

RFP For Depository and Banking Services

A Joint Solicitation for Various Local Governmental Corporations (Component Units) of Harris County, TX

Including: The Harris County Redevelopment Authority, The Harris County Housing Finance Corporation, the Harris County Community Land Trust and the HCHFC Foundation; (a 501(c)(3) entity)

1. INSTRUCTIONS TO OFFERORS

- 1.1 Offerors may submit proposals by Mail or an encrypted email at the address below:

Physical: Bianca Urbina
Harris County Component Unit Entities - Financial
Services
Harris County, TX
1111 Fannin St., 9th Floor
Houston, TX 77002

Email: bianca.urbina@harriscountytexas.gov
AND
hafsa.moinuddin@harriscountytexas.gov

IF MAILING OR PHYSICALLY DELIVERING - MARK ENVELOPE WITH THE SOLICITATION TITLE, AND DUE DATE/TIME

- 1.2 As noted in the heading, this is a joint solicitation being conducted on behalf of multiple and separately legal entities that are component units of Harris County (herein referred to as the “Entity, Entities, “Entiy(ies) of the County”, “We” “Our” and “Us”). All offerors should familiarize themselves with the following Instructions to Offerors and General Requirements, attached.

Sealed proposals and electronic submittals submitted through the, shall be received until:

October 31, 2025 @ 3:00 p.m.

Offerors are responsible for making certain proposals are submitted to the address above and in a timely manner. Mailing of a proposal does not ensure that the proposal will be delivered on time or delivered at all. If offeror does not hand deliver a proposal, we suggest that he/she use some sort of delivery service that provides a receipt. We will not assume responsibility for errant delivery of a proposal, including those relegated to a courier agent who fails to deliver in accordance with the time and receiving point specified.

- 1.3 Proposals will be accepted in person, by United States Mail, by United Parcel Service, or by private courier service. WE WILL NOT ACCEPT FAX PROPOSALS.
- 1.4 Proposals may be withdrawn prior to the above scheduled time set for closing. Alteration made before RFP closing must be initialed by the offeror.
- 1.5 The Entities reserves the right to postpone the date and time for accepting proposals through an addendum.
- 1.6 Proposals may be withdrawn prior to the above scheduled time set for closing. A proposal will be subject to being considered irregular and may be rejected if it shows omissions, alterations of form, conditional alternate proposals, additions or alternates in lieu of the items specified, if the unit prices are obviously unbalanced (either in excess of or below reasonably expected values), or irregularities of any kind.

2. PROPOSAL PRESENTATIONS

- 2.1 Staff may elect to hold proposal presentations in the course of selecting and awarding contracts. Should this be determined necessary staff will supply a calendar of dates and times.

3. CLARIFICATION OF REQUIREMENTS

- 3.1. It is the intent and purpose of the Entities that this request permits competitive proposals. It is the offeror's responsibility to advise the entity(ies) staff if any language, requirements, etc., or any combinations thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be submitted in writing and must be received by the entity's office no later than five (5) calendar days prior to the proposal closing date. A review of such notifications will be made.

3.2 ALL REQUESTS FOR ADDITIONAL INFORMATION OR CLARIFICATION CONCERNING THIS REQUEST FOR PROPOSAL (RFP) MUST BE SUBMITTED IN WRITING NO LATER THAN 12 PM, ON OCTOBER 20, 2025.

Bianca Urbina
Harris County Component Unit Entities - Financial Services
Harris County, TX

1111 Fannin St., 9th Floor
Houston, TX 77002
bianca.urbina@harriscountyt.gov

4. ADDENDUMS & MODIFICATIONS

- 4.1. The Entities reserves the right to postpone the date and time for accepting proposals through an addendum.
- 4.2. Any changes, additions, or clarifications to the RFP are made by **ADDENDUM** via the entity's websites and via email. **We strongly suggest that you check for any addenda a minimum of forty-eight hours in advance of the response deadline.**
- 4.3. The entity(ies) do not assume responsibility for the receipt of any addendum published or sent.

5. EXAMINATION OF DOCUMENTS AND REQUIREMENTS

- 5.1. Each offeror shall carefully examine all RFP documents and thoroughly familiarize itself with all requirements prior to submitting a proposal to ensure that the proposal meets the intent of this RFP.
- 5.2. Before submitting a proposal, each offeror shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and requirements affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the offeror from obligation to comply, in every detail, with all provisions and requirements of the Request for Proposal.
- 5.3. All proposals, responses, inquiries, or correspondence relating to or in reference to this RFP, and all electronic media, reports, charts, and other documentation submitted by offerors shall become the property of The Entities when received.

6. PROPOSAL PREPARATION COSTS

- 6.1. Issuance of this RFP does not commit the Entities, in any way, to pay any costs incurred in the preparation and submission of a proposal.
- 6.2. The issuance of this RFP does not obligate the Entities to enter into contract for any services or equipment.
- 6.3. All costs related to the preparation and submission of a proposal shall be paid by the proposer.

7. TRADE SECRETS, CONFIDENTIAL INFORMATION AND THE TEXAS PUBLIC INFORMATION ACT

- 7.1. If you consider any portion of your proposal to be privileged or confidential by statute or judicial decision, including trade secrets and commercial or financial information, clearly identify those portions.
- 7.2. Proposals will be opened in a manner that avoids disclosure of the contents to competing offerors and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for inspection. Tex. Loc. Govt. Code 252.049(b)
- 7.3. The entities will honor your notations of trade secrets and confidential information and decline to release such information initially, but please note that the final determination of whether a particular portion of your proposal is in fact a trade secret or commercial or financial information that may be withheld from public inspection will be made by the Texas Attorney General or a court of competent jurisdiction. In the event a public information request is received for a portion of your proposal that you have marked as being confidential information, you will be notified of such request and you will be required to justify your legal position in writing to the Texas Attorney General pursuant to Section 552.305 of the Government Code. In the event that it is determined by opinion or order of the Texas Attorney General or a court of competent jurisdiction that such information is in fact not privileged and confidential under Section 552.110 of the Government Code and Section 252.049 of the Local Government Code, then such information will be made available to the requester.
- 7.4. Marking your entire proposal CONFIDENTIAL/PROPRIETARY is not in conformance with the Texas Public Information Act.

8. DISADVANTAGED BUSINESS ENTERPRISE (DBE) REQUIREMENTS

- 8.1. The entities hereby notifies all offerors that in regard to any contract entered into pursuant to this RFP, Disadvantaged Business Enterprises (DBE's) will be afforded equal opportunities to submit proposals and will not be discriminated against on the grounds of race, color, sex, disability, or national origin in consideration of an award.
- 8.2. A DBE is defined as a small business concern which is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more socially and economically disadvantaged individuals. Socially and economically disadvantaged include Women, Black Americans, Hispanic Americans, Native Americans, Asian- Pacific Americans, and Asian-Indian Americans.

9. HISTORICALLY UNDERUTILIZED BUSINESS (HUB) REQUIREMENTS

- 9.1. The Entities hereby notifies all offerors that in regard to any contract entered into pursuant to this RFP, Historically Underutilized Businesses (HUB's) will be afforded equal opportunities to submit proposals and will not be discriminated against on the grounds of race, color, sex, disability, or national origin in consideration of an award.
- 9.2. A HUB is defined as a small business concern which is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more socially and economically disadvantaged individuals. Socially and economically disadvantaged include Women, Black Americans, Hispanic Americans, Native Americans, Asian- Pacific Americans, and Asian-Indian Americans.

10. CONFLICT OF INTEREST

- 10.1. The Offeror shall not offer or accept gifts or anything of value nor enter into any business arrangement with any employee, official or agent of the Entities.
- 10.2. By signing their proposal, the offeror certifies and represents to the Entity(ies) the offeror has not offered, conferred or agreed to confer any pecuniary benefit or other thing of value for the receipt of special treatment, advantage, information, recipient's decision, opinion, recommendation, vote or any other exercise of discretion concerning this RFP.
- 10.3. It is not necessary to fill out the CIQ Form unless you have a business relationship that might cause a conflict of interest with The Entities
- 10.4. Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire, Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, the questionnaire must be filed with the records administrator of The Entity not later than the Seventh business day after the date the person becomes aware of the facts that require the statement to be filed. The questionnaire can be found at:

<https://www.ethics.state.tx.us/forms/conflict/>

These forms should be filed with:

Bianca Urbina
Harris County Component Unit Entities - Financial
Services
Harris County, TX
1111 Fannin St., 9th Floor
Houston, TX 77002
bianca.urbina@harriscountytexas.gov

See Section 176.006, Local Government Code:

<http://www.statutes.legis.state.tx.us/SOTWDocs/LG/htm/LG.176.htm>.

A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

11. ANTI-LOBBYING PROVISION

- 11.1. DURING THE PERIOD BETWEEN PROPOSAL SUBMISSION DATE AND THE CONTRACT AWARD,
- 11.2. PROPOSERS, INCLUDING THEIR AGENTS AND REPRESENTATIVES, SHALL NOT DIRECTLY DISCUSS OR PROMOTE THEIR PROPOSAL WITH ANY BOARD MEMBER OF THE ENTITIES, OR THE ENTITIES STAFF EXCEPT UPON THE REQUEST BY ENTITY STAFF FOR YOU TO PROVIDE BRIEFINGS, INTERVIEWS, OR PRESENTATIONS.
- 11.3. This provision is not meant to preclude offerors from discussing other matters staff or the board(s). This policy is intended to create a level playing field for all potential offerors, assure that contract decisions are made in public, and to protect the integrity of the RFP process. Its purpose is to stimulate competition, prevent favoritism and secure the best work and materials at the lowest practicable price, for the best interests and benefit of the taxpayers and property owners. Violation of this provision may result in rejection of the offeror's proposal.

12. AUTHORIZATION TO BIND SUBMITTER OF PROPOSAL

- 12.1. Proposals must show vendor name and address of offeror. The original proposal must be manually signed by an officer of the company having the authority to bind the submitter to its provisions. Person signing proposal must show title or AUTHORITY TO BIND THEIR FIRM IN A CONTRACT. Failure to manually sign proposal will disqualify it.

