



**BOARD OF SUPERVISORS AGENDA ITEM REPORT**  
**CONTRACTS / AWARDS / GRANTS**

Requested Board Meeting Date: 4/21/2015

or Procurement Director Award ☐

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**Contractor/Vendor Name (DBA):** Bank of America, N.A. (Headquarters: Charlotte, NC)

**Project Title/Description:**

County Banking Services. Contractor to provide primary and ancillary banking services, securities safekeeping, purchase card and merchant services to the Pima County Treasurer and other County Departments.

**Purpose:**

Award of contract, MA-PO-15000000000000000277, County Banking Services, award is for a initial term of three (3) years and includes one (1) two-year renewal period. Administering Department: Treasurer.

**Procurement Method:**

The solicitation was conducted as prescribed by Pima County Procurement code (11.12.020 Competitive Sealed Proposals); RFP # 169552 was published on 2/4/2015 and opened on 2/28/2015. Attached are the Notice of Recommendation for Award (NORFA) published on 3/10/2015 and contract # MA-PO-15000000000000000277.

**Program Goals/Predicted Outcomes:**

Efficiently manage County funds and maximize revenues.

**Public Benefit:**

Provide efficient and fiscally responsible Banking Services

**Metrics Available to Measure Performance:**

Contractor performance shall be monitored by the County Treasurer to assure that optimum services are provided to the County

**Retroactive:**

NO

Original Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): MA 15\*277  
Effective Date: 7/1/2015 Termination Date: 6/30/2018 Prior Contract Number (Synergen/CMS):  
☒ Expense Amount: \$ ☒ Revenue Amount: \$  
Funding Source(s): This contract will result in net revenue or net expenditures dependent on the services actually used

Cost to Pima County General Fund: 00.00

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards  
Were insurance or indemnity clauses modified? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards  
Vendor is using a Social Security Number? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: Department Code: Contract Number (i.e., 15-123):  
Amendment No.: AMS Version No.:  
Effective Date: New Termination Date:  
☐ Expense ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$  
Funding Source(s):

Cost to Pima County General Fund:

Contact: Walter Lewandowski, Commodity Contracts Officer

4/2/15

Department: Procurement

Telephone: 520-724-8197

Department Director Signature/Date: 4/3/15

Deputy County Administrator Signature/Date: 4/3/15

County Administrator Signature/Date: C. D. [Signature] 4/6/15  
(Required for Board Agenda/Addendum Items)

<b>PIMA COUNTY TREASURER'S OFFICE</b>  <b>PROJECT: BANKING SERVICES</b>  <b>CONTRACTOR: Bank of America, N.A.</b>  <b>201 E. Washington Street, 22nd Floor</b> <b>Phoenix, AZ 85004</b>  <b>AMOUNT: \$00.00</b>  <b>FUNDING: Various Funds</b>		<table border="1"> <tr> <th colspan="2">CONTRACT</th> </tr> <tr> <td colspan="2">NO. <u>MA-PD-15000000000000000000277</u></td> </tr> <tr> <td colspan="2">AMENDMENT NO. _____</td> </tr> <tr> <td colspan="2">This number must appear on all invoices, correspondence and documents pertaining to this contract.</td> </tr> </table>	CONTRACT		NO. <u>MA-PD-15000000000000000000277</u>		AMENDMENT NO. _____		This number must appear on all invoices, correspondence and documents pertaining to this contract.	
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AMENDMENT NO. _____										
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		(STAMP HERE)								

**PROFESSIONAL SERVICES CONTRACT - Board of Supervisors**

THIS CONTRACT entered between Pima County, a body politic and corporate of the State of Arizona, hereinafter called COUNTY; and Bank of America, N.A. hereinafter called CONTRACTOR.

WITNESSETH

WHEREAS, COUNTY requires the services of a CONTRACTOR to provide Servicing Bank services and other ancillary banking services to the Pima County Treasurer and various County departments; and

WHEREAS, consistent with Board of Supervisors Policy D29.6 CONTRACTOR submitted the most advantageous response to Solicitation No. 169552 titled for said services.

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I - TERM AND EXTENSION/RENEWAL/CHANGES**

This Contract, as awarded by the Board of Supervisors, shall commence on July 1, 2015 and shall terminate on June 30<sup>th</sup>, 2018, unless sooner terminated or further extended pursuant to the provisions of this Contract. The parties may renew this Contract for up to one additional two-year period or any portion thereof, upon the written mutual consent of the parties.

Any modification, or extension of the contract termination date, shall be by formal written amendment executed by the parties hereto.

Amendments to the Contract must be approved by the Board of Deposit, Board of Supervisors or the Procurement Director, as required by the Pima County Procurement code, before any work or deliveries under the Amendment commences.

**ARTICLE II – SCOPE OF SERVICES**

This Contract establishes the agreement under which the CONTRACTOR will provide COUNTY with products and services in accordance with the attached Exhibit A: Scope of Services (93 pages).

CONTRACTOR shall provide COUNTY the goods and services as defined in this Contract. All goods and services shall comply with the requirements and specifications as called for in this Contract and solicitation documents contained or referenced in Pima County Solicitation No. 169552, these documents are incorporated into the Contract the same as set forth in full herein.

CONTRACTOR shall employ suitably trained and skilled professional personnel to perform all consultant services under this Contract. Prior to changing any key personnel, especially those key personnel COUNTY relied upon in making this Contract, CONTRACTOR will work diligently with COUNTY to find a suitable replacement, and shall obtain the approval of COUNTY, although all personnel decisions must remain with the Bank. The key personnel include the following staff:

### **ARTICLE III – COMPENSATION AND PAYMENT**

In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an accordance with pricing identified by EXHIBIT B: COMPENSATION AND PAYMENT (42 Pages) which shall be the pricing schedule for this contract, for services or tasks as defined by EXHIBIT A: SCOPE OF SERVICES (93 pages)

Although State and City sales tax are paid when applicable and invoiced, taxes should not be included in the unit price.

CONTRACTOR shall provide detailed documentation in support of requested payment. Payment requests shall assign all costs to items identified by Exhibit B.

It is the intention of both parties that pricing shall remain firm during the term of the contract. Price increases shall only be considered in conjunction with a renewal of the Contract. In the event that economic conditions are such that unit price increases are desired by the CONTRACTOR upon renewal of the Contract, CONTRACTOR shall submit a written request to COUNTY with supporting documents justifying such increases at least 90 days prior to the termination date of the Contract. It is agreed that the Unit Prices shall include compensation for the CONTRACTOR to implement and actively conduct cost and price control activities. COUNTY will review the proposed pricing and determine if it is in the best interest of COUNTY to renew or extend the Contract as provided for in Article I of this Contract.

CONTRACTOR shall not provide goods and services in excess of the Exhibit A Line Item and Contract Amounts without prior authorization by an amendment executed by COUNTY. Goods and Services provided in excess of Line Item or Contract Total Amounts without prior authorization by fully executed amendment shall be at CONTRACTOR'S own risk.

For the period of record retention required under Article XXI, COUNTY reserves the right to question any payment made under this Article and to require reimbursement therefore by setoff (as long as COUNTY first makes demand for any amounts owed) or otherwise for payments determined to be improper or contrary to the contract or law.

### **ARTICLE IV - INSURANCE**

CONTRACTOR shall obtain and maintain at its own expense, during the entire term of this Contract the following type(s) and amounts of insurance:

- a) Commercial General Liability in the amount of \$1,000,000.00 combined single limit Bodily Injury and Property Damage. Pima County is to be named as an additional insured for all operations performed within the scope of the Contract between Pima County and CONTRACTOR;
- b) Commercial or Business automobile liability coverage for owned, non-owned and hired vehicles used in the performance of this Contract with limits in the amount of \$1,000,000.00 combined single limit or \$1,000,000.00 Bodily Injury, \$1,000,000.00 Property Damage;
- c) If this Contract involves professional services, professional liability insurance in the amount of \$1,000,000.00; and,
- d) If required by law, workers' compensation coverage including employees' liability coverage.

CONTRACTOR shall provide COUNTY with current certificates of insurance. All certificates of insurance must provide for guaranteed thirty (30) days written notice to the COUNTY of cancellation, non-renewal or material change.

### **ARTICLE V - INDEMNIFICATION**

Each party (as "indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "indemnitee") from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the indemnifying party its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Contract. Each party's liability shall have a dollar CAP of 1x annual contract revenue.

Notwithstanding the foregoing, CONTRACTOR will defend at CONTRACTOR'S own expense or settle any action brought against COUNTY to the extent such action is based on a claim that COUNTY'S use of the Software and/or Applications (as such terms are defined in CONTRACTOR'S Treasury Services Terms and Conditions Booklet) infringes any Berne Convention country copyright or any United States of America or United Kingdom patent, trade secret or trademark of any third party, and CONTRACTOR will pay all costs and damages finally awarded in any such action.

CONTRACTOR'S obligation is subject to (i) prompt notice from COUNTY of any such claim or action, (ii) COUNTY not having made any admission of liability or agreed to any settlement or compromise, (iii) COUNTY providing to CONTRACTOR, in a prompt and timely manner, the documents, information and assistance CONTRACTOR reasonably requests, (iv) CONTRACTOR having sole control of defending such claim or action, (v) COUNTY having used the current version of the Software and Applications, as provided to COUNTY by CONTRACTOR, in compliance with the terms of CONTRACTOR'S T&C and the related Materials, and (vi) CONTRACTOR'S obligations under this indemnity being CONTRACTOR'S only obligations to COUNTY with respect to any infringement claim in connection with COUNTY'S use of the Software and Applications.

#### **ARTICLE VI - COMPLIANCE WITH LAWS**

CONTRACTOR shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Contract. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Contract, and any disputes hereunder. Any action relating to this Contract shall be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Contract shall apply, but do not require an amendment.

#### **ARTICLE VII - INDEPENDENT CONTRACTOR**

The status of the CONTRACTOR shall be that of an independent contractor. Neither CONTRACTOR, nor CONTRACTOR'S officer's agents or employees shall be considered an employee of Pima County or be entitled to receive any employment-related fringe benefits under the Pima County Merit System. CONTRACTOR shall be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and shall indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of CONTRACTOR'S failure to pay such taxes. CONTRACTOR shall be solely responsible for program development and operation.

#### **ARTICLE VIII - SUBCONTRACTOR**

CONTRACTOR will be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor and of persons for whose acts any of them may be liable to the same extent that the CONTRACTOR is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract shall create any obligation on the part of COUNTY to pay or see to the payment of any money due any subcontractor, except as may be required by law.

#### **ARTICLE IX - ASSIGNMENT**

CONTRACTOR will not assign, transfer or convey any rights, obligations or interest under this contract without prior written consent of COUNTY, except to a wholly owned affiliate of CONTRACTOR or to an entity who purchases substantially all of CONTRACTOR's assets and liabilities. Any affiliate, successor owner or other party to whom the contract is assigned will conform to the terms, conditions and requirements of the contract.

#### **ARTICLE X - NON-DISCRIMINATION**

CONTRACTOR shall not discriminate against any COUNTY employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin in the course of carrying out CONTRACTOR'S duties pursuant to this Contract. CONTRACTOR shall comply with the provisions of Executive Orders 75-5, as amended by Executive Order 99-4, which are incorporated into this Contract by reference as if set forth in full herein.

#### **ARTICLE XI - AMERICANS WITH DISABILITIES ACT**

CONTRACTOR shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.

#### **ARTICLE XII - AUTHORITY TO CONTRACT**

CONTRACTOR warrants its right and power to enter into this Contract. If any court or administrative agency determines that COUNTY does not have authority to enter into this Contract, COUNTY shall not be liable to CONTRACTOR or any third party by reason of such determination or by reason of this Contract.

#### **ARTICLE XIII - FULL AND COMPLETE PERFORMANCE**

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of this Contract to be performed on the part of the other, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time shall not be construed as an accord and satisfaction.

#### **ARTICLE XIV - CANCELLATION FOR CONFLICT OF INTEREST**

This Contract is subject to cancellation for conflict of interest pursuant to ARS § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.

#### **ARTICLE XV - TERMINATION**

COUNTY reserves the right to terminate this Contract at any time and without cause by serving upon CONTRACTOR 30 days advance written notice of such intent to terminate. In the event of such termination, the COUNTY'S only obligation to CONTRACTOR shall be payment for services rendered prior to the date of termination.

This Contract may be terminated by either party, at any time without advance notice, and without further obligation to the other party when either party is found to be in default of any provision of this Contract or the CONTRACTOR'S Treasury Service Terms and Conditions.

Notwithstanding any other provision in this Contract, this Contract may be terminated if for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining COUNTY or other public entity obligations under this Contract. In the event of such termination, COUNTY shall have no further obligation to CONTRACTOR, other than to pay for services rendered prior to termination.

#### **ARTICLE XVI - NOTICE**

Any notice required or permitted to be given under this Contract shall be in writing and shall be served by personal delivery or by certified mail upon the other party as follows:

COUNTY:  
Pima County Treasurer's Office  
Attn: Beth Ford (or Current Treasurer)  
115 N. Church St,  
Tucson, AZ 85701

CONTRACTOR:  
Bank of America, N.A.  
Attn: Jeff Moore  
C/O Aletia Ligon AZ1-2002-22-32  
201 E Washington St., 22<sup>nd</sup> Floor  
Phoenix, AZ 85004

#### **ARTICLE XVII - NON-EXCLUSIVE CONTRACT**

CONTRACTOR understands that this Contract is nonexclusive and is for the sole convenience of COUNTY. COUNTY reserves the right to obtain like services from other sources for any reason.

#### **ARTICLE XVIII - OTHER DOCUMENTS**

CONTRACTOR and COUNTY in entering into this Contract have relied upon information provided in the Pima County Request for Proposal Solicitation No. 169522 including the Instructions to Bidders, Standard Terms and Conditions (excluding Section 20, Section 21 and Section 24), Specific Terms and Conditions, Solicitation Addenda (collectively, "RFP Documents"), CONTRACTOR'S Proposal, CONTRACTOR'S Terms and Conditions, and on other information and documents submitted by the CONTRACTOR in its' response to Solicitation No. 169522 (collectively, "Proposal Documents"). These documents are hereby incorporated into and made a part of this Contract as if set forth in full herein, to the extent not inconsistent with the provisions of this contract.

#### **ARTICLE XIX - REMEDIES**

Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

## **ARTICLE XX - SEVERABILITY**

Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

## **ARTICLE XXI - BOOKS AND RECORDS**

CONTRACTOR shall keep and maintain proper and complete books, records and accounts, which shall be open at all reasonable times for inspection and audit by duly authorized representatives of COUNTY.

In addition, CONTRACTOR shall retain all records relating to this contract at least 7 years on a rolling basis, following the date of each given transaction under the contract. .

## **ARTICLE XXII – PUBLIC INFORMATION**

Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(G) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all information submitted in response to this solicitation, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release and/or review by the general public including competitors.

Any records submitted in response to this solicitation that CONTRACTOR believes constitute proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by CONTRACTOR prior to the close of the solicitation.

Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., County shall release records marked CONFIDENTIAL ten (10) business days after the date of notice to CONTRACTOR of the request for release, unless CONTRACTOR has, within the ten day period, secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release shall not be counted in the time calculation. CONTRACTOR shall be notified of any request for such release on the same day of the request for public release or as soon thereafter as practicable.

County shall not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, nor shall County be in any way financially responsible for any costs associated with securing such an order.

## **ARTICLE XXIII – LEGAL ARIZONA WORKERS ACT COMPLIANCE**

CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR'S employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). CONTRACTOR shall further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.

COUNTY shall have the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of CONTRACTOR'S or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.

CONTRACTOR shall advise each subcontractor of COUNTY'S rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR'S books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR

will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract."

Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which CONTRACTOR shall be entitled to an extension of time, but not costs.

#### ARTICLE XXIV -ENTIRE AGREEMENT

This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Contract on the date written below.

#### PIMA COUNTY

\_\_\_\_\_  
Sharon Bronson, Chair, Board of Supervisors

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

#### CONTRACTOR

\_\_\_\_\_  
Authorized Officer Signature

Jeffrey B. Moore, Director  
Printed Name and Title

Date: 02 April 2015

#### ATTEST

\_\_\_\_\_  
Robin Brigode, Clerk of Board

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

#### APPROVED AS TO FORM

\_\_\_\_\_  
Tobin Rosen, Deputy County Attorney

Date: 4/3/15



# Exhibit A: Scope of Services ( 93 PAGES)

## Section 1 – Banking Services

### 1) Deposits

- a) **Identify any deposit procedures you require, such as a limit on the number of checks per deposit.**  
*{Responses to all questions shall be included in your Exhibit A}*

Bank of America is pleased to continue our long-standing relationship servicing Pima County. As the incumbent, we welcome Pima County to continue making deposits under the existing arrangement whereby the majority of Pima County's deposits are picked up at your main office by Loomis Courier Service and delivered to the Bank of America Tempe Cash Vault for processing. As always, Pima County can continue making deposits with CashPro® Remote Deposit service and Quick Business Deposits® (QBD®) at any of our branches; the nearest being the Tucson Downtown banking center located at 33 North Stone Avenue which is less than a tenth of a mile away from the Pima County's Treasurer Office at 130 West Congress Street.

Each deposit product offered has specific requirements regarding the preparation and delivery of the deposit to the bank.

#### Deposit Procedures

Vault deposits must be presented in tamper-resistant, plastic bags provided by Bank of America or another private vendor of Pima County's choice. We require the use of tamper-evident plastic bags for vault processing. If deposits include checks, two pocket bags are requested, to allow our cash vault associates to separate the un-encoded checks and deposit ticket and then forwarded the items on to the proof-area of the vault for further processing and verification purposes. Our standard temper-evident plastic cash bag holds up to \$25 in coin. If the amount of coins should exceed this amount, Bank of America requires that the coins be batched separately in generic canvas bags. Whenever possible, currency should be strapped 100 bills per strap to minimize the fees associated with deposit processing. If requested, Bank of America will provide ongoing deposit preparation training to Pima County personnel.

#### Flexible Processing

Bank of America accepts bulk coin, currency envelopes, and checks for same-day deposit at any of its vault locations. We use the same procedures in each vault location to ensure nationwide consistency and quality for all of our services. Access to our vault locations is restricted to commercial armored carriers, such as Loomis, which currently provides this service to Pima County. While a carrier waits, vault personnel verify incoming bags against the carrier manifest.

By requiring the use of tamper-evident plastic bags, Bank of America can immediately determine if someone has attempted or gained access to Pima County's deposits and notify Pima County's designated contact of any problems. Standard procedure involves also refusing the receipt of bags, which are not intact.

Deposits are logged under dual control, tracked via a unique bag number and then assigned to a clerk. Deposits received by the vault location deadline are posted for same-day ledger credit and verified within 24 hours.

If exceptional volumes delay the counting of any deposits until the following business day, Bank of America will give provisional credit to the account using the total listed on the deposit ticket.

Pima County currently uses Quick Business Deposit®, or QBD®, service. We recommend you continue to use this service to expedite and simplify your deposits.

### Quick Business Deposit (QBD)

Bank of America has both the network and services Pima County needs to reduce costs, save time and help minimize losses. In addition to our convenient branch locations, we recommend Pima County continue to use the QBD services as a less expensive option to our over-the-counter banking center deposits.

We also recommend our SafeConnect service as an additional method of making cash deposits, and receiving accelerated credit for deposits.



### Improve cash availability and visibility

SafeConnect is an end-to-end currency handling solution, enabling Pima County to receive accelerated credit for excess currency deposited into a bill-validating safe. The bank establishes connectivity and provides next day credit for currency placed in the safe.

### Benefits

Using our SafeConnect solution, Pima County will enjoy:

- **Improved employee safety and minimized cash-handling risk** – The on-site safe and armored carrier service help increase employee safety and decrease risk of loss. Employees log in with personal IDs, improving accountability for cash receipts.
- **Reduced cash-handling errors** – There is no need to manually count cash, which reduces error rates.
- **Increased efficiency and productivity** – With simplified deposit preparation, fewer armored carrier trips and consolidated reporting data, less time is spent on going to the bank, preparing deposits and data reporting.
- **Faster funds availability** – Direct communication between the safe and armored carrier network can enable daily credit. The armored carrier network communicates directly with Bank of America to turn cash receipts into usable funds, generally providing next-day credit for cash in store (some instances may be same-day).

We expand on the intricacies of our SafeConnect service in our responses to question 29 Other.

**b) What methods do you have available to allow us to identify the Pima County department or political subdivision making the deposit?**

Pima County can continue to use our Depository+ service to identify Pima County departments or political subdivisions making deposits. Depository+ allows you to identify all paper and electronic debit and credit activity for each of your locations with total accuracy at the master account level. With Depository+, you may receive information through CashPro Online, BAI and Electronic Data Interchange transmission and a paper statement. When the subtotal feature is requested, the paper statement reports each location number and the location's total deposit amount over a designated period of time, such as a month. The statement cycle closing date, selected by Pima County, results in statement production.

c) **Are there branches located throughout Pima County that can accept deposits from various political subdivisions and Pima County departments? If yes, identify the locations in Pima County.**

Yes. There are several banking centers throughout Pima County. For your convenience, we provide a list of banking centers in the Appendix.

d) **Describe any services regarding deposits that are available, for example deposits via smart phone.**

We recommend the following services to assist Pima County with enhancing your means receiving, viewing and managing your deposits.

- Digital Disbursements
- Mobile Banking
- Apple Pay
- CashPro Connect Receivables

Our Digital Disbursement service is a simple means of sending deposits to your consumer clients without comprising or disclosing the end users personal information.

## Digital Disbursement



By 2016, it is anticipated that 51% of the mobile phone population will be using mobile banking.

We believe that Pima County can reduce operating expenses using our mobile payment technology. (For example, paper checks have an inherent cost of processing of about \$4 – \$10 versus significantly less for electronic payments.) The Bank of America Digital Disbursement service is an economical and convenient way to distribute funds to your U.S. consumer customers using **just their mobile number or email address** — regardless of which U.S.-based financial institution they use. This service allows you to send funds faster than by check and doesn't require the recipient's personal bank account information.

Additional details of our Digital Disbursement service are included in section 29, other.



## CashPro® Mobile

### Access critical information, when and where you need it

In today's fast-paced financial environment, organizations have to be able to conduct business beyond the confines of the office. You need flexible access to your daily cash management activities, and CashPro Mobile delivers that access from mobile devices. Offering enhanced visibility, control and speed CashPro Mobile lets you navigate a broad range of financial tools and information outside of your normal office workstation.

CashPro Mobile can enable you to:

- Access critical information, even when you are on the go
- Manage user administration tasks while away from your workstation
- View reporting data, including current- and previous-day information and multibank account balances
- Oversee cash position and balance summaries
- Execute transactions with confidence, relying on the system's innovative security features

## How CashPro Mobile works

To begin, your CashPro Online administrator entitles approved users to access CashPro Mobile and to access specific functions offered through CashPro Mobile. Once users are entitled to mobile, they will only have access to the CashPro Mobile functions to which they have been given permission. Approved users log in and perform the necessary transaction(s) relying on CashPro Mobile's intuitive, user-friendly screens to guide them through each easy step.



### Apple pay

Bank of America Merchant Services can handle contactless and NFC (Near Field Communication) transactions such as Apple Pay®. We are ready to help Pima County to accept the next generation of mobile payments. Since our September 9, 2014 announcement, we have accepted Apple Pay, an easy, secure, and private way that County constituents can make payments from their mobile device. As mobile payment acceptance continues to become more sophisticated, consumers expect the businesses they interact with to do the same, including their government. The arrival of Apple Pay opens a world of opportunity for organizations like Pima County to enhance revenue while providing additional payment receivable choices. Consumers are looking for a transaction experience that is as easy as touching a phone to a POS terminal yet is as secure, or more so, than traditional credit card transactions where the card is "swiped" through a terminal.

*Apple is a trademark of Apple Inc., registered in the U.S. and other countries. Apple Pay is a trademark of Apple Inc.*



CashPro Connect Receivables can help streamline your accounts receivable process by integrating payment and remittance data from a variety of payment types and delivering the receipts data using a format and delivery method that best fits Pima County's needs.

## Managing receipts

When you receive payments through any of the payment methods noted below, we extract, reformat and integrate the payment information, including any accompanying remittance data. This information can then be delivered to Pima County through data transmission or SWIFTNet FileACT in a variety of formats. Pima County can also view the information using our Bank of America Global Advice reporting feature, or in a report format through CashPro Online or encrypted email.

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### Acceptable payment methods

- |                              |                                |
|------------------------------|--------------------------------|
| ▪ U.S. lockbox               | ▪ Canadian lockbox             |
| ▪ U.S. ACH                   | ▪ Canadian low-value clearings |
| ▪ Wire transfer              | ▪ Canadian wire                |
| ▪ Remote Payments Online     | ▪ Global lockbox               |
| ▪ CashPro Remote Deposit     | ▪ Global high-value clearings  |
| ▪ Payment Collection Gateway | ▪ Global low-value clearings   |
| ▪ Paymode-X® Concentrator    |                                |

## Information reporting

Pima County can receive global current- and previous-day transaction data through data transmission in a variety of formats, including ISO 20022 XML, MT940/MT942 and BAI2. Reports can also be accessed through SWIFT, CashPro Online or through encrypted email.

## How CashPro Connect works

CashPro Connect facilitates the global origination of all payment and receivable types with corresponding electronic acknowledgements and reporting. It helps simplify the end-to-end integration experience associated with traditionally complex applications and channels.

Pima County may connect to CashPro Connect using:

- Standard internet connectivity, including:
  - FTP with PGP, SSH, TLS
  - AS2
  - Browser-secured HTTPS
  - Connect:Direct® with Secure+
  - Virtual Private Network (VPN)
- SWIFTNet FileAct

## Global data formats

CashPro Connect supports a number of global file formats that facilitate payment origination, receivables reconciliation and information reporting.

Global file formats	
Payments	<ul style="list-style-type: none"><li>▪ ISO 20022 XML Customer Credit Transfer Initiation (v3) and Direct Debit (v2)</li><li>▪ ASC X12 EDI 820, 835 and 831</li><li>▪ EDIFACT PAYEXT, PAYMUL and DIRDEB</li><li>▪ SAP IDoc PAYEXT (PEXR 2002 and PEXR 2003)</li><li>▪ Bank of America proprietary BAFF, UBAFF and CSV</li></ul>
Local payroll formats, such as U.S. NACHA, CPA 005 and Australian BECS Confirmations	<ul style="list-style-type: none"><li>▪ ISO 20022 XML Payment Status Report (v3)</li><li>▪ ASC X12 EDI 997 and 824</li><li>▪ EDIFACT CONTRL, APERAK and BANSTA</li><li>▪ SAP IDoc Status Message</li><li>▪ Bank of America proprietary CONFIRM and UAPPLACK</li></ul>
Receivables	<ul style="list-style-type: none"><li>▪ ISO 20022 XML Debit/Credit notification (v1)</li><li>▪ ASC X12 EDI 820 and 823</li><li>▪ EDIFACT CREMUL</li><li>▪ Wholesale lockbox BAI</li></ul>
Information reporting	<ul style="list-style-type: none"><li>▪ ISO 20022 XML Bank-to-Customer Account Report and Bank-to-Customer Account Statement (v2)</li><li>▪ BAI12</li><li>▪ SWIFT MT940 and MT942 (FIN and FileAct)</li><li>▪ SWIFT FIN MT950</li><li>▪ SAP MT940</li><li>▪ EDIFACT FINSTA</li><li>▪ ASC X12 821</li></ul>

- e) **Identify all costs associated with a deposit. {Fees or credits-related information shall be included in your Exhibit B**

Please refer to the Appendix for Pricing.

## 2) Check Clearing

- a) **Identify all costs associated with check clearing.**

Please refer to the Appendix for Pricing.

## 3) Warrant Clearing

The bank will continue to process Pima County's warrants as we do today; however, we would like to propose we transition you to an automated process within a year.

- a) **Warrants must be presented to the Treasurer within two business days of clearing.**

Bank of America will continue presenting paid warrants to Pima County the following day.

- b) **Credit must be provided to the Treasurer for any missing warrants, invalid warrants or clearing errors.**

We will continue to provide immediate provisional credit to Pima County for missing warrants. Upon recovery of the missing warrant, or acceptable image thereof, Bank of America will re-present the warrant for payment within a mutually agreed upon timeframe.

