



NAVAJO COUNTY

NOTICE OF REQUEST FOR PROPOSALS

RFP NO. F15-01-05

BANK SERVICING AGREEMENT

The Navajo County Board of Deposits (Supervisors) and the Treasurer of Navajo County ("Treasurer") are requesting proposals from qualified banks doing business in Arizona with at least one branch located in Navajo County to perform the duties of a servicing bank, which duties are outlined in this document. The servicing bank shall act as the principal depository and banking agent for the Navajo County Treasurer's Office for the period of July 1, 2015 through June 30, 2018 with an option to renew for two (2) One(1) year extensions on the mutual consent of the parties.

Competitive sealed proposals for the specified material or service shall be received by the Clerk of the Board of Supervisor's Office, 100 East Code Talkers Drive, Holbrook, Arizona 86025, until the time and date shown below. Proposals received by the correct time and date shall be publicly recorded. Navajo County takes no responsibility for informing recipients of changes to the original solicitation document. Failure to submit amendments with the solicitation response may be grounds for deeming the submittal non-responsive.

Proposals must be in the actual possession of the Clerk of the Board of Supervisor's Office at the location indicated, on or prior to the exact time and date indicated below. Late proposals shall not be considered. The official prevailing clock is located in the Clerk of the Board of Supervisor's Office. Proposals shall be delivered to Navajo County at the place, time and date indicated on the RFP.

Proposals must be submitted in a sealed envelope. The **RFP number** and the **proposers name and address** should be clearly indicated **on the outside** of the envelope. Failure to clearly indicate RFP number, name and address on the outside of the proposal package or envelope may be cause for the proposal to be deemed invalid. All proposals must be completed in ink or typewritten. Questions must be in writing and addressed to the Purchasing Agent listed below.

RFP NUMBER:	F15-01-05
RFP DUE DATE:	MARCH 24, 2015 AT 3:00 P.M. LOCAL AZ TIME
PUBLIC OPENING DATE:	MARCH 24, 2015 AT 3:15 P.M. LOCAL AZ TIME
SUBMITTAL LOCATION:	Clerk of the BOS Office 100 East Code Talkers Drive Holbrook, Arizona 86025

PRE-PROPOSAL CONFERENCE:	January 21, 2015 1:00 PM LOCAL AZ TIME Code Talkers Conference Room 100 East Code Talkers Drive Holbrook, Arizona 86025
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DIRECT WRITTEN QUESTIONS TO:	Joyce Alexander, Account Specialist (928) 524-4322 Joyce.alexander@navajocountyaz.gov
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HTN 1/7/15 & 1/14/15
Publish Date(s) MJS

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE NO.</u>
Introduction/Background (Intent)	3
Scope of Services	3-14
Instructions to Offerors (including proposal evaluation requirements)	15-19
Special Terms and Conditions	20-23
Employment Verification Form and Employee Verification Worksheet	24
Standard Terms and Conditions	25-31
Certification Regarding Debarment, Suspension & Other Responsibility Matters	32-33
Affidavit by Contractor – Certify that there was no Collusion	34
Eligibility for Cooperative Purchasing	35
Proposal Checklist	36-38
Pricing Page (Attachment A)	39-41
Offer and Acceptance (Attachment B)	42
Bank References (Attachment C)	43
Optional Investment Transaction Fees (Attachment D)	44
Exhibit <u>1</u> – Encoded Warrant Processing	45
Exhibit 2 – VitalChek Data	46

INTRODUCTION / BACKGROUND

1.0 INTENT:

The Navajo County Board of Deposits (Supervisors) and the Treasurer of Navajo County (“Treasurer”) are Requesting Proposals from qualified banks doing business in Arizona with at least one branch located in Navajo County to perform the duties of a servicing bank, which duties are outlined in this document. The servicing bank shall act as the principal depository and banking agent for the Navajo County Treasurer’s Office for the period of July 1, 2015 through June 30, 2018 with an option to renew for two(2) One (1) year extensions on the mutual consent of the parties.

As required by the Arizona Revised Statutes (A.R.S.), only those corporations authorized to engage in the banking business, as set forth in A.R.S. § 6-201, are eligible to be considered for this award. Such eligibility will be based on having a minimum total capital structure of \$10 million and having resources of at least \$100 million. The bank must be in a sound financial position. The selected servicing bank will meet the requirements of A.R.S. § 35-325(A), (B), and (C).

All items should be addressed by the responding bank. After receiving and evaluating the submitted proposals, the Treasurer will recommend to the Board of Deposits, the highest rated proposal for their approval.

2.0 SCOPE OF SERVICES:

2.1 The Treasurer will deposit cash and checks with the servicing bank on a daily basis. The deposits represent tax payments or revenues to the County and/or any of its political subdivisions. Additionally, the Treasurer will deposit large United States Treasury, State of Arizona, or taxpayer checks with the bank immediately upon receipt to expedite the use of the funds the next day. This may result in more than one deposit per day. The Treasurer may deposit large dollar checks with special handling procedures to assure these are “collected funds” as expeditiously as possible.

2.1.1 General volume information regarding the Treasurer’s account, on an annual basis, is as follows:

2.1.1.1	Amount of Deposits:	Approx.\$300 million
2.1.1.2	Number of Deposit Items:	Approx. 105,000
2.1.1.3	Number of Warrants Processed:	Approx. 55,000

2.1.2 Costs to the County for banking services are subject to the requirements of Arizona Revised Statutes. In the event that the contract differs from the applicable statutes, the statutes shall prevail.

2.1.3 The servicing bank must meet the requirements of the County's and Treasurer's hardware and operating systems with regard to electronic data processing interfaces. The servicing bank must have the ability to exchange information directly with our system. Information to be exchanged are warrants (cashed, registered and/or paid), account balances and detailed transactions for: investments, safekeeping, reconciliation, etc.

2.2 WARRANTS

2.2.1 The County currently uses encoded warrants. Regular, or "encoded warrants," are computer produced, colored and micro-encoded in magnetic ink. We would like to encode warrants using HOP (High Order Prefix) in order to identify the Entity issuing the warrant. In addition, the extra encoding will reduce problems associated with overlapping warrant numbers. Servicing bank must explain how they will provide this service. The classifications we would like to include are:

<u>Classification</u>	<u>Warrant Use</u>
1.	Navajo County (1)
2.	Schools (17)
3.	Fire Districts (9)
4.	Community College (1)
5.	Public Fiduciary (1)
6.	Special Districts (9)

2.2.2 Encoded Warrant Processing

Encoded warrants shall be sorted and imaged by the servicing bank in sequence by type, year and warrant number and made available for electronic download via the internet using at least 128 bit SSL encryption:

2.2.2.1 The servicing bank shall provide daily detail of the warrants submitted to the bank for processing and provide the capability to the Treasurer's office to download the warrants electronically to the Treasurer's system on a daily basis in a manner that meets Treasurer's specification for file compatibility and security. See EXHIBIT 1 for file layout. The transmission must meet the technical specifications necessary to be read by the Treasurer's data processing equipment. When applicable, the Treasurer will transmit data via fax or electronically to the bank showing warrants that must be registered by 1:00 p.m. MST for the previous day's warrants.

2.2.2.2 The warrants, transmittal listing and images must be made available, in warrant number sequence, to the Treasurer electronically, daily by 8:00 a.m. MST. Further, in the event of an Internet outage, the servicing bank must provide an alternate method for delivering the warrant

listing and amount to the Treasurer. Once the outage is resolved, the e-file must be made available within one business day. (Currently using “Infinity Visions Treasurer’s Ledger System”)

2.2.2.3 The warrants are charged against one (1) clearing account; The Treasurer pays the bank, via wire transfer, book transfer or Treasurer’s check, prior to 3 p.m. MST each workday for the total warrants processed, less any registered warrants or “suspect items”.

2.2.2.4 The servicing bank must provide a dedicated contact individual(s) for researching banking issues especially with regard to warrants.

2.2.2.5 The servicing bank must have the capability to image the encoded warrants and provide a solution for the image to be read and stored on the Treasurer’s system.

2.2.3 The Process of Paying Warrants

2.2.3.1 The servicing bank shall pay for all warrants on the date the warrants are presented to the bank. On the next business morning, the bank shall transmit the warrant information to the Treasurer. The Treasurer will pay all of the warrants within 48 hours of receipt. The Treasurer will compare the warrant information as received from the bank to the detailed information received from the department/school, fire or special district that issued the warrant. Any discrepancies will be promptly researched utilizing the reverse positive pay system via servicing bank’s online application or any other means necessary to verify the accuracy of the transactions. Credit Line or Registered warrants will be identified when the warrants are processed on the Treasurer’s system. The following day the Credit Line or Registered warrants and any discrepancies will be adjusted from the current day’s warrant payment to the bank.

