

**REQUEST FOR PROPOSALS FOR
BANKING AND CASH MANAGEMENT SERVICES**

By

**Finance and Administration Department
Pennsylvania Turnpike Commission**

RFP NUMBER

12-10215-3819

(Amended Previous RFP 12-10215-3596)

DATE OF ISSUANCE

October 12, 2012

**REQUEST FOR PROPOSALS FOR
BANKING AND CASH MANAGEMENT SERVICES**

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***Exhibits are not part of the advertised RFP package. They are available to interested proposers by submitting a *written request on company letterhead* to the Contracts Administration Department (scanned letter submitted via email is acceptable). Please see Section I-9 and/or I-11 for contact information to submit request for exhibits.**

SUMMARY AND NOTIFICATIONS

Banking and Cash Management Services RFP 12-10215-3596 issued April 27, 2012 was cancelled on 07/25/2012 by the Pennsylvania Turnpike Commission.

Banking and Cash Management Services RFP 12-10215-3819 issued October 12, 2012 replaces RFP 12-10215-3596. The major differences between the two RFPs are summarized below:

- Average Monthly Volume counts on six (6) line items in Exhibit A, Tabs 1 and 2 have been changed. They are highlighted in the Exhibit A.
- Exhibit A, Tab 3 breaks out banking transactions for cash/coin processing for the Western Expansion roadways: Beaver Valley Expressway/Route 376, Amos K. Hutchinson Bypass/Route 66, Mon-Fayette Expressway/Route 43, and Findlay Connector/Southern Beltway/Route 576.
- Exhibit B includes a statement to require mapping the BAI2 Codes provided in Appendix A to the BAI2 Codes used by your organization.
- Exhibit C has been added to indicate volumes for Merchant Services.

Vendors wishing to bid on the Systemwide banking must complete Exhibit A, Tab 1. Vendors wishing to bid on a subset may complete Exhibit A, Tab 2 and/or Exhibit A, Tab 3.

New Technical and Pricing Proposals must be submitted i.e. proposals received for cancelled RFP 12-10215-3596 will not be reconsidered for RFP 12-10215-3819.

New and additional bidders are welcome to submit proposals.

IMPORTANT NOTE:

RFP 12-10215-3819 should be considered a new RFP. Changes are not limited to the changes listed above; all potential vendors should read the entire RFP.

PART I

GENERAL INFORMATION FOR PROPOSERS

I-1. Purpose. This request for proposals (RFP) provides interested Proposers with sufficient information to enable them to prepare and submit proposals for consideration by the Pennsylvania Turnpike Commission (Commission) to satisfy a need for Banking and Cash Management Services. Firms who responded to RFP 12-10215-3596 and other firms wishing to be considered for inclusion in providing this service should respond to this RFP in all respects.

I-2. Issuing Office. This RFP is issued for the Commission by the Finance and Administration Department.

I-3. Scope. This RFP contains instructions governing the proposals to be submitted and the material to be included therein; a description of the service to be provided; requirements which must be met to be eligible for consideration; general evaluation criteria; and other requirements to be met by each proposal.

I-4. Problem Statement. The Commission is seeking proposals for domestic banking and cash management services to include Collections and Cash Concentration, Disbursements and Payment Initiation, Information Reporting. International services are Check Processing and Foreign Exchange. A detailed work statement is provided in Part IV.

I-5. Type of Contract. It is anticipated that if a contract is entered into as a result of this RFP, it will be a fee for services with one or more banking providers. The Commission reserves the right to use multiple providers if that option better fits the Commission's needs. The Commission may in its sole discretion undertake negotiations with Proposers whose proposals as to price and other factors show them to be qualified, responsible, and capable of performing the work.

I-6. Rejection of Proposals. The Commission reserves the right to reject any and all proposals received as a result of this request, or to negotiate separately with competing Proposers.

I-7. Subcontracting. Any use of subcontractors by a Proposer must be identified in the proposal. During the contract period use of any subcontractors by the selected Proposer, which were not previously identified in the proposal, must be approved in advance in writing by the Commission.

A firm that responds to this solicitation as a prime may not be included as a designated subcontractor to another firm that responds to the same solicitation. **Multiple responses under any of the foregoing situations may cause the rejection of all responses of the firm or firms involved.** This does not preclude a firm from being set forth as a designated subcontractor to more than one prime contractor responding to the project advertisement.

I-8. Incurring Costs. The Commission is not liable for any costs the Proposer incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of contract.

I-9. Mandatory Pre-proposal Conference. A mandatory pre-proposal conference will be held **Wednesday, November 7, 2012 at 1:00 PM in the Large Board Room** at the Pennsylvania Turnpike Commission Central Office Administration Building, 700 South Eisenhower Blvd., Middletown Pa. The purpose of this conference is to clarify any points in the RFP, which may not have been clearly understood. Questions should be forwarded prior to the meeting to ensure sufficient analysis can be made before an answer is supplied. Written questions should be submitted by email to RFP-Q@paturndpike.com with **RFP 12-10215-3819** in the Subject Line to be received no later than **12:00 PM local time on Tuesday, October 30, 2012**. In view of the limited facilities available for the conference, it is requested representation be limited to **two (2)** individuals per Proposer. The pre-proposal conference is for information only. Answers furnished during the conference will not be official until verified, in writing, by the Issuing Office. All questions and written answers will be issued as an addendum to and become part of this RFP.

IF YOUR COMPANY HAS ALREADY ATTENDED THE FIRST MANDATORY PRE-PROPOSAL MEETING HELD MAY 22, 2012 FOR RFP#12-10215-3596 DATED APRIL 27, 2012, IT WILL BE OPTIONAL FOR YOU TO ATTEND THE ONE SCHEDULED FOR THIS NEW RFP.