- c) **What method do you have available to allow us to identify the political subdivision that issued the warrant?**

We currently offer Pima County the ability to identify political subdivision through the assigned warrant number. Warrants are then sorted by subdivision and presented in numerical order.

- d) **Are you able to provide warrant data and image files according to the specifications included in Exhibit F?**

Yes. Pima County can continue using our image access solution to view and archive account transactions through a variety of electronic options. Delivery channels include:

- Internet/online access (through CashPro® Online)
- Image transmission
- CD-ROM/DVD

- e) **Identify all costs associated with clearing and payment of warrants.**

Please refer to the Appendix for Pricing.

## 4) Returned Items and Stop Payment

- a) **Identify all costs associated with placing a Stop Payment on a check or warrant issued by the Pima County Treasurer or any of its political subdivisions.**

Please refer to the Appendix for Pricing.

**b) Identify the time before the stop-pay becomes effective.**

Stop payments placed via CashPro Online are effective within minutes after the stop is released. Stop payment transactions may be placed electronically from 5 a.m. to 6 p.m. (MST).

**c) Identify all costs associated with a deposit item that is returned.**

Please refer to the Appendix for Pricing.

**d) Can you provide a means for returned items to be deposited a second time before the item is returned to the Treasurer for collection?**

Yes. The bank will continue to process return items per Pima County's current return item instructions.

For items returned unpaid by a drawee bank for insufficient or uncollected funds upon first presentment, the paper check may be automatically recleared once; however, a special instruction setup is required.

Special instructions may indicate that all eligible items or only items above a specified dollar amount are to be recleared. Items recleared are not charged back, but are redeposited and sent for collection. Pima County will see a line item charge on your account analysis statement for Returned Item Reclear that represents the number of items that have been recleared by the bank.

If the same item is returned unpaid a second time, the item will be charged back to the designated account. The account analysis statement will show a line item charge for Returned Items that represents the number of items that have been charged back by the bank.

Pima County can use our Re-presented Check via ACH service to represent a returned item up to two additional times.

**5) Wire Transfer Services**

**a) Identify all costs associated with placing an outgoing wire.**

Please refer to the Appendix for Pricing.

**b) Identify all costs associated with receiving an incoming wire.**

Please refer to the Appendix for Pricing.

**c) Identify methods available to initiate a wire.**

Pima County can continue to initiate wires online via CashPro.



**Web-based Payment Initiation** – Once a user is entitled to the CashPro Payments application, a wide variety of payment types can be initiated. Administrators define the authority for entry and approval based on user, account and payment type for freeform and repetitive transactions. Simple, complex and panel approval configurations are available. Once the criteria are met for entry and approval of a payment transaction, the payment is released for processing. As a security feature, CashPro Payments requires a minimum of one approval for all payment types. A SafePass® token response is also required on approval.



**Host-to-host** – You may also initiate wire payments by using CashPro Connect, our integrated payables/electronic data interchange (EDI) platform. CashPro Connect provides a truly global payments solution to initiate ACH/low value and wire/high value payments and foreign exchange (FX) transactions

through a single channel. Users simply deliver the payment data in a single electronic file to the bank including instructions on how and when to initiate each item — ACH, wire transfer or check. Additionally, CashPro Connect handles FX payment files in 140+ currencies.

CashPro Connect is flexible and accepts ANSI X12 820/835, EDIFACT, SAP IDoc (version 4.5b or higher), ISO 20022 XML and Swift MT101 formats from your enterprise resource planning (ERP) or treasury workstation. CashPro Connect is a great option for seamless, straight-through processing to eliminate the need to rekey data from your ERP or treasury workstation into a separate transaction delivery channel.



**Voice/telephone** – The telephone wire transfer service can be customized to meet your specific business needs. Pima County must provide the bank with your wire accounts, authorized representatives and method of notification or advice. You can establish account and authorized representative limits to customize authorization at these levels.

The telephone wire transfer service is secured by the use of a personal identification number (PIN) and secondary verification calls, following rules that you define. To establish the service, you will identify specific authorized representatives who are then assigned a PIN. This PIN is entered using telephone touch-tone (versus spoken, for security reasons) at the time of initiation and confirmation/approval of every wire transfer.

Additionally, for each account established, Pima County is required to provide a repetitive and non-repetitive callback verification threshold. When the amount of a wire exceeds the predefined thresholds, the wire will require verification by an authorized representative prior to release. You may waive the callback verification, if desired. As a standard, phone calls to the Wire Transfer Services units are recorded by the bank.

**d) Identify the opening hours and the cut-off times in Mountain Standard Time initiating wire transfers to ensure same-day execution? List by type of transfer and method of communication.**

To meet processing deadlines, Pima County's wire transfer requests must be received and processed by the bank prior to the times listed in the table that follows. Only voice/telephone has hard system cutoffs at the point of initiation. Other communication methods recommend Pima County consider volume and time of day when submitting your request to assure same-day processing.

We recommend Pima County send EDI files at least one hour prior to the system cutoff listed, so that we may process and return acknowledgments and confirmations before the cutoff.

**Wire transfer cutoff times (Mountain)**

Transfer Type	Voice/ Telephone	CashPro Payments	SWIFT	CashPro Connect <sup>®</sup> recommended file delivery time one hour prior to cutoff time below
CHIPS	6:30 a.m. – 2 p.m.	2 p.m.	2 p.m.	2 p.m.
Fedwire	6:30 a.m. – 3 p.m.	3:30 <sup>1</sup>	4 p.m.	3:30 p.m.
Federal Tax Payment	6:30 a.m. – 2 p.m.	2 p.m. <sup>2</sup>	N/A	2 p.m.
Book Transfer/ Internal	6:30 a.m. – 7 p.m.	5 p.m.	5 p.m.	3 p.m.



### Wire transfer cutoff times (Mountain)

Transfer Type	Voice/ Telephone	CashPro Payments	SWIFT	CashPro Connect <sup>®</sup> recommended file delivery time one hour prior to cutoff time below
Drawdown	6:30 a.m. –3 p.m.	3:30 p.m. <sup>2</sup>	N/A	3 p.m.
International U.S. \$	6:30 a.m. –3 p.m.	3 p.m.	4 p.m.	3 p.m.
International Foreign Currency	6:30 a.m. – 6 p.m.	3 p.m. <sup>3</sup>	4 p.m.	6:30 a.m. – 3 p.m.

1. All payments received between 3:30 and 4 p.m. (MST) will be processed on a reasonable efforts basis.

2. Service available on CashPro Payments. Please discuss this requirement with your Senior Treasury Solutions Officer, Malisa Day.

3. The cutoff times provided for FX and International USD wires reflect final times when wires may be released to clearing systems. Due to international time zone differences and different country clearing system cutoffs, beneficiaries may not be credited with funds the same day you release your payment

#### f) How can the status of wire transfers be tracked by the customer?

With CashPro Online Pima County can continue to track the status of wire transfer activity by accessing reports generated using specific parameters to provide real-time wire activity. Detail for any or all internal, incoming and outgoing wire activity that affects your account is available by

- **Outgoing Payment Report Status** – Updates, summary, extended summary and detail information on all outbound wires regardless of initiation method.
- **Incoming Payment Report Status** – Updates, summary and detail information on all incoming wires.

Depending on the type of wire report being created, you can also limit the information that appears on your report by specifying a time of day, a range of amounts, bank or customer trace numbers, a transaction reference number, a wire server reference number or a routing ID.

### CashPro Connect wire transfers

For transfers initiated through CashPro Connect Payments, the bank returns acknowledgments and message advices as a function of the format used. You also receive Fed Reference Numbers through transmission acknowledgements.

### Voice/Telephone wire transfers

For transfers initiated by telephone, you receive an internal sequence number upon initiation. Status may be verified and Fed Reference Numbers acquired by dialing into our Interactive Voice Response (IVR) unit. As such:

- For incoming transactions, the IVR provides amount, day/time received and wire transfer sequence number.
- For outgoing transactions, the IVR provides amount, day/time completed, wire transfer sequence number and the last six digits of a service reference number (CHIPS, FED or SWIFT). Also, your dedicated service director can provide the status of an item upon request.

**g) Is a method available to allow for wire transfer and ACH payment preparation, review and release prior to the payment date? How far in advance can a wire be prepared and released?**

Yes. Transactions can be added online for future processing dates. Pima County may warehouse transactions for up to 30 calendar days prior to distribution. We recommend that transactions be warehoused for the minimal period necessary to handle holiday periods, but not for more than 10 calendar days.

**Warehouse of ACH items using CashPro Online ACH**

If using CashPro Online ACH, items may be future dated for any future date, but cannot be approved/released until at least 10 days prior to the effective date.

**h) Identify methods available for repetitive wires to the same recipient of the same or varying amounts.**

Pima County can continue to establish repetitive templates in CashPro Payments, including user-defined template code numbers and names. New repetitive codes may be easily added and managed within the application. Templates are created online in real time and are immediately available. Flexible entitlement controls determine which users have the ability to create, modify and approve templates. New repetitive codes may be easily added and managed within CashPro Payments. Templates are created online in real time and are available immediately, so no confirmation is required.

Additionally, CashPro Payments offers time-saving features, such as the capacity to enter a transaction and “save as” a template, or to create a template via the action dropdown within a transaction report. This eliminates the need to rekey data into a template. Templates can be established within the wire system for voice/telephone and standing order origination. Requests are handled through implementation.

**i) What is the bank’s policy in the event of a wire transfer failure for which receipt of instructions has been confirmed to the customer?**

Should the bank fail to execute a wire transfer for which we have assumed liability under UCC4A, and that has passed other regulatory requirements (such as OFAC), we will be responsible for damages as described in the UCC4A and as agreed in the *Treasury Management Services Terms and Conditions*, provided that the bank shall not be responsible for any delay or failure as a result of factors beyond our reasonable control.

**j) At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?**

Bank of America is governed by the UCC4A definition of “acceptance” in the execution of the wire payment order. The assignment and reporting of the confirmation sequence number designates that event.

**k) What are procedures and the time limits to effectively cancel a wire?**

We can only change or cancel a wire if it has not been released to the clearing systems for payment. However, we may be able to amend the particular item that was sent. The latest time to cancel a wire transfer is Bank of America’s close of business and the cancel request must be coordinated directly with the wire room, regardless of initiation channel. If the wire has been executed, we can request that the receiving bank reverse the wire; however, given the immediate and irrevocable nature of wire transfers, we cannot guarantee that the receiving bank will comply.

When using CashPro Payments, once wires are released, they are processed in a timely manner and sent out for settlement. Following release, cancelations must be coordinated directly with the wire room.

Future-dated transactions may be available for cancellation within the CashPro Payments system prior to being released for settlement.

There is no fee for canceling a wire; however, if a wire has been released, recalling or amending it by sending a request to the beneficiary bank will generate an investigation fee. These fees are outlined in the pricing schedule.

**I) Describe security measures to protect the validity of wire transfers.**

Our expertise in internet security has resulted in a reliable system with robust security. To protect sensitive information residing at the bank, multiple firewalls guard against unauthorized access. Access is only granted to users who successfully complete a host of security tests. In addition, a user is prompted to enter a company-level security code, operator-level ID and password. All three security codes must be entered correctly to continue a session.

We also employ the following security methods for wires that you initiate and release online.

Security method	Features/Benefits
One Time Password Token (CashPro® Payments)	<ul style="list-style-type: none"><li>▪ System requires mandatory use of a token device for the signing of payment transactions online.</li><li>▪ Advanced algorithms generate unique six-digit, one-time passwords to help authenticate each online transaction.</li><li>▪ A unique one-time password synchronizes with the bank's backend system to prove that the person signing the transaction physically possesses the token.</li><li>▪ Enjoy robust protection against fraud and identity theft, as the code expires as soon as it is used.</li><li>▪ Once access is obtained, information passed to the user is encrypted, meaning once the message leaves the bank, it is unreadable outside of the CashPro Online application.</li><li>▪ When using CashPro Online, you must assign primary administrators (dual administration is required), who can create users, change passwords and entitle users to application-specific administration for any application to which you subscribe. (Please note: Primary administrator entitlement is only required for those administrators who are responsible for setting up administrators of new CashPro Online services).</li></ul>
Application-specific Administration	<ul style="list-style-type: none"><li>▪ Assign dual application-specific administrators for the CashPro Payments application.</li></ul>
Transaction Level Controls	<ul style="list-style-type: none"><li>▪ Create approval limits, controlled at the user and account level, to restrict the users who can approve extraordinary transactions:<ul style="list-style-type: none"><li>— Entitle each user to a specific transaction limit, approval limit and daily cumulative limit.</li><li>— Establish dynamic approval ranges that require additional approvals for transactions above specific amount thresholds. Leverage up to nine additional approvers per transaction.</li><li>— Employ the panel approval function that defines groups of users to approve transactions with explicit amount</li></ul></li></ul>

Security method	Features/Benefits
	<p>ranges.</p> <ul style="list-style-type: none"> <li>Use easy-to-use input and template screens for non-repetitive and repetitive wire transactions. For the latter, you can create a repetitive template, which helps streamline the process.</li> </ul>

## Telephone

Initiation of wires by voice/telephone requires a personal identification number (PIN) that you assign to individuals who are authorized to initiate and/or approve wires. You can also specify dollar limits for each authorized individual. Repetitive and non-repetitive callback verification thresholds are required for each account that is established for wire services. When the amount of a wire exceeds the predefined threshold, the wire requires verification by an authorized representative prior to release. A PIN is also required for verification.

## CPU to CPU

Security controls for CashPro Connect are established with each client. We accommodate hardware or software encryption and/or authentication, including, but not limited to, ASC X12 815 – Cryptographic Service Message and 831 – Control Totals.

### m) What information is available to identify incoming wires? Are any of these fields available for standardization?

Up to five lines of information are reported on previous-day wire activity, including wire type, date, Fed Reference Number, time, beneficiary bank or sending bank, beneficiary or originator and two lines of details of payment.

Current-day information reporting users may pull reports on previous-day data that provide the more robust details featured in the current-day reporting format.

Additionally, for U.S.-based accounts, CashPro Online can display the same amount of wire detail in Information Reporting for previous-day and current-day, if set up as such. Some U.S. clients may not have this functionality for international accounts.

## 6) Reporting Services

### a) Identify all costs associated with reporting.

Please refer to the Appendix for Pricing.

### b) Provide a description of the reporting services available on-line.

Pima County can continue using our CashPro information reporting module to access balance and transaction activity on an intraday (current day) and next day (previous day) basis. CashPro Information Reporting is the ultimate tool for accessing virtually all your accounts worldwide and developing the reports you need, exactly when you need them, to create an accurate cash position. CashPro Information Reporting provides each user with on-the-spot access to the tools they use the most: account balances, frequently used reports, advanced research tools and important system messages.

### c) Identify all reporting tools available to end users including whether they are pushed or users must initiate.

Each user has secure, fast, online, real time access to all of your company's account and transaction details using a personal computer and standard browser. This service allows you to view and customize

reports, search for transactions and view account history. Report storage options are 10, 45 or 60 days so you can select the report history that best suits your business requirements.

We have integrated the functionality of traditional PC-based services and added features that improve the notification, flow and management of bank related data and transaction initiation. You will have on-the-spot access to the tools you use the most: account balances, frequently used reports, advanced research tools and important system messages.

Users can also choose from a wide variety of predefined, standard report templates, or easily modify them for individual needs. Specify criteria based on:

- |                     |   |   |
|---------------------|---|---|
| ▪ Accounts          | ▪ BAI codes   | ▪ Transaction amounts                       |
| ▪ Dates             | ▪ Columns to be displayed<br>(and where they are<br>positioned in the report) | ▪ Specific text or reference<br>information |
| ▪ Transaction types |   |   |

By exporting a report, users can use the report data in another application. Exporting takes the data from the report (the facts and figures, not the formatting) and converts it to one of the following formats: CSV, PDF, HTML, BAI2 or Microsoft Excel. The data can then be used in other applications such as spreadsheets and word processing. When you have exported report data, you can control how the data appears.

**CashPro Accelerate®** – Integrates CashPro Online with Microsoft Excel and offers many advanced functions, including spreadsheets, to assist with cash position reporting for all Bank of America accounts, as well as non-Bank of America accounts that are reported in to CashPro Online through multibank reporting.

CashPro Accelerate allows you to modify currencies and convert your cash position into one currency for improved management of your funds. You can also create mapping and exporting rules for managing your internal general ledger accounts and internal applications.

**CashPro Scheduler** – Allows for unattended downloading of files through HTTPS over the internet. Files can be formatted and placed in desired directories at scheduled periods throughout the day.

CashPro Scheduler is capable of automatically printing out reports, as well as emailing reports to other users within your company. There is no limit to the number of files that can be downloaded throughout the day.

**d) Are any of the reporting services that are available on-line also available in a downloadable format? Identify available formats. Can the reports be electronically transmitted to the treasurer via FTP or other method?**

Yes. Pima County can continue retrieving your reporting data in the following formats.

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**Reporting platform report format**

CashPro Information Reporting including access via CashPro Scheduler	<ul style="list-style-type: none"><li>▪ Screen/HTML</li><li>▪ Bank Administrative Institute 2</li><li>▪ Bank Administrative Institute 2a</li><li>▪ Comma separated value</li><li>▪ PDF</li><li>▪ Excel</li><li>▪ ISO 20022 XML.camt.052 and camt.053.V2</li><li>▪ SWIFT MT 940</li><li>▪ SWIFT MT 942</li><li>▪ Quicken</li></ul>
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**Reporting platform report format**

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	<ul style="list-style-type: none"><li>▪ QuickBooks</li></ul>
CashPro Connect including SWIFT FileAct	<ul style="list-style-type: none"><li>▪ Bank Administrative Institute 2</li><li>▪ ISO 20022 XML.camt.052 and camt.053.V2</li><li>▪ SWIFT MT 940</li><li>▪ SWIFT MT 942</li><li>▪ SAP MT940</li><li>▪ FINSTA</li><li>▪ ASC X12 821</li><li>▪ ASC X12 822 (Account Analysis)</li></ul>

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**e) Provide a sample of your standard reports.**

We have provided Sample current-day and previous-day reports in the Appendix.

**7) ACH Services**

**a) Identify all costs associated with processing ACH transactions.**

Please refer to the Appendix for Pricing.

**b) Identify methods available to transfer ACH files, with complete descriptions and technical requirements including encryption, including but not limited to FTP process.**

Pima County can continue to use our CashPro Online payment module to initiate ACH transactions. CashPro ACH allows Pima County to deliver ACH payments to the bank using the convenience of a web-based tool. You can originate direct deposit of payroll, pre-authorized debits, corporate payments, federal and state tax payments, internal transfers and other payments.

Alternatively, Pima County may input ACH transactions via host-to-host file transmission using services such as standard direct debit or deposit. If your internal system generates an ACH file and you have limited host-to-host data transmission capability, you may:

- Import an ACH file into CashPro Online and receive a report confirming the dollars and transactions we received.
- Input and originate Corporate Trade Exchange (CTX) and International ACH Transactions (IAT) using CashPro Online. (Please note that CTX and IAT files cannot be imported as a file online.)

**c) What services are available to protect our account from unauthorized ACH debits?**

Pima County can continue to use one or a combination of the following services to protect the accounts from unauthorized ACH debits:

- **ACH Blocks** – Rejects all incoming ACH debits and/or credits from being applied to the account. If you prefer, specific blocks can be established to reject incoming ACH transactions from a specific Company ID or ACH transactions with a specific Standard Entry Class Code.
- **ACH Authorizations** – Pima County designates authorized trading partners and incoming transactions, based on a list of designated criteria. Incoming authorized ACH transactions are applied to your account and all other ACH transactions are rejected from the account.
- **ACH Positive Pay** – Using our online access solution, Pima County reviews and returns incoming ACH transactions that are considered unauthorized based on previously defined criteria.

- **Universal Payment Identification Code (UPIC)** – Pima County receives a code that is used to replace your bank account number during the initiation and processing of ACH credits by your trading partners. UPIC allows you to increase incoming ACH credit payments without distributing a payee bank account number.
- **ACH Receipt File** – Confirms items and applies them to your system automatically via a NACHA formatted file transmission of ACH transactions received into your bank accounts. During implementation, you may instruct us to include zero-dollar entries and/or settlement entries (such as those generated from an ACH origination file) in this file.

**d) Can the bank selectively accept ACH debits only from originators authorized by us?**

Yes. Pima County can use our ACH authorization and ACH positive pay services to selectively accept ACH debits only from originators. We can place a filter on your account to accept only debits from originators authorized by you. Alternatively, ACH Positive Pay puts the decision in the Pima County hands by allowing the Pima County to review debits posted and disposition the items to pay or be returned.

**e) Describe the bank's ACH return process. When will returned funds be posted to Pima County's account?**

ACH returned items and Notifications of Change are verified against various system edits. One such edit validates that the returned item was originated by our bank. Another edit evaluates the timeliness of the returned item. Our default is to dishonor eligible untimely returns received eight or more business days after the settlement of the original items. You may choose to dishonor eligible untimely returns received three or more business days after the settlement of the original item.

Final return items are applied to an account (designated by you) on the day of their receipt. When Reclear Upon Receipt, eCheck Auto Reclear and eCheck Admin Return Repair Services are used, items are not applied to your bank account during the reclear process; when the reclear process is completed, return items become final and are then applied to your account.

The returned item account can be the same or different from the origination settlement account. You may elect to have return item settlement generated for each return or consolidated for all returns received each day.

**f) How do you advise customers of NACHA rule changes and their impact?**

We rigorously update our systems to comply with NACHA rule changes, such as new Standard Entry Class (SEC) codes. The bank's implementations coincide with the effective date of NACHA rule change. Our communications with clients depend on the nature of the NACHA change. For significant rule changes that may impact your processes or systems, we typically update our user documentation or send client mailings.

**g) Identify timelines for ACH transactions?**

Our delivery times are extremely flexible and are based on your specific business needs

If you are making corporate payments, our delivery deadline is 9:30 p.m. Mountain the day prior to settlement or 7 p.m. for same-day settlement for any Bank of America domestic account.

When making direct deposit of payroll or similar payments to consumers, we recommend that you allow for sufficient lead time for receiving financial institutions to make funds available at the opening of business on settlement day.



## ACH input deadlines Mountain Standard Time

Type of transaction		NACHA-formatted transmission <sup>1</sup>	CashPro ACH <sup>2</sup>	CashPro Connect Payments and EFD <sup>3</sup>	Days prior to settlement
Transit Items <sup>4</sup>		9:30 p.m. Mountain	9 p.m. Mountain	7:30 p.m. Mountain	1 Business Day
On-Us		7 p.m. Mountain <sup>5</sup> 7:30 p.m. Mountain <sup>6</sup>	6:30 p.m. Mountain <sup>5</sup> 7 p.m. Mountain <sup>6</sup>	7 p.m. Mountain <sup>5</sup> 5:30 p.m. Mountain <sup>6</sup>	0 Business Days
Transit Items (Sundays & Holidays) <sup>7</sup>		8 p.m. Mountain	7:30 p.m. Mountain	6 p.m. Mountain	1 Calendar Day
Transit Items (U.S. ACH Cross Border) <sup>8</sup>	Canada	7 p.m. Mountain	6:30 p.m. Mountain	5 p.m. Mountain <sup>9</sup>	1 Business day
	Mexico	7 p.m. Mountain	6:30 p.m. Mountain	N/A	1 Business day
	Panama	7 p.m. Mountain	6:30 p.m. Mountain	5 p.m. Mountain <sup>9</sup>	2 Business days
	Europe	7 p.m. Mountain	6:30 p.m. Mountain	5 p.m. Mountain <sup>9</sup>	2 Business days

**1** These deadlines apply to all NACHA-formatted transmission entries delivered directly to the Texas and Virginia processing sites. Files are not considered delivered until the ACH site has successfully received the complete file that meets our processing standards.

**2** CashPro ACH allows you to originate ACH transactions using the internet. Batches that have received the necessary approvals are automatically extracted on the half hour, between 6 a.m. and 9 p.m. each banking day, and once at 7:30 p.m. on Sundays.

**3** Files are not considered delivered until CashPro Connect Payments has successfully received the complete file that meets the CashPro Connect Payments and EFD processing standards.

**4** Transit items are entries destined for non-Bank of America domestic accounts.

**5** Deadline is for On-Us items (destined for Bank of America domestic accounts) delivered to the Virginia processing site.

**6** Deadline is for On-Us items (destined for Bank of America domestic accounts) delivered to the Texas processing site.

**7** Deadlines apply to Transit items. On three-day weekends with a Monday holiday, and for holidays occurring during the middle of a week, settlement occurs on the business day following the holiday (assuming a next-business day effective date).

**8** Deadlines apply to Transit items. When scheduling delivery of your entries, please ensure that you accommodate U.S. holidays and the holidays in the specific countries to where you are sending payment.

**9** These deadlines apply to single currency U.S. dollar (USD) transit items destined for non-domestic accounts denominated in USD in the countries indicated.

Files are not considered delivered until the complete file has been received successfully by the ACH site. On-Us entries are items destined for Bank of America accounts domiciled in the U.S.

Direct deposit deadlines with memo post meet NACHA deadlines, which require the receiver's financial institution to provide availability to funds at the opening of business on settlement day; however, compliance with Bank of America deadlines does not guarantee that the receiver's financial institution has the mechanisms in place to collect ACH files in compliance with the NACHA rules, or memo post ACH entries for teller/ATM access. Therefore, we recommend that payroll files be transmitted to the bank by 9:30 p.m. two days prior to the effective date.

Also, on three-day weekends, Sunday for Monday settlement processing is done on Monday for Tuesday settlement.



**h) Define reporting available to Pima County for ACH transactions and other reconciliation tools available.**

Pima County can continue accessing information on ACH transactions via our CashPro information-reporting module.

The online reports listed below are available.

**Summary Report** – Helps you track the activity for each depositing location. Keywords let you restrict the report to specific units or divisions. Information is available for the current day and the previous 60 calendar days.

**Activity Report** – Recaps of the day's activity by listing locations with no reporting activity by name and a total dollar amount for each reported transaction type (concentration, disbursement and information only).

**Detail Report** – Provides an audit trail of each reported transaction in the summary report. Since a location can make several deposit calls during a reporting period, the detail report can help you trace multiple deposits that make up the total location deposit. All additions, changes and deletions for each reporting location are listed by entry date, time and source. Keywords can be used with this online report command to report information for a specific unit or a range of units, specific dates or range of dates.

These additional ACH reports are available online, via transmission and fax:

- **Batch Recap and Rejected Items Report** – Totals transactions processed by batch and identifies the items rejected during initial processing.
- **Returned Items Report** – Displays sorted and consolidated returned items data, including information regarding electronic returns, pre-notification returns, and notifications of change, rejected items and deleted items (if applicable).

**i) Identify data available for incoming ACH transactions.**

Evident from our ACH reports available through Online Statements and Reports and our Current and Previous Day Information Reports, we will provide Pima County with the following information pertaining to incoming ACH items:

- Depository Account including ABA number
- Currency denomination
- ACH credit amount
- Customer reference number
- Bank reference number
- Funds immediately available
- Funds available with 1 day float
- Funds available with 2 day float
- Total ACH credits
- Total number of ACH items

## 8) On-line banking

### a) Identify available on-line banking services.

Pima County can continue using our CashPro online services to manage your day-to-day transaction processing and information reporting needs. From initiating payment transactions and funding disbursements, to managing receivables and investing excess funds, CashPro Online delivers simple access and greater control over virtually all the financial solutions your business uses, wherever and whenever you choose. Timely, flexible reporting keeps Pima County up-to-date on everything from account activity to the status of outgoing wires. Whenever you need to obtain information or perform an activity, simply log in to CashPro Online and access the tools tailored to your needs, through customized user preferences.

In addition to previous- and current-day information reporting, CashPro Online offers the following services to help you manage your treasury and trade operations over the internet.

