

Banking Services Proposal  
Presented to

**City of Fort Bragg**

**August 9, 2019**

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**Tab A Transmittal Letter**

August 9, 2019

June Lemos, CMC  
City Clerk  
City of Fort Bragg  
416 North Franklin Street  
Fort Bragg, CA 95437

Dear Ms. Lemos:

The City of Fort Bragg (the City) can rely on U.S. Bank for excellence in banking services. Together we will work to improve your overall financial operations with the services described in response to your Request for Proposals for Banking Services. The enclosed proposal addresses the RFP in its entirety, demonstrating the depth and breadth of innovative, value-driven financial solutions from U.S. Bank.

We will continue to offer a broad consultative approach, in addition to delivering specific services and customized solutions to create the maximum value for the City's operational needs. You can continue to evolve and grow with the support of a financially sound institution; our strong client focus is the result of U.S. Bank's disciplined operations and strategic business decisions.

We offer a broad consultative approach, in addition to delivering specific services and customized solutions to create the maximum value for your operational needs. You can continue to evolve and grow with the support of a financially sound institution; our strong client focus is the result of our disciplined operations and strategic business decisions.

We look forward to working with you and offer what we believe is an aggressive fee schedule complemented by these financial incentives:

- Interest Earnings on all applicable accounts at 0.25% (bank managed rate)
- Competitive Earnings credit to assist the City in offsetting associated fees of 1.75%.
- Transition Earnings Credit Bonus of \$7,500!
- New Service Bonus of \$2,500 (to assist in adding new services in the first year of service)
- Superlative Investment options that will allow the City to increase interest earnings!

With a compelling solution and price, we can meet the City's solution requirements in full. We welcome the privilege and ask for the opportunity to help the City further develop fiscally attractive banking services. We look forward to working more closely with you and your team.

Sincerely,

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## Disclaimers

*This proposal may contain certain nonpublic information about U.S. Bancorp and its subsidiaries and affiliates that we deem proprietary and confidential. By accepting these materials, you agree to use this information only to evaluate the proposal and to hold such designated confidential material in confidence, sharing it only with your employees and advisors on a need-to-know for the purpose of choosing a service provider. Acknowledging this information is subject to the Freedom of Information Laws governing disclosure of public information, U.S. Bank requests to be contacted before information is made public in order to request redaction of such designated specific "Confidential" information included in our proposal response, including business contracts/agreements, proprietary information regarding product functionality, custom process flows, demo passwords, pricing, operational procedures, processing site locations, service manuals, data security, disaster recovery details, SOC and SSAE16 reports, and implementation and disclosure documents. Publication of this information could create an unfair competitive disadvantage. Where possible, such information as outlined above will also be marked "Confidential" within our response.*

*Information provided is the sole and absolute property of U.S. Bank and nothing is intended to, in any way, transfer ownership rights to Ohio Valley Educational Cooperative.*

*The prices quoted in this proposal are firm and irrevocable for not less than 180 days until contract award and documentation. Thereafter, prices quoted will be held fixed for the 5-year term of the contract including optional extension periods. However, should volumes, quality of work provided by City of Fort Bragg or regulatory requirements significantly change, this pricing agreement may be subject to mutual renegotiation for affected items. Notwithstanding anything contained herein to the contrary, all Treasury Management Services provided to City of Fort Bragg are subject to U.S. Bank's Treasury Management Services Terms and Conditions as provided for mutual negotiation and as the same may be amended from time to time. Additional new services will be offered at the same agreed upon prices if bid, or at similar offered discounts if newly requested services not previously included. This agreement can be terminated by either party with 90 days written notice.*

*U.S. Bank does not agree to contract terms as a part of this response to the City of Fort Bragg Request for Proposals for "Banking and Merchant Services RFP". Separate contract documentation will be mutually negotiated as provided by the City of Fort Bragg. Regulation W disclaimer: U.S. Bank N.A. is not responsible for the obligations of its affiliates.*

*For purposes of this proposal, we may have relied upon financial information provided to U.S. Bank by your authorized representatives or officers. City of Fort Bragg agrees that U.S. Bank is not responsible for the completeness or accuracy of such information. By your acceptance of these materials, you also acknowledge that U.S. Bancorp and U.S. Bank are not committing to extend credit or render services to any other person or entity.*

## Regulatory Disclaimer

*Our proposal is contingent on U.S. Bank's completion of required AML/KYC processes and enhanced due diligence review and approval. We look forward to working with you to obtain the appropriate information to complete that process.*

*Although marijuana has been legalized in many states, marijuana remains illegal under Federal law. U.S. Bank complies with Federal law. U.S. Bank is committed to serving its valued clients while complying with the highest standards of legal and regulatory compliance. U.S. Bank will provide treasury services to the City, but only to the extent that the transactions processed by U.S. Bank represent City funds and not funds of marijuana businesses. For example, U.S. Bank will not provide electronic payment mechanisms for accepting funds sent directly from a marijuana business. Deviations from the above will inhibit the ability of U.S. Bank to provide treasury services.*

## Confidentiality Disclaimer

*The information provided in this proposal is privileged and confidential and is only to be used by City of Fort Bragg for the sole purpose of choosing a service provider. This information is the sole and absolute property of U.S. Bank and nothing is intended to, in any way, transfer ownership rights to City of Fort Bragg. This information should not be shared outside of City of Fort Bragg. U.S. Bank does not agree to contract terms as a part of this response to City of Fort Bragg's Request for Proposal. Please refer to **Exhibit 2b – U.S. Bank Corporate Payment Systems List of Exceptions** for details. Regulation W disclaimer: U.S. Bank N.A. is not responsible for the obligations of its affiliates.*

## Executive Summary

The City of Fort Bragg (the City) can minimize banking costs and improve operational efficiency by expanding your partnership with U.S. Bank. Your financial services team is ready to create and expand with a long-term commitment to the City. U.S. Bank can meet all of the requirements outlined in your Request for Proposal, which document is incorporated by reference into this Proposal as if set forth in full. Consider why we are your best option.

### Understanding your needs

The City needs a provider of comprehensive banking solutions with bench strength in both treasury services and with municipalities and governments in California. The City can leverage U.S. Bank's experience and our understanding of a city's operational complexities and challenges.

### Meeting your goals

The City wants to execute financial processes faster and better and so does U.S. Bank. We continue to develop a wide range of products and integrated delivery systems as our customers accept, adopt and anticipate more and more emerging technologies.

The City can realize savings in time, dollars and resources by again engaging our specialists in a highly consultative dialogue to optimize the City's working capital, at no cost to the City. The implementation of payroll banking services affords the opportunity to take a deep dive into your entire receivables and payables processes.

Your U.S. Bank team stands ready to examine the City's operations in a manner that facilitates more automation into daily processes, an important goal of the RFP process. This collaborative approach will include attainable transition steps to acclimate the City associates to new functions. In addition, we are committed to examining current processes and assisting the City in identifying operational changes that can result in the biggest efficiency gains. We will work with you to prioritize tactics to achieve the greatest improvements in process in the shortest amount of time.

### Government Banking Advantage

For more than 150 years, U.S. Bank has provided financial services to government entities. Our extensive work in partnership with organizations of all shapes and sizes gives us a unique perspective in meeting the needs of the public sector.

U.S. Bank Government Banking Division provides banking services, treasury management, card products or corporate trust services to all 50 states. We provide primary banking services for Idaho, Kansas, Maine, Minnesota, Montana, Nebraska, Oregon Utah, Washington and Wisconsin. Other significant banking relationships include the states of Alaska, Arkansas, California, Colorado, Connecticut, Indiana, Iowa, Kentucky, Maine, Michigan, Missouri, Nevada, Ohio, Pennsylvania, South Dakota, Tennessee and Texas.

U.S. Bank offers a wide range of deposit, Treasury Management, trust, investment, and payment processing products to meet the needs of state, cities, counties, towns, school districts, and other governmental or public organizations. U.S. Bank also offers government-specific interim financing for construction products, equipment financing, temporary cash flow financing, term financing, pooled financing programs, and registered warrants.

### Proven financial strength

We continue to outpace our peers in key performance metrics, and we deliver consistent, predictable, repeatable industry-leading financial results year after year. Our solid financial position helps us create value for our shareholders and allows us to invest greater resources into client experience, employee engagement and community revitalization.

### Personalized relationship management

Your relationship manager, Laurie Baker, is your primary contact for our partnership. Laurie works with your treasury management consultant, Desiree Cowden, to support you and your overall relationship. Your relationship team advocates for you in the marketplace, working to understand how new and emerging technologies will create better functionality and provide you an economic advantage. You can expect timely responses to operational, pricing, technical questions and other general inquiries on a day-to-day basis.

### Superior customer service

Our Commercial Customer Service group supports a wide variety of public sector customers. The City is will work closely with your assigned a U.S. Bank Commercial Customer Service team, they will provide prompt depository and treasury management support. Highly skilled and extensively trained, your service staff will respond to both routine and complex inquiries through online access to our systems and product databases. Why U.S. Bank?

- Financial Strength, Safety and Stability – U.S. Bank continues to be one of the highest rated Commercial Bank in the United States
- Public Sector Expertise – 5,000+ significant relationships throughout our 25-state footprint
- World’s Most Ethical Company (five consecutive years)
- Cost Effective – Advantageous pricing structure that includes an Earnings Credit of 1.75% to assist in the offset of fees, as well as a competitive monthly interest rate of 0.25% that will be paid to the individual accounts monthly.

**U.S. Bank provides the City of Fort Bragg the *best* offer, the *best* payment solutions, and that we feel we are the *best* partner to assist the City in achieving your goals and hope you agree.**

- **The Right Offer.** Given the cost and disruption of changing banks in an already challenging business environment, it is necessary for the City to have an ***outstanding financial incentive.***

We have structured a financial package that includes: Waiver of new set-up fees, incentives toward potential new services, coupled with preferential pricing.

- |  |
|--|
| <ul style="list-style-type: none"><li>✓ New Product Implementation Incentive: <b>\$2,500</b></li><li>✓ Transition Bonus representing: <b>\$ 7,500</b></li><li>✓ Earnings Credit Rate = 1.75% - bank managed</li><li>✓ Interest Earnings = 0.25% - bank managed</li></ul> |
|--|

- **Benefits of the U.S. Bank solution** - Ongoing expansion and the introduction of numerous electronic and technological enhancements through monitoring of trends, industry developments, and competitor evaluation help keep our products and services at the forefront of efficiency within the banking industry.
  - **Dedicated to Electronic Banking**—U.S. Bank champions the revolution in electronic banking. Among the services leading this virtual-banking charge are SinglePoint Image Access, Onsite Electronic Deposit, Electronic Cash Letter Deposit, Lockbox-Image Look and E-Payment Service, and more.
  - **Collaborative Solutions**—Not every U.S. Bank customer’s requirements are the same. That is why our solutions are so varied, and in many cases, customizable. You can expect a highly collaborative relationship with us to uncover together ways to maximize efficiency.
  - **SinglePoint**—Our “one-stop” shop is an online portal offering access to your accounts and the systems you need to manage them. SinglePoint was developed by U.S. Bank using in-house resources and customer input. User focus groups and feedback contributed significantly to SinglePoint’s creation, the results of which include an intuitive navigation design and single-sign-on capabilities. SinglePoint is browser-based; therefore, no additional software is required.

