunction with controlled disbursement (i.e., same day Positive Pay)?
- What is the bank's delivery deadline for notifying the customer of exception items?
 - What is the response deadline for same day and next day pay/return decisions?
 - Are approved exception items automatically added to the issue file for account reconciliation purposes?
 - If no, what is the mechanism to add to the issue file for account reconciliation purposes?
 - What is the deadline for the transmission of the customer's check issuance files to the bank?
56. Does the bank offer a daily service to transmit same day check presentment data to the customer and do customers have the ability to respond with a file of exception items in conjunction with controlled disbursement (i.e., same day reverse Positive Pay)?
57. What is the bank's deadline for transmitting same day check data?
- What are the deadlines for receiving a same day and next day exception file?
 - What are the delivery deadlines for notifying the customer of actual (non-MICR error/misread) same day or next day exception items?
 - What are the response deadlines for the customer's same day and next day pay decisions?
58. Describe all methods by which the bank can receive the file of all checks issued and voided by the University.
59. Describe all methods by which the University can send manual issues or deletes to the bank.
60. 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?
61. How are positive pay reports delivered (e.g., phone, fax, email, Internet)?
- Is this report integrated with the bank's balance reporting system/software?
 - Are MICR errors/misreads deleted from the positive pay report prior to the report being sent/transmitted?
 - Are check images integrated with the positive pay report?
 - If yes, how are check images delivered?
 - If no, can check images be delivered separately from the positive pay report upon request? If yes, describe.
 - What methods (e.g., phone, fax, email, Internet) can the University use to notify the bank of its pay/no pay decision?
62. What other review criteria are available for Positive Pay services?
63. In the event that the bank does not receive the customer's pay decision response by the stated deadline, is the default disposition set by the bank or by the customer? If the bank sets the default, what is the default disposition (e.g., pay, return, optional)?
64. May a dollar threshold be applied to the default disposition (e.g., return all checks over \$500)?

4.6.5 Wire Transfers

1. Describe the bank's wire transfer system. Provide a step-by-step transaction flow from receipt of wire instruction to final execution and statement generation. The description should include:
 - a. The level of automation and manual processing in each step
 - b. The operational controls used to ensure fast and accurate processing
 - c. The turnaround time to release a wire once the bank's wire room is in receipt of instructions.
2. Discuss any differences in the processing of domestic and international wire transfers. Is the bank's international wire operation part of its domestic wire transfer operation? Are the customer service and operations contacts the same for international transfers and domestic transfers? (See Section **4.6.7 International Banking – Outgoing Payment and Incoming Payments** for a detailed information requests for international wires.)
3. How does your bank handle same-day transfers between University accounts ("book transfers")? At what time must an instruction be received for same day availability in the receiving account? Can book transfers be made from a University account to the account of another within your bank?
4. Does the bank support Real Time Payment (RTP) wire transfer services? Please describe the features of RTP.

Initiation

5. Briefly describe all wire transfer initiation methods currently supported by the bank (e.g., Banking portal, telephone, fax, etc.). For each method listed describe the process of initiation, approval and release.
6. Does the bank's system offer batch input of wires? If so, what is the maximum volume of transfers allowed in each batch?
7. Is there any manual processing involved in executing a wire transfer that has been initiated via one of the automated input vehicles (e.g., Internet, telephone)? If so, describe.
8. 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?
9. Can the system handle file imports of wire transfer transactions from treasury workstations?
10. Does the system provide any account verifications tools to assist in reducing fraudulent activity? Please describe.
11. Does the system have the ability to include a beneficiary email address with each wire initiated to receive status notifications of that wire? Please describe.

12. Describe the process for canceling a wire transfer:
 - a. Is this process manual or automated? Explain.
 - b. What is the deadline for receipt of an instruction to guarantee cancellation of a wire transfer?
 - c. What is the deadline for best efforts cancellation of a wire transfer?
 - d. What is the process for retrieval of funds?
 - e. Is there a charge for canceling a wire transfer?
13. Describe your process for recalling a wire when requested by the customer. What additional charges are involved?

Cut-Off Times

14. What are the opening hours and the cut-off times in Eastern Standard Time for initiating wire transfers to ensure same-day execution? List by type of transfer and method of communication.

Type of Transfer	Input Method			
	Telephone	Electronic Banking System	TWS file transfer	Automatic Standing Transfer
Intradistrict (within Fed district)				
Interdistrict (between Fed districts)				
Book transfer/Internal				
Drawdown				
International				

15. What is the cut-off time for incoming domestic wire transfers to receive same day credit?

Confirmation

16. Describe the bank’s procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of the payment order, including the availability and method of delivery of:
 - a. Internal confirmation/sequence number
 - b. Federal Reserve reference number
17. How soon after wire execution would an internal bank confirmation/sequence number (not the Fed Reference number) be available?
18. How long does it take for the Fed Reference number to be available for a wire assuming no repairs are needed and there are sufficient funds in the account? Explain any delays.
19. Is the bank able to provide ASC X12 TS 824 confirmations and TS 997 functional acknowledgements? If so, discuss how these can be provided.
20. 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?

21. How is the status of transfers tracked by the customer once the transfer is in the system (input, approved, released)?
22. At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?
23. 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?
24. How and when is the customer notified of wire transfer that is rejected by the receiving bank?
25. Does the bank's wire transfer system have the capability of warehousing instructions for future value dated wire transactions?
 - a. If so, what are the limitations?
 - b. How many days/months in advance?
 - c. Is the warehouse function limited to certain types of wire transfers and/or certain types of initiation methods?
26. Can the wires be input, approved and released so they will be executed automatically on value day? Will the wire transfer system provide a tickler report of warehoused transfers that are pending current day release?
27. Is it possible to cancel a previously warehoused wire transfer request before value day? On value day?
28. What time are future value dated wires automatically executed on the value date? Can an execution/release time be specified by the University?

Processing Errors

29. Describe your process for managing wire processing errors and performing incoming and outgoing wire repairs.
 - a. Under what circumstances do incoming and outgoing wires require repair? What are the bank's procedures and average time frames for repairing incoming and outgoing wires?
 - b. Under what conditions would the bank not repair a wire? What are the bank's procedures in these cases?
 - c. When and how is the customer notified of wire transfer repairs?
 - d. What is the average turnaround time for responding to inquiries about failed wire transfers?
30. Does the bank require the customer to submit written inquiries for resolution of wire transfer discrepancies? Does the bank have a secure online customer service/inquiry facility? Describe inquiry options.
31. Is the customer charged for wire transfer investigations, incoming repairs, and/or outgoing repairs? If so, how and under what circumstances?

4.6.6 Automated Clearing House (ACH)

1. Briefly describe the ACH products and initiation methods currently supported by the bank. For each method listed, describe the process of initiation, approval and release.
2. Discuss any activities in which the bank participates to shape the future of ACH. Is the bank involved in current ACH industry initiatives (e.g., associations, councils, rules workgroups, pilot programs)? If so, describe the nature of your involvement.
3. What are the bank’s origination and received volumes (items and dollars) in the prior year and NACHA rankings if applicable? Is the bank a direct member of NACHA or a member of a regional ACH association? If so, which?
4. Discuss the bank's methodology for determining debit and credit exposure limits.
5. What factors do you use to determine debit and credit exposure limits?
 - a. Will the University be told what its exposure limits are?
 - b. Are the limits set by account, by account group, by a Cash Management Agreement per University (the net balance of all accounts of a University considered as if it were one account)?
 - c. What information must the University provide in order for you to determine those limits?
 - d. Are these limits negotiable?
 - e. How often will these limits change?
 - f. How do you determine limits when pre-funding is required?
6. Provide a detailed grid describing how you would monitor the University’s daily activity (by account, account group, University, etc.) and compare it to our exposure limits.
 - a. How and when will the University be notified if we are near our exposure limit?
 - b. What will happen to a file if we exceed the limit?
 - c. How do we remedy the situation if we exceed our limit?
7. Does the bank have a file limitation for maximum dollar amounts or number of entries?
8. What are the hours of operation of your ACH processing unit?
9. What is the contact information for normal business hours?
10. What is the contact information for issues that occur outside of normal business hours?
11. Provide a schedule of days the bank’s processing centers will be closed.
12. Using the following table format, explain the cut-off times, relative to Settlement Date, for customer initiation of ACH entries, including book transfer. Please specify cut-off time differences between credits and debits (if applicable).

