

REQUEST FOR PROPOSAL – Addendum 3



Department of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section
206-263-9400 TTY Relay: 711

DATE ISSUED: July 9, 2009

RFP Title: **Banking Services**

Requesting Dept./ Div.: **King County Department Executive Services – Finance & business Operations Division**

RFP Number: **1119-09RLD**

Revised Due Date: July 28, 2009 – no later than 2:00 P.M.

Buyer: Roy L. Dodman, roy.dodman@kingcounty.gov, (206) 263-9293

This addendum is issued to revise the original Request for Proposal, dated May 28, 2009 as follows:

1. The proposal opening date remains as changed in Addendum 1: Tuesday, July 28, 2009 no later than 2:00 p.m. exactly.
2. A new Exhibit A – Banking Services Proposal/Pricing Form in MS Excel format has been issued, replacing the previous Exhibit. It is available on the County's website, and/or by contacting the Buyer listed above.

THE FOLLOWING INFORMATION IS PROVIDED IN RESPONSE TO QUESTIONS RECEIVED

Q1: Regarding Part 2, A. Account Maintenance, Item 5, Page 10 - Can you provide the aggregate peak total dollar amount of ACH files outstanding on a daily and weekly basis?

R1: *King County initiated nearly \$9 billion in ACH payments including the tax distributions described in Question 3. We have never attempted to calculate weekly totals but the largest disbursement dates occur on the last day of the month when many districts issue payroll; the first day of the month for debt service payments, especially June 1 and December 1; and during our peak tax collection periods in April and October.*

Continued on page 2

TO BE ELIGIBLE FOR AWARD OF A CONTRACT, THIS ADDENDUM MUST BE SIGNED AND SUBMITTED TO KING COUNTY

Sealed proposals will only be received by:

King County Procurement Services Section, The Chinook Building, 3rd Floor, 401 Fifth Avenue, Seattle, WA 98104-2333. Office hours: 8:00 a.m. - 5:00 p.m., Monday – Friday

Company Name

Address

City / State / Postal Code

Signature

Authorized Representative/Title (Please Print)

Email

Phone

Fax

This Request for Proposal – Addendum will be provided in alternative formats such as Braille, large print, audiocassette or computer disk for individuals with disabilities upon request.

Q2: Regarding, Part 2, D. ACH Services, Page 12 - In addition to the 61 or 64 accounts that have direct deposit files, what other ACH files are sent, for what purpose and what is the high dollar amount of each file?

R2: *We transmit a daily file from the main bank account that includes our daily distribution of property taxes to the cities and towns as well as various vendor payments and our monthly debt service payments. Last year we disbursed \$5.8 billion from this account via ACH with our largest individual date being December 1 with total ACH payments of \$393 million.*

Q3: Regarding Part 2 B. Deposit Services, page 11, what software & hardware is currently being used to produce the Manager's DSTU X9.37 formatted files?

R3: *We have two NCR iTRAN300e 300 DPM Image Enabled Transports. Those machines use the Image Vision software from Advanced Financial Solutions. The workstation dedicated to the transports is a Dell Optiplex GX745 with the following software: Microsoft Windows XP Pro Service Pack 3, AQ2 Check 21 Converter, IPSWITCH WS FTP Pro 2007, and AFS Image Vision.*

Q4: Regarding Part 2, C. Wire Transfer Services, Page 11, with regard to initiating wires, what is the peak daily wire amount issued? What is your current related Day Light Overdraft (DOD) limit required?

R4: *In 2008, we made wire payments of almost \$9.5 billion. The largest payment date was \$293.6 million. Our bank provides us with a \$150 million daylight overdraft limit.*

Q5: Regarding Part 2, E. Warrant Services (page 12) - Please confirm Manager's answers provided at RFP meeting for the following items:

a. If the warrants are presented to the bank on Monday to clear Monday night, what day will the Manager expect to get the BAI file?

Manager: Tuesday by 5:30 am.

b. What day will the Manager make the Pay/No Pay decision with regard to paying each warrant?

Manager: Tuesday by 10:00 am.

c. What day will the Manager routinely pay the bank for what warrants presented?

Manager: For some time now, the Manager has been prefunding the related warrant account due to low investment return rate alternatives given the present economic recession. As investment rates improve, the Manager could overdraw the account in the future. In that case the Manager would pay for the warrants the day after the bank has cleared them.

d. How many days does the Manager routinely expect to pay interest on outstanding warrants?

