



EXECUTIVE ADMINISTRATION/LEGAL DIVISION  
ACCOUNTING DIVISION  
APPEALS DIVISION  
ARCHIVES AND RECORDS  
CENTURY DIVISION  
CHILD SUPPORT  
CLERK TO THE BOARD  
COUNTY CIVIL  
COUNTY CRIMINAL  
COURT DIVISION  
CIRCUIT CIVIL  
CIRCUIT CRIMINAL  
DOMESTIC RELATIONS  
FAMILY LAW

**ERNIE LEE MAGAHA**  
**CLERK OF THE CIRCUIT COURT & COMPTROLLER**  
**ESCAMBIA COUNTY, FLORIDA**

♦ AUDITOR ♦ ACCOUNTANT ♦ EX-OFFICIO CLERK TO THE BOARD ♦ CUSTODIAN OF COUNTY FUNDS ♦

FINANCE  
JURY ASSEMBLY  
GUARDIANSHIP  
HUMAN RESOURCES  
JUVENILE DIVISION  
MARRIAGE  
MENTAL HEALTH  
MANAGEMENT INFORMATION SYSTEMS  
OFFICIAL RECORDS  
OPERATIONAL SERVICES  
PROBATE DIVISION  
TRAFFIC DIVISION  
TREASURY

February 21, 2009

Interested Proposers/Distribution List

**SUBJECT: Request for Proposal (RFP) 2009-001 Banking Services**

The Clerk of the Circuit Court & Comptroller of Escambia County, Florida (hereinafter referred to as "Clerk") desires to receive proposals for the above-referenced RFP 2009-001. Enclosed is the captioned proposal packet.

Sealed proposals must be submitted before 2 pm on March 30, 2009. Any questions or requests for more information regarding this proposal should be addressed to Patricia L. Sheldon at 850-595-4825.

Please direct sealed proposals to:

Clerk of the Circuit Court & Comptroller  
Finance Department  
Attn: Patricia L. Sheldon  
221 Palafox Place, Suite 130  
Pensacola, FL 32502-5843

**Please note that sealed proposals must be submitted before 2 pm, March 30, 2009.**

Sincerely,

Ernie Lee Magaha  
Clerk of the Circuit Court & Comptroller

By:  
Patricia L. Sheldon, CPA, CGFO, CPFO  
Administrator for Financial Services

PLS/LH/nac

Enclosures

## **PUBLIC NOTICE**

NOTICE IS HEREBY GIVEN that sealed proposals will be received by the Clerk of the Circuit Court & Comptroller of Escambia County (hereinafter referred to as "Clerk") in the Finance Administration Office located at 221 Palafox Place, Suite 130, Pensacola, FL 32502 until 2:00 pm CDT, Monday, March 30, 2009 for:

### **Request for Proposal (RFP) 2009-001 Banking Services**

A mandatory pre-proposal conference will be held on Tuesday, March 10, 2009, at 2:00 pm in the Clerk's Finance Administration Conference Room located at 221 Palafox Place, Suite 130, Pensacola, FL 32502. Any proposer wishing to respond to said RFP shall be in attendance.

A copy of the proposal instructions, specifications, and exhibits for this proposal may be obtained from Patricia L. Sheldon, Administrator for Financial Services for the Clerk's Finance Department.

All proposals shall be made upon the Official Proposal Form attached to the specifications which may be seen at the Clerk's Office, and which may be had by bona fide proposers. Any questions regarding this request for proposal shall be directed to Patricia L. Sheldon, at 850-595-4825 or [psheldon@escambiaclerk.com](mailto:psheldon@escambiaclerk.com).

The Clerk does not discriminate based on age, race, color, sex, religion, national origin or disability. Proposals will be opened publicly at 2:05 pm, March 30, 2009.

Published in Pensacola News Journal on Saturday, February 21, 2009.

## **I. Introduction**

### **A. Objective**

The Escambia County Clerk of the Circuit Court & Comptroller (hereafter referred to as "Clerk"), acting in his capacity as the Chief Financial Officer of Escambia County, a political subdivision of the State of Florida, is accepting sealed proposals from all financial institutions (as defined by Florida Statute 280.02) providing service within the County, to act as a depository bank for the Escambia County Board of County Commissioners (BCC) and the Clerk's Office, collectively, "the County".

The Clerk desires to establish a banking relationship with a qualified bank to provide the services described below. Under this approach, it is essential that the winning bank and the County maintain open and frequent two-way communication, provide and receive timely responses, establish services and service levels by contract or written agreement, provide and receive fair pricing, and maintain high ethical standards.

This Request for Proposal (RFP) is intended to identify the financial institution best qualified to meet the cash management goals of the entities identified above. These goals are enumerated below:

- Protection of public funds
- Ability to provide required services
- Lowest cost to the taxpayer
- Maximum accountability and minimum risk
- Maximizing return on investment

### **B. Instructions**

#### **1. Bank Proposal Conference**

A representative from each financial institution wishing to respond to the Clerk's RFP must be in attendance. This conference will be held at 2:00 pm CDT, Tuesday, March 10, 2009 in the Finance Administration Conference Room at 221 Palafox Place, Suite 130, Pensacola, FL 32502.

#### **2. Sealed Proposals**

All responses to this RFP shall be submitted in a sealed envelope and shall be received no later than Monday, March 30, 2009 by 2:00 pm, clearly identified as follows:

Escambia County Clerk of the Circuit Court & Comptroller  
**RFP 2009-001 BANKING SERVICES**

Mail or deliver to:

Clerk of the Circuit Court & Comptroller  
Finance Department  
Attn: Patricia L. Sheldon  
221 Palafox Place, Suite 130  
Pensacola, FL 32502-5843

Any response received later than the time, date and/or any other location than indicated above shall be returned unopened to the vendor. It shall be the vendor's sole responsibility to ensure that their proposal reaches the specified time and place for receipt of proposals.

After the deadline, proposals once opened, become a public record of the Clerk's Office and will not be returned to the proposers. The Clerk's Office reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

Upon opening, proposals are subject to public disclosure consistent with Chapter 119, Florida Statutes. Proposers must invoke the exemptions to disclosure provided by law in the response to the RFP, and must identify the data or other materials to be protected, state the reasons why such exclusion from public disclosure is necessary and the legal basis for such exemption, including a specific statutory citation for such exemption.

### **3. Written Responses (Technical and Pricing)**

All financial institutions submitting a proposal are required to adhere to the following:

- a. Proposers must use letterhead bearing the financial institution's name and be signed by an officer of the bank.
- b. Provide a complete listing of contact personnel and phone numbers in the areas of:
  - Customer Service
  - Treasury Management
  - Bank Reconciliation
  - Bank Conversion Services Planning
  - Wire Transfer
  - Automated Clearing House Transmissions
  - Positive Pay Services
  - Preauthorized Debit Processing
  - Technological Opportunities
- c. Proposals must bear the bank's corporate seal.
- d. Include the following completed Exhibits and information as provided within this RFP:
  - Exhibit A – Pricing Proposal Form
  - Exhibit B – Proposal Exception Form

- Exhibit C – General Information
  - Exhibit D – Sworn Statement on Public Entity Crimes
  - Exhibit E – Letter of Intent
  - Exhibit F – Custodial Agreement
  - Exhibit G – BAI Critical Quality Indicator
  - Bank’s certification as a drug free workplace
  - Bank’s audited financials for the previous two years
  - Bank’s availability schedule
  - Map of bank’s main office and branch offices in Escambia County
  - Copy of most recent public funds report filed with the State of Florida
- e. Each financial institution must submit five (5) paper copies and one (1) electronic copy of completed exhibits and responses.
- f. Response to all questions in this Request for Proposal shall be answered completely and comprehensively.