13. ABOUT THIS DOCUMENT

- 13.1. This document is a Request for Proposal. It differs from an Invitation to Bid in that The Entities is **seeking a solution**, as described in the following General Requirements section, **not a bid/quotation** meeting firm specifications for the lowest price. As such, **the lowest price proposed will not guarantee an award** recommendation. Sealed proposals will be evaluated based upon criteria formulated around the most important features of a product or service, of which quality, testing, references, availability or capability, may be overriding factors, and price may not be determinative in the issuance of a contract or award. The proposal evaluation criteria should be viewed as standards that measure how well an offeror's approach meets the desired requirements and needs of The Entities. Those criteria that will be used and considered in evaluation for award are set forth in this document. The staff of the entities will thoroughly review all proposals received. The staff of the entities will also utilize its best judgment when determining whether to schedule a pre-proposal conference (before proposals are accepted), or meetings with offerors (after receipt of all proposals). A Purchase Order/Contract will be awarded to a qualified offeror submitting the best proposal. **The Entities reserves the right to select, and subsequently recommend for an award, the proposed service which best meets its required needs, quality levels, and budget constraints.**

14. EVALUATION PROCESS

- 14.1. All proposals will be evaluated by an evaluation committee and may include senior management representatives, a financial officer, and/or an independent consultant.
- 14.2. Respondents to this RFP may be required to submit additional information that the Entities may deem necessary to further evaluate the offeror's qualifications.
- 14.3. The committee will evaluate and numerically score each proposal in accordance with the evaluation criteria included in the Request for Proposal.
- 14.4. The committee will arrive at a short list of the top respondents and these short-listed respondents may be scheduled for a structured oral presentation and interview. Such presentations will be at no cost to The Entities. At the end of the oral presentation and interview, the evaluation of the short-listed respondents will be completed. The oral interview may be recorded and/or videotaped.

15. SELECTION

- 15.1. Selection shall be based on the responsible offeror(s) whose proposal(s) is/are determined to be the most advantageous to The Entities considering the relative importance of evaluation factors included in this RFP.
- 15.2. The successful offeror(s) will be expected to sign a contract substantially like that in the example provided.
- 15.3. NO INDIVIDUAL OF ANY USING DEPARTMENT HAS THE AUTHORITY TO LEGALLY AND/OR FINANCIALLY COMMIT THE ENTITIES TO ANY CONTRACT, AGREEMENT OR PURCHASE ORDER FOR GOODS OR SERVICES, UNLESS SPECIFICALLY SANCTIONED BY THE REQUIREMENTS OF THIS REQUEST FOR PROPOSAL.

16. EQUAL EMPLOYMENT OPPORTUNITY

- 16.1. Offeror agrees that it will not discriminate in hiring, promotion, treatment, or other terms and conditions of employment based on race, sex, national origin, age, disability, or in any way a violation of Title VII of 1964 Civil Rights Act and amendments, except as permitted by said laws.

17. NON-APPROPRIATION

- 17.1. All funds for payment by the Entities under this contract are subject to the availability of an annual appropriation for this purpose by the Entities. In the event of non-appropriation of funds by the Entities for the goods or services provided under the contract, the Entities will terminate the contract, without termination charge or other liability, on the last day of the then-current fiscal year or when the appropriation made for the then- current year for the goods or services covered by this contract is spent, whichever event occurs first. If at any time funds are not appropriated for the continuance of this contract, cancellation shall be accepted by the Seller on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the Entities shall not be obligated under this contract beyond the date of termination.

18. PROTEST

- 18.1. All protests regarding the RFP process must be submitted in writing to the Entities Executive Director, Rene Martinez within 5 working days after the protesting party knows of the occurrence of the action which is protested relating to advertising of notices deadlines, proposal opening and all other related procedures under the Local Government Code, as well as any protest relating to alleged improprieties with the RFP process. This limitation does not include protests relating to staff recommendations as to award of contract. Protests relating to staff recommendations may be directed to the Entities Executive Director, Rene Martinez. All staff recommendations will be made available for public review prior to consideration by the entities' respective boards as allowed by law.
- 18.2. FAILURE TO PROTEST WITHIN THE TIME ALLOTTED SHALL CONSTITUTE A WAIVER OF ANY PROTEST.

19. NON-ARBITRATION

- 19.1. The Entity(ies) reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the Entity(ies) shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

20. ASSIGNING OR SUBLETTING THE CONTRACT

- 20.1. The Contractor shall not assign or sublet the contract, or any portion of the contract, without written consent from the Director of Purchasing and Contract Management. Should consent be given, the Contractor shall insure the Subcontractor or shall provide proof on insurance from the Subcontractor that complies with all contract Insurance requirements.

21. TEXAS GOVERNMENT CODE SECTION 2252.152

- 21.1. Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization Prohibited. Pursuant to Section 2252.152 of the Texas Government Code, prohibits the Entity(ies) from entering into a contract with a vendor that is identified by The Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

22. TEXAS GOVERNMENT CODE SECTION 2271.002

- 22.1. Pursuant to Section 2271.002 of the Texas Government Code, a) This section applies only to a contract that: (1) is between a governmental entity and a company with 10 or more full-time employees; and

(2) has a value of \$100,000 or more that is to be paid wholly or partly from public funds of the governmental entity. (b) A governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

23. TEXAS PUBLIC INFORMATION ACT

- 23.1. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter. To the extent Subchapter J, Chapter 552, Government Code applies to this agreement, Contractor agrees to: (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the governmental body for the duration of the contract; (2) promptly provide to the governmental body any contracting information related to the contract that is in the custody or possession of the entity on request of the governmental body; and (3) on completion of the contract, either: (A) provide at no cost to the governmental body all contracting information related to the contract that is in the custody or possession of the entity; or (B) preserve the contracting information related to the contract as provided by the records retention requirements applicable to the governmental body.

24. CONFIDENTIALITY

- 24.1. The Contractor shall retain all information received from or concerning the Entity(ies) and the Entity(ies)'s business in strictest confidence and shall not reveal such information to third parties without prior written consent of the Entity(ies), unless otherwise required by law.

25. INDEMNITY

- 25.1. The Contractor shall indemnify and save harmless The Entities and its elected officials, officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any kind, character, type, or description, including without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, to the extent arising out of, related to or occasioned by, the negligent acts of the Contractor, its agents, employees, and/or subcontractors, related to the performance, operations or omissions under this agreement and/or the use or occupation of Entity(ies) owned property. The indemnity obligation provided herein shall survive the expiration or termination of this agreement.

26. SUSPENSION AND DEBARMENT

- 26.1. Contractor certifies that at the time of submission of its bid, Contractor was not on the federal government's list of suspended, ineligible or debarred contractors and that Contractor has not been placed on this list between the time of bid submission and the time of execution of the Contract. If Contractor is placed on this list during the term of the contract, Contractor shall notify the entity's staff immediately. False certification or failure to notify may result in termination of the contract for default.
- 26.2. Federal Law (A-102 Common Rule and OMB Circular A-110) prohibits non-Federal entities from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000 and all non-procurement transactions (e.g., sub-awards to sub-recipients). Contractors receiving individual awards of \$25,000 or more and all sub-recipients must certify that their organization and its principals are not suspended or debarred by a Federal agency. Before an award of \$25,000 or more can be made to your firm, you must certify that your organization and its principals are not suspended or debarred by a Federal agency.

- 26.3. By submitting a proposal in regard to this request, this firm certifies that neither this firm nor its principals are suspended or debarred by a Federal agency.

27. INSURANCE REQUIREMENTS

- 27.1. Prior to the approval of this contract by the Entity(ies), the Contractor shall furnish a completed Insurance Certificate to the Entity(ies), which shall be completed by an agent authorized to bind the named underwriter(s) to the coverages, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon. THE ENTITY(IES) SHALL HAVE NO DUTY TO PAY OR PERFORM UNDER THIS CONTRACT UNTIL SUCH CERTIFICATE SHALL HAVE BEEN DELIVERED TO THE ENTITY(IES).
- 27.2. The Entity(ies) reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverages and their limits when deemed necessary and prudent by the Entity(ies) based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Contractor.
- 27.3. Subject to the Contractor's right to maintain reasonable deductibles in such amounts as are approved by the Entity(ies), the Contractor shall obtain and maintain in full force and effect for the duration of this contract, and any extension hereof, at Contractor's sole expense, insurance coverage written by companies approved by the State of Texas and acceptable to the Entity(ies), in the following type(s) and amount(s):

28. IMPORTANT: POLICY ENDORSEMENTS

The Contractor will provide copies of the policies without expense, to the Entity(ies) and **all endorsements** thereto and may make any reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any of such policies). Upon such request by the Entity(ies), the Contractor shall exercise reasonable efforts to accomplish such changes in policy coverages, and shall pay the cost thereof. Any costs will be paid by the Contractor.

Professional Liability Requirements: \$1M occurrence / \$2M aggregate

- * The Entities (including its officials, employees and volunteers) shall be afforded additional insured status on a primary and non-contributory basis on all liability policies except professional liabilities and workers' comp.
- * Waivers of Subrogation are required for CGL, AL, and WC.
- * To Include Products of Completed Operations endorsement.
- * Carrier will provide a 30-day written notice of cancellation, 10-day written notice for non-payment.
- * Carriers must meet a A.M. Best rating of A- or better.
- * Subcontractors must carry same limits as listed above.

29. REQUIRED PROVISIONS

The Contractor agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, on the certificate or its attachment, the following required provisions:

- a. Name The Entities and its officers, employees, and elected representatives as additional insureds, (as the interest of each insured may appear) as to all applicable coverage;
- b. Provide for 30-day notice to the Entity(ies) for cancellation, nonrenewal, or material change;
- c. Provide for notice to the Entity(ies) at the address shown below by registered mail;
- d. The Contractor agrees to waive subrogation against The Entities, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance;
- e. Provide that all provisions of this contract concerning liability, duty, and standard of care together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient

to include such obligations within applicable policies.

30. NOTICES

The Contractor shall notify the Entity(ies) in the event of any change in coverage and shall give such notices not less than 30 days prior the change, which notice must be accompanied by a replacement CERTIFICATE OF INSURANCE.

All notices shall be given to the Entity(ies) at the following address:

Bianca Urbina
Harris County Component Unit Entities - Financial
Services
Harris County, TX
1111 Fannin St., 9th Floor
Houston, TX 77002
bianca.urbina@harriscounty
tx.gov

Approval, disapproval, or failure to act by the Entity(ies) regarding any insurance supplied by the Contractor shall not relieve the Contractor of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency, or denial.

31. TERM OF AGREEMENT

The Entity(ies) are requesting proposals for a three (3) year banking services contract with service to begin September 1, 2025 and extend through August 31, 2028 and to include two (2) optional one-year term extensions at the Entity(ies)'s discretion, said date of term beginning upon formal approval. This contract shall remain in effect until the expiration date, performance of services ordered, or termination by either party with a thirty (30) day written notice. Such written notice must state the reason for cancellation.

32. PROTEST

All protests regarding the RFP process must be submitted in writing to the Entity(ies) Executive Director within five (5) business days following the opening of proposals. This includes all protests relating to advertising of notices deadlines, proposal opening and all other related procedures under the Local Government Code, as well as any protest relating to alleged improprieties with the RFP process. All staff recommendations will be made available for public review prior to consideration by the respective Entity Board(s) as allowed by law.