Manager: Interest bearing warrants have not been issued since 1985; Manager is evaluating this item and will address in Addendum.

e. What rate is the Manager currently paying for interest on outstanding warrants?

Manager: Prime minus 2.50% or 65% of prime, with this rate option selected annually, each September.

R5: a. Yes.

b. Yes.

c. Yes.

d. *The last interest bearing warrant for King County was in 1983. We do not expect to have any during this contract.*

e. *Yes. We are currently paying Prime less 2.5%.*

Q6: Regarding Part 2, E. Warrant Services, Page 12 -

- a. Item # 2. Please explain “ The Bank may elect, at any time during the Contract term, to designate the Manager as its safekeeping agent for the purpose of holding interest bearing warrants until redeemed by the Manager” Does the Bank deliver physical warrants back to the Manager?
- b. Item # 5. How will the Bank know which warrants are unredeemed “for the want of funds”? Explain the process.
- c. Item # 7. Describe the type of liability that the Manager expects the Bank to assume for 3 years after a warrant was issued

Manager to address above items via Addendum.

- R6:
- a. *No. We retrieve a BAI file that contains the warrant clearance information. In addition we can view the images of the warrants online and receive a monthly CD-Rom of items cleared.*
 - b. *It has been 25 years since the county last experienced an interest bearing warrant and the banking world has changed. Although we cannot follow the strict provisions of State law because technological changes have made it impossible, we would expect to return the item in a similar manner that we return fraudulent items. That is done now via email with a copy of the item given to the bank.*
 - c. *We believe the language in this section is clear. If you have questions, you should consult with your attorney.*

Q7: Regarding Part 2 F. Negative Balances, Page 13, - Exhibit E shows negative collected balances for the majority of the time for the Manager’s general account. Is the interest rate currently being charged on the line of credit that covers outstanding warrants clearing different from the interest rate on uncollected balances?

- R7: *Yes. The interest rate for uncollected balances is set at Prime while the interest bearing warrant rate is Prime less 2.5%. Keep in mind that we are assessed the Prime rate charge only if our aggregate collected balance of all bank accounts is negative.*

Q8: Regarding Part 3: D. Warrant Interest Rate Page18-19:

- a. Explain how the Manager designates the interest bearing warrants. How would the Bank know which fund the warrant is written on? Does the Bank depend upon the Fund to pay for the outstanding warrant, thus the Bank must look to each individual fund to evaluate credit risk or does the Manager guaranty the repayment of all outstanding warrants?
- b. Please provide documentation of the legal authority for the use of a line of credit for the purpose of covering interest bearing warrants and explain the repayment obligation (i.e. is this a general obligation of the County? – full, faith and credit).

- R8:
- a. *Again, the county has not experienced an interest bearing warrant since 1983. We would expect to return a copy or image of the item back to the bank if this should occur. The bank would have to look to the issuing fund for eventual payment.*
 - b. *RCW 43.09.2853 authorizes any municipal corporation to establish a line of credit for to be drawn upon the cashing of warrants by a public depository. This line is considered a contingent liability an dis not a general obligation of the county.*

Q9: Regarding, Section C - Determination of costs, Pages 14-18, can you provide a complete list of the Standard AFP codes associated with the services detailed?

- R9: *Please see a revised Exhibit A as part of this Addendum for the standard codes (go to website or contact the Buyer to receive this document).*

Q10: Regarding Part 3, Compensation & Proposal Evaluation Elements, C. Depository Services, Page 15, can you please identify/explain the following line items. Specifically, are these line items relating to check images transmitted?

- a. Electronic item – Remote Deposit
- b. Electronic Item Direct Send – Remote Deposit
- c. Electronic Item Service Bank
- d. Remote Image Deposit Monthly
- e. Image Capture Setup
- f. Image Capture Fixed Monthly

R10: *Yes, these items are related to check images transmitted.*

- a. *Remote deposited Items drawn on banks not currently image enabled.*
- b. *Remote deposited images drawn on other image enabled banks.*
- c. *Remote deposited items drawn on current service provider.*
- d. *Monthly fees for imaged deposited items.*
- e. *Set-up fees for imaged deposited items.*
- f. *Monthly fee of imaged deposited items.*

Q11: Regarding Part 3, Compensation & Proposal Evaluation Elements, C. Depository Services, Page 15, please provide estimated dollar volume for the following items:

- a. Branch Strap Out
- b. Vault Incoming Bagged Coin
- c. Vault Fed Ready
- d. Vault Strap Out – currency
- e. Vault Roll Out
- f. Vault Box Out - coin

- R11: *a. Strapped currency purchased from branches, usually \$1 or \$5 bills.*
- b. Full and partial coin bags deposited at the cash vault about six per day.*
- c. Fed ready bags of coin deposited at the cash vault (pennies \$50.00 / bag, nickels \$200.00 / bag, dimes \$1,000.00 / bag, quarters \$1,000.00 / bag, half dollars \$1,000.00 bag, & dollar coins \$200.00 / bag)*
- d. Strapped currency purchased from the cash vault - usually 1, 5, or 10 dollar bills.*
- e. Rolled coin purchased from the cash vault - usually pennies, nickels, dimes, or quarters.*
- f. Boxed coin purchased from the cash vault - usually nickels, dimes, or quarters.*

Q12: Regarding Part 3 Compensation & Proposal Evaluation Elements, C. Paper Disbursement Services, Page 16, please identify/explain the following line items:

- a. Images maintenance (Truncate)
- b. Check Images Maintenance
- c. Image Capture (Truncation)
- d. Image Item Capture with truncation
- e. General ACH Services

- R12: *a. On-line image viewing monthly fee - no image statements.*
- b. On-line image viewing monthly fee - with image statements.*
- c. Per item for check images - no image statement.*
- d. Same as above.*

e. This is a section heading, not a service.

Q13: Regarding Part 3 C. General ACH Services, Page 17, please identify/explain the following line items:

- a. ACH Item minimum per file
- b. EPA Implementation
- c. EPA Authorization Fee
- d. EPA Administration
- e. EPA Administration with ACH Direct

R13: *a. If less than 250 items per file.
b. Setup fee for ACH debit block.
c. Authorizing ACH incoming debits to be paid.
d. Monthly ACH debit block fee.
e. Monthly ACH debit block fee.*

Q14: Regarding Part 3, C. Wire and Other Funds Transfer Services, Page 18 - Domestic Wires (Repetitive) – This is listed twice; please clarify.

R14: *This is an error. The second “Domestic Wires (Repetitive)” should say “Domestic Wires (Non-Repetitive)”.*

Q15: Part 2, B. Deposit Services, 4th paragraph, Page 11 - What is meant by “actual funds availability”? How does this work with your current bank?

R15: *This may be outdated language but it refers to the actual availability that the bank receives on a deposited item.*

Q16: Is it possible for the Manager to export an electronic file of issued warrants to the Bank for positive pay?

R16: *Not at present. The Manager receives wire issuance information from over a dozen entities as well as the county itself. A few of these are in paper format. We have not explored the advantages of trying to create a single output file of issue data to provide to our bank.*

Q17: How does the Manager deal with items presented at the bank branch for cashing? Specifically, In the event a warrant is cashed at a Bank branch, which is subsequently rejected for payment by the Manager, what is the Bank’s expected liability? How is this issue handled today?

R17: *The branches contact either the issuing district or the county to determine whether an item has been validly issued.*

Q18: Is the Manager currently using a controlled disbursement account for the 29 warrant accounts?

R18: *No.*

Q19: What is the Manager’s current float schedule?

R19: *We are currently provided the best availability schedule for both paper and image items that our bank provides. As an example, in April 2009 we deposited 188,829 images. Of those 21,674 (11.5%) cleared same day; 167,139 with one-day float (88.5%); 3 (0.0%) with two day float: and 13 (0.0%) with three-day float.*

Q20: What Earnings Credit Rate (ECR) is currently provided to the Manager by Bank?

R20: *The earnings rate is 110% of the 91-day treasury bill rate.*

Q21: What is the aggregate average collected ledger balance of the Manager, including both accounts with account analysis and non-analyzed accounts?

R21: In 2008, the average collected aggregate ledger balance for accounts on account analysis was \$25.9 million.

Q22: Regarding the \$50,000,000 line of credit used for overnight short-term purposes:

- a. We recognize that \$50,000,000 represents the estimated maximum amount of warrants that can clear on a single day; however, according to the daily warrant borrowings exhibit, it seems that the maximum borrowing activity peaked at \$13,800,000 in November. Please help us understand if the County's need really is \$50,000,000, or if we are missing additional information?
- b. Does the Manager currently maintain a loan document with the Bank for the present line of credit, outside of the existing treasury management contract?
- c. Please provide documentation of the legal authority of the line of credit and explain the repayment obligation (i.e. is this a general obligation of the County – full, faith and credit?).
- d. Are there any specific restrictions surrounding the purpose of line borrowings (i.e. limitations to overdraft purposes?)
- e. Would the term of the line be one-year or multi-year?
- f. Is the interest rate on this line of credit going to be considered by the Manager in determining least cost to the County?