#### **4. Schedule**

The Clerk and all participating financial institutions shall adhere to the following time schedule regarding this RFP:

- a. February 21, 2009 – Post Public Notice of RFP.
- b. March 10, 2009 – Pre-proposal conference at 2:00 pm, in the Clerk’s conference room, at the address listed below:

Clerk of the Circuit Court & Comptroller  
 Finance Department  
 221 Palafox Place, Suite 130  
 Pensacola, FL 32502-5843

The pre-proposal conference is intended to provide participants the opportunity to ask questions and receive clarification on any requirements within the RFP. All participating banks are requested to contact the Administrator for Financial Services at 850-595-4825 between 8:00 am and 5:00 pm to confirm their attendance by March 6, 2009, as well as complete Exhibit E, “Letter of Intent”. “Letters of Intent” can be faxed to the Administrator for Financial Services at 850-595-4823. No questions or clarifications will be handled outside of this conference, except as noted in Section 1.8 “Questions and Additional Information”.

- c. Beginning March 30, 2009 the Clerk’s Office will evaluate each proposal. The top three ranked institutions will be invited to make oral presentations April 6, 2009 through April 7, 2009. The Clerk reserves the right to schedule an additional question and answer period.
- d. Thursday, April 9, 2009, the Clerk’s Office will post notification of the award, as well as complete rankings on the Clerk’s Official Website.

- e. The Clerk's Office will adhere to this schedule as closely as possible. The Clerk reserves the right to modify the schedule when he deems it in the best interest of the County. In the event of changes in the schedule all parties will be notified in writing.

## 5. Selection Criteria

The following criteria are the minimum requirements by the Clerk. **Failure to meet these minimum requirements may result in rejection of proposer's response to RFP 2009-001 Banking Services.**

- a. The bank must be a Qualified Public Depositor (QPD) as defined in Florida Statutes, Chapter 280 as well as a Federal Withholding Tax Depository. A proposing bank shall provide evidence of ability to protect public funds through the adequate collateralization of deposits. Evidence will include a copy of the most recent QPD report filed with the State of Florida.
- b. The financial institution must be organized for the purpose of providing commercial banking services and have three (3) years previous experience with proven effectiveness in administering the specified services for governmental institutions and have a proven ability for immediate contract start-up.
- c. The bank must have a complete and comprehensive response to all questions in the RFP, as well as completed Exhibits A through G attached to this RFP.
- d. The bank must allow for the handling of periodic daylight overdrafts.
- e. The lowest possible price combined with the ability to meet the requirements outlined in this RFP over the term of the agreement. Included in price considerations will be the cost of conversion (including staff time).
- f. The bank must maintain a number of branches within the boundaries of Escambia County. Please provide a map of locations.
- g. Ability to provide various electronic banking services that should include, but not be limited to, wire transfers, online services, positive pay validation, direct deposit and ACH.
- h. Availability of deposit items and convenience of deposit locations.
- i. The bank must maintain a drug-free workplace policy and said policy must include random drug screening of employees. The bank must certify at the time of submission of their proposal that such a program is in place and functioning. The Clerk's Office reserves the right to periodically request during the term of the awarded contract, proof that the program is being conscientiously applied.

- j. Ability to provide a local contact that will resolve issues in timely manner. Contact shall be at a decision making level.
- k. Proposals that demonstrate the vendor's accuracy and attention to detail.
- l. Proposals that best respond to each service outlined in Section III, titled "Scope of Banking Services".
- m. Quality of the business relationship with the local references provided.
- n. The financial institution must provide evidence of financial strength through industry accepted ratings of the following factors:
  - 1. Capital adequacy
  - 2. Asset quality
  - 3. Management quality
  - 4. Earnings
  - 5. Liquidity
  - 6. Sensitivity to market risk
- o. The financial institution's ability to provide enhanced services through emerging technology.
- p. The awarded proposer will be required to enter into two (2) contracts with the Clerk for:
  - 1. Board of County Commissioner Accounts
  - 2. Clerk of the Circuit Court & Comptroller Accounts

## 6. Evaluation

The Clerk's office will evaluate all proposals and award to the responsible proposer whose submission best meets the requirements and criteria set forth in the request and whose award will, in the opinion of the Clerk's office, be in the best interest of and most advantageous to the County. This determination will be made at the sole discretion of the Clerk after evaluating the price and other technical criteria. In addition, the determination of the criteria and process by which proposals are evaluated, the decision as to who shall receive the contract award, or whether or not an award shall ever be made as a result of this request, shall be at the sole discretion of the Clerk. **The decision of the Clerk is final.**

## 7. Terms and Conditions

- a. The Clerk reserves the right to reject any or all proposals, waive any irregularities or formalities in any proposal or in the proposal proceedings, which in his opinion, are in the best interest of the County. The contract will be awarded to the vendor whose proposal, in the opinion of the Clerk, is the best taking into consideration all aspects of the proposer's response, including total cost to the County. Exceptions to any specification must be placed on Exhibit B "Proposal

Exception Form” and will be considered in the final analysis of the proposal. Exception costs will be added or subtracted from the submitted proposal to arrive at a cost to the County. **Failure to include an exception on Exhibit B will render the exception invalid.**

- b. The financial institution understands that time is of the essence. If a fully executed contract is not received in a timely manner, the Clerk will notify the financial institution of his intent to award the contract to the next most qualified institution. **The Clerk assumes no cost to any of the proposer’s in preparation of their response to this RFP.**
- c. Participation in this RFP may subject the financial institution to an examination of their facilities and procedures to ensure compatibility with the Clerk’s system and procedures. The successful proposer must have a structure that is compatible with the County’s current accounting system.
- d. Upon being notified, the financial institution awarded the contract will be requested by the Clerk to attend a conference in order to coordinate the transfer of funds, establish accounts and exchange information and determine conversion details.
- e. This RFP contains estimates of transactions in Exhibit A, “Pricing Proposal Form”. Although these estimates are based upon research, the Clerk’s Office cannot guarantee such levels will be met or exceeded at any given time.
- f. The contract may be terminated by the financial institution upon providing written notice to the Clerk no less than 120 days prior to the effective date of such termination. The Clerk may terminate the agreement with the financial institution upon 30 days written notice prior to the effective date of the termination. **Under no circumstances will any damages be paid by the Clerk as a result of the termination of this contract.**
- g. The banking agreement shall be for an initial period of three (3) years and may be extended for an additional two (2) year period by mutual agreement between the Clerk and the institution awarded the banking contract. **Continuation of the contract beyond the initial term is the Clerk’s prerogative and not a right of the successful proposer.**
- h. The awarded financial institution agrees to maintain the fee structure as outlined in Exhibit A for the full term of this agreement, including extensions.
- i. The qualified financial institution must be certified as a Qualified Public Depository under Florida Statutes, Chapter 280, and submit one copy of their financial statements for each of the last two fiscal years. Annual financial statements will be required during the term of this agreement as well as collateralization verification as requested.

- j. Submit notarized sworn statement under Florida Statutes Chapter 287.133 on Public Entity Crimes, Exhibit D, "Sworn Statement on Public Entity Crimes".
- k. Proposals will be on file in the Clerk's Office as outlined in Florida Statutes, Chapter 119 regarding Public Records.
- l. It is the preference of the Clerk's Office that the services listed in this RFP be provided by a single bank, however, the Clerk reserves the right to separate specific services and award to more than one financial institution should that be found to be in the best interest of the taxpayers of Escambia County.
- m. The awarded contract shall not be assigned without the express written approval of the Clerk. In addition, the contract shall not be transferred, by merger or acquisition, in whole or in part without 60 days notice and the express written consent of the Clerk's Office. **In addition, the bank will absorb all costs of conversion resulting from bank sale or merger.**
- n. If, following the announcement of the award of the contract from this request, an unsuccessful proposer wishes to challenge that award; they must do so in writing, no later than 5:00 pm, two (2) business days following the award announcement. The unsuccessful proposer in their protest must enumerate those parts of the proposal and evaluation process they consider flawed or unfair, and why. Please refer to the Clerk's Purchasing Policy for further information.
- o. The financial institution understands that the Clerk requires the ability to solve problems in a timely manner and at a local level. The Clerk's Office will be assessing performance of the financial institution on a daily basis.
- p. All pricing for services or additional services shall be submitted in the Pricing Response to this RFP or the Clerk is not responsible for payment.