#### CashPro Online services

<b>Online Statements and Reports</b> – Gain fast access to various statements and reports, including demand deposit account statements, account reconciliation reports, account analysis statements, Sweep statements, Electronic Data Interchange (EDI) statements, loan reports and others.	<b>Check Management</b> – Use a consolidated application to perform check-related tasks: <ul style="list-style-type: none"><li>▪ <b>Stop Payments</b> – Place, cancel and search for stop payments on accounts.</li><li>▪ <b>Paid Item Inquiry</b> – Search and view images of paid items by amount, check number or paid date.</li><li>▪ <b>Account Reconciliation</b> – Add and cancel check issues and submit check issue information for items not in the original transmission file.</li><li>▪ <b>Positive Pay</b> – Make decisions regarding exception items to help prevent fraudulent activity; includes Reverse Positive Pay and ACH Positive Pay.</li></ul>
<b>Receivables Reporting</b> – Access check payment and lockbox remittance information, including images of check, invoice, correspondence and envelopes.	<b>ACH Transaction Initiation</b> – Initiate a full array of ACH transactions, including direct deposit of payroll, preauthorized debits, corporate payments, internal transfers and federal, state and some local tax payments.
<b>Remote Deposit</b> – Reduce trips to the bank by electronically depositing checks directly from your desktop.	<b>CashPro Payments</b> – Simplify your end-to-end processes for high- and low-value, cross-currency, multibank, payroll, internal book transfer and bank draft payments.
<b>Image Access</b> – View and retrieve images of paid items, credits, deposits with associated items and returned items.	<b>Foreign Exchange</b> – Leverage comprehensive foreign currency payment and hedging capabilities with enhanced straight-through processing.
<b>CashPro Notifications</b> – Receive notification of wire and positive pay decisions, as well as information reporting balances and transactions, through email, voicemail, fax or wireless devices.	<b>CashPro BillPay</b> – Remove time consuming administrative tasks, including writing and distributing checks. Simply approve and schedule your payment online.
<b>Escrow Online</b> – Maintain and track multiple escrow accounts online, conveniently and reliably. One master account is established with an unlimited number of subaccounts to avoid co-mingling of funds.	<b>Trade Pro®</b> – Access domestic and cross-border trade activity, reporting and processing.
<b>Asset Based Lending and Commercial Credit</b> – Access, inquire and initiate transactions against	<b>Investments</b> – Manage liquidity and investments more efficiently with extensive research tools and enhanced

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**CashPro Online services**

commercial loans.

reporting capabilities.

**Service Requests** – Perform standard service requests and resolve inquiries online rather than having to call a bank representative.

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**b) Identify controls available with on-line banking including electronic validation.**

CashPro Online uses built-in technical tools to maximize control over sensitive transactions and information. Security tokens enable the user and the bank to confirm the authenticity of parties prior to the exchange of information.

**Application logical security**

Bank employee access to CashPro Online is administered through the use of internal groups. An individual manager for each group is responsible for requesting access for one or two primary administrators within that specific group.

The manager is also established as a primary administrator, for a possible total of three administrators for each group. The manager must complete a form indicating all services required, including internal and external applications and account information, and submit the form to one of the designated administrators, and then to the CashPro Online operations group for approval.

Administrators are responsible for setting up individual users and their entitlements within their respective groups. Internal users gain access to CashPro Online **after successfully executing user ID and authentication procedures.**

A periodic review of physical access is performed to confirm that only appropriate access exists.

**Physical and environmental security**

Our Midwest data center houses the servers supporting CashPro Online. To access the data center, a request form must be completed and approved by a designated bank manager. The approved request form will then be forwarded to the operations site manager for final, secondary approval and setup.

Key cards are used throughout the data center to restrict access, and only a limited number of individuals are granted access based on their job responsibilities. The bank's operations team has formal termination procedures in place to retrieve and disable magnetic key card badges immediately upon employee termination or transfer.

A periodic review of physical access is performed so that only appropriate access exists. Visitors to the floor must obtain a visitor badge from building security, and then be escorted at all times by the bank personnel. While visitors are not routinely allowed in the data center, if access is needed, bank personnel must escort them.

All sessions use 128-bit secure sockets layer (SSL) encryption protocol, which continuously verifies the identity of each party during the session, encrypting messages so they remain private and unaltered. Multiple levels of approval, including security tokens, provide an additional safeguard and control of select services.

**Payment applications**

Payment applications include enhanced security, involving a SafePass® multi-key token, an "event-based" device that provides a one-time password that expires as soon as it is used. This can provide mitigation against certain risks associated with keystroke logging. Tokens for a use in high-risk

applications are not optional, they are required. Depending upon the high risk application, the token may be used at entry to the application or when approving transactions.

**c) Can access to on-line services be provided to various sites and users? If so, identify controls.**

Yes. CashPro Online supports a delegated administration model whereby the bank initially establishes administrators selected by each client. Your administrators then have the ability to add, delete and entitle users to services and accounts, as appropriate. As a result, there is no need to contact the bank when you need to establish new users. The process for adding and deleting users, as well as other administrative functions, requires the approval of a second administrative user. Additionally, you have the option of adding two-factor authentication to the approval process.

Multiple users can access information on CashPro Online. Pima County controls all administrator designations allowing for flexibility in adding and deleting users at your convenience.

**d) Can access to on-line services be restricted to users according to an authorization hierarchy?**

Yes. CashPro Online allows a company administrator plus a mandatory secondary approver to maintain access control. This user administration hierarchy allows the administrator to define the functions, accounts and limits to which the users have rights. Users can only view the accounts and access the functions for which they are authorized.

The dual administration feature provides best operating practices by requiring two people (the primary and secondary administrators) to initiate and approve entitlement-related changes. The dual approval feature in setup helps prevent a single person acting alone from initiating and approving a payment.

To promote a controlled environment with robust security, dual administration and segregation of payment responsibilities are always recommended.

**9) Technical Requirements - Required Services (PCTO Formats Included where applicable) Additional information may be required:**

**a) Daily Bank Statements**

**Daily Bank Statements must be able to be delivered electronically using PGP encryption. The servicing bank must provide the daily bank statements in XML format and all supporting documentation to parse the data appropriately. The servicing bank must provide a schedule for daily delivery of the bank statement, i.e. when the file will be available for transmission or pickup.**

Requirement	Yes	No
Secured daily electronic delivery	X	
PGP encryption	X	
XML	X	
BAI codes and compliance	X	
Enhancements and bug fixes	X	
Transmission support	X	
Time available	5 a.m. MT	

As Pima County's current provider, we will continue to comply with the noted requirements. The bank will continue to deliver Pima County's daily bank statement electronically using PGP encryption.

Previous- and current-day balances and transactions can be viewed, printed or downloaded in HTML, PDF, Excel, CSV, BAI2, Quicken, QuickBooks, MT940/MT942 and XML camt.053.V2 formats. Reports can be created for the same account in different formats.

Pima County can schedule reports and statements to arrive in your inbox — or be delivered by email directly to anyone you want — in an easy-to-access, no-login-required format.

**CashPro Scheduler** – Allows for unattended downloading of files through HTTPS over the internet. Files can be formatted and placed in desired directories at scheduled periods throughout the day.

CashPro Scheduler is capable of automatically printing out reports, as well as emailing reports to other users within your company. There is no limit to the number of files that can be downloaded throughout the day.

**CashPro Accelerate** – Integrates CashPro Online with Microsoft® Excel® and offers many advanced functions, including spreadsheets, to assist with cash position reporting for all Bank of America accounts, as well as non-Bank of America accounts that are reported in to CashPro Online through multibank reporting.

CashPro Accelerate allows you to modify currencies and convert your cash position into one currency for improved fund management. Pima County can also create mapping and exporting rules for managing your internal general ledger accounts and internal applications.

**CashPro Connect** – Delivers previous- and current-day information reporting files through host-to-host transmission.

#### b) Warrants (PAID DATA)

**Warrants paid data must be able to be delivered electronically using PGP encryption. The servicing bank must provide the warrant data in XML format and all supporting documentation to parse the data appropriately provide a schedule for daily delivery of the bank statement, i.e. when the file will be available for transmission or pickup. The data must include Record Code, Cleared Date, Warrant Number and amount paid.**

Bank of America will continue to provide information in the format and through the delivery mechanism used for your current processes.

Requirement	Yes	No
Secured daily electronic delivery	X	
PGP encryption	X	
XML	X	
Enhancements and bug fixes	X	
Transmission support	X	
<b>Must include:</b>		
Warrant code	X	
Warrant no	X	
Cleared date	X	
Amount paid	X	
<b>Time available</b>	<b>5 a.m. MT</b>	

**Comments:**

c) Warrant Images

Provide the methods available to provide images of deposited and paid items, including indexes, file formats, image naming conventions and transmission requirements and schedules.

Requirement	Yes	No
Secured daily electronic delivery	X	
PGP encryption	X	
Image index	X	
.TIFF format	X	
Enhancements and bug fixes	X	
Transmission support	X	
Time available	5 a.m. MT	

**Comments:**

The bank will continue to provide Pima County with images of deposited and paid items, including indexes, file formats, image naming conventions and transmission requirements and schedules.

Our comprehensive image service includes accessing images online or via CD-ROM/DVD and image transmission for paid, deposited, return and adjustment items. Image Transmission enables Pima County to receive images of paid checks, deposited items, returned items, demand deposit account statements and account reconciliation reports. Additionally, you can receive optional email notification that your image transmission is complete. You may prefer receiving an image transmission if you have your own image archive capability. To maximize your query, sort, print and export capabilities, users may choose to employ the Image Onsite® software viewer with your image transmission service. Images of paid checks, credits, deposited items or any combination thereof are available in industry-standard image formats.

d) Lockbox Processing

Lockbox data must be available for automated processing between 9:00 and 10:00PM. Lockbox data must be in the format specified and approved by the Pima County Treasurer. There are two data files: a control file and a detail file.

Requirement	Yes	No
Secured daily electronic delivery	X	
Required PCTO control format	X	
Required PCTO detail format	X	
250 items per batch	X	
Electronic report images	X	
Auto-deposit	X	
Enhancements and bug fixes	X	
Transmission support	X	
Time available	7 a.m. to 8 p.m. MT	

**Comments:**

e) On Line Payment Processing

Describe your ability to support remote payment processing (the ability of the taxpayer to pay taxes, fees, services, and other transactions online, including credit and debit card payments). If you support remote payment processing, include remittance and reversal file formats, sample input and output files, processing schedule, change management and support availability, the fee structure for enhancements, and a description of management/administration tools. The Pima County Treasurer will extract data from the remittance and reversal data for processing payments.

Requirement	Yes	No
Secured daily electronic delivery	X	
Auto-deposit	X	
Control reports	X	
Provide process schedule	X	
<b>Include record formats:</b>		
Remittance file	X	
Reversal file	X	
Payment/Account file	X	
250 items per batch	X	
Process multiple amounts due	X	
Client administration and management	X	
Enhancements and bug fixes	X	
Transmission support	X	
<b>Time available</b>	<b>5 a.m. MT</b>	

Comments:

f) Transmission Requirements and Support

Includes documentation on data transmission requirements, processing schedules and Holidays when data will not be transmitted. Include precautions taken to avoid duplication/replicating file transmission, technical customer support for file and communications problems, the hours of operation for technical support, and the notification process for scheduled and unscheduled system downtime.

Requirement	Yes	No
Provide data transmission requirements	X	
Provide processing schedule	X	
Provide holiday schedule	X	
Provide transfer error procedures	X	
Provide transmission logs	X	
Hours of technical support	X	
Hours of technical support	X	
Provide downtime notification procedures	X	

Comments:

We provide an array of secured channels for the exchange of files over the internet or through a dedicated network connection. The protocols offered are as follows:

- HTTPS – Browser-secured file transfer useful for manually uploading and downloading files from the bank Data Transmission website.
- SFTP (Secured Shell FTP) – FTP with SSH2 encryption. Uses a single encrypted channel for both command and data; however, the payload travels in clear text. Authentication is performed using SSH key or password, as desired.
- FTP with PGP (Pretty Good Privacy) – Neither the command channel nor the transport layer is secured, however the payload is encrypted with PGP keys. The payload remains encrypted at rest.
- FTPS (FTP over Secure Sockets Layer) – Uses a SSL below the standard FTP protocol to encrypt the channel/tunnel. The command channel is encrypted; however, the data channel is not encrypted. The payload travels in clear text.
- AS2 with S/MIME encryption – Over HTTP or HTTPS internet connection.
- Connect:Direct® with Secure+ encryption – Proprietary software; Digital Certificate required.
- Internet VPN connection – Using IPSec security, Cisco compatible router and FTP or Connect:Direct protocol.

## Holiday schedule

Following is the 2015 holiday schedule for the United States

2015 holiday schedule	
Holiday	Day Observed
New Year's Day	Thursday, January 1, 2015
Martin Luther King, Jr. Day	Monday, January 19, 2015
Presidents Day	Monday, February 16, 2015
Memorial Day	Monday, May 25, 2015
Independence Day*	Saturday, July 4, 2015
Labor Day	Monday, September 7, 2015
Columbus Day	Monday, October 12, 2015
Veterans Day	Wednesday, November 11, 2015
Thanksgiving Day	Thursday, November 26, 2015
Christmas Day	Friday, December 25, 2015
*For holidays falling on Saturday, Federal Reserve Banks will be open the preceding Friday. For holidays falling on Sunday, all Federal Reserve offices will be closed the following Monday.	



## **Duplicate files**

Audit controls and security are important issues addressed in the EDI system and processing procedures. A variety of commercially available security systems for the encryption and authentication of payment origination files are supported.

Once files are received at the bank:

- Standard password and security IDs are used for all systems involved in EDI file processing
- A complete audit trail of transaction activity is available for all files processed
- File balancing (a standard procedure) is conducted at various stages of processing
- Errors are logged and reported as corrective action must be taken before processing can continue
- Trace numbers are assigned for all payments
- Duplicate checking is performed for a default of 32 days, but can be configured as desired
- Authentication and encryption are supported

Edit checks of file information are made at various stages of electronic payment processing. To eliminate duplication, incoming files are logged, processed and distributed, and references to these files are maintained.

### **Notification process for scheduled and unscheduled system downtime.**

The bank will post scheduled and unscheduled system downtime on CashPro Online.

## **10) Lockbox services**

### **a) Identify the location of your lockbox service provider.**

Our service provider, Arizona Lockbox & Fulfillment Co., Inc. is located in Phoenix, Ariz.

### **b) Identify all costs associated with your lockbox services including returned items.**

Please refer to the Appendix for Pricing.

### **c) Where is your lockbox service provider located?**

We are pleased to continue to provide lockbox services to Pima County.

Arizona Lockbox Fulfillment  
18401 North 25th Avenue, Suite 120  
Phoenix, AZ 85023-1208

### **d) Identify the relationship of your lockbox service provider.**

Bank of America is pleased to continue our partnership with Arizona Lockbox and Fulfillment (ALF) to provide lockbox services to Pima County. Their state of the art image platform combined with their knowledge, experience and expertise in the remittance industry make them an ideal partner to support the bank's relationship with Pima County, both now and in the future. ALF is a full-service payment processing and fulfillment company with locations in Phoenix, Ariz., and Frederick, Md.

### **e) Identify key staff responsible for our account and their qualifications.**

Bank of America knows the value of processing excellence, and is committed to ensure that your payments are processed swiftly and accurately.

In support of that goal, we have built an experienced team to provide support of daily operations and issue resolution. Your primary points of contact are Larry Glandon, senior client manager, and Malisa Day treasury solutions officer. Additionally, there are designated lockbox resources:

- Ron Edens II, vice president of operations, ALF. Ron has more than 27 years of lockbox experience and has supported the Pima County relationship for the past three years.
- Jay Jones, municipal accounts team lead. Jay has more than three years of lockbox experience directly related to municipal accounts and tax payments.

**f) Identify the technical specifications required for wholesale processing. Does our current coupon meet your specifications or will changes be required?**

We have the ability to process multiple types of payment coupons and to tailor processing to your needs and specifications. Your current coupon meets the technical specifications for retail processing and no changes will be required.

**g) Describe your lockbox process and procedures.**

Processing begins with the mail pickup at the main post office at 6 a.m. daily Monday through Friday. Mail is then delivered to the processing site, where it is received and logged. All mail is sorted in compliance with established business rules. Once sorting is completed, envelopes are cut open and a daily mail count is provided to Pima County.

The next step is extraction and review. Contents are removed from the envelope and reviewed. The check is verified for valid payee, date and amount. Documents are reviewed for tax type and amount. Items are then sorted into appropriate batches. Matched payments are forwarded to imaging; others are forwarded for further verification. Multiple payments are balanced, and any required correspondence is photocopied.

All valid transactions are then imaged, data entry is performed, and the deposit is prepared. Each of these steps contains robust edit functions to ensure data accuracy. At the end of day, an output file is generated in conformance with Pima County specifications. A daily mail out package containing reports, rejects and a daily CD is prepared and forwarded to Pima County via overnight delivery.

The following paragraphs provide a more detailed description of this process.

**i) Identify the controls in place to ensure accurate processing per customer specifications.**

Prior to starting work for a client, written instructions are created and approved by the client to ensure accurate processing. All incoming mail is counted and logged into our tray control system to ensure that items are processed according to time requirements. Each tray of mail has a tray control card filled out by each employee that works on the tray. This helps to track issues back to specific operators for corrections if required.

When extracting contents of the envelope, the clerk reviews the transaction for validity based on client instructions. If an item is questionable or does not meet processing criteria, the item is rejected and reviewed by a team lead or supervisor for further processing.

As items are imaged, they are imaged under a specific imaging job that has system edits built in to ensure proper processing of deposits and data for each client. As deposits are completed, the tray control system ensures that data output files are balanced to the deposits. Each day, internal deposit reports are balanced to the Image Cash Letter receipts received from the bank.

**ii) Describe any priority handling of items.**

Priority items, special handling or exception items identified by Pima County can be out sorted and processed according to your specifications. Out sorted items can be returned with your daily mail out package, given priority processing, or referred to you for further instructions. For example, large dollar items can be identified as priority. They would then be out-sorted and expedited in processing so that they are closely monitored throughout the work flow. We can also provide you with notification of any priority items, such as large dollar, so that you could factor that into any cash management planning.

**iii) Describe the methods to assure validity of data.**

ALF uses system edits to ensure that data is captured correctly. The most critical is the check digit routine for the scan line on the payment coupon. This ensures that the payee account number is captured correctly. Additionally, items are imaged under specific job designations, which include client specific edits to ensure accuracy.

**iv) Do you retain the actual check in the lockbox department until data capture is completed or do you send the check for collection prior to data capture?**

Yes, the checks are retained until data capture is completed. One deposit is made daily after all balancing is complete. Therefore, if an error is detected in the settlement process, the item can be corrected. Our current process utilizes an Image Cash Letter deposit process, and the actual checks are retained on site for 30 days before they are destroyed.

**v) What back-up arrangements exist should the system fail?**

At Bank of America, we understand the criticality of business continuity and disaster preparedness. As a result, the Team maintains a business continuity plan for both short and long term disaster planning. All systems are redundant with a satellite office in Frederick MD. In addition, all data and images are backed up daily to ensure there is no loss. There are backup computers for all critical systems, and in the event of a system failure the backup can be put into place within a few hours.

**vi) Describe procedures to ensure that transmissions are received successfully and contain all remittance payment detail. Describe your backup procedures in the event the transmission is not successful.**

All transmissions are followed by an email that contains a transmission report that lists the batches transmitted and includes batch deposit amounts and batch counts. If a transmission is not received, all output files are maintained on a back up and can re-output immediately if required.

**vii) List the bank's schedule for post office pickups of wholesale lockbox mail for weekdays, weekends and holidays.**

Post office pickups are daily Monday through Friday. The only exceptions are the following holidays:

- New Year's Day (January 1st)
- Memorial Day (Last Monday in May)
- Independence Day (July 4th)
- Labor Day (First Monday in September)
- Thanksgiving Day (Fourth Thursday in November)
- Christmas Eve (December 24th)
- Christmas Day (December 25th)

If required, we can arrange Saturday and Sunday pickups.

**viii) Describe the receipt and handling of remittances delivered by private services to the lockbox for processing.**

Transactions received by private services are logged into a log showing each delivery with date and time. They are then forwarded to the mail processing group and put into trays for processing. These trays are logged into the tray control system that monitors the processing through the entire process.

**ix) How will your processing, procedures and/or timelines change with our extreme peak demands for services?**

Utilizing historical records maintained for each client, we are prepared to manage staff and plan for peak periods and seasonal volume, such as your tax payment season. Staffing is augmented utilizing temporary associates for routine tasks. All decisioning continues to be managed by seasoned associates to maintain quality levels.

**h) Do you allow for same day credit of lockbox deposits (i.e. lockbox deposits after your normal deposit cut-off time is posted as same day)?**

All lockbox receipts are processed on the same day received. Lockbox deposits have a later cutoff time than over the counter deposits so that we have flexibility to ensure that all funds are submitted for settlement on the day of receipt. Your current process utilizes an image presentment file which must be transmitted for settlement no later than 8 p.m. Central.

**i) Do you have the ability to start and stop services without additional fees?**

Yes. Due to the seasonality of your receipts, should you elect to utilize lockbox services only during peak periods, we can start and stop services at your direction with no additional fees to you.

**j) Can you provide images of deposited items and provide the technical specifications of the provided images? Provide a schedule of availability of the images. Can you associate the image with the payment record?**

We currently provide daily CD-ROM containing images of your deposited items. This CD-ROM has a built in search tool to located images based on the data captured. For example, you can search on account number, dollar amount, or check number. This allows you to complete any necessary research.

**k) Can you determine the payment type, first half, second half, by the amount submitted and the coupon data?**

Yes. We can determine the payment type based on information in the scan line of the coupon. Our system automatically recognizes this data and correctly processes the payment, whether it is first half, second half or full year remittance.

**l) How do you handle multiple payments, single check multiple accounts or multiple checks single account?**

Multiple payments are processed in their own batches. The processing system that we use accommodates multi batch types that include both single check/multiple coupon, multiple check/single coupons and multi check/multi coupon. The system creates transactions at the payment level. Each transaction ends with a check, so when the system sees a check then a coupon, the system knows to start a new transaction.

The system then takes into account the entire amount of the check(s) and validates this against the totals of the amounts due on the coupons. If there are any discrepancies, the entire transaction is presented to an operator for balancing.

**m) How do you handle errors made by lockbox in the amount of the check? For example, the check amount as written is different from the amount included in the bank deposit.**

There are multiple control points within the daily processing to identify any errors, including encoding errors. Should an error be discovered before settlement, it is corrected immediately within the lockbox environment and is never visible to Pima County. However, if the item is submitted for settlement with an amount error, Bank of America will receive notification from either Pima County or the paying bank. We will immediately research the request and credit Pima County appropriately. We will then work with the payee bank to adjust the tax payer's account appropriately.

**n) Can you return envelopes according to a specific schedule? For example, all envelopes must be returned for the first five business days of each month. At what cost? Can you identify the account(s) paid by the contents of the envelope? At what cost? Can you provide images of the envelopes and associate them to the payment record?**

Yes. We can return envelopes based on a schedule defined by Pima County. As in your example, if you determined that you wanted all envelopes returned for the first five business days of the month, we could implement those processes at no additional charge to Pima County. As another option, we can also review the postmark during a specific period of time and return to you only the delinquent payment envelopes. Delinquent payments would be sorted to a separate batch and envelopes would be referenced to that batch number.

Based on our experience as well as procedures defined by Pima County, we can accurately use the contents of the envelope to identify the account or accounts being paid. If there is any question as to the appropriate application of the payment, we would contact you for clarification.

We do not recommend imaging of all envelopes. During a sample test for imaging of envelopes, we determined that the read rate for the post mark date was not an acceptable standard. However, we will certainly work with you to address any need for data from the envelope.

## **11) Line-of Credit & Registered Warrants**

**a) Identify all costs associated with line of credit activity.**

As your existing banking services provider, Bank of America currently provides a line of credit available to various political subdivisions of the County (the Districts) and a line of credit to Pima County. If selected to continue as your banking services provider, Bank of America will continue to offer these lines of credit, subject to: i) credit approval for the renewal of each separate credit facility prior to the current expiration date of June 30, 2015, and ii) negotiation of documents in form and substance satisfactory to the Bank.

There are no annual commitment fees or unused commitment fees associated with these lines of credit. The only costs associated with line of credit activity are as follows:

- Bank Legal fees for the documentation of each line of credit. The bank legal expense associated with the cost of documenting the lines of credit is estimated not to exceed \$30,000.
  - The County and /or the Districts shall be responsible for any of their own legal counsel fees.

- The County and/or the Districts shall be responsible for bank legal fees for documentation of any subsequent amendment or renewals of the lines of credit, and for the documentation of any new lines of credit.
- Interest expense incurred for usage under each line of credit will be based on the tax status of the borrowing:
  - Tax Exempt/Bank-Qualified: 59% of Bank's Prime Rate
  - Tax Exempt/Non Bank-Qualified: 68% of Bank's Prime
  - Taxable: 105% of Bank's Prime (Bank's Prime Rate is 3.25% as of Feb. 18, 2015)

**b) Provide a sample copy of the line of credit agreements.**

The two existing Revolving Line of Credit Agreement ("the Agreements") between Pima County ((1) for its own account and 2) on behalf of the Districts) and Bank of America dated Sept. 10, 2103 and Oct. 2, 2013 respectively, will serve as the template for the extension of these credit facilities. The Agreements are currently on file with the County and we will be pleased to provide sample copies upon request.

The form of the existing Agreements are meant to serve as a sample form of agreement only and shall not be construed as an attempt to define all terms and conditions of the lines of credit. The Agreements will be updated as necessary to reflect current Bank terms and conditions, including, but not limited to, language relating to the Dodd-Frank Act and Basel III, USA Patriot Act, representations and warranties, conditions precedent, indemnification, and other provisions that are customary and standard as determined by the Bank.

The Agreements and other Line of Credit documents will be the operative and governing documents, which shall govern in the event of any inconsistency contained within this RFP response.

**c) Will the bank purchase registered warrants?**

The Lines of Credit preclude the need for the purchase of registered warrants. The purchase of individual registered warrants may be considered on a case-by-case basis. Purchase of registered warrants would be at the Bank's discretion and subject to the Bank's credit approval process.

**d) If so, identify all costs associated with registered warrant activity?**

This would be determined on a case by case basis and could differ from the pricing offered under 11a.

**e) Can you provide flexible credit lines depending on the date range?**

Currently the Bank extends a line of credit to Pima County that steps up and down based on the seasonality of the County's cash flow. The Bank can continue to offer this feature for the County's line of credit if the County has a continued need for such a feature. Upon reappointment, the Bank will work closely with the County to modify the amount(s) of both lines of credit based on historical usage and estimated future needs.

**f) Explain your processes for accessing lines of credit for our political subdivisions.**

Each District's credit line limit is subject to Bank credit approval. Upon receipt of a request to access the line of credit, each applicant for credit shall provide the following information (and annually thereafter during the servicing contract period):

- Audited financial reports for the two prior fiscal year ends, together with the current year's annual budget, and interim financial information as requested.

Each individual entity requesting a credit line limit must meet a reasonable standard of creditworthiness as determined by the Bank. The credit lines limit for each District cannot exceed the provisions contained in A.R.S #11-604.01

The closing and the initial extension of credit under the Lines of Credit will be subject to satisfaction of the conditions precedent deemed appropriate by the Bank including, but not limited to:

- The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Line of Credit satisfactory to the Bank.
- Documentation will include the Agreement prepared by Bank Counsel. The Agreement will include, but not be limited to, the terms and conditions outlined herein, as well as provisions that are customary and standard with respect to conditions precedent, representations and warranties, covenants, events of default and remedies.
- Credit approval for each individual District credit limit (at the time advances are expected).
- Other conditions precedent as are customary for a financing of the type contemplated.