2.2.3.2 The current policy is that all warrants or an IRD image are submitted to the Treasurer for original payment. If a warrant is “registered,” only a computer-generated report is submitted to the bank for processing.

2.2.3.3 The Treasurer will not pay any warrant until the actual warrant or substitute IRD image is presented to the Treasurer. The bank shall retain the warrant image for not less than seven years. The servicing bank will provide copies on demand to the Treasurer or the Treasurer’s designees via image search, CDROM, Reverse Positive Pay or any other means conducive to timely retrieval and receipt.

2.2.3.4 By statute (ARS§11-644) a check that is drawn by the County Treasurer in the Treasurer's official capacity or a warrant that is not presented for payment within one year after the date of issuance is void. Explain how the BANK will ensure that checks or warrants that are over one year old will not be debited to the accounts of Navajo County.

2.2.4 Use of Credit Line In Lieu of "Registered" Warrants.

Upon receiving notice of being selected as the servicing bank, the Treasurer will require the servicing bank to evaluate the creditworthiness of Navajo County and specific entities, including all Fire and School Districts, within the county applying to establish a line of credit, pursuant to A.R.S. § 11-604.01(A), the amount of which will be agreed upon between the Treasurer and the servicing bank, to pay any warrants for which sufficient funds do not contemporaneously exist to cover the amount of the warrant. The amount used to cover these warrants will be treated as an advance against the line of credit, and will be recorded as a borrowed amount for each district.

The use of the line of credit under this paragraph will be accomplished and recorded electronically. Such information will be transmitted to the Treasurer in a format determined by the Treasurer. As monies are received for each District, the Treasurer will calculate the amount available to pay down the Line of Credit. The Line of Credit is paid with the respective interest calculated at the lowest possible qualified rate.

The servicing bank will state its lowest possible rate for registering warrants and/or establishing Lines of Credit, according the Title 11, Chapter 4, Article 1, Arizona Revised Statutes.

Describe any and all fees associated with setting up lines of credit.

E-files of registered warrants stating warrant number, warrant amount, date redeemed and interest, is to be provided by the servicing bank to the Treasurer's Office monthly.

2.2.5 Current Lines of Credit Established

Navajo County currently has a total commitment of \$22,415,000 for fourteen (14) entities utilizing a revolving credit line.

2.2.6 “Registered” Warrants

If the limits of the line of credit referenced herein are exceeded or otherwise not met under A.R.S. § 11-635, a registered warrant shall be issued and the procedures governing registered warrants shall be applied.

The servicing bank must be able to comply with the Arizona law for registered warrants and explain how they are in compliance with the statutes.

2.3 BANKING ACCOUNTS

The Treasurer currently administers over 25 separate accounts, in addition to the servicing bank account. The collected balances on all depository accounts will be included in the monthly collected balance for our servicing account. All collected balances will be applied to our earnings credit. This earnings credit shall be cumulative, month-to-month, over the course of the contract. When the amount of the accumulated earnings credit is not enough to offset the bank charges for the month, the servicing bank will debit a fund designated by the Navajo County Treasurer.

Navajo County currently utilizes compensating balances to pay for the majority of its services. Indicate in your RFP how earnings credits are calculated. If hard dollar charges are issued in any application, those charges must be identified. The County would like the credits to accumulate monthly but the debits to settle monthly.

2.3.1 Overdrafts

In the event an overdraft should occur, the bank shall charge no more than the current effective Federal Funds rate in effect on the date of the overdraft. What is the Banks timeframe for notifying the Treasurer’s office of insufficient funds and return items to customers?

2.3.2 Stop Payments

The Treasurer, Chief Deputy and Accounting Technician currently input stop payments directly into the bank’s system via electronic data processing interface. This insures the bank and the County of rapidly getting stop payments into the system.

2.3.3 Bank Balance Information

2.3.3.1 The bank must provide an electronic balance transaction reporting system, accessible by a secure on-line connection, which shall include access to all of the Treasurer's account information residing at the servicing bank. The servicing bank shall explain how long images are available for retrieval by the User on-line and the amount of time the data is stored in bank files.

2.3.3.2 Bank balances shall be available by 7:00 a.m. MST of each business day via the electronic data system.

2.3.3.3 The Treasurer shall have the ability to transfer funds between all of its accounts electronically.

2.3.3.4 The servicing bank shall provide on-line access to account balance reports, with debit and credit totals, DDA (Demand Deposit Account) cycled statements and account analysis statements with descriptions of the items on such statements.

2.3.4 Monthly Statements

A monthly statement shall be prepared by calendar month and will be required to be submitted to the Treasurer by the 10th of the following month for all County accounts other than the daily statement of the servicing bank account. The monthly statement shall be available on-line by the first working day of the subsequent month. The Treasurer shall inform the servicing bank of the accounts for which the Treasurer desires a monthly statement. The Treasurer shall also identify the data to be included on the monthly statement.

2.3.5 Overnight Sweep

The County does not currently utilizes an automatic overnight DDA Sweep with all collected funds in excess of a designated balance swept into an investment fund but is interested in this process. Describe the overnight sweep account offered by the BANK including overnight investment options available to maximize the County's potential earnings. Provide historical rates on your Sweep funds for the past 12 months. The County's average balance sweep is \$15 million.

2.3.6 Conversion

Describe the overall plan your financial institution would coordinate to ensure a smooth transition from the current provider (Wells Fargo can disregard) including on-site training for the operation and use of the BANK's services and automated systems.

2.3.7 **Positive Pay**

Navajo County is currently on Positive Pay and desires as part of the banking evaluation process to continue Positive Pay customers. One of the problems facing the County with regard to Positive Pay is the existence of Special Districts and small Fire Districts that are not on-line computerized with the Treasurer. Describe your Positive Pay services and include possible solution on how to deal with the entities that are not on-line.

2.4 **AUTOMATED CLEARING HOUSE (“ACH”)**

The County requires that the successful BANK provide an assigned, responsible officer and back up officer to handle the County’s transactions and act as liaison to various county agencies utilizing the services of the servicing bank. The successful BANK will also ensure that a certified ACH professional with the “AAP” designation will be available for planning and implementation of electronic debit and credit transactions. Currently the County only has Payroll and associated payroll taxes using this on a biweekly timing.

2.5 **BUSINESS ACTIVITY SERVICES**

The servicing bank shall also provide the following services:

- 2.5.1 Cashier’s checks, drafts, domestic and foreign payment orders upon request.
- 2.5.2 Research and resolution of discrepancies to the benefit of both parties. Respond to inquiries that concern the servicing account in a timely manner.
- 2.5.3 Coordinate the ordering and printing of all encoded warrants; the cost of which shall be applied against any earnings credit, at the Treasurer’s discretion.
- 2.5.4 Replace damaged, lost, or temporarily misplaced items such as documents, cash items and/or data processing media and files.
- 2.5.5 Upon request of the Treasurer, MICR encode each deposit slip with a numerically sequenced number and electronically transmit the account number, deposit number, and amount to the Treasurer.

2.6 **MINIMIZING “FLOAT”**

The Treasurer desires to minimize the time deposited items that are held by the servicing bank before posting to the appropriate Treasurer’s account. This is especially significant with deposits of large out-of-state checks. Accordingly, the Treasurer requires that the servicing bank describe the steps and procedures it will take to minimize this time period, otherwise

known as the “float.” Additionally, describe the length of any “float” period. At a minimum, the following guidelines will apply:

- 2.6.1 For deposits of items drawn on the servicing bank, large checks (in excess of \$100,000), wire transfers, ACH deposits, cash, and coin deposits, funds shall be available on the same day.
- 2.6.2 For deposits of items drawn on any other financial institutions with branches in Arizona, funds shall be available on the next day.
- 2.6.3 For all other deposits, funds will be available based upon the most expedient Federal Reserve availability schedule.