## 8. Questions and Additional Information

Requests for clarification or additional information shall be made in writing to:

Clerk of the Circuit Court & Comptroller  
Finance Department  
Attn: Patricia L. Sheldon  
221 Palafox Place, Suite 130  
Pensacola, FL 32502-5843  
Email @ psheldon@escambiaclerk.com

Responses to requests will be furnished to all potential proposer's through posting to the Clerk's Official Website, [www.escambiaclerk.com](http://www.escambiaclerk.com).

## II. Account Structure

The BCC and the Clerk currently maintain numerous accounts for daily operations. These accounts are classified as either primary or non-primary accounts. Alternatives to this account structure may be proposed, but must be accompanied by an explanation of the benefits of such a change.

### A. Primary Accounts

The primary account relationship will be comprised of two (2) separate public funds interest bearing checking accounts, (BCC and Clerk). At this time the County is not interested in opening any Zero Balance accounts, but reserves the right to open zero balance accounts during the contract period at the price contained within the proposal, provided the awarded bank is furnished notification of at least thirty calendar days.

**BCC Public Funds Interest-Bearing Checking Account** – This is the primary depository account for all BCC funds. Activities in this account include inbound wire transfers, automated clearing house credits, preauthorized debits (drafts) and numerous daily deposits from County Departments such as Building Inspections, Solid Waste, Misdemeanor Probation, Clerk's Finance and Accounting, Sheriff's Office, Animal Services, ECAT, Emergency Medical Services, and Parks and Recreation, including over the counter and web based credit card payments. All outbound wire transfers clear directly against this account, including vendor payments, payroll checks, direct deposits, and debt service payments. Incoming and outgoing wire transfers will also be made from this account for investment purchases and sales. All checks processed through this account are computer generated. Only the Clerk's designated staff shall have the authority to authorize an exception to this rule.

**Clerk Public Funds Interest-Bearing Checking Account** – This is the primary depository account for all Clerk funds. Activities in this account include inbound wire transfers and daily deposits of court-related collections. All outbound wire transfers clear directly against this account, including vendor payments, payroll, direct deposits, and remittances to other governments.

### B. Non-Primary Accounts

The BCC also maintains the following accounts for purposes of segregation and convenience as described below:

**BCC Flexible Benefits** – Employee payroll deductions for all elected officials are deposited into this account and only outgoing wires are made from this account.

**BCC Local Affordable Housing** – This account handles various deposits and automatic clearing house credits for grant money received from the Florida Housing Finance Corporation. Only outgoing transfers to the public funds interest bearing checking account are made from this account.

**BCC M&A** - This account handles automatic clearing house credits from the State of Florida. Only outgoing transfers to the public funds interest bearing account are made from this account.

**BCC County Imprest** - This account handles only incoming transfers from the concentration account. Checks are manually written from the account.

The Clerk also maintains the following account for purposes of segregation as described below:

**Clerk Employee Appreciation** – This account handles deposits and checks written for various expenses.

### **III. Scope of Banking Services**

#### **A. Availability of Funds**

The BCC and Clerk will make deposits at various branch locations throughout the day. The Clerk requires all deposits received by the financial institution by 4:00 pm be credited as same day transactions to the respective accounts. The Clerk's Office also requires the financial institution adhere to the following:

1. Ensure same day availability of funds for cash deposits, incoming wire transfers and ACH transactions, as well as checks drawn on the financial institution.
2. Provide a copy of the financial institution's current availability schedule for checks deposited.

#### **B. Overnight Investment of Available Funds**

The awarded bank agrees to automatically invest the respective available balances in the BCC and Clerk Public Funds Interest-Bearing and non-primary accounts, on the bank's books at 5:00 pm in accounts within the bank. Please explain the method the bank will use to calculate the invested balance, the interest rate to be applied, related compounding period and frequency of interest credits to the account. The rate, or index, specified for the account must be available on a daily basis for independent assessment by the Clerk's Office. Please provide a schedule showing the proposed interest rate for the period January 2009 to December 2009.

#### **Alternative Overnight Investment**

Alternative overnight investments may be proposed but only as an optional proposal. Please provide the services specified above in your proposal, with an attachment describing the alternative proposal. Alternative proposals may be accepted if they are considered "deposits" and are thus covered by Florida Statutes, Chapter 280, and they provide the same level of and security and service outlined above. **The Clerk is interested in maximizing investment return without increased risk or loss of flexibility.**

### **C. Electronic Cash Management**

The bank will provide electronic cash management services capable of providing at least the following on all BCC and Clerk accounts:

1. Previous day detail reporting (by 8:00 am).
2. Current day balance and detail reporting (by 8:00 am), and intra-day ACH reporting and controlled disbursement (by 10:00 am).
3. Stop payment inquiry and stop payment ability accounts payable and payroll checks.
4. Initiate repetitive and non-repetitive wires via the internet and telephone.
5. Positive pay service, with the ability to send multiple daily files, as well as remove a check from a file and receive electronic notification of exception items.
6. Valid and Non-valid EDI reporting

In addition, provide information on the bank's electronic cash management services, whether or not the above criteria can be met and the related hardware and software requirements.

### **D. Wire Transfer Services**

The Clerk will require dual release for all outgoing wire transfers. At no time will the Clerk permit or assign the authority for any one individual employee the capability of executing outgoing funds transfers independently.

1. Describe in detail your financial institution's security procedures for electronic fund transfers (EFT).
2. What is the latest time an outgoing EFT can be released?

### **E. Payroll Direct Deposit**

The awarded bank shall have the ability to provide ACH services for the direct deposit of payroll. The bank shall be capable of receiving this data via direct transmission in standard NACHA format, with credit entries directed to the employee's account at any participating financial institution. Responses to the following must be included in each proposal:

1. Provide required file format.
2. Provide an ACH agreement.
3. Instructions for the origination of ACH entries.
4. Describe the security procedures, including file encryption.

5. Instructions for error resolutions in file transmission.
6. Number of days the file must be received prior to the effective pay date.
7. Indicate when the off-setting debit will post to the respective accounts (BCC and Clerk).
8. Do you provide ACH return notification, and if so, how is the electronic information transmitted?
9. Provide a 12 month calendar of all bank holidays.
10. Provide assurance that banking holidays will not affect direct deposit transmission dates.
11. Make provisions for electronic acknowledgment of each file transmission that is sent, identifying the total dollar amount of the file and the number of transactions.

#### **F. Positive Pay Services**

The financial institution shall be capable of providing Positive Pay services. Each proposal must include a response to the following:

1. Provide the required file format.
2. Include a Positive Pay Agreement.
3. The financial institution must be able to receive a direct data file transmission.
4. What is the maximum frequency with which these transmissions can occur?
5. Exception items must be presented to the Clerk's Office electronically. Please provide the time that they will be available. No item shall be cleared without approval of the Clerk's Office.
6. Provide the latest time the bank will accept a Positive Pay file transmission for current day activity.