3. **The Right Partner.** A partner that continues to bring additional and significant value over the life of the contract and a Bank you can be proud of.

- U. S. Bank’s approach remains all about **teamwork!** We work as a team to provide the best possible service to the City of Fort Bragg, that is a constant with our relationship with the City and your many departments.
- U.S. Bank is uniquely positioned as your best strategic partner. We view all of your payment spend holistically and recommend solutions based on optimizing the entire payables process. Your relationship team extends options available to the City of Fort Bragg to meet with our working capital experts, who will discuss and advise your process based on your unique business model for maximum efficiency, flexibility and control.
- U.S. Bank has a stellar record for community support. We are very proud of our **“Outstanding” CRA rating.**

#### U.S. Bank’s Key Differentiators

We believe in doing the right thing. At U.S. Bank, our dedication to making ethical decisions and doing the right thing is at the heart of what we do. These efforts haven’t gone unnoticed: we’ve been named one of the 2019 World’s Most Ethical Companies® by the Ethisphere Institute, in recognition of our demonstrated leadership in ethical business practices. This is our fifth consecutive year on this list. Only three banks in the U.S. received this distinction.

We are your financial partner. Our relationships are built on trust that we build every day through every interaction. Our employees are empowered to do the right thing to ensure they share your vision for success. We work as a partner to provide financial products and services that make banking safe, simple and convenient. We’re here to help navigate important milestones and strengthen futures together.

We are innovators. With consumer behavior changing nearly every day, experience-enhancing innovation drives our decisions about mobile payments, branch modernization and every other customer touch point we have. Likewise, our business and institutional clients throughout the U.S. and across the globe expect more from us as their banking partner: improved technology, more information, enhanced security, faster connectivity, greater flexibility and better collaboration. Our ability to innovate is central to our success.

Our heritage of innovation is why *Bank Innovation* recognizes our leadership as some of the most innovative in the industry.

We are financially strong. We continue to outpace our peers in key performance metrics, and we deliver consistent, predictable, repeatable industry-leading financial results year after year. Our solid financial position helps us create value for our shareholders, and it allows us to invest greater resources into customer experience, employee engagement and community revitalization.

Together, our commitment to ethical business practices, innovative approach and financial strength create the foundation for our future growth. These principles set us apart from all others and solidify U.S. Bank as the most trusted choice in the banking industry.

## Tab B – Bank and Personnel File:

**Bank Overview – Provide a general overview of the bank’s operations, fundamental management, customer service philosophy, and financial strength. Identify the primary office or branch that the City will be assigned to and where the City will conduct its primary banking business.**

### U.S. Bank overview

U.S. Bancorp is headquartered in Minneapolis, Minnesota. We are a diversified financial service holding company with \$476 billion in assets (as of March 31, 2019) and the parent company of U.S. Bank National Association, the nation’s fifth-largest commercial bank.

Our 74,000 U.S. Bancorp employees come together to serve 18.7 million consumer, business and institutional customers through our four core lines of business: Payment Services, Consumer and Business Banking, Corporate & Commercial Banking, and Wealth Management and Investment Services. Through these lines of business, we offer a comprehensive suite of banking, investment, mortgage, trust and payments products.

We are a leader in the banking industry. Our outstanding track record of financial performance coupled with our sound ethical business practices have earned us the honor of being named a 2019 World’s Most Ethical Company® by the Ethisphere Institute, a leading international think tank dedicated to the advancement of best practices in business. This is our fifth consecutive year on this list. We were also named Fortune’s 2019 “most admired superregional bank” for the ninth consecutive year and ranked in the top 10 among 680 companies across all industries for Community Responsibility (No. 8) and Financial Soundness (No. 9).

U.S. Bank continues to outpace peers across all key performance metrics – such as return on assets, return on equity and efficiency ratio – year over year, and in 2018 we also achieved record net revenue and diluted earnings per share. In addition, we maintain exceptional capital ratios and remain among the world’s best in debt ratings across the industry.

Our size, strength and scale keep us well positioned for future growth. We are committed to invest in delivering innovative and remarkable solutions for our customers, shareholders, employees and communities as their most trusted financial partner.

Your nearest Commercial Customer Service Center is located in Sacramento.

The closest U.S. Bank ATM is located at the Ukiah Safeway – 653 South State Street, Ukiah, 38.2 miles from Fort Bragg. Rather than recommending a branch facility for deposits, we are recommending utilizing our Onsite Electronic Deposit Service for daily deposits. Cash deposits can be deposited in a local bank of your choice in your market and swept daily via ACH.

“World’s Most Ethical Companies” and “Ethisphere” names and mark are registered trademarks of Ethisphere LLC.

Among superregional banks, Fortune ranked U.S. Bank as No. 1 in eight of the nine key attributes of reputation:

- Quality of Management
- Community Responsibility,
- Innovation
- Quality of Products/Services
- People Management
- Use of Corporate



**Experience – Describe the bank’s direct experience in servicing public sector clients. Please include the information such as the number of nationwide and California public agency clients, the dollar amount of public funds on deposit for each of these categories, and the bank’s knowledge of and adherence to the California Government Code and other applicable laws.**

The U.S. Bank Government Banking division is dedicated to working exclusively with the public sector and is staffed with seasoned relationship managers, many of whom have direct experience working in the public sector.

The division understands the unique legal, operating, financing requirements and purchasing characteristics of the public sector. Our nationwide, coordinated delivery of services to local governments is unique among major banks, providing our clients broad access to technologically advanced products while maintaining essential local service.

Government Banking has teams of industry specialists, including a group of debt financing and credit specialists, serving the government sector nationwide, including:

- State governments
- School districts
- Sanitation and other special purpose authorities
- Housing authorities
- City and county governments
- Water and healthcare districts
- American Indian tribal authorities
- Higher education institutions

U.S. Banks presence nationally:

- Managing over 5,200+ government relationships nationally
- National market share: 5<sup>th</sup> largest bank
- National public funds on deposit: \$12 Billion

U.S. Bank’s presence in California:

- California public agency clients: 348
- California Branch’s: 625
- Statewide market share in deposits: 2.8%

State of California subvention payments are handled through our lockbox facility. Warrants are delivered to the Sacramento Lockbox department from the State of California and the corresponding credits are processed to the individual client accounts.

U.S. Bank was selected as a state depository bank in 1992. U.S. Bank can easily support both deposits and withdrawals between the City and LAIF. As one of eight authorized California State depository banks, the need to make expensive wire transfers to and from LAIF is eliminated.

Withdrawals: LAIF processes their withdrawals and initiate a Batch Wire via U.S. Bank’s SinglePoint.

Deposits: LAIF notifies U.S. Bank of investment instructions received from U.S. Bank clients.

U.S. Bank’s Government Customer Service executes a book transfer from designated client accounts to LAIF. As a book transfer, funds are available immediately for investment or distribution.

**Relationship Management – Identify the size and scope of your California-based public banking unit, banking officers responsible for the City’s accounts, what each person’s role and responsibilities will be, and the relevant credentials and experience of each person on the relationship management team.**

U.S. Bank could not exist without our customers. That is why the foundation of our relationship-based service model is what ultimately distinguishes U.S. Bank from our competitors. That foundation is at the heart of every interaction of every member of the U.S. Bank team.

All of us create the environment to inspire the innovation, drive, teamwork, integrity and sincerity to excel with our customers. All of us work to surpass expectations with superior products, solutions and service. All of us pursue ways to strengthen and build deeper relationships both inside and outside our organization. And all of us recognize what gives us the truest measure of our success — and that is our customers’ success.

**Government Specific Relationship Manager**

**Laurie Baker**

208.308.0127 | [laurie.baker3@usbank.com](mailto:laurie.baker3@usbank.com)

Laurie Baker is a Relationship Manager for U.S. Bank’s Local Government Banking Team; she covers relationships in California, Nevada, Arizona, Wyoming, and Montana. Laurie joined the bank in 1996 as a Personal Banker. In 2000 she was promoted to Sales Manager and then Branch Manager in 2002, then to a Treasury Management Partner in 2004. Realizing she enjoyed working with governmental entities she then joined the Government Banking Division as a Relationship Manager in 2006.

Laurie received her Bachelor of Science from the University of Nebraska as well as received an Associates of Agriculture from Chadron State College. She is also a graduate of Taichung Language School – Tai Chung, Taiwan. Her areas of expertise include: Office of Controller Currency, Depository Regulations and Compliance, NACHA Rules as well as a wealth of Treasury Management related information.

**Treasury Management**

**Desiree Cowden**

775.790.4875 | [desiree.cowden@usbank.com](mailto:desiree.cowden@usbank.com)

Desiree Cowden is a Treasury Management Payments Consultant in Central/Eastern California. She supports the Treasury Management needs of both Private Client Banking and Government Banking. Desiree is responsible for providing solutions in the treasury management field. Her role is to offer product insight, proactive support and innovative solutions for Commercial, Small Business, Non-Profit and Government Clients. She has over 23 years banking experience in retail and commercial banking and has been with U.S. Bank since 1998.

**Merchant Processing | Elavon**

**Veronica Ruiz**

Regional Director | Strategic Markets – Public Sector Sales  
469.243.5491 | [veronica.ruiz@elavon.com](mailto:veronica.ruiz@elavon.com)

Veronica Ruiz has been in the financial technology industry for over nine years, working with numerous payment providers in various segments. She has over three years’ experience working public sector and understands the needs and demands in working with higher education and government. Veronica’s responsibilities include, but are not limited to, planning, designing, implementing and supporting the account throughout the entire relationship. She takes great pride in getting to know her clientele and retaining a close relationship with all parties involved. She will be the main point of contact for your account.

**Customer Service – Describe how the bank handles problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental entities. Specify whom the City will be calling for day-to-day banking and treasury management issues. Explain the process for elevating an issue to a higher level to obtain a quick resolution when the day-to-day contact is not responsive.**

Commercial Customer Service (CCS) provides a premier level of service on your depository, loan and treasury management products. Our specially trained staff will respond to both routine and complex inquiries through online access to our many systems and product databases.

Our service bankers take ownership of your inquiry with final resolution often occurring during the initial call. More complex issues are personally managed and tracked by the service banker until resolved. You may contact CCS when needed to ensure the most appropriate action is taken and your satisfaction is achieved.