IF YOUR COMPANY DIDN'T ATTEND THE FIRST MANDATORY PRE-PROPOSAL MEETING FAILURE TO BE REPRESENTED AND SIGNED IN AT THIS MANDATORY PRE-PROPOSAL CONFERENCE WILL BE CAUSE FOR REJECTION OF YOUR FIRM'S PROPOSAL.

I-10. Addenda to the RFP. If it becomes necessary to revise any part of this RFP before the proposal response date, addenda will be posted to the Commission's website under the original RFP document. It is the responsibility of the Proposer to periodically check the website for any new information or addenda to the RFP.

The Commission may revise a published advertisement. If the Commission revises a published advertisement less than ten days before the RFP due date, the due date will be extended to maintain the minimum ten-day advertisement duration if the revision alters the project scope or selection criteria. Firms are responsible to monitor advertisements/addenda to ensure the submitted proposal complies with any changes in the published advertisement.

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Wanda Metzger, on or before **12:00 PM local time on Thursday, November 29, 2012**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

Please note that use of U.S. Mail, FedEx, UPS, or other delivery method, does not guarantee delivery to this address by the above-listed time for submission. Proposers mailing proposals should allow sufficient delivery time to ensure timely receipt of their proposals. If the Commission office location to which proposals are to be delivered is closed on the proposal response date, due to inclement weather, natural disaster, or any other cause, the deadline for submission shall be automatically extended

until the next Commission business day on which the office is open. Unless the Proposers are otherwise notified by the Commission, the time for submission of proposals shall remain the same.

I-12. Proposals. To be considered, Proposers should submit a complete response to this RFP, using the format provided in PART II. Each proposal should be submitted in seven (7) hard copies and one complete and exact copy of the technical and cost proposal on CD-ROM in Microsoft Office or Microsoft Office-compatible format to the Contracts Administration Department. No other distribution of proposals will be made by the Proposer. Each proposal page should be numbered for ease of reference. **Proposals must be signed by an Official authorized to bind the Proposer to its provisions and include the Proposer's Federal Identification Number.** For this RFP, the proposal must remain valid for at least 120 days. Moreover, the contents of the proposal of the selected Proposer will become contractual obligations if a contract is entered into.

Each and every Proposer submitting a proposal specifically waives any right to withdraw or modify it, except as hereinafter provided. Proposals may be withdrawn by written or fax notice (fax number (717) 986-8714) received at the Commission's address for proposal delivery prior to the exact hour and date specified for proposal receipt.

Contracts Administration Department
Attn: Donald Klingensmith
Director of Contracts Administration
PA Turnpike Commission
700 South Eisenhower Blvd.
Middletown, PA 17057

However, if the Proposer chooses to attempt to provide such written notice by fax transmission, the Commission shall not be responsible or liable for errors in fax transmission. A proposal may also be withdrawn in person by a Proposer or its authorized representative, provided his/her identity is made known and he/she signs a receipt for the proposal, but only if the withdrawal is made prior to the exact hour and date set for proposal receipt. A proposal may only be modified by the submission of a new sealed proposal or submission of a sealed modification which complies with the requirements of this solicitation.

I-13. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP.

I-14. Discussions for Clarification. Proposers who submit proposals may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Proposer responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

I-15. Best and Final Offers. The Issuing Office reserves the right to conduct discussions with Proposers for the purpose of obtaining "best and final offers." To obtain best and final offers from Proposers, the Issuing Office may do one or more of the following: a) enter into pre-selection negotiations; b) schedule oral presentations; and c) request revised proposals. The Issuing Office will limit any discussions to responsible Proposers whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award.

I-16. Prime Proposer Responsibilities. The selected Proposer will be required to assume responsibility for all services offered in its proposal whether or not it produces them. Further, the Commission will consider the selected Proposer to be the sole point of contact with regard to contractual matters.

I-17. Proposal Contents. Proposals will be held in confidence and will not be revealed or discussed with competitors, unless disclosure is required to be made (i) under the provisions of any Commonwealth or United States statute or regulation; or (ii) by rule or order of any court of competent jurisdiction. All material submitted with the proposal becomes the property of the Pennsylvania Turnpike Commission and may be returned only at the Commission's option. Proposals submitted to the Commission may be reviewed and evaluated by any person other than competing Proposers at the discretion of the Commission. The Commission has the right to use any or all ideas presented in any proposal. Selection or rejection of the proposal does not affect this right.

In accordance with the Pennsylvania Right-to-Know Law (RTKL), 65 P.S. § 67.707 (Production of Certain Records), Proposers shall identify any and all portions of their Proposal that contains confidential proprietary information or is protected by a trade secret. Proposals shall include a written statement signed by a representative of the company/firm identifying the specific portion(s) of the Proposal that contains the trade secret or confidential proprietary information.

Proposers should note that "trade secrets" and "confidential proprietary information" are exempt from access under Section 708(b)(11) of the RTKL. Section 102 defines both "trade secrets" and "confidential proprietary information" as follows:

Confidential proprietary information: Commercial or financial information received by an agency: (1) which is privileged or confidential; **and** (2) the disclosure of which would cause substantial harm to the competitive position of the person that submitted the information.

Trade secret: Information, including a formula, drawing, pattern, compilation, including a customer list, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use; **and** (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The term includes data processing software by an agency under a licensing agreement prohibiting disclosure.