#### **G. Account Reconciliation and Statements**

The bank will provide monthly bank statements and reconciliation services for the accounts specified and for those established during the term of this contract. The following are minimum requirements for these services:

1. Provide full reconciliation services for the BCC and Clerk accounts.
2. Provide cleared check information electronically, on a daily basis and per cleared item.
3. Provide the BCC and Clerk account reconciliation data on CD-ROM, aggregated by bank account.

4. Provide monthly statements and the reconciliation CD-ROM within ten business days after the end of the calendar month.
5. The bank will provide all debit and credit memorandums with each monthly statement.
6. All cancelled checks will be provided to the Clerk's Office on CD-ROM.
7. Provide details of your imaging service including system features and hardware requirements.
8. Account reconciliation information must be available electronically.

#### **H. Account Analysis Statements**

1. The bank agrees to provide a separate monthly analysis statement for each of the BCC and Clerk accounts.
2. Monthly summary analysis will be provided showing the combined activity for all BCC and Clerk accounts.
3. The analysis statements will, at a minimum, itemize the services provided, volume processed, unit charges and extended totals.
4. The analysis statements will be delivered to the Clerk's Office within ten business days after the close of each calendar month.
5. Monthly analysis statements will be available in an electronic format.
6. Payment for account analysis will be made via invoicing.

#### **I. Daylight Overdraft**

Occasionally, the BCC and Clerk accounts send out large outgoing wire transfers. The funds to cover these transactions are requested to be wired from an outside investment source into the respective account. Generally, our outgoing wire is ready for processing prior to the receipt of the funds necessary to cover this transaction, thereby creating a daylight overdraft. The successful proposer will demonstrate the ability to cover these overdrafts without assessing penalties or interest.

#### **J. Foreign Items**

Please describe the process required by your financial institution for depositing foreign checks.

#### **K. Payment for Banking Services**

Please discuss the methods of fee payment available to the County. Complete the applicable unit price for services along with the monthly totals for each line item in Exhibit A. **In addition, include any fees your institution will assess that may not appear in this exhibit.**

#### **L. Designated Account Executive and References**

The Clerk requests that the proposing banks provide the names of a designated account executive, as well as an alternate. The designated account executives must be local and have the authority to make timely decisions in the normal course of business.

The bank should provide at least three (3) governmental clients as references. Please provide names, titles, addresses and telephone numbers.

#### **M. Custodial Arrangements**

The Clerk desires to place all of its custodial services with the bank that serves as the depository bank for the County. The custodial services requested will be for various securities that are purchased from other dealers and banks. These securities will be purchased and then transferred to the depository bank to be placed in a custodial account within the bank's Trust Department. The Trust Department will act as the Clerk's agent for all custodial transactions. These securities will be held until they are traded or mature. The following amounts reflect the Clerk's estimate of the number of securities and par values that will be placed within the custodial account on an annual basis:

- Estimated number of annual transactions, sales, purchases and coupon maturities: 42
- Fair value of securities held as of September 30, 2008 (book entry): \$64.5 Million

Monthly reports describing all activities within the custodial account will be provided electronically. The bank will provide general custodial services as outlined in the proposed Custodial Agreement contained in Exhibit F. Any exceptions to the terms and conditions contained in Exhibit F must be disclosed as exceptions in Exhibit B, "Proposal Exception Form".

The Clerk requires that all investment transactions clear through the respective Public Funds Interest-Bearing accounts. This should be construed to mean purchases, maturities, sales and income postings. **This transaction activity shall not be netted in any circumstance.**

#### **N. Credit Card Processing**

Although this award does not include credit card services at this time, the Clerk requests that all proposers provide their credit card processing format and processes for evaluation. This section will not be used in the evaluation of rankings for purposes of awarding a contract.

#### **O. Miscellaneous Banking Requirements**

All proposals must acknowledge if the financial institution can comply with the following requirements:

1. All checks deposited to a BCC or Clerk account that are returned due to insufficient, unavailable or uncollected funds shall be re-deposited a second time as a standard procedure.
2. The Clerk can establish additional accounts at anytime utilizing the same fee structure as agreed upon during the contract period.
3. No charges will be applied directly against any BCC or Clerk account without the Clerk's knowledge.
4. All debit and credit memorandums used to adjust deposit errors on any BCC or Clerk account will be available online daily, with suitable backup, to the Clerk's Finance and Accounting Departments. No debit and credit memoranda required to adjust errors caused by the Bank will be charged to the Clerk.
5. Prior to refusing any payment on any BCC or Clerk account the financial institution agrees to contact the Clerk's Finance and/or Accounting Department.
6. The bank will treat all BCC or Clerk checks that are four months or older (from date of issuance) to be stale dated and deem them non-negotiable. The bank shall be liable for any costs associated with incorrectly processing a stale-dated item.
7. Provide the address of all your banking locations inside the boundaries of Escambia County.
8. Provide information on all products offered by the bank that utilize Image Replacement Documents (IRDs) for the process of checks. Include the hardware and software requirements and all costs associated with this service.
9. The bank will provide Magnetic Ink Character Recognition (MICR) check specifications to the check printer.
10. The bank will annually provide the Clerk's Office with a list of all accounts at the bank using the BCC and Clerk respective Federal Identification Numbers as part of the Qualified Public Depositor Report filing process.

**P. Disaster Recovery Plan**

In the event of a disaster the availability of information reporting, wire transfers, ACH and payroll services are critical for the emergency operations of the BCC and Clerk. Please describe your institution's disaster recovery plan and how that plan relates to the continuing operation of the BCC and Clerk in a disaster situation. Some specifics follow:

1. What is your process of client notification when a disaster situation arises?
2. How quickly does the bank expect to resume normal operations following a disaster?

3. In the event of an impending emergency the BCC and Clerk may need to withdraw certain amounts of cash, respectively, from their accounts for emergency operational needs. Describe the procedures required for the bank to accommodate transactions of this type in an emergency situation. In addition, the Clerk's Office will require that the bank have cash amounts of \$3,000,000 and \$300,000, respectively, for the BCC and Clerk available through the financial institution.
4. Your financial institution must accept emergency pay files at times outside the normal bi-weekly schedule.

**Q. Available Technologies**

The Clerk desires to leverage all available technologies in order to provide effective banking services for the public dollars. The Clerk is interested in the following technological advances that include but are not limited to:

1. Online check imaging
2. Debit transactions at point of service
3. Balance/Transaction inquiry online
4. Payroll cards

Please include other technology advances that may be of interest for the Clerk's consideration. Include pricing on Exhibit A "Pricing Proposal Form". If technologies are not currently available, please provide estimated availability schedule.

**IV. Pricing Proposal Form**

Use of the "Pricing Proposal Form", Exhibit A, or a copy thereof is required of all proposers. No proposal will be considered without amounts being placed on this form. If the bank is unable to meet or exceed the requirements specified, the phrase "No Proposal" should be entered for that particular item.

The Clerk reserves the right to eliminate any individual service contained in the bid, if based on analysis the fees for providing the service are excessive, or if the service proposed can be performed in an alternative manner.

Each bank should review the proposal form and price each service specified. Per item charges should be extended to the "Monthly Charges" column. The total of this column will be entered on the line "Total Proposed".

As previously discussed, it is the desire of the Clerk to utilize electronic banking for the majority of services. If there is an additional charge for this or any other service please outline that charge in the appropriate place on the form.

## **V. Summary**

Banks intending to submit a proposal should complete Exhibit E, "Letter of Intent" and return it to the Clerk as soon as possible following the receipt of the RFP, in order that any changes and clarifications made subsequent to distribution may be communicated to the contact person indicated on said form.

All banks are requested to complete the requested forms, reports and Exhibits and return the package to the Clerk in accordance with the instructions in Section I.B.3 "Written Responses (Technical and Pricing)".