Below is a sample of services provided by Commercial Customer Service:

<b>Commercial Customer Service</b>	
<b>Answer inquiries and provide support for the following services</b>	
	<ul style="list-style-type: none"> <li>• Answer inquiries about statement or bank procedures</li> <li>• Assist with fraud issues</li> <li>• Open and close accounts</li> <li>• Correct deposit errors and provide correction documentation</li> <li>• Issue stop payments</li> <li>• Transfer funds</li> <li>• Perform routine maintenance, such as address changes, special handling requests, returned items</li> <li>• Provide copies of specific transactions at your request</li> <li>• Research errors, missing deposits, etc.</li> <li>• Reorder depository supplies</li> </ul>
<b>Treasury Management Services</b>	
<b>Answer inquiries, research specific transactions and perform simple maintenance for the following treasury management services</b>	
Account reconciliation	<ul style="list-style-type: none"> <li>• Deposit recap</li> <li>• Deposit reconciliation</li> <li>• Full/partial reconciliation and positive pay</li> </ul>
Collection and concentration	<ul style="list-style-type: none"> <li>• Cash vault</li> <li>• E-Payments</li> <li>• Focal Point Plus</li> <li>• National processing</li> <li>• Lockbox</li> <li>• On-Site Electronic Deposits</li> <li>• Returned check management</li> </ul>
Disbursement	<ul style="list-style-type: none"> <li>• ACH</li> <li>• Bill consolidator payments</li> <li>• Controlled Disbursement</li> <li>• EDI (Electronic Data Interchange)</li> <li>• Wires</li> <li>• Zero Balance Accounts</li> </ul>
Information reporting	<ul style="list-style-type: none"> <li>• SinglePoint</li> </ul>
Image	<ul style="list-style-type: none"> <li>• Paid check images</li> <li>• Deposit ticket images</li> <li>• Deposited item images</li> </ul>

	<ul style="list-style-type: none"> <li>• Adjustment images</li> <li>• Miscellaneous debits and credits</li> </ul>
<b>Loan Services</b>	
<b>Answer inquiries and provide support for the following loan services</b>	
Loan servicing	<ul style="list-style-type: none"> <li>• Perform loan payments and advances</li> <li>• Confirm availability of funds</li> <li>• Provide transaction history</li> <li>• Answer invoice questions</li> <li>• Retrieve specific invoices at your request</li> <li>• Research errors, missing transactions, etc.</li> <li>• Perform routine maintenance such as address changes</li> </ul>

### Problem resolution

If an issue requires escalation and more detailed second level support, the Commercial Customer Service (CCS) banker assigns the issue to an operations or technical area to facilitate the resolution through our call tracking system.

Should further escalation be required, the CCS service banker escalates the issue to their team leader or CCS site manager, who works directly with escalation contacts for all operations and technical areas. The relationship manager will be part of this process. Senior management team members meet each Friday to address and solve escalated issues, keeping ownership until the root cause is determined and resolved. The three-tier escalation process is as follows:

#### First level: Commercial Customer Service

When the City first identifies an issue, your first step is to report it to CCS, who will enter it into our call tracking system and attempt to resolve it. If the service banker is unable to resolve the issue, CCS escalates it to a product-specific Level Two support team.

#### Second level: escalation to appropriate operations/implementation managers

Level Two support team resolves issue and updates tracking data, or if not resolved, interested parties are brought together to assist in resolution. Parties could include:

- CCS team leader or site manager
- Relationship manager
- Treasury management sales consultant
- Treasury management support manager
- Operations manager

#### Third level: escalation to senior management

If the issue is still unresolved, it is escalated to senior management. Reasons for escalation at this stage include:

- Issues with unacceptably prolonged closure
- Issues for customers experiencing abnormally high quantity and/or frequency of service quality or system performance issues
- Chronic, recurring issues
- Issues that risk or may risk the customer relationship

The issue is escalated by an appropriate manager (as listed in Level Two) sending an email summarizing the situation to the Operation Servicing Issues group. An appointed senior management banker will then log the issue and engage appropriate operations (or other groups) in the research and resolution of the issue.

All open issues are reviewed in the Treasury Management Operations Service Quality meeting every Friday. The purpose of the meeting is to review actual performance relative to all operations and IT service level

agreements (SLAs). SLAs relate to system availability, accuracy and responsiveness. IT and operations managers speak to causes and remedial actions in process relative to missed SLAs.

### **Purchasing Card Support**

Most often, Program Administrators will interact with the Account Coordinators for any support needs. What follows is a description of each of the support roles U.S. Bank will provide to the City's Program Administrator:

#### **Account Coordinator Team**

We have developed pods of Account Coordinators to offer an additional level of daily strategic support and consultation to the City's Program Administrators. The Pods, typically a team of four or more Account Coordinators, are grouped by product or functionality to ensure you have a team of individuals available when you need assistance. Our Account Coordinator Team is available Monday through Friday from 7 a.m. to 7 p.m. PT to support clients with day-to-day questions and concerns, including the following requests:

- Account inquiry
- Manual authorization request
- Access Online reporting
- Company billing address change
- Fee inquiry
- Association Liability Insurance inquiry
- Statement discrepancy
- Cardholder name change or Social Security Number (SSN) correction
- Rush card delivery (fees may apply)
- Missing or misapplied payment
- Credit balance refund
- Program benefits and enhancements
- Past due account unblocking or reinstatement
- Standard Industrial Classification (SIC)/Merchant Category Code (MCC) blocking change

#### **Account Manager**

Provides direction during program implementation and facilitates success of your program through continued consultation and responsibility for account performance, program updates and product enhancements. Key responsibilities include:

- Understands your organization's goals and objectives
- Provides consultation for an effective implementation
- Introduces Implementation Project Managers, project support managers and the Account Coordinator team
- Participates in implementation meetings as necessary
- Develops and monitors mutually determined account performance goals
- Maximizes value of the commercial card program through continuing program consultation
- Coordinates with other U.S. Bank departments to ensure outstanding service
- Facilitates program enhancement projects focusing on clients adopting industry best practices and expanding the application of commercial cards
- Introduces all other U.S. Bank value-added products and services designed to enhance the overall client relationship

In addition to the daily support our Account Coordinators provide your Program Administrators our in-house, 24/7 Customer Service Center is available toll-free and is fully dedicated to our cardholders.

Cardholder customer services achieved a 91 percent top box score in overall cardholder satisfaction and a 92.3 percent First Call Resolution in 2018.

Our two U.S.-based call centers are in Fargo, North Dakota, and Coeur d’Alene, Idaho, and our Fraud Call Center is in Overland Park, Kansas.

Customer Service Representatives can assist with:

- General Information
- Account balance and status
- Card replacement
- Lost or stolen card reports
- Card Delivery inquires
- Manual authorization
- Resetting passwords for Access Online
- Card activation support
- Address changes
- Account closures
- Decline Transaction Inquiries
- Spending limit availability
- Payment due dates and mailing addresses
- Sales draft and dispute requests and inquires
- Statement transaction inquires
- General cardholder navigation for Access Online
- Making a payment

### **Program Issue Resolution**

Our issue resolution protocol is structured to empower each of our service representatives, supervisors, and managers to resolve a broad range of problems appropriate to their position within Cardholder Service, Relationship Management and U.S. Bank Corporate Payment Systems as a whole.

An overall escalation process follows the structure outlined below. To ensure that our service is not subject to repeating issues, client issues are tracked and reported to senior management.

- **Customer Service, Implementation or Relationship Management**—The majority of program issues are resolved within Tier One of our escalation protocol
- **Escalation Team, Manager or Supervisor**—Our standard protocol is to escalate to the first management level. If the issue is not resolved at this level, the item is reported to the General Manager for tracking and resolution.
- **General Manager**—The last stop for escalations, given that they have full control over the business line.

### **Cardholder Issue Resolution**

If a cardholder experiences difficulty with their card, they should not hesitate to contact U.S. Bank Customer Service using the toll-free number on the back of the card. Cardholders will receive immediate assistance on matters such as billing, lost or stolen card procedures, declined transactions, disputes and a variety of other issues.

Should the cardholder feel the Customer Service Representative is not resolving the issue to their satisfaction, we encourage the cardholder to request to speak with a supervisor. The call will then be escalated until the matter is successfully resolved.

**Compliance and Exceptions – Include a statement to confirm the bank’s compliance to specific minimum qualifications, listing any exceptions to required services.**

U.S. Bank meets the qualifications as outlined and has the ability to provide services as outlined by the City.

**Responsible Banking Description – Describe the bank’s responsible banking policies and practices. Discuss any current efforts, or those that may be implemented in the City of Fort Bragg, if the bank were awarded the City banking contract. Lastly, describe any other efforts/contributions the bank has made/would make relative to investment in the local community (such as fraud prevention seminars hosted at the City’s C.V. Starr Community Center).**

We believe all people deserve the opportunity to dream, believe and achieve. The building blocks that make our country great – a stable job, a home to call your own and a community connected through culture, recreation and play – continue to be at the heart of possibility for all of us. Through U.S. Bank Community Possible<sup>SM</sup>, we invest our time, resources and passion by supporting efforts to create stable jobs, better homes and vibrant neighborhoods.

Our corporate social responsibility work centers on economic development in the communities we serve and live. Community Possible, our corporate giving and engagement platform, focuses on programs centered on Work, Home and Play. We make work possible by supporting organizations that help small business thrive and people succeed in the workforce, provide pathways to higher education, and teach greater financial literacy. We make home possible by supporting efforts that connect individuals and families with sustainable housing opportunities. We make play possible by investing in community programs that develop ways for children and adults to play and create in venues across the country.

Strong civic connections start with understanding the needs of our communities and deepening relationships in ways that move us all forward. As our neighborhoods face challenges, we endeavor to help address those challenges through employee leadership and volunteerism, financial support of our nonprofit partners, investments in and loans for transformational community projects, and sharing our knowledge through financial education. Our employees form the base for our civic connections. They are inspired and engaged leaders in their communities and offer their time and talent daily. Our Development Network chapters and Business Resource Groups empower employees to harness what they hear from their clients and community partners and help them mobilize our many resources to lead the way to success.

To learn more about U.S. Bancorp’s Corporate Social Responsibility and community development efforts, visit [usbank.com/communitypossible](https://usbank.com/communitypossible)

Our Community Development Lending and U.S. Bancorp Community Development Corporation (USBCDC) teams look for opportunities in each market to work with key community partners to develop affordable rental housing projects that provide needed services to residents and bring access to public transportation and markets with healthy foods. USBCDC, our community investment subsidiary, also provides capital investment for the rehabilitation of historic buildings, the development of renewable energy facilities and the generation of commercial economic activity in underserved communities.

## Tab C – References

Please provide three (3) references. References should include other California cities of similar size and scope of service utilization as the City of Fort Bragg. Select both long standing and recent customers. Include the following information for each reference:

- Contact name and title
- Name of agency
- Telephone number and email address
- Services provided

U.S. Bank is pleased to provide the City the following references for your review:

Michelle Bannigan, Assistant Finance Director

**City of San Juan Capistrano**

949.487.4317 | [mbannigan@sanjuancapistrano.org](mailto:mbannigan@sanjuancapistrano.org)

Services provided include: Depository, Treasury Management and Corporate Payment Systems (CalCard)

Troy Kidd, County Treasurer

**Butte County**

230.552.3720 | [taxes@buttecounty.net](mailto:taxes@buttecounty.net)

Services provided include: Depository, Treasury Management and Leasing

Tammy Nossardi, Finance Manager

**City of Citrus Heights**

916.727.4705 | [tnossardi@citrusheights.net](mailto:tnossardi@citrusheights.net)

Services provided include: Depository, Treasury Management and Merchant Processing



## Tab D – Demand Deposit Accounts

The City currently uses three (3) demand deposit accounts (DDAs).

### 1. How many days after month-end will the City receive its bank statements?

Statements are available within SinglePoint on the first day of the month following month end. Users can request a message alert when they are available.

- DDA statements in PDF and TXT formats are available by 6 a.m. PT of the second day following month end.
- DDA statements with check and/or deposit ticket images are available in PDF format only.
- If the end of month falls on a Friday, the statement should be available on Monday.
- DDA statements in CSV format are available by 6 a.m. PT.

### 2. Are the bank statements available online?

Yes, bank statements are available using SinglePoint, our online banking system that helps you manage your financial accounts with U. S. Bank.