2.7 ELECTRONIC PAYMENT VIA INTERNET (E-CHECKS/DEBIT CARDS)

As a convenience to taxpayers, and in recognition of the change in customs and practice regarding the payment of financial obligations, the Treasurer requires the ability to offer the taxpayers the capability to pay their property tax through the Internet (“on line”). Describe in detail the type of application your bank would use to accommodate this request along with the additional cost, if any, for such service. This service is to include payment by credit card, e-check, online bill-pay (ACH) and any other emerging technology that may be specifically suited toward this endeavor. The BANK will make available, in a timely manner, “dedicated” contacts for; programming, business technical support and other liaisons directly related to implementation of this service. The Treasurer’s dedicated technical liaisons will provide file layouts and record definitions as needed. (25-30 payments per day with an average of \$221.00 per transaction)

Option - Request servicing bank to provide separate P-Card (credit card) service pricing. This option is to provide P-Card service to Navajo County, Fire and School Districts. The County currently uses JPMorgan P-Cards. The County has approximately 535 P-Cards in current use with a yearly estimated usage of \$3.5M and plans to expand.

- Discuss and itemize all fees and costs related to the program that will be charged or withheld from the County, other agencies and vendors and how the fees will be collected.
- Rebates – Provide information on available rebates. Discuss if the County as the lead agency will receive rebates on the County’s transactions and receive a percentage of the rebates other agencies would receive. Offerors should state proposed percentages and on what dates(s) rebates will be paid to the County. Offeror shall state if rebates would vary from agency to agency, and if the rate will be the same for all agencies. There is only one distribution to only the County.
- Payment- Provide information on grace periods, how many days the County will have to process payments, any related fees and charges and penalties for late payments.

2.8 CREDIT CARD TRANSACTIONS

For convenience, many taxpayers desire to pay their property tax by credit card. The Treasurer is prohibited by statute from absorbing, or reducing, the amount of the property tax by the discount fee, or similar fee, charged by the credit card companies as consideration for the use of the credit card. As such, the servicing bank must be able to separately charge any requisite convenience fee imposed by a credit card company. As part of the RFP, state the maximum percent your bank would charge for such convenience fee. If this fee varies, be specific in the charges. Additionally, describe the manner by which such fee would be charged. Further, provide the discount rate the Credit Card Companies offer the BANK. At this time, Navajo County currently uses VitalChek for credit card transactions. EXHIBIT 2 displays the VitalChek machine locations and transaction usage.

2.9 CURRENCY REQUIREMENTS

The servicing bank will be required to provide from time to time currency in amounts ranging from \$1,000 to \$5,000. The denominations will be specified at the time of the request. The servicing bank will be given twenty-four (24) hours notice whenever possible. The Treasurer will work closely with the security department at the servicing bank to outline precise procedures. The servicing bank will state the fees for this service.

2.10 COLLATERAL REQUIREMENTS

Collateralization will be required as per A.R.S 35-323.

This collateral may be required with same day notification. (The Treasurer will try to give the servicing bank its best estimate the day prior). Collateral must be pledged or confirmed prior to the daily delivery of deposits. Additional securities required to guarantee deposits shall be deposited immediately when the percent of market to deposits is less than 101%. (Refer to A.R.S. 35-323). Collateral for deposits must be held by the Federal Reserve Bank in the name of the Treasurer and meet all current FIRREA requirements. This includes a signed authorization from the bank's Board of Directors stating the approval and knowledge of collateral requirements, and transmittals for the County.

The County reserves the right to review all pledged collateral, and approve the substitution of any item

2.11 WIRE TRANSACTIONS

- 2.11.1 The servicing bank shall provide on-line and optional voice (telephone), access for all outgoing wire transfers.
- 2.11.2 The servicing bank shall provide repetitive wire transfer capability for all on-line and voice transfers.
- 2.11.3 The servicing bank shall provide detailed on-line reporting of outgoing and incoming wire transfers, including, but not limited to: the originator, the name and ABA number of the sending or receiving bank, the amount, the beneficiary name and account number and any additional instructions.
- 2.11.4 Internal bank and Federal reference number must be provided upon completion of outgoing wires. Servicing bank must state whether there is an option to modify and/or cancel outgoing future dated wires and book transfers.
- 2.11.5 Incoming wires must be posted and available to view on the wire transfer on-line system immediately upon receipt by the bank.
- 2.11.6 Controls and dollar limits must be mutually agreed upon between the servicing bank and the Treasurer.
- 2.11.7 The servicing bank shall identify, by name, telephone number and e-mail address, the person responsible for researching any wire transfers.

2.12 DIRECT DEPOSIT PAYROLL PROGRAM

- 2.12.1 Servicing bank shall provide a mechanism for direct deposit for the County's payroll system and shall have the ability to provide similar services for schools, special districts and fire districts.
- 2.12.2 For those employees who do not maintain a direct deposit account, the servicing bank shall issue and accept a payroll debit card as an optional service. The County has currently 99% enrolled indirect deposit.
- 2.12.3 Explain any and all fees associated with the debit card program. Does the Bank have current plans to add or remove branches within Navajo County?

2.13 ARMORED CAR SERVICE

If the Treasurer requires armored car service to the Office of the Treasurer all fees for such service shall be approved and agreed to by the Treasurer prior to being implemented. The servicing bank will contract for the armored car services and pass the charge to Navajo County as a soft dollar charge, however, in no event shall a separate charge be billed to the County, directly or indirectly, for multiple "pick-ups" or stops in the same building or at the same

physical address. The Pick-up/Stop locations are: Navajo County Mogollon Complex, Heber, AZ; Pinetop/Lakeside Justice Court, Lakeside, AZ; Show Low Justice Court, Show Low, AZ; Snowflake Justice Court, Snowflake, AZ; Navajo County Government, Holbrook, AZ; Winslow Justice Court, Winslow, AZ. Does the Bank have current plans to add or remove branches within Navajo County?

2.14 TECHNOLOGICAL REQUIREMENTS

- 2.14.1 The servicing bank's technology must be compatible with the Treasurer's electronic data processing equipment and software. The servicing bank must have the ability to exchange information directly with the Treasurer's information technology systems. Information to be exchanged includes, but is not limited to, warrants, deposits, account balances and other detailed information for investments and recordkeeping.
- 2.14.2 At the rate technology is growing and changing, Navajo County has to be able to respond in kind. The County is looking to revolutionize its communications systems with the public. The County must keep pace with private industry. It appears that in the near future the automated teller industry will be making radical changes in the area of bill payment via corresponding bank relationships or the Arizona Clearing House. The County needs to be able to piggyback on to any services such as this, which will better enhance our ability to serve the citizens of Navajo County. If at any time during the course of the contract, the Bank incorporates new technology that will enhance the capability of Navajo County to serve the taxpayer, Navajo County reserves the right to negotiate pricing of the service for the remainder of the contract period. If at any time during the life of the contract, the successful BANK is unable to provide the County with advancements in technology that are available, Navajo County reserves the right to obtain this technology elsewhere.
- 2.14.3 In no event shall the servicing bank diminish or unilaterally discontinue technological services it undertakes to provide, either at the inception of the contract for banking services, or at any time throughout the contract, without providing for replacement services that are equal to, or greater than, in the sole opinion of the Treasurer, those being provided prior to such change.

2.15 IMAGING AT THE TREASURER'S OFFICE AND VARIOUS PAYMENT LOCATIONS

The Treasurer desires to capture images of payment items as they are received and processed. As such documents are physically received by Treasurer's staff an image of each document should be electronically captured. The Navajo County Treasurer currently utilizes Creditron software and hardware for payment processing. Please discuss and evaluate how your institution can utilize Creditron or equivalent system to assist with the overall banking process. If your bank will provide the equipment necessary to capture these images, please describe the equipment in detail along with any extra charges which may be imposed for the use of the equipment. If your bank does not provide such equipment, please describe if it can be leased or purchased through soft dollar earnings credits, and if so, identify the vendor and types of equipment. Additionally, provide an estimate of the amount of the soft dollar earnings credits necessary for such acquisition.

As an option, there may be other taxing districts, such as fire and school districts that may be interested in utilizing similar technology. The servicing bank should consider this option when addressing this issue.

2.16 SERVICING MULTIPLE LOCATIONS

Explain how the BANK will service all of the County's outlying locations; i.e., Heber, Show Low, Winslow, Snowflake, Holbrook, Pinetop and others.

2.17 OPTION ON CHECKS POSTED

Provide options for remote processing of deposits for the County and it's outlying locations.

2.18 OPTION TO PROVIDE AN AUTOMATIC TELLER MACHINE (ATM)

Provide cost/fees to provide and service an ATM at the main Navajo County Complex in Holbrook, AZ. This will be serviced by and responsibility of the providing vendor.

