



# HO-CHUNK NATION

## DEPARTMENT OF THE TREASURY

### PROCUREMENT DIVISION

December 29, 2022

### **ADDENDUM #3**

### **RFP #2022SFS06**

### **Banking Services**

### **Responses to Vendor Questions**

Greetings,

Below, please find the answers to the questions that were asked of the RFP. We have removed specific vendor identifiers, but have included all questions, so you will note some redundancies. The Nation will not be posting our statements and analysis for confidentiality reasons, but we will provide three months of account analysis and statements for our major accounts upon request from bona fide financial institutions for the purposes of preparing a proposal. Major accounts are Tribal Operations, Payroll/PerCap, Winner Account, and two Gaming Collection Accounts. The Nation does have a number of smaller checking accounts, but we do not feel that it is necessary for potential bidders to examine those accounts for when considering capacity to service. For our purposes in evaluating bid pricing, please include a standard fee scale for small accounts. The selected vendor will be given full access to accounts to finalize the contract pricing.

#### **1. What reasons are driving doing this RFP at this time?**

- a. *We are seeking a more efficient structure for transactions. Currently, our collections accounts are not housed with the same bank we use for operations, payroll, and tribal member payments. This requires us to transfer funds from bank to bank. We would like to eliminate the need for wires, either by having all collections/payroll/operations accounts house in one institution, or by automating the transfers.*
- b. *We would like capacity to sweep excess funds into a short-term reserve account for increased yields on funds that may be needed for operations within 90 days. Currently, we transfer all excess funds via wire.*

**2. Volumes and current account structure for accounts broken down by how you might structure the business such as casino, convenience, etc.**

*a. We are providing three months of statements for your review.*

**3. Documents Requested: 3 months current analysis statements with a breakdown by product.**

*a. We are providing three months of analysis for your review*

**4. Provide months that represent typical and any peak months.**

*a. We do not have typical/atypical months. Most government operations are flat. Casino deposit volumes can be 15-30% higher in the summer.*

**5. What would be the balances in the accounts?**

*a. We are providing 3 months statements for your review.*

**6. Given scope in 3.0 what is the investment policy such as collateral requirements, type of investment, concentration limits, etc.**

*a. The deposit/operational accounts do not currently have IPS, and the collateral requirements are dependent on specific bank policies. We would be looking for your recommendation as to these items.*

**7. Documents Requested: 3 months current bank statements.**

*a. These will be provided.*

**8. Per scope in 3.0, what customized solutions are in place today?**

*a. Currently, our positive pay is customized for Tribal Op to avoid checks being rejected if we are on a holiday that is not considered a bank holiday. We are also looking for capacity to work with the bank on unique issues if/when they arise.*

**9. We have a portion of the current business. Do we need to bid to retain that business?**

*a. Yes*

**10. Is merchant services card acceptance part of this RFP?**

*a. No*

**11. What is your general ledger system and accounts payable software?**

*a. InforLawson*

**12. Do you use a Treasury Workstation or other tools to manage your banking operations?**

*a. No*

**13. Does your casino cash office require any currency special prep?**

*a. The casino cages (banks) require cash to be in good condition so it can be recognized by the bill acceptors in slot machines and in our automated counters.*

*b. When cash is received by armored car, the Cage verifies the number of straps/bricks and signs to receive, and then a full count of all funds takes place under camera before the cash is taken into inventory. It will be necessary for prep to allow a means for an accurate initial count upon*

*drop off, and the bank must have a process for resolving shortages/overages of bills. Variances in change rolls are accepted, due to wear patterns that may affect weight.*

**14. Is a study of your account payables for a commercial one card application in scope?**

*a. Not currently, but if you offer that service, we would appreciate inclusion of information.*

**15. Per 5.6, what is your desired completion date and is there a required completion date?**

*a. Whoops! Looks like that paragraph is a cut and paste error! We will post an addendum to remove it from the RFP. Nice catch!*

**16. Who is your payroll processing partner?**

*a. We process our own payroll, and will not be releasing information about other banks in this Q&A.*

**17. What is the size of your ACH files today and frequency?**

*a. We process approximately 2200 payroll checks weekly, and XXXXX Tribal General Welfare payments monthly. We also process a bonus for all employees and Tribal members once per year at Christmas. Currently, we process approximately 10 vendor payments per month through ACH, but we are currently upgrading our accounting software and will be activity seeking to expand this.*