Customer Input Method	Cut-Off Time			
	Book Transfer	Same Day ACH	Next Day Settlement	2 or more Days Settlement
Direct Transmission				
Electronic Banking System				

13. Describe the bank's procedures regarding late transmissions of files. Is it possible to transmit a file and have it processed after the cutoff with proper notification to the processing unit?
14. Describe back-up procedures if an ACH transmission fails for payroll and for accounts payable transaction.
15. Does the bank outsource any of the proposed services? If so, provide the name and address of any third-party processor. List the services that they provide, how long they have provided these services to the bank, and discuss any anticipated changes in the relationship.
16. What is the bank's maximum retention period for future dated entries?
17. What service does the bank provide for the University to modify and/or delete a transaction prior to the file being released to the ACH operator?
 - a. What modifications and/or deletions can be made?
 - b. How does the University provide the bank with instructions?
 - c. If modifications and/or deletions are permissible, what is the deadline for receiving instructions to modify and/or delete a transaction?
 - d. Who can make these requests?
 - e. How is security determined?
 - f. If an entry is deleted from a file, can the rest of the file then be released?
18. What service does the bank provide for the University to reverse a transaction or file that has been released to the ACH operator?
 - a. What are the procedures and deadlines for the University reversing a file? Batch? Item?
 - b. Describe your bank's process for reversing files, batches and items.
 - c. What security procedures are used? Do you provide standard request forms?
 - d. How is the customer notified of the results of the attempted reversal?
19. Does the bank accept both debits and credits on the same file? If so, are there any additional requirements?
20. Describe the bank's process for ACH returns and Notifications of Change on originated entries.
 - a. When will the funds for returned entries be posted to the customer's account?
 - b. Describe reporting methods in the Information Reporting section of this RFP.
21. Can the bank automatically redeposit originated ACH entries returned for insufficient or uncollected funds?
 - a. Can the bank provide the customer with the tools to decide which entries to redeposit?
 - b. How often can items be redeposited?
 - c. When items are redeposited, are any entries posted to the customer's account?
 - d. Describe reporting methods in the Information Reporting section of this RFP.
22. Does the bank offer an account verification service to be used to validate open, domestic bank accounts prior to ACH's being originated by the University?
 - a. Can the service be integrated via an API with the University student payment portal in order to provide real-time account validation prior an ACH web debit entry being originated?
 - b. Can the account verification be accessed through the electronic banking system for manual account validation?

Data Transmission Methods

23. What transmission protocols can your bank support?
24. Specify encryption requirements for FTP transmitted files – if applicable.
25. What security procedures are in place to minimize the risk of unauthorized entries (e.g., encryption/authentication)?
26. What back up procedures are available should our standard delivery mechanism fail?
27. What procedures does the bank use to verify accurate and secure receipt of the types of ACH transmission methods we will use? Describe each available method.
28. What controls are in place to protect against lost files and duplication of transmissions? How and when is the University notified of a duplicate file?
29. What procedures does the bank use to verify accurate and secure transmission of ACH files to the Federal Reserve? How is this communicated to the customer?
30. Can the University build a table of repetitive entries?
31. What methods are available for reporting incoming and outgoing ACH entries (e.g., Internet, email, direct file transmission, fax, telephone)? Describe the reporting method you recommend based on the University's requirements.
32. Specify the ACH data provided on current/intraday and previous day reports. Provide sample reports.
33. At what time(s) of the day is information retrieved from the ACH network and available through current day reporting? How often is it updated?
34. What methods do you offer the University to access and capture remittance information associated with incoming ACH?
35. By what methods can the customer receive returned entries and Notifications of Change?
 - a. Please describe what options are available.
 - b. When is this information available?
 - c. What information is provided?
 - d. Can the customer receive returned entries via a different reporting method than Notifications of Change? For example, receive returned entries via transmission and Notifications of Change via internet reporting.
 - e. Please provide sample reports.
36. How will the bank provide the University with information contained in ACH addenda record and electronic data interchange (EDI) entries? Describe the detail level of reporting and the time the information is available. Please provide sample reports.

Settlement

37. On what day (e.g., origination date, settlement date, pre-funding date) and at what time is the customer required to fund ACH credits? Can this funding requirement change?
38. Are there any limitations on the type of DDA account in which ACH files can be settled?
39. What time on settlement date will the customer receive availability for ACH credits received? For debits originated?
40. When will settlements for this service be reported?

Debit Authorization Service (ACH Positive Pay)

41. Does the bank offer a service to block all ACH debits to our account?
42. Can the University selectively accept ACH debits only from originators and/or in amounts authorized by us? If so:
 - a. How are such authorizations set up?
 - b. Can you ensure that originators do not charge our account for more than we have authorized?
 - c. What return code do you use when returning unauthorized entries?
43. By what methods does the bank notify the University of the receipt of unauthorized ACH debits?
44. Will the bank allow the University to make decisions regarding acceptance or rejection of the unauthorized entries? If so, how?
45. What is the cutoff time for approval or rejection of ACH exceptions?

4.6.7 International Banking – Outgoing Payment and Incoming Payments**General**

1. Describe how your organization transacts international payments and receipt services. Identify your international locations, how long you have been operating in those locations and the type of services provided.
2. Will you be the sole provider of the international transactions or will third parties (e.g., correspondent banks, outsourcing firms) be involved in providing these services? If third parties are involved, discuss all services that will be provided by third parties and detail your arrangements with each third-party.
3. How do you ensure your international partners have secure banking network and payment channels?
4. Describe your compliance program related to rules and regulations related to international financial transactions (i.e., Bank Secrecy Act, US Patriot Act). How do you ensure compliance by international partners?

Outgoing Payments

5. Discuss your organization's ability to send international electronic payments. Specify the bank's initiation methods for international payments (e.g., telephone, telex, fax, PC, Internet, direct file transfer). What are the lead times for initiating a value dated international payment?
6. What are the cut-off times for transacting international payments (incoming/outgoing)?
7. List any international same-day value transactions that are available and cut-off times.
8. What information is available to confirm initiation and release of an international transfer and what methods are available to communicate that information?
9. Can the bank transfer to any bank worldwide? Are there country or currency restrictions? If so, how are they handled?
10. Can the bank handle sending electronic funds denominated in a currency other than the US Dollars?
11. Can the bank send a tested Notice to Receive directly to the ultimate beneficiary bank? Discuss the process and include special fees in the pricing proposal.
12. Describe how the bank determines exchange rates when processing international wire transfers. When is the exchange rate fixed? If prior to completion, how long is the rate fixed? Discuss any differences based on method of origination.
13. How do you ensure the sender will receive a fair and market-based exchange rate?
14. How do you minimize intermediary fees?
15. How do you confirm settlement of funds?
16. Describe the funding process for wires initiated by the University.
 - a. Can the funding of outgoing wires be automated using ACH?
 - b. Can the funding transaction be done on an individual basis instead of batch total?
 - c. Can the funding transaction be gross, not net of fees?
 - d. Can fees be accrued and invoiced monthly?
17. Can the system handle file imports of wire transfer transactions from treasury workstations?
18. The University frequently has researchers or other representatives who work in the field and who need access to cash for payment to local vendors or employees. Can funds be transferred to an international branch or local office to be received in cash, either US dollars or local currency, by a University designated person? If yes, describe the international network and localities where this service is available.
19. The University frequently has researchers or other representatives who work in the field and who need to send funds to the US. Can funds be transferred from an international branch or local office to be received by the University? If so, please describe the process.

Incoming Payments

- 20. The University has a growing international student body. Discuss your organization’s ability to receive funds from individuals outside the United States.
 - a. What tools or reporting services are available to track incoming payments in general, and more specifically to track student tuition payments?
 - b. Can the bank receive transfers from any bank worldwide?
 - c. Are there country or currency restrictions? If so, how are they handled?
 - d. What payment methods are offered to international students?
- 21. How does the bank handle incoming electronic funds denominated in a currency other than the US Dollars?
- 22. Describe how the bank handles the processing of electronic funds received for foreign countries including receipt notification for the paying bank or clearing system, sending credit advice to the University and crediting the University’s account.
- 23. Describe how the bank determines exchange rates when processing international payments or wire transfers. When is the exchange rate fixed? Can the exchange rate be set at the initiation of the transfer? If yes, how long is the rate fixed? Discuss any differences based on method of origination.
- 24. How do you ensure the sender will receive a fair and market-based exchange rate?
- 25. How do you minimize intermediary fees?
- 26. How do you confirm settlement of funds?

4.6.8 Digital Payments

- 1. Digital Payments
 - a. Does the bank offer a digital payments solution, where payments can be made to an e-mail address or phone number?
 - b. Describe how payments made to individuals are initiated. What information needs to be entered? Please provide a screen shot of this functionality from the online platform.
 - c. What data fields are used to authenticate the payee?

Data Field	Yes / No
E-mail address	
Mobile phone number	
Name of payee	

- d. If a digital payment is originated to an incorrect e-mail address or mobile phone number, is there any recourse or protections similar to those provided by NACHA?

- e. Is dual authorization for digital payments required?
 - f. Can a dollar threshold for individual digital payments be imposed?
 - g. Are the credentials for an individual to initiate digital disbursement a separate functionality within the firm's online reporting system, or is it combined with other transactional capability (i.e., ACH permissions)?
 - h. How long does it take the recipient to receive confirmation that they have received funds post transmission?
 - i. Does the recipient have to "claim" funds, or is automatically "pushed" to the individual's bank account?
2. What happens to funds that are not claimed or an e-mail address or phone number that is not already linked to a bank account?