The Clerk intends to enter into a formal Banking Services Contract with the awarded bank, which will incorporate all provisions of the Request for Proposal.

Additional terms and conditions will not be included in the Contract unless mutually agreed to by both parties.

Due care and diligence has been exercised in the preparation of this RFP, and all information contained herein is believed to be substantially correct. However, the responsibility for determining the full extent of the banking services required and the administrative responsibilities involved rest solely with those making proposals. Neither the Clerk nor its representatives shall be responsible for any error or omission in this request, nor for the failure on the part of the proposer to determine the full extent of the exposure.

**RFP 2009-001 BANKING SERVICES**

**CHECKLIST**

**AND**

**EXHIBITS**

**RFP 2009-001 BANKING SERVICES  
PROPOSAL CHECKLIST**

The undersigned, as proposer, hereby declares that he has examined the Specifications and informed himself fully in regard to all conditions. The proposer further declares that the only persons, company or parties interested in this proposal or the contract to be entered into as principals are named herein. That this proposal is made without connection with any other person, company or companies submitting a bid or proposal and it is in all respects fair and in good faith, without collusion or fraud.

The proposer proposes and agrees, if this proposal is accepted, to contract with the Clerk of the Circuit Court and Comptroller and furnish in complete accordance with the attached specifications, according to the following unit prices included in herein response to RFP 2009-001 Banking Services.

Proposal Financial Institution Name: \_\_\_\_\_

Proposal Submitted By: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

**This proposal contains all the information requested in the Request for Proposal, including the following Exhibits and information:**

- \_\_\_\_\_ **Exhibit A – Pricing Proposal Form**
- \_\_\_\_\_ **Exhibit B – Proposal Exception Form**
- \_\_\_\_\_ **Exhibit C – General Information**
- \_\_\_\_\_ **Exhibit D – Sworn Statement on Public Entity Crimes**
- \_\_\_\_\_ **Exhibit E – Letter of Intent**
- \_\_\_\_\_ **Exhibit F – Custodial Agreement**
- \_\_\_\_\_ **Exhibit G – BAI Critical Quality Indicator**
- \_\_\_\_\_ **Bank's certification as a drug free workplace**
- \_\_\_\_\_ **Bank's Audited Statements for the previous two years**
- \_\_\_\_\_ **Bank's Availability Schedule**
- \_\_\_\_\_ **Map of Bank's main office and branch offices in Escambia County**
- \_\_\_\_\_ **Statement of QPD and Collateral Verification**

\_\_\_\_\_  
**Signature of Authorized Individual**

\_\_\_\_\_  
**Typed Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Date**

**EXHIBIT A: PRICING PROPOSAL FORM  
RFP: 2009-001 BANKING SERVICES**

PROPOSING BANK: \_\_\_\_\_

Service Rendered	BCC			Clerk		
	Estimated Volume*	Unit Cost	Annual Cost	Estimated Volume*	Unit Cost	Annual Cost
Account Maintenance	5 accts			2 accts		
	60			24		
Zero Balance accounts	0			0		
Checks Paid	25,000			20,000		
Items Deposited						
On-us	9,500			15,000		
Local	23,000			53,000		
Regional	4,400			6,700		
Other Fed	37,000			28,000		
Number of Deposit Slips Processed	7,600			6,550		
Returned Checks- charged to account	100			250		
Second Deposit	100			150		
Stop Payments - Electronic	150			40		
Wire Transfers (in)	24			24		
Wire Transfers (out)	30					
ACH Transactions:						
Maintenance	1 acct			1 acct		
Outgoing	36,000			14,000		
Incoming	2,400			400		
Files						
ACH returns	10			20		
ACH Change Report	20			50		
EDI Transactions						
EDI Report	3,800			160		
PC Based Information Processing						
Account Reconciliation						
Partial Reconcilement maintenance	1 acct			2 accts		
Partial Reconcilement/item	27,000			19,000		
Transmissions						
CD-ROM	12			24		
Imaging per item fee	27,500			20,000		
Deposit Reconcilement Maintenance				24		
Deposit Reconcilement - Items				7,400		
Deposit Corrections	15			10		
Electronic Debits and Credits	2,800			3,100		
Positive Pay - monthly						
Positive Pay - Except Reported						
Total Charges						

\*Estimated Volume per Year



**EXHIBIT B  
RFP 2009-001 BANKING SERVICES  
PROPOSAL EXCEPTION FORM**

**OUR BANK CAN COMPLY WITH ALL ASPECTS OF THE COUNTY'S BANKING SERVICE REQUIREMENTS.**

\_\_\_\_\_ **YES** \_\_\_\_\_ **NO** If no, detail below.

**EXCEPTIONS to the requirements in this Request for Proposal:**

Page: \_\_\_\_\_

Paragraph or Item Number: \_\_\_\_\_

Exception/Deviation: \_\_\_\_\_

Describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Page: \_\_\_\_\_

Paragraph or Item Number: \_\_\_\_\_

Exception/Deviation: \_\_\_\_\_

Describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Page: \_\_\_\_\_

Paragraph or Item Number: \_\_\_\_\_

Exception/Deviation: \_\_\_\_\_

Describe:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT C  
RFP 2009-001 BANKING SERVICES  
GENERAL INFORMATION**

**Qualifications and Experience**

1. Name of Institution:

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2. Physical address of office proposing to serve the County:

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3. Date institution was chartered:

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4. Attach a summary showing the institution's organization and principal staff members who will be involved in providing services to Escambia County.

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5. Indicate or attach a description of your bank's customer service organizational structure.

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6. Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.

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7. Describe the local customer service support available.

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8. Who will be the primary contact assigned to our account? From which area of the organization, and from which branch will they be assigned?

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9. List names, titles, and phone and fax numbers, and provide a brief biography of each of the bank contact personnel.

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10. Attach a list of contact personnel and names of public agencies for which banking services are currently being provided?

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11. Is your institution a State of Florida "Qualified Public Depository" pursuant to Chapter 280, Florida Statutes?

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**Funds Availability**

12. How many branch locations are available for deposits through out the day? Please provide the branch names and locations.

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13. How does your bank ensure same day availability of funds for cash deposits, incoming wires and ACH transactions?

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14. What is your bank's current availability schedule for checks deposited?

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15. What is your bank's process for deposits received after cut-off time?

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**Overnight Investments**

16. What method does your bank use to calculate the invested balance?

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17. What method will be used to calculate the interest rate?

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18. What frequency will your bank credit the accounts for interest earned?

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19. Provide a schedule showing the proposed interest rate for the period of January 2009 to December 2009.

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**Electronic Cash Management**

20. What electronic cash management services does your bank provide?

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21. What hardware and software requirements are needed?

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**Wire Transfer Services**

22. What are the security features in your bank's PC wire system?

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23. Does your institution have on-line Federal Reserve wire capabilities?

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**Payroll Direct Deposit**

24. What is your bank's required file format?

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25. What are the security features, including file encryption?

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26. What is your procedure for error resolutions in file transmissions?

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27. How many days in advance must the file be received prior to the effective pay date?

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28. When will the offsetting debit post to the respective account?

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29. Does your bank provide ACH return and/or change notification? If so, how is the electronic information transmitted?

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30. What is the method used to notify acknowledgement of each transmission file, total dollar amount and number of transactions?

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**Positive Pay Services**

31. What is your bank's required file format?

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32. Does your bank have the capability to receive direct data file transmissions?

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33. What is the maximum frequency and the latest time with which these data file transmissions can occur?

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34. Address any file size limitations your bank may have.

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35. What is your bank's exception notification process and what time notification will be available?

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**Account Reconciliation and Statements**

36. Explain your bank's available reconciliation services.

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37. Please explain your institution's procedures for placing canceled check images on CD-ROM.