FAILURE TO PROTEST WITHIN THE TIME ALLOTTED SHALL CONSTITUTE A WAIVER OF ANY PROTEST.

33. THE ENTITY(IES) RIGHT TO AUDIT

At any time during the term of the contract, or thereafter, the Entity(ies), or a duly authorized audit representative of the Entity(ies) or the State of Texas, at its expense and at reasonable times, reserves the right to audit Contractor's records and books relevant to all services provided to the Entity(ies) under this Contract. In the event such an audit by the Entity(ies) reveals any errors or overpayments by the Entity(ies), Contractor shall refund the Entity(ies) the full amount of such overpayments within thirty (30) days of such audit findings, or the Entity(ies), at its option, reserves the right to deduct such amounts owing the Entity(ies) from any payments due Contractor.

34. NON-ARBITRATION

The Entity(ies) reserves the right to exercise any right or remedy available to it by law, contract, equity, or otherwise, including without limitation, the right to seek any and all forms of relief in a court of competent jurisdiction. Further, the Entity(ies) shall not be subject to any arbitration process prior to exercising its unrestricted right to seek judicial remedy. The remedies set forth herein are cumulative and not exclusive, and may be exercised concurrently. To the extent of any conflict between this provision and another provision in, or related to, this document, this provision shall control.

35. ASSIGNING OR SUBLETTING THE CONTRACT

The Contractor shall not assign or sublet the contract, or any portion of the contract, without written consent from the Director of Purchasing and Contract Management. Should consent be given, the Contractor shall insure the Subcontractor or shall provide proof on insurance from the Subcontractor that complies with all contract Insurance requirements.

36. HOUSE BILL 2015

House Bill 2015, signed by the Governor on June 14, 2013 and effective on January 1, 2014, authorizes a penalty to be imposed on a person who contracts for certain services with a governmental entity and who fails to properly classify their workers. This applies to subcontractors as well. Contractors and subcontractors who fail to properly classify individuals performing work under a governmental contract will be penalized \$200 for each individual that has been misclassified (Texas Government Code Section 2155.001).

37. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL

The Vendor warrants that it complies with Chapter 2270, Subtitle F, Title 10 of the Texas Government Code by verifying that:

The Vendor does not boycott Israel; and

The Vendor will not boycott Israel during the term of the Agreement.

38. SENATE BILL 252

SB 252 prohibits the Entity(ies) from entering into a contract with a vendor that is identified by the Comptroller as a company known to have contracts with or provide supplies or service with Iran, Sudan or a foreign terrorist organization.

Depository and Banking Services

SECTION 1 GENERAL INFORMATION

1.1 Introduction

Entity(ies) are seeking competitive responses to a Request for Proposal (“RFP”) for Depository and Banking Services from eligible and qualified financial institutions. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by the Entity(ies). Additional information may be made available by written request to the purchaser indicated in Section 3 entitled Clarifications of Requirements.

Respondent’s must acknowledge and agree to ensure that the entity(ies) and its banking agreements follow and be compliant with the Texas Public Funds Investment Act (PFIA), which is a Texas law (Government Code, Chapter 2256) that governs the investment of public funds by Texas government entities. Additionally, the entities and its banking affiliates must adhere to the Texas Local Government Code § 116.021. “Depository and Sub-depository Contracts” Each proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer’s ability to meet the requirements of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements, and an understanding of the Entity(ies)’s needs. This RFP outlines the Entity(ies)’s cash management goals, specifies all required qualifications for banking institutions, delineates all required and optional banking services, details the projected activity volumes on all accounts, sets the terms of compensation, establishes contract standard provisions, and provides all proposal submission instructions.

By submitting proposals, each proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the work to be performed, the detailed requirements of the services to be provided, and the conditions under which the services are to be performed. Each proposer also certifies that it understands that all costs relating to preparing and responding to this RFP will be the sole responsibility of the proposer. If selected by the Entity(ies), the vendor will notify the Entity(ies) immediately of any material change in any matters with regard to which the vendor has made a statement or representation or provided information.

Proposers are cautioned to read the information contained in this RFP carefully and to submit a complete response to all requirements and questions as directed.

1.2 Scope of Goods and/or Services

The Depository Agreement (“DA”, “Contract”, or “Agreement”) will be awarded by the Entities to one banking institution. The process is directed toward securing the best value and most cost efficient banking services to serve the entire organization.

The DA is designed to obtain the highest level of service for each of the entities included in the solicitation, to minimize banking costs, to improve operational efficiencies, and to maximize investment capabilities.

All qualified financial institutions (as specified in this RFP) are invited to submit a proposal. Holding companies and individual banks responding to this RFP must be and remain in good standing with the Texas State Comptroller in accordance with Section 2252.903 of the Texas Government Code, must be insured through the Federal Deposit Insurance Corporation (FDIC), and must be able to demonstrate a capacity to meet the Entity(ies)’s requirements as stated in this RFP. Entities must demonstrate any and all depository products, line of credits, credit card and procurement card programs traditionally necessary for a corporate entity of government to operation.

All proposal submissions should include at a minimum:

- A listing of all depository, banking and credit products being offered with corresponding pricing, rates, indices. i.e. (DDA, Treasury Management Svs, Certificates of Deposit,

Money Markets, Credit Card/Procurement Card programs, Line of Credit products).

- A description of the bank's policy and nature of collateralization instruments used in compliance with the Texas Public Funds Investment Act.
- Information about the Community Reinvestment Act initiatives and ratings.

1.3 Term of Agreement

The Entities are requesting proposals for a three (3) year banking services contract with service to begin September 1, 2025 and extend through August 31, 2028 Unless terminated by either party, the agreement will automatically renew for successive one-year terms. Either party may give notice of non-renewal of the Agreement in writing no more than (90) days and no less than (30) days prior to any expiration date.

1.4 Schedule of Events

The Entity(ies) will make a good faith effort to follow the timeline for evaluating, negotiating and issuing an award:

Distribution of RFP	September 26, 2025 at 12 PM CST
Deadline for Submission of Written Questions	October 20, 2025, 12:00 p.m. CST
Deadline for Submission/Delivery of Proposals	October 31, 2025, 3:00 p.m. CST
Evaluation Completion.....	November 18, 2025
Proposal Presentations.....	TBD (typically at 80% of evaluation completion)
Award Recommendation to Entity(ies) Council	Varies according to Each of the Entities' Board Meeting Schedules (December Board Meetings)
Contract Commencement	December 31, 2025 (tentative)

**FOR MORE INFORMATION ABOUT THE ENTITIES,
PLEASE VISIT:**

**<https://harriscountyrda24.org>
<https://harriscountyhfc.org>
<https://harrisocuntyclt.org/about-clt/>**

SECTION 2

PROPOSAL REQUIREMENTS AND PROCEDURES

2.1 Proposal Formatting and Presentation Requirements (for mailed/delivered proposals)

- 2.1.1 The proposal must include a response to each question in the RFP, following the specified order and using the provided Attachments. Additionally, it must incorporate all required Procurement components as outlined by the Entity(ies), presented in the following order:
- Proposer's response to the sections entitled Proposer Submission and all questions in Sections 3 and 5
 - Completed Attachments A (Proposed Bank Fees – Section 3.5) and B (Historical Bank Earning Rates – Section 3.6)
 - Signed Entity(ies) affirmations (Section 5)
- 2.1.2 The response must include a transmittal cover letter limited to one page, which includes the RFP Name and RFP Number.
- 2.1.3 The response should include a table of contents containing sufficient detail to facilitate easy reference to the sections of the proposal and attachments.
- 2.1.4 Preprinted material should be presented between separate tabs and referenced specifically in the proposal
- 2.1.5 All pages are to be typed on 8 ½ x 11-inch paper and numbered sequentially. The proposal may be printed on both sides.

Responses should provide a full explanation of the service, stating acceptance of, modifications or additions to, or a statement of the inability to provide said service. Only proposals submitted in the prescribed format and using the provided attachments will be considered by Entity(ies) for a contract award.

The bank must fully detail all fees and charges in Attachment A. Every effort has been made to identify all the existing services and service volumes. It is recognized that service definitions and coding differs between banking institutions. To eliminate some of the confusion, standard Association for Financial Professionals ("AFP") coding and generic definitions are shown on Attachment A. Fees quoted by the bank for services must include all service and fee categories attendant to that service and each should show the applicable AFP Code.

Fees not presented in the bank's proposal will not be accepted nor paid during the contract period unless the scope or nature of the service has changed, and only then after written agreement of the Entity(ies). Therefore, banks are advised to submit a full listing of all the bank's service fees, even if the service is not among those requested by Entity(ies) in this RFP. Banks should take particular attention and care in completion of the fee schedule attachments to ensure comprehension of the service and level of service offered.

The Entity(ies) may require presentations to be made by any responding banking institutions to clarify or expand upon information included in the proposal. Such a presentation will be at the request of the Entity(ies) and scheduled by the Entity(ies). Banking institutions should not expect such a presentation will be requested and should, therefore, ensure that all pertinent information is included and presented clearly in the proposal.

The Entity(ies) is acting for and on behalf of all its associated departments and the Entity(ies) strongly discourages any supplemental presentations to, communications with, or provision of information directed to any individual department in connection with this RFP.

There is no limit on the size of the proposal, but the Entity(ies) requires and expects a complete, succinct, and unambiguous presentation of the services offered and the proposed fees. Proposals should provide straightforward descriptions of services, and the bank's ability to meet the requirements of the RFP.

2.2 Validity Period

Proposals are to be designated as valid for a minimum of 270 days from the submittal deadline date to allow time for evaluation, selection, and any unforeseen delays. Proposals, if accepted, shall remain valid for the duration of the contract/agreement.

2.3 Extension of Pricing and Terms and Conditions

The depository and banking services, and all terms and conditions offered in the proposal, shall be applicable to all Entity(ies) departments.

SECTION 3

PROPOSAL CONTENTS/DETAILS

3.1 General Statement of Banking Services and RFP Objectives

First and foremost, with the exception of the HCHFC Foundation, the entities and its banking agreements must follow and be compliant with the Texas Public Funds Investment Act (PFIA), which is a Texas law (Government Code, Chapter 2256) that governs the investment of public funds by Texas government entities. Additionally, the entities and its banking affiliates must adhere to the Texas Local Government Code § 116.021. “Depository and Sub-depository Contracts”.

The primary objective of this RFP is to obtain the highest level of service for each of its departments and entities regardless of size or location, to minimize costs, to improve operational efficiencies, and to maximize investment capabilities. This RFP outlines the Entity(ies)'s cash management goals, specifies all required qualifications for banking institutions, delineates all banking services required, details the projected activity volumes on all accounts, sets the method and terms of compensation, establishes contract standard provisions in the DA, and provides all proposal submission instructions. Collateral pledged to secure the Entity(ies) deposits will be governed by the Local Government Code, Chapter 2257, Public Funds Collateral Act.