4.6.9 Cash Concentration and Overnight Investing

1. Describe your Cash Concentration Services. Is there an automated process for transferring funds between deposit accounts and concentration accounts?
2. What short-term investment vehicle(s) or interest-bearing account(s) do you propose to use for the overnight sweep of the University's demand deposit accounts? If you are proposing a money market mutual funds, identify the class of shares by providing the ticker symbol or CUSIP.
 - a. What are the credit ratings?
 - b. How are investment/sweep rates determined? Provide investment return history for the 36-month period from April 2020 to March 2023 for each investment vehicle option proposed.
 - c. Describe the nature of the vehicles, fees, cut-off times that apply and the process to move funds into and out of the selected vehicle.
3. If a money market mutual fund is proposed, does your firm credit the full amount of interest paid from the fund, or is there a "haircut" deducted prior to when the dividend payment is posted? If a haircut is assessed, what is the amount?
4. Does a reserve requirement apply to any of the proposed options? If so, specify which.
5. Does an FDIC assessment, deposited based fee, or similar fee apply to the proposed option? If so, what is the current charge for a full year on a \$1,000,000 balance? How is this charge computed? Is this charged or assessed on ledger or collected balances?
6. Is the sweep option automated? If not, what process do you use to ensure cash balances are invested?
7. What time of day is the investment or sweep deadline? Is it end-of-day or next-day sweep?
8. If you are proposing next-day sweep, please explain and diagram the movement of funds in and out of the DDA. If there are more than ample funds in the sweep vehicle to cover all net disbursement activity, is there any possibility that the DDA account would be overdrawn?

9. Are balances in the sweep product shown and associated with previous day or current day reports?
10. Can funds be swept from one deposit account to more than one investment account? Can multiple deposit accounts be swept to the same investment account? If so, describe the process.
11. Are the investments made by your financial institution or a third-party?
 - a. If made by a third-party, what is the relationship of the entity to your organization?
 - b. If made by your organization, what department is responsible for managing the investments?
12. Describe your screening process for ensuring that investments meet the University's investment policy and guidelines. (See Appendix G for a copy of the University of Kentucky Operating Fund Investment Policy).
 - a. What is the process for handling investments that initially comply with the University's investment policy but during the investment period fall outside of the investment policy?
 - b. How is the University protected in the event the investment manager makes an investment that initially or at any time during the holding period falls outside the University's investment policy?
13. Discuss the process the University must follow, and the time required to change from one sweep investment to another. Will your organization automatically sweep to the most favorable investment that is still within the University's guidelines?
14. Who is the custodian for the investments made through the sweep account?

Earnings Credit Rates

15. Does the University have the option of compensating the firm on either a fee or balance basis? Is the pricing the same for either option? If not, what is the difference?
16. How is your bank's earnings credit rate determined, adjusted and applied? Are you willing to link earnings credit rate to a market index? If so, which index would you suggest?
17. Will you set a floor on the earnings credit rate offered to the University? What rate floor would you offer? Are you willing to provide 'most-favored nation' ECR clause in the final agreement?
18. Does a reserve requirement apply on balances?
19. Does an FDIC assessment, deposited based fee, or similar fee apply to the proposed option? If so, what is the current charge for a full year on a \$1,000,000 balance? How is this charge computed? Is this charged or assessed on ledger or collected balances?
20. Please provide the bank's earnings credit rate history for similar clients for the 36-month period from April 2020 to March 2023.
21. If the proposed earnings credit rate is higher than the bank's standard ECR, do you plan on maintaining this spread for the University over the life of the contract?

Liquidity Management

22. Describe how your transactional banking services and electronic banking system interact with your liquidity management portal. Is it a consolidated transaction and reporting services or are there separate systems for transaction banking (e.g., deposits, account balances, wires, ACH, etc.) and investment banking?
23. The University uses GTreasury for daily cash positioning. Describe your liquidity management portal's integration with treasury management systems.
 - a. Does the liquidity management system have API connectivity with GTreasury to provide real-time information regarding investment information?
24. Do you offer tech credits or other similar programs? Please describe.
25. Does your system allow for auto-settlement of trades? Please describe.
26. Describe the short-term investment fund management capabilities offered. Include the following information:
 - a. Fund names
 - b. Interest crediting
 - c. Minimum purchase unit
 - d. Management/administration fees and conditions
 - e. Historical performance for the 36-month period from April 2020 to March 2023
27. Can the University access daily investment rates, balances, transactions, and account history online? If so, discuss:
 - a. The system used
 - b. All information available through the system
 - c. The time period for which information is retained on the system.
28. Can you provide detail of all purchases, redemptions interest accruals and payments? By what means (e.g., Internet, e-mail, fax) can this detail be provided to the University?
29. Describe your standard reporting package, including a detailed list of all reports available and samples of each report. Are these reports available for the client to run on-line?
30. Describe the flexibility and limitations of custom reporting. Can clients retrieve on-line information in a customized reporting format? How is this accomplished? Are there extra costs associated?

4.6.10 Custody and Safekeeping

1. Describe the history and experience of your bank providing custody services.
2. List the total number and market value of institutional custodian accounts as of December 31, 2020, 2021 and 2022. Also include the average length of service.
3. Describe your depository memberships (e.g., DTC, FRB, PTC, Cedel and Euroclear) and the services you use at these depositories.
4. Describe your system for the registration and custody of assets. How are trades, holdings and other information communicated to clients?

5. Are there any restrictions on the types of securities that may be held for safekeeping? If so, what are they?
6. Detail your procedures for physical delivery settlements. How do you ensure that the securities are properly registered and in good deliverable form?
7. Are security transactions settled on an actual or contractual basis? If the settlement is on an actual basis, how will you compensate the University for fail float?
8. Describe your accounting system. What reporting methods are available (trade date or settlement date, accrual or cash)?
9. What steps are taken to ensure the accuracy of your reports? What reconciliations are performed? Are reports audited before they are available to clients?
10. Describe your standard monthly reporting packages, including a detailed list of all reports available and samples of each report. Are these reports available for the client to run on-line? How many days after month-end is reporting available?
11. Describe the flexibility and limitations of custom reporting. Can clients retrieve on-line information in a customized reporting format? How is this accomplished? Are there extra costs associated?

Pricing of Securities

12. What pricing source(s) does your organization use for market valuations? How frequently do you price accounts and how soon after month-end will final prices for holdings be established?
13. Describe the quality control process you have implemented to ensure accurate asset pricing.
14. How are pricing discrepancies identified and communicated?
15. Do you have secondary or back up pricing methods?
16. Can you provide daily mark-to-market reporting?
17. Briefly describe any portfolio analytical tools available to clients.

4.6.11 Disaster Recovery

1. Describe the procedures established for disaster recovery in the event of a systems failure or other disaster at the bank's primary processing site.
2. How often do you test disaster recovery procedures? When was the plan last updated and tested? What were the test results?
3. Is there a "hot" backup processing site? Describe its location and capabilities. Is there an alternative backup processing site? If yes, describe its location and capabilities.
4. How far is the backup site(s) from the primary processing site? Do the backup and primary sites share any communication linkages?
5. How long does it take to activate a backup processing site? How long can you stay at the site?

6. What occurs when you exceed the capacity of the backup site?
7. What arrangements are made regarding service level agreements in the event of a disaster?
8. Have disaster recovery procedures ever been employed for a real disaster? If so, explain.
9. How would the University be able to access information if the bank's electronic banking system is out of service?
10. If the University's historical information reporting files have been lost, destroyed or corrupted, what support can the bank provide to recreate the files?
11. What disaster recovery services can the bank provide if the University cannot operate from its own facilities?

4.6.12 Customer Service

General

1. Describe your bank's customer service organizational structure (e.g., separate customer service department for specific services, centralized customer service department for all cash management services).
2. Discuss all methods (e.g., phone, fax, e-mail,) the University can use to initiate and track inquiries.
3. Describe the bank's procedures for processing inquiries that require research and/or adjustments.
4. Are there established turn-around times for research and adjustment items? If yes, specify.
5. Describe the bank's technical customer support for computer hardware, software and communications problems? What are the hours of operation for technical support?
6. What will be the communication method for emergency purposes after normal business hours, on weekends and holidays?

Quality

7. Describe in detail any quality improvement program you have in place. Provide statistics or other regularly available performance data related to the level of service quality and any other data that demonstrates your commitment to quality improvement.
8. Do you monitor the performance of each of the proposed products and services? If so:
 - a. What are the key performance measures tracked?
 - b. What is the reporting frequency and period covered for each measure?
 - c. What are your last three performance levels for each measure?
 - d. Are the results of the bank's performance measurement published or otherwise made available? Discuss.

9. Describe the bank's customer satisfaction program.
 - a. How do you measure customer satisfaction?
 - b. Do you compensate customer service representatives based on customer satisfaction?
10. Does the bank offer educational meetings or conferences specifically for clients within higher education or healthcare industries?