### 3. Does the bank offer ACH blocks or filters? If so, please explain.

Yes. U.S. Bank ACH Filter and Block enables the City to protect deposit accounts against unauthorized ACH debit and/or credit transactions. Business eCheck block is also available and allows you to block WEB and TEL payment types and the converted check payment types: ARC, POP and RCK.

Additionally, you can use SinglePoint ACH Positive Pay to add new authorizations to your accounts online. Authorizations are a set of rules you can establish to determine which incoming ACH credits and debits should be allowed to post to your accounts.

The ACH block service effectively blocks all ACH debit transactions, except generated settlement items. you can also configure the ACH block service to block all incoming credits.

### 4. Does the option exist to create sub-accounts under the primary account?

Yes. U.S. Bank processes depository transactions using one operating platform. This allows the City to use a single account to make deposits at any U.S. Bank location in any state. The account can serve as both a concentration and an operating account, which reduces your time and the expense to maintain and reconcile multiple accounts.

Zero Balance Account (ZBA) transfers are available across our footprint. A proximity study may be done to match your locations to our nearest branches. For select transactions, store locations can be identified by the value placed in the auxiliary On-Us field on the deposit ticket MICR line.

## **Tab E – Collateralization of Deposits**

**The bank is required to collateralize public funds deposits under the California Government Code, Sections 53651 and 53652. Copies of the reports filed with the State of California shall be made available to the City upon request. Please detail the bank’s procedures for collateralizing public funds deposits.**

### **1. What types of securities are used as collateral?**

Qualified municipal bonds and mortgage-backed securities are typically used as collateral for CA public agency deposits. For the State of California and its’ Agencies; a Letter of Credit is used as collateral. We can facilitate a monthly statement listing of the securities being held as collateral that also reflects their market value. The State of California Local Agency Administrator is only the party able to select/approve collateral types.

### **2. Which bank department is responsible for tracking deposits and monitoring collateral?**

U.S. Bank’s Collateral Management department within our Corporate Treasury Division is responsible for tracking deposits and monitoring collateral. U.S. Bank pledges and maintains qualified securities as deposit collateral in compliance with California Government Code and other applicable laws.

### **3. What is the bank’s current level (\$ amount) of California public funds deposits and the related collateral?**

As California is a Pool, we monitor that the market value that covers all the customers within the Pool. Their securities are pledged at 110%. We hold excess collateral to ensure we are more than fully compliant with State requirements.

### **4. What is the frequency of reporting to the State Treasurer’s Office?**

U.S. Bank reports both monthly and quarterly to the State Treasurer.

### **5. Please include a copy of the Bank’s Contract for Deposit of Moneys in this section.**

For your convenience please review the following pages.

Depository: U.S. Bank National Association  
 Depositor: \_\_\_\_\_  
 Agent of Depository: U.S. Bank Institutional Trust & Custody  
 Auditor: \_\_\_\_\_

**CONTRACT FOR DEPOSIT  
 OF  
 LOCAL AGENCY FUNDS**  
 (Active and Inactive Deposits)

No.	Complete All Applicable Blanks
(a)	\$ <u>47,796,622,000.00</u> (Depository's net worth)
(b)	\$ <u>14,266,915,000.00</u> (Depository's paid-up capital and surplus)
(c)	Agent of Depository: <u>U.S. Bank Institutional Trust &amp; Custody</u>
(d)	Security Safekeeper: <u>U.S. Bank Institutional Trust &amp; Custody</u>

The undersigned designated as "Treasurer", acting in the official capacity and for the Depositor named below (herein called Treasurer), and the undersigned designated as "Depository" (herein called Depository), agree as follows:

1. Representations: Treasurer proposes to deposit moneys in Treasurer's custody with Depository from time to time. At no time will the amount of deposit exceed the lesser of Depository's paid-up capital and surplus or Depository's net worth. In Treasurer's judgment this contract is to the public advantage. Depository represents that as of the date hereof, its net worth and the total of its paid-up capital and surplus are not less than the amounts shown at (a) and (b) above.

2. Governing Law and Compliance: This contract is entered into pursuant to Cal. Govt. Code §53649, and the parties will comply in all respects with, and all deposits hereunder shall be governed by, Title 5, Division 2, Part 1, Chapter 4, Article 2 of the Cal. Govt. Code and all other provisions of state and federal law and regulations applicable to such deposits.

3. Deposit Receipt: At the time of each deposit, Depository will issue a receipt to Treasurer in form agreed to by them. The receipt shall state if and when interest is to be paid, the rate there of, the duration of the deposit and the terms for withdrawal. Each receipt shall be a part of this contract.

4. Interest: If interest is payable on a deposit it shall be paid quarterly, at such rate as Treasurer and Depository agree upon for the deposit, and computed on 360-day basis on the average daily balances of the deposit.

5. Maintaining Security - NON-REN and REN Security:  
 As security for deposits under this contract, Depository, at all times and pursuant to Cal. Govt. Code 53656 and 53658, will maintain with the Agent of Depository named at (c) above, eligible securities as listed in subsections (a) through (l), (n) and (o) of Cal. Govt. Code 53651 (herein called "NON-REN Security") and/or promissory notes secured by first mortgages and first trust deeds upon improved residential property in California in accordance with Cal. Govt. Code §53651.2 (herein called "REN Security"). At all times, when any of Depositor's monies on deposit with Depository under this contract are secured by NON-REN Security, the market value of such security shall be at least 10 percent in excess of the actual total amount of such monies of Depositor, and when any of Depositor's monies on deposit with Depository under this contract are secured by REN Security the value of such security shall be at least 50 percent in excess of the amount of such monies of Depositor.

6. Depository's Default: If Depository fails to pay all or any part of a deposit made and secured by securities under this contract when ordered to do so in accordance with the terms of withdrawal set forth on the deposit receipt, Treasurer will notify the Administrator in writing, who then will order the necessary securities converted into money for the benefit of Depositor as provided in Cal. Govt. Code §53665.

7. Agent of Depository: The Agent of Depository has filed, with Administrator, an agreement to comply in all respects with the Cal. Govt. Code. The Agent of Depository is authorized to hold the securities maintained as provided in paragraph 5 above and to place them for safe keeping, in accordance with Cal. Govt. Code §53659, with any Federal Reserve Bank or branches thereof or with any bank named as Security Safekeeper at (d) above and located in a city designated as a reserve city by the Board of Governors of the Federal Reserve System, or with the Federal Home Loan Bank of San Francisco.

8. Depository's Rights: Depository has and reserves, as to all securities used as security for deposits under this contract, the right to: (a) add, substitute and withdraw them as provided in Cal. Govt. Code §53654, provided the requirements of paragraph 5 above are met; and (b) collect the interest thereon, except in cases when they are liable to sale or are sold or converted in accordance with Cal. Govt. Code §53665.

9. Expense: Unless otherwise agreed in writing by Treasurer and Depository, the (a) transportation of money deposited under this contract to and from Depository, (b) the transportation of securities maintained as security to and from the Agent of Depository, and (c) the handling, collecting and paying of all checks, drafts and other exchange on funds deposited under this contract, shall be without cost to Depositor. Depository shall pay for any charges for the handling and safekeeping of securities hereunder.

10. Contract Termination: This contract is effective as of this date, governs all deposits made by Treasurer with Depository on or after the date hereof, and as to such deposits, cancels and supersedes any previous like contracts between Treasurer and Depository for the deposit of moneys. Either party, upon 30 days written notice to the other, may terminate this contract as to future deposits, but not the deposits then held hereunder.

11. Notice from Administrator: In accordance with Cal. Govt. Code § 53649(h), following receipt of notice from the Administrator ("Administrator of Local Agency Security of the State of California"), Treasurer may withdraw deposits in the event Depository fails to pay the assessments, fines, or penalties assessed by the Administrator or may withdraw authorization for the placement of pooled securities with Agent of Depository in the event that Agent of Depository fails to pay the fines or penalties assessed by the Administrator.

This contract is signed in duplicate and made as of September 27, 2018.

DEPOSITOR

DEPOSITORY

(Name) \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION

(Signature) \_\_\_\_\_  
Acting in official capacity

By: \_\_\_\_\_

Title: \_\_\_\_\_

as \_\_\_\_\_  
(Treasurer, Finance Director, etc.)

By: N/A

of \_\_\_\_\_  
(Depositor)

Title: N/A

## Tab F – Bank Compensation

The City has historically paid for bank services with a combination of hard-dollar fees and compensating balances. Please indicate the following in this section:

- 1. Can the City compensate the bank for services with fees, balances, or a combination of the two at its own election? Please describe any differences in related costs to the City with either option.**

Except for small business clients, compensation owed to U.S. Bank is generally the combination of (or, more accurately, the net difference between) balance-generated credit and analysis fees. Most analyzing accounts receive a monthly earnings credit, which is applied against analysis fees. (Note, however, that merchant services and equipment sales tax are two analysis fees explicitly excluded and, therefore, cannot be offset by earnings credit.)

Earnings credit is based on the average positive collected balance for the month and the applicable ECR for that balance. If the earnings credit amount is not sufficient to cover the analysis fees, the standard method of settling this difference – called the (net) analysis service charge – is to debit a designated analyzing account (chosen by the City) on a monthly basis. The debit occurs on the 10<sup>th</sup> business day of the month following the month of service. There is no surcharge for directly debiting the designated account (called the key account). However, should the City wish to be invoiced rather than directly debited, there is a \$24 monthly processing charge for that service.

- 2. Can the City choose between paying for analysis deficiencies by check, auto debit, or ACH credit?**

Standard processing, U.S. Bank would auto debit the City's designated accounts each month for the associated service charges.

The City can choose to be billed for fees; however, an additional fee of \$25, would apply for this billing option.

- 3. What is the bank's Earning Credit Rate (ECR) based on, and how is it calculated each month?**

Our earnings credit rate (ECR) is a bank managed rate based on a variety of market factors and rate trends. The rate offered to the City is currently assessed at 1.75%.

U.S. Bank uses a managed rate approach to determine ECRs, which can include market trends and other environmental factors. ECRs are applied to collected balances.

The earnings credit is calculated as follows:

- $\text{Collected Balance Available for Earnings Credit} \times \text{the ECR} \times \text{the actual days in the month} \div \text{by } 365 \text{ or } 366^*$

\*The actual number of days in the year is used.

- 4. List the bank's average ECR for each of the last eight months (November 2018 thru June 2019).**

The standard earnings credit for the Municipal Investor Checking account for the historical term specified was: 0.50% or 50 basis points.

**5. Using the ECR for the month of June 2019, please calculate the level of compensating balances (after float and reserves) needed to offset one dollar of the bank services. (\$1 in services = \$\_\_\_\_\_ in compensating balances.)**

U.S. Bank does not assess a reserve requirement for governmental entities the compensating balances for \$1 of fees based on an earnings credit of 175 basis points is \$686.00.

**6. Please explain in detail, how and when the FDIC assessment is computed and charged.**

The pass-thru deposit coverage fee is \$0.1290 per \$1,000 of average monthly ledger balance, effective January 2019.

**7. What is the bank's settlement period for account analysis and billing purposes – monthly, quarterly, semiannually, or annually? How long can any excess balances be carried forward to apply to charges in future billing periods?**

U.S. Bank charges on a standard monthly cycle.