**18. Given the anticipated weather and geography involved will submission of electronic proposal by deadline be acceptable? Paper to follow via overnight?**

*a. The deadlines have been extended. Please see revised matrix*

**19. What is the anticipated term for this business?**

*a. No less than 60 months*

**20. Is it acceptable to bid on only pieces of this business?**

*a. Yes; however, at this time, we are hopeful of consolidating banking services.*

**21. Do you need placement of ASB ATMs at any of the locations outlined in the RFP?**

*a. No.*

**22. Do you have a breakdown of all usage of products across each entity i.e. checking, savings, MMA, CDs, and Sweeps – and ideally the account structure of each entity. What are average balances per entity and expectations for Interest, Earnings Credit, or both for each entity. What (if any) are your product pain points?**

*a. We are providing three months of statements for your review.*

**23. You mention maximized cash investment returns – does that mean interest alone or are you expecting investment in non-bank products?**

*a. In addition to interest, we would like the capacity to house short term reserves that accumulate from excess cash at the same institution as our operating accounts so we can do a better job of managing yield, while still keeping funds accessible.*

**24. What type of collateral do you require / use today? Can we get a copy of the investment policy?**

*a. See Question 6 above*

**25. What is the format of your reporting needs?**

*a. We need the ability to pull reports into PDF or a workable version of EXCEL. See RFP for reports needed.*

**26. Is CBD being sold and are there gaming machines at your convenience stores?**

*a. No, to both items.*

**27. Can you please provide the Armored Car Company that currently provides service for each location?**

*a. Brinks provides services to HCG-Wisconsin Dells, HCG-Madison, HCG-Black River Falls, HCG-Tomah, and HCG-Nekoosa. GARDA provides services to HCG-Wittenberg.*

**28. Do you currently use a “Smart Safe” at the C-Stores; where the amount of the deposits that are placed into the safe are transmitted daily for deposit, but the physical cash contents of the safe are only picked up weekly for physical deposit? If so, can you tell us who currently provides the safe services?**

*a. No.*

**29. Would you please provide the past three months of account analysis statements for all accounts subject to the RFP?**

*a. We will provide analysis for major accounts.*

**30. What is the average monthly balance of the accounts subject to the RFP?**

*a. We are providing three months of statements for your review.*

**31. Would there be any consideration given to moving the due date of the RFP given holidays and bank closures?**

*a. Yes, all dates have been extended.*

**32. Does the Nation have any specific Treasury or Cash Management Initiatives and/or Priorities they are looking to address with this RFP?**

*a. We would like to automate cash sweeps from collections to operations/payroll accounts if possible.*

**33. Can you provide additional information on what you like and don't like about the relationship with your current financial institution?**

*a. We do not feel it would be appropriate to answer this question.*

**34. Can the Nation provide additional details on the specific services needed/utilized by each Gaming Facility, Non-Gaming Facility, Health Care Facility, Government Branch, and Ancillary Business described in section 1.0 Background Information?**

- a. *Gaming Facilities—need cash drops for floor cash (amounts vary) and deposit collection accounts. Three months of statements will be provided for your review.*
- b. *Non-gaming facilities—Depository/armored pickups. The C-Stores exchange cash through the casinos*
- c. *Health Care Facilities—Depository/armored pickups*
- d. *Government Branches—Government branches do not have their own individual accounts. They are included in the Treasury managed accounts, and have no special needs.*
- e. *Ancillary Businesses—these accounts are not managed by the Ho-Chunk Treasury Department, and do not fall within this scope of services.*

**35. Can the Nation provide current services and transaction volumes as described on a current account analysis statement? Can this information be broken down for each Facility, Government Branch, and Business described in section 1.00 Background Information?**

- a. *We are providing 3 months of statements for your review.*

**36. Can the Nation provide their average collected balance in each account? Can you also provide details on cyclical fluctuations in cash balances?**