*This proposal is submitted in response to your Request for Proposals due February 26, 2015. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the bank exemption and the exemption provided for responses to requests for proposals or qualifications under the municipal advisor rules (the "Rules") of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).*

*In submitting this proposal, we are not undertaking to act as a "municipal advisor" to you or any other person within the meaning of Section 15B of the Securities Exchange Act of 1934 and the Rules. In connection with this proposal and the transactions described herein, we are not acting as a financial advisor or municipal advisor to you or any other person, and are not subject to any fiduciary duty to you or to any other person. We understand that you will consult with and rely on the advice of your own municipal, financial, tax, legal and other advisors in connection with your evaluation of this proposal and the transactions described herein.*

## **12) Compensation**

### **a) Identify the rate the bank will use for compensation of bank fees based on account balances.**

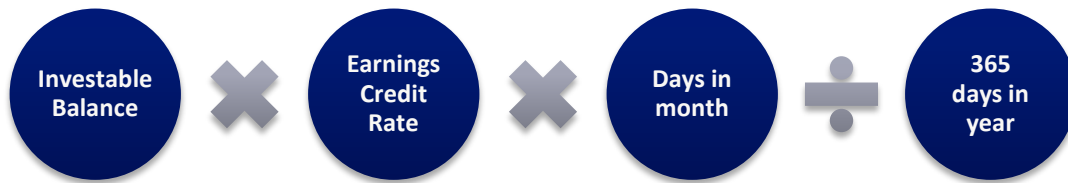
The ECR is a bank-managed rate. When determining the rate, the bank considers a number of prevailing market indicators.

We are pleased to continue to offer Pima County our preferred earnings credit rate (ECR). We will continue to offer Pima County our highest available ECR rate which is our managed premium rate, currently at 25 % per annum which is subject to change and the full flexibility to shift back to the Treasury Bill index (91-day Treasury Bill rate) as market conditions return to more historical patterns.

### **b) Identify the method of calculating bank compensation, i.e. earnings credits.**

The Earnings Credit/Allowance Rate (ECR or EAR) on your account is used to calculate your Earnings Allowance, which is based on your average investable balance. A client's ECR/EAR may vary and, at our discretion, this rate may change at any time. The ECR/EAR is applied to the monthly average positive collected balances net of reserve requirement (investable balance). As of March 1, 2009, the reserve requirement is 0%. This may be changed at any time. Specifically, the formula for calculating earnings is:





**c) Identify the settle terms, if earnings credits are insufficient.**

Pima County currently settles annually. We will continue with this schedule or will work with you to develop an alternate schedule. We would be pleased to offer Pima County monthly, quarterly and semi-annual settlement timeframes if so desired.

**d) Identify any charges that would NOT be covered by account balance compensation.**

Lockbox services will no longer be covered by account balances

**e) If Pima County elects to pay for banking fees in cash, identify any variation in terms offered.**

Pima County is currently invoiced annually for service charges in June of each year. You may elect to pay for services on the direct fee method or the compensating balance method, defined as follows:

- **Compensating Balance Method** – Pima County may accumulate account analysis excesses and deficits from month to month. The bank will not compensate Pima County for excess service charge credits. Surpluses and deficits may not be carried over from year to year.
- **Direct Fee Method** – Payment of net banking service charges is made on a periodic basis, most commonly monthly. The account analysis serves as an invoice and payment of banking fees is made by check or direct charge by the bank each month.

Analysis is usually billed monthly; in an effort to help Pima County manage ledger balance peaks and valleys, Bank of America is able to continue to offer the option of an annual settlement.

### 13) Fraud prevention

**a) Identify any fraud prevention and detection services you offer.**

We recommend Pima County continue with the benefits and protection you gain from our positive pay service. An overview of each facet of positive pay is included in this section.

CashPro Online provides easy access to our entire suite of positive pay solutions, which include the following:



#### Traditional positive pay

As you are aware, for positive pay to work, Pima County must transmit check issue information (for example, check numbers, issue date and dollar amounts) to the bank. You may send these electronic files daily, weekly, or on any schedule that precedes the release of checks.

As items are presented for payment and posted against Pima County accounts, we will compare check MICR information to your file in order to identify the following exception items:



- Checks not on the issue file
- Checks with duplicate serial numbers
- Checks for which the paid amount differs from the issue file
- Checks for which the serial number length does not meet a specified minimum or exceeds a specified maximum (optional)
- Checks exceeding a maximum dollar amount (optional)
- Stale-dated checks (optional)

Checks are posted to the account(s) each evening. Pima County will receive notification of exception items by 9 a.m. (MST) the following morning through CashPro Online. You have until 5 p.m. (MST) to notify the bank of a pay or return decision on each exception item.

### **Payee positive pay**

Our payee positive pay is an image-based fraud prevention tool that can help detect false or altered payee names on checks presented to the bank. Payee discrepancies will be reported to you via CashPro Online and you can review and determine whether to pay or return the item.

This allows you to receive notification of suspicious payee names earlier in the process. Pima County has two options to send payee name information to the banks, which are listed below.



### **Secure Seal details**

Secure Seal provides payee name protection for Pima County if you are unable or choose not to send issue information. Secure Seal encoding starts with the printing of a unique seal on the face of the check as it is issued. Encrypted inside the seal is information unique to that check, such as payee name, dollar amount and check number.

### **Teller positive pay**

Teller positive pay establishes a link between the bank teller systems and the bank ARP systems. When a check is presented for cashing in a banking center, the teller system will query a database to determine if Pima County has submitted an issue file for the check and validates the serial number and the amount. If there is no valid issue record for the account, the item will not be paid by the teller.

In addition to providing check issue information (serial number and amount) to our banking center teller system, we additionally pass payee name information (where provided) for those accounts flagged as payee positive pay and teller positive pay. This enhancement better equips our bank tellers to detect potentially fraudulent checks before they are cashed.

### **Reverse positive pay**

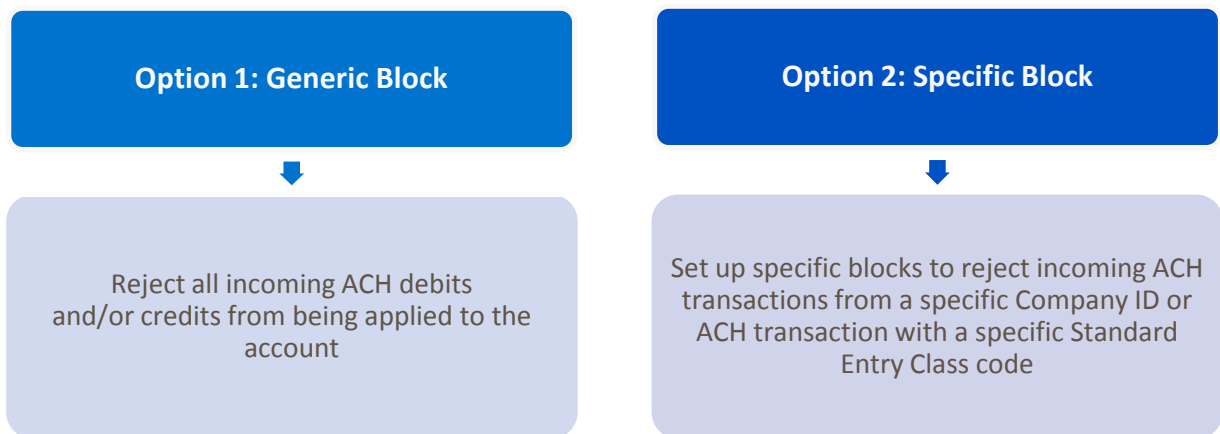
Pima County uses reverse positive pay to protect against check fraud. With the service, you view images of suspect paid items and submit return decisions online using CashPro Online.

### **Fraud research services**

If Pima County suspects any sort of fraud related to your accounts with us, you should contact your client team immediately. Our internal fraud prevention team will take the necessary steps to investigate and research any incidents and provide prompt resolution.

## Managing fraudulent ACH transactions

We offer several fraud protection services to help Pima County manage ACH transactions, ACH Blocks and Filters and ACH Positive Pay. ACH Blocks and Filters service gives you a few options, as listed below.



Limits can also be placed on selected authorized originators to ensure the account is not debited more than authorized. With ACH Authorizations service, you may designate authorized trading partners and incoming transactions, based on a list of designated criteria. Incoming authorized ACH transactions will be applied to your account and all other ACH transactions will be rejected from the account.

### ACH Blocks

We will block all debit and/or credit ACH activity, preventing items from posting to Pima County's account. At this level, the incoming transactions will be rejected and returned to the sending (originating) institution as "unauthorized."

Once the account is established on this service, all incoming ACH debit or credit activity will remain in effect indefinitely. Blocks can be set so that only debits reject, only credits reject or both. Pima County can choose an optional block that will block reversals from coming into its account.

### ACH Filters

In addition to blocking transactions, we can also post only those ACH items from "authorized" trading partners. Any activity not meeting the criteria Pima County requires will be returned as unauthorized. For this second level, Pima County provides the bank with IDs for those trading partners Pima County has authorized to send ACH activity. You may also establish a maximum dollar amount for each transaction.

Only transactions that are at or below this assigned dollar amount will be posted to Pima County's account. Transactions are "screened" or filtered according to specific parameters.

**b) Identify any fraud prevention and detection services you require of your customers, such as positive pay.**

Bank of America recommends all of our clients use Positive Pay services. Please see our response to question *a*, of this section.

**c) Do you offer positive pay on payee?**

Yes. Payee positive pay is another enhancement to our standard positive pay service as described previously. The bank's payee positive pay is an image-based fraud prevention tool that can help detect false or altered payee names on checks presented to the bank. Payee discrepancies are reported via

CashPro Online so you have the opportunity to review and determine whether to Pay or Return the item.

**d) What protections do you offer if a warrant is rejected for payment under a positive pay program?**

If Pima County is setup on the Positive Pay service where you are submitting issue information to the bank, the warrants are treated as a check and any item with no matching issue on file will reject as an exception for Pima County to review and make their pay/no-pay decisions. Any exception item(s) Pima County did not decision will automatically be returned (or not, depending on Pima County's "default" setup).

**e) Successful responder must accept financial burden for fraudulent checks and warrants paid from any Pima County funds under the custody of the Pima County Treasurer or any other accounts under this agreement.**

As stated earlier the proposal, we recommend Pima County use Positive Pay and Teller Positive Pay on all of your disbursement accounts. As a current account holder, Pima County is in the best position to identify the checks that Pima County legitimately issued and are therefore in the best position to prevent losses. Positive Pay services are an extremely effective means of preventing check fraud losses.

Bank of America may bear responsibility for items drawn on Pima County's Bank of America account if Pima County reports payment of a counterfeit item, an altered item or an item bearing a forged signature or endorsement within the time periods set by the appropriate state law and by the bank's deposit agreement. If the forgery, alteration, or counterfeiting was committed by a stranger to the Pima County and Pima County's negligence did not contribute to the forgery, alteration, or counterfeiting, then Bank of America may be liable. Bear in mind, however, that even if Bank of America is liable to Pima County, Bank of America may have claims against others, including the depository bank and other financial institutions that processed the item(s), especially for altered items and items containing forged endorsements. These items should be referred to Return Items immediately, so that Bank of America's claims can be processed as quickly as possible.

**The bank will not acceptable liability for fraudulent items** outside of what is required through Federal Regulations and BAU processes.

**14) Personnel & Customer Service: -**

**a) Identify personnel responsible for our account and provide their qualifications.**

Pima County has a designated client team comprised of experts from our Public Sector Banking division. Your public sector client team has a vast knowledge of municipal business and regulations with access to national resources to bring best practices to you. Our team approach provides you with multiple levels of expertise and support in client management, client service and treasury services. The entire client team is familiar with Pima County and responsible for the entire relationship. The team will perform relationship reviews on a regular basis to monitor and ensure the bank is meeting the expectations of Pima County. Pima County will benefit from your designated client team's extensive knowledge and working relationships with dozens of counties, cities, school districts, and special districts throughout Arizona.

**Pima County's core client team**

Your team is comprised of the following individuals:

- Senior Government Client Manager, **Larry Glandon**
- Treasury Solutions Officer, **Malisa Day**
- Treasury Solutions Analyst, **Sheryl Procyk**

- Sales Support Associate, **Aletia Ligon**
- Dedicated Service Director, **Abel Nava**

### Service partners

Following are your service partners:

- Senior Municipal Credit Officer, **Nancy Nuereberg**
- Senior Investment Solutions Officer, **Mark Tranchina**
- Sr. Card Account Manager, **David Randolph**
- Sr. Portfolio Manager, Bank of America Merchant Services, **Brian Chapman**

**Larry Glandon**, your senior client manager, is responsible for Pima County's overall relationship with the bank and is in a position to make decisions locally and escalate concerns. Larry will continue to be responsible for delivering the breadth of Bank of America's services and resources to you. Larry is charged with knowing the needs and strategic goals of the Pima County and delivering the appropriate solutions to help Pima County achieve your operating goals. Additionally, your client manager is committed to meeting with you on a regular basis, to discuss technological enhancements within the bank, industry best practices, legislative updates, and to refresh our understanding of the Pima County's strategic goals.

**Malisa Day**, your treasury solutions officer, is responsible for overseeing Pima County's treasury relationship and ensuring that you are aware of all of the latest treasury management services. Malisa will continue working closely with Pima County to design the treasury management structure and determine the suite of services that best meets the Pima County's needs. She will also provide consultative advice regarding treasury management trends and best practices on an ongoing basis.

**Sheryl Procyk**, your treasury solutions officer, works side-by-side with Malisa to help identify potential banking solutions. She is also responsible for service fulfillment and ensuring client satisfaction in all treasury services.

**Aletia Ligon**, sales support associate is a local associate who has been designated to support Pima County with critical, complex, or time sensitive issues. Additionally, all problems, ad hoc report requests, or issues are coordinated through Aletia. She serves as the single point of contact for Pima County and has experience in working with the banking needs of the government sector. Aletia will coordinate the internal resources required to meet the needs of Pima County. If an issue requires escalation, Aletia will contact Senior Client Manager Larry Glandon, as he manages the overall responsibility of the relationship. Larry will work with Aletia until the situation has been resolved to the satisfaction of Pima County.

**Abel Nava**, dedicated service director, will continue to be your main point of contact to address any daily operational issues you may have. Our government banking representatives are trained to handle treasury management operating inquiries, client services and other support functions. Government banking representatives receive ongoing training and industry information to maintain expertise in financial trends and topics that may affect our clients — in turn, we are better able to recommend innovative solutions to meet challenges that might arise. We are proud of our team's vast experience and knowledge and are committed to offer the highest level of service continuously.

### Biographies with descriptions of the qualifications of the core client team

Below, we provide brief biographies, including descriptions of the qualifications for each member of the core client team on the following pages.

### **Larry Glandon, senior client manager**

Larry is a senior vice president for our Public Sector Banking group covering both Arizona and New Mexico. He is responsible for leading the bank's efforts for the public sector, including state and local governments, municipal utilities, special districts and public education. In addition to his expertise in working with government and education, he has extensive experience in middle market and large corporate financial services.

Larry has worked with our portfolios across the globe, including Latin America, Asia and Europe. Most notably, on positioning the bank and the financial exposure associated with the reunification of Hong Kong to China in the mid 90s.

Larry received a Bachelor of Arts degree with honors from Central College in Pella, Iowa, and a Master of Business Administration degree with distinction from DePaul University in Chicago, Ill.

**[larry.d.glandon@baml.com](mailto:larry.d.glandon@baml.com) | 201 E Washington Street | Phoenix, AZ 85004 | 602.523.6263**

### **Malisa Day, treasury sales officer**

Malisa has more than 25 years of banking experience. Prior to joining the Public Sector Banking group, Malisa had a variety of banking assignments at Bank of America. She worked in the Large Corporate Treasury Management group, Global Client Services, Project/Change Management, Operations and Process Engineering. Malisa has been a treasury sales officer since 2013, focusing on public sector clients in Southern California. She has extensive knowledge in providing treasury management solutions to clients and is Six Sigma certified.

Malisa earned her Bachelor of Arts degree in business from California State University, Fullerton. Malisa's responsibilities include delivering a positive and seamless client experience while leading and coordinating the delivery of the bank's capabilities to meet Pima County's strategic plans and needs.

**[malisa.day@baml.com](mailto:malisa.day@baml.com) | 201 E. Washington St. Fl 22 Phoenix, AZ 85004-2428 | 602.523.4106**

### **Sheryl Procyk, senior treasury analyst**

Sheryl is a market specialist for treasury products, providing assistance in identifying potential solutions for cost reductions and timesaving services. She is also responsible for coordinating product implementation and client satisfaction of the specialized treasury services delivered to public sector banking (PSB) clients. Sheryl works with PSB clients in Arizona, California and New Mexico, ensuring that treasury needs are met. She accumulated over 10 years of banking experience in multiple lines of business before moving into her current role. A graduate of Bryant & Stratton College and Medaille College, New York, she holds an associate degree in accounting, a bachelor's degree in business administration and a Master of Business Administration degree.

**[sheryl.procyk@baml.com](mailto:sheryl.procyk@baml.com) | 10 Fountain Plaza | Buffalo, NY 14202 | 716.847.7211**

### **Aletia Ligon, senior sales support associate**

Aletia Ligon has more than 22 years of service with Bank of America. She spent 14 years in the Consumer Banking and the last eight years in Public Sector Banking. Her duties have ranged from managing as many as 20 banking center staff members to providing support to senior officers in the Public Sector Banking division. Her current role as senior sales support associate consists of supporting and enhancing efficiency of services to government clients.

**[aletia.ligon@baml.com](mailto:aletia.ligon@baml.com) | 201 E. Washington Street 22nd Floor | Phoenix, AZ 85004 | 602.523.2196**

## Abel Nava, dedicated service director

Abel Nava is a member of the Brea Government Banking group that manages over 400 state and local public sector clients. He has been with Bank of America since 2008 and currently services complex relationships in the bank's portfolio of public sector clients. His portfolio spans California, Oregon, Arizona and Texas.

He is experienced in resolving issues with a variety of treasury management products, including account reconciliation, lockbox, controlled disbursement and zero balance accounts. He is a seasoned associate who frequently provides advice and guidance to his teammates and assists in resolving issues that require escalation.

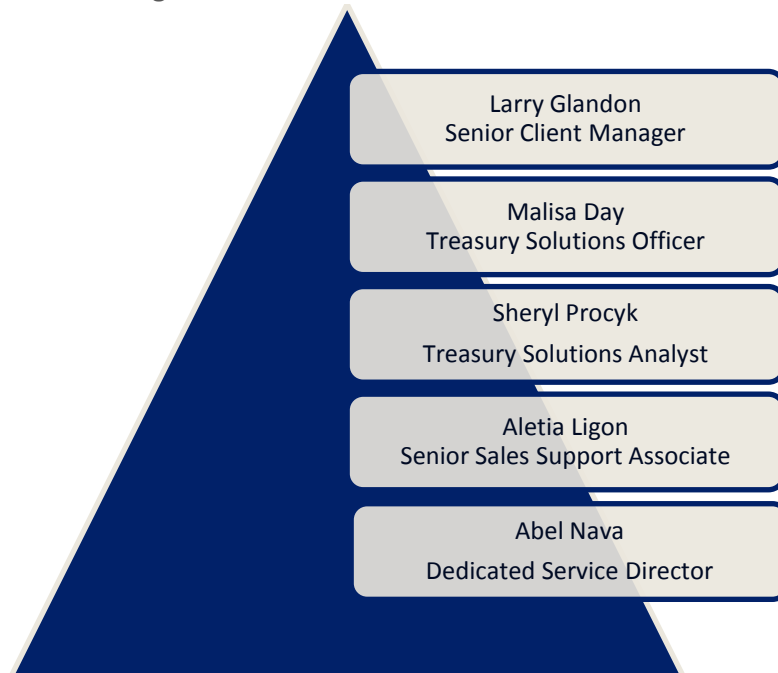
His key responsibilities include, managing accounts, servicing the various departments/agencies and coordinating implementations. He researches, analyzes and resolves issues related to a wide range of treasury and/or depository products and services of varying complexity, and proactively identifies root causes of recurring problems.

**dedicatedwgov@bankofamerica.com | 275 Valencia Avenue | Brea, CA 92823 | 888.715.1000 ext. 61684**

### b) Indicate the organizational structure of your bank for customer service.

Your designated team is a specialized group of experienced professionals with over 100 years of combined experience and is dedicated to the needs of Pima County. Combining local expertise with experience, we aim to respond to Pima County's needs and handle inquiries in an efficient and timely manner. We focus on understanding your needs and develop mutually agreed upon plans to assist with your strategic goals.

#### Organizational structure for customer service



Larry Glandon is your main point of contact for the entire relationship; if he is not available you can contact Malisa Day. Abel Nava, dedicated service director, will continue to be your main point of contact to address any daily operational issues you may have, if Able is not available he has a team to back him up.

- c) In addition to a primary account representative, a primary service representative must be located in Arizona and be able to resolve any discrepancies or facilitate resolution of any discrepancies.

i) Identify this individual,

Larry Glandon is your main contact; his contact information is as follows:

Larry Glandon	
Title	Senior Client Manager
Address	201 E Washington Street Phoenix, AZ 85004
Phone	602.523.6263
Fax	602.523.6537
Email	<a href="mailto:larry.d.glandon@baml.com">larry.d.glandon@baml.com</a>

ii) How does the bank ensure continuity of service when the primary customer service representative is unavailable?

Dedicated Service Director Abel Nava will continue to serve as Pima County's single point of contact for day-to-day support and quick issue resolution. He is responsible for handling routine inquiries and transactions. If Abel is unavailable, he has a team to back him up that will be familiar with Pima County and be able to help.

Every associate in the Customer Service Center is charged with following through with any request as quickly as possible. Most inquiries can be resolved during the initial call. Matters that require further research are tracked on a system to provide the fastest response time.

iii) Describe the responsibilities of customer service personnel, including the chain of command and escalation procedures for problem resolution.

All of our customer service personnel — whether it be Dedicated Service Director Abel Nava, or Sales Support Associate Aletia Ligon, are expected to deliver outstanding service to Pima County. This entails answering questions, directing Pima County to the proper associate as needed, following up on all maintenance requests in a timely fashion, and escalating issues as required in the proper channel, which means contacting Malisa Day, treasury solutions officer and Larry Glandon, senior client manager, in that order. Ultimately, Larry is responsible for the success of the overall relationship with Pima County and has the authority and capacity to engage resources to arrive at an effective problem resolution. At any time, Pima County is welcome to contact Larry to discuss any relationship concerns or to expedite matters pertaining to any of Bank of America services.

### Dedicated service director responsibilities

Abel Nava, your dedicated service director, will manage your day-to-day operations and customer service issues including all inquiries requiring research and adjustments. Your dedicated service director can obtain balances and transaction information, initiate transactions provide reports, images and open accounts. If Abel is unavailable, he has a team to back her up who will be familiar with Pima County and be able to assist with any of your requests. Abel works closely with the rest of your client team and facilitates streamlined issue escalation whenever appropriate. Every associate in the Client Service Center is charged with following through with any request as quickly as possible. Most inquiries can be resolved during the initial call. Matters that require further research are tracked on a system to provide the fastest response time.

Abel and our team of service directors are trained to handle treasury management operating inquiries, client service and other support functions.



Organized by business lines, they focus solely on the same type of clients so they understand public sector business needs. Some of the primary services performed include:

#### Dedicated service director responsibilities

Client liaison to other banking services	Treasury management, merchant services, investments, corporate card, wires and ACH transactions
New accounts	Partners with sales support analyst in opening new accounts, sending, tracking and filing of documents, ordering initial supplies and account analysis set up
Account maintenance	Name changes, address changes, updates, statement cuts and signature card changes
Account inquiry	Balances, transactions, statements and photocopies
Account research	Missing deposits, posting and encoding errors and adjustments
ACH inquiries	Incoming and outgoing transaction research
Wire transfers	Incoming and outgoing, domestic and international transaction research
Monetary transactions	Stop payment requests, book transfers, deposits, adjustments, cashier's checks and foreign drafts
Supply orders	Checks, deposit slips, endorsement stamps, deposit bags and vault supplies
Account analysis	Inquiries, research and special handling
Bank statement research	Inquiries, research and special handling

#### Chain of command for problem resolutions

The dedicated service director is empowered to escalate issues to a service team manager or regional manager for resolution. Management within the client services group is empowered to escalate issues among the various units of the bank to resolve issues on a timely basis.

#### Outstanding customer service

For the past five years, our Client Service Centers were recognized for “an outstanding customer service experience” by J.D. Power and Associates. **We are the only U.S. bank to receive this distinction.**

Our Service Centers are certified by J.D. Power and Associates for delivering exemplary client satisfaction excellence. To achieve certification, the organization conducted a random survey of clients. Centers must perform within the top 20% in customer service, which is based on benchmarks established in J.D. Power and Associates’ cross-industry customer satisfaction research.



Factors in the survey included courtesy, knowledge, concern for the client, usefulness of the information, convenience of operating hours, ease of reaching a representative, and timely resolution. As part of the evaluation, service centers had to successfully pass a detailed audit of quality assurance capabilities, recruiting, training, employee total compensation opportunity, management roles and responsibilities and communication.

While we are proud of our global treasury awards and recognition, what is most important is our focus on our clients and Virginia Tech’s level of satisfaction in doing business with Bank of America. We continue to strive for the highest standards possible with regard to our clients’ satisfaction and we will monitor our success using our ongoing customer satisfaction surveys.

#### 15) Describe the bank’s procedures for processing inquiries that require research and/or adjustments. What are the established turn-around times for inquiries related to research and adjustments-

A software tracking system enables us to follow and monitor client service requests. For those that require research, the dedicated service director enters the necessary information into our inquiries and



investigations system and assigns it a case number. Once the service request is filed, the case number is tracked continually until the matter is resolved to your satisfaction. If a solution is not reached within a reasonable amount of time, the issue is escalated to the next tier of support to bring resolution to the issue.

Most inquiries can be handled within the timelines below. Should the request require additional time for resolution, your dedicated service director will advise the contact who initiated the request.

Request	Time
Returned item photocopy	Two days
Returned item adjustments	Three days
Demand Deposit Account adjustments	Two to five days (depending on research required)
Encoding error	One day
Photocopies (one to 200 items)	Four days
Photocopies (more than 200 items)	Varied

## Section 2 – Merchant Services Credit Card Processing (Merchant) Services

### 16) Credit Card Processing (Merchant) Services:

Bank of America Merchant Services will be pleased to renew our partnership with Pima County, should you select us during this RFP process. From traditional payments to eCommerce, mobile solutions, and more, our custom solutions help Pima County increase commerce, improve security and optimize your total solution with customized advice and analytics. With more than 100 products, we can combine a variety of options to find the right solution for your business. Should Pima County renew with us, you will contract with Banc of America Merchant Services, LLC, which will provide a separate contract with terms and conditions specifically applicable to merchant services, together with Bank of America, N.A. as the sponsor bank.

#### a. Do you have the ability to identify transactions by Pima County Department?

Yes. Bank of America Merchant Services is currently providing Pima County with a robust reporting tool that can identify transactions by department. ClientLine® excels at enterprise reporting. We have already helped Pima County set up ClientLine to mimic the hierarchy of your organization so you can see transactions at any level. Reporting can be provided at a location, merchant identification (MID) prefix, chain and master chain level.

Additionally, ClientLine's Group Builder module allows user-defined group reporting. In this module, users pick from the locations they own to create custom, permanent, or temporary groups. Pima County will be able to control the flow of payment information within your organization.

#### b. Identify all costs associated with credit card processing.

Please see the Appendix for Merchant Services Pricing. Transaction pricing consists of Card Organizations' interchange and assessments plus the processing transaction fee(s) charged by Bank of America Merchant Services. All other third-party discount rates and fees are the responsibility of the County.

Bank of America Merchant Services may be able to acquire American Express transactions for the County. If we can do so, we can price your American Express Transactions.

#### c. Please describe the fees available to Pima County to charge to accept credit/debit cards and ACH?

There are three ways Pima County can address this request:

- **Service Fee** – The Visa Government and Higher Education Program does allow for “service fees” not surcharge fees. The Service Fee through the higher education program provides flexibility in that it allows Pima County to assess the fee across all channels of business and allows Pima County to assess either a flat fee or a percentage. It is important to note that the one restriction is the service fee must be a separate transaction from the primary County fee. For example, if a utility payment is \$50 and the service fee is \$2, there must be a transaction for \$50 and a separate transaction for the \$2 service fee.
- **Convenience Fee** – The convenience fee does have some restrictions. Pima County must offer an alternative payment channel to cardholders. The cardholder should be able to pay in person and avoid the fee, but would be assessed a convenience fee through “alternative payment channels” such as web or IVR. The convenience fee usually cannot be accessed through over-the-counter transactions. The fee can be a flat rate **or** a percentage but not a combination of the two. Pima County can process one transaction that contains the primary payment plus the convenience fee.
- **Surcharge** – Due to certain states prohibiting surcharges as well as other complications, **Bank of America Merchant Services will not be able to process surcharges.**

Bank of America Merchant Services will not be able to process surcharges, but we can assist Pima County in either implementing a convenience fee or helping you enroll in the Visa Government and Higher Education program. We support Card Organization rules and regulations for convenience fee and service fee charges. Bank of America Merchant Services can consult with the County on the advantages and disadvantages of implementing a fee structure, as well as how a fee structure could be implemented. Bank of America Merchant Services can provide information on complying with specific programs.