However, quarterly, semi-annual and annual settlement may be available upon request. Applicable service fees are debited from the account designated by the City (key account) on the 10<sup>th</sup> business day of the month following the settlement month. There are no additional fee's for having a non-monthly service charge settlement period.

Excess earnings credit is eliminated at the end of each billing period.

**8. How long will the bank's pricing, as indicated in this proposal and the Banking Services Bid, be fixed?**

Pricing for services will be fixed for the term of the agreement, with the exception of pass-thru type fees.

**9. Please detail which types of items and services can be applied against the account analysis in addition to the standard bank services, such as merchant bankcard processing, messenger service, armored carrier, check stock, supplies, custody services, etc. Is there a markup for any of the items? If so, how much?**

Standard depository services, treasury management related services, depository supplies, money center related services can all be applied back to the City's analysis.

Institutional Trust & Custody related services, as well as Merchant services and equipment sales tax are analysis fees explicitly excluded and, therefore, cannot be offset by earnings credit.

Cost associated with supplies are assessed at bank cost and can be passed through the account analysis for the convenience of the City.

**10. How does the bank charge for overdrafts? Does the bank charge for the use of uncollected funds? If so, how is the charge calculated?**

**Overdrafts general**

Overdraft reports are pulled daily. Your relationship manager, Laurie Baker, notifies you of the overdraft to determine the course of action for covering insufficient funds. Once this is established, Laurie obtains internal approvals, if required, and pays or returns any items.

### Federal Reserve problem

If the Federal Reserve has a problem and sends U.S. Bank image cash letter (Fed receipt plus) files beyond our established service level agreement (SLA), we hold over the late items and include them in the next day's presentments, so you are not negatively impacted.

### Overdraft charges

If an account becomes overdrawn, overdraft fees are assessed whether or not the item is paid or returned. In most cases, the fees are charged through the analysis system and can be offset by the earnings credit allowance.

A charge for negative collected balances may apply. The negative collected balance for each day is totaled and divided by the number of days in the month to produce an average negative collected balance. The fee is calculated as follows:

$$\frac{(\text{Average Negative Collected Balance} \times \text{Rate}) \times \text{Actual Days in the Month}}{360}$$

\* Our standard negative collected funds rate charged is Prime plus four percent. This fee can be offset with earnings credit.

### Overdraft bank error

Your relationship manager, Laurie Baker, and any appropriate department will take appropriate action for overdrafts resulting from bank error.

### Fee cap – Controlled Disbursement

There is no daily cap on fees, but there are no additional fees assessed per check or per occurrence in the event of an overdraft of Controlled Disbursement accounts.

### Overdraft interest

Yes. Interest is assessed on overdrafts.

### Direct charge or earnings credit

U.S. Bank first applies earnings credit allowance balances to offset fees and assesses remaining fees as direct charges.

**11. Please state the negative collected balance charge that the City will pay and, in detail, explain how this charge is computed. Is the rate quoted in this proposal good for the term of the contract?**

For improper funding of the account, U.S. Bank charges an overdraft fee plus a percentage (Prime rate plus four percent) of the negative collected balance.

**12. Are Account Analysis Reports available online? If so, specify the cost.**

Yes. SinglePoint offers your account analysis statements online as part of the Special Reports module. Statements are available on the seventh business day each month. Please refer to the **Pricing Pro Forma** following Tab V – Sample Banking Services Bid Form for a listing of costs additional services provided on Pricing Proforma.

**13. What procedure is used to make any adjustments to the Account Analysis statements and how long does it take for adjustments to take effect?**

Depending on the type and financial impact of the change, adjustments are reflected through one of the following methods:

- Your main account (key account) will be credited (or debited) for the adjustment on the day the adjustment is processed.
- Your prior-month analysis charge will be recalculated (reanalyzed), which reverses the original charge and posts the correct charge (and generates a revised analysis statement) on the day the adjustment is processed.
- The adjustment will be included on the next analysis statement (which cycles on the sixth business day following current month end).

Please notify U.S. Bank of any errors by the last business day of the month in order to have the corrections reflected on your next analysis statement.



## Tab G – Deposit Activity

The City currently utilizes a variety of methods to process daily deposits. The City requires weekly deposit pick-up from City Hall.

Total monthly deposits consist of approximately 700 to 900 un-encoded checks which are scanned in office and uploaded electronically to the bank and approximately \$45,000.00 to \$55,000.00 in coin and currency. Deposited items should be automatically re-cleared once. The City requires the ability to use the branch to make branch deposits, to get change, to allow employees to cash payroll checks, and for other miscellaneous activities.

1. **Please identify your branch locations within the City of Fort Bragg. Do all locations provide night depository services?**

We recommend utilizing Onsite Electronic Deposit service to process your daily checks.

2. **Please describe the bank's deposit requirements. How should the coin and currency deposits be prepared? How should un-encoded check deposits be prepared?**

U.S. Bank Cash Vault accepts loose and rolled coin for deposits. Our cash vaults prefer loose coin deposits.

U.S. Bank sets a maximum of 250 checks per batch and requests a proof tape banded to each bundle of un-encoded checks. The City is provided with unique batch ticket, block ticket and bar codes to assist in tracking deposits and enhance deposit reporting.

3. **How would the City order cash vault supplies? How is payment made for such supplies?**

U.S. Bank prefers deposit ticket supplies be ordered through U.S. Bank in order to control quality. We work directly with a preferred vendor who ensures proper specifications are met. We prefer other supplies, such as disposable deposit bags for coin and currency deposit and order supplies, be ordered direct from your own supply vendor. Supplies are also available for purchase from Deluxe Check Printers.

4. **Please describe in detail the bank's procedures for handling deposit adjustments. What documentation on discrepancies does the bank provide?**

For cash vaults, bankers identify all discrepancies and adjust your accounts for differences over \$10.

For item processing and proof corrections, bankers identify all discrepancies and adjust client accounts for differences of \$1 or greater.

5. **Is the deposit adjustment documentation different from cash deposits and check deposits? What is the minimum adjustment amount? How soon would support documentation of a deposit discrepancy be provided to the City?**

Our cash vaults create a separate client deposit credit or debit adjustment for discrepancies.

For cash vaults, bankers identify all discrepancies and adjust your accounts for differences over \$10.

For item processing and proof corrections, bankers identify all discrepancies and adjust client accounts for differences of \$1 or greater.

For deposits that include checks a paper adjustment is made. These adjustment copies can be accessed via SinglePoint or can be sent through the USPS. Outsourced cash vaults may email or fax an adjustment report instead of sending back a copy of the adjustment ticket. Cash Vault discrepancies are easily identified by unique descriptions and client location/store number IDs on information reporting application report. If requested, you may receive our Special Vault report that will contain information regarding the deposit breakdown, adjustment reason, counterfeit note details, bag ID and serial number from the deposit ticket.

For deposits that include checks a paper adjustment is made. These adjustment copies can be accessed via SinglePoint or can be sent through the USPS. Outsourced cash vaults may email or fax an adjustment report instead of sending back a copy of the adjustment ticket. Cash Vault discrepancies are easily identified by unique descriptions and client location / store number IDs on information reporting application report. If requested, you may receive our Special Vault Report that will contain information regarding the deposit breakdown, adjustment reason, counterfeit note details, bag ID and serial number from the deposit ticket.

**6. Please describe the bank's returned item handling and notification procedures. Is an automatic re-clear option available? How long does it take for returned items to be sent to the City? Include any online tools available for this purpose.**

U.S. Bank's standard service is to chargeback item(s) to the deposit account on the first return. We do not automatically redeposit any item without special instructions.

The City can establish special instructions for: redeposits, email or fax notification, mail advices/items to an alternate address, charge items to an alternate account or provide duplicate advice copies. Transmission of returned item information with option images is also available. Online decisioning for current day items and reporting of previous day detail is available through SinglePoint Essentials. Special instructions are available by account or location.

As the City's returned items are processed, they go through a number of steps to determine processing procedures. Outlined below is a description of the critical steps that comprise that process:

U.S. Bank receives returned items within an image cash letter.

- The MICR line of the item is read and compared against a captured item file created during the initial deposit process.
- The returned item is matched to an associated deposit ticket on the captured items file.
- Following the match, the system accesses the returned item special instructions associated with the item.
- Returned items are processed according to documented procedures and any special instructions on file for the account.

When returned items are forwarded to the City, the returned items are attached to an advice. A maximum of eight returned items can be attached to a single advice.

For reconciliation purposes, each advice matches to a single debit on the City's bank statement.

Copies of returned and redeposited items can be sent hourly or at end of day by email or fax. Returned items can be viewed and a decision to redeposit or return can be made current day using SinglePoint Information Reporting. Returned and redeposited items can be viewed online next business day using SinglePoint Information Reporting Previous Day Detail or Image Access.

**U.S. Bank SinglePoint Returned Item Decisioning** is a tool that allows customers to view their returned deposited items on a current day basis and decision whether the item should be redeposited or charged back. Items may be available by 7:30 am CT. Customers have access to the following pages that are presented in a tabbed format:

- All Items: Includes all current day returned items that are available for decisioning. This list does not include previously decided items.
- Pending Items: Includes all current day returned items scheduled to be redeposited that are eligible to be decided. Once decided, items move to the Decided tab.
- Chargeback Items: Includes all current day returned items that are targeted to be charged back to the deposit account. These items are not eligible for redeposit or decisioning.
- Decided Items: Includes all current day returned items that have been decided as well as chargebacks that were originally listed as redeposits.
- History: Includes a history of all decided items including the date, time and user.

U.S. Bank SinglePoint delivers the ease of use, flexibility, control and speed that customers need to process financial transactions efficiently. SinglePoint Returned Item Decisioning features are described below according to these four components that together equal overall efficiency.

**7. What are the cut-off times for deposits at the bank's local branch and at the bank's Processing Center to ensure same day credit? Where is the Processing Center/Cash Vault located? Will the City deal directly with the Cash Vault on deposit adjustments or with a local representative?**

The ledger cutoff time for the Sacramento vault is 4 p.m. PT. Ledger cut-off for Onsite Electronic Deposit 8:00 p.m. daily.

The City will work with Commercial Customer Service for adjustments.

**8. Does the bank have the capability to accept "smart safe" electronic cash deposits?**

U.S. Bank Remote Cash Deposit, allows the City to deposit cash electronically by using an on-site vendor-supplied safe to transmit a daily posting file to us for credit into your depository account. U.S. currency is stored in locked cassettes for secure retrieval by an armored courier at a later date. Depository transaction detail may be obtained online through SinglePoint.

Users of the smart safe service contract directly with the armored courier/vendor for equipment leasing, maintenance, transportation and deposit consolidation. Our role as your depository bank is to receive the posting data file from the armored courier, provide credit to your account and accept the consolidated currency from your armored courier/vendor.

All coin, checks, mutilated currency, coupons or other similar items not accepted by the safe's bill acceptor are prepared as a separate deposit and will not receive provisional credit under the remote cash deposit service. All cash deposits are picked up and verified by the armored courier.

If discrepancies are noted at this time, the difference between the actual and reported amounts are debited or credited to your depository account as deemed appropriate. Check deposits will be delivered to the bank for processing.