65 P.S. §67.102 (emphasis added).

The Office of Open Records has determined that a third party must establish a trade secret based upon factors established by the appellate courts, which include the following:

- the extent to which the information is known outside of his business;
- the extent to which the information is known by employees and others in the business;
- the extent of measures taken to guard the secrecy of the information;
- the value of the information to his business and to competitors;
- the amount of effort or money expended in developing the information; and
- the ease of difficulty with which the information could be properly acquired or duplicated by others.

See Crum v. Bridgestone/Firestone North Amer. Tire., 907 A.2d 578, 585 (Pa. Super. 2006).

The Office of Open Records also notes that with regard to “confidential proprietary information the standard is equally high and may only be established when the party asserting protection shows that the information at issue is either ‘commercial’ or ‘financial’ and is privileged or confidential, and the disclosure *would* cause substantial competitive harm.” (emphasis in original).

For more information regarding the RTKL, visit the Office of Open Records’ website at www.openrecords.state.pa.us.

I-18. Debriefing Conferences. Proposers whose proposals are not selected will be notified of the name of the selected Proposer and given the opportunity to be debriefed, at the Proposer’s request. The Issuing Office will schedule the time and location of the debriefing. The Proposer will not be compared with other Proposers.

I-19. News Releases. News releases pertaining to this project will not be made without prior Commission approval, and then only in coordination with the Issuing Office.

I-20. Commission Participation. Unless specifically noted in this section, Proposers must provide all services to complete the identified work.

I-21. Cost Submittal. The Cost Proposal Worksheet, Exhibit A, **must be completed** and used to identify all costs/expenses associated with the provision of the required services. **The cost submittal shall be placed in a separately sealed envelope within the sealed proposal and kept separate from the technical submittal.** Failure to meet this requirement **will result in disqualification of the proposal.**

I-22. Term of Contract. The term of the contract will commence on the Effective Date (as defined below) and will be for three (3) years from that date with options of up to three (3) one-year contract extensions. The Commission shall fix the Effective Date after the contract has been fully executed by the Contractor and by the Commission and all approvals required by Commission contracting procedures have been obtained.

I-23. Proposer’s Representations and Authorizations. Each Proposer by submitting its proposal understands, represents, and acknowledges that:

- a. All information provided by, and representations made by, the Proposer in the proposal are material and important and will be relied upon by the Issuing Office in awarding the contract(s). Any misstatement, omission or misrepresentation shall be treated as fraudulent concealment from the Issuing Office of the true facts relating to the submission of this proposal. A misrepresentation shall be punishable under 18 Pa. C.S. 4904.
- b. The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other Proposer or potential Proposer.
- c. Neither the price(s) nor the amount of the proposal, and neither the approximate price(s) nor the approximate amount of this proposal, have been disclosed to any other firm or person who is a Proposer or potential Proposer, and they will not be disclosed on or before the proposal submission deadline specified in the response section to this RFP.

- d. No attempt has been made or will be made to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- f. To the best knowledge of the person signing the proposal for the Proposer, the Proposer, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as disclosed by the Proposer in its proposal.
- g. To the best of the knowledge of the person signing the proposal for the Proposer and except as otherwise disclosed by the Proposer in its proposal, the Proposer has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Proposer that is owed to the Commonwealth.
- h. The Proposer is not currently under suspension or debarment by the Commonwealth, or any other state, or the federal government, and if the Proposer cannot certify, then it shall submit along with the proposal a written explanation of why such certification cannot be made.
- i. The Proposer has not, under separate contract with the Issuing Office, made any recommendations to the Issuing Office concerning the need for the services described in the proposal or the specifications for the services described in the proposal.
- j. Each Proposer, by submitting its proposal, authorizes all Commonwealth agencies to release to the Commission information related to liabilities to the Commonwealth including, but not limited to, taxes, unemployment compensation, and workers' compensation liabilities.

I-24. Insurance.

A. General. Before the execution of a Contract, Provider must provide the Commission with certificates of insurance evidencing the coverage required acceptable to the Commission, as described below. Have all policies endorsed to contain the following clause: "Thirty (30) days written notice of any cancellation, non-renewal, limit or coverage reduction is to be sent to the Commission by Certified Mail." The preceding is subject to existing Commonwealth of Pennsylvania statutory cancellation provisions relating to non-payment of premium and misrepresentation by the insured. Maintain the insurance described herein for the entire duration of the Contract. All insurance policies must be written by an Insurance Company licensed and/or authorized to do business in Pennsylvania and acceptable to the Commission having an A.M. Best's rating of no less than A-, with a financial size category of IX, or

better. Have all insurance policies and certificates signed by a resident Pennsylvania Agent of the issuing Company. However, in the case of an eligible surplus lines insurer, have all policies and certificates also signed by a party duly authorized to bind, on behalf of the eligible surplus lines insurer, the certified coverage's.

B. Commercial General Liability Insurance. Commercial general liability insurance (CGL) with limits not less than \$1,000,000 each occurrence with a \$2,000,000 aggregate. If the CGL contains a general aggregate limit, it shall apply separately each site or location. CGL insurance shall be written on the Insurance Services Office Inc. (ISO) occurrence form CG 00 01 12 07 (or substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under contract (including the tort liability of another assumed in a business contract but not including breach of contract damages).

C. Business Auto Liability Insurance. Business auto liability insurance with a limit of not less than \$1,000,000 each accident. Such insurance shall cover liability, including bodily injury or death and property damage, arising out of any auto (including owned, hired, and non-owned autos). Business auto coverage shall be written on the current ISO form or a substitute form providing equivalent liability coverage.