2.19 INVESTMENT TRANSACTIONS - TRUST AND CUSTODY

Describe Investment services offered by the Bank (exclude overnight sweep already covered), include safekeeping services. Provide Investment Transactions pricing in Attachment D. The County currently has two(2) safekeeping accounts with approximately 250 transactions (including security purchases at maturity and semi annual interest)

INSTRUCTIONS TO OFFERORS

- 1. PRE-PROPOSAL CONFERENCE:** The date and time of a prospective pre-proposal conference is indicated on the cover page of this document. The purpose of this conference will be to clarify the contents of this Request for Proposals in order to prevent any misunderstanding of the County's position. Any doubt as to the requirements of this Request for Proposals or any apparent omission or discrepancy should be presented to the County at this conference. The County will then determine the appropriate action necessary, if any, and issue a written amendment to the Request for Proposals. Oral statements or instructions will not constitute an amendment to this Request for Proposals.
- 2. PROPOSAL FORMAT:** **Original and 6 copies (7 total) of each** should be submitted on the forms and in the format specified in the RFP. The original copy of the proposal should be clearly labeled "Original" and shall be unbound and single-sided. The material should be in sequence and related to the RFP. **The sections of the submittal should be tabbed, clearly identifiable and shall include a minimum of the following sections: Price, Offer and Acceptance, Original RFP, Evaluation Criteria.** The County will not provide any reimbursement for the cost of developing or presenting proposals in response to this RFP. Failure to include the requested information may be reason for a proposal to be deemed non-responsive and not considered. **Also, provide the submitted in an electronic Microsoft Word and/or Excel format – 1 copy.**
- 3. PREPARATION OF PROPOSALS:**
 - A. All proposals shall be on the forms provided in this Request for Proposals package. It is permissible to copy these forms as required. Facsimiles, telegraphic proposals or mailgrams shall not be considered.
 - B. The **offer and acceptance page shall be submitted with an original ink signature by the person authorized to sign the proposal.** Proposal will be deemed non-responsive and rejected if offer page is not signed.
 - C. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the vendor offer.
 - D. In case of error in the extension of prices in the proposal, unit price shall govern when applicable.
 - E. Periods of time, stated as a number of days, shall be in calendar days.
 - F. It is the responsibility of all Offerors to examine the entire Request for Proposals package and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting a proposal. Negligence in preparing a proposal confers no right of withdrawal after due time and date.
- 4. WHERE TO SUBMIT PROPOSALS:** In order to be considered, the Offeror must complete and submit their Proposal to the Clerk of the Board of Supervisor's Office at the location indicated, or prior to the exact time and date indicated on the Notice of Request for Proposals page. The Offeror's proposal shall be presented in a sealed envelope. The **words "SEALED PROPOSAL" with SERVICE DESCRIPTION, RFP NUMBER, DATE AND TIME OF PROPOSAL OPENING shall be written on the envelope.**
- 5. OFFER AND ACCEPTANCE PERIOD:** In order to allow for an adequate evaluation, the County requires an offer in response to this solicitation to be valid and irrevocable for ninety (90) days after the opening time and date.
- 6. INQUIRIES:** Any question related to a Request for Proposals shall be in writing and directed to the Procurement Officer whose name appears on the front side of this document. The Offeror shall not contact or ask questions of the department for whom the requirement is being procured. Any correspondence related to a solicitation should refer to the appropriate Request for Proposals number,

page and paragraph number. However, the Offeror must not place the number on the outside of an envelope containing questions since such an envelope may be identified as a sealed proposal and may not be opened until after the official proposal due time and date. Oral interpretations or clarifications will be without legal effect. Only questions answered by formal written Request for Proposals amendment will be binding.

- 7. REQUEST FOR ADDITIONAL INFORMATION:** The County reserves the right to request additional information from Offerors for the purpose of explaining the contents of their proposal. Any such request shall be for informational purposes only and does not constitute discussions.
- 8. AWARD OF CONTRACT:** Notwithstanding any other provision of the Request for Proposals, the County reserves the right to:
- (1) Waive any immaterial defect or informality; or
 - (2) May make multiple awards
 - (3) Reject any or all proposals, or portions thereof; or
 - (4) Reissue the Request for Proposals.

A response to any Request for Proposals is an offer to contract with the County based upon the terms, conditions, and specifications contained in the County's Request for Proposals. Proposals do not become contracts unless and until they are executed by the County's Procurement Manager. A contract has its inception in the award, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the contract are contained in the Request for Proposals, unless any of the terms and conditions are modified by a Request for Proposals amendment, a contract amendment, or by mutually agreed terms and conditions in the contract documents.

- 9. FAMILIARIZATION OF SCOPE OF WORK:** Before submitting a proposal, each Offeror shall familiarize itself with the Scope of Work, laws, regulations and other factors affecting performance of work. It shall carefully correlate its observations with requirements of the Contract and otherwise satisfy itself as to the expense and difficulties attending the performance of the work. The submission of a Proposal will constitute a representation of compliance by the Offeror. There will be no subsequent financial adjustment, other than that provided by the Contract, for lack of such familiarization.
- 10. LATE PROPOSALS:** Late proposals shall not be considered.
- 11. WITHDRAWAL OF PROPOSAL:** At any time prior to a specified solicitation due time and date an Offeror (or designated representative) may withdraw the proposal. Facsimile or telephone withdrawals shall not be considered.
- 12. AMENDMENT OF REQUEST FOR PROPOSALS:** The Offeror shall acknowledge receipt of a Request for Proposals amendment by signing and returning the document by the specified due time and date.
- 13. SUBMITTAL:** The offer and contract award sheet, the pricing schedule, and any solicitation amendments must be signed and returned with the Offeror's proposal.
- 14. CONFIDENTIAL INFORMATION:** If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld, then the Procurement Manager should be so advised in writing (price is not confidential and will not be withheld). The County shall review all requests for confidentiality and provide a written determination. If the confidential request is denied, such information shall be disclosed as public information, unless the person utilizes the "Protest" provision.

- 15. SUBCONTRACTORS:** Offeror must list any subcontractor to be utilized in performance of services herein. For each subcontractor, detail on respective qualifications must be included.
- 16. UPON NOTICE OF INTENT TO AWARD:** The apparent successful Offeror shall sign and file with the County, within ten (10) days after Notice of Intent to Award, all documents necessary to the successful execution of the contract.
- 17. EXCEPTIONS TO CONTRACT PROVISIONS:** A response to any Request for Proposals is an offer to contract with the County based upon the contract provisions contained in the County's Request for Proposals, including but not limited to, the specifications, scope of services and any terms and conditions. Offerors who wish to propose modifications to the contract provisions must clearly identify the proposed deviations and any proposed substitute language. However, the provisions of the Request for Proposals cannot be modified without the express written approval of the Manager or his designee. If a proposal or offer is returned with modifications to the contract provisions that are not expressly approved in writing by the Director or his designee, the contract provisions contained in the County's Request for Proposals shall prevail.
- 18. PROPOSAL RESULTS:** Proposal results **are not** provided in response to telephone inquiries. A tabulation of proposals received is on file in the Procurement Office and available for review after contract award.

19. INTERVIEWS BY APPOINTMENT:

The County at its discretion may set up interviews by appointment for selected (potential) Offerors.

20. FORMAT AND CONTENT:

To aid in the evaluation, it is desired that all proposals follow the same general format. The proposals are to be submitted in binders and have sections tabbed as below:

Table of Contents

Short introduction and summary – This section shall contain an outline of the general review of services and firm.

Proposal – Your proposal should contain a statement of all of the programs and services requested and proposed, including conclusions and generalized recommendations. Proposals should be all-inclusive, detailing your best offer. Additional related services should be incorporated into the proposal, if applicable.

Qualifications – This section shall describe the firm's ability and experience related to the programs and services proposed. All project personnel, as applicable, shall be listed including a description of assignments and responsibilities, a resume of professional experience, and an estimate of the time each would devote to this program, and other pertinent information.

Pricing (Attachment A)

Agreement (Attachment B)

References (Attachment C)

Investment Transaction Fees (Attachment D)

21. OFFERORS MINIMUM QUALIFICATIONS

In order for proposals to be evaluated and considered for award, proposals must be deemed ***Responsive and Responsible***. To be deemed ***“Responsive”***, the submitted offer documents shall conform in all material respects to the requirements stated by the solicitation. To be deemed ***“Responsible”***, offerors shall document and substantiate their capability to fully perform all requirements defined by the solicitations. Factors considered include and may not be limited to experience, integrity, perseverance, reliability, capacity, facilities, equipment, credit and other factors required to provide the performance defined by the solicitation.