As an example, effective April 17, 2015, MasterCard is modifying the Emerging Markets rate for Education and Government merchant category codes (MCCs) only. The new rate of 0.65% + \$0.15 with a \$2 maximum will apply to the following MCC's:

- MCC 8211 (Schools, Elementary and Secondary)
- MCC 8220 (Colleges, Universities, Professional Schools, and Junior Colleges)
- MCC 8299 (Schools and Educations Services—not elsewhere classified)
- MCC 9211 (Court Costs Including Alimony and Child Support)
- MCC 9222 (Fines)
- MCC 9223 (Bail and Bond Payments)
- MCC 9311 (Tax Payments)
- MCC 9399 (Government Services—not elsewhere classified)
- MCC 9402 (Postal Services—Government Only)

All existing Emerging Markets Interchange rate qualifying requirements will apply.

MasterCard has also announced the maximum allowable convenience fee charged to a cardholder by Education and Government merchants must be no more than \$4.95 per transaction or no more than 1.00% of the transaction amount. As a reminder, merchants must be registered in MasterCard's Convenience Fee Program for Government and Higher Education prior to applying convenience fees.

Due to the level of data that must be passed with the transactions and the complexity of a fee program, only software, gateway and integrated systems typically have the ability to accommodate a fee program. Bank of America is proposing the Advantage Gateway, which will provide a way for the County to charge fees to your constituents, should you decide to do so.

**d. Describe AVS (Address Verification Service) capability and process.**

Yes, we can process AVS requests for the County. When you send an address with your authorization requests, our system returns the response along with the authorization response message. We validate street address and ZIP code in a card-not-present environment and offer ZIP validation in a card-present environment.

**e. Describe the ability to pass through Pima County transaction ID on all reports, including chargebacks.**

Bank of America Merchant Services passes a unique 23-digit value in the transaction called the Acquirer Reference Number (ARN). The ARN is passed through and used by the Card Organizations. The ARN is also available in the ClientLine reporting tool.

**f. List all of the cards (and card types) for which you accept transactions.**

We support the following Card Organizations and forms of Electronic Payment.

Card Brand and Electronic Payments Supported		
Visa	American Express	JCB

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**Card Brand and Electronic Payments Supported**

MasterCard	Discover	Diners Club
China Union Pay	Signature and PIN Debit Cards	PINless Debit Processing
Electronic Check Acceptance	Reward Cards	Payroll Cards
Electronic Benefits Transfer Cards	Private Label Cards	Loyalty Program Cards
Stored Value Gift Cards	Corporate Cards	Commercial Cards
Business Cards	Purchasing Cards	Prepaid Cards
Alternative Payments: <ul style="list-style-type: none"><li>▪ Google Wallet</li><li>▪ PayPal</li><li>▪ Bill Me Later</li><li>▪ Apple Pay</li></ul>		

**g. Do you allow external contracts – such as a direct contract with American Express or must all transactions go through your Merchant Services?**

Yes. Bank of America Merchant Services allows an external contract with American Express. However, we can provide funding for American Express if we can acquire it for you, such as through the new OptBlue program. Acquiring depends whether you have a direct contract with American Express. It also depends on other limitations, exceptions and restrictions imposed by American Express.

If we can fully acquire American Express transactions, we can generally deposit funds the next business day into a Bank of America account. If we cannot fully acquire these transactions, you still settle at the same time as Visa and MasterCard. However, funding is determined by your contract with American Express.

**h. Describe your settlement process – Host, Terminal, auto-settle, etc and timing requirement.**

For Card Organizations that we acquire for you, Bank of America Merchant Services can generally deposit credit card funds into your account the next business day. This requires a Bank of America deposit account and receipt of your transactions by 12:30 a.m. Mountain.

Bank of America Merchant Services is already settling transactions for the County, and we can continue the same process your use today. Going forward, we can offer either host capture or terminal/batch processing capabilities to the County. Each option had advantages and allows the County to choose the option that best fits within your current environment or future desired end state. Settlement capability depends on the specific product used and the merchant account setup for each department. Standalone credit card terminals can be setup for time-initiated settlement based on your defined cut time or for manual settlement where each device is batched independently. Gateway products used for Website, virtual terminal, phone, and mail payments are host captured within the gateway at the time of authorization, batched, and settled at the gateway for each merchant ID or terminal ID. Recurring transactions are authorized and captured on the scheduled date, day, month and frequency and settled at the end of day. Transactions settled within a single gateway setup would settle transactions for all users.

- i. **Will our relationship manager be a public sector specialist? Identify our relationship manager and the public sector clients they serve. If unable to identify specific clients, identify their type, for example, 7 counties, 28 cities, etc.**

The County will retain your current Merchant Business Consultant, Brian Chapman, who the County has come to rely on for proactive consultation and prompt service.

Brian Chapman  
Merchant Business Consultant  
307.789.2048  
brian.chapman@bankofamericamerchant.com

Brian has more than 30 years of financial services experience, including more than 20 years in merchant services. Brian is dedicated to the public sector environment. This includes consulting with clients in state government, county government, city government and public universities. Brian supports two state governments; 14 cities; six counties and six public colleges. He also supports a large court judicial council, under which many county courts operate, as additionally he supports a few smaller school districts.

Brian has held various positions of increasing responsibility in diverse financial services disciplines, including Financial Planning, Trust, Investment Management, Client Management, Banking, and Merchant Services. Prior to joining Bank of America, Brian served in a Regional Manager capacity in Merchant Services for two other large Merchant Processors.

- j. **The county has not migrated to EMV technology for their machines. Please identify the cost to meet compliance with these new standards.**

Bank of America Merchant Services understands that supporting EMV can pose a significant impact to your processing environment. We have had discussions with the County recently about this move and we are ready to help the County with your migration. We provide technical and business processing consultation along with EMV certification support. As a part of our EMV service model, we provide project resources to assist the County through all phases of the certification and implementation process. For your EMV implementation, the project team may consist of the following team members:

- **Implementation manager** – Responsible for project management, account boarding, reporting setup and engagement of applicable subject matter experts.
- **Certification support** – Responsible for working with the County on all certification activities pertaining to EMV and magnetic stripe testing, including specification reviews, test case creation, test tool setup and EMV preparation.
- **Network engineer** – Responsible for network setup and configuration.
- **Technical payment consultant** – Responsible for working with the County to develop the technical solution and drafting of project requirements.
- **Project manager** – On a case-by-case basis, may be added if EMV migration is complex.

We provide Merchant Services Pricing including EMV-supported equipment cost in the Appendix. In recognition of our long-standing partnership with the County, Bank of America Merchant Services is offering a **\$5,000** equipment assistance plan to support the County's EMV migration. **Equipment Conversion/Upgrade assistance is for the County's use for upgraded and available First Data equipment, offset by equipment deployment, subject to pro-rata claw back in the event of early termination, and identified in Contract negotiations.** For more information on this assistance, please contact Brian Chapman.

**k. Describe available on-line services.**

Bank of America is proposing a new gateway for the County, known as Advantage Gateway. We are also already providing both a current Bank of America gateway and mobile payment services for the County in our product Mobile Pay. Both services currently process through Bank of America Merchant Services.

**l. Describe available reports**

The ClientLine® online reporting and reconciliation solution, provided by Bank of America Merchant Services, currently helps the County view and manage almost every aspect of transaction and payment processing account activity. It allows you to access reports through a secure account using only a Web browser. You can also have reports emailed to your mailbox and import them into your back-office systems. ClientLine contains more than 100 standard reports. We have provided a small sample of standard reports below.

ClientLine standard reports			
Credit and Debit Reporting	Qualification Reporting	Funding Reporting	Chargeback Reporting
Credit Transaction Summary by Location/Date/Terminal	Qualification Expense Detail by Location/Date	Bank Deposit Detail by Location/Date	Chargebacks by Reason Code
Debit Transaction Detail	Qualification Analysis Summary	Funding Reconciliation by Date/Location	Chargeback Fraud Summary Report
Card Type Summary by Location/Date	Qualification Expense Summary	Adjustment Summary by Date	Chargeback Analysis

ClientLine can generate reports on demand (daily, weekly, monthly, etc.) in a variety of formats (Excel, PDF, Word, CSV, etc.).

**m. Describe any products you have available to apply service fees as opposed to convenience fees.**

Bank of America is proposing a new gateway for the County, known as Advantage Gateway. Please see the next section for more detail on this gateway. The “Service Fee” program (Visa Government and Higher Education Payment Program) does require registration.

## **17 Internet Payment Processing Services**

**Pima County seeks to offer a variety of service options through the Internet. These services include, but are not limited to, tax payments, payments of fees and penalties, licenses, and data subscription services.**

Pima County can continue to use Payment Collection Gateway (PCG) and Remote Payments Online (RPO) as a means for your constituents to transact online payments. We will be proposing our Advantage Gateway to Pima County.

### **General Requirements**

**List and describe your products that allow the Pima County to offer those services and identify the costs of each product.**

**What gateway services do you offer and are those services from an outside vendor or vendors?**

With our Bank of America CashPro Biller Gateways, you have a number of options to allow your business and consumer customers to make their payments to you using Web, mobile device or telephone and provide faster

access to funds. Additionally, your customers enjoy the flexibility of multiple payment options, including credit card, debit card or ACH direct debit from their bank account(s). Benefits may include:

- Achieve efficiency – Spend less time handling customer payments and posting payment information to your system.
- Access funds faster – Electronic payments can enable you to receive payments much faster than waiting for your customers to mail payments or make them in person.
- Streamline accounts receivable reconciliation process – Flexible reporting and the ability to accept multiple payment methods can improve the amount of time and effort needed to reconcile your accounts receivable by reducing manual processes.
- Offer flexible payment options – Multiple payment initiation channels and payment options allow you to offer your customers payment flexibility.

Bank of America has collaborated with Fiserv, a third party vendor, and is a reseller of their gateway product.

**Do you allow transactions from third parties that do accept “service fees?” If yes, describe rules, limitations, and costs, if any, not described in the Merchant Services section.**

Our CashPro Biller Gateways support a dual transaction-managed convenience fee/service fee model, which is a self-funding model. In this **service** fee model, transaction principal is credited to your account and the convenience/service fee is credited to a third-party provider’s account. Pima County appears as the Merchant of Record for the transaction; third-party provider appears as the Merchant of Record for the fee. The third-party provider is responsible for Pima County’s gateway implementation cost and monthly fees, as well as per-transaction fees for gateway, credit card and/or ACH transaction fees on which convenience fees are charged. You are responsible for all chargebacks and returns. With this model, the bank determines the amount of the convenience fees. End-users will see a disclaimer prior to payment finalization, and are able to cancel the transaction.

Rules and regulations governing convenience/service fees are set by each credit card association. The convenience/service fee restrictions are dependent upon the specific MCC code that must be used by a particular client.

Pima County will work with your Bank of America Merchant Services representative to ensure registration and compliance with the appropriate card association convenience/service fee programs.

**Identify connectivity options for real time and batch transactions and the security provisions used with each connection option.**

Connectivity options for real time and batch transactions:

- **Web/Mobile** – CashPro Biller Gateways can be configured based on your unique requirements if you do not currently have a Web application to collect payments. If you are already collecting payments through your business website, it can act as your payment processor and providing a robust reporting system, complete with required remittance data.
- **Telephone** – Telephone payments can provide a practical alternative for your customers who might not have Web access or capabilities.
- **Customer Service Representative** – Your customer service representatives can initiate payments using a Web interface on behalf of your customer either in person or over the phone.

Additionally, Pima County has the option to process payments using existing mainframe and/or server applications. Messages are exchanged via API string using HTTPS and are encrypted with 128-bit SSL security. CashPro Biller Gateways handles all connectivity with the card association networks and banking institutions, while Pima County retains management of all front-facing forms and payment interfaces.



## Encryption

The system uses industry encryption standards to protect all sensitive data. System access and data transmission to Advantage Gateway require 128-bit server certificates and SSL version 1. This SSL helps the client's browser automatically scramble the information to be transmitted — such as a credit card number — before it is sent. Then, SSL allows only your software to unscramble the data.

## Security measures used to prevent unauthorized user access to either the system or data

Our Enterprise Information Security and Controls Policy and Standards supports a broad set of Information Security Standards and internal control practices that are divided into several functional domains aligned with the widely adopted ISO 27001 security framework. The scope of the EISCP covers all information assets in our or our affiliates' possession or control. It also addresses any persons or entities that have access or control access to those information assets including, but not limited to, associates, contractors, consultants, temporary workers, vendors or other business partners.

End-users will gain access to their Advantage Gateway data by providing a minimum of three and up to five validation fields determined by Pima County during implementation to associate an end-user with specific account information.

## User access

Identity verification is managed through a log-in system with strict password policies. Passwords are stored by the bank or by the Advantage Gateway Solution. Passwords will be encrypted using SHA-512 encryption. We provide security through a hierarchical system of users and groups. Fine-grained permissions are established and maintained by the system administrator. Authentication processes are discussed below.

Data access and storage security is a continuous and integral part of our offering — from development planning to maintaining platform operations. The Advantage Gateway database is protected through various high-end firewall solutions that are deployed throughout the core network. The internal network is protected by multiple intrusion detection/prevention systems utilizing SecureWorks for intrusion detection system (IDS) managed services. The platform utilizes IDS to monitor unauthorized attempts to access to the network. A third-party service provider, under a contractual agreement, monitors the IDS 24/7 and is responsible for contacting Network Operational Center (NOC) when issues are detected. NOC has processes in place, as defined in the Advantage Gateway Provider's Security Protocol Standard, to contact security professionals and systems owners to investigate potential exposures. A centralized correlation engine and management console (SiteProtector) collects IDS data for trending, reporting and research.

Third-party audits are required on a yearly basis to maintain Visa CISP certification. The system is PCI compliant at a Level 1 Merchant Data Security Standard. We use in-house specialists with specific training and Certified Payment-Card Industry Security Manager certification. This Fiserv professional constantly reviews our systems and processes to ensure ongoing compliance with the latest requirements of the PCI DSS.

Administrative access to the platform utilizes a least privilege principle and employs effective and appropriate segregation of duties. The access controls provide authentication of users and protection of data and data resources. All systems and infrastructure components are required to comply with industry best practices and regulatory guidance for password and login credentials as well as secure log-on procedures such as multi-factor authentication where appropriate. Processes for requesting and granting access to systems are required to have appropriate controls in place for provisioning user access and validating/approving requests. These processes are frequently monitored and audited to ensure only appropriate users have access to system functions required for their business role and responsibility.

System access and data transmission to the Advantage Gateway uses firewalls that have been configured to logically secure transmissions from frame relay connections and the internet. Firewalls keep an audit log of permitted and denied traffic from frame relay and internet connections. We secure data communications



between the system and our clients through encryption, restricted routing, and firewall rule sets. We work with clients during the certification phase of the production implementation process to execute test plans for the product to validate file transmissions, file formats, data integrity and front-end user interface functionality. This testing is performed in a test environment segregated from production prior to go-live.

**Do you support recurring amount payments such as monthly sewer fees or annual permits? Do you support MOTO (Mail Order – Telephone Order) transactions?**

The customer or a CSR can set up recurring payments for the same amount or variable amounts based on what is currently owed to Pima County. If it is a fixed payment, the amount, date, time frame and the payment method are all defined. If it is a variable payment, the only difference is that the amount charged is based on what is owed by the customer on the day the payment is scheduled. The payments can be scheduled for a certain day of the month or day of the week. The frequency of the payments is also determined by the individual setting up the payment. The system-supported options include weekly, monthly and quarterly, as well as several other options

**Describe how chargebacks and return notifications are reported, the time frame in which they are reported, in what form(s) they are reported (if electronic what format), and whether Push or Pull?**

Pima County will continue to use the retrieval and chargeback process established with Bank of America Merchant Services. We designed the retrieval process to satisfy documentation requests as quickly as possible. We comply with Card Organization regulations while minimizing the impact to Pima County. Our secure web application, Dispute Manager, helps Pima County manage sales disputes (chargebacks and retrievals) with greater efficiency in a real-time environment.



For chargebacks, Bank of America Merchant Services uses an internal dispute system to provide the most accurate and efficient chargeback processing in the industry. This internal system reviews chargebacks using a proprietary rule-based system that encompasses all pertinent Visa and MasterCard rules. As part of the business rules and internal procedures, we validate issuer and cardholder requirements as part of the overall dispute investigation. Based on the rules and regulations, Dispute Manager fulfills certain retrieval requests automatically. This substitute draft reduces the Pima County’s labor costs.

For retrievals or chargebacks that Dispute Manager cannot handle automatically, the system pushes the items to your Dispute Manager interface. You then have 20 calendar days to respond. The application provides second request/reminder notifications, helping you respond in a timely manner.

The system notifies you in your preferred communication: by mail, fax, electronic file, or Dispute Manager. You can provide your documents in a TIF, GIF, PDF, BMP or JPG file format (black and white only). Responses are then fed to our back-office internal dispute system. We attempt to resolve cases within seven business days after you respond to our data request. Pima County receives a notification advising that the chargeback was

reversed or the reason it was not reversed. As Pima County is aware, our process is extremely effective in the representments processed with or without merchant involvement.

**What are your interface requirements for internet transactions? Are they real time, batch only or both?**

The system can be provided as a site that is linked to a client's site, integrated into the site or as an API-based service where the client manages the user interface. The option to link from a client site can be a transfer to our system with no information exchanged or a single sign-on process where the customer's information is passed to our system. The pages can be displayed within a frame on the client site or they can be separate pages. If Pima County wants to host payment screens, an API option is available where the payment data can be collected outside of the system and the payments sent for authorization.

**What is the largest transaction amount you will accept through Internet Payment Processing Services? What countries, regions, and states are blocked from internet transactions?**

The transaction limitations are based on ACH and card limitations; need to get that info from ACH and Bank of America Merchant Services.

**Describe what consumer information is retained within your systems from Internet Payment Processing Services transactions.**

The following customer information is stored:

- Credit card type
- Credit card number
- Credit card expiration date
- First and last name on credit card
- Full address and telephone number
- Email address if submitted

**What means do you provide to notify county end-users of entered transactions?**

The following Advantage Gateway transmission-specific email/SMS notifications are currently in place:

Notification		Email or text
Batch Out of Balance	Notification to client that a batch file is out of balance	Email
Bill Load File Received	Used to notify clients that the Bill File load has successfully processed	Email
Import File Failure	Alert to client that a data import was unsuccessful	Text
Import File Failure	Used to inform the client that a data import was unsuccessful	Email
Import File Success	Alert to client of successful data import	Text
Import File Success	Notification used to inform client of successful data import	Email
Inbound ACH File Processed	Alert to client that their Inbound ACH file was processed	Text
Inbound ACH File Processed	Used to notify client that their Inbound ACH file was processed	Email
Outbound ACH File Processed	Notification that an ACH file was processed	Email
Outbound ACH File Processed	Alert to client that an ACH file was processed	Text

**Describe policies regarding payment with bit coins or other non-traditional currency or non-US dollars.**

Our CashPro Biller Gateways application accommodates U.S. dollar transactions only.

**Who provides Customer Service for Merchant Services, you, the third party processor, or combination? What are your customer service hours for each entity? How are they contacted? Are there service level agreements?**

CashPro Biller Gateway is designed to be intuitive, allowing most typical administrative tasks to be performed by personnel without needing to contact the CashPro Biller Gateways support team. However, if technical support is required, personnel can contact our CashPro Biller Gateways support group that provides 24-hour support services. Help desk services are available 6 a.m. to 5 p.m. Mountain, Monday through Friday except holidays. After hours on-call support is available 5 p.m. to 6 a.m. Eastern and weekends.

**Identify any promotional or derivative services provided in association with Internet Payment Processing Services, including marketing analysis or targeting.**

The most common financial incentives are providing a one-time statement credit of a small amount, such as \$5, for customers who sign up and stay enrolled in eBill for a specified timeframe. Other incentive programs that have been effective include environment-related programs where a tree will be planted for each enrollment during a campaign or the customer is entered into a drawing for free merchandise, such as an iPad or tickets to a concert or sporting event.

**What uses are made of retained information for non-Pima County activities such as statistical analysis, or bank or affiliate marketing for collateral services.**

Data is not used for non-Pima County activities.

**Debit/Credit Card Processing**

**Identify all available processing options for Debit/Credit cards.**

All debit and credit cards are processed through the credit card network using First Data as our third party processor.

**Identify what "Third Party Processor" you use for Debit/Credit card transactions.**

First Data is used for debit and credit card processing.

**Identify all third party utilities, tools, or companies used for Debit/Credit card transactions? Identify who provides customer service and technical support for these third party capabilities?**

Advantage Gateway uses First Data as our third party processor for card transactions.

Credit and debit card transactions captured by the Advantage Gateway are processed by your incumbent processor, Bank of America Merchant Services. For any issues with card processing, the County will have the services of your current Business Consultant, Brian Chapman, as well as 24/7/365 technical support.

**Do you have a means to charge a service fee for Debit/Credit Card processing using Internet Payment Processing Services?**

Yes. Our Advantage Gateway product supports a dual-transaction managed convenience fee/service fee model, which is a self-funding model. In this convenience fee model, transaction principal is credited to your account and the convenience/service fee is credited to a third party provider's account. Pima County appears as the Merchant of Record for the transaction; third party provider appears as the Merchant of Record for the fee. The third party provider will be responsible for Pima County's gateway implementation cost and monthly fees, as well as per-transaction fees for gateway, credit card and/or ACH transaction fees on which convenience fees are

charged. Pima County will be responsible for all chargebacks and returns. With this model, Bank of America determines the amount of the convenience fees. End-users will see a disclaimer prior to payment finalization, and are able to cancel the transaction.

## **Payment Processing and Mobile Apps**

### **Identify capability to handle transactions from Payment Processing Software such as Apple Pay?**

Yes. Bank of America Merchant Services can handle contactless and Near Field Communication transactions such as Apple Pay™. We are ready to help the County to accept the next generation of mobile payments. Since our September 9, 2014 announcement, we have accepted Apple Pay, an easy, secure and private way that County constituents can make payments from their mobile device. As mobile payment acceptance continues to become more sophisticated, consumers expect the businesses they interact with to do the same, including their government. The arrival of Apple Pay opens a world of opportunity for organizations like the County to enhance revenue while providing additional payment receivable choices. Consumers are looking for a transaction experience that is as easy as touching a phone to a POS terminal yet is as secure, or more so, than traditional credit card transactions where the card is “swiped” through a terminal.

*Apple is a trademark of Apple Inc., registered in the U.S. and other countries. Apple Pay is a trademark of Apple Inc.*

### **Identify capability to handle transactions from Payment Gateways or other parties such as PayPal?**

Yes. Bank of America Merchant Services can handle transactions from many gateways and from third parties such as PayPal. The Advantage Gateway proposed by Bank of America will process through Bank of America Merchant Services.

### **Who performs your Payment Application - Data Security Standard (PA-DSS) compliance audits and what is the frequency of those audits?**

Bank of America Merchant Services and all subcontractors and third-party processors (if any) are compliant with applicable Card Organization rules, including those related to PCI DSS. Because the Bank of America Merchant Services' legal entity does not directly process, store or transmit card data, we are not required to possess a PCI DSS Report on Compliance. However, our equity owner, First Data, specifically our affiliate First Data Merchant Services Corporation (FDMS), is required to be PCI DSS compliant and is certified as such. Trustwave confirms PCI compliance annually for FDMS. FDMS is Bank of America Merchant Services' service provider for the card processing services described in this RFP. Trustwave is FDMS' Qualified Security Assessor. To verify PCI DSS compliance for the purposes of this RFP response, the County may refer to the publicly available Global List of PCI DSS Validated Service Providers at <http://www.visa.com/splisting>.

### **Identify your capability to accept transactions from mobile devices.**

The County is already accepting payments virtually anywhere you go by turning your mobile device into a POS terminal. With Bank of America Merchant Services Mobile Pay<sup>SM</sup> Business, you are offering fast, secure and flexible payment processing virtually anywhere you go by using your existing mobile device. Using the handy encrypting card reader device that plugs into your employees' Android or iOS mobile devices, you can slide your customer's credit card to capture a sale. Because the card is physically present, you avoid the higher card-not-present processing rates associated with hand-keyed transactions.



With Mobile Pay, you accept payments wherever you have wireless coverage with your current data plan provider.

Payments are processed in real time, with an e-receipt generated and sent to the customer via email or SMS message after the transaction is complete. You receive the fast funding that comes with instant authorization, and your customers can reconcile their purchases on the spot.

Card numbers are encrypted and truncated instantly, helping to keep your customer's card data secure, whether you swiped a physical card or entered the numbers manually. Both card security and Address Verification Service are supported to further help guard against fraud. Your Business Consultant, Brian Chapman, will be happy to discuss expansion of other Departments' utilization of this payment option as needs arise.

**Identify any other products that are available including their cost. For example, payroll pre-loaded cards. Fully describe the features that are available including any web tools.**



The CashPay® Payroll Card program allows Public Sector Banking/ Government and public Higher Education Institutions to offer a Visa® branded prepaid card for electronic payroll and direct deposit to employees who do not have a checking account, or who do not want to deposit their pay into a bank account.

### CashPay Payroll Card

The program is used for traditional recurring payroll to an employee who receives a W-2. In conjunction with direct deposit, CashPay Payroll Card enables employers to achieve totally electronic payroll where permitted, cutting costs and reducing exposure to lost and stolen checks as well as check fraud.

The employee participating in the program is the CashPay Payroll Card account owner, and with this card, has the opportunity to realize savings, convenience and increased security. They also have access to their funds 24 hours a day, 7 days a week and can use the card in the following ways:

- Make signature purchases at merchants accepting Visa
- Make PIN purchases where available
- Get cash back at the point of sale (POS)
- Get cash at ATMs and at bank tellers

### Benefits to Pima County

Employers moving from manual check-based payroll to a prepaid card see a number of benefits:

- **Reduced cost**—eliminates check processing/recurring postage costs, reduces bank fees and account reconciliation costs and shifts escheatment liability from employer to bank
- **Better efficiency**—provides quicker and more successful reconciliation of funds than through paper-based, manual methods
- **Reduced risk**—mitigates the liability/cost associated with lost and stolen checks
- **Streamlined administration**—successfully helps integrate electronic payments, while improving staff productivity
- **Improved transparency**—easier to monitor payroll to show effective management and accountability of funds
- **Easier compliance**— delivers payroll in accordance with Regulation E and other consumer rights regulations
- **Total access** – pays to the penny through teller cash access at Visa financial institutions

## Benefits to recipients

Receiving payroll directly on a card provides the recipient a number of advantages over receiving it via check:

- Time-savings—recipients have immediate access to their funds, with no waiting in line
- Cost-savings—eliminates check-cashing costs
- More convenience—use everywhere Visa debit cards are accepted—in stores, online or by phone
- Easy access—access cash at ATMs worldwide or to the penny at Visa financial institutions
- Security—if a card is lost or stolen, it can be easily replaced and is protected against unauthorized transactions by Bank of America zero liability. Each account is FDIC insured.
- Better control—helps improve control over money, where recipients use only what they need, when they need it
- Customer service—offers answers to questions and account information 24/7 via internet or toll-free number

## Product features

The CashPay Payroll Card offers a wide array of standard features.