D. Worker's Compensation and Employer's Liability Insurance. Take out, pay for and maintain during the life of the contract, Worker's Compensation Insurance in statutory required limits for the protection of all employees. Provide, pay for and maintain during the life of the contract, Employer's Liability Insurance in limits of not less than \$100,000 bodily injury each accident, \$500,000 bodily injury by disease- Policy Limit, and \$100,000 bodily injury by disease each employee

E. Professional Liability Insurance. Insurance coverage for Errors and Omissions (Professional Liability Insurance) in an amount not less than \$1,000,000. Insurance shall be provided on a form acceptable to the Pennsylvania Turnpike Commission.

PART II

INFORMATION REQUIRED FROM PROPOSERS

Proposals must be submitted in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Any other information thought to be relevant, but not applicable to the enumerated categories, should be provided as an appendix to the proposal. Each proposal shall consist of two (2) separately sealed submittals. The submittals are as follows: (i) Technical Submittal, in response to Part II-1 through II-8 hereof; (ii) Cost Submittal, in response to Part II-9 hereof.

The Commission reserves the right to request additional information which, in the Commission's opinion, is necessary to assure that the Proposer's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Commission may make such investigations as deemed necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to the Issuing Office all such information and data for this purpose as requested by the Commission. The Commission reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the Commission that such Proposer is properly qualified to carry out the obligations of the agreement and to complete the work specified.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Provide a brief description of how your firm is organized, including the businesses in which it is engaged, the location of offices, the number of bankers in each office and any recent significant changes in your organization. Discuss your firm's presence in and commitment to the Commonwealth of Pennsylvania. Include a discussion of any specific expertise and services that distinguish your firm in regards to this assignment.

II-3. Work Plan. Describe in narrative form your technical plan, and also include your implementation and ongoing client service support models, for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person-hours allocated to each task.

II-4. Prior Experience. Include experience in banking and cash management services. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to should be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5 References. List at least three (3) state transportation agencies for which you provide similar services. Contact information for each reference listed is to be included. Provide at least one reference that receives BAI2 files and processes them in a SAP environment. If references are not available for state transportation agencies, three corporate references should be provided.

II-6. Personnel. Include the number, and names where practicable, of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the work. Include through a resume or similar document education and experience in banking and cash management services. Indicate the responsibilities each will have in this project and how long each has been with your company. Identify subcontractors you intend to use and the services they will perform.

II-7. Training. If appropriate, indicate recommended training of Commission personnel. Include the personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-8. Commitment to Diversity and Inclusion. The Turnpike Commission is committed to the diversity and inclusion of disadvantaged, minority, and woman business enterprise (D/M/WBE) business firms in contracting opportunities. Responding firms shall clearly identify D/M/WBE firms expected to participate in this contract, in their Proposal. Proposed DBE/MBE/WBE firms must be certified by the Pennsylvania Department of General Services (www.dgs.state.pa.us) or the Pennsylvania Unified Certification Program (www.paucp.com) at the time of the submission of the proposal. **If further information is desired concerning D/M/WBE participation,** direct inquiries to the Pennsylvania Turnpike Commission's Contract Administration Department by calling (717) 939-9551 Ext. 4241.

II-9. Cost Submittal. The information requested in this section shall constitute your cost submittal. The Cost Proposal Worksheet, Exhibit A, must be completed and used to identify all costs/expenses associated with the provision of the required services. **The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separate from the technical submittal.**

Proposers should **not** include any assumptions in their cost submittals. If the Proposer includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Proposers should direct in writing to the Issuing Office pursuant to Part I-9 of this RFP any questions about whether a cost or other component is included or applies. All Proposers will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis.

Any costs not provided in the cost proposal will be assumed as no charge to the Commission.

The selected Proposer shall only perform work on this contract after the Effective Date is affixed and the fully-executed contract sent to the selected Proposer. The Commission shall issue a written Notice to Proceed to the selected Proposer authorizing the work to begin on a date which is on or after the Effective Date. The selected Proposer shall not start the performance of any work prior to the date set forth in the Notice of Proceed and the Commission shall not be liable to pay the selected Proposer for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No Commission employee has the authority to verbally direct the commencement of any work under this Contract.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal shall be (a) timely received from a Proposer; (b) properly signed by the Proposer; and (c) formatted such that all cost data is kept separate from and not included in the Technical Submittal.

III-2. Proposal Evaluation. Proposals will be reviewed, evaluated, and rated by a Technical Evaluation Team (TET) of qualified personnel based on the evaluation criteria listed below. The TET will present the evaluations to the Professional Services Procurement Committee (PSPC). The PSPC will review the TET's evaluation and provide the Commission with the firm(s) determined to be highly recommended for this assignment.

The Commission will select the most highly qualified firm for the assignment or the firm whose proposal is determined to be most advantageous to the Commission by considering the TET's evaluation and the PSPC's determination as to each firm's rating.

Award will only be made to a Proposer determined to be responsive and responsible in accordance with Commonwealth Management Directive 215.9, Contractor Responsibility Program.

III-3. Evaluation Criteria. The following criteria will be used, in order of relative importance from the highest to the lowest, in evaluating each proposal:

a. Understanding the Problem. This refers to the Proposer's understanding of the Commission needs that generated the RFP, of the Commission's objectives in asking for the services and of the nature and scope of the work involved.

b. Proposer Qualifications. This refers to the ability of the Proposer to meet the terms of the RFP, especially the relevant experience of banking and cash management services. This also includes the Proposer's financial ability to undertake a project of this size.

c. Personnel Qualifications. This refers to the competence of professional personnel who would be assigned to the job by the Proposer. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on services similar to that described in the RFP. Particular emphasis is placed on the qualifications of the project manager.

d. Soundness of Approach. Emphasis here is on the techniques for collecting and analyzing data, sequence and relationships of major steps, and methods for managing the service/project. Of equal importance is whether the technical approach is completely responsive to all written specifications and requirements contained in the RFP and if it appears to meet Commission objectives.

e. Cost. While this area may be weighted heavily, it will not normally be the deciding factor in the selection process. The Commission reserves the right to select a proposal based upon all the factors listed above, and will not necessarily choose the firm offering the best price. The Commission will select the firm with the proposal that best meets its needs, at the sole discretion of the Commission.

f. Commitment to Diversity and Inclusion (D/M/WBE) Participation. This refers to the inclusion of D/M/WBE firms, as described in Part II-8, Participation may be measured in terms of total dollars committed or percentage of total contract amount to certified D/M/WBE firms.