22. EVALUATION AND AWARD CRITERIA

Navajo County shall evaluate proposals deemed **Responsive and Responsible**. Proposals shall be evaluated according to the evaluation criteria set forth herein. Evaluation of cost shall be made without regard to applicable taxes.

<u>CRITERIA</u>	<i>Manny to review weights</i> <u>MAXIMUM POINTS</u>
A. Ability to meet the service and technical needs of the County	40 points
B. Proven skills and technical competence	30 points
C. Overall cost of services	25 points
D. Quality and completeness of Proposal	<u>5</u> points
Total	100 points

The evaluation criteria will be used by the evaluation panel when scoring the offeror's answers to the questions/requests contained within this proposal.

Evaluation Criteria

The evaluation committee will assign points to each proposal submitted on the basis of the following evaluation criteria, unless otherwise indicated.

A. Ability to meet the service and technical needs of the county (0 to 40 points)

Points will be based on offeror's responses to the required services and submissions and responses from references.

B. Proven skills and technical competence (0 to 30 points)

Points will be based on offeror's responses to the required services and submissions and responses from references.

C. Overall cost of Services (0 to 25 points)

Points for the cost will be assigned by the evaluation panel based on an estimate of the total cost of the contract.

D. Quality and completeness of Proposal (0 to 5 points)

Points will be based on offeror's responses to the required services and submissions.

The County reserves the right to request additional information and/or clarification. Any clarification of a proposal shall be in writing. Recommendations for award will be to the responsible and responsive offeror whose proposal is determined to be the most advantageous to the County taking into consideration the evaluation criteria set forth in this solicitation.

If an award is made, the County will enter into an agreement with the Offeror that submitted the highest scoring responsible and responsive offer(s) by executing and transmitting a blanket contract or purchase order document that incorporates the Offer without further action by the Offeror. The County may conduct discussions with the Offeror to clarify the Offer and Agreement details provided that they do not substantially change the intent of the solicitation. Unless otherwise specified, relative ranking of proposals will be made considering the average of total points given to each proposal by evaluators.

SPECIAL TERMS AND CONDITIONS

1. INSURANCE

The Vendor Agrees to:

At Vendor's own expense, obtain stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. Rating of B++6 for insurance coverage of the types and amounts required in this subsection and keep such insurance coverage in force for vendor and sub-vendors who will be working on Navajo County property. The Vendor will provide satisfactory certificates of the required coverage to the Contracting Officer before beginning the work. All policies will contain an endorsement providing that written notice be given to the County at least thirty (30) calendar days prior to termination, cancellation or reduction in coverage in any policy. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies who are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of the County. The form of any insurance policies and forms must be acceptable to the County.

The Vendor shall furnish the County with certificates of insurance which name the County as additional insured in an amount as required in this contract.

Provide and maintain minimum insurance coverage as follows:

- **Commercial General Liability.** **VENDOR** shall maintain Commercial General Liability Insurance (CGL) and, if necessary, Commercial Umbrella Insurance with a limit of not less than \$1,000,000 for each occurrence with a \$1,000,000 Products/Completed Operations Aggregate and a \$1,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.
 - The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.
 - The CGL and the commercial umbrella coverage, if any, additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 10 01, and shall include coverage for **VENDOR'S** operations and products.
- **Automobile Liability.** **VENDOR** shall maintain Automobile Liability Insurance and, if necessary, **Commercial Umbrella Insurance with a combined single limit for bodily injury and property damage** of no less than \$1,000,000, each occurrence, with respect to **VENDOR'S** vehicles (including owned, hired, non-owned), assigned to or used in the performance of this Contract. If hazardous substances, materials, or wastes are to be transported, MCS 90 endorsement shall be included and \$5,000,000 per accident limits for bodily injury and property damage shall apply.
- **Workers' Compensation.** **VENDOR** shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of **VENDOR'S** employees engaged in the

performance of the work or services, as well as Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

- **VENDOR** waives all rights against **COUNTY** and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by **VENDOR** pursuant to this agreement.
- In case any work is subcontracted, **VENDOR** will require the Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of **VENDOR**.
- Certificates of Insurance.
 - Prior to commencing work or services under this Contract, Vendor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Vendor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE VENDOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**
- In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **VENDOR'S** work or services and as evidenced by annual Certificates of Insurance.
- If a policy does expire during the life of the Contract, a renewal certificate must be sent to the **COUNTY** fifteen (15) days prior to the expiration date.
- Cancellation and Expiration Notice.
 - Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

2. **CONTRACT TERM**

This Request for Proposal is for awarding a firm, fixed price purchasing contract to cover a THREE (3) year period.

3. **OPTION TO EXTEND**

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of TWO (2), one (1) year options. The Contractor shall be notified in writing by the Clerk of the Board of Supervisors of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period.

4. **KEY PERSONNEL**

Vendor shall provide updated lists every six (6) months of any other key personnel and their function providing services under this contract.

5. **AMENDMENTS:** Amendments may be obtained during regular business hours at the Navajo County Procurement Office at: 100 East Code Talkers Drive, Holbrook, Arizona 86025. It is the Vendor's

responsibility to obtain a copy of any amendment relevant to this solicitation. The County takes no responsibility for informing recipients of changes to the original solicitation document. Failure to submit signed amendments with the proposal response may be grounds for deeming submittal non-responsive.

6. **ELIGIBILITY FOR COOPERATIVE PURCHASING** The Offeror shall indicate on the price page whether other public agencies may purchase off of the contract during the contract term. If "Yes" is checked, any eligible federal, state or local public agency that has entered into a cooperative purchasing agreement with Navajo County may purchase off of the contract during the contract term (per ARS § 41-2632). If "No" is checked, the contract will not be eligible for cooperative purchasing by other agencies.
7. **TAX:** No tax shall be levied against labor. It is the responsibility of the Vendor to determine any and all taxes and include the same in proposal price.
8. **DELIVERY:** It shall be the Vendor's responsibility to meet the proposed delivery requirements. Navajo County reserves the right to obtain services on the open market in the event the Vendor fails to make delivery and any price differential will be charged against the Vendor.
9. **COMPLIANCE REQUIREMENTS FOR A.R.S. § 41-4401, GOVERNMENT PROCUREMENT: E-VERIFY REQUIREMENT.**
 - a. The Vendor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.)
 - b. A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the vendor may be subject to penalties up to and including termination of the contract.
 - c. Failure to comply with a State audit process to randomly verify the employment records of vendors and subcontractors shall be deemed a material breach of the contract and the Vendor may be subject to penalties up to and including termination of the contract.
 - d. The State Agency retains the legal right to inspect the papers of any employee who works on the contract to ensure that the vendor or subcontractors is complying with the warranty under paragraph a.

12. **ESCALATION:**

Any requests for reasonable price adjustments must be submitted thirty (30) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Producer Price Index or by performing a market survey.

13. POST AWARD MEETING:

The successful Respondent(s) may be required to attend a post-award meeting with the Using Agency to discuss the terms and conditions of this Contract.

NOTE: RESPONDENTS ARE REQUIRED TO USE ATTACHED FORMS TO SUBMIT THEIR PROPOSALS.

OPTIONAL SERVICES TO BE PRICED SEPARATELY

STANDARD TERMS AND CONDITIONS

1. **CERTIFICATION:** By signature in the offer section of the Offer and Acceptance page, Offeror certifies:
 - A. The submission of the offer did not involve collusion or other anti-competitive practices.
 - B. The Proposer shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, or A.R.S. § 31-1461, et seq.
 - C. The Proposer has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
 - D. The Proposer submitting the offer hereby certifies that the individual signing the proposal is an authorized agent for the company and has the authority to bind the proposer to the contract.

2. **TERMINATION OF CONTRACT:** This contract may be terminated at any time by mutual written consent, or by the County, with or without cause, upon giving one hundred eighty (180) days' prior written notice to you, per A.R.S. § 35-325D. The County at its convenience, by written notice, may terminate this contract, in whole or in part. If this contract is terminated, the County shall be liable only for payment under the payment provisions of this contract for services rendered and accepted material received by the County before the effective date of termination.

The County reserves the right to cancel the whole or any part of this contract due to failure of Vendor to carry out any term, promise, or condition of the contract. The County will issue a written ten (10) day notice of default to Vendor for acting or failing to act as in any of the following:

In the opinion of the County, Vendor provides personnel that do not meet the requirements of the contract;

In the opinion of the County, Vendor fails to perform adequately the stipulations, conditions or services/specifications required in this contract;

In the opinion of the County, Vendor attempts to impose on the County personnel or materials, products or workmanship, which is of an unacceptable quality;

Vendor fails to furnish the required service and/or product within the time stipulated in the contract;

In the opinion of the County, Vendor fails to make progress in the performance of the requirements of the contract and/or give the County a positive indication that Vendor will not or cannot perform to the requirements of the contract.

