



Date: December 8, 2022

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Reference: RFP HC2022-07

Subject: **Addendum No. 2**

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Note: This addendum shall be included as part of RFP HC2022-07

## Addendum 2 to RFP HC2022-07

### Procurement Schedule:

No change to the Procurement Schedule

### General Items:

Questions & Answers

**Question 1:** Is the branch requirement mandatory?

**Answer:** The branch requirement is not mandatory as long as we have everything set up that we do not have to hand walk any deposit to a physical branch.

**Question 2:** Do the deposits require collateral?

**Answer:** None of our deposits require collateral.

**Question 3:** Can you provide additional details on the "Trust Accounts" related to the property manager? Are these true Trust Accounts or is it more in how the accounts are titled. i.e. "in trust for"?

**Answer:** We are acting in the capacity of an agent for the ownership of the property. We establish the "trust account" to deposit receipts from rents, security deposits & miscellaneous income derived from the property. We do not commingle funds from other owners or from Housing Connect into this account. The agent is the only one who has control of the account, the owner cannot be on the account or have access to the account except to view. The term property managers have used for this is "trust account".

**Question 4:** Is this RFP contractually required?

**Answer:** Yes. HUD funding requires that we bid out services every 5 years.

**Question 5:** What are the specific RFP criteria? What are the criteria for selection?

**Answer:** Scoring criteria is listed in the RFP

**Question 6:** How many banks are bidding or being offered to bid?

**Answer:** This will not be disclosed and is partly unknown.

**Questions 7:** To confirm, the RFP would be for pricing for just three analyzed accounts (Accounts Payable, Housing Assistance Payments and Housing Connect Payroll) and services mentioned in the bullet points?

**Answer:** We ask for pricing for the three analyzed accounts listed and also any pricing to provide the other services list in the RFP.

**Note:** We have three main analyzed business accounts existing with Wells Fargo, account numbers ending in x8116, x3303, x5118, please confirm that you are looking for either your current pricing on these three accounts and existing Treasury services or brand-new pricing based on the information contained in the RFP documents you provided.

We are looking for brand new pricing based on what is listed in the RFP.

**Question 8:** Can you please clarify, the accounts listed on Pages 7-9 and marked as Checking, are those required to be analyzed allowing for Treasury services or will those be non-analyzed basic checking accounts strictly with no fees and solely used for tenants?

**Answer:** Yes. We need to be able to make deposits into those checking accounts also, so whatever pricing is required for those services should be included in the response to the RFP.

**Question 9:** The volumes and activity that are listed on Page 10 of the RFP documents, those are listed as the Annual activity volumes, do you have a breakdown of what each of the three account's individual activity is or do we need to assume that it is divided equally among the three accounts? Can you provide a singular breakdown of individual account activity?

**Answer:** We do not have a breakdown of the activity by account. All payroll payments come out of the Payroll Account, but the other transactions happen in both of the other accounts. Tenant Deposits happen in all of the checking accounts listed.

**Question 10:** On Page 10 of the RFP documents, it mentions remote depositing at 12 different locations and into different property checking accounts – the Desktop Deposit feature is only eligible for analyzed business checking accounts, but our interpretation of the RFP only mentions three main analyzed business checking accounts (Accounts Payable, Housing Assistance Payments, and Housing Connect Payroll Account). Are you looking to have more than three analyzed business checking accounts that would allow for this remote depositing service?

**Answer:** We are requiring that the 12 locations are able to deposit checks into all of the checking accounts. Please consider this in your response to the RFP.

**Question 11:** Are there any services you are looking for outside of what has been listed on page 10 of the RFP documents?

**Answer:** We are not asking specifically for additional services other than those listed but welcome any services that would help us run our banking activities the most economically and streamlined way possible.

**Question 12:** On Page 10 of the RFP documents, in the second bullet point for reporting, are you looking for specific balance and activity reports that would help you with daily or intraday reporting on your three main checking accounts by delivering your daily balances and daily transaction details and totals?

**Answer:** We require reporting that will allow us to account for our banking activities in our financials and process banking transactions in a streamlined manner.

**Question 13:** Can you please provide clarification on the type of positive service that you are interested in, we have several options as related to our Account Reconciliation Plan offerings.