PART IV

WORK STATEMENT

IV-1. Objectives.

a. General. The Commission is seeking a one-vendor or multiple-vendor solution for banking and cash management services.

b. Specific. The Commission's scope of services includes domestic banking and cash management services of Collections and Cash Concentration, Disbursements and Payment Initiation, and Information Reporting. International services include Check Processing and Foreign Exchange. Bank services such as Controlled Disbursement are currently not used by the Commission, but may be considered. Proposers should include information and recommendations on additional services in their proposal.

IV-2. Nature and Scope of the Project. The Commission is seeking proposals for domestic banking and cash management services to include Collections and Cash Concentration, Disbursements and Payment Initiation, and Information Reporting. International services are Check Processing and Foreign Exchange. The requested banking services are for the non-ETC (Electronic Toll Collection) aspects of the Commission's business.

IV-3. Requirements. Domestic banking and cash management services of Collections and Cash Concentration, Disbursements and Payment Initiation, and Information Reporting. International services include Check Processing and Foreign Exchange. Banking services are identified by AFP Code along with transaction volume in Exhibit A. Section IV-4 presents a high-level review of specific product or service customization requirements. This will also be reviewed at the Mandatory Pre-Proposal Conference (see Section I-9).

IV-4. Tasks. This section provides a high-level review of specific product or service requirements. These requirements will also be reviewed at the Mandatory Pre-Proposal Conference (see Section I-9).

a. Deposited Items Returned. Redeposit/Reclear of items is required. A detailed advice on the chargeback(s) is required when the item or IRD is returned.

b. Web-access Information Reporting and Payment Initiation Tool. Currently the following modules are used and the proposer should address: Previous Day Reporting of account balances and detail, Current Day Reporting of account balances and detail, ACH payment initiation, ACH Return/NOC reporting, Fedwire initiation, Stop Payment initiation, Paid check images, Lockbox reporting, Lockbox document image retrieval, Deposit item image, BAI2 codes appear on transactions, Exporting information, Multi user, Security token requirement, Payment template storage, Compatibility with IE8 and MS10.

c. Wholesale Lockbox. Multiple payees accepted, Daily BAI2 Lockbox transmission, Web-access Lockbox reporting, Web-access Lockbox document image retrieval.

d. ACH Payment Initiation. Mainframe transmission of non-service bureau direct deposit of payroll files, mainframe transmission of non-service bureau corporate vendor payment files, web-based payment initiation for cash concentration, electronic fraud filter, payment warehousing, web-access for Return/NOC reports.

e. Remote Deposit. Scanner types supported, enhanced data entry on items processed, exporting capability, compatibility with Internet Explorer 8 (IE8) and Microsoft 10 (MS10).

f. Account Analysis. Detailed monthly statement and monthly invoice.

g. Payee Match Positive Pay. Teller positive pay with three way match on check number, amount, and payee fields, Web-access for daily Positive Pay decision alerts and item research, no account reconciliation service.

h. Global Check Clearing. Primarily CAD checks and USD checks drawn on Canadian banks.

i. Float and Availability Assignments. Supply availability schedules for all incoming payment types received.

j. BAI2 File Transmissions. Previous Day details on all accounts, Wholesale Lockbox file, BAI2 is mandatory, Lockbox file is received in the evening of the processing day, Previous Day Detail BAI2 file is received early-morning next business day. **Please map the BAI2 Codes provided in Appendix A to the BAI2 Codes used by your organization.** See Exhibit B.

k. Cash Vault Deposit Services. Cashiering/envelope processing, deposit reconciliation, detailed cash vault reporting of deposits processed which is web-access and compatible with Microsoft Office program suite, security reviews required, daily deposit adjustment reports, delivery via armored courier which is a separate Commission contract, checks comingled with cash deposits, foreign currency, foreign checks comingled with cash deposits, CNR reports filed for counterfeit notes detected.

l. Cash Vault Coin Requisition Services. Standing orders, called-in orders, orders will be “purchased” with cash being deposited to the account, deposit reconciliation, delivery via armored courier which is a separate Commission contract, emergency shipments.

m. Zero Balance Account. One parent-ZBA and two child-ZBAs are included in the current bank account structure.

n. Merchant Services. Customers pay non-ETC (Electronic Toll Collection) invoices with credit cards (Visa, MasterCard, American Express, eCheck) via the Web.

IV-5. Reports and Project Control.

a. Implementation. The proposer’s business plan around account and service Implementation should be described in detail.

b. Customer Service. The proposer’s business plan around delivering client customer service should be described in detail.

c. Account Advices and Statements. Hardcopy advices and statements with web-access viewing of the advices and statements is required.

d. Account Analysis. Monthly hardcopy statements, Web-access reports, and monthly hardcopy invoice are required. The proposer should describe each and provide samples.

e. Web-Access Information Reporting. As indicated in Section IV-4, the proposer's web-access information reporting and payment initiation tool should be described in detail.

f. BAI2 Files. A Lockbox BAI2 file and previous day BAI2 Files on all accounts will be required. These files are loaded into SAP. The proposer's service plan and delivery of BAI2 Files should be described in detail. **Please map the BAI2 codes provided in Appendix A to the BAI2 codes used by your organization.** See Exhibit B.