3. **RECORDS:** Internal control over all financial transactions related to this contract shall be in accordance with sound fiscal policies. The County may, at reasonable times and places, audit the books and records of you or any and all of your subcontractors. Said audit shall be limited to this contract and its scope of services.

4. **ARBITRATION:** It is understood and agreed that no provision of the contract relating to arbitration or requiring arbitration shall apply to or be binding upon the County except by the County's express written consent given subsequent to the execution of the contract. However, at the County's sole option, or by other means expressly approved by the County, disputes may be resolved through arbitration. The dispute shall be resolved as provided for in A.R.S. § 12-1501, et seq. Vendor shall continue to render the services required by this contract without interruption, notwithstanding the provisions of this section.

5. **INDEPENDENT VENDOR:** It is clearly understood that each party shall act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever.

Vendor shall not be entitled to compensation in the form of salaries, or to paid vacation or sick days by the County, and that such days do not accumulate for the use of same at a later date.

Navajo County will not provide any insurance coverage to the Vendor, including Workers' Compensation coverage. The Vendor is advised that taxes or social security payments shall not be withheld from a County payment issued hereunder and that Vendor should make arrangements to directly pay such expenses, if any.

6. **AFFIRMATIVE ACTION:** Vendor agrees to abide by the applicable provisions of the County. Vendor, your subcontractor(s) and supplier(s) agree to adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, promote and upgrade the position of employees regardless of race, color, religion, ancestry, sex, age, disability, national origin, sexual orientation, gender identity, familial status, or marital status and who agree and are responsive to the County's goals.
7. **NON-EXCLUSIVE CONTRACT:** Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the County. The County reserves the right to obtain like goods or services from another source when necessary.
8. **PATENT INFRINGEMENT:** The procuring agency should advise the Vendor of any impending patent suit and provide all information available. The Vendor shall defend any suit or proceeding brought against the procurement agency based on a claim that any equipment, or any part thereof, furnished under this contract constitutes an infringement of any patent, and the Contract shall pay all damages and costs awarded therein, excluding incidental and consequential damages, against the procuring agency. In case said equipment, or any part thereof, is in such suit held to constitute infringement and use of said equipment or part is enjoined, the Vendor shall, at its own expense and at its option, either procure for the procuring agency the right to continue using said equipment or part, or replace same with non-infringing equipment, or modify it so it becomes non-infringing.
9. **DUPLEXED/RECYCLED PAPER:** The Vendor shall ensure that, when practicable, all printed materials produced by the Vendor in the performance of this contract are duplexed (two-sided copies), printed on recycled paper and labeled as such.
10. **AMERICANS WITH DISABILITIES ACT:** The Vendor shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act.
11. **CONFIDENTIALITY OF RECORDS:** The Vendor shall establish and maintain procedures and controls that are acceptable to the County for the purpose of assuring that no information contained in its records or obtained from the County or from others in carrying out its functions under the contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the County. Vendor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Vendor as needed for the performance of duties under the contract, unless otherwise agreed to in writing by the County.

12. **GRATUITIES:** The County may, by written notice to the Vendor, cancel this contract if it is found that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Vendor or any agent or representative of the Vendor, to any officer or employee of the County amending, or the making of any determinations with respect to the performing of such contract. In the event this contract is canceled by the County pursuant to this provision, the County shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Vendor the amount of the gratuity.
13. **APPLICABLE LAW:** This contract shall be governed by, and the County and Vendor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in laws pertaining specifically to the County. This contract shall be governed by the law of the State of Arizona, and suits pertaining to this contract shall be brought only in federal or state courts in the State of Arizona.
14. **CONTRACT:** The contract shall be based upon the Request for Proposals issued by the County and the offer submitted by the Vendor in response to the Request for Proposals. The offer shall substantially conform to the terms, conditions, specifications and other requirements set forth within the text of the Request for Proposals. The County reserves the right to clarify any contractual terms with the concurrence of the Vendor; however, any substantial non-conformity in the offer, as determined by the County's Procurement Manager, shall be deemed non-responsive and the offer rejected. The contract shall contain the entire agreement between the County and the Vendor relating to this requirement and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders, or master agreements in any form.
15. **LEGAL REMEDIES:** All claims and controversies shall be subject to the Navajo County Procurement Code.
16. **CONTRACT AMENDMENTS:** This contract shall be modified only by a written contract amendment signed by the County's Procurement Manager and persons duly authorized to enter into contracts on behalf of the Vendor.
17. **PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction.
18. **SEVERABILITY:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the valid provision or application.
19. **PROTECTION OF GOVERNMENT BUILDINGS:** The Vendor shall use reasonable care to avoid damaging existing buildings, equipment, and vegetation (such as trees, shrubs, and grass) on County property. If the Vendor fails to do so and damages such buildings, equipment and vegetation, the Vendor shall replace or repair the damage at no expense to the County, as directed by the Procurement Manager. If the Vendor fails or refuses to make such repair or replacement, then the Vendor shall be liable for the cost thereof, which may be deducted from the contract price.
20. **INTERPRETATION - PAROL EVIDENCE:** This contract is intended by the parties as a final expression of their agreement and is intended also as a complete and exclusive statement of the terms of this agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant

to supplement or explain any term used in this contract. Acceptance or acquiescence in a course of performance rendered under this contract shall not be relevant to determine the meaning of this contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.

- 21. ASSIGNMENT - DELEGATION:** No right or interest in this contract shall be assigned by the Vendor without prior written permission of the County, and no delegation of any duty of Vendor shall be made without prior written permission of the County's Procurement Manager. The County shall not unreasonably withhold approval and shall notify the Vendor of the County's position within fifteen (15) days of receipt of written notice by the Vendor.
- 22. SUBCONTRACTS:** No subcontract shall be entered into by the Vendor with any other party to furnish any of the material/service specified herein without the advance written approval of the County's Procurement Manager. All subcontracts shall comply with federal and state laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract, as if the subcontractor were the Vendor referred to herein. The Vendor is responsible for contract performance whether or not subcontractors are used. The County shall not unreasonably withhold approval and shall notify the Vendor of the County's position within fifteen (15) days of receipt of written notice by the Vendor.
- 23. RIGHTS AND REMEDIES:** No provision in this document or in the Vendor's proposal shall be construed, expressly or by implication as a waiver by either party of any existing or future right and/or remedy available by law in the event of any claim or default or breach of contract. The failure of either party to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the acceptance of materials or services, obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of either party to insist upon the strict performance of the contract.
- 24. PROTESTS:** A protest shall be in writing and shall be filed with the Procurement Manager. A protest of a Request for Proposals shall be received at the Procurement Office before the Request for Proposals opening date. A protest of a proposed award or of an award shall be filed within ten days after the protestor knows or should have known the basis of the protest. A protest shall include:
- A. The name, address, and telephone number of the protestor;
 - B. The signature of the protestor or its representative;
 - C. Identification of the Request for Proposals or contract number;
 - D. A detailed statement of the legal and factual grounds of protest including copies of relevant documents; and,
 - E. The form of relief requested.
- 25. WARRANTIES:** Vendor warrants that all material or service delivered under this contract shall conform to the specifications of this contract. Mere receipt of shipment of the material or service specified and any inspection incidental thereto by the County, shall not alter or affect the obligations of the Vendor or the rights of the County under the foregoing warranties. Additional warranty requirements may be set forth in this document.
- 26. INDEMNIFICATION:** To the fullest extent permitted by law, Vendor shall defend, indemnify and hold harmless Navajo County, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees, court costs, expert witness fees, the cost of appellate proceedings, and alternative dispute resolution costs), relating to, arising out of or resulting from Vendor's work or services. Vendor's duty to defend, indemnify

and hold harmless Navajo County, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, injury to, impairment or destruction of property, including loss of use or diminution in value, resulting from, caused in whole or in part by any act or omission of Vendor, anyone Vendor directly or indirectly employs or anyone for whose acts Vendor may be liable, regardless of whether it is caused in part by a party indemnified hereunder, including Navajo County.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

- 27. OVERCHARGES BY ANTITRUST VIOLATIONS:** The County maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Vendor hereby assigns to the County any and all claims for such overcharges as to the materials or services used to fulfill the contract.
- 28. RIGHT TO ASSURANCE:** Whenever one party to this contract in good faith has reason to question the other party's intent to perform, the former party may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation with this contract.
- 28. ADVERTISING:** Vendor shall not advertise or publish information concerning this contract without prior written consent of the County.
- 30. RIGHT TO INSPECT:** The County may, at reasonable times, and at the County's expense, inspect the place of a Vendor or subcontractor which is related to the performance of any contract as awarded or to be awarded.
- 31. FORCE MAJEURE:**
- A. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this contract if and to the extent that such party's performance of this contract is prevented by reason of Force Majeure. The term "Force Majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Force Majeure shall not include late performance by a subcontractor unless the delay arises out of a Force Majeure occurrence in accordance with this Force Majeure term and condition.
 - B. If either party is delayed at any time in the progress of the work by Force Majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this contract.
- 32. INSPECTION:** All material or service is subject to final inspection and acceptance by the County. Material or service failing to conform to the specifications of this contract shall be held at Vendor's risk and may be returned to the Vendor. If so returned, all costs are the responsibility of the Vendor. Noncompliance shall conform to the cancellation clause set forth in this document.