4.6.13 Other Services

Bank Account Management

1. Does your organization offer electronic bank account management? If so, does your system offer these services:
 - a. Ability to open or close accounts
 - b. Repository of information on accounts including services per account and authorized signers
 - c. Adding or subtracting services
 - d. Workflow for approval, including electronic signature, and implementation of account changes
 - e. Ability to create reports summarizing banks account, services and signers.

Consumer Banking

2. Does the bank offer specialized or preferred employee banking services? If so, describe.
3. Does the bank offer specialized student banking or university banking services? If so, please describe these services.

Healthcare Banking

4. Does the bank offer specialized Healthcare banking services for processing patient accounts or payments? If so, describe the processes:
 - a. Private payments
 - b. Insurance payments and explanation of benefits
 - c. Matching receivable
5. Does the bank have experience in integration with Change HealthCare, On Base, and Epic? Experience in integration with other systems – please list.
6. List all electronic methods available to your clients such as electronic file creation of payments, remittances, etc.
7. Does the bank offer any mechanism for creating reporting based on deposits and payers?
8. Does the bank provide electronic files and hard copy documents? When is information available after deposit?
9. What is the time frame for which items can be researched on-line?

4.6.14 Optional Services

Loadable (Pre-Paid) Card Services

1. Please describe your loadable (pre-paid) card solution including card loading processes and reporting.
2. Does the bank solution offer the ability to load payments to a digital wallet instead of a physical card?
3. Does the bank solution allow for pulling back funds from a loaded card or digital wallet?
4. Will the bank be the sole provider of the loadable (pre-paid) card solution or will third parties (e.g., correspondent banks, outsourced firms) be involved in providing these services? If third parties are involved, discuss all services that will be provided by third parties and detail your arrangements with each third-party.
5. Please describe any integration options between the card solution and the University ERP system. Is API connectivity available?

4.7 Criteria 3 – Financial Proposal

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 8.0. All financial information must be submitted in a sealed envelope under separate cover.

4.8 Criteria 4 – Evidence of Successful Performance and Implementation Schedule

References

1. Provide names and phone numbers of three references, preferably with comparable organizations within higher education and healthcare, volumes and disbursement types, who have been using the services requested in this RFP for more than one year.
2. Provide any additional information that you believe to be relevant to this RFP and your capabilities to provide the services requested (e.g., product brochures, articles in trade journals).

Experience

3. Provide any additional information that is relevant to this RFP and your capabilities to provide the services requested (e.g., product brochures, articles in trade journals). Offerors must document their capability to provide on-going functional expertise for the referenced transactional banking services demonstrating adherence to best practice solutions wherever possible.

Implementation

4. Provide a copy of all agreements that will be required to initiate banking and information reporting services.
5. What is the average lead time for implementation? What are the critical factors that may impact that lead time?

6. Describe support provided during implementation, including training, technical assistance, user manuals and on-site visits. Does the bank assign an implementation team?
7. The University's goal is to have a banking structure implemented by April 30, 2024. Discuss if you believe this is a reasonable implementation timeframe and any critical implementation milestones.
8. Specify the persons, by name and function, in your organization that have primary responsibility for implementation and training.
9. Please provide a thorough description of your implementation process (i.e., steps in the process of bringing a contract relationship into production) for the successful implementation of transactional banking services by April 30, 2024, including:
 - a. A detailed listing of major tasks and a proposed timeline
 - b. Critical implementation milestones
 - c. Communication and training plan
 - d. Describe your system to test account set up and data transmission for the implementation.
 - e. Describe your testing, quality assurance and change management methodology.
10. Can the bank implement all required transactional banking services at the University of Kentucky by April 30, 2024? Also, please provide a statement that the Offeror has the resources available to assure meeting an aggressive implementation schedule.
11. Provide a sample contract.

4.9 Criteria 5 – Other Additional Information

The offeror may present any creative approaches that might be appropriate. The offeror may also provide supporting documentation that would be pertinent to this RFP.

Offeror shall describe in detail their company's commitment to diversity, equity and inclusion. Information shall be provided as to the number of diverse individuals that the vendor employees as well as a description of vendors efforts to do business with Diverse Business Enterprises as they conduct their own business.

5.0 EVALUATION CRITERIA PROCESS

A committee of University officials appointed by the - Treasurer will evaluate proposals and make a recommendation to the Chief Procurement Officer. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources and oral presentations (if requested).

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors must specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements must be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

Primary Criteria

- Offeror Qualifications
- Services Defined
- Financial Proposal
- Evidence of Successful Performance and Implementation

Secondary Criteria

- Other Additional Services

The University will evaluate proposals as submitted and may not notify offerors of deficiencies in their responses.

Proposals must contain responses to each of the criteria, listed in Section 4 even if the offeror's response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.

6.0 SPECIAL CONDITIONS

6.1 Contract Term

The contract resulting from this RFP shall be effective from date of award through June 30, 2029, and is renewable for up to two additional two-year renewal periods. Annual renewal shall be contingent upon the University's satisfaction with the services performed. Full daily operations must begin no later than May 1, 2024. The University would like to begin implementation planning concurrent with the contract negotiation phase in order to ensure meeting these performance requirements.

6.2 Effective Date

The effective date of the contract shall be the date upon which the parties execute it and all appropriate approvals, including that of the Commonwealth of Kentucky Government Contracts Review Committee, have been received.

6.3 Competitive Negotiation

It is the intent of the RFP to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final Offer to the purchasing agency. All information-received prior to the cut-off time will be considered part of the offeror's Best and Final Offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the offeror from full compliance with the RFP specifications and other contract requirements if the offeror is awarded the contract.

6.4 Appearance Before Committee

Any, all or no offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offerors are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

6.5 Additions, Deletions or Contract Changes

The University reserves the right to add, delete, or change related items or services to the contract established from this RFP. No modification or change of any provision in the resulting contract shall be made unless such modification is mutually agreed to in writing by the contractor and the Chief

Procurement Officer and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.

6.6 Contractor Cooperation in Related Efforts

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The contractor shall fully cooperate with such other contractors and University employees and carefully fit its work to such additional work. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by University employees. This clause shall be included in the contracts of all contractors with whom this contractor will be required to cooperate. The University shall equitably enforce this clause to all contractors to prevent the imposition of unreasonable burdens on any contractor.

6.7 Entire Agreement

The RFP shall be incorporated into any resulting contract. The resulting contract, including the RFP and those portions of the offeror's response accepted by the University, shall be the entire agreement between the parties.

6.8 Governing Law

The contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky and all other local governments, public authorities, boards or offices relating to the property or the improvements upon same (or the use thereof) and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

6.9 Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act

To the extent Company receives Personal Information as defined by and in accordance with Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the "Act"), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University's and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University's discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.

6.10 Termination for Convenience

The University of Kentucky, Purchasing Division, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the contractor of a "notice of termination," the contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to a "notice of termination" and a fixed fee contract will be pro-rated (as appropriate).

6.11 Termination for Non-Performance

Default

The University may terminate the resulting contract for non-performance, as determined by the University, for such causes as:

- Failing to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract
- Failing to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained
- Adjudicating as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) day period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default or
- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

Demand for Assurances

In the event the University has reason to believe Contractor will be unable to perform under the Contract, it may make a demand for reasonable assurances that Contractor will be able to timely perform all obligations under the Contract. If Contractor is unable to provide such adequate assurances, then such failure shall be an event of default and grounds for termination of the Contract.

Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University's satisfaction within ten (10)

calendar days, the University may terminate the contract by giving forty-five (45) days' notice, by registered or certified mail, of its intent to cancel this contract.

6.12 Funding Out

The University may terminate this contract if funds are not appropriated or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The University shall provide the contractor thirty (30) calendar days' written notice of termination under this provision.

6.13 Prime Contractor Responsibility

Any contracts that may result from the RFP shall specify that the contractor(s) is/are solely responsible for fulfillment of the contract with the University.

6.14 Assignment and Subcontracting

The Contractor(s) may not assign or delegate its rights and obligations under any contract in whole or in part without the prior written consent of the University. Any attempted assignment or subcontracting shall be void.

6.15 Permits, Licenses, Taxes

The contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state and local governments in which work under this contract is performed.

The contractor must furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the contractor need not be registered as a prerequisite for responding to the RFP.

The contractor shall pay any sales, use, personal property and other tax arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction or the equipment or services delivered pursuant hereto shall be the responsibility of the contractor.

The contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law including (but not limited to) old age pension, social security or annuities.

6.16 Attorneys' Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the contract and in the event that the University prevails, the contractor agrees to pay all expenses of such action including attorneys' fees and costs at all stages of litigation.

6.17 Royalties, Patents, Copyrights and Trademarks

The Contractor shall pay all applicable royalties and license fees. If a particular process, products or device is specified in the contract documents and it is known to be subject to patent rights or copyrights, the existence of such rights shall be disclosed in the contract documents and the Contractor is responsible for payment of all associated royalties. To the fullest extent permitted by law the Contractor shall indemnify, hold the University harmless, and defend all suits, claims, losses, damages or liability resulting from any infringement of patent, copyright, and trademark rights resulting from the incorporation in the Work or device specified in the Contract Documents.