**Change fund services**

Remote cash deposit can provide change fund services delivered to you by your armored courier. U.S. Bank automated currency and coin order services are available through the Glory Comp-U-Order™ phone ordering system or online through SinglePoint Cash Vault. You are assigned a unique customer ID and password to securely access the telephone ordering system and the SinglePoint cash

vault ordering functionality. Change orders must be placed prior to the established deadlines by cash vault location (typically one to two business days prior to delivery date).

The Glory Comp-U-Order automated phone ordering system and SinglePoint cash vault online ordering allow change orders to be placed 24/7. Standing change orders containing pre-determined denominational values and pre-scheduled delivery days may be setup to avoid having to manually place daily orders by telephone or online. Your corporate offices can use standing change orders to ensure local stores are not ordering excessive amounts of currency. Limiting orders in this manner can avoid potential fraud. Weekend orders, including Monday inventory, must be ordered by the Friday deadline. All arrangements for change order delivery are made by you with your armored courier.

Remote cash deposit may reduce the frequency of armored pickups per week for some locations. As a result, it is important to manage your change fund levels until your next scheduled pickup/delivery.

## Tab H – Utility Billing Services

The City currently requires utility bill and insert print and mail service as well as lockbox and electronic lockbox utility bill payment processing. Utility bills printed and mailed average 2,600 per month. Lockbox transactions processed average 650 per month. Electronic lockbox transactions processed average 200 per month.

1. Does the bank have the capability to provide utility bill print and mail service? If so, please describe the service and any costs associated.



As an alternative to paper processing, we are pleased to provide our Elavon Paycentric service options.

For the Most Complete eBilling and ePayment Platform – Paycentric delivers exceptional electronic payment experience for your citizens resulting in increased customer satisfaction and maximum customer adoption.

Citizens can pay when, where and how they want with integrated payment reminders and notifications.

- Online
- Mobile
- Pay-by-Text
- Pay-by-Email
- Apps
- AutoPay
- One-Time Payment
- Scheduled Payment
- Paperless eBilling
- Self-Service Portal
- Automated Phone (IVR)
- Kiosk
- Point-of-Sale
- Agent-Assisted/Call Center

2. Does the bank have the capability to provide lockbox and electronic lockbox payment processing service? If so, please describe the service and any costs associated.

U.S. Bank has provided remittance processing services for over 60 years. We currently process over three million payments for thousands of organizations each month through our national network of wholesale lockbox processing sites. U.S. Bank Wholesale Lockbox accelerates the handling of the City's customer remittances by reducing time lost in mail float, processing and delivery. Early and frequent mail pickups reduce mail delivery times, allowing for earlier processing. Our lockbox processing and imaging systems speed the availability of funds and provide the detailed information you need to make quick, informed business decisions. We offer a cost-effective solution for converting remittances into earning assets as quickly as possible. We provide same-day availability information on your deposits, allowing you to use funds as soon as they are available.

We perform the back-office process of processing and depositing, meeting critical clearing deadlines and maximizing funds availability. Spending less time on processing and depositing enables you to focus on your organization. Payment processing and data capture are customized and performed to the City's specifications. Detailed payment information is available through data transmission or SinglePoint Information Reporting, so you can immediately update your accounts receivable records.

### Image Look

U.S. Bank Image Look is an extension of our wholesale lockbox service, providing sharp, detailed images of processed checks and invoices via the Internet. Image Look provides a simple and proven solution to boost productivity, reduce research time, improve customer service and accelerate your receivables posting and cash application processes. With Image Look you can access images of checks and invoices the same day your lockbox items are processed (images are then stored online

for 90 days). In addition, you may choose to extend your online retention up to 10 years or to permanently archive your documents on either CD-ROM or DVD.

Image Look makes your lockbox work the way you need it to – quickly and efficiently. All you need is a browser and an Internet connection to access to your information from any location. The self-administration feature gives you the flexibility to manage users based on your requirements, controlling the level of access each user has to your lockbox images.

You decrease the time it takes to respond to customer inquiries regarding payments because you can quickly and easily retrieve images of check and remittance documentation, reducing research time. With Image Look, you can determine if your customer's payment was received and use this information to update your accounts receivable. Same day information also enables you to make timelier credit decisions. Flexible search criteria, printing and downloading capabilities further increase the speed of receivables management.

### **Web Decisioning**

U.S. Bank Wholesale Lockbox Web Decisioning provides a solution to reduce the time and manual effort involved with processing exception items. With Web Decisioning, you receive an email notification when we cannot process a payment transaction according to your specifications. You can immediately view the transaction via SinglePoint, our secure web portal and either send U.S. Bank updated processing instructions or direct us to reject the payment for return to you. Web Decisioning can reduce research time, decrease deposit delays, improve customer service and accelerate your receivable posting and cash application processes.

With Web Decisioning, you no longer need to physically receive all of your exception items and associated documentation to determine how to process them. You can review the transactions online and have us process them immediately with updated instructions.

### **U.S. Bank Wholesale Lockbox Accounts Receivable Matching**

Reduces the number of exception items the City needs to address by allowing us to compare your incoming remittance payments with your open accounts receivable file. By comparing every payment received with your incoming file, data entry errors can be quickly identified and updated, thus allowing for timely payment processing. Matched items will be processed in accordance to your processing specifications and will be reflected in your outbound data transmission file. Any unmatched items can either be applied to a default invoice number, presented to you via our Web Decisioning service, or forwarded to you for further handling.

### **Split deposit**

The split deposit option allows the City to direct payments received for one lockbox into multiple U.S. Bank deposit accounts. You can segregate funds and posting information for multiple entities using a common remittance document within one lockbox account.

During implementation, the City will provide a listing of your U.S. Bank deposit account numbers with the corresponding group or location information from your standard remittance document. Payments received without a remittance document may be processed to the correct account using Payment Lookup and/or Web Exceptions or deposited into an account you designate.

As payments are processed for your lockbox, the funds will be automatically credited to the appropriate deposit account based on the remittance document group or location identifier. Float will be assigned to the accounts based on an end-of-day deposit time and returned items will be charged back to the associated deposit account.

### U.S. Bank Scannable Wholesale Lockbox

U.S. Bank Scannable Wholesale Lockbox combines the flexibility of wholesale lockbox with the efficiency of processing with standard OCR remittance documents. If you receive a mix of wholesale and retail remittances, scannable wholesale is a cost-effective solution for processing both types of payments in one lockbox. The cost of data keying is reduced by machine capture of information from the OCR remittance document rather than by manual keying and we provide a formatted data file to update your accounts receivable system. Scannable wholesale lockbox offers a cost-effective method of converting remittances into earning assets as quickly as possible. We provide same-day information on your deposits, allowing your organization to use the funds as soon as they are available. Early and frequent mail pickups reduce mail delivery times, allowing for earlier processing.

Scannable wholesale lockbox performs the back-office process of processing and depositing, meeting critical clearing deadlines and maximizing funds availability. Spending less time on processing and depositing enables you to focus on your organization. Payment processing and data capture are customized and performed to the City's specifications. Detailed payment information is available through data transmission or SinglePoint Information Reporting, so you can immediately update your accounts receivable records.

### Lockbox Remote Capture

U.S. Bank Lockbox Remote Capture is an additional service available through U.S. Bank Wholesale Lockbox. The solution reduces the time and manual effort involved with processing check payments received at the City's offices. Through a secure website, users can scan checks and associated documents, submit the payments to the U.S. Bank, and track the progress of the transactions as they are being processed for deposit. Lockbox remote capture provides a streamlined collections experience by consolidating deposits and transaction information for payments sent directly to your lockbox, as well as those scanned remotely.

Please refer to the **Pricing Pro Forma** following Tab V – Sample Banking Services Bid Form for a listing of costs additional services provided on Pricing Proforma.

## Tab I – Wire Transfers

The City currently transacts wire transfers online, initiating approximately five (5) wires and book transfers a month and receiving approximately two (2) incoming wires per month.

### 1. Please describe the bank’s online wire transfer capabilities. What is the deadline for initiating wire transfers?

Wire transfer combines advanced technology with national and international networks to enable you to move funds quickly and securely. Wire transfer is an important treasury management tool to control cash flow with the convenience of same day and future dated movement of funds directly and reliably.

SinglePoint, our integrated suite of treasury management services, makes it possible for clients to achieve new levels of efficiency by bringing our powerful banking services together into one easy-to-use website. The tool’s single point of access increases efficiency and an integrated design provides quick access to information in order to manage your financial position with speed and flexibility.

Wires may be initiated online using SinglePoint wire transfer. Required user ID and password security is augmented through token-generated password entry and required PIN for each wire transfer. User transaction and daily cumulative limits for initiation and approval are available. User access can be granted by wire type, account and function. Audit reports track activity by wire transfer and by user. Our sophisticated encryption system secures data during transmission.

You can view incoming and outgoing wire transfers in real-time via SinglePoint. All details related to the transaction are available to view, print or export. We will credit your account for all incoming wires received before 3 p.m. PT each business day. Our wire transfer department will stay open to receive and process incoming wire transfers in the event the Federal Reserve wire hours are extended.

The following are our opening hours and cutoffs in Pacific Time for initiating wire transfers to ensure same day execution.

Wire Type Initiated	Outgoing Wires					Incoming Wires
	Voice & Phone	Direct Wire	Batch Wire	SinglePoint	SWIFT	
<b>Domestic Same-Day</b>						
Internal / Book	4 p.m.	4 p.m.	2 p.m.	4 p.m.	3 p.m.	4 p.m.
Drawdown	2:30 p.m.	2:55 p.m.	2 p.m.	2:30 p.m.	N/A	3 p.m.
Fedwire	2:30 p.m.	2:55 p.m.	2 p.m.	2:30 p.m.	2:55 p.m.	3 p.m.
Federal Tax Payment	12:30 p.m.	12:30 p.m.	N/A	12:30 p.m.	N/A	N/A
<b>Domestic Future-Day</b>						
Book	4:30 p.m.	N/A	2 p.m.	No deadline	No deadline	N/A
Drawdown	4:30 p.m.	N/A	2 p.m.	No deadline	N/A	N/A
Fedwire	4:30 p.m.	N/A	2 p.m.	No deadline	No deadline	N/A
Federal Tax Payment	12:30 p.m.	N/A	N/A	No deadline	N/A	N/A

Cutoff times can vary based on the type of wire transfer. The end time is the cutoff time for clients to assure processing by the specified send date.



## **2. What safeguards and security measures does the bank have in place to protect the City?**

U.S. Bank has not experienced an incident of fraud within the Wire Transfer department since the service's inception. Wire transfer fraud controls in place are as follows:

### **Personal identification number (PIN)**

Voice and SinglePoint wire transfers initiated require a PIN. A user PIN is issued to each individual designated in the Wire Transfer Service Agreement. Wire transfers initiated with an invalid PIN are cancelled.

### **Passwords**

SinglePoint requires entry of a customer ID, user ID and password to access the application. A token is also required to access the wire transfer functionality in SinglePoint.

### **Secondary authorization**

We require secondary authorization on all free-form wire transfers.

### **Callback**

A callback to an authorized representative is required on all non-repetitive voice-initiated wire transfers exceeding \$10,000. Additional confirmer with PIN and limits assigned may be set on the authorized representatives for callbacks. A confirmer PIN is an additional security feature to ensure the approval of wire transfers requiring a callback are approved by an individual with the appropriate confirmer limit.

### **Audit trail**

SinglePoint system administrators have access to an audit report. The audit captures users, functions, services, dates and actions performed.