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38. Please provide details of your imaging service including system features and hardware requirements.

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39. What is the frequency with which we will be provided a statement?

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**Account Analysis**

40. Describe the format or provide a copy of your monthly summary account analysis.

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41. What is your bank's method of notification?

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42. Describe your bank's options for payment.

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**Daylight Overdraft**

43. Describe your bank's process to cover daylight overdrafts.

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**Foreign Items**

44. Describe your bank's requirements to process foreign items.

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**Designated Account Executive and References**

45. Please provide a list of governmental clients as references. Provide names, titles, addresses and telephone numbers.

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46. Provide the name / position of your local contact.

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**Custodial Agreement**

47. Describe your bank's custodial service.

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48. Describe the format or provide a copy of your monthly custodial account activities report.

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49. Describe your bank's safekeeping (Trust) monthly fee rate structure.

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**Miscellaneous Banking Requirements**

50. Describe your bank's process for all checks deposited that are returned due to insufficient, unavailable or uncollected funds.

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51. Describe your bank's process for debit and credit memorandums.

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52. Describe your process for stale dated checks that are presented to your bank.

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53. What services does your bank offer that utilizes Image Replacement Documents? Please include any hardware and software requirements and all cost associated.

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**Disaster Recovery Plan**

54. What is your bank's process of client notification when a disaster situation arises?

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55. How quickly does the bank expect to resume normal operations following a disaster?

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56. Describe your bank's procedures, in the event of an impending emergency, for an entity to withdraw certain amounts of cash for emergency operational needs.

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57. Describe your bank's procedures accepting emergency pay files at times outside the normal schedule.

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**Available Technology**

58. Please indicate if your bank offers the following technology. If so, describe the process and any hardware and software needed.

Online Check Imaging \_\_\_\_\_

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Debit transaction at point of service \_\_\_\_\_

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Balance/Transaction inquiry online \_\_\_\_\_

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Payroll cards \_\_\_\_\_

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Other \_\_\_\_\_

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**Conversion**

59. Describe a conversion plan to transfer assets of the County to your financial institution.

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60. What lead time do you expect will be necessary before the conversion begins?

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61. Indicate your plans for educating and training the Clerk employees in the use of your system.

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***Should you need additional room for descriptions, please feel free to describe on a separate piece of paper, clearly identifying the question number and "Exhibit C"***

**EXHIBIT D**  
**SWORN STATEMENT UNDER SECTION 287.133 (3)(a),**  
**FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES**

THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract No. 2009-001 Banking Services  
For \_\_\_\_\_
2. This sworn statement is submitted by \_\_\_\_\_  
(Name of entity submitting sworn statement)  
  
whose business address is: \_\_\_\_\_  
  
(if applicable) its Federal Employer Identification Number (FEIN) is \_\_\_\_\_  
  
(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: \_\_\_\_\_.)
3. My name is and my relationship to the entity named (please print name of individual signing) above is \_\_\_\_\_.
4. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), **Florida Statutes**, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision or any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
5. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), **Florida Statutes**, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.
6. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), **Florida Statutes**, means:
  - a. A predecessor or successor of a person convicted of a public entity crime; or
  - b. An entity under the control any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliated" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.
  - c. I understand that a "person" as defined in Paragraph 287.133(1)(e), **Florida Statutes**, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into binding contract and which

bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

- d. Based on information and belief the statement that I have marked below is true in relation to the entity submitting this sworn statement. **(Indicate which statement applies.)**

\_\_\_\_\_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

\_\_\_\_\_ The entity submitting this sworn statement, or one of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

\_\_\_\_\_ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting the sworn statement on the convicted vendor list. **(Attach a copy of the final order)**

**I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPHS 1-3 (ONE THROUGH THREE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.**

(Signature) \_\_\_\_\_

(Date) \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

PERSONALLY APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature in the space provided on this day of \_\_\_\_\_, 2009.

NOTARY PUBLIC \_\_\_\_\_

Commission number: \_\_\_\_\_

Commission expires: \_\_\_\_\_

**EXHIBIT E**  
**RFP 2009-001 BANKING SERVICES**  
**LETTER OF INTENT**

The \_\_\_\_\_ intends to respond to the RFP for Banking Services by Escambia County. We understand that any changes, clarifications and addenda to the Request for Proposal will be promptly communicated to the individual authorized below to receive this information.

Name \_\_\_\_\_

Financial Institution \_\_\_\_\_

Address \_\_\_\_\_

Telephone Number \_\_\_\_\_

Fax Number \_\_\_\_\_

E-mail Address \_\_\_\_\_

**Please fax this form "Attention: Patricia L. Sheldon" at 850-595-4823.**

**EXHIBIT F  
CUSTODIAL AGREEMENT**

THIS CUSTODIAL AGREEMENT, dated \_\_\_\_\_, 2009, is entered into by the Clerk of the Circuit Court & Comptroller acting in his capacity as Chief Financial Officer (the Clerk) of Escambia County (the County) and the \_\_\_\_\_, a trust company organized and operating under the laws of the United States of America (the Custodian).

WITNESSETH:

WHEREAS, the Clerk desires to establish a custodial account for the safekeeping of securities and incidental cash balances; and

WHEREAS, the Clerk has appointed the Custodian as custodian to effect transactions in such an account from time to time, as more fully set forth below; and

WHEREAS, the Custodian has agreed to act on behalf of the Clerk as custodian for the securities and monies deposited in an account in accordance with the terms hereof;

NOW, THEREFORE, for and in consideration of the mutual promises set forth herein, the parties hereto agree as follows:

**SECTION I - DEFINITIONS**

Whenever used in this Agreement, unless the context otherwise requires, the following words shall have the meanings set forth below:

1. "Account" shall mean a separate account established on the books of the Custodian in the name of the County. This account may contain book-entry and physical delivery securities.
2. "Authorized Person" shall be any duly appointed officer of the Clerk of the Circuit Court and Comptroller authorized to act for the Clerk and designated in writing to the Custodian by the Clerk of the Circuit Court and Comptroller.
3. "Business Day" shall mean any day on which the Custodian is open for business and on which the TRADES system and/or the Depository is open for business.
4. "Certificate" shall mean any notice, instruction, schedule or other instrument in writing, authorized or required by this Agreement to be given to the Custodian, which is actually received by the Custodian and signed on behalf of the Clerk by an Authorized Person.
5. "Depository" shall mean The Depository Trust Company, a clearing agency registered with the Securities and Exchange Commission, its successors and nominees. The term "Depository" shall further mean and include any other organization authorized to act as a depository, its successors and nominees, which is specifically appointed as a depository of the County, as provided for in the *Florida Statutes*.
6. "Government Security" shall mean Book-entry Treasury Securities (as defined in 31 CFR Part 357) and any other securities issued or fully guaranteed by the United States Government or any agency of the United States Government and registered in the form of an entry on the records of the TRADES. Government Security shall also mean any physical delivery U.S. Government Security.
7. "Organization" means and includes any corporation, governmental entity, association, or other similar organization authorized to act as a depository by the Clerk of the Circuit Court.
8. "Securities" means and includes all Government Securities, as defined herein.
9. "TRADES" shall mean the "Treasury/Reserve Automated Debt Entry System", a book entry system established by the U.S. Treasury and the Federal Reserve System for receiving and delivering Government securities (as defined herein), as set forth in 31 CFR Part 357.

**EXHIBIT F - CONTINUED  
CUSTODIAL AGREEMENT**

10. "Written Instructions" shall mean written communications actually received by the Custodian from an Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person by facsimile or any other such system whereby the receiver of such communications is able to verify by codes or otherwise with a reasonable degree of certainty the identity of the sender of such communications. Written instructions shall also include oral instructions from any Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person. The Clerk, at his option, may confirm in writing any oral instructions.