R22: a. \$50 million represents two days at peak redemption. Redemption, though, is not how much we borrow. We estimate the daily warrant clearance and prefund this account if it is to our advantage to do so.

b. No.

c. Again, RCW 43.09.2853 authorizes the county to enter into such a line of credit and it is a contingent liability rather than a general obligation of the county's.

d. Our current contact allows us to use the line to control balances in the main bank account. We would guess that indicates there are little, if any, restrictions.

e. We would guess that it is a daily line.

f. Yes.

Q23: Part 3, C, item 2. Negative Collective balances, Page 18 - You've asked us to provide a rate for negative uncollected balances. However, you have noted that this rate will not be considered by the Manager in determining least cost to the County. Given this could be a substantial cost to the County, why is this rate not being considered in the Manager's decision making process?

R23: The last time that the aggregate collected balance for all accounts was negative was in 1986. This should not be a significant cost for the contract.

Q24: Regarding Part 2 I. Optional Services, Page 14, Merchant credit card processing services:

- a. What are the five agencies currently collecting credit card and electronic checks via the internet, and what are the payments for?
- b. Provide the 12 month Visa/MasterCard/Discover sales volume and transaction count for each agency
- c. Provide the 12 month electronic check volume and transaction count for each agency
- d. What internet payment gateway do you use for each agency? Is the gateway owned by King County (i.e. does the gateway provider bill King County directly) or does your merchant provider bill you?
- e. Which third party do you use to process these payments? Does the third party charge a convenience fee to King County's customers for all transactions? If so, does King County intend on continuing to charge a convenience fee for all payments (not just tax payments)?

f. Does King County intend on using a third party to continue processing these payments?

R24: a. *Treasury – property tax payments; Wastewater Treatment – capacity charge billings; Licenses – pet licenses; Judicial Administration – electronic filing of court documents; Elections – candidate filing*

b and c:

Treasury

VISA	5,792	11,780,980
MasterCard	1,546	2,678,907
AMEX	1,270	2,990,083
Discover	173	298,501
eChecks	11,909	36,245,362

DJA

VISA	3,301	181,635
MasterCard	1,283	79,534
AMEX	507	40,695
Discover	48	1,586
eChecks	294	30,925

Elections

VISA	11	6,535
MasterCard	4	3,645
AMEX	0	0
Discover	4	3,645
eChecks	1	1,410

Wastewater

VISA	2,784	482,252
MasterCard	1,145	184,838
AMEX	0	0
Discover	0	0
eChecks	601	80,748

Licenses

VISA	13,510	363,919
MasterCard	6,046	180,250
AMEX	0	0
Discover	0	0
eChecks	0	0

d. The county uses a third-party provider, Link2Gov, who bills us for services.

e. Link2Gov uses Paymentech to process the payments. A convenience fee is added for all services except for the capacity charge payments for our Wastewater agency.