Addendum No. 1

RFP # 12-10215-3819

Banking and Cash Management Services

Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:

REVISION

The response date referenced in Part I-11 of the RFP has been extended and revised as follows:

I-11. Response. To be considered, proposals must be delivered to the Pennsylvania Turnpike Commission's Contracts Administration Department, Attention: Wanda Metzger, on or before **12:00 PM local time on Thursday, November 29, 2012 Friday, December 7, 2012**. The Pennsylvania Turnpike Commission is located at 700 South Eisenhower Boulevard, Middletown, PA 17057 (Street address). Our mailing Address is P. O. Box 67676, Harrisburg, PA 17106.

QUESTIONS & ANSWERS

The questions submitted in response to the above referenced RFP up to and including questions submitted during the Pre-Proposal Conference on November 7, 2012, will be answered in another addendum to be posted at a later date.

All other terms, conditions and requirements of the original RFP dated October 12, 2012 remain unchanged unless modified by this Addendum.

Addendum No. 2

RFP # 12-10215-3819

Banking and Cash Management Services

Prospective Respondents: You are hereby notified of the following information in regard to the referenced RFP:

Following are the answers to questions submitted in response to the above referenced RFP up to and including questions submitted during the Pre-Proposal Conference on November 7, 2012. All of the questions have been listed verbatim, as received by the Pennsylvania Turnpike Commission.

Exhibit A – Pricing

1. Can you confirm exactly what currency ordering action is represented by the line item “Expanded Network Currency Furnished (AFP 10 0199)” and what unit of measure the volume of 257,750,000.00 represents (dollars, notes)? We have made the assumption that this line item represents the standard ordering of \$257,750,000.00 in coins. Is this the correct interpretation? Because the volume has been increased substantially for this line item we are unsure if our previous interpretation was correct.

The column header is correctly identified as Average Monthly Volume, not Dollars as the question indicates. This line item represents processing and verification for currency and/or coin deposited through the bank’s cash vault.

Exhibit A, Tab 1, Row 70 for AFP Code 10 0199, Column E for Average Monthly Volume should be amended to 25,000,000.

Exhibit A, Tab 2, Row 70 for AFP Code 10 0199, Column E for Average Monthly Volume should be amended to 100,000.

2. Can you confirm exactly what currency ordering action is represented by the line item “Expanded Network Curr Furn-Nonstd (AFP 10 0148)” and what unit of measure the volume of 1,340.00 represents (dollars, notes)? We have made the assumption that this line item represents the non-standard ordering of \$1,340.00 in notes. Is this the correct interpretation?

The column header is correctly identified as Average Monthly Volume, not Dollars as the question indicates. This line item represents currency furnished in straps of less than 100 bills of the same denomination through the bank’s cash vault.

3. Can you confirm exactly what currency ordering action is represented by the line item “Expanded Network Coin Furn-Std Box (AFP 10 0146)” and what unit of measure the volume of 1,430.20 represents (box of rolled coin, coin rolls, dollars)? If the volume represents boxes of rolled coins, how many rolls are in a box? We have made the assumption that this line item represents the ordering of 1,430.20 boxes of 50 rolls of coins. Is this the correct interpretation?

Your interpretation is correct. This line item represents a full box of coin which contains 50 rolls of one denomination.

4. Can you confirm exactly what currency depositing action is represented by the line item “Cash VLT Bag Dep Processing (AFP 10 0100)” and what unit of measure the volume of 12,485.00 represents (envelopes, deposits, etc)? We have made the assumption that this line item represents the deposit of 12,485 envelopes per month. Is this the correct interpretation?

Your interpretation is correct. The bank assesses two service codes for processing deposits: envelope verification (Expanded Network Env Dep Verification) as well as volume (Cash Vlt Bag Dep Processing) which represents the actual deposit bag containing all of the envelopes.

5. Exhibit A (v3 - REV 10 2012).xlsx, Systemwide tab: The Expanded Network Currency Furnished volume increased to 257,750,000. Is that volume a dollar amount? If yes, how many currency straps does that equate to (If you don't know, what currency notes are you ordering)? If no, what does the volume represent?

The column header is correctly identified as Average Monthly Volume, not Dollars as the question indicates. Refer to Question 1 above.

Exhibit A, Tab 1, Row 70 for AFP Code 10 0199, Column E for Average Monthly Volume should be amended to 25,000,000.

Exhibit A, Tab 2, Row 70 for AFP Code 10 0199, Column E for Average Monthly Volume should be amended to 100,000.

6. Exhibit A (v3 - REV 10 2012).xlsx, Systemwide tab: Expanded Network Env Dep Verification and Cash VLT Bag Dep Processing line items both have a volume of 12,485. Is this the same volume or for two different services?

Refer to Question 4 above.

7. Exhibit A (v3 - REV 10 2012).xlsx, Systemwide tab: Expanded Network Env Dep Verification and Cash VLT Bag Dep Processing line items both have a volume of 12,485. Does this volume represent the total number of individual cash vault deposits/deposit tickets? Or is one daily credit given for all the bags received that day and they are processed in envelope mode.

Refer to Question 4 above.

8. Exhibit A (v3 - REV 10 2012).xlsx, Systemwide tab: Expanded Network Deposit Adjustment volume is 1637. Are differences for each envelope processed as an adjustment?

Individual deposit adjustments are identified on the daily report. The deposit ticket amount is adjusted accordingly. Individual debit/credit adjustments are not prepared and processed. A bank fee is charged for each adjustment.