## Tab J – Automated Clearing House (ACH) Service Requirements

**ACH Direct Deposit of Payroll: The City utilizes direct deposit services for bi-weekly payroll for the City. Approximately 95% of the City's 61 employees take advantage of the direct deposit service.**

As one of the top five largest originators and receivers of Automated Clearing House (ACH) transactions in the United States, U.S. Bank offers the City a variety of ACH services that allow you to eliminate paper checks by using electronic payments. ACH is both cost-effective and secure. With ACH, you know exactly when your collections and disbursements clear. You can track your organization's cash position accurately and base treasury management decisions on exact information. Additional services allow you to initiate international payments, protect account identity, and post only authorized incoming ACH debits and/or credits to your accounts.

**Please address the following:**

**1. Describe the bank's direct deposit services, including the software requirements and transmission options available.**

U.S. Bank offers the following options for the City to originate ACH transactions:

- **ACH Direct File Transmission**—The City or your third-party provider transmits the disbursement or collection transaction information in a National Automated Clearing House Association (NACHA) formatted data file, EDI format, or custom format to U.S. Bank through a variety of methods. We process the transactions and funds are debited from or credited to the organization's account on the settlement date. ACH credits or debits can be made to personal and/or business accounts. The direct transmission input deadline for same business day processing is 8:30 p.m. PT. Future-dated ACH transactions may be submitted up to 30 calendar days in advance of the settlement date. The File Confirmation Service can be used as a complement to our file submission process.
- **U.S. Bank SinglePoint ACH**—Enables the City to originate ACH transactions online through a Web browser. SinglePoint is a full-service ACH application that creates, stores and originates ACH transactions from any location at any time. Unique features include:
  - A robust import option supporting NACHA, CSV and fixed field file formats.
  - An export function that sends ACH data from SinglePoint to other accounting applications.
  - A function that automatically updates transactions with detail provided in Notifications of Change (NOCs).

### Direct Transmission Origination

U.S. Bank processes and originates NACHA formatted files on behalf of our originating customers, supporting several transmission protocols, including Secure FTP, Secure Command Line FTP and Secure HTTPS.

When connection and file format testing is completed, U.S. Bank sends PIN information for entering the City's control totals into the ACH file confirmation system.

### SinglePoint Origination

U.S. Bank formats all ACH batches and transactions that are sent through SinglePoint ACH services. We format batches to NACHA specifications on behalf of the City.

**2. Discuss screening measures that the bank uses to minimize errors on files sent to the bank. Describe the process and timing available for file/error correction.**

The ACH File Confirmation process detects missing files by matching the control totals reported to U.S. Bank by the City of Fort Bragg with the transmitted files. The ACH system detects duplicate

files by comparing newly transmitted files with the City files processed in the prior 30 calendar days. U.S. Bank notifies you by phone regarding any possible duplication or loss of files.

**3. Indicate the transmission deadlines for direct deposit ACH files, including date and time when the bank needs the file from the City and when the funds are debited from the City’s account.**

The deadline for same day ACH credit and debit transactions is 10 a.m. PT for direct file transmission NACHA format and 9:15 a.m. PT for SinglePoint. The same day ACH deadline for transactions originated through data translation services is 8:15 a.m. PT.

Non-NACHA files need to be submitted earlier in the day to allow sufficient time for file translation. We are able to process both one and two day ACH files; there are no additional fees for a one day file. However, we recommend clients originate payroll files two business days before the payroll effective date to ensure open of business availability for the employees regardless of bank location. While we can process a one day payroll file, employee posting is not guaranteed under the ACH rules. We suggest these files be originated two days before the effective date to eliminate this issue.

**4. Discuss any employee benefit programs for City employees and indicate if the bank would be able to participate in City-hosted employee benefits presentations.**

*Workplace Banking Perks – Banking Services for Employees*

In addition to the convenience and savings that U.S. Bank provides to our clientele, U.S. Bank offers to all employees of the City a special package of banking products and services. U.S. Bank Workplace Banking features special membership offers, discounts, and bonuses on a variety of valuable products and services for employees who use direct deposit. The program is an excellent benefits package that offers your employees real value at no cost to the City or its employees.

Pair these Workplace Banking benefits with a personal checking<sup>1</sup> account that’s right for you and put U.S. Bank to work for you.

- Up to a \$1,000 discount on closing costs with a U.S. Bank Home Mortgage<sup>2</sup>
- Free first order of U.S. Bank logo checks
- 50% off annual Safe Deposit Box rental fee

U.S. Bank would be pleased to participate in a City-hosted employee benefits presentation.

**5. Is there direct support for file testing?**

The following description details implementation of ACH services with the direct data transmission service option.

Stage	Activity	Result
Gathers detailed information from the City	<ul style="list-style-type: none"> <li>▪ Implementation collects application specific information via the ACH direct questionnaire</li> <li>▪ Implementation supplies the City with the ACH Direct Transmission User Manual and NACHA input file format</li> <li>▪ Your technical support completes the U.S. Bank data transmission questionnaire</li> </ul>	<ul style="list-style-type: none"> <li>▪ Data transmission requirements defined</li> <li>▪ Application setup requirements defined</li> </ul>
Set up and test the City in the ACH system	<ul style="list-style-type: none"> <li>▪ Our managed file services group tests communication links</li> </ul>	<ul style="list-style-type: none"> <li>▪ File format verified as valid and readable</li> <li>▪ Transmission works between U.S. Bank and you</li> </ul>

	<ul style="list-style-type: none"> <li>▪ ACH operations establishes a client profile on the ACH system and sets up your links with data from the Data Transmission Questionnaire</li> <li>▪ No setup required for ACH direct within implementation unless you are receiving a report via SinglePoint</li> <li>▪ ACH operations sets up file format and transmission tests; runs both twice</li> </ul>	
Convey security information to the City	<ul style="list-style-type: none"> <li>▪ ACH operations sends you PIN for ACH File Confirmation</li> <li>▪ Implementation sends out delivery letter confirming completion of setup and includes information on NACHA, rule book ordering and U.S. Bank contact information</li> </ul>	You are ready for direct transmission

The following description details the implementation process for ACH services on SinglePoint.

Stage	Activity	Result
Gather detailed information from the City	The City completes the implementation documentation	ACH setup requirements defined
Set up the City on SinglePoint	<ul style="list-style-type: none"> <li>▪ Implementation sets you up with access to SinglePoint</li> <li>▪ ACH operations establishes a client profile for you on the ACH system</li> </ul>	User IDs are established on SinglePoint
Convey security information to the City	<ul style="list-style-type: none"> <li>▪ Implementation sends out delivery letter confirming completion of setup and provides you with your SinglePoint login IDs</li> <li>▪ Implementation technical specialists sends security tokens to you</li> </ul>	You can use SinglePoint for ACH processing

**ACH Vendor Payments: The City would like to make payments electronically. Describe the program used by the bank to facilitate these payments. The City currently uses Springbrook v7 for its financial software.**

ACH payments are a fast and efficient alternative to checks and can be used by the City to electronically pass payment and invoice information between you and your business partners.

**ACH Auto Debit: The bank must have the capability to accommodate an online bill collection services.**

U.S. Bank meets this requirement.

## Tab K – Payroll Tax Processing

**Please describe the bank’s payroll tax withholding services and its related costs. The City requires the ability to report and pay state and federal tax withholdings automatically online or by telephone.**

The City can import or manually enter tax payment information into SinglePoint. SinglePoint ACH Origination maintains over 1,300 federal, state and child support payment formats to assist you with correctly formatting your addenda entries. Additional specialized payment formats may easily be requested through SinglePoint’s electronic add form request. Once your tax payment transactions have been created or updated within SinglePoint they must be initiated as batches (live transactions) to reach the bank for processing. Information on the batches you’ve submitted is available for 45 calendar days.

You can also opt to make federal tax payments through the Electronic Federal Tax Payment System (EFTPS) provided by the U.S. Department of Treasury. When done via ACH, these are debit payments.

## Tab L – State Activity/LAIF Transfers

The City transacts State of California Local Agency Investment Fund (LAIF) transfers on a regular basis and receives State electronic payments.

**1. Please describe the LAIF transfer process. Are the transfers done by telephone, email, fax, wire transfer, etc.? How is the accuracy of transfers assured?**

To initiate a LAIF transfer, the City calls the State's LAIF Desk. The State will notify U.S. Bank of the LAIF transaction request by 11:30 a.m. PT. Our service banker then uses an online system for LAIF transfers. This enables U.S. Bank to add a descriptor on the City's bank statement identifying the LAIF transfer. The City can follow-up directly with Commercial Customer Service.

### Procedures for LAIF Transactions

- Office hours: 7:30 a.m. to 4:15 p.m. PT
- For same day transaction, please call LAIF by 10 a.m.
- Transaction calls received after 10 a.m. will be for the next business day
- Maximum 15 transactions (combination of deposits and withdrawals) per month.
- Minimum transaction amount \$5,000, in increments of a thousand dollars
- For cash flow purposes, please provide LAIF at least 24 hours advance notice for withdrawals of \$10 million or more
- Transactions may be requested 10 calendar days in advance of effective date
- Prior to the funds transfer an authorized person must call LAIF to do a verbal transaction
- Please make telephone calls which pertain to account activities and/or general information after 10 a.m. so our lines will be available for daily transactions

**2. What is the charge per transfer to LAIF? From LAIF?**

The charge per transfer to and from LAIF is a total of \$16.00 (\$7.50 to and \$8.50 from).

**3. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's office and the State Controller's office?**

Yes. We have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's Office. We also have multiple depository relationships with other Agencies of California that roll up to the STO in the form of a ZBA. In addition to being a State depository bank, U.S. Bank has an excellent relationship with both the Treasurer and Controller's offices. While, the bank maintains a direct DDA banking relationship with the State Treasurer's Office, the State Controller's Office (SCO) does not maintain such a relationship with the bank, as they issue warrants, not requiring a bank account, and wire transfers, which when initiated by the SCO, are debited from the State Treasurer's account. Electronic Funds Transfers (EFT) are also initiated by the SCO.

**4. Is the bank an approved State of California depository?**

U.S. Bank was approved by the State Treasurer's Office as an authorized depository in 1992.

U.S. Bank can easily support both deposits and withdraws between the City and LAIF. As one of eight authorized California State depository banks, the need to make expensive wire transfers to and from LAIF is eliminated.

Other financial services to California state agencies began in 1985.

**5. What is the charge for the deposit of State electronic payments? State warrants?**

The charge per transfer to and from LAIF is a total of \$16.00 (\$7.50 to and \$8.50 from).

Warrants are processed similar to paper debits and are priced accordingly.

**6. What is the bank's position on past issuance of IOUs by the State of CA? Does the bank accept IOUs for deposit?**

U.S. Bank has accepted IOU's in the past, however future "IOU's" would need to be reviewed on a case by case event and would need to be negotiated prior to submission.

## Tab M – Online Bank Processes and Information Reporting

The City currently utilizes a web-based online system to perform a variety of processes, such as placing stop payments and accessing online balance reporting information for all accounts.

### 1. Please describe the bank's online banking and information reporting system(s) including a list of all services provided.

SinglePoint® enables you to achieve new levels of efficiency by bringing our powerful banking services together into one easy-to-use website with a single point of access for all your global treasury management service needs. A fully integrated, wholly-owned online suite of treasury management services, SinglePoint does not require dedicated PCs or software installation.