- a. *We are providing 3 months of statements for your review.*

**37. Can the Nation describe the transaction activity of each Government Branch?**

- a. *The Nation sweeps gaming funds from their collection accounts into the Tribal Operations checking account, and from there, distributes funds to the Payroll account, and/or funds wire transfers to payments. Excess cash is transferred to investment accounts at Morgan Stanley. Grant funds are also deposited into Tribal Operations, and are transferred to the appropriate and other restricted accounts at Morgan Stanley. The Nation has centralized AP, Payroll, and tax reporting functions. With the exception of Cash Drop and Depository services for the Casino's and C-Stores, the Department of Treasury manages all accounts, and conducts transactions for all operations, including the Casinos, C-Stores, and all branches of government. The ancillary businesses have their own bank accounts and processes.*

**38. Can the Nation provide a current account structure schematic and information on accounts used by each business line/facility described in sections: 1.2, 1.3, 1.4, 1.5, & 1.6? Can the Nation describe the activity that flows through each of these accounts?**

- a. *1.2 Gaming—see Question 34 above*
- b. *1.3 Non-Gaming—see Question 34 above*
- c. *1.4 Health Facilities—see Question 34 above*
- d. *1.5 Governmental—See Question 37 above*
- e. *1.6 Ancillary—see Question 34 above*

**39. Can the Nation describe the connectivity they have with their banking partners today? Are transaction or reconciliation files being provided to/from your financial institution?**

*a. The Nation uploads files for Positive Pay anti-fraud measures on the government side, and the Casinos key in Jackpot checks that they issue.*

**40. Please describe your reconciliation process?**

*a. Currently, we only download the statements for manual reconciliation using Excel tools, but we are working towards electronic matching via Infor Cashbook.*

**41. Can the Nation describe the collection and cash application process used by their Healthcare facilities? How are payments, received, processed and posted?**

*a. See Question 34 above.*

**42. Can the Nation provide additional information on the Collateral Requirements described in section 3.0 Scope of Work?**

*a. See question 6 above.*

**43. Can the Nation describe the process they current use to order and accept cash for ATMs as described in section 3.0 Scope of Work?**

*a. The Nation has a separate vendor for ATM transaction processing, but will need cash drop offs/collections at the casinos, c-stores, and potentially, the Tribal Office Building.*

**44. Is the Nation looking for their Financial Institution to provide and manage transportation for deposit pickup and delivery from each facility to the financial institution as mentioned in section 3.0 Scope of Work? Same question for cash orders and delivery?**

*a. Yes, we are looking for the Financial Institutions to provide and manage transportation, cash orders, and deliveries.*

**45. Can the Nation provide their current process for obtaining Cashier's Checks, Money Orders, and Deposit Bags as mentioned in section 3.0 Scope of Work?**

*a. We do not use Cashier's checks or money orders. We use tamper proof clear bags for deposits, as required by our gaming regulations. We are willing to work with the Financial Institution on mutually agreeable packaging for deposits.*

**46. Are the Nation's deposit balances that exceed FDIC insurance limits collateralized or insured today? Is collateralization required?**

*a. The accounts are currently collateralized, and that would be a requirement.*

**47. Does the Nation use a Purchasing Card program today? If so can you provide an estimate of annual purchasing card \$volume and number of cards?**

*a. We use a Purchasing Card; however, that is not included in the scope of this bid.*

**48. How many staff are involved in accounting work and day-to-day banking?**

*a. We do not see the relevance of this question as written; therefore, we will answer what seems pertinent here. The Legislature has 9 Representatives who will be authorized to sign for the accounts, with two signatures required. Treasury has ten staff members who work with banking transactions, including reconciliation, wire preparation, payroll uploads and approvals; however, you will likely only make contact with three of them. Each casino location has between*

*6-15 Cage Supervisors who will pack deposits and accept cash drops; however, only the Cage Manager, Lead Cage Supervisor, and dayshift Cage Supervisor will make contact with you. The casinos and Department of Health each have 2-6 accountants who may need access to pull reports.*

**49. Can the Nation confirm the location of each facility and business described in section 1.0 Background information?**

*a. The cities are included in the description for all of the businesses. All governmental and ancillary businesses are located in Black River Falls, Wisconsin, with the exception of Lynwood, which is located in Chicago, Illinois.*

**50. Who does the Nation use for credit card processing?**

*a. This question is not relevant to the RFP. We are not asking for credit card services.*

**END OF ADDENDUM**

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