- Q25: Regarding Page 11, Part 2, A. Account Maintenance, 8 – Float Services: The Bank shall provide the Manager with monthly float analysis reports which include availability and end point analysis summaries. Our question is: Will the float analysis reports include all depository accounts or is it for a specified group of accounts?
- R25: The float report is just for our main bank account.*
- Q26: Regarding Page 12, Part 2, C. Wire Transfer Services: It is expected that the Bank will initiate wire transfers even in the event that such transfers might cause a daylight overdraft. Our question is: May we ask you to provide an estimate of the daylight overdraft limit that might be needed, or to provide the average daily dollar amount of outgoing ACH and wire transfers.
- R26: Our current bank provides a \$150 million overdraft facility which has not changed during the life of the contract. Data regarding our outgoing ACH and wire transfers were addressed 2 – 4.*
- Q27: Regarding Page 19, Part 3, F. Other services: A net monthly cost of any “other services” selected by the Manager will be determined by subtracting from the proposed monthly fees for the service the Manager’s estimate of the monthly benefit to the county of the service, our question is: Is this informational and does not need a response? Will the “net monthly cost” of “other services” be considered in the evaluation?
- R27: Only if it is a service that we might be interested in adding.*
- Q28: Regarding Page 37 – 44 Exhibit A - Banking Services Proposal/Pricing Form, our question is: Your volumes are expressed as annualized figures however in a number of cases it appears that they may be monthly figures. Please advise - (Account charge is this 27 charges or 27 relationships?)
- R28: 27 relationships.*
- Q29: Regarding Page 37 Exhibit A - General Account Services Section, our question is: What is Summary Level Statement?
- R29: The summary level statement is a monthly roll-up of the individual analysis statements. The correct number in Exhibit A should say “1” rather than “6” (see corrected Exhibit).*
- Q30: Regarding Page 37 Exhibit A - General Account Services Section, our question is: What kind of Special Cuts do you request?
- R30: Various accounts have cycles that are different from a normal monthly cycle, such as every Friday.*
- Q31: Regarding Page 37 Exhibit A - Depository Services Section our question is: In the Depository Area are the figures expressed in pieces or dollars? Can you walk through this area to define each item (whether, #'s, \$'s, monthly, etc.) If expressed in pieces, we will need the related dollars to provide correct pricing?
- R31: Each item states whether it is a roll, a strap, or a dollar amount. (See question 11)*
- Q32: Regarding Page 37 Exhibit A - Depository Services Section, our question is: Are currency/coin orders shown with manual, auto and rush placed through the vault?
- R32: Yes, except for the branch order line.*
- Q33: Regarding Page 37 Exhibit A - Depository Services Section, our question is: Remote Deposit are you submitting both IRD's and ACH?
- R33: Deposited items are being sent to the bank via an image transmission. They are not being converted to ACH.*
- Q34: Regarding Page 38 Exhibit A - Depository Services Section, our question is: What is an incoming return and 1st and 2nd presentment?
- R34: An incoming return is a check chargeback. The first and second presentments are via an automated ACH RCK process.*

- Q35: Regarding Page 38 Exhibit A - Depository Services Section, our question is: What is Pre-encoded Deposit Rework?
- R35: This is when an entirely pre-encoded deposit needs to be corrected before it can be processed.*
- Q36: Regarding Page 38 Exhibit A - Depository Services Section, our question is: Is the Image Capture for your Image Cash Letter or this for the Remote Image? What is Capture Setup and the Fixed Monthly (is that monthly maintenance)?
- R36: The setup fee is for setting up the remote deposit for the Manager or for a district and the monthly fee is a reoccurring charge for each setup.*
- Q37: Regarding Page 38 Exhibit A - Paper Disbursement Services Section, our question is: What do you use the Mismatch Report for (Positive Pay exceptions)?
- R37: Yes, it is used for positive pay exceptions.*
- Q38: Regarding Page 39 Exhibit A - Paper Disbursement Services Section, our question is: You have two Stop Payments, one is web, is the other manual?
- R38: Yes.*
- Q39: Regarding Page 39 Exhibit A - Paper Disbursement Services Section, our question is: Who orders Photocopies? Why not use web?
- R39: Districts have a tendency to request copies via the telephone. Not all districts are set up to use the bank's internet product and some simply prefer to use the phone.*
- Q40: Regarding Page 39 Exhibit A - Paper Disbursement Services Section , our question is: Can you relate all image descriptions to its product? (i.e. internet, CD rom, Remote Deposit, image C/L, etc.)
- R40: a. Next day positive pay(mismatch report) – Internet
b. Stop payments via web – Internet
c. Stop payments – Telephone
d. Images Long-term Maintenance – Internet
e. Images Maintenance – Internet viewing
f. Check image maintenance – Internet
g. Image capture (truncate) – Image Long-Term Per Item – Internet
h. Image Short-Term Per Item – Internet
i. Image Item Capture with Truncation – Internet
j. Check Image Viewing with Truncation – Internet
k. Image Long-Term Viewing – Internet
l. Image CD-ROM Creation – CD-ROM
m. Check Enclosure Fee – Image
n. Check Mail Fee (non-truncation) - Image*
- Q41: Regarding Page 39 Exhibit A - Paper Disbursement Services Section , our question is: How many CD's per account do you receive or do you have multiple accounts per CD? (CD Maintenance) Monthly, Daily?
- R41: We receive four CD-ROMs that have clearance information for all of our warrant accounts.*
- Q42 : Regarding Page 39 Exhibit A - Paper Disbursement Reconciliation Services Section, our question is: On ARP do you receive a Paid Item File? Is so, which accounts?