**SECTION II - APPOINTMENT OF CUSTODIAN AND REPRESENTATIONS**

1. The Clerk hereby constitutes and appoints the Custodian as custodian of all Securities and all cash balances at any time delivered to the Custodian for deposit in the Account (as defined below) for the term of this Agreement, and authorizes the Custodian to hold Securities in registered form in its name, on behalf of the County.
2. The Clerk hereby represents and warrants to the Custodian, which representations and warranties shall be deemed to be continuing representations and warranties and to be reaffirmed on acting in accordance with any written instructions or oral instructions delivered in accordance with this Agreement, that:
  - a. The Clerk is duly organized and existing under the laws of the State of Florida, with full power to carry on its business as now conducted, to enter into this Agreement and to perform its obligations hereunder;
  - b. The Agreement has been duly authorized, executed and delivered by the Clerk of the Circuit Court in accordance with all requisite actions and constitutes a valid and legally binding obligation of the Clerk, enforceable in accordance with its terms;
  - c. The Clerk is conducting its business in substantial compliance with all applicable laws and regulations, both State and Federal, and has obtained all regulatory licenses, approval and consents necessary to carry on its business as now conducted; there is no statute, regulation, rule, order or judgment binding on the Clerk and no provision of the County's ordinances, nor any indenture, or other contract binding on the Clerk or affecting its property which would prohibit the execution or performance of this Agreement by the Clerk; and
  - d. Escambia County owns the Securities in the Account free and clear of all liens, claims, security interest and encumbrances and has the right to pledge them or sell and order delivery of them without restraint. This includes any securities purchased through a Master Repurchase Agreement that will be subsequently sold and delivered back to the original owner.

**SECTION III - CUSTODY OF SECURITIES AND CASH**

1. The Clerk shall from time to time deliver or cause to be delivered to the Custodian for deposit in the Account, securities and monies (in immediately available funds) owned by it at any time during the period of this Agreement. The Custodian will not be responsible for such securities and monies until actually received by it. The Custodian will be entitled to reverse any credits made on the County's behalf where such credits have been previously made and monies are not finally corrected.

**EXHIBIT F - CONTINUED  
CUSTODIAL AGREEMENT**

2. The Clerk hereby authorizes the Custodian on a continuous and ongoing basis, until instructed to the contrary by a Certificate actually received by the Custodian, to deposit in the TRADES and/or the Depository all securities eligible for deposit therein and to utilize the TRADES and the Depository to the extent possible in connection with settlements of purchases and sales of securities and other deliveries and returns of securities. Where securities eligible for deposit in the TRADES and/or the Depository are transferred to the Account, the Custodian shall identify as belonging to the County a quantity of securities shown on the Custodian's account on the books of the TRADE or the Depository. Securities and monies of the County deposited in either the TRADES or the Depository will be represented in accounts, which include only assets held by the Custodian for the County. The Custodian shall hold all securities, such as physical delivery securities, which are not held in the TRADES or in the Depository, in the Account, unless instructed to the contrary in a Certificate or otherwise in accordance with this Agreement.
3. The Custodian shall disburse monies credited to the Account only:
  - a. Pursuant to Written Instructions, in payment for securities purchased or delivered, as provided in Article IV hereof;
  - b. Pursuant to instructions lawfully given by the Clerk to transfer immediately available funds to any account of the County in any other financial institution as may be previously authorized in Written Instructions; or
  - c. No disbursements of monies shall occur for payment of any fees or reimbursement of any expenses of the Custodian. Payment for such fees and expenses shall be made by the Clerk by check on transmittal of proper documentation.
4. The Custodian shall furnish the Clerk with confirmations and a summary of all transfers to or from the Account in an agreed on format.
5. With respect to all securities held in the Account, the Custodian by itself, or through the use of TRADES or the Depository, shall, unless otherwise instructed to the contrary in a Certificate:
  - a. Collect all income due or payable and advise the Clerk as promptly as practicable of any income due but not paid;
  - b. Present for payment and collect the amount payable on all securities which may mature or otherwise become payable and advise the Clerk as promptly as practicable of any amounts not paid when due whether on maturity or otherwise;
  - c. Surrender securities in temporary form for definitive securities;
  - d. Execute, as Custodian any certificates of ownership, declarations or other certificates under any tax laws now or hereafter in effect; and
  - e. Hold directly, or through TRADES or the Depository for securities deposited therein, all rights and similar securities issued with respect to any securities held by the Custodian hereunder.
6. On timely receipt of a Certificate and not otherwise, the Custodian, directly or through the use of the TRADES or the Depository, shall:
  - a. Execute and deliver to such persons as may be designated in such Certificate proxies, consents, authorizations, and any other instruments;
  - b. Deliver any securities held in the Account in exchange for other securities or cash issued or paid in connection with the liquidation, reorganization, refinancing, merger, consolidation or recapitalization of any corporation or partnership, or the exercise of any conversion privilege;
  - c. Take action to effect collection of any amount if the securities on which such amount is payable are in default, or if payment is refused after due demand or presentation, provided that the Custodian shall first be assured to its satisfaction or reimbursement of its costs and expenses in connection with any such action.

**EXHIBIT F - CONTINUED  
CUSTODIAL AGREEMENT**

7. The parties agree that the Custodian is not at any time under any duty or responsibility to supervise the investment of or to advise or make any recommendation for the purchase, sale, retention or other disposition of securities held by the Custodian in the Account.
8. The Clerk may instruct the Custodian by written instructions to perform certain routine services on a continuous and ongoing basis.

**SECTION IV - PURCHASE AND SALE OF SECURITIES**

1. Promptly after each purchase of securities by the Clerk, the Clerk shall deliver to the Custodian instructions, specifying with respect to each purchase: (a) the name of the issuer and the title of the securities, including CUSIP number, if any, (if available), (b) the principal amount of purchase, (c) the date of purchase and date of settlement, (d) the purchase price per unit (if necessary or desirable), (e) the total amount payable on such purchase and (f) the name of the person or institution from whom, or the broker through whom the purchase was made. The Custodian shall upon receipt of securities purchased by or for the County pay out of the monies held in the Account the total amount payable to the person from whom or the broker through whom the purchase was made.
2. Promptly after each sale of securities by the Clerk, the Clerk shall deliver to the Custodian instructions, specifying with respect to each sale: (a) the name of the issuer and the title of the securities, including CUSIP number, if any, (if available), (b) the principal amount sold, (d) the date of sale and date of settlement, (d) the sale price per unit (if necessary or desirable), (e) the total amount payable to the County on such sale and (f) the name of the person or institution to whom, or the broker through whom the sale was made. The Custodian shall deliver the securities on receipt of the total amount payable to the County on such sale.
3. For those purchase transactions that result from a Master Repurchase Agreement entered into between the Clerk and a broker/dealer or bank, the Custodian agrees to perform the additional responsibility of "marking to market" the purchased securities, in accordance with the terms of the Master Repurchase Agreement. The Clerk agrees to provide a copy of the Master Repurchase Agreement to the Custodian at the initiation of the Agreement. Custodian is responsible for marking to market the purchased securities on the receipt of the Master Repurchase Agreement, and for the time period during which the purchased securities are retained by the Custodian. Deviations between the Agreement and the securities retained in custody shall be reported to the Clerk immediately.