9. Exhibit A (v3 - REV 10 2012).xlsx, Systemwide tab: Expanded Network Coin Dep-Part/Mixed has a volume of 2263. Is this coin included in the 12,485 bags/envelopes?

The line item represents "Per deposit charge for a loose coin deposit that does not conform to the Federal Reserve's specifications for a "standard bag." A partial/mixed coin bag contains either a non-standard amount of one denomination or mixed denominations."

Cash Vault

10. Our Cash Vault Change Order BAI code is 691. This is a separate BAI code from our Branch Network that uses 666 for change orders processed through a branch. Are you OK with accepting a 691 BAI code for vault change orders?

Yes. The Commission recognizes that banks might use different BAI codes. The Pricing Exhibit allows for additional rows for a bank to identify their line item pricing. BAI code mapping will be required for implementation.

BAI2

11. The RFP states FTP, which in most cases is a general term. A subset of FTP is FTPs-SSL protocol which leverages encryption and digital certificates to manage the partnership and secure the data. We're currently doing business with Pa Turnpike using FTPs-SSL, so I believe we satisfy the RFP in that respect. In order to be 100% confident, we'd need to verify that the FTPs-SSL connectivity we have with them today, satisfies the generic FTP terminology stated in the RFP.

FTP-SSL connectivity does not require PGP encryption. Hence, FTP-SSL connectivity does not satisfy the file retrieval process for the RFP.

General Questions

12. Are there any changes to the answers provided by the Commission to the first set of questions for the first Pre-Proposal conference for RFP 12-1021503596? If so, please disclose updated answers.

Information provided in RFP 12-10215-3596, Addendum 2 would still be valid unless superseded by information in RFP 12-10215-3819.

13. Other than the end of the current contract, why is Pennsylvania Turnpike Commission issuing this RFP? Are you satisfied with the present level of service? Are there any additional needs? What is the driving factor in terms of timing?

It has been awhile since the Commission received competitive bids for banking services. There are no issues with the level of service from our current bank group. The Commission's timing is driven by the Proposal Evaluation process which is described in Part III, Item 2 of RFP 12-10215-3819.

14. Why was the original RFP cancelled?

Reference the Summary and Notifications section, page 1 of 15, of RFP 12-10215-3819.

15. RFP refers to Exhibit A, "Tab 3". Exhibit A does not have a "Tab 3"; if this is applicable, please forward Tab 3.

The bullet point should be amended to read:

Exhibit A, Tab 2 breaks out banking transactions for cash/coin processing for the Western Expansion roadways: Beaver Valley Expressway/Route 376, Amos K. Hutchinson Bypass/Route 66, Mon-Fayette Expressway/Route 43, and Findlay Connector/Southern Beltway/Route 576.

Collateral Questions

16. If the unlimited FDIC coverage is not extended beyond 12/31/2012, will you have any specific collateral requirements, other than compliance with Act 72?

The Commission will need to evaluate what the Federal Government ultimately allows to happen on 31 December 2012 regarding this subject. For purposes of a proposal, it can be assumed that the Commission will accept compliance with Act 72.

Coin and Currency Vault Questions

17. Coin & Currency volumes: In Exhibit A, under Expanded Network Currency Furnished, you have \$257,750,000 of cash orders listed per month. Can you verify this amount as correct?

The column header is correctly identified as Average Monthly Volume, not Dollars as the question indicates.

18. Does the Commission use your own deposit bags or deposit bags supplied by your bank?

The Commission sources deposit bags direct from ControlTek.

19. Why are Western Expansion Coin & Currency volumes broken out separately in Exhibit A?

Reference Section I-5, Type of Contract.

20. Cash Vault Deposit Services: Describe “cashiering” needs.

An analogy for “cashiering” is “envelope processing.” Toll Collectors prepare their individual deposits at the end of their work shift. The bank cash vault processes the deposit making and reporting adjustments to each deposit. Individual deposits are totaled by Location for credit to the DDA.

21. Cash Vault – Provide more detail/clarity on reporting of deposits processed needs. What kind of reporting do you need through web-banking? What level of detail? What fields of information? Can you provide a copy of the report you currently receive?

The Commission has access to the cash vault vendor’s reporting system for information as if we were a bank. The daily adjustments report is a spreadsheet emailed for each Cash Vault site with the headers: Date, Interchange, Tolle Collector Number, Toll Collector Name, Declared Total, Amount Over, Amount Short, Adjusted total, Reason Adjusted, Cash Vault Teller Number, Cash Vault Supervisor Initials. Other data fields on the report are: Processing Date, Turnpike Work Date, Amount of Canadian Currency, Report Total Declared, Report Total Over, Report, Total Short, Report Adjusted Total.

22. Where are deposit adjustment reports forwarded to in your organization? An individual? A department? Multiple locations? Other?

Hardcopy reports are to be sent to the Commission’s Central Administration Building in Middletown PA.

23. Are deposit reports sent to the Commission by the Bank or by the Cash Vault processor?

Reports are sent to the Commission by both the bank and the cash vault processor.

24. Would Western Expansion Interchanges deposit to one of the existing Cash Vaults or is a new cash vault location required to support these interchanges?

It would be dependent on the bank(s) selected.

25. Do you ever have a need to use a bank branch for deposits, e.g., in an emergency?

This would be very rare. This need has not presented itself in three years.

ACH Questions

26. What is meant by “non-service bureau direct deposit (ACH)”. Does non-service bureau mean the Commission will be sending the ACH file directly to the bank?

Yes, the ACH Direct Deposit of Payroll file is created in NACHA format internally by the Commission’s payroll system and transmitted to the ACH Originator.