The banking institution chosen by the entity(ies) agrees to make all the required and optional services agreed to in their proposal available to all departments of the entity(ies) at the same pricing levels during the contract period. Initiation of any new service not anticipated by the RFP are to be added as an addendum to the DA and pricing negotiated but set at no more than the then-current published rate.

Banks are encouraged to address any service not anticipated by this RFP that will create efficiencies. Alternative and additional services can be addressed in Section 3.4. The Entity(ies) are interested in using the best technology to expedite and streamline cash flows and improve efficiencies in all its departments and operations.

3.2 Required Banking Services

To be considered for award, the bank proposal must include a response to each of the questions in this Section. All associated banks fees required to provide each service must be detailed on Attachment A – Proposed Bank Fees. Complete, yet succinct, answers to each question are expected, but any level of detail may be added for clarification as necessary.

The banking institution should use particular care in its responses to identify if any services or levels of service are not available for all departments or entities. Any difference in service level or delivery between locations must be clearly identified and described. The Entity(ies) expects the same level of service be provided throughout the organization.

The banking services described in this RFP are directed toward these six major goals:

- safety of deposited or invested funds,
- 100% use of idle funds, at yields available for excess funds not otherwise invested in traditional investment products
- efficient and effective use of banking technology,
- safety of collateral,
- minimization of banking costs.

As a local government, the safety of the funds and assets of the Entity(ies) are paramount. The use of technology that minimizes manual and inefficient operations and expedites funds flow is a continuing goal of the Entity(ies). The banking institution serving the Entity(ies) will be expected to bring new ideas and technologies to the Entity(ies)'s attention and use throughout the contract period. Ongoing scheduled discussions between the Entity(ies) and its departments will be critical to meet these goals. The Entity(ies) requires depositories that are fiscally strong and able to provide the required services on an uninterrupted basis.

3.2.1 Financial Reporting and Community Involvement

In order to fulfill the Entity(ies)'s fiduciary responsibility to protect public funds, each banking institution submitting a proposal shall provide, in response to this item:

- a. An audited annual financial statement (or web link) for the most recent fiscal period.
- b. The bank will be required to submit an audited financial statement to the Entity(ies) each year of the contract period, as soon as it is available. **Confirm agreement to this requirement.**
- c. Certification of the bank's Community Reinvestment Act (CRA) rating by the rating agency.

3.2.2 Customer Service

Customer service should be a primary focus of the bank. Describe the bank's philosophy and approach to satisfying the Entity(ies)'s banking and service requirements in responses to the following questions.

- a. How does the bank intend to support the ongoing operational and technical needs of the Entity(ies)?
- b. How many individuals does the bank have in the Houston Metro area to support the entities and how are these individuals organized for the provision of service levels? What approach or service program functions will be instituted to provide the best service possible?
- c. What, if anything, is distinctive about the bank's approach to and programs for customer service? How will this be expected to affect and/or improve the entities banking business?
- d. What is distinctive about the bank's automation? How will this be expected to affect the Entity(ies) now and in the future? Are there any new services about to be released, which may affect the Entity(ies)? When are these services planned to be available?
- e. What provisions has the bank made for business continuity planning and operations in a disaster situation, and how can the bank support the Entity(ies)'s needs in this area? Describe the bank holding company and the individual branch locations' disaster recovery and business contingency program. Focus on systems, telecommunications and power, operational facilities, and transportation.
- f. Is the bank offering any transition or retention incentives? Describe completely. (If incentives involve waiving of monthly service fees for any period, then the specific time period must be defined. The period start date will be agreed upon by the Entity(ies) and the bank for definitional and fee purposes.)

3.2.3 References

Provide three professional references (key contact names, titles, and telephone numbers) that have direct knowledge of your ability to provide the type of goods and/or services outlined in this RFP. List one reference from a Lubbock client if possible. Particular weight will be given to references provided in local governments. For each reference, include the length of time under contract, a client contact, title, email address, and telephone number.

3.2.4 Bank Creditworthiness

In order to fulfill the Entity(ies)'s fiduciary responsibility, the creditworthiness of each banking institution is critical. Each bank shall provide, in response to this item:

- a. The bank's current senior, subordinate, and short-term credit rating from at least two nationally recognized statistical rating agencies.
- b. If credit ratings in (a) above are not available, provide the banks current CAMELS rating from an independent bank rating agency such as Thompson Financial, Veribanc, or comparable agency.
- c. Any bank selected by the Entity(ies) will be held contractually liable for notifying the Entity(ies) within thirty (30) days of any change in the rating required in (a) or (b) above during the entire contract period. **Confirm agreement to this condition in response.**

3.2.5 Automated Cash Management Information Access

The Entity(ies) strives for efficiency in its operations and full use of treasury and cash management technology. The Entity(ies) requires fully automated cash management services with daily detail and balance reporting preferably through one portal. Online transaction initiation and reporting are crucial. Automation within every service area is expected. Imaging of all checks with practical image retention and access is required, as is imaging of deposit slips and items. Preferably, all reports, statements, and account analyses will be available in downloadable electronic form.

- a. Fully describe the bank's online service capabilities. Are all services provided through one portal? List Entity(ies) capabilities (i.e. balance reporting, wires, positive pay, stop pay, etc.) differentiating by historical and real-time data and describe and define any differentiation on transaction and summary account types. Provide a link and sign-on to the bank's online system.
- b. Are all service modules bundled for cost purposes or unbundled? Differentiate any services not available through the main portal.
- c. The Entity(ies) prefers secure file transfer protocols (SFTP) for transmissions. What are the bank's transmission capabilities for financial files? What is used to assure secure internet connectivity? Is one transmission format used for all transactions in the various modules/services?
- d. Does the bank's system include a standard cash-forecasting module or capability?
- e. Detail the availability of and provisions for prior day and intra-day reporting (detail and summary). When is prior day information available? Is intra-day information real-time?
- f. Define the retention features for varying types of transactions and reports.
- g. List your standard reports and their availability online or otherwise. Include the timing of report availability
- h. Is input information identified by sign-on? By location? How is this accomplished and reported?
- i. Describe the bank security protocols for online services. What entity provides

administration for security? How are individuals' sign-on authentication and authorization provided? Describe sign-on and verification procedures.

- j. Does the bank offer positive payment verification processes? Are these electronic upload or manual and if so under what conventions and formats?
- k. What security procedures does the bank use to protect client information?
- l. What are the hours of available technical support? How is technical support provided?
- m. What degree or type of information technology consulting will the bank provide as part of this contract?
- n. Specify all Entity(ies) hardware and software requirements needed to enable access to online systems.
- o. Specify all Entity(ies) requirements for initiation or receipt of information transmissions. (Preference is SFTP)
- p. Does the bank solicit information and opinions from users of the systems regularly? How?
- q. How many hours has the system been down in the last twelve months?
- r. Is the system a proprietary system or provided by a third party? Describe any third party relationships.
- s. Does the bank offer overnight sweep accounts
- t. Does the bank agree to provide collateral up to 102% of funds deposited or invested.
- u. Does the bank offer certificates of deposit
- v. Does the bank offer money market accounts
- w. Does the bank offer other treasury management and other investment accounts, subject to PFIA eligibility criteria?
- x. Does the bank have any capabilities for sub-ledgers/accounts in the account structure to minimize account transfers?
- y. Does the bank have the ability to print and mail customer refund checks?
- z. Does the bank have and offer credit products for operational or programmatic needs of the entit(ies)?
 - Procurement Card programs - Operational
 - Corporate/Governmental Credit Cards - Operational
 - Lines of Credit - Operational
 - Loans – describe types as it relates to the Housing and Community Development industry

Imaging

The entities require imaging of all checks and deposit receipts, at a minimum. The Entity(ies) prefers full utilization of imaging technology in collection and disbursement operations.

- a. Does the bank image all deposited and paid checks? Deposit slips and deposited items?
- b. How long does the Entity(ies) have access to images?
- c. Does the Entity(ies) have access to archived items, and if so, for how many years? How are archived items retrieved? Is there a delay in accessing archived items (such as over a certain period)?
- d. How are images made available and when? Is cross-referencing possible?
- e. Describe the bank's online retrieval capabilities on various imaged documents. How long are the different type items retained and retrievable online?
- f. Does the bank have the capability to archive other non-bank documents? Describe fully, and note any limitations.
- g. Access by Individuals with Disabilities

By submitting a proposal, the banking institution represents and warrants (the "EIR Accessibility Warranty") that the electronic and information resources and all associated information, documentation, and support that it provides to the Entity(ies) complies with the applicable

requirements set forth in Title 1, Chapter 213 of the Texas Administrative Code and Title 1, Chapter 206, Rule §206.70 of the Texas Administrative Code (as authorized by Chapter 2054, Subchapter M of the Texas Government Code) (collectively the “EIR”). The bank represents and warrants that, if selected by Entity(ies), to the extent bank becomes aware that the EIR, or any portion thereof, do not comply with the EIR Accessibility Warranty, then bank represents and warrants that it will, at no cost to the Entity(ies), either (1) perform all necessary remediation to make the EIR satisfy the EIR Accessibility Warranty or (2) replace the EIR with new EIR that will satisfy the EIR Accessibility Warranty. In the event that bank fails, or is unable to do so, then the Entity(ies) may terminate all Agreements with the bank, and bank will refund to the Entity(ies) all amounts the Entity(ies) has paid under its Agreement within thirty (30) days after the termination date. **Confirm the bank’s agreement to the terms of the EIR Accessibility Warranty.**

3.2.6 Electronic Data Interchange (“EDI”) Processing Services

The Entity(ies) recognizes the potential growth of, and potential uses of, EDI services during the contract period. The Entity(ies) is interested in learning about any programs available through the bank for converting paper transactions, and streamlining the handling of Entity(ies)’s various types of payables and receivables. Virtual checks and e-check processes should be described.

The Entity(ies) wants availability to payment consolidation services. The clarity and availability of the information supporting the payments must provide the Entity(ies) with sufficient information for reconciliation from potential multiple payees.