- R42: We do not get a paid item file for our warrant accounts but some districts receive daily or monthly paid items files for their checks.*
- Q43 : Regarding Page 39 Exhibit A - Paper Disbursement Reconciliation Services Section, our question is: What is Positive Pay Transfer Weekly Input?
- R43: There are some accounts for which issue files are sent to the bank for positive pay.*
- Q44 : Regarding Page 39 Exhibit A - Paper Disbursement Reconciliation Services Section, our question is: What is being faxed through ARP?
- R44: Monthly account reconciliation reports.*
- Q45: Regarding Page 40 Exhibit A - General ACH Services Section, our question is: How late is your late file for ACH? (What time?)
- R45: Our bank provides a 5:15 deadline but a file is rarely sent later than 3:30.*
- Q46: Regarding Page 40 Exhibit A - General ACH Services Section, our question is: What does your ACH Received Report provide? Can it be sent via the web?
- R46: This report is sent via the web and provides detailed information about each ACH item including the addendum record.*
- Q47: Regarding Page 40 Exhibit A - General ACH Services Section, our question is: What is the CAR Report for ACH? Why Fax/Mail
- R47: The customer activity report shows ACH returns, NOCs, and files sent. It is faxed to districts that prefer to receive the reports via fax.*
- Q48: Regarding Page 40 Exhibit A - General ACH Services Section, our question is: What is EPA ?
- R48: EPA is an ACH debit block.*
- Q49: Regarding Page 40 Exhibit A - EDI Payment Services Section, our question is: EDI Payments are you transmitting an 822 file? Or what is County doing with EDI Payments?
- R49: EDI is used for viewing addenda records on incoming ACH credits.*
- Q50: Regarding Page 40 Exhibit A - Wire and Other Fund Transfer Services Section, our question is: You have two Domestic Wires, is one electronic and one manual?
- R50: Yes. That has been corrected in the Exhibit A.*
- Q51: Regarding Page 40 Exhibit A - Wire and Other Fund Transfer Services Section, our question is: International Wires are they in US Dollars or do you also use FX?
- R51: Most foreign wires are in U.S. dollars but there have been wires in foreign currencies.*
- Q52: Regarding Page 40 Exhibit A - Wire and Other Fund Transfer Services Section, our question is: Internal Transfers is this from your accounts or is this internal to your current bank (Book Transfers)?
- R52: These transfers are between accounts covered under our contract.*
- Q53 : Regarding Page 41 Exhibit A - Information Services Section, our question is : Please describe the Information Service sections by product?
- R53: The revised Exhibit A provides the standard AFP codes.*
- Q54 : Regarding Page 41 Exhibit A – Pricing Form, our question is : The numbering and topics do not match Page 18 : 2. Negative Collected Balance Charges, 3. Earnings on Collected Balances, and 4. Line-of-Credit. Also, do you intend to leave question 5. Interest Bearing Warrant Rate, or replace it with a traditional line of credit.
- R54: a. They don't need to match.
b. Yes.*

Q55: Regarding Page 11, Section B Deposit Services, that you transmit tax payment check images for deposit and it is likely that other payment applications will be added during the term of this contract, our question is: Please outline by volume or percentage your timeframe of converting your pre-encoded checks to check images deposits. Or... “during the term of this contract, other payment applications will be converting to check image deposits on a gradual or aggressive basis?”

R55: We haven't put together a timeframe for moving other applications to imaging.

Q56: On page 7, Part 1, C. 2. Public Deposit Protection Act, says “Each proposal must include the bank’s latest public depositor’s consolidated report of condition filed with the Washington Public Deposit Protection Commission as evidence of its ability to meet the capital structure requirements stated above.” And on page 36, Exhibit A, Qualifications, 1. says “Please attach a Consolidated Report of Condition as of December 31, 2008, filed with the Public Deposit Protection Commission.”

The December 31, 2008 Consolidated Report of Condition is a non-public and confidential bank generated document held in strict confidence by the PDPC. In lieu of this document, is it acceptable to provide:

1. The March 31, 2009 Call Report
2. The April 30, 2009 most recent Public Deposit Protection Commission ;
3. If selected as a finalist and if questions remain, the requested December 31, 2008 Consolidated Report of Condition in a private in-person meeting.

R56: The State Treasurer has recently changed the reporting requirements for public depositaries. We are satisfied that the year-end Call Report will be sufficient.