Category/Element	Standard
Card Usage	Signature and PIN POS Cash Access via ATM and teller cash
Cardholder Materials – Card Plastics	Standard card designs, with or without client designated logo
Cardholder Materials – Welcome Kit	Standard card carrier, envelope, activation sticker Standard cardholder agreement with fee schedule Prepaid privacy policy All materials available in English or Spanish based on language preference indicator at new account creation
Cardholder Materials – Other / Marketing	Notification buck-slip (distributed to recipients prior to program launch) – electronic version for client to print Poster
Cardholder Web Site	Standard program web site URL: <a href="http://www.bankofamerica.com/cashpay">www.bankofamerica.com/cashpay</a> English and Spanish language support Prepaid privacy policy FAQs Cardholder agreement Account activation and maintenance functions
Cardholder IVR	Standard IVR phone number English and Spanish language support Account activation and maintenance functions Transfer to live customer service
Additional Funds Access	Online funds transfer to U.S. checking or savings account via ACH. Emergency funds transfer (domestic only) at Western Union initiated through call center
Cardholder Statements	Electronic transaction history and monthly statements available on cardholder web site Paper statements available upon cardholder request



Category/Element	Standard
Account Enrollment	Bulk enrollment Instant issue enrollment through PAT Initial load at enrollment Cardholder language preference Cards will be shipped within 2 business days via U.S. Postal Service regardless of funding status
Card Activation	Activation through IVR number or web site IVR activation requires: ANI, CVV2, last 4 digits of SSN Web activation requires: CVV2, last 4 digits of SSN
Cardholder Information Update	Cardholder updates personal information, including name and address online and through call center
Account Funding	Standard ACH file with effective date Cards may be shipped prior to account funding (via U.S. Postal Service) Web exception funding
Card Expiration	2 year standard expiration Active cards – automatically reissued; inactive cards – cardholder may request a check for remaining balance, less check issuance fee
Transaction Limits	No limits on purchase transactions No limits on teller cash transactions
Call Center	24x7 support English and Spanish language directly supported Additional languages supported through Language Line
Client Administration	Standard Prepaid Administration Tool (PAT) tool Standard file transfer protocols and formats
Client Reports	PAT Reports
Escheatment	Funds will be escheated through standard state escheatment process, regardless of card activation status. Timeframes are based on the state of residency of the cardholder

## Reports

CashPay Payroll Card clients have a set of standard reports available through the PAT tool, which is a web interface to available data. The reports are generated as needed (i.e. adhoc) using the tool. PAT reports are available to all clients and are a standard part of the Cashpay Payroll Card program.

- **Cardholder list:** List of all cardholders associated with the card program
- **Funding activity:** Card funding activity listing
- **New cardholder accounts added:** Provides a list of new cardholder accounts including the information needed to setup direct deposit.

We will provide cost upon request.

## Section 3 – Safekeeping & Investment Services

### 18 Investment Services

- a. **Do you offer same day sweep and end-of-day investment products for the available balance in the account? Describe.**

The bank recommends Pima County use a Demand Deposit Account with Earnings Credit Rate as described below.

#### **Demand Deposit Account with Earnings Credit Rate:**

In order to maximize economic value for cash balances, we suggest using the balance-fee offset through earnings credits. The earnings credit rate is applied to cash balances and is used to offset maintenance and transaction fees for cash management services. This structure provides daily liquidity for all collected funds enabling timely disbursements.

If there are cash balances available beyond what is needed to offset fees, Public Funds Interest Checking is available.

#### **Earnings Credit Rate**

The Earnings Credit/Allowance Rate (ECR or EAR) on your account is used to calculate your Earnings Allowance, which is based on your average investable balance. A client's ECR/EAR may vary and, at our discretion, this rate may change at any time. The ECR/EAR is applied to the monthly average positive collected balances net of reserve requirement (investable balance). As of March 1, 2009, the reserve requirement is zero percent. This may be changed at any time. Specifically, the formula for calculating earnings is:

$$\frac{\text{Investable Balance} \times \text{ECR} \times \text{Days in Month}}{\text{Number of Days in the Year}}$$

- b. **Identify the supporting investment for these products for conformity with Arizona Revised Statutes regarding acceptable investments.**

The Demand Deposit Account with Earnings Credit Rate conforms with Arizona Revised Statutes.

- c. **What yield do your products offer and how is the yield determined?**

The current Earnings Credit Rate (ECR) is 0.25%.

#### **Managed Rates**

At Bank of America Merrill Lynch, our strategy is to use managed rates based on several factors which include normal market conditions, the competitive landscape, movement of various short term indices and other economic barometers. Rates are established each month on real-time positions of these indices and can be tempered by historic or emerging trends. By reviewing multiple market indicators, we offer the flexibility to move with the market and not to any one particular index, which may be volatile over the short term.

- d. **Specify how the following situations are handled:**

i. **Settlement of Trades**

ii. **Failed Trades**



**iii. Difference in monies or securities**

**iv. Notification of calls, maturities and interest payments**

N/A: the above questions are applicable only for direct active investments.

**Do you provide market pricing of the County's investment portfolio? If so, identify how they are priced**

Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S) does provide market pricing when available. MLPF&S uses a variety of pricing sources, with primary sources being Bloomberg, FTID, Remote Plus and Reuters. Market pricing is available daily on CashPro Invest, our web-based investment account management system. Market pricing is provided on the monthly Bank of America, NA (BANA) statement if securities are kept by BANA Safekeeping. For additional information on market pricing, please contact your Bank of America Merrill Lynch Global Liquidity Investment Solutions representative, Mark Tranchina.

**19 Technical Requirements**

**a. Briefly describe your custody system.**

The bank provides, at no charge, CashPro Invest to our clients conducting investment business with Bank of America Merrill Lynch Global Liquidity Investment Solutions (GLIS). CashPro Invest, our web-based investment account management solution is fully integrated into CashPro Online, the bank's global treasury access channel, enabling you to navigate through a single sign on, to all of your treasury and investment pages. CashPro Invest offers you web based order entry and portfolio management capabilities with enhanced functionality, including but not limited to:

- View account balance information for investment, DDA and automated sweep accounts
- View detailed investment account activity and yield information
- Same day and future dated order entry
- Robust research and literature of mutual funds for view and download
- Dual control administration and security functionality
- Online input and administration of company-level investment policy rules
- View and download monthly investment account statements

**b. Describe the controls that are in place to protect against fraud or unauthorized entries, withdrawals and transfers**

Our internal controls utilize six sigma methodologies to ensure processing accuracy. During the review process we continue to randomly inspect sites for control reviews as well as have a dedicated internal and external audit group to verify process instructions are being satisfied to bank standards.

Please refer to our annual report at <http://phx.corporate-ir.net/phoenix.zhtml?c=71595&p=irol-irhome> for a report of management on internal control over financial reporting and the report of independent auditors.

**c. What reports and functions are available on-line? Please provide examples.**

Current account activity, future-dated orders and historical transactions up to 180 calendar days, are accessible through CashPro Invest. CashPro Invest offers a number of standardized reports to meet your needs. Where applicable, account activity statements are produced at month-end and/or made available on line, at no charge, through CashPro Invest, our web-based investment account management system. Please see the Global Liquidity Investment Solutions Appendix for sample statement and additional available reports.

Should you seek specific report customization, we have limited capability to develop certain ad hoc reports and are willing to work with you to understand your objectives.

**d. How current are the transactions and valuations? What method is used to provide valuations?**

CashPro Invest enables you to review daily trade activity, balances, transactions and account history.

Safekeeping account information is available through our web-based investment account management system, CashPro Invest. CashPro Invest, which is offered to our investment clients at no cost, provides daily access to investment trade activity and positions, download capabilities of monthly statements, and access to current money market fund and Bank of America, N.A. liability rates and trading capabilities.

**e. What is the lag time between trade execution, availability of online transaction data to the client and the posting of the transactions to your accounting system?**

Depending on the time of execution, the lag time between trade execution, availability of on-line transaction data, and the settlement of the transaction to the bank's reporting system varies. Current day transactions are memo-posted; however, the memo-posted transaction is conditional on receipt of good funds for settlement.

**f. What data is available for download and what formats are available?**

CashPro Invest offers downloadable reports for both balance and transaction information. CashPro Invest reports can be downloaded in BAI file or Excel format. Account activity statements are available and downloadable in PDF format. Please refer to the Appendix for Global Liquidity Investment Solutions reports and a sample statement.

**g. What are your procedures for failed trades? What percentage of fails are experienced by your organization?**

Bank of America, N.A. Safekeeping will use reasonable efforts to try to resolve the situation prior to rejecting the trade, assuming Bank of America has enough information to identify the trade is belonging to the customer. If the trade does in fact fail, Safekeeping will work with the client to determine the appropriate action on a case by case basis. Safekeeping is not responsible for transactions in which the counterparty failed to deliver the security.

**h. Do you have a direct relationship with the Depository Trust & Clearing Corporation and the Federal Reserve Book Entry System? If not, who is your correspondent relationship through?**

Bank of America, N.A. Safekeeping meets the requirement for being a member of all major clearing and depository facilities such as DTC and the Federal Reserve Bank. BANA Safekeeping has the ability to process transactions through the DTC and Federal Reserve Bank as long as the securities are eligible. All book-entry U.S. government and government agency securities are held at an appropriate regional Federal Reserve Bank. Most other securities, including physical securities, are safe kept at The Bank of New York Mellon and DTC to facilitate clearing and collection on a book-entry basis.

**i. How do you handle information on corporate actions (i.e. tender offers, exchange offers, proxy information, etc.)?**

Bank of America, N.A. Safekeeping will use reasonable efforts to monitor the electronic feeds from various depositories announcing both mandatory and voluntary corporate actions. Once notified, we provide our client with necessary information. If action is needed, we then adjust our internal books and records accordingly.

**j. Describe your current cash management policies and procedures regarding the purchase and sales of securities and receipt of income.**

CashPro Invest is the preferred tool to initiate safekeeping directed trades. Bank of America, N.A. Safekeeping will collect all coupons and other periodic income and process per the written instructions of authorized persons.

**k. Can cash balances be collateralized in accordance with 35 -323?**

Bank of America, N.A. Safekeeping will report the value of collateral as requested. Our report will align with the adequacy of collateral as specified in Pima County's deposit collateralization requirements. For more information regarding insurance coverage amounts please visit the FDIC website at [www.fdic.gov](http://www.fdic.gov).

**l. Can your system provide reporting according to generally accepted accounting standards?**

Bank of America will create, maintain and retain all records relating to securities held in custody according to the requirements and obligations under generally accepted accounting principles.

**m. What is your policy toward automatic crediting of interest and dividends on payable dates? Please**

For most Fed and DTC eligible transactions, Bank of America Safekeeping will memo-credit the client all interest and maturity proceeds the morning of the payment date. All memo-credits and payments are subject to final payment from the paying agent.

**n. Does your system provide for calculation of accruals? On what basis?**

Yes. However the basis of calculation will depend on the type of security. For additional information on accrual calculations, please contact your Bank of America Merrill Lynch Global Liquidity Investment Solutions representative, Mark Tranchina.

**20 Please describe your Trust/Custody business including size, number of clients, length of time, etc.**

Bank of America provides trade settlement, securities clearance and payment processing services to nearly 11,000 customers, holding 30,000 receipts totaling over \$36 billion. Specific information is viewed by Bank of America as proprietary information, and therefore, we do not disclose such information.

**21 Please identify the person or persons who would be responsible for our day-to-day relationship. Please provide a brief resume describing that person's background, experience with custodial accounts and the total account load. Please identify the team assigned to this relationship and provide their credentials and resume as well.**

Mark Tranchina is responsible for our day-to-day investment solutions relationship.

Primary Representative: Mark Tranchina

Sales Representative: Julia Erickson

Sales Assistant: Melinda Hartsfield

Location: Merrill Lynch, Pierce, Fenner and Smith Incorporated  
Global Liquidity Solutions Office  
901 Main Street  
Bank of America Plaza, Suite #6350  
Dallas, TX 75202-3714

Phone: 214.209.2816

Fax: 214.209.2067

Please see the Global Liquidity Investment Solutions Appendix for resumes for each representative listed above.

**i. Cost**

Global Liquidity Investment Solutions associates are not commission-based and do not receive direct compensation related to investment sales.

**ii. Please provide a complete fee schedule for Trust/Custody services**

Please see the Global Liquidity Investment Solutions Appendix for the Bank of America, N.A. Safekeeping Fee Schedule.

**iii. Reporting**

Safekeeping account information is available through our web-based investment account management system, CashPro Invest. CashPro Invest, which is offered to our investment clients at no cost, provides daily access to investment trade activity and positions, download capabilities of monthly statements, and access to current money market fund and Bank of America, N.A. liability rates and trading capabilities.

**iv. Please provide samples of the reports available.**

We include sample monthly BANA and MLPF&S Statements in the Global Liquidity Investment Solutions Appendix.

**v. Please provide a schedule of the availability of these reports.**

We provide activity statements monthly, assuming activity in your investment account, and trade confirmations are provided for each transaction. In the event there is a balance but no activity, statements will be provided quarterly unless otherwise requested. Where applicable, account activity statements are produced at month-end and/or made available on line, at no charge, through CashPro Invest, our web-based investment account management system. Statements are generally available within three to five business days after month-end.

## Section 4 – General Requirements

### 22 Disaster Recovery

**a. Identify your Disaster Recovery Processes including a minimum description of your Data Center, Connectivity, and Customer Support capabilities**

Bank of America governs our Business Continuity and Disaster Recovery Program through an established and documented Corporate Policy, which is approved annually by the Board of Directors. The bank and our affiliates, recognize the importance of protecting employees, customers and clients through industry-leading business continuity and disaster recovery management. We have implemented business continuity and disaster recovery practices that enable critical business functions, technology, infrastructure and architecture that support and deliver those functions to be defined, tested, maintained and recovered in the event of an actual business interruption. The *Business Continuity and Disaster Recovery Policy* establishes minimum requirements reasonably designed to maintain the availability of business functions in the event of a business interruption.

This policy applies to employees, vendors and partners. It includes defining, maintaining and testing recovery plans for critical business functions and technology applications within all Bank of America Lines of Business and internal support organizations, to help these functions continue to be operational in the event of a business interruption. We provide a copy of our *Business Continuity Program Customer Letter* in the Appendix.

#### **Data center**

The CashPro Online hardware and software environment is stationed behind numerous firewalls. Two data centers are located within the United States. CashPro Online is configured to run with one data center servicing all production requests, and a second data center serving as a “hot standby.”

At present, CashPro Online uses 3DNS to route traffic to a single active data center that serves as the primary production site. Within the site, BigIP is used to spread the traffic among the web servers that make up CashPro Online. CashPro Online is currently updating the failover capabilities for handling traffic that needs to be redirected to the hot standby data center, primarily through the use of two health-monitoring scripts that are triggered by BigIP. In the event of a network failure, CashPro Online has 24/7 support and contingency plans in place to achieve continuity for receipt of critical data and maintenance of normal business operations.

**b. What commitments are made regarding service level agreements in the event of a disaster?**

Contingency plans are developed at the Business Unit level with the intent that service level agreements will be met in a business-as-usual manner during a disaster event.

**c. Have disaster recovery procedures ever been employed for a real disaster? If so, explain.**

Bank of America has a long history of resilience during past disruptive events, from local occurrences, such as power outages, through larger events such as hurricanes and tsunamis. This demonstrates our commitment to excellence and our ability to deliver on that commitment.

In the U.S., Global Business Continuity and Recovery led the concerted planning, preparedness, response and recovery efforts tied to Hurricane/Superstorm Sandy and subsequently Winter Storm Athena that encompassed 14 days — from commencement of preparedness/response routines through recovery and relief efforts. The bank successfully met customer, client and financial market obligations throughout the event, while ensuring the safety and well being of our almost 70K employees in the impacted region.

Our specific strategies included running split operations across many of our businesses, work from home strategies, and/or moving work across sister sites. Data centers in the region were operational throughout the event. Additionally, the bank capitalized on the established relationships with local, state, regional and federal agencies, as well as, critical vendors to ensure we had the very latest and most accurate information throughout the storms.

**d. How often do you test your Disaster Recovery Plan?**

We are not able to share specific details of our disaster recovery plan. However, specific components of the disaster recovery plan are tested on a quarterly basis.

**23 Collateral Requirements & Services**

**a. Collateral must be maintained in accordance with Arizona Revised Statutes regarding deposit and investment of public monies.**

Bank of America will provide collateral for the deposits of Pima County as part of the Arizona Statewide Collateral Pool Program in full compliance with Arizona Revised Statutes.

**b. Describe your processes and procedures to ensure that accounts are properly collateralized.**

Bank of America uses an in-house developed, patented process to monitor the deposits of Pima County on a daily basis. These deposits will be collateralized as part of the Arizona Statewide Collateral Pool Program. The bank will file all necessary reports required by the Pool Administrator including daily reports of total deposits and pledged collateral and monthly pool participant deposit listings.

**c. Provide any separate required agreements for collateral.**

No separate collateral agreements are required by the bank.

**24 Availability schedules**

**i. Provide availability schedule for check deposit.**

We provide availability schedules in the Appendix.

**ii. Provide maximum time of day deposits must be received to be considered a same day deposit by type of deposit, e.g., regular branch deposit, armored car deposit, or lockbox deposit.**

The banking center cutoff times for same-day ledger credit are listed below. Individual banking centers may have different cutoff times, which are posted at those locations.

Banking Center deadline for same-day ledger credit	
State	All times stated for the time zone in which the facility is located
Arizona	Closing time of the facility

When depositing directly to a cash vault, depending on the site and type of deposit, competitive deadlines range from 2 p.m. to 8 p.m. local time for cash and mixed deposits, and from 10 a.m. to 7 p.m. local time for check deposits. Please note, provisional credit **cannot** be given for bulk coin deposits. Credit will be given once coin has been verified. Bulk coin deposits are typically credited on a next-day basis after being received at the cash vault.

iii. If this schedule does not pertain to checks of all dollar sizes, explain.

Availability is assigned per item and is therefore not limited by the check's dollar size.

## 25 Fee Schedules

- a. Responder shall provide a list of all fees associated with each offered service. List any fees not specifically requested in the RFP. For example, identify all fees associated with a check deposit: a deposit slip fee, a per deposit item fee, a posted credit fee.

Please see the Appendix for Pricing.

- b. Responder shall identify any increases if the bank servicing agreement is extended by the Board of Supervisors for up to two additional years.

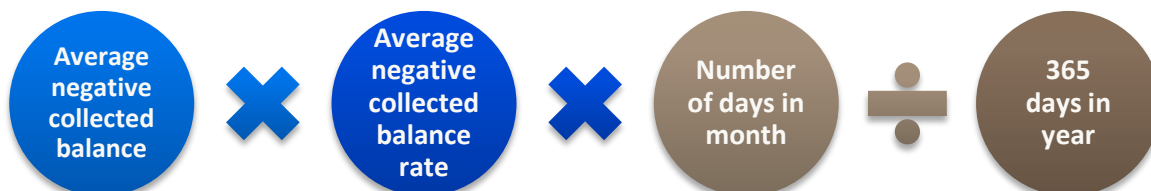
Bank of America is pleased to offer Pima County the continuation of the original three-year contract pricing for any contract extensions.

- c. Identify the rate charged for overdrafts, should they occur.

Bank of America is prepared to assist Pima County with sufficient credit facilities to accommodate for an occasional overdraft and periodical daylight overdrafts resulting from the significant movement or settlement of funds. The bank does not charge for daylight overdrafts.

Accounts in an overdraft position at opening of any business day will be assessed an interest charge based upon the bank's Prime Rate +3% effective at the time of occurrence. This fee is applied as a soft-dollar charge to Pima County's account analysis. The bank requires any overdraft balance position to be funded within 24 hours.

Rate basis: Bank of America Prime + Margin



- d. Identify rate basis, limitations, and restrictions for Debit/Credit cards. Any minimums should be defined.

Please refer to the Appendix for Pricing.

- e. Identify costs for Merchant Services interfaces and equipment such as terminals, signature pads, software, etc.

Please see the Appendix for our Merchant Services' proposed costs for software (such as Mobile Pay) and equipment.

## 26 Community Reinvestment

### a. Provide your Community Reinvestment Act rating for Pima County.

Bank of America currently has earned the highest rating “**Outstanding**” in accordance to the Community Reinvestment Act (CRA) during our most recent performance evaluation assessed by the State of Arizona. The bank’s commitment to its communities on a national scale and within the State of Arizona is evident by the award of “Outstanding” ratings.

Bank of America CRA ratings in the State of Arizona:

- CRA Rating for the State of Arizona: Outstanding
- The Lending Test is rated: High Satisfactory
- The Investment Test is rated: Outstanding
- The Services Test for the Tucson Pima County metropolitan statistical area is rated: Outstanding

Since the passage of the Community Reinvestment Act CRA, our positive ratings have reflected our continuing commitment to serve the needs our communities.

### b. Identify the types of investments made in Pima County.

As a national leader in community development, Bank of America brings the power of our human and financial capital to transform communities into vibrant, desirable places for people to live, work and raise families. In 2009, we committed to a goal of \$1.5 trillion over 10 years towards community investment initiatives across all 50 states. For year-end goal results and additional information about how Bank of America is working to strengthen the fabric of communities where we do business, please visit [www.bankofamerica.com/community](http://www.bankofamerica.com/community).

We are pleased to provide an overview of our investment in Pima County below, as well as an overview of our commitment to the people and economy of Pima County-Tucson and Arizona in the Appendix.

Pima County	
# employees	321
# banking centers	25
# ATMs	83
Matching gifts: 2014	\$53,250
Grants (total foundation grants –Tucson market): 2013	\$237,000
New small business loans: 2013	\$15,610,479
New small business loans: 2014	\$16,870,513
Home loans (purchase): 2013	\$30,020,019
Home loans (purchase): 2014	\$32,584,561
Home loans (refinance): 2013	\$280,573,239
Home loans (refinance): 2014	\$65,536,812
Home loan modifications since 2008	6,115
Top sponsorships (Tucson market)	Tucson Regional Economic Opportunity (TREO), Tucson Metro Chamber of Commerce, University of Arizona, Go Red For Women & Heart Ball (American Heart Association), Tucson Museum of Art, Museums on Us®
\$ pledged by employees to United Way:	\$20,505



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**Pima County**

# employees pledging to United Way: 2013	107
Volunteer hours: 2013	3,519
Volunteer hours: 2014	3,335

**27 Supplemental Agreements & Other Required Information**

- a. Please provide a copy of any supplemental agreements that you anticipate will be required for the services to be provided. For example, revolving line of credit agreement or repurchase agreement.**

As your current provider of banking services we are pleased to continue with the current Treasury Services Terms and Conditions Agreement and Collateral Agreements on file. We have provided a Sample Agreement for Merchant Services. Please see the Appendix for Bank of America Merchant Services' government-oriented merchant agreement and the operating guide.

- b. Location where primary services will be provided.**

Bank of America will continue servicing our relationship with Pima County from the bank's corporate offices located at the following address:

Collier Center  
201 E. Washington St.  
22nd Floor  
Phoenix, AZ 85004-2428

- c. Does the bank outsource any of the services requested in this RFP? If so, discuss.**

Under the existing relationship with Pima County, Bank of America fulfills the retail lockbox portion of the contract through Arizona Lockbox Fulfillment (ALF). As a subcontractor, ALF is bound by service agreements to Bank of America and is required to uphold the same service excellence and quality as the bank. ALF has been the processor of Pima County items since 2006. Bank of America highly regards our collaboration with ALF because of the value it offers to clients like Pima County who want the most efficient retail lockbox processor on an image platform.

Merchant services are provided by Bank of America Merchant Services. Bank of America Merchant Services, LLC (doing business as Bank of America Merchant Services) was formed in 2009 by wholly owned subsidiaries of First Data Corporation (together with affiliates, referred to in this document as "First Data") and Bank of America Corporation (together with affiliates, referred to in this document as "Bank of America"). Bank of America Merchant Services is a merchant services provider.

Bank of America Merchant Services combines the processing infrastructure of one of the largest payment processors and the acquiring and settlement resources of one of the largest commercial and retail banks. In this regard, we leverage the technology, network and platform infrastructure of our equity owner, First Data, to support merchant products and services, including implementation and customer service. Bank of America acts as our acquiring member and sponsor bank to the Card Organizations.

Accordingly, Bank of America Merchant Services subcontracts with First Data to perform certain merchant processing and related services. However, Bank of America Merchant Services is responsible to you for their performance under the resulting contract to the same extent as if Bank of America Merchant Services acts directly.

- d. **Provide any additional information that you believe to be relevant to this RFP and your capabilities to provide the services requested (e.g., product brochures, articles in trade journals).**

The bank continues to be recognized as an industry leader in providing treasury management solutions year after year. The Global Transaction Services business at Bank of America provides comprehensive global treasury solutions, including liquidity management, payments and receipts, trade and supply chain finance, foreign exchange, commercial card services, and custody and agency services to small businesses, middle-market companies, large and multinational corporations, financial and education institutions and governments worldwide.

#### **Exceptional performance recognized**

Some of our top awards are highlighted below.

The bank is ranked #1 for U.S. Cash Management revenue. Additionally, the bank ranks #1 in product volume for:

- Account Reconciliation
- Check Clearing (Total)
- Controlled Disbursements
- Wholesale/Wholesale Lockbox

#### **We are proud of our recognition in the industry**

Bank of America continues to be recognized as the “Best Bank for Cash Management in North America” and is a leading global treasury provider, serving 97% of the 2013 U.S. Fortune 500 companies and 73% of the 2013 Global Fortune 500.

#### **2015 global awards**

*Global Finance* magazine has recognized Bank of America for:

- Best Overall Bank For Cash Management, North America (2011-2015)
- Best Bank for Liquidity Management, North America (2012-2015)
- Best Treasury & Cash Management Provider, United States Greenwich Associates 2012

#### **Award-winning customer service: five years running**

For the fifth consecutive year, the bank has received the J.D. Power and Associates Quality Award. We are the only U.S. bank to receive this distinction. Our Service Centers are certified by J.D. Power and Associates for delivering exemplary client satisfaction excellence. To achieve certification, J.D. Power and Associates conducted a random survey of clients. Centers must perform within the top 20% in customer service, which is based on benchmarks established in J.D. Power and Associates’ cross-industry customer satisfaction research.

## **28 Conversion & Implementation**

- a. **Provide conversion plan for implementation by July 1, 2015. The plan must include the bank’s conversion approach, the relevant time lines and the key personnel responsible for the conversion. Including:**
- i. **What is the average lead-time for implementation? What are the critical factors that may impact that lead-time?**

By remaining with Bank of America, Pima County will not have to go through a complex conversion with a new bank — Pima County can continue to use each of your current core treasury management systems without disruption or testing. All accounts, routing numbers and processes stay intact. You also avoid a time-consuming and costly conversion process, including the time it

takes to train staff and the cost associated with running dual systems. Bank of America will continue to deliver uninterrupted service and support to Pima County.

As your current provider, there is no need to assemble a transition team – your established client team continues to provide responsive, knowledgeable support.



### Implementation of new services

If new banking services are required, we assure you will experience ease of implementation with expert consultants and award-winning customer service. Our proven quality assurance will give Pima County an elevated level of support, with a virtually error-free record of service.

### Implementation plan overview

Should Pima County decide to implement any new services, at that time we would determine the timeline with Pima County and prepare an implementation plan specific to the new services. For implementation of any new service, as part of our quality assurance, an assigned Implementation project consultant will act as your single point of contact into the bank's project team. The consultant will:

- Remain engaged, accountable and responsible for the success of the entire implementation from start-to-finish
- Work closely with you and your client team to determine your unique requirements and expectations for required services
- Be the single point of contact throughout the implementation cycle
- Create a customized implementation project plan to meet your needs and time line
- Follow strict project management disciplines to ensure projects remain on track to meet target delivery dates
- Coordinate the bank's operations, systems and technical resources as necessary
- Document meeting discussions and distribute regularly to core team
- Validate that all services meet your expectations post implementation

Additionally, your client team will work closely with you to ensure a smooth transition when upgrading your processes.

**ii. Describe support provided during conversion and implementation, including training, technical assistance, user manuals and on-site visits.**

We will continue to work with Pima County to ensure that your staff is completely trained to best use our products and services. We will provide all training resources either in person or via telephone. We will also provide operating manuals and user guides at no cost to Pima County. Throughout Pima County's relationship with us, we will continue to make the bank's resources and product information available by providing additional training as needed, operating manuals for any new services and ongoing support.

**iii. What additional resources does the bank require for a successful conversion and implementation?**

As your current banking service provider, Pima County will not need to commit any additional resources to implement a new banking relationship, resulting in a significant cost and time savings for Pima County and its employees.

