



## ADDENDUM #1

Date: January 3, 2020

Addendum Number: 1

RFP Description: Request for Proposals for Banking, Investment Management, Custodial, and Purchasing Card Services

Closing Date: January 17, 2020

Contact: Lesli Grimm, Chief Financial Officer

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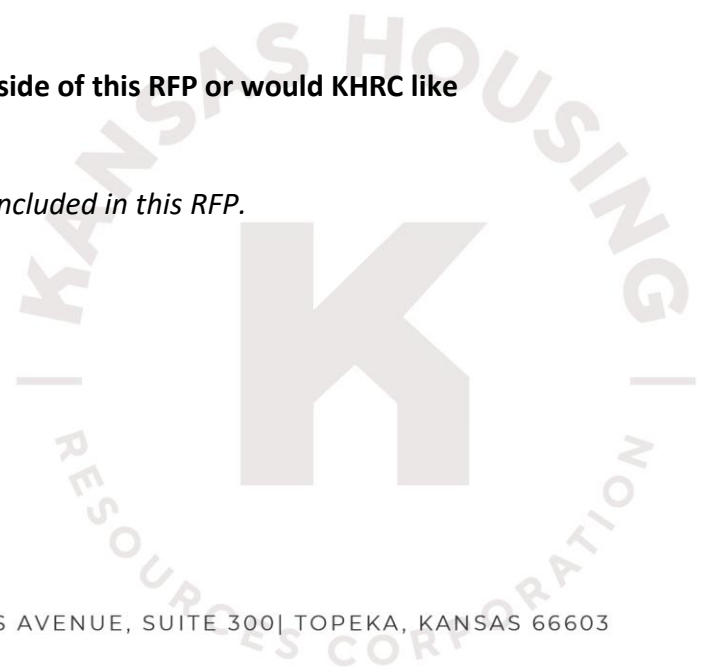
RE: Responses to vendor questions. There are no other changes at this time.

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### **Responses to Vendor Questions (7 Questions):**

- 1. Are the Payroll and Merchant services outside of this RFP or would KHRC like information about these services?**

*Our payroll and merchant services are not included in this RFP.*



**2. Would KHRC provide the names of the other banks invited to participate in this RFP?**

*Information about this RFP was posted on the website for general viewing, with personal invitations extended to the following institutions:*

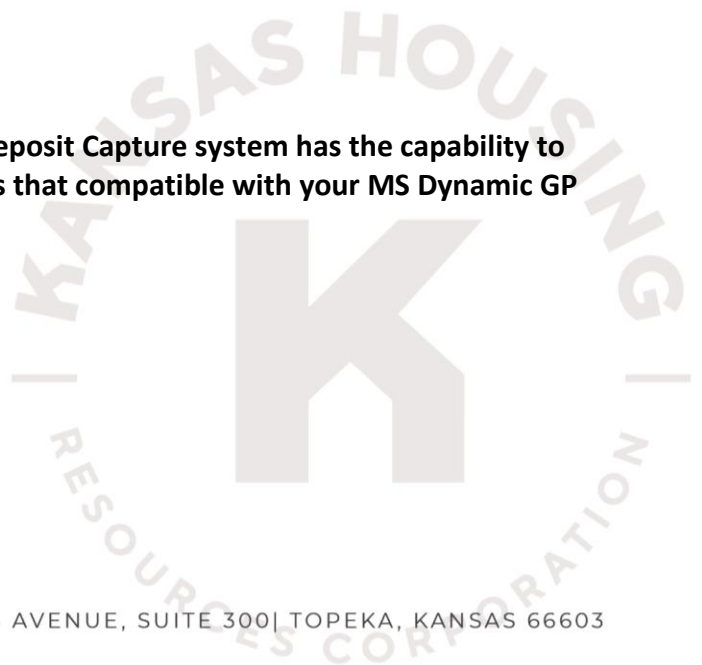
Alliance Bank
Capitol Federal Savings Bank
Central National Bank
Community National Bank
CoreFirst Bank & Trust
Denison State Bank
Equity Bank
Fidelity Kansas Bankshares
Heritage Bank
Intrust Bank
Kaw Valley State Bank and Trust
Landmark National Bank
Silver Lake Bank
UMB Bank
US Bank
VisionBank

**3. Regarding online banking capabilities – You requested electronic access to ‘other reports’. What type of reports might fall into this category?**

*Other reports would include such items as: End of Month Reconciliation Statement showing the Paid Checks & Miscellaneous Debits for the Month, ACH Detail Reports, Current Day Detail Reports, Prior Day Detail Reports, Selected Day Detail Reports, Payment Reports, ACH Return Reports, Paid Check Reports, etc.*

**4. Regarding remote deposit – Our Remote Deposit Capture system has the capability to generate deposit reports in a CSV format. Is that compatible with your MS Dynamic GP software?**

*Yes, CSV formats are compatible.*



5. **Investment Management Services – Regarding the limitation on collateralized deposits within your investment policy, are repurchase agreements exempt from this limitation? Also, would CDARS qualify as an acceptable investment option and is CDARS exempt from this limitation?**

*Our investment policy limits Certificates of Deposits (CD's) to 60% of our portfolio and Repurchase Agreements to 50% of the portfolio. Both CD's and Repurchase Agreements are subject to collateralization. The Certificate of Deposit Account Registry Service program (CDARS) would fall under the same investment policies as CD's. Thus, it would be limited to 60% of the portfolio, and the principal and interest at each institution would need to be below the standard FDIC insurance maximum or be collateralized.*

<b>Investment Type</b>	<b>Maximum Percentage of Portfolio</b>	<b>Maximum Maturity</b>
U.S. Treasury Securities	100%	5 years
U.S. Government Instrumentality Obligations	100%	5 years
Collateralized Certificates of Deposit	60%	5 years
Collateralized Repurchase Agreements	50%	90 days
Banker's Acceptances	15%	< 1 year
Commercial Paper	15%	< 1 year
Money Market Funds	80%	n/a
PMIB	100%	1 year

6. **Regarding the HOME Account, Section 8 HAP and the Housing Trust Fund – can you provide the monthly average account balances and peak balances?**

<b>Account</b>	<b>Monthly Average Collected Balance</b>	<b>Peak Balance</b>
<b>HOME</b>	\$91,292	\$195,841
<b>Section 8 HAP</b>	\$218,705	\$5,070,287
<b>Housing Trust Fund (ACH deposits transferred out to Operating Account on day of receipt)</b>	\$0	\$0

7. **Regarding Section 8 Contract Administration Payments – Current NACHA rules do not allow for items greater than \$25,000 for same day entries. This will increase to \$100,000 in early 2020. Are you wanting to initiate and settle on the same business day or are you wanting to initiate on the day that funds are received by you, with settlement on the following business day?**

*Section 8 Contract Administration Payments would be initiated the day the funds are received from HUD to settle the following business day.*