- a. Describe the bank’s current EDI uses.
- b. How would the bank envision use of EDI for processing and reporting capabilities under the DA?
- c. Does the bank have e-payables capabilities? Describe various levels of service moving toward full e-payables (for example check printing). Describe fully.
- d. Does the bank have e-receivables capability integrating incoming receivables data from multiple payment networks (ACH, wires, etc.) into one format or method for application to internal reporting systems? Describe fully.
- e. Does the bank have the capability to process “bill pay” (consumer-to-business) payments and apply directly to Entity(ies) accounts?
- f. Indicate which format translations the bank provides for the delivery of payment and remittance detail?
- g. Describe your virtual checks and e-checks processes for possible use.
- h. Can the bank combine paper and electronic payments into a single format or single data transmission? Describe options and restrictions.
- i. How are EDI transactions reported? Indicate whether EDI transactions are reported intra-day or prior day with standard reports or does it require separate EDI modules.
- j. What reports and information are available online and how long is this maintained online?
- k. Describe the bank’s ability to receive and send international payments with remittance information.
- l. What future EDI developments are anticipated?

3.2.7 Consolidated Account Structures

The Entity(ies) requires that all funds retained in the banking institution are continuously secure and earning at the best, then-current interest rates available. The Entity(ies) reserves the right to sweep balances to a money market mutual fund (when rates are higher) or to the Entity(ies) investment funds at the Entity(ies)’s sole discretion. Funds may be used as compensating balances or retained in interest-bearing accounts but no guarantee of balances will be given. The Entity(ies)’s

current account structure contains the following accounts for each:

- a. General Operating Account – main operating account of The Entities
- b. Capital Projects Account – used to deposit bond proceeds and incur capital expenditures
- c. Affordable Housing Account – A fund where the entity invests in multi and single family developments..
- d. Debt Service – an account from which debt service payments may be made
- e. Special Section 381 Economic Development – an account that tracks economic development
- f. Money Market Accounts

The bank is required to have the capability to sweep Entity(ies) funds (when rates are favorable) to an automated, end-of- day (“EOD”) sweep to a AAA-rated, SEC registered money market fund in order to maximize interest earnings and to reduce collateral exposure. A government or enhanced government (with Commercial Paper) fund, rated AAA by at least one nationally recognized rating service, will be used for the sweep. A repurchase agreement sweep is not authorized.

If the bank has a valid and acceptable alternative to an SEC money market fund, such as a specially designed internal bank account at an indexed rate, the bank should offer that alternative structure as an option, but the money market fund will be given preference.

The total average collected balance for the Entity(ies) has averaged over the past year.

<u>RDA Cadence (539-1)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Dec-23	\$807,055.00	0.000150000
Jan-24	\$791,251.00	0.000150000
Feb-24	\$721,924.00	0.000150000
Mar-24	\$681,340.00	0.000150000
Apr-24	\$665,836.00	0.000150000
May-24	\$625,089.00	0.000144444
Jun-24	\$584,784.00	0.000144444
Jul-24	\$4,265,030.00	0.000144444
Aug-24	\$1,525,397.00	0.000144444
Sep-24	\$1,514,709.00	0.000144444
Oct-24	\$1,269,940.00	0.000144444
Nov-24	\$644,221.00	0.000144444

<u>RDA Stellar MM (9678)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jan-24	\$588,307.69	0.000120000
Feb-24	\$590,357.00	0.000120000
Mar-24	\$592,413.69	0.000120000
Apr-24	\$594,511.76	0.000120000

May-24	\$596,617.38	0.000120000
Jun-24	\$598,730.34	0.000120000
Jul-24	\$600,850.91	0.000120000
Aug-24	\$207,803.28	0.000120000
Sep-24	\$11,498.91	0.000116667
Oct-24	\$11,537.65	0.000111389
Nov-24	\$3,843.55	0.000111389
Dec-24	(\$6.26)	0.000174722

<u>RDA JP Morgan Chase (7385)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	-	-
Jul-24	-	-
Aug-24	-	-
Sep-24	-	-
Oct-24	\$313,283.66	0.000047
Nov-24	\$1,947,803.79	0.000047
Dec-24	\$70,318.90	0.000047
Jan-25	\$66,887.33	0.000047
Feb-25	\$92,998.78	0.000047
Mar-25	\$60,596.12	0.000047
Apr-25	\$17,410.73	0.000047
May-25	\$324,611.86	0.000047

<u>RDA TxClass (0587)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$1,697,183.21	0.000150772
Jul-24	\$1,701,337.13	0.000151389
Aug-24	\$1,919,401.01	0.000150833
Sep-24	\$2,311,075.44	0.000146992
Oct-24	\$2,321,001.87	0.000140056
Nov-24	\$2,342,242.05	0.000135653
Dec-24	\$2,351,594.93	0.000131844
Jan-25	\$2,354,412.92	0.000126164
Feb-25	\$2,269,267.48	0.000124842
Mar-25	\$2,277,457.28	0.000123275
Apr-25	\$2,285,955.16	0.000123228
May-25	\$1,984,293.62	0.000122453

<u>381 Fund TxClass</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$823.43	0.000150772
Jul-24	\$827.14	0.000151389
Aug-24	\$830.91	0.000150833
Sep-24	\$834.60	0.000146992

Oct-24	\$838.24	0.000140056
Nov-24	\$841.73	0.000135653
Dec-24	\$845.07	0.000131844
Jan-25	\$848.43	0.000126164
Feb-25	\$851.52	0.000124842
Mar-25	\$854.52	0.000123275
Apr-25	\$857.64	0.000123228
May-25	\$860.74	0.000122453

<u>RDA TxStar (1130311110)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$1,127,869.41	0.000147572
Jul-24	\$1,132,792.77	0.000147586
Aug-24	\$1,137,904.48	0.000146944
Sep-24	\$1,143,020.70	0.000142567
Oct-24	\$1,147,840.98	0.000135339
Nov-24	\$1,152,590.79	0.000130867
Dec-24	\$1,157,053.88	0.000126783
Jan-25	\$1,161,538.52	0.000121933
Feb-25	\$1,165,868.37	0.000121181
Mar-25	\$1,169,768.99	0.000120539
Apr-25	\$1,174,079.25	0.000120244
May-25	\$1,178,256.59	0.000119317

<u>HFC Stellar Money Market (9839)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$25,565,145.80	0.000120000
Jul-24	\$28,723,024.53	0.000120000
Aug-24	\$26,279,895.50	0.000120000
Sep-24	\$18,891,010.60	0.000116667
Oct-24	\$9,129,955.41	0.000111389
Nov-24	\$3,173,191.95	0.000108611
Dec-24	\$2,417,331.06	0.000103889
Jan-25	\$5,650,302.87	0.000103056
Feb-25	\$2,161,701.99	0.000103056
Mar-25	\$2,939,863.39	0.000103056
Apr-25	\$4,555,672.07	0.000103056
May-25	\$3,915,854.89	0.000103056

<u>HFC TexClass (0841)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$774,359.63	0.000150772
Jul-24	\$842,394.56	0.000151325
Aug-24	\$2,786,354.01	0.000150872
Sep-24	\$2,798,891.74	0.000146992

Oct-24	\$8,755,807.85	0.000140056
Nov-24	\$10,497,261.31	0.000135653
Dec-24	\$10,497,261.31	0.000135653
Jan-25	\$7,835,465.91	0.000126164
Feb-25	\$10,655,258.84	0.000124842
Mar-25	\$7,292,623.52	0.000123275
Apr-25	\$7,319,834.49	0.000123228
May-25	\$7,346,941.97	0.000122453

<u>HFC TexStar (2551611110)</u>		
	Avg Daily Balance	Ave Daily Int. Rate
Jun-24	\$658,346.47	0.000147572
Jul-24	\$661,220.26	0.000147586
Aug-24	\$664,204.03	0.000147053
Sep-24	\$667,190.42	0.000142567
Oct-24	\$1,776,455.66	0.000135339
Nov-24	\$5,577,340.64	0.000130867
Dec-24	\$5,577,340.64	0.000130867
Jan-25	\$5,620,638.42	0.000121933
Feb-25	\$5,641,590.32	0.000121181
Mar-25	\$5,660,465.38	0.000120539
Apr-25	\$5,681,322.54	0.000120244
May-25	\$5,701,536.37	0.000119317

The structure of the sweep mechanism at the bank should be clearly defined in the response. The sweep would preferably be from individual accounts with interest applied to that specific account. However, sweeps may be structured from a master account with zero balance accounts (“ZBA”) dependent on cost efficiencies. The bank’s proposal should present its most efficient and cost effective methodology for creating the sweep. It is anticipated that:

- a. If a compensating balance payment basis is used for bank compensation purposes, all excess balances above the compensating balance target level will be swept daily to the designated fund or account (at the designated minimum transfer level). All remaining funds will be collateralized EOD as required.
- b. If a fee basis is used for compensation purposes, all excess balances will be swept to the designated minimum transfer level for the fund utilized.

The Entity(ies) may be required or may desire to open additional accounts or change account types during the contract period.

- a. Fully describe the bank’s sweep mechanisms giving options but focusing on the bank’s most cost effective structure to institute a sweep. Can the process sweep from a master account with a supporting ZBA structure or from individual accounts?
- b. How is interest distributed in both of the sweep processes described in (a) above?
- c. Are any daily or periodic transactions or internal transfers required by the Entity(ies) to accomplish the sweep under any condition? Describe fully.
- d. How and when is the interest from sweeps credited to the designated account(s)? Does the transaction appear as a daily transaction or is interest simply booked at month-end?
- e. Is the sweep made at the end of the business day or are funds held overnight at the bank before the sweep takes place? If the sweep is not made as the last transaction of the business day, how are funds collateralized overnight? If not swept as the last transaction of the business day, at what rate do these overnight funds accrue interest before the sweep and how is that interest accrued and reported? What are the collateral implications?
- f. State whether the FDIC assessments will be assessed against the accounts. If so, when and at what current rate?
- g. Provide the proposed rate basis for any type of interest bearing account (such as the 3-month Treasury bill or Fed Funds).
- h. Interest earned on interest bearing accounts shall not be charged as an expense on the account analysis. **Confirm agreement to this provision.**

3.2.8 Collection and Deposit Services

Standard commercial deposit services are required. Deposits will be made from various departments and locations within the organization. Daily deposits will vary in size and breakdown as indicated on the Attachment A (Section 3.5) volume detail. The Entity uses Rochester for coin and currency deposits to the vault. If the awarded bank has a relationship with a different provider than Rochester, the Entity(ies) is willing to use the bank's service company if it is cost-favorable.

Because of the variations in deposit fees and their application by different banks, a question on the following page is included for the bank to price a hypothetical sample deposit based on a branch and vault deposit to facilitate a valid comparison between banks.

In general, deposits from various departments will consist of checks, strapped currency and loose coin. A large amount of coinage is deposited by several departments. No department in the Entity(ies) encodes checks. Encoding charges should be clearly designated if charged, although remote deposit services will be emphasized in all departments.

Merchant services may be incorporated with this RFP, and **the Entity(ies) wish to understand the nature and pricing structures for merchant services to the awarded bank.** Please include any information on merchant services in your response.