- 33. EXCLUSIVE POSSESSION:** All services, information, computer program elements, reports, and other deliverables which may be created under this contract are the sole property of the County and shall not be used or released by the Vendor or any other person except with prior written permission by the County.
- 34. TITLE AND RISK OF LOSS:** The title and risk of loss of material or service shall not pass to the County until the County actually receives the material or service at the point of delivery, unless otherwise provided within this contract.
- 35. NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of materials must fully comply with all provisions of this contract. If a tender is made which does not fully conform, this shall conform to the cancellation clause set forth within this document.
- 36. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH:** Vendor shall deliver conforming materials in each installment or lot of this contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the County, shall constitute breach of the contract as a whole. Noncompliance shall conform to the cancellation clause set forth within this document.
- 37. LIENS:** All materials, services, and other deliverables supplied to the County under this contract shall be free of all liens other than the security interest held by the Vendor until payment in full is made by the County. Upon request of the County, the Vendor shall provide a formal release of all liens.
- 38. COMMISSION COLLECTION:** Commissions shall be paid monthly and such payment shall arrive no later than forty-five (45) days following the calendar month for which commissions are being paid. Failure to pay accurate commissions on a regular basis shall be grounds for contract termination.
- 39. LICENSES:** Vendor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Vendor as applicable to this contract.
- 40. COST OF PROPOSAL PREPARATION:** The County shall not reimburse the cost of developing, presenting, or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically providing adequate information in a straightforward and concise manner.
- 41. PUBLIC RECORD:** All proposals submitted in response to this request shall become the property of the County and shall become a matter of public record available for review subsequent to the award notification.
- 42. SUBSEQUENT EMPLOYMENT:** The County may cancel this contract without penalty or further obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating the contract, on behalf of the County is or becomes, at any time while the contract or any extension of the contract is in effect, an employee of, or a vendor to any other party to this contract with respect to the subject matter of the contract. Such cancellation shall be effective when written notice from the Procurement Manager is received by the parties to this contract, unless the notice specifies a later time.
- 43. DEFINITION OF KEY WORDS USED IN THE SOLICITATION:**
Shall, Will, Must: Indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of proposal as non-responsive.

Should: Indicates something that is recommended but not mandatory. If the Offeror fails to provide recommended information, the County may, at its sole option, ask the Offeror to provide the information or evaluate the proposal without the information.

May: Indicates something that is not mandatory but permissible.

For purposes of this contract and Scope of Work, the following definitions shall apply:

- "County" Navajo County, Arizona
- "Vendor/Contractor" The individual, partnership, or corporation who, as a result of the competitive proposal process, is awarded a contract by Navajo County.
- "Contract" The legal agreement executed between Navajo County, Arizona and the Vendor/Contractor.
- "Contract Representative" The County employee or employees who have specifically been designated to act as a contact person or persons to the Vendor, and responsible for monitoring and overseeing the Vendor's performance under this contract.
- "Procurement Manager" The contracting agent for Navajo County.

44. **SUSPENSION OR DEBARMENT CERTIFICATION**

By signing the Offer section of the Offer and Acceptance page, the Offeror certifies that the firm, business or person submitting the Offer has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity with any federal, state or local government. Signing the Offer section without disclosing all pertinent information about a debarment or suspension shall result in rejection of the Offer or cancellation of a contract. The state also may exercise any other remedy available by law.

Certification Regarding
Debarment, Suspension, and Other Responsibility Matters
Primary Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 *Federal Register* (pages 19160-19211). Copies of the regulations are available from local offices of the U.S. Small Business Administration.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTION ON NEXT PAGE)

- (1) The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
- (a) Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

Business Name _____

Date _____

By _____
Name and Title of Authorized Representative

Signature of Authorized Representative

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is submitted for assistance in obtaining a copy of those regulations (13 CFR Part 145).
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the ineligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instruction, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may termination this transaction for cause or default.

ELIGIBILITY FOR COOPERATIVE PURCHASING

The Offeror shall indicate on this page whether other public agencies may participate in this contract during the contract term. If "Yes" is checked, any eligible federal, state or local public agency that has entered into a cooperative purchasing agreement with Navajo County may participate in this contract during the contract term (per ARS § 41-2632). If "No" is checked, the contract will not be eligible for cooperative purchasing by other agencies.

_____ YES – Eligible for cooperative purchasing

_____ NO – Not eligible for cooperative purchasing

NOTICE IS HEREBY GIVEN that all proposal documents shall be completed and/or executed and submitted with the proposal. If Vendor fails to complete and/or execute any portion of the proposal documents, this proposal will be determined to be “non responsive” and rejected.

PROPOSAL CHECKLIST

<u>REQUIRED DOCUMENTS</u>	<u>COMPLETED/EXECUTED</u>
Explain Check/Warrant +1 Yr not Debited to County (P6)	_____
Describe Fees with Lines of Credit (P6)	_____
Earning Credits are Calculated (P7)	_____
Timeline to Notify of Insufficient Funds (P7)	_____
Quantity of Images Available for Retrieval (P8)	_____
Overnight Sweep (P8) Describe Overnight Sweep & Investment Provide Historic Rates	_____ _____
Conversion – Describe plan for Smooth Transition (P8)	_____
Positive Pay – Describe Service & Solution (P9)	_____
Electronic Payment (P10) Describe type of application & Cost Option – Pcard Service Discuss & Itemize Fees Rebates – State Percentages/Rates Payments – Define Grace Periods/Penalties	_____ _____ _____ _____ _____
Credit Card Transactions (P11) State maximum percent charged Explain/Display Discount Rate	_____ _____
Currency Requirements – State Fee P11)	_____
Wire Transaction (P12) State if option is to modify or cancel	_____
Direct Deposit Payroll (P12) Explain any/all fees w/ debit card program	_____
Armored Car Services (P13) Plan to add/remove branches in Navajo County	_____

PROPOSAL CHECKLIST (continued)

REQUIRED DOCUMENTS

COMPLETED/EXECUTED

Imaging at the Treasurer's Office (P14)	
Discuss & Evaluate System	_____
Describe needed equipment & charges	_____
Provide estimate of amount of soft dollars	_____
Provide Option to Consider Other Districts	_____
Services Multiple Locations – Explain (P14)	_____
Option on Checks – Provide for Remote Locations (P14)	_____
ATM – Provide Option (P14)	_____
Investment Transactions (P14)	
Describe Services, including Safekeeping	_____
Price in Attachment D	_____
Original and six (6) copies Total of 7 Proposals (P15)	_____
Electronic, one (1) copy of the Proposals (P15)	_____
Format and Content (P17)	
Table of Contents	_____
Short Introduction and Summary	_____
Proposal	_____
Qualifications	_____
Attachments A-E	_____
Copy of Original RFP	_____
Proposal Evaluation Requirements (P19)	_____
Certification Regarding Debarment, Suspension And Other Responsibility Matters (P32)	_____
Affidavit by Contractor of No Collusion (P34)	_____
Cooperative Purchasing (P35)	_____
Proposal Checklist (P 36-38)	_____
W-9	_____

PROPOSAL CHECKLIST (continued)

REQUIRED DOCUMENTS

COMPLETED/EXECUTED

Offer and Acceptance (P. 42)

Attachments A thru D (P. 39 thru 44)

ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA:

#1

#2

#3

#4

#5

Initials/

Date

Signed and dated this _____ day of _____, 2010

_____ Authorized Signatory for Firm _____ Title

PRICE PAGE (Attachment A)

You May submit your Fee Schedule, if it includes the TMA Codes Displayed below, as a minimum.