27. ACH: What is your three day peak ACH exposure, debit and credit?

Monthly ACH exposure is \$7 million per month for Direct Deposit of Payroll. \$25 million per month for Accounts Payable. \$50 million per month for Cash Concentration.

Merchant Services Questions

28. Is Cybersource HOP still the gateway in service?

Yes.

29. Is the \$1 per item convenience charge added as a line item to each order, or is it processed as a separate transaction? For instance, if a customer paid a \$10 charge with a \$1 convenience fee, would they be charged once for \$11 or once for \$10 and then again for \$1?

The convenience fee is added to the transaction amount i.e. \$10 charge plus \$1 convenience fee equals \$11 transaction.

Wholesale Lockbox Questions

30. In order that we may fully understand your wholesale lockbox needs, please describe the following from Exhibit A:

05 0499	Rec	Mgr	Wholesale	Lbx	Items
05 0000	Lockbox		Subscription	Mthly	Base
05 031Z	Lockbox		Subscription	Mthly	Base
05 031Z	Lockbox	Subscription	Per Item		

Specifically, please explain “Rec Mgr” and “Subscription” services. Do you receive FTP transmissions?

These AFP Codes and Service Descriptions are from the current bank’s Account Analysis statement. The Commission recognizes that banks might use different BAI codes. The Pricing Exhibit allows for additional rows for a bank to identify their line item pricing. BAI code mapping will be required for implementation. Rec Mgr is a Receivables Manager service which is Integrated Receivables reporting. FTP transmissions are currently received and required.

Merchant Services

31. Do we disregard Merchant Services volumes provided with the first RFP?

The information and data provided in the first/canceled RFP would still be appropriate unless the current RFP supersedes it.

32. Are we expected to annualize merchant services volumes?

The data and figures provided are monthly.

33. What software/gateway do you use?

Cybersource HOP

General Questions

34. What is the Commission's motivation for issuing this RFP?

It has been awhile since the Commission received competitive bids for banking services. The Commission's timing is driven by the Proposal Evaluation process which is described in Part III, Item 2 of RFP 12-10215-3819.

35. Are there any challenges or issues that we can help you address (operational/ technical difficulties that we can solve by providing you certain products/services)?

Process improvements and enhancements along with additional services are constantly discussed and evaluated by the Commission with vendors.

36. Do you have specific business goals that we can help you meet?

Process improvements and enhancements along with additional services are constantly discussed and evaluated.

Cash Vault Questions

37. What 'detail' does the Commission need reported with cash vault deposits via the web?

The Commission has access to the cash vault vendor's reporting system for information as if we were a bank.

38. What 'detail' do you need reported with deposit adjustments?

The daily adjustments report is a spreadsheet emailed for each Cash Vault site with the headers: Date, Interchange, Tolle Collector Number, Toll Collector Name, Declared Total, Amount Over, Amount Short, Adjusted total, Reason Adjusted, Cash Vault Teller Number, Cash Vault Supervisor Initials. Other data fields on the report are: Processing Date, Turnpike Work Date, Amount of Canadian Currency, Report Total Declared, Report Total Over, Report, Total Short, Report Adjusted Total.

39. How would the Commission like to receive deposit adjustment reports and what information would you like included in them?

Any hardcopy reports are to be sent to the Commission's Central Administration Building in Middletown PA. The daily adjustments report is a spreadsheet emailed for each Cash Vault site with the headers: Date, Interchange, Tolle Collector Number, Toll Collector Name, Declared Total, Amount Over, Amount Short, Adjusted total, Reason Adjusted, Cash Vault Teller Number, Cash Vault Supervisor Initials. Other data fields on the report are: Processing Date, Turnpike Work Date, Amount of Canadian Currency, Report Total Declared, Report Total Over, Report, Total Short, Report Adjusted Total.

40. On page 1 of the RFP it refers to three tabs in Exhibit A. The Exhibit I received only has two tabs titled "Systemwide" and "Western Expansion". Am I missing a tab?

The bullet point should read:

Exhibit A, Tab 2 breaks out banking transactions for cash/coin processing for the Western Expansion roadways: Beaver Valley Expressway/Route 376, Amos K. Hutchinson Bypass/Route 66, Mon-Fayette Expressway/Route 43, and Findlay Connector/Southern Beltway/Route 576.

41. Is the current contract available for bidders to review?

There is no written contract in place for banking services.

42. Why did the deposit bag volume increase for processing as well as currency furnished, but not the currency deposited?

Deposit bags were adjusted in the current RFP to include two Interchanges that were previously not included in the RFP.

43. Is there a separate account for Lockbox deposits? Does this ZBA to any of the other accounts?

Yes, the Lockbox deposits to an account used for all Receivables types other than Toll Collections. Yes, the Receivables account is a zero balance account.

44. How do you receive event messaging: Email, Text, or Both?

Event Messages are received via email.

45. If we are bidding on the full relationship, do we only complete Exhibit A, Tab 1?

Yes.

46. What is the time frame for implementation?

The Commission's timing is driven by the Proposal Evaluation process which is described in Part III, Item 2 of RFP 12-10215-3819.

47. Under what circumstances are remote banks used? What are the sources of those deposits? How frequently is cash from those accounts concentrated? Why aren't those locations using cash vault through PTC's current provider?

Remote depository banks are used at the Commission's discretion. The Commission streamlined the banking relationship a few years ago. Cash concentration is reviewed daily. Each bank is reviewed individually as to their service solution.

48. Does the Commission require that bidders be on the list of Pennsylvania Treasury depositories?

No.

All other terms, conditions and requirements of the original RFP dated October 12, 2012 remain unchanged unless modified by this Addendum.