The Entity(ies) requires same bank day credit on all coin and currency deposits, and on-us checks. All cleared deposits received by the bank's established deadline, and in accordance with the availability schedule must be processed in accordance with that availability schedule or an expedited schedule, if offered. The bank shall guarantee immediate credit on all incoming wire transfers and ACH transactions. Failure to credit Entity(ies) accounts in a timely fashion will be termed an event of default and require interest payment reimbursement to the Entity(ies) at the then-current daily Fed Funds rate.

- a. Are there any restrictions involving branch or banking center deposits such as maximum funds deposited? Please describe.
- b. What is the bank's daily cut-off time, by location, to assure same day ledger credit at (a) banking center or branch, (b) vault, or (c) remote? Are any deadlines modified for check only deposits? Specify by location.
- c. Does the bank require or give preferential pricing for strapping and/or rolling? What are the requirements for separating cash and checks if any? Is rolling of coin required?
- d. Is there any limit to the number of deposits in one bag? Is each deposit handled on separate advices?
- e. Define the bank's categories for check and cash deposits (standard, Fed standard, non-standard, etc.)
- f. When and how are credit/debit advices sent to the Entity(ies)? Are these advices available online? When? Are images included with each advice? Provide a sample.
- g. Does the bank capture account and location on the deposit advices? Is location reporting available? Describe.
- h. What level of reporting is given on received items? (check number, dollar amounts, value dates, transaction codes, image, etc.)
- i. Can change orders be processed at both the branch locations and vault locations? Are change orders placed online? What is the required turn-around time on change orders?
- j. Are all deposited checks imaged and reported online?
- k. Describe the bank's return item processing. Are returned items imaged and available online?

- l. Does the bank identify and adjust all discrepancies at the branch and the vault? If so, at what levels? How are adjustments charged or reported?
- m. What method is used for delivery of adjustment notices?
- n. How and when does notification occur on return items? List the elements reported on returns. Does the bank have a separate returns reporting module or process?
- o. What type of deposit bags are used or required? Are these available through the bank at cost? What is the cost of the poly-seal deposit bags?
- p. Is immediate verification used on receipt of all deposits at branch/banking centers?
- q. When and how is provisional credit given? If provisional credit is given on deposit, when does verification occur?
- r. Are any deposits or credits delayed for any reason? Describe any expedited availability offered.
- s. Describe the bank's standard return and re-clear processing. List any requirements

- t. Include a list of all the bank's deposit locations and deposit alternatives within The Entities.
- u. Does the bank participate in any smart safe program? Please provide information on how you would suggest implementing a smart safe at any of our department locations.
- v. Cost out the following described deposit as if (i) made at the vault, (ii) at the banking center, and (iii) as a night deposit.
- w. Describe in detail the merchant services products your institution can offer, including platforms, third party vendors, etc..

Average # of Deposits per Month

HFC: 20

RDA: 5

CLT: 80 will be increasing

TIRZ:

Average # of disbursements per month:

HCHFC: 30

RDA: 15

CLT: 5

TIRZ: 0 - 15

Average # of ACH's per month

HFC: 40

RDA: 0- 15

CLT: 0

TIRZ: 0

Average # of Wire per month

HFC: 40

RDA: 0- 15

CLT: 0

TIRZ: 0

3.2.9 Remote Electronic Check Acceptance and Conversion

The Entity(ies) is interested in expanding and/or establishing remote point-of-sale check acceptance and back-office conversion including deposit of both consumer and commercial checks at all Entity(ies) department locations. Remote deposit operations are currently used by Lubbock Power & Light (Entity(ies) of Lubbock Utilities).

- a. Describe the bank's remote deposit capabilities at point-of-sale and in a back office conversion process. Are images quality checked at input to reduce posting errors? Does the bank provide remote deposit processing currently?
- b. Can batches be calculated and deposited at multiple times during the business day? What is the final cut-off time for batch deposit? Are there any limitations on batch size (minimum or maximum)? Any limit to number of transmissions per batch or day?
- c. How are deposits charged? Is there a charge per transmission and detail item per transmission?

- d. How is notification of a remote transmission reject made and to whom?
- e. Are there any dollar limits on checks accepted through remote deposit?
- f. List the bank's authorized scanners.
- g. What options does the Entity(ies) have in obtaining scanners for use with the process? Is this equipment available through the bank as a purchase or a lease? Describe and price any lease or sale options.
- h. Describe and provide a sample of the batch reports provided.

3.2.10 NSF Processing and RCK

Currently all Entity(ies) NSF checks are automatically re-deposited. None of the Entity(ies)'s institutions currently use RCK. The Entity(ies) would like to explore the use of redeposit of NSF checks by ACH (RCK) in order to improve collections. Complete information on both the standard NSF collection and RCK collection is required. Briefly describe:

- a. The bank's standard redeposit services for NSF checks.
- b. How many times are checks automatically re-deposited without RCK?
- c. After the second failed re-deposit, does the bank have a capability to push this to a collection service? Describe.
- d. Is the bank capable of processing RCK with the second presentment as an ACH debit on a targeted date? How long has it provided the RCK service?
- e. Does the Entity(ies) have the choice of the target date?
- f. What is the standard handling on items found to be ineligible for RCK processing?
- g. Give an example of the RCK advice and detail what information is given.
- h. How is information on returned checks processed by RCK reconciled to the original check deposit? Does the bank have a report or identifier that ties the two transactions?
- i. Can NSF returns be sent to another address or account from the original transaction? What options are available, if any?
- j. Is the standard NSF information and occurrence available online? Is the RCK processing online? Describe.

3.2.11 Disbursement Services

Standard disbursing services for all accounts are required to include the payment of all Entity(ies) payroll and employee checks without charge upon presentation. The Entity(ies) requires positive pay services for all its checks and check writing accounts. Payee positive pay is preferred.

The use of controlled disbursement accounts will not be considered by Entity(ies).

There will be dual electronic or dual hand-written signatures used for internal control purposes. No charges will be paid for special signature handling.

- a. When is daily check clearing information available online through intra-day reporting?
- b. The Entity(ies) requires that the bank shall cash free of charge all on-us checks for Entity(ies) employees regardless of the individual's account status with the bank. **Confirm agreement with this condition.**
- c. Describe any payment consolidation services available. Describe the processing and clearing schedules and provide the expected float and processing savings. Provide examples of the reports or online information provided.

3.2.12 Positive Pay and Reconciliation

To safeguard against fraudulent checks, positive pay is required on all Entity(ies) accounts. The Entity(ies) requires positive pay services with complete indemnification for fraudulent checks. Payee positive pay is preferred.

Currently, check register information is transmitted to the banks over the web. The bank's proposal must provide a fully automated and web compatible transmission process. Transmissions will be made as part of each check run. Manual check information should be able to be entered and transmitted online.

The Entity(ies) will combine positive pay services with either partial or full reconciliation services wherever cost effective and feasible.

- a. What elements are validated on the bank's positive pay processing?
- b. Describe data transmission requirements for check registers.
- c. Is positive pay input for manual checks available online? Describe fully.
- d. Is exception reporting and handling managed totally online? Describe.
- e. Does the bank review exceptions such as encoding errors for possible repair before creating a Entity(ies) exception item?
- f. How are positive pay exceptions reported to the Entity(ies)? (alerts, emails, etc?)
- g. At what time are exceptions reported, and at what time are decisions required at the bank?
- h. How can check records be changed or deleted by the Entity(ies), if necessary? Can changes be made by ranges?
- i. Are all checks, including those received over-the-counter ("OTC") by the tellers, verified against the positive pay file before processing? How often is teller information updated? If not immediately verified, when is verification made?
- j. What options are available on default disposition for exceptions? Does the bank have an option allowing a 'hold for research' category?
- k. Can the bank provide fraud control paper check stock?

3.2.13 Account Reconciliation

The Entity(ies) requires availability of both partial and full reconciliation services, combined with positive pay, on accounts with the possible exception of those accounts established for extremely low volumes.

- a. Describe the bank's partial and full reconciliation services, including reports and online information.
- b. Describe the bank's account reconciliation product ("ARP"), especially for use with manual entries.
- c. How much flexibility is there for bank systems to interface with existing in-house systems? What support will the bank provide on transition?
- d. Specify reporting alternatives and provide samples. What categories do the ARP statements include? Are there optional or client defined reports available? Do reports specify multiple locations? What sorting and subtotaling is available?
- e. When are reports available from partial and/or full reconciliation? How are reports provided - online or paper?
- f. Describe the product features including file layout requirements, imaging capabilities, and system requirements.

3.2.14 Funds Transfer and Wire Services

The Entity(ies) uses electronic transactions including ACH and wire as much as possible to reduce paper transactions, and will continue to increase the percentage and volume of transactions that are handled in this manner. Book internal transfers may be used by the Entity(ies). The Entity(ies) Policy requires all vendor checks over \$100,000 be made by electronic means if feasible. The Entity(ies) is exploring reducing this amount to use more electronic payment features.

Incoming wire transfers must receive immediate same day, collected credit. Wire initiation must be available online. Online wire and transfer monitoring is preferable but not required. The Entity(ies) will require compensation for delays caused by bank errors at that day's Fed Funds rate if the bank's deadlines are met.

- a. List the methods of wire initiation available. Provide a screen sample for initiation. Is information transmitted for wire initiation on a real-time basis? How is cancellation of a wire or transfer made?
- b. Is online wire monitoring available? Describe, including what online modules are required. Is monitoring real-time or delayed?
- c. If online monitoring is not used or unavailable, how is the Entity(ies) notified of incoming wires? When are wires posted?
- d. Describe the bank's repair parameters. Under what conditions would the bank not repair?
- e. Does the bank's Entity(ies) provide for batch processing of wires and transfers? If so what is the maximum?
- f. What back-up is available to the online process?
- g. Does the bank have CHIPS and SWIFT access for normal processing of international wires? Are international wires (incoming or outgoing) handled differently by the bank's systems? Specify all deadlines for international wires and transfers?
- h. How does the bank handle currency exchange rates on international wires? Is there a standard rate for the conversion? How does the bank address currency conversion? How are conversion rates set by the bank? Is there any conversion charge applied on wires (or any other transfer)?
- i. Is a paper follow-up transaction required in addition to any online wire or transfer transaction?
- j. Can the Entity(ies) require incoming wires in USD? If a wire is received in another currency, what is the procedure followed?
- k. Discuss the security provisions for wire transactions and transfer transactions. Does the Entity(ies) control the security administration? Is dual authorization required?
- l. Does the bank provide a matched/expected reconciliation service matching funds to file references?
- m. Is future dating of wires and transfers, repetitive and non-repetitive, available? How far in advance? When are future dated wires executed on the execution day?
- n. Is it possible to cancel a previously warehoused wire? How?
- o. Is the Fed reference number included on each wire and reported online? The complete trailer? Where is it reported?
- p. Does the bank have wire template storage? Under what conditions or limitations?
- q. State the bank's policy on the use of ledger balances for outgoing wires in anticipation of known daily activity or incoming wires.