Unless provided otherwise in the contract, the Contractor shall not use the University's name nor any of its trademarks or copyrights, although it may state that it has a Contract with the University.

6.18 Indemnification

The contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including court costs and attorneys' fees of the University's attorneys), all liability of any nature or kind arising out of or relating to the Contractor's response to this RFP or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

6.19 Insurance

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

COVERAGES	LIMITS
Workers' Compensation	Statutory Requirements (Kentucky)
Employer's Liability	\$500,000/\$500,000/\$500,000
Commercial General Liability including operations/completed operations, products and contractual liability (including defense and investigation costs), and this contract	\$1,000,000 each occurrence (BI & PD combined) \$2,000,000 Products and Completed Operations Aggregate
Business Automobile Liability covering owned, leased, or non-owned autos	\$1,000,000 each occurrence (BI & PD combined)
Error & Omissions	\$10,000,000 each occurrence

Additionally, based on the work performed, additional insurance coverage and limits may be required. These additional requirements will be discussed during negotiations. Possible coverages may include Cyber Liability, Commercial Crime, Excess / Umbrella Liability, Pollution Liability, Professional Liability, E&O or other coverages and limits required based on the scope of work. Offerors are encouraged to outline what coverages are available to the University in your RFP response.

The successful contractor agrees to furnish Certificates of Insurance for the above-described coverages and limits to the University of Kentucky, Purchasing Division. The University, its trustees

and employees must be added as additional insured on the Commercial General Liability policy with regard to the scope of this solicitation. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the contractor. Coverage is to be primary and non-contributory with other coverage (if any) purchased by the University. All of these required policies must include a Waiver of Subrogation (except Workers' Compensation) in favor of the University, its trustees and employees.

6.20 Method of Award

It is the intent of the University to award a contract to the qualified offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to award a contract from this solicitation. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

6.21 Reciprocal Preference

In accordance with KRS 45A.494, a resident offeror of the Commonwealth of Kentucky shall be given a preference against a nonresident offeror. In evaluating proposals, the University will apply a reciprocal preference against an offeror submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident offeror. Residency and non-residency shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any offeror claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set forth in the above reference statute.

6.22 Auditing

The University, or its duly authorized representatives, shall also have access to any books, documents, papers, records or other evidence which are directly pertinent to this contract for the purpose of financial audit or program review.

6.23 Confidentiality

The University recognizes an offeror's possible interest in preserving selected information and data included in the proposal; however, the University must treat such information and data as required by the Kentucky Open Records Act, KRS 61.870, et seq.

Information areas which normally might be considered proprietary, and therefore confidential, shall be limited to individual personnel data, customer references, formulae and company financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas and the offeror declares them to be proprietary in nature and not available for public disclosure, the offeror shall declare in the Transmittal Letter the inclusion of proprietary information and shall noticeably label as confidential or proprietary each sheet containing such information. Proposals containing information declared by the offeror to be

proprietary or confidential, either wholly or in part, outside the areas listed above may be deemed non-responsive and may be rejected.

The University's General Counsel shall review each offeror's information claimed to be confidential and, in consultation with the offeror (if needed), make a final determination as to whether or not the confidential or proprietary nature of the information or data complies with the Kentucky Open Records Act.

6.24 Conflict of Interest

This Request for Proposal and resulting Contract are subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky's Ethical Principles and Code of Conduct (www.uky.edu/Legal/ethicscode.htm). When submitting and signing a proposal, an offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the offeror. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University purchasing officer identified in this RFP.

6.25 Personal Service Contract Policies

Pursuant to the Kentucky Model Procurement Code (Code), the Government Contract Review Committee (GCRC) of the Kentucky General Assembly may establish policies that govern personal service contracts. Under the Code, a personal service contract is an agreement whereby an individual, firm, partnership or corporation is to perform certain services requiring professional skill or professional judgment for a specified period of time at an agreed upon price.

A. Professional Service Rate Schedules:

The GCRC has established rate schedules for certain professional services and may impact any contract established under the Code. These rate schedules are located on the GCRC website at the following link: <https://apps.legislature.ky.gov/moreinfo/contracts/homepage.html>. Access/click the dropdown menu within the web page for the rates information.

B. Invoicing of Personal Service Contracts:

The Kentucky Model Procurement Code was recently amended to establish conditions for invoicing for fees for personal service contracts. It states, "No payment shall be made on any personal service contract unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice on a form established by the committee." The Government Contract Review Committee has adopted a personal service contract invoice form that must be submitted as a condition of payment. A copy of the form is located on the GCRC website at: <https://apps.legislature.ky.gov/moreinfo/contracts/PSC%20INVOICE%20FORM.pdf>.

6.26 Copyright Ownership and Title to Designs and Copy

The contractor and University intend this RFP to result in a contract for services, and both consider the products and results of the services to be rendered by the contractor hereunder to be a work made for hire. The contractor acknowledges and agrees that the work and all rights therein, including (without limitation) copyright, belongs to and shall be the sole and exclusive property of the University. For any work that is not considered a work made for hire under applicable law, title and copyright ownership shall be assigned to the University.

Title to all dies, type, cuts, artwork, negatives, positives, color separations, progressive proofs, plates, copy and any other requirement not stated herein required for completion of the finished product for use in connection with any University job shall be the property of and owned by the University. Such items shall be returned to the appropriate department upon completion and/or delivery of work unless otherwise authorized by the University. In the event that time of return is not specified, the contractor shall return all such items to the appropriate University department within one week of delivery.

6.27 University Brand Standards

The contractor must adhere to all University of Kentucky Brand Standards. University Brand Standards are maintained by the University Public Relations Office (UKPR) and can be viewed at <http://www.uky.edu/prmarketing/brand-standards>. Non-adherence to the standards can have a penalty up to and including contract cancellation. Only the UKPR Director or designee can approve exceptions to the University standards.

Graphics standards for the UK HealthCare areas are governed by UK HealthCare Clinical Enterprise Graphic Standards, found at: <https://ukhealthcare.uky.edu/staff/brand-strategy>.

Contractor warrants that its products or services provided hereunder will be in compliance with all applicable Federal disabilities laws and regulations, including without limitation the accessibility requirements of Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, Part 1194. For purposes of clarity, updated regulations under Section 508 standards now incorporate WCAG 2.0, and for purposes of this agreement WCAG 2.0 Level AA compliance is expressly included. Contractor agrees to promptly respond to, resolve and remediate any complaint regarding accessibility of products or services in a timely manner and provide an updated version to University at no cost. If deficiencies are identified, University reserves the right to request from Contractor, a timeline by which accessibility standards will be incorporated into the products or services provided by Contractor and shall provide such a timeline within a commercially reasonable duration of time. Failure to comply with these requirements shall constitute a material breach of this Agreement and shall be grounds for termination of this Agreement.

Where any customized web services are provided, Contractor represents that it has reviewed the University's Web Policy and all products or services will comply with its published standards.

Contractor will provide University with a current Voluntary Product Accessibility Template (VPAT) for any deliverable(s). If none is available, Vendor will provide sufficient information to reasonably assure the University that the products or services are fully compliant with current requirements.

6.28 Printing Statutes

The purchase of printing services for all state agencies is governed by Chapter 57 of the Kentucky Revised Statutes. Specifically, all printing must be awarded to the lowest responsive bidder and approved by the Governor of Kentucky. In compliance with these statutes, all printing must be provided by a contract established by the Purchasing Division.

6.29 Payment Terms

The University adheres to a strategic approach regarding payables management based on risk minimization, processing costs, and industry best practices. As such, suppliers and individuals doing business with the University will be paid based on the following protocol:

1. The University utilizes Payment Plus (e-payables) as its primary default form of payment. By enrolling in Payment Plus, suppliers can receive payments immediately (all invoices will be paid immediately upon confirmation of goods receipt and invoice). The process is electronic, and the supplier receives real-time payment notices. Additional information regarding Payment Plus (and enrollment form) can be found at: <https://www.uky.edu/ufs/payment-plus-supplier-enrollment-form>.
2. Payments by check. Payment terms for check payments are Net-30.
3. Individuals receiving payments from the University that require ACH direct payments will only be processed under special circumstances as approved by the Controller's office. Payment terms for ACH are Net-40.

7.0 SCOPE OF SERVICES

7.1 Detailed Services Defined

The University desires to maximize its cash availability through the use of concentration and control disbursement accounts. All account available balances connected to the concentration account will be maintained in the concentration account for investment purposes and for reimbursing the zero-balance accounts. Appropriate balances are transferred daily from the Concentration Account to the Zero-Balance Accounts (ZBA). Balances from miscellaneous revenue accounts are also transferred daily to the Concentration Account. All transfers take place automatically without initiation by the University. Transfers between accounts will be considered transfers and not as items deposited and checks paid.