**b. Identify any costs of conversion charged by the CONTRACTOR.**

By remaining with Bank of America, Pima County will not have to go through a complex conversion with a new bank, including the time and cost it takes to train staff and the cost associated with running dual systems. Bank of America will continue to deliver uninterrupted service and support to Pima County.

**29 Other**

**a. Please identify any products or services you offer that you believe may benefit Pima County including**

We are pleased to offer Pima County additional innovative solutions to help you migrate from paper to electronic, improve efficiencies, automate processes and reduce costs. Your Treasury Solutions Officer, Malisa Day, is available to discuss these solutions with Pima County.

If Pima County decides to implement any new services we will provide the cost at that time.



We continually expand resources and funds to develop and enhance our leading-edge technology allowing our clients to collect and disburse funds in the most efficient and cost-effective manner. A significant part of our role as your banking partner is to offer you strategic advice and guidance as you look to the future. We look forward to helping you enhance your operations in new and exciting ways.

The below list is inclusive of our recommended enhancements for Pima County:

- Digital Disbursement service
- Comprehensive Payables solution
- ePayables solution
- CashPay Payroll Card program
- Government Prepaid Card program
- Bank of America at Work® program
- SafeConnect solution
- CASH360 solution

By 2016, it is anticipated that 51% of the mobile phone population will be using mobile banking. We believe that Pima County can reduce operating expenses using our mobile payment technology. (For example, paper checks have an inherent cost of processing of about \$4 to \$10 versus significantly less for electronic payments.)

## Digital Disbursement service

The Bank of America Digital Disbursement service is an economical and convenient way to distribute funds to your U.S. consumer customers using just their mobile number or email address — regardless of which U.S.-based financial institution they use. This service allows you to send funds faster than by check and doesn't require the recipient's personal bank account information.

With this business-to-consumer option, we can help Pima County gain efficiencies and potentially reduce your disbursement costs.

### Key features

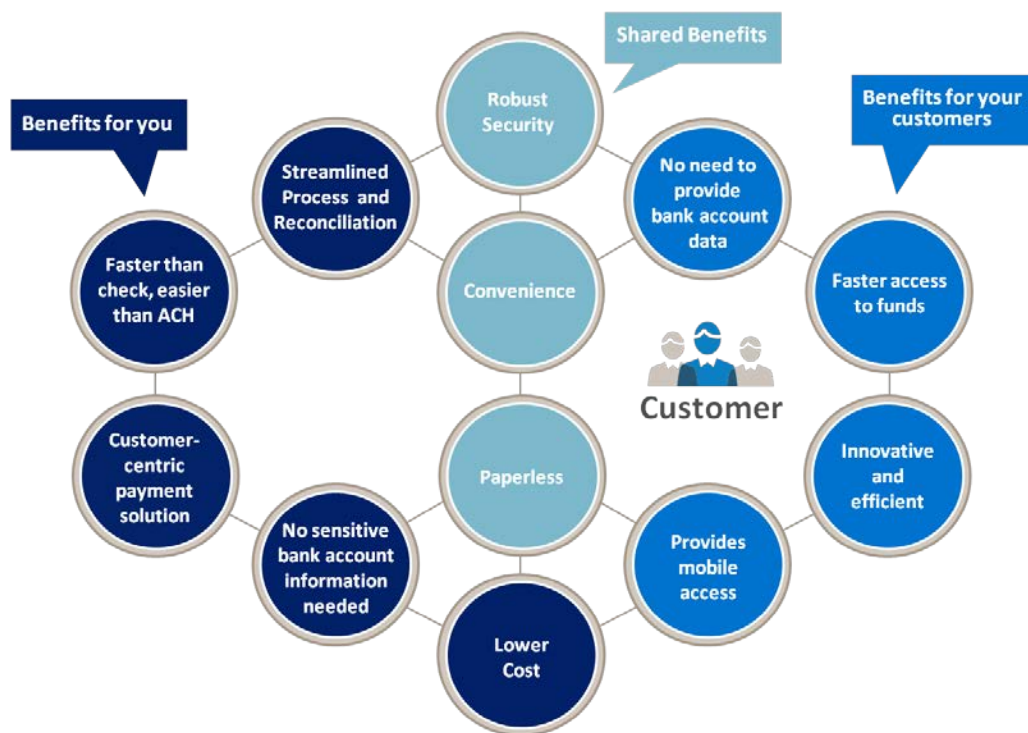
Digital Disbursements may help Pima County to:

- Reduce the risk associated with check disbursements and related fraud. By lowering the number of checks (circulating and in storage), you lessen the opportunity for exposure to counterfeiters trying to obtain checks or your account information.
- Decrease the risks associated with storing sensitive customer financial account information.
- Lower processing, printing and storage costs associated with paper-based payments.
- Improve reconciliation and disbursement tracking.
- Diminish escheatment concerns.

### How the service works

:

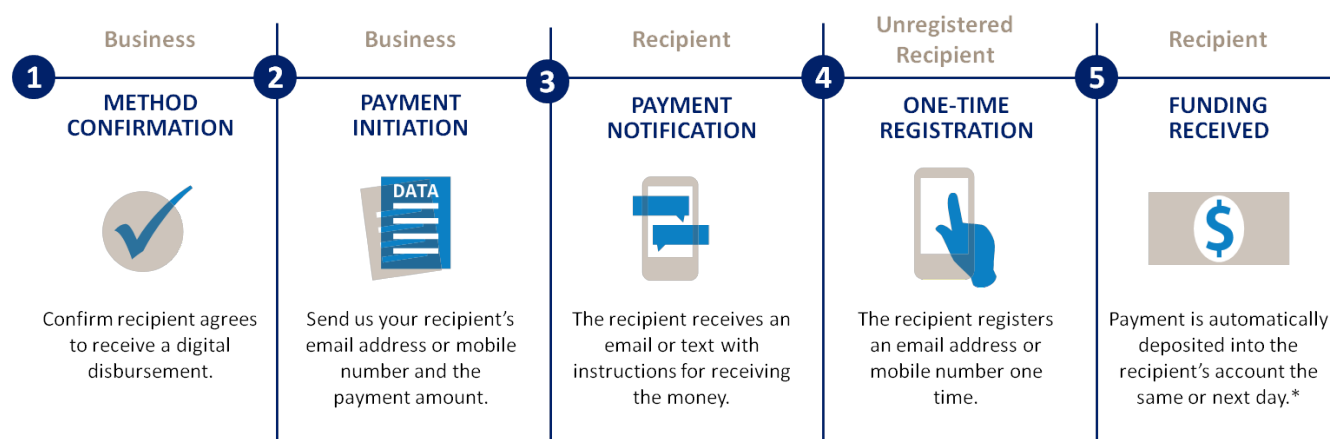
1. Pima County confirms recipients are open to receiving a Digital Disbursement payment.
2. Pima County creates a file of Digital Disbursement payment initiation transactions, including recipients' names, email addresses or mobile phone numbers and payment amounts and sends it to the bank using your choice of a wide range of protocols.
3. Recipients receive an email or text message with instructions for receiving the money.
4. To receive payment, unregistered recipients complete a one-time registration process to register their



email address or mobile phone.

5. Registered recipients automatically receive money into their accounts the same or next day.\*
6. Pima County receives optional reporting, including current-/previous-day information reporting and notifications, online activity reports or output file transmissions.

## Payment process



## Settlement options

We can post Pima County's debit settlements on a file, batch or transaction level basis, and can post credit entries as one consolidated entry or individual entries.

## Multiple processing options

Pima County can employ file, batch or per item dollar amount tolerance limits to monitor your Digital Disbursement transactions. If your limits are exceeded, you will be notified by report and the batch/file suspended until your confirmation to move forward is received. Based upon preference, approvals can also be required for all batches within files.

## Reporting and output transmission options

Online reports, output transmissions and file acknowledgements can streamline Pima County's reconciliation and may be used to electronically update your in-house systems with status of your Digital Disbursement transactions. Pima County can also see settlement entries for these payments in your current-/previous-day information reporting and notifications.

\* **Please note:** Time references when payments are generally available; operating rules specify within three days.

## Comprehensive Payables solution

The benefits of transforming business-to-business payments from check to electronic transactions can be yours. As Pima County strives to accomplish this transformation, you can also look to streamline your various payment methods (card, ACH, wire and check) into a consolidated, more manageable process that is compatible with your accounting software or Enterprise Resource Planning system.

### Streamline payments processing; save time and money

Our Comprehensive Payables solution helps you implement an effective business-to-business e-payments program with your trading partners. The service offers all of the benefits of electronic payments processing, but we do most of the heavy lifting for you, including the IT work and vendor outreach and enrollment.

We partner with you to understand your unique processes and deliver integrated electronic invoice and payment services such as this one designed to free up your time and working capital, while increasing efficiency, visibility and control.

### All payment types in one file

Pima County can benefit from a single-provider, single-file solution for all of your payment processing. Comprehensive Payables is a suite of services composed of Paymode-X® (ACH) and ePayables (card) that helps you convert checks to more efficient and cost-effective electronic payments. Easy to implement, you can replace 40 to 75% of your non-payroll A/P check volume. For payments that require check production, we offer secure check production services.

### Benefits

Pima County can reap the following benefits when using our Comprehensive Payables solution:

- Reduces the administrative and IT effort typically required to start an e-payments program
- Lowers materials, labor and overall costs associated with disbursing payments
- Expands your card program and provides incentive cash payouts based on card spend
- Lessens your exposure to check fraud
- Includes convenient, award-winning customer service that puts you first

### Features

Comprehensive Payables features the following:

- **CashPro Connect Payments**, a single point of origination – Send instructions for all payment types in one file — card, ACH, wire (USD domestic and international), and check printing and distribution.
- **Extensive supplier enrollment program** – A proven vendor enrollment campaign identifies and enrolls suppliers to receive electronic payments and remittance detail in a format that meets their business needs.
- **Supplier Network** – Provides access to thousands of suppliers already receiving electronic payments from other payers.
- **Seamless integration** – Ability to leverage your existing AP/ERP systems for flawless integration with Bank of America , employing bank independent file formats such as ISO 20022 XML.
- **Multiple layers of security** – Paymode-X website controls include digital signatures with 1024-bit encryption, user-specified transaction limits and multiparty security controls. Similar card controls enable you to authorize payment amounts based on transaction limits. For checks, security paper with advanced features offers protection against duplication and alteration.



- **Enhanced reporting** – Real-time control of your business with secure web-based, supplier-friendly reporting.
- **Bank neutral** – Suppliers/vendors are not required to maintain a bank account with Bank of America.

## How the service works

Using CashPro Connect, the process is simple:

1. Pima County transmits a payment file via a secure transmission protocol, including the remittance information related to each payment, from your accounts payable system to CashPro Connect Payments, our integrated payables processing platform.
2. CashPro Connect splits, the file based on the payment type, and sends underlying transactions to the appropriate downstream bank processing engine.

## Implementation

Your Bank of America sales representative obtains your payment history, for example, a list of your vendors, remittance addresses and the number of payments and amounts paid to each vendor in the prior 12 months. We then complete an accounts payable analysis to create a value proposition that is specific to Pima County.

Our implementation team collaborates with you to provide a tailored project plan to maximize the benefits of your program. The process includes technical integration with Paymode-X, personalized training and setup, and vendor enrollment to accept card or ACH payments.

## Vendor enrollment

Based on your vendor payment history and objectives, a phased vendor enrollment plan that includes recommendations on the best payment type for each vendor is developed. To execute the plan, the bank identifies vendors that accept credit cards and those that already use Paymode-X for immediate transition to an electronic payment. To maximize value for Pima County, vendors who receive the largest volume of payments and/or receive significant remittance detail for the most appropriate payment type are included also. We target suppliers to maximize card enrollment.

Vendors are then contacted to discuss enrollment directly. You will receive weekly reports on the progress.

## Dedicated client service

A single point of contact is provided for all transmission-related client service needs.



## ePayables solution

### Convert to electronic payments with limited resources

The use of paper checks to make and receive business-to-business payments continues to decline. As Pima County looks for check payment alternatives, we stand prepared with products that are simple to implement, cost-effective and require minimal IT support. Our ePayables service is one such efficient alternative to paper checks that allows you to eliminate bank fees and processing costs.

An electronic payment product targeting disbursement and accounts payable spend, ePayables leverages our card network and innovative technology to combine streamlined card account integration with your existing Enterprise Resource Planning (ERP) and payables processes. With hassle-free, standard options and no need for physical plastic distribution, ePayables is easy to implement.

When you begin using the service, the card accounts have zero dollars in available funds until a request is received from Pima County to initiate a payment to the vendor. The vendor will receive a notification with remittance information to process the transaction, decreasing the probability for fraud.

### Benefits

Pima County benefits because ePayables:

- Turns a costly check into a “free” electronic payment
- Eliminates per-item banking fees and processing costs
- Extends float opportunity and provides cash payout incentives
- Requires no changes to the upfront accounts payable process
- Optimizes your efficiency and working capital
- Enhances transaction risk management

### Vendor match opportunity

By partnering with Visa® or MasterCard® and using our Works® technology, Pima County can benefit from a service that automatically matches a list of your vendors to a database of companies that accept Visa or MasterCard. This match service provides information on the vendors that accept card for accounts payable or purchasing card payments, making it efficient and easy to identify which check payments can be converted to electronic card payments.

Additionally, we lead the enrollment effort to contact vendors that you want to pay through card and provide on-boarding support through the life of the program. Pima County will continue to build strong supplier relationships that enable mutual success by having this ability to offer fast, reliable invoice and payment options.

### How the ePayables service works

Simply give us your vendor payment information — we do the rest. Pima County provides vendor payment information for a Visa or MasterCard and we perform a an exercise that searches for known vendors currently accepting card payments and those who have transacted using the Works application, selecting the appropriate suppliers to target for card conversion. Additionally, we identify vendors capable of accepting push payments. Based on this match, Pima County identifies paper payments to seek conversion to card.

### Next steps

- Targeted vendors are contacted by our enrollment team to request their participation in receiving your future payments by a card versus a check payment.

- For Visa programs only, vendors tagged for push pay enrollment are forwarded to Visa for enrollment in the push pay service.
- The vendors that accept a card payment are then assigned a unique card account number; you change their payment type to “card” or “other” within your ERP or A/P system.
- Pima County receives and reviews invoices from your vendors and approves them for payment (does not require any change to your current process). You then transmit a payment file to the bank with invoice payment information for all vendors to be paid by card.
- Upon receipt, the available funds on the appropriate vendor accounts are increased to match the invoice amount, and vendors receive remittance information with the authorization to process their charge. Vendors set up for push payments have the exact payment amount pushed to their merchant account. Once processed appropriately, each account’s available funds return to zero. When processed per the instructions in the remittance advice, automatic reconciliation occurs and a confirmation file is available to download and integrate into Pima County’s ERP or A/P system.
- You also have the ability to set exact authorization controls on your cards, so that the vendor is restricted to processing the full payment amount, instead of multiple or partial payments.
- The card accounts can cycle weekly, biweekly or on a monthly basis. The payment due date is selected according to the cycle that is chosen. The bank debits Pima County’s demand deposit account to settle transactions on the due date.
- After Pima County has been implemented on the ePayables service, Bank of America continues to provide vendor matching and onboarding services through the life of the program.

## CashPay Payroll Card program

The CashPay Payroll Card program allows government and public higher education institutions to offer a Visa® branded prepaid card for electronic payroll and direct deposit to employees who do not have a checking account, or who do not want to deposit their pay into a bank account. The program is used for traditional recurring payroll to an employee who receives a W-2. In conjunction with direct deposit, CashPay Payroll Card enables employers to achieve totally electronic payroll where permitted, cutting costs and reducing exposure to lost and stolen checks as well as check fraud.

The employee participating in the program is the CashPay Payroll Card account owner, and with this card, has the opportunity to realize savings, convenience and increased security. They also have access to their funds 24/7 and can use the card in the following ways:

- Make signature purchases at merchants accepting Visa
- Make PIN purchases where available
- Get cash back at the point of sale (POS)
- Get cash at ATMs and at bank tellers

## Benefits to Pima County

Employers moving from manual check-based payroll to a prepaid card see a number of benefits:

- **Reduced cost** — eliminates check processing/recurring postage costs, reduces bank fees and account reconciliation costs and shifts escheatment liability from employer to bank
- **Better efficiency** — provides quicker and more successful reconciliation of funds than through paper-based, manual methods
- **Reduced risk** — mitigates the liability/cost associated with lost and stolen checks
- **Streamlined administration** — successfully helps integrate electronic payments, while improving staff productivity
- **Improved transparency** — easier to monitor payroll to show effective management and accountability of funds
- **Easier compliance** — delivers payroll in accordance with Regulation E and other consumer rights regulations
- **Total access** — pays to the penny through teller cash access at Visa financial institutions

## Benefits to recipients

Receiving payroll directly on a card provides the recipient a number of advantages over receiving it via check:

- Time-savings — recipients have immediate access to their funds, with no waiting in line
- Cost-savings — eliminates check-cashing costs
- More convenience — use everywhere Visa debit cards are accepted—in stores, online or by phone
- Easy access — access cash at ATMs worldwide or to the penny at Visa financial institutions
- Security — if a card is lost or stolen, it can be easily replaced and is protected against unauthorized transactions by Bank of America zero liability. Each account is FDIC insured.
- Better control — helps improve control over money, where recipients use only what they need, when they need it
- Customer service — offers answers to questions and account information 24/7 via internet or toll-free number

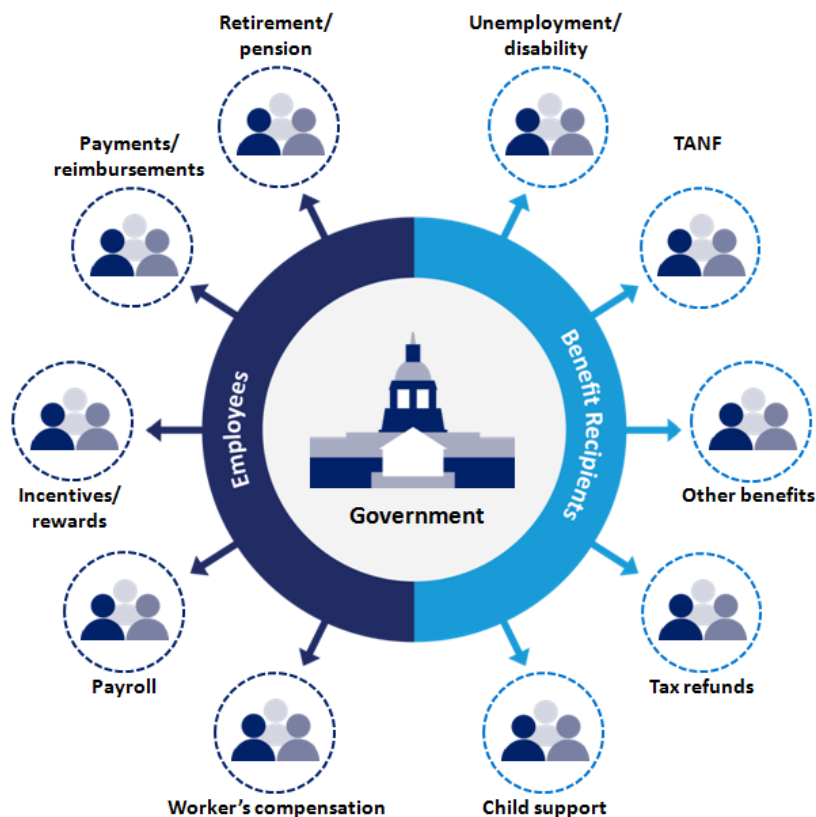
## Government Prepaid Card program

Our Government Prepaid Card serves as an alternative to checks for your disbursement recipients and can more efficiently serve your disbursement needs. The Government Prepaid Card is a pre-funded, electronic funds disbursement card solution, offered with either the Visa® or MasterCard® brand. Unlike traditional credit cards, Government Prepaid Cards are pre-funded by Pima County with a specific dollar amount to be issued to your recipients. Prepaid debit cards are issued and funded based on instructions from you through a batch file, an internet-based program management application or a combination thereof.



## Many types of disbursements

The Government Prepaid Card can be used for a number of different disbursements for both employees and benefits recipients, as shown below.



## Product benefits

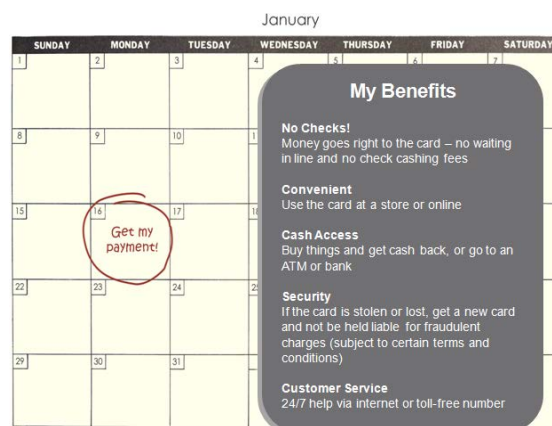
Prepaid cards offer attractive benefits to Pima County, including:

- **Reduced cost** – Eliminates check processing/recurring postage costs, reduces bank fees and account reconciliation costs and shifts escheatment liability from government to bank
- **Better efficiency** – Provides quicker and more successful reconciliation of funds than through paper-based, manual methods
- **Reduced risk** – Mitigates the liability/cost associated with lost and stolen checks
- **Streamlined administration** – Successfully helps integrate electronic payments, while improving staff productivity

- **Improved transparency** – Easier to monitor disbursements to show effective management and accountability of funds
- **Easier compliance** – Delivers disbursements in accordance with Regulation E and other consumer rights regulations

Benefits to recipients include:

- **Time-savings** – Recipients have immediate access to their funds, with no waiting in line
- **Cost-savings** – Eliminates check-cashing costs
- **More convenience** – Use everywhere Visa or MasterCard debit cards are accepted—in stores, online or by phone
- **Easy access** – Access cash at ATMs worldwide or at Visa or MasterCard financial institutions
- **Security** – If a card is lost/stolen, it can easily be replaced and is protected against unauthorized transactions by Bank of America's zero liability policy (*subject to certain terms and conditions*); each card is FDIC insured
- **Better control** – Helps improve control over money, where recipients use only what they need, when they need it
- **Customer service** – Offers answers to questions and account information 24/7 via internet or toll-free number



Partnering with us to manage a Government Prepaid Card program can also provide you with the following advantages:

- **Global acceptance** – Cardholders have global access to merchants that accept the prepaid debit card and can withdraw cash at financial institutions or cash back at pinned POS terminals.
- **ATM network** – As the country's largest interstate banking franchise, we have the largest number of bank-owned ATMs in the nation allowing your recipients to perform cash withdrawals, if needed, without the burden of foreign ATM fees.
  - More than 5,500 banking centers
  - More than 16,300 ATMs coast-to-coast
- **Built-in flexibility** – Worldwide, the Government Prepaid Card is accepted at nearly 40 million Visa and MasterCard merchant locations and ATMs.
- **Custom design** – Our card offers several card design options, ranging from a standard card provided by the bank, or an emblem, landmark or logo ultra graphed on our generic card design, for an additional cost.
- **Experience** – Our experience and history with cards are unparalleled. We are currently one of the largest issuers of prepaid cards in the world and continue to expand our offerings based on our clients' needs.
- **Built-in security** – Our platform provides secure URL access that include PIN and password protection features. For the recipient, the cards provide security measures which include activation through a toll-free number, recipient authentication with a unique identification number and a PIN for optional cash access.
- **Reporting and fast data access through the web** – You can manage your prepaid card program through a secure, web-based URL address. Recipients with web access may access their individual card activity over the internet, as well as in monthly paper statements.

- **Comprehensive program support** – Upon award of business, Pima County will be assigned an implementation engineer who will design your program for success. Also, after implementation, you will transition to prepaid client support, where a team of associates will provide all technical and daily support to your program administrators.
- **Customer Service** – Cardholders can receive automated account information (answers to questions pertaining to account balances, activation of cards, or last five transactions) through an Integrated Voice Response system, 24/7 through a toll-free number. We also provide live customer support with multi-language capabilities, and TDD/TTY assistance for the hearing impaired in addition to online customer support for clients.

## Bank of America at Work program

Bank of America at Work, a comprehensive package of financial services available to employees of our banking clients, provides those employees with checking, savings and borrowing services in addition to online educational resources. These financial tools, resources and services can help employees manage their everyday banking needs and pursue their financial goals. The program offers a wide range of banking services to choose from, as well as savings tips and financial education resources.

Bank of America at Work options	
Direct deposit so paychecks are available the day they are deposited	Online Banking and Mobile Banking for convenient, secure access to accounts
Debit cards with a \$0 Liability Guarantee	Bill Pay to help pay bills in minutes from one simple site
Keep the Change® savings program (easily build savings automatically with each debit card purchase)	Access to thousands of ATMs and banking centers
Competitive rates and personalized service from the bank’s Employee Home Loan Program	Vehicle Loans Discount (earn a 15% discount on the interest rate for any auto, RV or boat loan)
Affordable housing assistance programs	Promotional cash incentives for eligible employees
Financial Education resources like credit management strategies, savings tips, budgeting tools and more	

In addition to the Bank of America at Work program, your employees will have access to Merrill Edge™, an investment service with access to investment research, guidance and tools, along with competitive pricing for online trades. Through Merrill Edge, your employees can leverage the investment insights of Merrill Lynch while enjoying the convenience of Bank of America banking.

## SafeConnect solution

### Improve cash availability and visibility

SafeConnect is an end-to-end currency handling solution, enabling you to receive accelerated credit for excess currency deposited into a bill-validating safe. Bank of America establishes connectivity and provides next day credit for currency placed in the safe.

### Benefits

- **Improved employee safety and minimized cash-handling risk** – The on-site safe and armored carrier service help increase employee safety and decrease risk of loss. Employees log in with personal IDs, improving accountability for cash receipts.
- **Reduced cash-handling errors** – There is no need to manually count cash, which reduces error rates.
- **Increased efficiency and productivity** – With simplified deposit preparation, fewer armored carrier trips and consolidated reporting data, less time is spent on going to the bank, preparing deposits and data reporting.
- **Faster funds availability** – Direct communication between the safe and armored carrier network can enable daily credit. The armored carrier network communicates directly with Bank of America to turn cash receipts into usable funds, generally providing next-day credit for cash in store (some instances may be same-day).

### How SafeConnect works

1. Pima County enters into an agreement with an armored carrier\* for a bill validating safe. The armored carrier installs the safe at your location(s).
2. Selected armored carrier and the bank set up and test connectivity between the safe and the SafeConnect service.
3. Once the safe and connectivity to the SafeConnect service have been established:
  - a. Store employees' feed bills directly in your on-site armored carrier safe. No need to sort or face bills.
  - b. The safe communicates the cash totals to the armored carrier network at a scheduled time each business day, usually corresponding to your end of business.
  - c. The armored carrier creates a comprehensive transaction report on each safe in your location(s).
  - d. The armored carrier communicates deposit totals to us on a daily basis.
  - e. We generally credit your account for deposited cash while it still physically resides in your store location(s).
  - f. Based on your pre-determined schedule, an armored carrier arrives at your location(s) to service your deposits.

\*Bank of America currently offers SafeConnect with Brink's, Dunbar, Garda and Loomis safes and will notify you as we expand our offering.