3.2.15 ACH Services

ACH services are required for The Entities. The Entity(ies) continues to move toward more complete and active use of ACH in both collections and disbursement. Throughout the Entity(ies), ACH is currently used for direct deposit and some vendor payments or collections. The Entity(ies) does not have a mandatory direct deposit policy but actively encourages its employees to move to

direct deposit.

Use of ACH for outgoing vendor payments and incoming customer collections is currently limited but increased use is a goal of the Entity(ies). The Entity(ies) has set a goal for payment of all vendor payments over \$2,500 by ACH during this contract period.

The Entity(ies) requires a pre-notification on all new addresses.

- a. Is online ACH service fully available online for individual transactions as well as batch transmission? What are the cut-off times?
- b. What are the processing parameters for international ACH transactions? Describe any differences between these transactions and domestic ACH.
- c. Can the bank offer any service which allows ACH debits to Entity(ies) accounts without release of the actual account numbers being debited for protection of the Entity(ies)?
- d. State book transfer requirements and limitations.
- e. Does the bank offer weekend processing for Monday effective date?
- f. What is the policy on, and handling of ACH returned items?
- g. Can ACH items be future dated? International transactions?
- h. Can modifications be made on transactions submitted and warehoused for transmission? How?
- i. What specific ACH filters and blocks are available? Define and describe all the bank's fraud filter options. How are filters customized?
- j. Are ACH addenda shown in their entirety online and on reports (which ones) and statements? Any size limits on addenda?
- k. Does the bank routinely pre-note? Is the pre-note charged as a standard ACH transaction?
- l. How does the bank advise customers of changes in NACHA rules?

3.2.16 Collateral Requirements

All collateral for Entity(ies) deposits is managed and monitored by The Entities Finance Division. The Entity(ies) will continue to have all collateral managed by Finance under this contract. Collateral will be monitored at the Entity(ies) level, with daily balance and collateral information in the Entity(ies)'s Finance Division. The Entity(ies) is interested in minimizing collateral risk and instituting the ability to monitor collateral across all accounts daily.

Authorized collateral must be pledged against the total collected deposits of the Entity(ies), above the FDIC coverage, at a margin of 102% in marketable value. Requirements beyond the Public Funds Collateral Act, as stated below, must be agreed to and met by the bank on an on-going basis.

The proposal must state agreement to the following terms and conditions.

- a. All collateral pledged to the Entity(ies) must be held in an independent third-party bank outside the holding company of the bank.
- b. The DA shall be executed between the Entity(ies) and the depository in compliance with FIRREA (Financial Institutions Resource and Recovery Enforcement Act) and shall require a specific bank resolution. If the custodian is to be the Federal Reserve, an executed copy of the Federal Reserve's Circular 7 will be an addendum to the DA.
- c. All collected deposits will be collateralized with a minimum of a 102% margin of principal plus accrued interest at all times, net of FDIC insurance coverage.
- d. The bank will be contractually liable for the continuous monitoring and maintaining of collateral at the Entity(ies)'s required margin level on a daily basis. The Entity(ies) will monitor for its own review and assurance purposes only.

- e. Pledged collateral will be evidenced by original safekeeping receipts/reports sent directly to Entity(ies) from the custodian. The Entity(ies) shall receive a monthly report (electronic format preferred) of collateral pledged including description (CUSIP) and par on each security from the custodian.
- f. Substitution rights will be granted if the bank obtains the Entity(ies)'s prior written approval, if margins are maintained, and if substituting securities are received before previously pledged securities are removed from safekeeping.
- g. If online monitoring of collateral at the custodian is provided, substitution approval *may* be waived.
- h. Repurchase agreements, surety bonds, and letters of credit are not acceptable collateral.
- i. Authorized collateral includes only obligations of the United States or its agencies and instrumentalities including mortgage backed securities and CMO passing the bank test.
- j. **State the bank's full acceptance of each of the collateral conditions listed above in this Section.** If there are any exceptions to the conditions state them clearly. The Entity(ies) does not intend to change or waive any of these conditions.
- k. Does the bank have the capability to consolidate collateral reporting for all accounts daily? Describe any functions/system tools that could be used for central collateral monitoring.
- l. Describe the Entity(ies)'s ability to monitor collateral online, including market value.
- m. What institution will act as custodian?
- n. Does the bank propose any collateral charges, if so how is the charge applied?

3.2.17 Stop Payments

The Entity(ies) is trying to reduce stop pays and is exploring methods to reduce their occurrence. The bank will be required to provide an automated stop pay process.

- a. How are stop pays created? How long do standard stop pays remain in effect?
- b. How are renewals handled by the Entity(ies)? How long do renewals remain in effect?
- c. What is the deadline for same day action on stop pays?
- d. Describe the online process for creating and renewing stop pays?
- e. Is a paper follow-up document required at any time?
- f. Will the teller and clearing systems verify the check status before accepting a stop pay? How many months backward will the research extend on stop pays OTC?
- g. What information on current and expiring stop pays is available online?
- h. Does the bank have ideas or processes to reduce stop pays? Can the positive pay process be used to cancel the check instead of using a stop pay? Describe.

3.2.18 Account Analysis

Monthly account analysis reports must be provided for each account and on a consolidated account basis. Within five business days of receipt of the monthly account analysis, and pending subsequent review and approval of the fees by the Entity(ies), the bank may direct debit the designated account for fees due, if compensation is being calculated on a fee basis.

If the Entity(ies) chooses to use a compensating balance basis at any time, the analysis will require a semi-annual carry-over of charges, at a minimum.

A complete account analysis will be required monthly, regardless of the payment basis. The Entity(ies) prefers electronic copies of this analysis.

- a. Provide a sample account analysis including fee/compensation balance calculation basis.
- b. Can the bank provide an account analysis to The Entities consolidating all accounts? If so, describe fully.
- c. Is the analysis available online for each account? When?
- d. Will there be any additional invoice required in addition to the account analysis on either a fee or compensating balance basis for service fees due? Explain.
- e. How long are analyses maintained online?
- f. Confirm agreement to the carry-over provision.

3.2.19 Monthly Statements

The bank must provide monthly account statements on each account with complete supporting documentation on a timely basis to the Entity(ies). All accounts are to be on a calendar month cycle. Timeliness of statements is critical.

- a. Describe the bank's monthly statements and provide a sample.
- b. Are the statements available online? When? Are paper statements provided free of charge? What constitutes an "additional statement rendered"?
- c. When are paper (or downloadable) reports available monthly?
- d. How long are statements maintained and accessible online? Are they archived?

3.2.20 Account Executive and Support Teams

The Entity(ies) considers the service provided to the Entity(ies) by the bank as a critical factor in the ongoing contract.

To ensure a smooth contract implementation and continuation of timely responses on all services, one central account executive team must be assigned at the holding company level to coordinate and oversee the entire Entity(ies) relationship and work with the Entity(ies) Finance Division. The bank's account executives should be available to meet with Entity(ies) staff on banking matters as needed and at a minimum semi-annually to review services and new technologies.

- a. Describe the structure for support to be provided by the bank to the Entity(ies) on an on-going basis. Explain how this support level will address problems and promote ongoing communications.
- b. Will experts in various service components be available to the Entity(ies) for current and new service review? How?
- c. Provide the name and title for all the bank's proposed account executives at the Entity(ies) level.
- d. How are technical system problems, questions, or changes tracked and how are they to be assigned and handled?
- e. How are daily operational difficulties, questions, and changes to be handled and assigned?
- f. What kind of support is available after business hours and on weekends?

3.2.21 Overdrafts

The Entity(ies) will make every effort to avoid and eliminate intra-day and over-night overdrafts. However, in the event a check or checks are presented for payment on any Entity(ies) account with insufficient funds available for payment, the Entity(ies) will require the bank to pay said check or

checks and promptly notify the Entity(ies)'s designated representative of the existence of the overdraft situation. The Entity(ies) agrees to cover the overdraft within a maximum of one business day. **Confirm agreement to the overdraft provision.**

- a. Are all accounts aggregated for overdraft calculation purposes? Are there any limitations on or exceptions to the aggregation?
- b. What process occurs on intra-day or overnight overdrafts?
- c. State the rate basis for overdrafts as well as the fee charged per occurrence.

3.2.22 Community, Economic Development & Philanthropy

It is the Entities' desire to understand your institution's level of philanthropy and engagement within the community and clients you work with. Responses should include an exhibit listing its past initiatives and future pledged initiatives that the Entity(ies) may leverage in its relationship with your institution.

For example you may present state the nature of your community reinvestment act (CRA) activities and contributions that have made a tangible and measurable impact to Harris County residents.

If applicable please identify past affordable housing and community development investments you have made (interim or permanent financing of workforce housing, LIHTC Financing, mortgage lending, or targeted retail lending to LMI consumers, etc.). State the nature of the "benefit" provided in those transactions.

Looking forward, please state your institutions plans to make available loan products, or other measurable investments in the Community (Financing for Homeowners who participate in the HC Community Land Trust, or Developers who are engaged in the production Mixed Income Multi-family developments, or other mixed use developments that might be considered "community & economic development in nature typically including housing, retail, medical and/or supportive services facilities).

3.2.23 Credit and Procurement Products

Please describe what access we might have to your institutions credit products including but not limited to procurement credit cards, lines of credit and other similar products.

Responses must **include a description of these products and their pricing models, including fees and indices for rates, if applicable.**

3.2.24 Retail, Wholesale Lockbox and/or Online Deposit Services (Electronic and Traditional)

The Entity(ies) may choose to use online depositing services, electronic online lockbox services or traditional lockbox services for its clients/customers and certain revenue collections. The bank should answer each of the following questions for each of its lockbox facilities/modes (as applicable) which would be and should reference and differentiate wholesale, retail or image lockbox services.

- a. Define and describe the bank's alternatives for online image deposits, wholesale, retail, and image lockboxes and which is recommended for the Entity(ies).
- b. Can deposits be made by cell phones, scanners, or other modes?
- c. Does the lockbox service include any assistance necessary for remittance design? Have the changes in lockboxes created any new design elements/alternatives for remittance documents?
- d. Describe the flow and processing at the facilities. Describe the major components of the overall process focusing on funds availability and quality control. How many

- e. deposits are made daily? Is there an additional charge for multiple deposits? Describe the different methods by which deposit and balance information is made available.
- f. Is image processing currently available? Are there additional imaging costs for each item (check and remittance document)? Is there a separate fee assigned for the transmission of images and the transmission itself?
- g. Can the bank combine multiple deposits to a single ledger credit for statement purposes? Can you provide the multiple deposit information?
- h. In the case of system failure, what are the back-up arrangements for processing? What delays would be expected in such a situation? What were the facility downtimes for the prior year?
- i. Who retains the liability for the deposit while in process?
- j. On any given day, at what time can the bank report the total amount to be credited to the designated account? Does this include same-day; one-day float information?
- k. Discuss any planned enhancements to the systems.