In addition, the University requires demand deposit "Imprest" accounts that will serve various departments throughout the University used for small purchases, change funds, and reimbursement of research subjects. These accounts will not be part of the concentration accounts but will function independently and be reimbursed by the University. These accounts earn no interest for the University and should be provided by the bank at no charge, including check and deposit ticket supplies. University Financial Services must approve the establishment of all University accounts, including these Imprest accounts. The individual custodians order supplies for these accounts and receive the monthly bank statements.

The Offeror should note the current concentration and disbursement account structure the University is operating under with its present transactional banking services Bank as outlined in Section 2.2. A responding bank is invited to present a recommended account structure that best meets the needs of the University while most efficiently uses the platforms and other systems of the bank.

Additional Accounts

The University may open additional accounts during the contract period at the prices proposed in this contract provided the bank is furnished notification at least 15 calendar days before implementation date.

7.1.1 Electronic Banking

The University requires an electronic banking system to access daily account balances, identify deposits and controlled disbursements and transactions in the accounts, and be able to perform day-to-day transactions including initiation of transfers, ACH and wire transactions. The system should allow for the entry of checks into Positive Pay, decisioning for both Positive Pay and ACH Positive Pay, the retrieval of check images, and management of lockboxes. The system must also allow for the ability to make check deposits using remote deposit capture technology. The system should include an investment portal for overnight liquidity investment purchases and redemptions of short-term securities for the purpose of daily cash positioning. The system must be configured with adequate security controls and procedures, such as the use of multifactor authentication for login and EFT transaction initiation/approval, internal controls to prevent a single person from initiating and approving EFT transactions, and secondary approval for user setup and granting of entitlements related to payment initiation and approval, to name a few.

The reporting system must include prior day's deposits (in total and by source), posts, first presentment disbursements presented on the current day, funds becoming available on the current day, total available funds and total uncollected funds by no later than 8:00 am each business day in order that the University may substantially invest its estimated available balances at that time. Second presentment disbursement reports are required by no later than 10:00 am each business day. In addition, University Financial Services requires reconciliation between the ledger balance, prior day's available balance and the current day's available balance showing all deposit items becoming available, all check presentments and other debit or credit transactions. Include a sample of your bank's report formats with your response.

From the daily report, the University also requires the ability to download detail of transactions to an Excel file for all accounts that includes transaction description, and BAI codes and amounts for daily reconciliation purposes.

The University desires a system that will enable it to develop a daily integrated banking activity and cash balance report similar to the report shown in Appendix C.

7.1.2 Depository Services

Transporting of Deposits

The University currently provides for the pick-up and transporting of deposits by armored courier to a designated depository bank vault services provider located in Lexington, Kentucky. The University desires armored courier services be managed by the bank, although not required. A bank may propose alternate pick-up and transport options.

The table below shows the current armored car pick-up locations:

Location Name	Address	Days of Service
Pick-Up from:		
UK Dentistry - Turfland	2195 Harrodsburg Road Room T1506 Lexington, KY 40504	Tuesday/Friday
UK College of Dentistry	Dental Science Building, Room D105 800 Rose Street Lexington, KY 40536-0297	Tuesday/Thursday
UKHC Kentucky Clinic Pharmacy	Kentucky Clinic, J134 740 S. Limestone Street Lexington, KY 40536-0284	Monday-Friday
Dentistry - Kentucky Clinic	Kentucky Clinic, D79 740 S. Limestone Street Lexington, KY 40536-0284	Tuesday/Friday
UK Athletics Ticket Office	Joe Craft Center Room A113 338 Lexington Avenue Lexington, KY 40506	Monday-Friday
UK Treasury Services	356 Peterson Service Bldg. 411 S. Limestone Street Lexington, KY 40506-0005	Monday-Friday
UK Deposit Kiosk - Funkhouser	Funkhouser Building - Basement Hallway 160 Funkhouser Drive Lexington, KY 40506-0054	Monday-Friday

UK Deposit Kiosk - Ag North	Agricultural Science Center North Building Basement Hallway 1100 S. Limestone Street Lexington, KY 40546-0091	Monday-Friday
UK Deposit Kiosk – Gatton Student Center	Gatton Student Center Inside North-East Entrance next to the Credit Union 160 Avenue of Champions Lexington, KY 40546-0676	Monday-Friday

The bank may propose an alternate delivery, but the University requires that the last pickup is made by 3:00 pm. The University may add new or discontinue current pick-ups throughout the term of the contract.

Deposit Processing

All deposits must be placed in the collection process on the same day they are picked up or received by the bank. The bank agrees to provide ledger credit the same day and to provide availability based on same day ledger credit, in accordance with the appropriate availability schedule.

In the event of an error in currency or coin, the bank will correct the deposit ticket and notify the University immediately upon discovery of the error. An error in check totals will be corrected by bank debit or credit. Revised tickets and bank debits or credits, along with detailed explanations of errors by individual deposit, will be delivered to the University the next business day. Imprest cash custodians should be notified directly of deposit errors on their accounts.

All departments making deposits are each assigned unique location identification numbers. The location numbers are printed on each department’s deposit tickets. Currently, the University has approximately 268 departments assigned location identification numbers. The location identification number must be recorded for each deposit received at the bank and included in daily reports and BAI files used for importing into SAP and the treasury workstation.

Deposits are also made at bank branch locations by University personnel during the bank’s normal business hours. In FY22, approximately 1,200 deposits were processed directly at bank branch locations. The deposits are prepared and delivered to the branch location teller counter using tamper-resistant bags, each with unique serial numbers with barcodes. Deposits will each contain a deposit ticket inside the bag that includes the identification information for the department making the deposit. Department location identification numbers must be recorded with each deposit received by the bank. The bank must accept deposits at bank branch locations without incurring “over the counter” or “teller deposit” charges.

The University deposits approximately 35,000 checks using remote deposit capture using scanners or tablet devices to capture and transmit the images. The remote deposit system should allow for separate locations to be assigned unique location identification numbers that are recorded within the banking system for each check deposit submitted.

The University sends approximately 25 foreign checks per year for collection. There should be no charge by the bank for providing this service except for those charges which are passed on from other financial institutions involved in the collection process.

The University also utilizes three deposit kiosks that allow cash/check deposits to be made at locations across campus. These units are similar to an ATM machine or a bank night depository, though they are electronic systems that record the bag number of each deposit, the type and amount of the deposit, and the department location identification number associated with the department making the deposit. The armored courier service will retrieve the deposits from each deposit kiosk daily and transport them to the contracted bank vault service provider. The kiosk system has the capability to be connected to a bank via API connectivity to immediately record the deposit in the banking system and receive funds availability.

Availability Schedules

The University requires that maximum collection time for all items shall be no greater than that provided by the Federal Reserve Bank for the district in which the University is located. Current availability schedules must be provided with the RFP response. All subsequent revisions of this schedule during the term of any awarded contract must be provided by the bank and agreed to by the University.

If direct sends, electronic cash letters or other beneficial clearing systems are employed by the bank, now or at any time during an awarded contract, all derived benefits shall pass to the University.

Float Reporting Requirements

The bank must have the capability of providing University Financial Services with a float report detailing the availability of funds (immediate, one day, two days) corresponding to the amount deposited each day. The bank shall provide this schedule as requested by the University.

Check Collection Services

The University requires that any deposit item returned for insufficient funds be forwarded for collection by the bank a second time without debit to the University's account. Deposit items being returned to the University must be charged to the appropriate account and returned by the bank on the same day. Returned items for the restricted account should be delivered to the University. Checks returned on imprest accounts should be sent back to the imprest account's custodian.

Supplies

The bank shall initially provide approximately 300 endorsement stamps for University departments. The University may request additional endorsement stamps throughout the year.

The bank will provide on a timely basis, deposit tickets on three-ply paper. Deposit tickets will be unique to each department, containing the department name, address, and location identification number. Approximately **30,000** deposit tickets are ordered annually for the University's main deposit account and the University may request additional deposit tickets throughout the year. The University annually orders approximately **5,000** regular plastic tamper resistant deposit bags and **800** heavy duty tamper resistant deposit bags.

There should be **no charge** to the University for these supplies. All supplies (except for imprest accounts) are ordered through the Treasury Services Department.

7.1.3 Lockbox Processing

The University currently requires lockbox service for 8 post office boxes to be provided by the bank. The bank will pay for rental of the post office boxes and charge the appropriate University account. The remittances in each lockbox must be kept separate for processing.

Each day the bank will retrieve the mail from the post office boxes, open the mail, and process the payments. Please refer to Appendix A for the minimum specifications for lockbox operations. The bank must be able to provide both manual processing of receipted items and have the ability to send an electronic file transmission to the University for Receipted Items. The electronic file transmissions must be sent to the University no later than 3:00 p.m. each day and contain receipted items for the current day.

Items of correspondence in the post office box that do not include checks are "return items" which will also be delivered to the appropriate contact person per the lockbox specifications.

The bank will reject all checks made payable to payees other than the University or a department of the University and checks marked "paid-in-full" or indicated as scholarships. These will also be classified as "return items".