**Full ARP** is used by customers who provide Wells Fargo with issued check information. With Full ARP, Wells Fargo reconciles the customer's paid checks to their issued checks and sends them a detailed statement.

Customers can request a variety of optional reports, including paid checks, outstanding checks, stop payments, and several others in various output formats; versus

**Positive Pay Only** is a fraud prevention and detection service for check disbursements that helps to protect customers against the encashment of lost, stolen, and counterfeit checks, without requiring Account Reconciliation Plan (ARP) services. The customer submits their check issue information to the bank, and the bank uses this information to match against checks received for payment. Because Positive Pay Only does not require ARP, the bank provides a DDA statement *instead* of an ARP statement at the end of the accounting cycle. The customer may also sign up to receive most ARP optional reports, if desired.

**Answer:** We currently have services that include Positive Pay, but not other items on the payments such as payee. We will consider any services that will improve our banking services at an economical price.

**Question 14:** Would it be possible to obtain a redacted copy of your account analysis statement detailing average volumes?

**Answer:** We will not provide that for the RFP.

**Question 15:** Are the Panini scanners currently owned by Housing Connect?

**Answer:** Yes

**Question 16:** Are there currently only 12 workstations at the sites referenced or are there multiple workstations for remote scanning at the 12 sites.

**Answer:** There are only 12 workstations at the sites.

**Question 17:** What is the typical timeframe of notifying the bank of a new entity for setup and the go live for account activity and usage?

**Answer:** Typically, we notify the bank at least 1 month before we need a bank account open.

**Question 18:** For online account access is previous day detail and current day detail utilized for all accounts?

**Answer:** Yes

**Question 19:** In regard to ACH Origination what is the expected daily total file dollar amount originated for both debits and credits individually?

**Answer:** We average about \$135,000 in ACHes daily, but in a typical month there is one large day that we pay out and receive about \$2,500,000 and then about 5 other days that we send out about \$100,000 in ACHes each of those days.

**Question 20:** Will Housing Connect require any investments? Will Housing Connect request that investments approved by HUD be available for excess operating funds? If you would like investment information, please let us know which are approved.

**Answer:** We don't require any investments.

**Question 21:** Annual Transaction Activity for all accounts is listed below per the RFP).

A. **We have 3 charges for ACH Payments – A Monthly Fee, A Batch Fee and a Per Item Fee.** Do you know approximately how many batches you would submit on a monthly basis.

**We average about 15 ACH batches each month.**

B. We charge for Checks/Money Orders Deposited and have a separate charge for each Deposit. Can you tell us how many deposits are made on a monthly basis from the 12 locations.

**We generally make a deposit from each of our 12 locations every banking day.**

	Number	Average Dollar Amount
Payments		
Annual Payroll ACHes paid	3,250	\$1,465
Annual ACHes paid	15,842	\$2,733
Annual checks paid	11,517	\$1,378
Annual Wire Transfers paid	16	\$969,541
Receipts		
Annual Checks/Money Orders Received	13,861	\$690
Annual Demand Debits Received	1,810	\$410

**Question 22:** Do you currently receive an account analysis statement on a group and individual basis showing all the activity in the accounts listed? If so, can you please provide your most recent statement so we can fully comprehend utilized services? This will answer several additional questions and will also allow us to identify services we offer which we feel would benefit Housing Connect.

**Answer:** We will not provide that for the RFP.

**Question 23:** Can you provide areas of improvement you'd like to see with your current banking services, account setup, online reporting management and capabilities?

**Answer:** We have outlined our needs in the RFP.

**Question 24:** How many legal entities / tax ID's are involved with the accounts listed in the RFP? If more than one, can you identify the

**Answer:** We will not provide an answer to this other than to say that we have one banking relationship to manage all our banking solutions.

**Question 25:** Is the purpose of this RFP to meet your procurement obligation to bid these services every 5-years?

**Answer:** The purpose is two-fold, to meet our procurement obligation, but more importantly, to find the most economical and streamlined alternative to handle our banking needs.

**Question 26:** Does Housing Connect have a Purchasing Card Program and would this be of interest to consider as part of the relationship?

**Answer:** We do through US Bank and do not plan on changing that as it works well for us currently.