3.3 Merchant Services

Most frequently the HC Community Land Trust accepts monthly rental/lease payments from rental customer households participating in Land Trust funded programs. At times these customer will request to make their payments using a bank credit or debit card. Typically, these customers of the Land Trust will utilize Visa, Mastercard, Discover, American Express and/or Bank sponsored debit cards. Please provide and describe the following:

- a. Do you currently offer merchant card processing services? What interface format(s) does your system supply?
- b. Describe the fee components of a merchant card processing relationship. This must include a list of all the fees to us. State the association fees, the discount rates, and your fee per transaction.
- c. Do you have software that allows online payments to us through your portal?
- d. Describe POS equipment fees for our in office use, if applicable.
- e. Describe the reporting functions and data availability.
- f. Describe the authorization method or process used. How are incorrect authorizations reversed?
- g. Describe your debit card processing capabilities. Do you distinguish between debit and credit cards on your bank identification number (BIN)? Can you program a debit card to the lowest cost network?
- h. Describe your transmission process. Describe the monitoring and notification process if transmissions fail.
- i. Is data imaging available online? What is available online? When? For how long?
- j. Describe the dispute resolution process.
- k. Describe your security measures for Internet transactions and unauthorized use.

3.4 Housing and Community Development Loan Products

The entities are interested in learning about the types and nature of development loan products your financial institution offers and participates. Please describe any developmental lending your institution routinely engages such as gap, or interim/bridge financing, permanent financing, construction lending and guaranteed agency loans. Describe or explain whether your institution invests in Low Income Housing Tax Credits or any other similar community development tax credits e.g.(Historic and New Market Tax Credits). Alternative Banking Services

The Entity(ies) is always investigating new processes to streamline internal operations. The bank should use this Section (section 3.4) to illustrate any alternatives and new services that it feels would benefit the Entity(ies) such as extended e-payables and e-receivables services.

3.5 Fraud Prevention and Cybersecurity

Please describe the fraud prevention measures your institution employs, including specific tools, technologies, and processes. Additionally, outline your capabilities in detecting, preventing, and responding to fraudulent activities, as well as any ongoing monitoring services you provide.

3.6 Integration with Accounting Systems

Please describe your capability to integrate with our existing accounting system, QuickBooks PremierPlus 2024, Include details on the integration process, supported features, data synchronization, and any potential limitations or customization requirements.

3.7 Other Optional Banking Services

Additionally, the entity(ies) continues to investigate and evaluate other optional and new services for inclusion under its banking services contract. The services in this Section 3.7 are not required by the Entity(ies) but will be evaluated in terms of availability, feasibility, service levels available, and proposed fees for potential future use under the banking contract. Availability of service and cost will be a secondary consideration in the evaluation of the primary required services since these optional services are not required. Examples of other optional products might include the establishment of a Line of Credit from which each of our entities might access for cash flowing project costs, or short and long term loan notes tied to development investments of the entities. If your institution wishes to provide these types of services and products, please provide a complete list of the product(s), and describe the methodology of pricing the product(s), indices used and the spread between the index for each. State whether there are any origination or servicing fees associated with each, and any other financing costs the institution would require.

The Entity(ies) reserves the right to accept or reject optional services offered. If the optional service is initiated later in the contract period, the services and charges stipulated in the bank proposal in response to this RFP will be applied.

If the bank does not currently offer the service, prefers not to include it in their proposal, or is planning to make it available during the contract period, the bank should so stipulate. If the service is planned for a future release date, an approximate release date should also be noted.

3.8 Timeline

The bank shall provide the proposed detailed timeline for implementation of the DA including the actions required by both parties and assignment of responsibilities during implementation.

Attachment A –Proposed Bank Fees

The Entity(ies) expects to obtain its banking services primarily on a fee basis. However, the Entity(ies) reserves the right to utilize either a fee basis or compensating balance basis (or a combination of each) as its payment methodology at any time under the DA in order to respond to changing interest rate environments. With the current rising rates, and the ECR is lower than outside investment options, the Entity(ies) will give priority to a bank offering a fee basis. But, if rates decrease, the Entity(ies) will reserve the right to switch to a compensating balance basis (or a combination of each fee basis and compensating balance basis).

The Entity(ies) reserves the right to change the contract payment methodology upon no less than 30 days written notice to the bank with the change commencing the first of the following month. Changes would be made primarily to react to changing interest rates and the corresponding rates offered by the banks on sweep options and earning credit rates. In general, compensating balances would only be used if earning credit rates exceed other investment/sweep options by ten (10) basis points over time.

The Entity(ies)'s Chief Financial Officer will notify the bank of the payment methodology to be used for the Entity(ies). The Entity(ies)'s Chief Financial Officer will be the main point of contact for contractual, legal, and operational issues during the contract period. Monthly account analyses for every account will be sent to either The Entities or Lubbock Power & Light. A consolidated account analysis shall be sent to the Entity(ies) Finance Division as discussed in Section 3.2.19.

Attachment A contains the detail monthly volume history for a twelve-month period. Since this information is available, no account analyses will be made available to any bank. It is critical that each bank proposal contain the following information:

- ✓ Every fee and fee category required to provide the required and optional services on the Attachment must be stipulated. Fees not so stipulated will not be paid during the contract period. New services will be charged at not more than the then-current published rate which will be negotiated with the Entity(ies)'s Finance Division.
- ✓ Service fee nomenclature differs significantly between banks, so where possible, the generic name for the service has been provided on the Attachment. To further enable clear and accurate comparisons, the **AFP number** should be provided for each line item on the bank's proposal. If an internal number will be used in connection with the service on an ongoing basis it should be included also in the note or description areas.
- ✓ The units used by banks also vary (especially in areas of deposits and vault services). The bank should be cautious on the Attachment to clearly indicate the unit of measurement to be used.

Attachment B – Historical Bank Earning Rates

Attachment B should be completed to indicate the bank's historical rates over the past twelve months. If any specific rate basis (index) is used for the setting of these rates, it should be noted as well as any future basis or floor to be used on the various types of accounts.

Attachment C - Depository Agreement and Entity(ies) Services Addenda

The Entity(ies)'s DA to be executed will be negotiated with the awarded bank. The DA will be executed between the bank and the Entity(ies) and will supersede all attachments. The following documents will be attached to and become part of the DA in the order of priority listed below:

1. The Entity(ies) Request for Proposal (RFP) dated May 16, 2025.
2. The Bank Response to the RFP dated June 30, 2025 including set fees.
3. All Bank Service Terms and Conditions delineating particular service requirements.

The awarded bank will be asked to:

1. Provide a copy of **all** standard Terms and Conditions agreements for all services to be provided (even if not directly referenced or required in this RFP).
2. Note any desired changes to the DA. These changes, if accepted by Entity(ies), will be made and agreed upon before award of the banking services contract by Entity(ies) Council. List and explain the rationale for any changes.

SECTION 4

EVALUATION AND AWARD PROCESS

4.1 Evaluation Process

The Entity(ies) will use a proposal evaluation team for the evaluation of this RFP. The award will be based on the proposal judged to be in the best interest of the Entity(ies), and the judgment in this regard shall be considered final. Any Contract resulting from this request shall be awarded to the bank providing the best overall value to the Entity(ies).

4.2 Bank Acceptance of Evaluation Methodology

Submission of a proposal indicates bank's acceptance of the evaluation technique and recognition that some subjective judgments must be made by the Entity(ies) during the assigning of points.

4.3 Evaluation Criteria and Weights

Each proposal shall be evaluated on the ability to meet the Entity(ies)'s requirements and to provide the best value to the Entity(ies). Proposal shall be evaluated by assigning points to each of the items below.

The evaluation will be based on the following Entity(ies):

<u>Criteria</u>	<u>Points</u>
Cost of required banking services	20
Automated services (PosiPay, Interface, Treas Mgt Portal)	20
Earnings potential in differing account structures and rate scenarios	15
Financial strength of the institution & references	10
Credit and procurement card products.	10
Quality/Intensity Level of Treasury Mgt Services	10
Proposed Philanthropy & CRA Activities	5
Optional Service such as Loan/Lending Activities	5
Collateralization & Reporting of Collateral	5
<u>Total</u>	<u>100</u>

4.4 Oral Presentations/Interviews

Upon completion of the initial review and evaluation of the proposals submitted, selected proposers may be invited to participate in oral presentations. Oral presentations/interviews are an option of the evaluation team and may or may not be conducted; therefore, proposals should be complete.

4.5 Award Process

During the opening of proposals, proposals will be recorded to identify the names of the institution/bank but will be afforded security sufficient to preclude disclosure of the contents of the proposal, including prices or other information, prior to award.

After evaluation, an award may be made based on the proposal(s) initially submitted, without discussion, clarification or modification, or based on negotiation at the Entity(ies)'s sole option and discretion. The Entity(ies) may discuss or negotiate all elements of the proposal with any selected proposers.

4.6 Best and Final Offers

When deemed appropriate, after the submission of proposals but before the final selection of the successful proposal, the Entity(ies) may permit a proposer to revise its proposal in order for the Entity(ies) to obtain a best and final offer. The Entity(ies) will provide each proposer within the competitive range with an equal opportunity for discussion and revision of their proposal, and a proposer may elect not to amend their original proposal. The Entity(ies) is not bound to accept the best- priced proposal if that proposal is not the most advantageous to the Entity(ies) as determined by the evaluation team.

4.7 Award of Contract

The Entity(ies) reserves the right to award a DA for all, or any portion of the requirements proposed because of this request, or to reject any and all proposals if deemed to be in the best interest of the Entity(ies) and to re-solicit for proposals, or temporarily or permanently abandon the solicitation. If the Entity(ies) awards a DA, it will award based on the proposal(s) determined to be most advantageous to the Entity(ies), considering all price and the evaluation factors set forth in this RFP.

The Entity(ies) intends to negotiate and award a contract to proposer submitting a proposal that the evaluation committee determines best meets the Entity(ies)'s requirements and that is considered to represent the best value to the Entity(ies).

No contract resulting from this RFP will be exclusive and the Entity(ies) reserves the right to enter into one or more contracts covering the same or similar scope of services. The Entity(ies) may choose more than one vendor to perform the same or similar scopes of work or supplying of products.