UK HealthCare utilizes enhanced healthcare lockbox services to support patient cash collections for both paper and electronic payments. Daily payment files are created for hospital billing insurance checks and EFTs, which are loaded into Epic to create cash records for posting. Correspondence is sorted into one of five categories (\$0 Pay EOBS, vCard's, Tax Documents, Letters, or Misc.). Daily lockbox image files are sent to both UKHC for ingestion into OnBase and to Change Healthcare for manufacturing 835 files for paper remits. The health enterprise operates as a single business office (SBO), and patients can remit check payments with a readable OCR coupon to the lockbox. A daily payment data file is created for auto-posting to Epic and lockbox image files to OnBase. Payments received without coupons or unidentifiable account information are routed to an exception queue for repair by staff prior to the daily posting file creation. Any payments received in-house are remotely scanned and integrated into the lockbox for processing. This healthcare lockbox configuration and processes must be supported by the bank.

Lockbox deposit errors must be corrected within three (3) working days of notification by the University.

In order for University Financial Services to pass the cost of this service on to the appropriate University department, the billing must be itemized for each lockbox.

The University reserves the right to add post office boxes to the lockbox process as the need arises at the price proposed in this contract with 15 days written notice to the bank.

7.1.4 Disbursement Services to be Provided

Direct Deposit Processing

The University processes separate direct deposits for employees who are paid bi-weekly and for employees who are paid monthly. Bi-weekly direct deposit pay dates will generally fall on Friday and monthly pay dates will generally fall on the last working day of the month. Ninety eight percent of employees utilize direct deposit.

The bank will provide University internal bank ACH calendars for direct deposit for the next banking year. The University will complete the documents, providing dates the files are to be received by the bank as well as the University's pay dates. The direct deposit files will be placed in a University file location by 9:00 a.m. in order to be transmitted via the University's Managed File Transfer server using GoAnywhere (a secure FTP program) to a bank file location for bank retrieval. At this time a University employee will call to notify the bank of the direct deposit file total. The bank will upload the direct deposit file immediately upon receipt and issue two emails acknowledging the receipt and processing of the files. The University requires the bank to verify the direct deposit total by 12:00 p.m. the day the upload process takes place. The bank will also be required to verify ACH file transmission within two hours of the data being entered into the Federal Reserve System and send the University a confirmation file.

The bank will use the most effective means to make transfers to other financial institutions to effect deposits to employees' accounts. Errors in transmission of employees' deposits must be corrected within 4 hours of notification by the University. If the bank should for any reason fail to transmit the deposit on a timely basis, it will be the responsibility of the bank to notify all institutions involved.

Positive Pay Services

The University requires the bank to have the capability of providing positive pay services on vendor, student accounting, payroll and CKMS checks disbursed by the University. The University issues accounts payable and student accounting checks daily and issues payroll biweekly and monthly. Each day, the University will upload the positive pay files, containing information on vendor and payroll checks issued by the University. Each day after the presentment of checks, the bank will send an email notification of any unmatched checks or "suspect items" attempting to post to the University bank accounts. The University will review the "suspect items" within the electronic banking system and enter a decision on whether or not to proceed with payment of those checks.

The positive pay files will be placed in a University file location by 9:00 a.m. In order to be transmitted via the University's Managed File Transfer server using GoAnywhere (a secure FTP program) to a bank file location for bank retrieval. The bank then uploads the positive pay files immediately upon receiving them and issues two emails acknowledging the receipt and processing of the files. The bank's electronic banking system should also allow for the entry check data into Positive Pay for "on demand" checks issued outside the normal batch payment processes.

Forged, Altered and Counterfeit Checks

The bank will use all reasonable and necessary procedures for follow-up collection on a forged endorsement or on any altered or counterfeit checks paid against the University's accounts.

Reconciliation Services (Vendor, Payroll, Student Accounting and CKMS)

The University will require that the bank download paid check data to the University by the day after Positive Pay confirmation. These files will list the checks in numerical order, giving the check number, amount of the check, account number and date paid in a format to be provided by the University. The data must be transmitted to the University the day following Positive Pay confirmation.

The University currently requires CD ROM images of the front and back of checks that have cleared the bank by the 10th of the subsequent month. Additionally, the University currently requires electronic access to paid checks prior to receipt of CD ROM images. The Offeror is invited to list and describe

all its cleared check viewing capabilities both for physical return of checks and imaged return of checks and specifically indicate if CD ROM images are available.

Printed Checks

For all other accounts other than the vendor, payroll, and student billing accounts, the bank shall provide printed checks as required by the University at no cost. Computer generated checks for the payroll, student accounting, and vendor-controlled disbursement accounts will be provided by the University.

Stop Payments

The University requires the ability to initiate stop payment orders and to determine the status of specific checks issued via the electronic banking system. The electronic banking system should allow for entry of individual stop payments or multiple entries via file import. There should be no difference in the fees per stop payment regardless of entry method.

Corrections

The bank shall use all reasonable and necessary methods of correcting all encoding errors, lost items or any other errors found in reconciling the University's accounts. All errors must be resolved within ten working days of notification by the University. Notifications regarding bank debits and credits issued to correct these errors should be sent to the Accounting and Financial Reporting Services Department, 371 Peterson Service Building, Lexington, KY 40506-0005.

7.1.5 Wires and ACH Transfers

The bank will have the capability receive and originate electronic funds transfers. The bank must provide the University with access to the Fed Wire System and the Automated Clearing House (ACH). It is the express intent of the University to perform daylight overdrafts to the extent that incoming wire transfers are expected during the business day.

The bank shall provide the University with online access to the Federal Reserve Wire System for initiation and approval of wires. The bank must demonstrate adequate capacity to manage the University's volume of wire activity. Incoming wire transfers will be considered immediately available for investment. Should the bank not receive a wire transfer, the wire will be traced from origin to destination to ascertain the party responsible for delaying the transfer. If necessary, adjustments will be made as soon as possible for any lost interest or charges resulting from a "fail" to consummate a wire transaction.

The University currently originates ACH credit entries for direct deposit of payroll, payments to vendors and students. Additionally, the University originates ACH debit entries for the receipt of payment for student tuition, retired employee benefits, Early Childhood Laboratory Center services, and donations through the Office of Philanthropy. The bank must demonstrate capacity sufficient debit authorization controls and adequate capacity to manage the University's volume of ACH activity. The University expects its banking partner to be able to provide the detailed addenda information. Identifying the source of ACH credits is primarily a manual process for the University. The University desires an ACH tool or application that could assist the University in sourcing the ACH credits.

The bank must also provide a bank account verification service to be used to validate open, domestic bank accounts prior to ACH's and wire transfers being originated by the University. This service will be used to reduce fraud, as well as meet the requirements of the NACHA WEB Debit Account Validation Rules effective in March 2022. The service must have the ability to be integrated via an API with the University student payment portal in order to provide real-time account validation prior an ACH web debit entry being originated. The account verification should also be able to be accessed through the electronic banking system for manual account validation being conducted by University staff prior to the initiation of wire transfers or ACH transactions originated.

7.1.6 International Banking

International banking transactions are becoming more prevalent for the University. The University requires at a minimum a bank portal foreign exchange module to initiate these transactions that funds can be sent in either US dollars or foreign currency. The University desires a system where exchange rates are set upon initiation of the transaction, where we can be ensured of best execution of the exchange and where we can receive confirmation of receipt. In addition, the University will need the ability to receive foreign exchange transactions, and desires flexible payment receiving options.

The University desires the bank or financial services provider to offer a service enabling students in foreign countries the ability to pay their tuition and fees utilizing payment methods most popular in their countries, or via wire transfer. The system should allow for integration with the University student payment portal permitting the exchange of basic student information and amounts owed to the University for tuition and fees. The system should include reporting that enables Student Account Services staff to reconcile incoming international student payments more easily.

7.1.7 Investment and Custodial Services to be Provided

Bank Balances and Overnight Investments

All available balances in concentration funds should be fully invested in accordance with the University's Operating Funds Investment Policy (Appendix G). The University wishes to maximize its rate of return on cash balances with appropriate regard for safety of principal. The University invites banks to propose mechanism to achieve these goals. Over the last 12 months, the University's bank balances have fluctuated between \$10 million and \$100 million with an average balance of approximately \$25 million. Over the same period, the University's investments in money market funds have fluctuated between \$130 million and \$885 million with an average balance of \$470 million.

Collateral Requirements

The bank must fully collateralize University accounts in accordance with Section 41.240 of the Kentucky Revised Statutes. The bank awarded the contract will be required to provide collateral for any collected and uncollected balances. The collateral, comprised solely of direct obligations of the U.S. Government and its agencies, will be held in a third-party custodial account in the name of the University for security of University account balances. This block of collateral securities will remain at the custodial bank for the duration of the agreement. Collateral substitutions must be approved by the University. Any substitutions made will be on a simultaneous basis and at no cost to the University. The third-party custodial bank will act as the University's agent in all custodial matters.

If an overnight repurchase agreement is utilized for overnight investments, the bank will be required to provide qualified securities as collateral for repurchase agreements. The qualified securities will be held in a safekeeping account at the Federal Reserve. The bank will provide a 102% collateralization. This block of qualified securities will remain at the Fed for the duration of the banking contract. Substitutions will be allowed; however they must be on a simultaneous basis.