TMA Code	Service Description	Charge Basis	Unit Price
200	Interest on Ledger Overdraft		
214	Interest on Uncollected Funds		
00230	FDIC Insurance		
10020	ZBA Concentration Account Fee		
10020	ZBA Tier Account Fee		
10306	On-Line Analysis Statement		
10400	Monthly Account Maintenance		
100000	Deposits Processed		
100015	Currency Deposited, per \$1		
100210	Checks Deposited Pre-Enc/On Us		
100212	Checks Deposited Pre-Enc/Clearing House		
100213	Checks Deposited Pre-Enc/Local RCPC		
100214	Checks Deposited Pre-Enc/Out of District		
100220	Checks Deposited Non-Enc/On Us		
100222	Checks Deposited Non-Enc/Clearing House		
100223	Checks Deposited Non-Enc/Local RCPC		
100224	Checks Deposited Non-Enc/Out of District		
100400	Returned Deposited Item		
100402	Returned Deposited Item : Reclear		
100420	Returned Item Maker Name		
100500	Deposit Correction Credit		
100500	Deposit Correction Debit		
100840	Printed Deposit Slips		
100850	Endorsement Stamps		
101010	Armored Car Services		
109999	Bank Originated Credit		
109999	Bank Originated Debit		

PRICE PAGE (Attachment A) [continued]

TMA Code	Service Description	Charge Basis	Unit Price
150030	Positive pay		
150100	Checks Paid		
150410	On-Line Stop Payment		
150420	Stop Payments		
150511	Cashiers Check		
150800	Printed Checks		
151100	Check Sequencing		
151342	Images Printed		
151350	Images - On Line Maintenance		
151351	CD/Image CD-Rom Check Image		
151352	Images Queried		
151352	Images Viewed		
151353	Images CD		
200000	Special Rpts / Monthly Maintenance		
200310	Special Report / per report		
250107	Payroll Service		
250200	Electronic (ACH) Debits		
250201	Electronic (ACH) Credits		
250300	ACH / Returned items - Debit		
250301	ACH / Returned items - Credit		
251100	ACH Maintenance		
251055	ACH Fraud Filter - Debit		
300000	EDI Monthly Fee		
350000	On-Line Wire Transfer		
350124	Wire Transfer Outgoing - Branch		
350300	Incoming Wire - Manual		
350300	Incoming Wire – Auto		

OFFER FORM (Attachment B)

TO NAVAJO COUNTY:

The Undersigned hereby offers and agrees to furnish the material or service in compliance with all terms, scope of work, conditions, specifications, and amendments in the Request for Proposals.

In accordance with A.R.S. § 35-393, the Offeror hereby certifies that the Offeror does not have scrutinized business operations in Iran.

In accordance with A.R.S § 35-391, the Offeror hereby certifies that the Offeror does not have scrutinized business operations in Sudan.

For clarification of this offer, contact:

Company Name

Name: _____

Address

Phone: _____

City State Zip

Fax: _____

Signature of Person Authorized to Sign

E-mail: _____

Printed Name

Title

ACCEPTANCE OF OFFER:

The offer is hereby accepted.

The Vendor is now bound to provide the materials or services listed in RFP# F15-01-05 including all terms, conditions, specifications, amendments, etc., and the Vendor's Offer as accepted by Navajo County.

The Vendor has been cautioned not to commence any billable work or to provide any material or service under this contract until Vendor receives this signed sheet, or written notice to proceed.

Awarded this ____ day of _____ 20____

AUTHORIZED SIGNATURE

Attachment C

Bank References

FIRM SUBMITTING PROPOSAL: _____

1. COMPANY NAME: _____
ADDRESS: _____
CONTACT PERSON: _____
TELEPHONE: _____ E-MAIL ADDRESS: _____

2. COMPANY NAME: _____
ADDRESS: _____
CONTACT PERSON: _____
TELEPHONE: _____ E-MAIL ADDRESS: _____

3. COMPANY NAME: _____
ADDRESS: _____
CONTACT PERSON: _____
TELEPHONE: _____ E-MAIL ADDRESS: _____

4. COMPANY NAME: _____
ADDRESS: _____
CONTACT PERSON: _____
TELEPHONE: _____ E-MAIL ADDRESS: _____

5. COMPANY NAME: _____
ADDRESS: _____
CONTACT PERSON: _____
TELEPHONE: _____ E-MAIL ADDRESS: _____

ATTACHMENT D

OPTIONAL SERVICES PRICING

Service Description	Charge Basis	Monthly Volume	Unit Price
Trust and Custody Charges			
Account Fee	Account	-	
Custody Fee	Volume	100,000,000	
Coupon Interest Payment	Transaction	-	
Interest Inc Nonpooled	Transaction	-	
Calls full / partial	Transaction	-	
DTC Buys	Transaction	-	
DTC Sells	Transaction	-	
Federal Reserve Buys	Transaction	-	
Federal Reserve Sells	Transaction	-	
Security Maturities	Transaction	-	
Principal Pymt Nonpooled	Transaction	-	
Money Transactions	Transaction	-	
Subtotal			

Other Trust and Custody
 Identify any other charges below

Exhibit 1

Encoded Warrant Processing
 Transmission specification for file compatibility and security

Detail records are 62 bytes in length, followed by a CR/LF and have the following format:

Position	Length	Field	Format	Example
<i>1</i>	<i>12</i>	<i>Account</i>	<i>9(12)</i>	<i>020632002796</i>
<i>13</i>	<i>8</i>	<i>Warrant Number</i>	<i>9(8)</i>	<i>00978951</i>
<i>21</i>	<i>8</i>	<i>Cleared Date</i>	<i>MMDDYYYY</i>	<i>01192010</i>
<i>29</i>	<i>10</i>	<i>Warrant Amount</i>	<i>9(8)v99</i>	<i>0000023193</i>
<i>39</i>	<i>10</i>	<i>Zero Fill</i>	<i>9(10)</i>	<i>0000000000</i>
<i>49</i>	<i>13</i>	<i>Space Fill</i>	<i>X(13)</i>	
<i>62</i>	<i>1</i>	<i>Detail Flag</i>	<i>X</i>	<i>D</i>

Footer record is 50 bytes in length followed by a CR/LF and has the following format:

Position	Length	Field	Format	Example
<i>1</i>	<i>12</i>	<i>Account</i>	<i>9(12)</i>	<i>020632002796</i>
<i>13</i>	<i>8</i>	<i>Nines Fill</i>	<i>9(8)</i>	<i>99999999</i>
<i>21</i>	<i>8</i>	<i>Warrants Count</i>	<i>9(8)</i>	<i>00000474</i>
<i>29</i>	<i>10</i>	<i>Warrant Total</i>	<i>9(9)v99</i>	<i>00132848729</i>
<i>39</i>	<i>10</i>	<i>Zero Fill</i>	<i>9(11)</i>	<i>0000000000</i>

Exhibit 2

VitalChek Terminal Locations and Transactions

Location	2009												Grand Total
	1	2	3	4	5	6	7	8	9	10	11	12	
CTRNavajo Co Public Works/Main			1	1	1			1					4
CTR-Holbrook Justice Court	0	13	28	24	15	9	9	6	2	4	1	3	114
CTR-Navajo Co. Treasurer	3	22	9	8	9	3		2					56
CTR-Navajo Co P&Z	2	4	7	7	12	6	1			1			40
CTRNavajo Co PublicWorks/South	2		1	1		1	1						6
CTR-Winslow Justice Court		9	8	2	7	7	6	1	3	2	5	3	53
CTR-Apache Co. Treasurer								5	1				6
CTR-Pinetop Justice Court		16	20	13	10	7	5	6	1	2	6	6	92
CTR-Snowflake Justice Court		11	14	13	25	10	10	4	3	5	1	1	97
CTR-Navajo Co. Treasurer - VPS						20	0	7	3	5	5	3	43
CTR-Navajo Co P&Z/Heber	1	2	4	3		1		1	3		1	1	17
CTR-Show Low Justice Court		4	12	14	16	12	2	9	6	1	5	7	88
CTR-Navajo Co Superior Court	0	33	46	37	37	20	21	11	21	16	10	6	258
Total	8	114	150	123	132	96	55	53	43	36	34	30	874