**EXHIBIT F - CONTINUED  
CUSTODIAL AGREEMENT**

**SECTION V - CUSTODIAN**

1. The parties hereto agree that in acting hereunder, the Custodian is a bailee for hire, and as such must exercise ordinary care in operating under this Agreement. The Custodian shall not be liable for any cost, expenses, damages, liabilities or claims (including attorney's fees) incurred by the County, except those costs, expenses, damages, liabilities or claims arising out of the negligence or willful misconduct of the Custodian or any of its employees or duly appointed agents. The Custodian shall have no obligation hereunder for costs, expenses, damages, liabilities or claims, including attorney's fees which are sustained or incurred by reason of any action or inaction by the TRADES system, the Depository, or their respective successors or nominees, unless such action or inaction is caused by the negligence or willful misconduct of the Custodian.
2. On receipt of securities lodged with the Custodian for safekeeping and on the issuance of a nonnegotiable advice of receipt the Custodian assumes full responsibility for the safekeeping while in the possession of the Custodian (including any officers or employees), except for losses from causes beyond your control. "Losses beyond your control" shall mean only loss or damage resulting from war, insurrection, military, naval, hurricane, cyclone, tornado, earthquake, volcanic eruption or similar disturbance of nature, or nuclear fission, fusion or radioactivity. Custodian agrees to give securities the same physical care and safeguards as provided for similar property owned by the Custodian. In the event that such securities are deposited (a) with a Federal Reserve Bank in connection with the TRADES system, or (b) with a Depository then the securities shall be deemed to be in the actual possession of the Custodian.
3. Without limiting the generality of the foregoing, the Custodian shall be under no obligation to inquire into, and shall not be liable for:
  - a. The validity of any securities purchased by or for the Clerk, the legality of the purchase thereof or the propriety of the amount paid therefore;
  - b. The legality of the sale of any securities by or for the Clerk, or the propriety of the amount for which the same are sold;
  - c. The due authority of any Authorized Person to act on behalf of the Clerk with respect to securities or monies held in the Account; or
  - d. Whether any securities at any time delivered to or held by it in the Account are such as properly may be held by the Clerk or any entities for which it acts.
4. The Custodian shall not be liable for, or considered to be the Custodian of, any money, whether or not represented by any check, draft or other instrument for the payment or money, received by it on behalf of the Clerk until the Custodian actually receives and collects such funds directly or by the final crediting of the Custodian's account of the books of the TRADES or the Depository.
5. On reasonable request and provided the Custodian shall suffer no significant disruption of its normal activities, the Clerk, or the clerk's authorized representatives, shall have access to the Custodian's books and records relating to the Account during the Custodian's normal business hours. On the reasonable request of the Clerk, copies of any such books and records shall be provided by the Custodian to the Clerk, or the Clerk's authorized representative at the Clerk's request.
6. The Custodian shall have no duties or responsibilities whatsoever, except such duties and responsibilities as are specifically set forth in this Agreement, and no covenant or obligation shall be implied against the Custodian in connection with this Agreement.

**EXHIBIT F - CONTINUED  
CUSTODIAL AGREEMENT**

**SECTION VI - TERMINATION**

Either of the parties hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be not less than sixty (60) days after the date of giving of such a notice. On termination hereof, the Clerk shall pay to the Custodian such compensation as may be due to the Custodian as of the date of such termination, and shall likewise reimburse the Custodian for any disbursements and expenses made or incurred by the Custodian and payable or reimbursable hereunder. If any funds or securities remain in the Account, the Custodian may designate the Clerk as successor custodian. On the date set forth in such notice this Agreement shall terminate, and on receipt of a notice of acceptance by the successor custodian, the Custodian shall deliver directly to the successor custodian any funds or securities held in the Account.

**SECTION VII - MISCELLANEOUS PROVISIONS**

1. The Clerk agrees to furnish to the Custodian a new Certificate in the event that any present Authorized Person ceases to be an Authorized Person or in the event that any other Authorized Persons are appointed and authorized. Until such new Certificate is received, the Custodian shall be fully protected in acting on oral instructions or signatures of the present Authorized Persons.  
Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Custodian, shall be sufficiently given if addressed to the Custodian and received by it at its offices at  
  
\_\_\_\_\_  
  
\_\_\_\_\_.

2. Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Clerk shall be sufficiently given if addressed to the Clerk and mailed or delivered to it at its offices at:

Clerk of the Circuit Court & Comptroller  
Finance Department  
Attn: Patricia L. Sheldon  
221 Palafox Place, Suite 130  
Pensacola, FL 32502-5843

3. This Agreement may not be amended or modified in any manner except by a written agreement executed by both parties.
4. This Agreement shall extend to and shall be binding on the parties hereto and their respective successors and assign; provided, however, that this Agreement shall not be assignable by either party without the written consent of the other.
5. This Agreement shall be construed in accordance with the laws of the State of Florida.
6. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officials, thereunto duly authorized, as of the day and year first above written.

Clerk of the Circuit Court and Comptroller  
Chief Financial Officer  
Custodian Escambia County, Florida

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT G  
BAI CRITICAL QUALITY INDICATOR**

<b>Critical Quality Indicator</b>	<b>Indicator Reported for the Last BAI Survey</b>	<b>Tracking Frequency</b>	<b>Period Covered</b>	<b>Last Two Measurements</b>
<p><b>File Processing Error Rate</b>  # of Files Processed Incorrectly  _____ x 1,000  Total # of Files Processed</p>				
<p><b>Item Processing Error Rate</b>  # of Items Processed Incorrectly  _____ x 10,000  Total # of Items Processed</p>				
<p><b>Failed/Late Processing Error Rate</b>  # of Files Not Processed or Processed Late  _____ x 1,000  Total # of Files Processed</p>				
<p><b>Failed/Late Item Processing Error Rate</b>  # of Items Not Processed or Processed Late  _____ x 10,000  Total # of Items Processed</p>				
<p><b>Check Encoding Error Rate</b>  # of (Bank Encoded) Items with Encoding Errors  _____ x 100,000  Total # of Items Encoded by Bank</p>				
<p><b>Check Reject Rate</b>  # of Rejects  _____ x 1,000  Total # of Items Processed</p>				

**EXHIBIT G - CONTINUED  
BAI CRITICAL QUALITY INDICATOR**

<p><b>Coin &amp; Currency Provided Error Rate</b> # of Coin and Currency Order Errors _____ x 1,000 Total # of Coin and Currency Orders Filled</p>
<p><b>Commercial Deposit Error Rate</b> # of Commercial Deposit Processing Errors _____ x 1,000 Total # of Commercial Deposits Processed</p>
<p><b>Reporting Error Rate</b> # of Clearing Total Errors Reported _____ x 100 # of Clearing Totals Reported</p>
<p><b>Reporting Delay/Failure Rate</b> # of Total Presentment Files Sent After Deadline _____ x 100 # of Total Presentment Files</p>
<p><b>Reconciliation Error Rate</b> # of Reconciliations with Errors by Account _____ x 100 Total # of Reconciliations by Account</p>
<p><b>Reconciliation Statement Delay/Failure Rate</b> # of Reconciliation Statements Not Released after Goal _____ x 100 Total # of Reconciliation Statements Released</p>
<p><b>ACH Origination File Error Rate</b> Origination Files Processed with Errors _____ x 1,000 Total # of Origination Files Processed</p>

**EXHIBIT G - CONTINUED  
BAI CRITICAL QUALITY INDICATOR**

**ACH Failed/Late File Delivery Rate**

# of ACH Origination Files Not Processed or Processed Late  
\_\_\_\_\_ x 1,000  
Total # of Origination Files Processed

**ACH Failed /Late File Receipt Date**

# of ACH Receipt Files Not Posted  
on Time  
\_\_\_\_\_ x 1,000  
Total # of ACH Files Processed

**Payment Error Rate**

Wire Transfers Processed with Errors  
\_\_\_\_\_ x 1,000  
Total # of Wire Transfers Processed

**Failed/Late Execution Rate**

# of Failed/Late Wire Transfer Payments  
\_\_\_\_\_ x 1,000  
Total # of Wire Transfers Processed