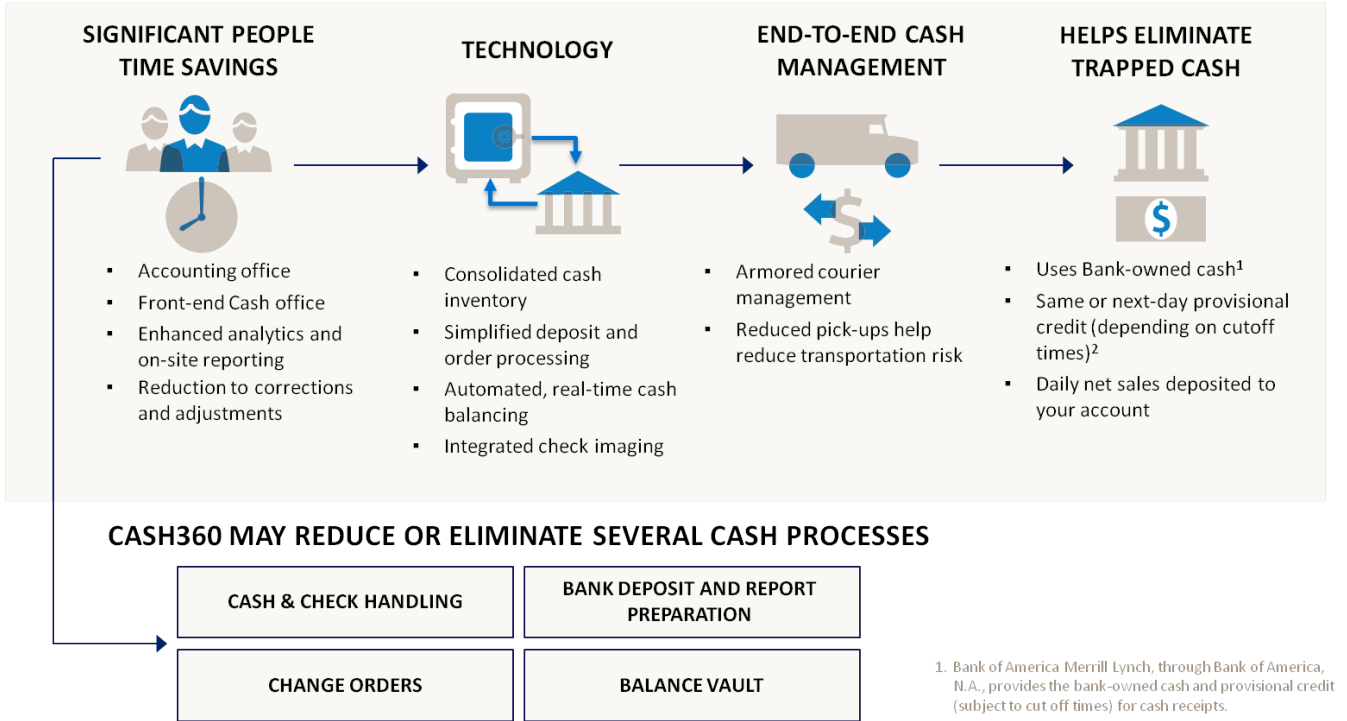


CASH360™<sup>1</sup> solution

This innovative end-to-end cash automation product is delivered through a strategic relationship with G4S<sup>2</sup>, one of the world’s leading international security solutions organizations. CASH360 aims to revolutionize the way retail stores and other cash-intensive businesses operate by helping reduce costs and improve efficiency by freeing up staff from back office duties and armored carrier contracting.

To transform your cash management operations, CASH360 encompasses the entire spectrum of services for cash and check automation needs, including: hardware, software, contracting and managing armored carrier services, cash ordering, reporting and facilitation of same-day provisional credit<sup>3</sup> to your Bank of America account. The solution adds further value by replacing trapped cash at field office locations with the bank’s cash.

Benefits



G4S supplies the hardware (cash recycler device located at your sites), software, service, maintenance and transportation, while the bank provides the cash to stock the devices and provisional credit for daily deposits using the device. A range of sizes are available to meet your daily needs. Regardless of the recycler size, all features and capabilities are the same.

CASH360 allows Pima County to deposit and withdraw cash from a recycler, which can reduce or eliminate in-office cash logistic processes. The use of bank-owned cash frees up “trapped” cash, helping you to enhance your working capital management.

<sup>1</sup> The CASH360 trademark is owned by G4S Retail Solutions (USA), Inc. (G4S).

<sup>2</sup> Execution of a tri-party agreement is required to obtain the CASH360 service; service terms and conditions therein apply and set forth the rights and obligations of the parties.

<sup>3</sup> Provisional credit subject to cutoff times.

Additionally, CASH360 has robust security features and delivers enhanced operational efficiencies, liquidity and visibility into your cash position. Pima County will generally receive accelerated, provisional credit for cash receipts on a same- or next-business-day basis.<sup>4</sup>

### How CASH360 works

1. Store employees that you authorize feed bills and coins directly into the on-site recycler. Bills do not need to be sorted or faced.
2. Authorized store employees may also obtain cash from the on-site recycler.
3. The recycler software communicates cash activity throughout the day to a G4S monitoring system. Pima County receives a daily comprehensive transaction report on each recycler located at all your locations.
4. Once each day, at a predetermined time (usually corresponding with your end of business), the recycler transmits deposit information to the bank. Bank of America generally provides same-day provisional credit to your account for deposits while they still physically reside in the cash recycler in your store locations.<sup>4</sup>
5. The recycler software monitors cash levels and alerts G4S staff who will automatically place change orders if needed, freeing your employees from that task.

### Efficiency

The CASH360 service may help you to:

- Increase productivity – Because the recycler streamlines the labor-intensive in-office cash logistics process, your employees can focus on other important tasks that help contribute to your bottom line.
- Reduce risk – This option may reduce the need for store staff to handle and count cash. Cash360 provides a locked cash repository for excess cash and transaction reporting detailing cash in and cash out.
- Improve reporting – With CashPro Online, users can view centralized reporting (of debits and credits) across all your locations.

### Increased productivity

CASH360 is designed to help decrease time spent on managing cash on-site and reduce trips to the bank. Since all cash deposited into the recycler belongs to the bank, daily deposit reconciliation is simplified. Because the recycler streamlines the labor-intensive cash logistics process, your employees can focus on other important tasks.

### Reduced risk

CASH360 may help to eliminate some of the risks associated with cash handling as it reduces the need for employees to handle cash, which may shrink losses and lessen the time spent on investigations. As such:

- The recycler (provided by G4S) has robust security features that help deter unauthorized access.
- Reporting provides details on cash deposited and removed, including who has accessed the recycler.
- Bank adjustments are also potentially minimized, due to the typically increased accuracy of the deposits counted by the device.

### Improved reporting

Operational effectiveness is supported by CASH360 with a comprehensive list of available reports that may be used by store management and financial staff to track performance and provide analytics regarding the cash management process.

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<sup>4</sup> Provisional credit subject to cutoff times

CASH360 software communicates the cash totals at a scheduled time each day, usually corresponding to your end of business. Additional reporting is split into two types: web-based reporting for financial management and other non-store users, such as Loss Prevention, and store reports for the on location staff.

The two most widely used report types are:

- Detailed reports – Deposit amount and recycler identifier will be provided from the recycler device on a daily basis.
- Summary report – Summary reporting is available on CashPro Online or through BAI download.  
Please also note that CASH360 deposits are identified as Recycler Deposits along with a unique recycler identifier on bank statements.

## Section 5 – Purchase Card and Vendor Payment Programs

### 1) Describe your Purchase Card Program, including any consortiums.

Our Corporate Purchasing Card and Works®, our web-based card reporting and management tool will reduce purchasing, reconciliation and accounts payable processing **expenses by up to 80%**. Pima County's employees will spend less time reconciling card transaction which creates efficiencies for value-added activities like audit, sales tax compliance and spend analysis. We have provided our Rebate Schedule in the Appendix.

#### Take advantage of an established consortium

Bank of America recommends Pima County's participation in the **Arizona Public Sector Group (AZPSG)**; this group is comprised of various public entities such as City of Chandler, Town of Gilbert, City of Tempe, City of Casa Grande, Coconino County and Tucson Unified School District, to name a few who are currently using our Purchase Card and ePayables (AP Card) services. This special group offers benefits such as annual user summits, networking and enhanced Card pricing and rebates. With the AZPSG, members have the opportunity to aggregate their spend volume with other member spend to achieve a higher rebate than could be achieved with a standalone program. This program is also part of the SAVE network.

Based upon research, we have found that clients want a card program that will grow and adapt with their changing needs. The wealth of experience, noted by the peer clients that we currently serve in the Arizona market, will allow Pima County to benefit from the latest product and technological advances. Additionally, you will be supported by an exceptional customer service staff.

#### Works reporting tool

Our Corporate Purchasing Card and Works®, a web-based electronic payment management solution that connects payment management automation with the global credit card network will reduce purchasing, reconciliation and accounts payable processing **expenses by up to 80%**. Pima County's employees will spend less time reconciling card transaction which creates efficiencies for value-added activities like audit, sales tax compliance and spend analysis.

#### Highlights

- Enhanced data capture at the point-of-sale assists in allocating data to your general ledger for auditing, tax reporting and cost allocation
- Flexible cardholder authorization control capabilities help enforce your spending policies and procedures
- Real-time control of your business with robust web-based reporting
- Receipt imaging for expense reporting and reconciliation purposes
  - Patented technology called Active Card Control. The backbone of our real time spending controls.
  - The rewards of Works

#### The rewards of works

Works is a Bank of America owned web-based application and doesn't require a server or software installation. The application is a fully hosted online solution that helps you automate and manage your card program. Works technology is the backbone of all our card programs – Pcard, T&E and our ePayables solution. Works supported browsers include: Mozilla Firefox (version 3.6 and later) or Internet Explorer (version 7 and later).

Works is a role-based application, allowing Accountholders, Approvers, Accountants and Program Administrators access to perform specific tasks on the system. There are many options that are available on how you can set up the workflow process within the application if you wish.

- **Cost management:** Boost spend visibility, streamline transactions, and improve reporting, which can directly contribute to managing and improving your organization's cost base.
- **Card management:** Access a variety of functions to better manage your programs, including the ability to change card limits and controls online in real time.
- **Process efficiency:** Incorporate streamlined workflows, automated approvals and data input and assist in promoting efficiencies within the payments process, providing benefits at both the organizational and user level.
- **Governance:** Assist with financial management, centralized visibility and tracking of expenses, and built-in policy compliance functionality to promote adherence to procurement policies and help protect your organization's card programs from card fraud.
  - Offers real-time spending controls and spend monitors to assist with managing project funds/grants
  - Provides the ability to upload and store receipt images (images can then be attached directly to a purchase transaction or expense report for reconciliation — a low-cost alternative to store and retrieve receipts, enabling you to manage expenses using one platform)
  - Dynamically manage the "credit limit" on your card accounts
  - Issue declining balance credit cards
  - Monitor the dollars spent against encumbered funds
  - Seamlessly integrate card payments into your existing AP invoice payment processes conducted through your ERP system
  - Ingrate pre- and post-approval workflows into your card payment process
  - Expand purchasing card use to include accounts payable spend (outside the traditional low-dollar items)
  - Enjoy an electronic alternative for invoice payments being paid by check, with reduced fraud, tighter controls and enhanced reporting
  - Proactively monitor and approve purchases that are larger than the traditional purchasing card transaction size
  - Use purchasing cards as the payment tool of choice for all payments

### **Flexible authorization controls**

To help manage spending policies, Corporate Purchasing Cards offer extensive cardholder restriction and control options, including:

- Authorization limits by employee (dollar maximums per transaction, by day, week or business cycle)
- Restrictions on number of transactions per day, amount of transactions per day and maximum single transaction amount
- Restrictions on merchant or supplier by Merchant Category Code (MCC)
- Cash advance blocking or restriction
- Management of available funds in real-time

In addition, Pima County can establish unique authorizations for each cardholder at the individual, departmental or global level.

## Enhanced authorization controls – PrePurchase approval process

- **Approval mapping:** Works can be configured to map approvals based on the County's hierarchy and spending authority. If a Works 'Purchase Request' requires multiple approvals based on hierarchy and/or spending authority, Works can automatically route the purchase request for approval. Upon final required approval, the spending authorities (funds) are instantly added to the requester's card.
- **Reconciliation:** When a transaction is processed against a request, each participating entity can require a cardholder to reconcile the transaction. Upon reconciliation/closing of the purchase request, if the amount of the transaction is less than the request, any remaining spending authority available on the card will be removed thereby limiting all exposure to the agency or local entity.
- **Blended privileges:** Using Works Pima County can blend cardholder privileges providing a set amount of discretionary funds (generally available on the card) and request funds (only available post-approval).
- **Transaction review controls:** Pima County can configure your program to mandate that all or selected transactions (selected by a threshold) be reviewed by the agency program administrator, cardholder's direct manager or designee after the transaction has occurred. Post-purchase review ensures the cardholder's purchases are within a participating entity's policy guidelines.
- **Purchase requests:** Can be set with an expiration date and default codes can be established that inherit down to the transaction level.

## Minimize liability

To protect Pima County from misuse and reduce corporate exposure, we offer free liability waiver coverage for up to \$100,000 per authorized cardholder for all of our corporate purchasing cardholders in programs with a minimum of five cardholders.

## Card design

Pima County's logo can be printed in the right-hand corner of each card for easy recognition by your cardholders. Pima County can also select from various colors for your cards.

## How the Corporate Purchasing Card works

By authorizing your employees to use a Corporate Purchasing Card for routine, low-dollar purchases, the paperwork and processing associated with those tasks are significantly reduced. Our Active Card Control® feature allows expanding the use of card to higher dollar purchases, capital items and invoice payments.

Once the card program is implemented, purchase transactions can be automatically allocated to Pima County's general ledger, allowing for re-allocation if necessary. In addition, reconciled transactions can be exported to a file for quick import into Pima County's Advantage system, eliminating errors and dramatically reducing cycle-end reconciliation efforts.

## Program administrator

Pima County's designated program administrator will work hand-in-hand with our card support staff as a key communicator and the day-to-day manager of the card program. The program administrator will have the authority to manage all aspects of Pima County's card program through the internet, including:

- Setting up and maintaining card accounts
- Issuing cards
- Changing cardholder spending limits
- Maintaining and generating management reports
- Identifying new areas where card can be used to fully realize the benefits of your program throughout your organization by continuing to consolidate your vendor base, achieving considerable cost reductions

Customer support

An experienced implementation associate is assigned to walk your program administrator through our step-by-step implementation process. Once your Corporate Purchasing Card program goes live, your program administrator is assigned to our company level support team. This award-winning, multi-level customer support system partners with your program administrator to provide personal service. In addition, our customer satisfaction team is dedicated to supporting cardholders with global assistance 24 hours a day, seven days a week.

Reporting

In addition to some of Works features mentioned above, Works also provides a robust reporting solution.

The County’s cardholders and administrators will have access to a variety of online reports via Works. The information within these reports is based upon an individual’s role and scope of responsibility within the County. Reports can be viewed and distributed online, printed, saved to media or downloaded from the Works application.

The bank provides the ability for Pima County to generate reports on detailed transaction data. Our Works system is versatile and provides comprehensive reporting capabilities.

Works reports are configurable. Standard reporting templates that focus on Card Accounts, Purchase Requests, Audit, and Spend are available within Works. However through the configurable reports feature available within the Works application, users can create new templates at any time by selecting from more than 650 fields of data to determine the content and layout of reports based on your organization’s needs. Scores of new filters can be used to narrow the results in a report, and nearly every field can be filtered for true ad hoc reporting.

Works – Configurable Report Options

Select from more than 650 data fields to create an endless variety of report templates

Report Categories	<ul style="list-style-type: none"><li>▪ Card</li><li>▪ Purchase Request</li><li>▪ Audit</li><li>▪ Spend</li></ul>
Filter Examples	<ul style="list-style-type: none"><li>▪ Defined Groups</li><li>▪ Employees</li><li>▪ Card numbers</li><li>▪ Card profiles</li><li>▪ Card status categories</li><li>▪ Card statement periods</li></ul>
650 Data Fields	<ul style="list-style-type: none"><li>▪ Fields include but are not limited to:</li><li>▪ Allocation</li><li>▪ Cardholder</li><li>▪ Card</li><li>▪ Transaction</li><li>▪ Card decline</li><li>▪ Card profile</li><li>▪ Card Renewal Date</li><li>▪ Cardholder spend limits</li></ul>

Pima County can use scheduled reporting to generate configurable reports immediately, at a specific time in the future, or on a reoccurring basis based on options selected by the user (daily, weekly, monthly, every

billing cycle or quarterly). Report templates can be created, stored and scheduled for future use. In addition, administrators can bookmark reports to be shared with other users of the system. Customized reports are available outside of Works, but an additional fee may be required.

Reports can be viewed online, printed and downloaded as Adobe PDF files, Microsoft Excel files or text files (with a variety of delimiter options) that can be exported into standard reporting packages or commonly used applications like Microsoft Access. They can also be saved to media such as a disk or CD.

## Configuration of reports

### Screenshot 1: Overall report configuration

Reports > Create Friendly Business Enterprise (Master)

**Create Report** Report data is current as of January 9, 2013 1:56 PM CST.

\* **Category:** Spend

\* **Template:** Billing Statement

**Report Options** [Reset to defaults](#) | [Use last run settings](#)

☒ Basic ☐ Advanced

**Columns**

**Available**

- ☒ Allocation
  - GL is Authorized**
  - GL is Complete
  - GL is Valid
  - GL: Cost Center
  - GL: Cost Center Desc
  - GL: Expense
  - GL: Expense Desc
  - GL: Prod
  - GL: Prod Desc
  - GL: Project
  - GL: Project Desc
  - Item Description
  - Item Exp Cat Comment
  - Item GL Combination
  - Item Number
  - Item Price
  - Item Tax
  - Item Total

**Selected**

- Card Last 4 Digits
- MCC
- Txn Number
- Post Date
- Purchase Date
- Amount
- Credit
- Debit
- Payment Amount

[Remove](#) [Edit](#) [Add Constant](#)

**Column Sort**

- A→Z Card Last 4 Digits
- A→Z Post Date
- A→Z Txn Number

[Remove](#) [Reverse Sort](#)



## Screenshot 2: Report Configuration Filter Options

The 'Filters' window contains the following configuration options:

- Add filter:** A dropdown menu.
- Transaction Type:** A row of checkboxes: ☒ Cash advance, ☒ Misc Credit, ☒ Misc Debit, ☒ Purchase, ☐ Reimbursement, ☐ Payment.
- Post Date:** A date range selector showing '12/01/2012 - 12/31/2012' with a calendar icon.
- Cardholder:** A dropdown menu with 'All Users in scope' selected.
- Grp:** A dropdown menu with 'All Groups in scope' selected.
- Card:** A dropdown menu with 'All Cards in scope' selected.
- Program Card:** A dropdown menu with 'All Main Cards in scope' selected.
- GL: Cost Center:** A dropdown menu with 'Starts with' selected, and a text input field to the right.

The 'GL: Cost Center' dropdown menu is open, showing the following options: Starts with, Is exactly, Is not, Contains, Does not contain, Starts with (highlighted), Does not start with, Ends with, and Does not end with.

## Screenshot 3: Report Configuration Output Format

The 'Output Format' window contains the following configuration options:

- Formats:** A section with three sub-sections: Excel, PDF, and Delimited Text.
- Excel:** ☒ Excel. **Output Files:** ☒ Full Details, ☐ Summary Only.
- PDF:** ☒ PDF. **Output Files:** ☒ Full Details, ☐ Summary Only. **Paper:** A dropdown menu with 'US Letter' selected. **Orientation:** ☒ Portrait, ☐ Landscape. **Add Summary Data in Header:** ☐ Add Summary Data in Header. **Add Signature Line to:** ☐ Header, ☐ Footer. **Insert Page Break:** A dropdown menu with 'No Page Break' selected.
- Delimited Text:** ☒ Delimited Text. **Output Files:** ☒ Full Details, ☐ Summary Only. **Delimiter:** A dropdown menu with '(comma)' selected. **When delimiter occurs:** A dropdown menu with 'Quote entire field' selected. **Include Headers:** ☐ Include Headers. **Newline Style:** A dropdown menu with 'Unix style L/F' selected.
- Summary Grouping:** A dropdown menu with 'Card Last 4 Digits' selected. A warning icon and text: 'Only enabled for PDF and "Summary Only" options above. Groupings are based on "Column Sort" above and their order, ending with the value selected to the left.'

## Sample Reports

### Sample billing statement viewable in Works

Pima County can use Works to generate cardholder statements and reporting to reconcile transaction data for payments. Your monthly statements can be easily customized to include specific requested elements, including traveler name and billing/account codes.

Billing Statement

Company Name Friendly Business Co-08  
Post Date Between 2008-01-01 00:00:00 and 2008-01-31  
Report Owner Tumari, Matt  
Report Time 2012-10-31 14:38:20  
Transaction Type One of: Cash advance or Misc Credit or Misc Debit or Payment

Card Last 4 Digits	MCC	Txn Number	Post Date	Purchase Date	Amount	Credit	Debit	Payment Amount
2279								
	3432	TXN00001045	01/15/2008	01/15/2008	668.22	0.00	668.22	0.00
	3254	TXN00001044	01/15/2008	01/15/2008	932.23	0.00	932.23	0.00
	7349	TXN00001046	01/15/2008	01/15/2008	804.95	0.00	804.95	0.00
	9402	TXN00001047	01/15/2008	01/15/2008	870.24	0.00	870.24	0.00
	8911	TXN00001048	01/15/2008	01/15/2008	339.50	0.00	339.50	0.00
	3758	TXN00001049	01/15/2008	01/15/2008	81.28	0.00	81.28	0.00
	3387	TXN00001051	01/15/2008	01/15/2008	88.51	0.00	88.51	0.00
	3097	TXN00001050	01/15/2008	01/15/2008	505.73	0.00	505.73	0.00
	7339	TXN00001052	01/15/2008	01/15/2008	419.65	0.00	419.65	0.00
	9402	TXN00001055	01/15/2008	01/15/2008	449.44	0.00	449.44	0.00
	9223	TXN00001053	01/15/2008	01/15/2008	250.09	0.00	250.09	0.00
	3754	TXN00001054	01/15/2008	01/15/2008	833.23	0.00	833.23	0.00
	3400	TXN00001056	01/15/2008	01/15/2008	670.63	0.00	670.63	0.00
	3000	TXN00001058	01/15/2008	01/15/2008	205.16	0.00	205.16	0.00
	7341	TXN00001057	01/15/2008	01/15/2008	461.94	0.00	461.94	0.00
	9402	TXN00001059	01/15/2008	01/15/2008	263.66	0.00	263.66	0.00
	5311	TXN00001060	01/15/2008	01/15/2008	43.42	0.00	43.42	0.00
	3564	TXN00001061	01/15/2008	01/15/2008	515.53	0.00	515.53	0.00
	3419	TXN00001063	01/15/2008	01/15/2008	714.11	0.00	714.11	0.00
	3056	TXN00001062	01/15/2008	01/15/2008	209.55	0.00	209.55	0.00
	7361	TXN00001064	01/15/2008	01/15/2008	481.38	0.00	481.38	0.00
	4215	TXN00001066	01/15/2008	01/15/2008	95.80	0.00	95.80	0.00
	5937	TXN00001065	01/15/2008	01/15/2008	157.00	0.00	157.00	0.00
	3707	TXN00001067	01/15/2008	01/15/2008	491.31	0.00	491.31	0.00
	3399	TXN00001069	01/15/2008	01/15/2008	904.86	0.00	904.86	0.00
	3030	TXN00001068	01/15/2008	01/15/2008	341.11	0.00	341.11	0.00
	7342	TXN00001071	01/15/2008	01/15/2008	40.64	0.00	40.64	0.00
	4214	TXN00001072	01/15/2008	01/15/2008	268.68	0.00	268.68	0.00
	5966	TXN00001070	01/15/2008	01/15/2008	478.56	0.00	478.56	0.00
	559	TXN00001074	01/15/2008	01/15/2008	220.50	0.00	220.50	0.00
		TXN00001073	01/15/2008	01/15/2008	15.44	0.00	15.44	0.00

Data is stored for access within the Works application for a period of two years after which time it is archived for an additional five years.

### Program structure

Our flexible billing system allows Pima County to choose the billing cycle based on your needs. You also have a choice of grace periods for account payment on your corporate-billed accounts.

### Billing options

Central billing consolidates all charges incurred by your cardholders into a single billing statement that is sent directly to Pima County.

### Cycle and grace periods

The following cycle and grace periods are available with the corporate purchasing card:

- Weekly cycles are offered with three days to pay
- Biweekly cycles are offered with three or seven days to pay
- Monthly cycles are offered with three, seven, 14, 20 or 25 days to pay

## Payment options

To provide maximum flexibility, we support and prefer electronic bill payments. This includes ACH, wire and EDI.

## Corporate Liability

Under Corporate Liability coverage, Pima County is responsible for settlement of all charges and aggregate cardholder charges will be billed to your organization directly. You will assume liability and payment responsibility for expenses charged to your cardholder accounts.

To manage the cardholders, you will establish credit limits for your individual cardholders based on their specific usage and anticipated needs. Bank of America will consult with your program administrator to determine the appropriate credit limits and, if applicable, additional controls desired for your card program.

### 2) Identify similar sized client's volumes and rebates for the past 3 years.

We have provided similar sized client volumes and rebates for the past three years

Volumes and rebates for the past three years		
Year spend and rebate	SRP MIC	City of Chandler
2014 Spend	\$5,171,336	\$9,025,047
2014 Spend	\$67,113	\$118,914
2013 Spend	\$4,088,379	\$10,427,490
2013 Spend	\$50,695	\$131,443
2012 Spend	\$3,566,281	\$8,554,108
2012 Spend	\$41,762	\$99,935

### 3) Identify the volume of business and rebates awarded in the state of Arizona for the past 3 years.

Volume and rebate for the past three years.

Volume and rebate for the past three years
<b>2014</b>
Total Volume (All AZ programs): \$126,674,815
<b>2013</b>
Total Volume (All AZ programs) : \$109,818,722
Total Rebate (All AZ programs): \$1,507,365
<b>2012</b>
Total Volume (All AZ programs) : \$62,095,742
Total Rebate (All AZ programs): \$914,636

**4) Identify any other products available to improve Pima County's efficiency in processing its accounts payables.**

As Pima County looks for check payment alternatives in harmony with your 'green agenda', Bank of America stands prepared with products that are simple to implement, cost effective, and require minimal IT support. The Bank of America ePayables service is an efficient electronic payment alternative to paper checks for accounts payable that allows you to eliminate bank fees and processing costs, **turning paper into profits**.

The ePayables service is an **innovative**, electronic payment product targeting disbursement and accounts payable spend. Through the use of our card network and leading edge technology, the ePayables service offers a paper to electronic payment solution that combines streamlined card account integration with existing client ERP and payables processes. With hassle-free standard options and no need for physical plastic distribution, the ePayables service is easy to implement.

For the County, the ePayables service turns a costly check into a "free" electronic payment. It eliminates per item banking fees and processing costs. It also extends float opportunity and provides cash payout incentives. By partnering with Visa and using our Works technology, Pima County can benefit from a service that automatically matches a list of your vendors to a database of companies that accept Visa worldwide. Additionally, this matching service provides information on the vendors that have accepted card for payment, via the Works application making it efficient and easy to target your check payments that can be converted to electronic card payments, **turning paper into profits**.

Bank of America will then lead the enrollment effort to contact vendors that you want to pay via card.

The credit card accounts maintain a \$0 credit limit until a request is received by you to initiate a payment to the vendor. The vendor will receive a notification with remittance information to process the transaction. This greatly increases your transaction risk management and decreases the probability for fraud.

Once the vendor processes the transaction, the transaction will be auto reconciled back to the payment request and can be loaded back into your accounts payable system to complete the payment activities. Processing the transaction also reduces the credit limit back to \$0 until another request for payment is initiated.

The ePayables solution will prove to be an end-to-end integration that will make your conversion from check to electronic payments simple and cost effective.

Simply provide us with your vendor payment information to be matched to known vendors currently accepting card payments.

1. Pima County provides vendor payment information for a Visa WorksMatch (ongoing and before initial product launch). This exercise matches known vendors currently accepting card payments and that have transacted via the Works application. Based on this match, Pima County identifies paper payments to seek conversion to card.
2. Targeted vendors are contacted by Bank of America's enrollment team to request their participation in receiving your future payments via a card payment versus a check payment.
3. The vendors that will accept a card payment are then assigned a unique card account number and their payment type is changed to 'card' or 'other' within your accounts payable system.
4. Pima County receives and reviews invoices from their vendors and approves them for payment (no change is made to your current process). You then transmit a payment file to the bank with invoice payment information for all vendors to be paid by card.
5. Once we receive the file, the credit limits on the appropriate vendor accounts are increased to match the invoice amount, and vendors receive remittance information with the authorization to process their charge. Once processed, each account's credit limit returns to zero.

6. Automatic reconciliation occurs and a confirmation file is available to download and integrate into the County's accounts payable system.
7. The card accounts can cycle weekly, bi-weekly, or on a monthly basis. The payment due date is selected according to the cycle that is chosen. Bank of America debits the County's demand deposit account to settle transactions on the due date.