The bank shall provide all compensation to the custodial bank as a part of its services to the University and the University shall incur no separate liability to or for the services of the custodial bank.

Custody and Safekeeping Services

The University is seeking custody services for the University's bank deposits and staff managed operating fund investments. The staff managed operating fund investments are primarily invested in government agencies and instrumentalities, certificates of deposit and various government or prime money market funds. The following services are required:

- 1) Maintain one or more accounts for the cash and securities owned by the University.
- 2) All securities held by the custodian shall be segregated from the assets of others and shall be and remain the sole property of the University. The custodian shall have only the bare custody thereof. The securities held by the custodian shall, unless payable to the bearer, be registered in the name of the University. Securities delivered to the custodian, except for bearer securities, shall be in due form for transfer or already registered as provided above.
- 3) Process security trades per instructions received by authorized persons.
- 4) Collect all coupons and other periodic income on securities held and process per instructions received by authorized persons.
- 5) Create, maintain and retain all records relating to securities held in custody in University's accounts to meet the requirements and obligations under generally accepted accounting principles.
- 6) Provide on-line reporting of portfolio activity and holdings on a real-time or next day basis.
- 7) Provide monthly activity statements and reports including the market value of all portfolio holdings.
- 8) Provide ad hoc reporting and analytical capabilities through the online system.

7.1.8 Miscellaneous Services to be Provided

Monthly Statements

The bank will provide monthly statements with information through the last day of the month. The statements for all accounts will be delivered to the University of Kentucky, Accounting and Financial Reporting Services Department, 371 Peterson Service Building, Lexington, KY 40506-0005, except for the Central Kentucky Management Services accounts which will be sent to the custodian of the account at the department's address. Statements for imprest accounts will be sent to the custodian of each account at the department's address.

The bank will provide monthly Account Analysis Statements accessible via the electronic banking system. Additionally, the bank will produce an EDI 822 file for the Account Analysis that can be securely transmitted and imported into the University's treasury workstation.

Audited Financial Statements

Annually, the bank will provide a copy of its most recent audited financial statements. The annual financial reports must be provided either electronically or by mail sent the University of Kentucky, Treasury Services Department, 356 Peterson Service Building, Lexington, KY 40506-0005 within 120 days after the fiscal year end of the bank. Should the bank experience a significant and continual deterioration in its financial condition, then the University reserves the right to cancel the bank contract.

Orders for Coin and Currency

A few departments of the University currently order coin and currency on a routine basis, mostly once per week. The bank will provide coin and currency ordering service to the University at no cost. Orders will be arranged for delivery to University departments using the contracted courier service.

Cashing of University checks

The University requires that the bank cash checks drawn off of University bank accounts (on-us) presented at local bank branch locations by University students, employees, research participants and vendors at no cost to the University of check holder. Prior to cashing the check, the bank must verify each check presented is valid using the Positive Pay data provided by the University daily.

8.0 FINANCIAL OFFER SUMMARY

Offerors are to provide a fixed price for the services offered.

8.1 Mandatory Services (Section 7.1)

Please complete and attach Section 7.1 to provide support for your firm fixed price bid.

1. Provide a price schedule for the proposed services using AFP and BAI Service Codes. Include any one-time or setup charges, research fees, and all other fees that will be charged, even if already in place or listed elsewhere in the proposal.
2. Provide a pro forma analysis based on the attached list of volumes and services required (Appendix E). Include any one-time or set-up charges, research fees, electronic banking fees and all other fees that will be charged, even if already in place or listed elsewhere in the proposal.
3. Please provide the percentage discount from standard bank pricing that will be applied to any future new services or fees added throughout the life of the contract that are not currently included within the proposed price schedule.
4. How long will the bank honor the price schedule offered in this proposal while the University is evaluating proposals?
5. Will the bank cash checks drawn on the University's bank accounts at local bank branches without charge to the University or check holder? If not, what is the charge and how is it assessed?
6. Will UK be charged for any customization required (e.g., ERP interface, custom reports)? If so, list any charges for customization included in this RFP.
7. Will the bank provide armored courier services? If so, please provide pricing for the service options listed below:
 - a. Daily pick-up of deposits at department locations Monday through Friday
 - b. Pick-up of deposits at department locations two (2) times per week
 - c. Pick-up of deposits at department locations three (3) times per week
 - d. Daily pick-up of deposits at deposit kiosks Monday through Friday
 - e. Individual transportation of change orders processed through the bank change order system
 - f. Excess pick-up time charges

Analysis

8. 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.
9. What fee payment options does the bank offer (e.g., direct debit, ACH, check)?
10. Describe the method used to calculate the earnings credit rate (ECR).

- a. To what index is the ECR linked?
 - b. Please provide the bank's ECR for similar customers of our size for the last 36-month period from April 2020 to March 2023?
 - c. Please provide the percentage spread from the linked index for ECR offered to the University.
 - d. Will the bank set a floor on the earnings credit rate offered to the University? If so, please provide the floor rate for ECR.
11. Describe your short-term investment vehicle(s) or interest-bearing account(s) available for the overnight sweep of the University's demand deposit accounts.
- a. How are investment/sweep rates determined?
 - b. Please provide investment return history for the last 36-month period from April 2020 to March 2023.
 - c. Please describe how interest is applied. Is it the full amount paid from the fund or is there a "haircut" deducted. If there is a "haircut" what is the amount?
12. Describe the short-term investment fund management capabilities offered. Include the following information:
- a. Fund information such as name, minimum purchase unit and management/administration fees and conditions.
 - b. Please describe how interest is applied.
 - c. Historical performance for the 36-month period from April 2020 and March 2023.
13. Does a reserve requirement apply on balances? If so, please describe how it is applied.
14. Is there a fee or other assessment for FDIC Insurance? If so, what is the charge and how is it computed?
15. Can the customer decide how the balances in its accounts will be grouped for purposes of compensation (e.g., assessed individually, by division, at the relationship level)?
16. When calculating average balances, are positive and negative balances netted?
17. How does the bank charge for overdrafts? What about daylight overdrafts? Does the bank charge for use of uncollected funds? If so, how is the charge calculated? Are these fees a direct charge or can they be offset by the earnings credit allowance?
18. If current day information is delayed past the customer's funding deadline and the account is in a debit position, will the bank waive any associated overdraft charges?
19. Does the bank compensate in the event of a loss resulting from the University's inability to access information or initiate transactions through the electronic banking system? Explain and discuss any limitations.
20. What billing period options do you offer? How and when will UK be billed for deficiencies?
21. How soon after the close of the billing period is the account analysis available to the customer? Is the bank's account analysis statement available online? How many months are these

statements maintained on this service? What methods of physical and electronic delivery are available?

22. How are adjustments reflected on the account analysis? What is the cut-off date for the University to notify the bank of errors? How will corrections and adjustments be applied? For adjustments requiring credits back to the University, when will the credit be applied?
23. Place the entire Financial Offer onto Appendix F. Return Appendix F to the University with the Technical Proposal on the proposal due date. Return Appendix F within the "Financial Offer" in hard copy and electronic formats in accordance to Section 3.7.
24. Provide a detailed pricing pro forma for Other Services (i.e., International Student Payments, etc.) not included within the standard banking services included within Appendix F. This should include any fees for the service, setup, and/or customization. This pricing pro forma for Other Services should be included within the "Financial Offer" and submitted in hard copy and electronic formats in accordance with Section 3.7.

8.2 Optional Services

1. Provide a detailed pricing pro forma for Optional Services (i.e., loadable card services) not included within the standard banking services included within Appendix F. This should include any fees for the service, setup, and/or customization. This pricing pro forma for Optional Services should be included within the "Financial Offer" and submitted in hard copy and electronic formats in accordance with Section 3.7.

8.3 Price Protection

The price quoted must be firm for the first five (5) years. The contract price may be adjusted at the conclusion of year five provided that a 90-day written notice is given to the Purchasing Division. Any adjustments allowed shall be firm for the duration of that two-year renewal period and must be approved by both the Contractor and the University of Kentucky Purchasing Division. Are you willing to provide 'most-favored nation' clause in the final agreement?

At the end of the fifth year of the contract, revisions in pricing may be requested by either party. Any increase in price must be accompanied by proof of an increase in the bank's cost of providing service and would be limited to the previous five years' change in the Consumer Price Index as published by the U. S. Department of Labor/Bureau of Labor Statistics preceding the contract anniversary date. In the event the requested revision is refused, the requesting party will have the right to withdraw from the contract. However, the bank must continue service at the contract prices until a new contract can be established.

8.4 Alternate Pricing

In addition to the above financial offer, the offeror may submit alternative financial proposals, however the information requested above must be supplied and will be used for proposal evaluation purposes.

Additional Financial Commitment

In addition to the financial offers, please propose a financial commitment to assist the University. Options may include a signing bonus, scholarships, internships, commitment to hire University Graduates or a (%) percentage rebate.