With SinglePoint, you can monitor account activity; view, manipulate and download images; transfer and manage payments, including Disbursements via Zelle®; process and deposit collections; prevent fraud; and manage your employees' system use. The following services are available within SinglePoint and are accessible with the same user login ID and password.

#### Monitor account activity

- Account reconciliation
- Adjustments
- Cash forecasting
- Image Access
- Information reporting
- Lockbox wholesale
- Returned item decisioning
- VantagePoint™
- Account services
- Asset-based loan information reporting
- General ledger reconciliation
- Image File Delivery
- Lockbox Image Look
- Mobile SinglePoint
- Reports file delivery

#### Transfer and manage money

- ACH adjustments
- ACH additional services
- Cash vault
- Electronic cash letter deposit
- On-Site Electronic Deposit
- Wire transfer
- Real-time payments
- ACH origination
- Book transfer
- Check payables
- Investments
- Trust transfer
- Disbursements via Zelle

#### Act globally

- Foreign Exchange Web (FX Web)
- International ACH
- International remittance calculator
- International wire transfer
- Global trade
- International information reporting
- International request for transfer

#### Prevent fraud

- ACH positive pay
- IP whitelist service
- Positive pay (previous day, same-day, payee)
- Stop payments
- Issue Maintenance
- Reverse positive pay
- IBM® Security Trusteer Rapport™



### Control access and stay informed

- Customer service
- External Messaging
- Personal settings
- System administration
- Dashboard
- LaunchPoint
- Service guide

You initiate ACH, account transfer and wire transfer services from separate pages in SinglePoint. Our systems are integrated, so each transaction type requires only the information unique to that type of transaction. The remaining fields are checked and populated from a common data source.

Reports and transmissions can be scheduled through SinglePoint at any time throughout the day. Reports are delivered via transmission or secure email at the specified time. Fax and email reporting allow users to receive current and/or prior day reporting at a preset time without logging in. Certain time-critical functions, such as Positive Pay approvals and Positive Pay decisions, can also be accessed via a web-enabled mobile device through Mobile SinglePoint.

### Mobile SinglePoint

Mobile SinglePoint is a version of SinglePoint designed specifically if you're always on the go and need access to cash management tools when you're away from a computer. You can view key balance information on both domestic and international accounts from a mobile device. You can also view current day reports, such as ACH Summary and Detail, Wire Detail and/or Lockbox Summary.

### SinglePoint External Messaging

Alerts and notifications through SinglePoint External Messaging enhance process efficiencies by utilizing over 200 unique messages that can be configured and routed to various destinations, including email addresses and SMS messages to mobile devices, ensuring key items receive attention. External Messaging is available for one low monthly fee. You can set up as many users and accounts as you like, and each user can set up as many alerts and notifications as they wish.

### SinglePoint Information Reporting

SinglePoint Information Reporting enables the City to manage your financial position with superior reporting tools. SinglePoint Information Reporting displays account summary, detail and transaction information for accounts and transactions online. Benefits can include:

- **Simplify daily account reconciliation**—You can view current and previous day transaction and balance summary totals, including interim collected balance and Controlled Disbursement totals. Drilling down to account details for an individual transaction is easily accomplished. Users can view images of paid checks, returned checks and deposited returned items. You can also review incoming wire detail and return wires online.
- **Transfer funds easily from your account summary view**—If you use SinglePoint Book Transfers, you can view your previous day or current day account summary and act within Information Reporting to immediately transfer funds between accounts.
- **Search for transactions**—SinglePoint allows you to search by account, transaction type, date range, amount and transaction reference (such as check number). Users can view, sort and print search results in PDF or comma separated value (CSV) formats and drill down to transaction detail within the application. Search also allows for wire returns.
- **View standard and special reports in various formats**—Standard reports include five previous day and 10 current day reports, including the highly useful ACH and Wire Detail reports. With SinglePoint you can quickly select report dates with the clickable calendar tool. Report formats include browser, PDF and text for human readable reports and BAI2 and CSV to integrate with internal systems.

- **Customize reports with robust filtering**—Users employ the report builder to select accounts, date ranges and data fields like transaction types, as well as save and name personal report filters, then reuse and share with other users.
- **Manage delivery of reports via email or transmission**—You can set up delivery schedules of previous, current day and custom reports on your accounts to be delivered to an email address or transmission mailbox.
- **Decision your current day returned items**—Your employees can easily review returned items, view images and decide to charge back or redeposit eligible items or request a reversal, and view their decision history.

### Data retention

Previous day data is retained for 60 calendar days and current day data is retained for 10 calendar days. Additional retention periods of 90 days, six months, 12 months, 18 months and 24 months are available for an additional account-level charge.

### Security

SinglePoint protects account information with the most current and proven technology available, including:

- Two-way 128-bit encryption
- SSLv3
- Individual client IDs, passwords and digital signatures
- VeriSign time-based tokens are required for users to access payment services (ACH and wire transfer). Tokens are pre-programmed to produce a new numerical code every 60 seconds. One token is assigned to each user at your site.
- By default, all entitlements must be approved by a second system administrator. You must complete additional paperwork to waive the dual approval requirement.

An optional IP white listing security feature is available if you want to restrict user access to allow only specific IP addresses or IP address ranges.

The application also uses a tool called Passive Monitoring, which detects anomalies in web traffic between user PCs and our application. These anomalies include user PC viruses. Once detected, we contact users to communicate viruses were identified and advise on corrective measures to clean the user PCs.

No organization is immune to criminal activity. Find four steps you can take to reduce the risk of payments fraud on Financial IQ. [bit.ly/StopPaymentsFraud](http://bit.ly/StopPaymentsFraud)

## 2. What are the current computer hardware and software specifications for most effectively utilizing the bank's online system?

SinglePoint technical recommendations are stated below at supported (minimum) and optimal levels.

### Supported browser versions based on your operating system

Operating system	Optimal*	Minimum**
Windows® 7	Internet Explorer 11 Chrome 30+ Firefox 27+	Internet Explorer 8, 9 or 10 Firefox 24 through 26
Windows® 8	Internet Explorer 11 Chrome 30+ Firefox 27+	Internet Explorer 10 Firefox 24 through 26
Windows® 10	Internet Explorer 11 Edge 12+	N/A

Operating system	Optimal*	Minimum**
	Chrome 30+ Firefox 27+	
Apple® Mac OS® X	Chrome 30+ Firefox 27+ Safari 7+	Firefox 24 through 26
<b>Mobile</b>		
Android 4.1 thru 4.4.4	Chrome 30+	Google Android™ browser
Android 5.0 and up	Chrome 30+	N/A
iOS 5 and up	Safari 5+	N/A
* TLS 1.2 will be automatically enabled. (Includes version shown or current version.)		
** You will need to manually enable TLS 1.2 in browser security settings.		

### Workstation requirements and recommendations

Component	Optimal	Minimum
Screen resolution	1280x1024 or higher	1024x768
CPU	2.0GHz processor or faster	500MHz or faster
Modem	Broadband Internet connection	56 KBPS
Memory	4 GB or more	1 GB or more
Hard Drive disk space	100 MB or more	35 MB or more

Users may also need Adobe® Reader® and Microsoft Excel® or compatible application to view and print certain reports.

### 3. At what time (Pacific Standard Time) is prior day information available?

Previous day information is available by 6 a.m. PT.

### 4. Is the per item fee for prior day reporting based on the number of items reported or accessed?

The previous day per item fee assessed is \$0.03 per item additional fees can be reviewed to the **Pricing Pro Forma** following Tab V – Sample Banking Services Bid Form for a listing of costs additional services provided on Pricing Proforma.

### 5. Can the reports be customized? Exported to Excel?

Yes. SinglePoint allows the City to create custom reports based on your specified criteria. Your users can save the filters they build and share them with other users. Criteria available for customization include:

- Remove and reorder accounts
- Date range
- Transaction types (BAI codes):
  - Summary code groups
  - Transaction detail groups
  - Individual BAI codes
- Transaction amount or range of amounts
- Transaction reference number or range of transaction reference numbers

Additional customization is available for exporting files in CSV format, which allows you to remove fields and designate field position order.

## 6. What types of security measures are in place? How is the assignment of user IDs and passwords managed?

SinglePoint protects account information with the most current and proven technology available, including:

- Two-way 128-bit encryption
- SSLv3
- Individual client IDs, passwords and digital signatures
- Entrust time-based tokens are required for users to access payment services (ACH, wire transfer and investments). Tokens are pre-programmed to produce a new numerical code every 60 seconds. One token is assigned to each user at your site.
- By default, all SinglePoint entitlements (user assignments) must be approved by a second system administrator. You must complete additional paperwork to waive the dual approval requirement.

An optional IP white listing security feature is available if you choose to restrict user access to allow only specific IP addresses or IP address ranges.

The application also uses a tool called Passive Monitoring, which detects anomalies in web traffic between user PCs and our application. These anomalies include user PC viruses and malware. Once detected, we contact users to communicate the detection of viruses that were identified including corrective measures to clean the user PCs.

### System administration

Your designated SinglePoint system administrator serves as your security manager. The system administrator:

- Creates and deletes SinglePoint users
- Requests and maintains tokens, required to initiate payment transactions
- Sets and modifies user payment and transaction quantity limits
- Assigns user access to services and accounts
- Assigns initiation and approval entitlements
- Resets own and other users' passwords when necessary (regular users can change their own passwords)

We offer a dual system administration option upon set-up for added control. With this option, all changes to user access or limits require a second system administrator approval to process.

You can determine which accounts, services, functionality and limits each user sees and uses. Administrators can add, copy and reuse user profiles to streamline the set-up of new users. They can also modify user entitlements, account access and transaction limits at any time with immediate updates. The system allows you to change user status for interim periods, as well as assign entitlements by service area, function and account access. You can also set user payment limits for ACH, book transfers and wire transfers.

To assist you in monitoring system usage, we also offer the following audit features:

- User activity audit reporting for all services
- Token maintenance and status reports
- User profile reports
- Account profile reports
- Service profile reports

## **7. What is the bank's contingency plan for providing this information in the event of an unexpected bank system problem or natural disaster?**

The City can contact Commercial Customer service for account information in the instance of a disaster or the system being down. We also available Mobile SinglePoint, your mobile option for Information Reporting.

U.S. Bank does have a formal contingency plan in place in the event of natural disasters, this information is available upon request.

## **8. Does the bank offer electronic delivery of statements, reports, and notices?**

Statements are available online via SinglePoint.

The City may download BAI2 files directly from SinglePoint.

U.S. Bank offers two options for information reporting file delivery:

- SinglePoint Report File Delivery, within the SinglePoint application
- A BAI Information Reporting Transmission service, outside of SinglePoint

SinglePoint Information Report File Delivery allows users to create delivery schedules for all accounts and reports they are entitled to. Schedules can be setup and configured by individual users within SinglePoint to automatically deliver report information to either email or transmission channels the day after creation.

Email delivery is available for previous and current day reporting and approximately 30 special reports. Transmission delivery (push or pull options) is available for previous and current day reporting. Both machine readable and human readable formats are available including BAI2, CSV, PDF and text. This service also provides delivery of international account data in BAI2, CSV and PDF formats.

### **SinglePoint report file delivery**

Previous day information can be scheduled for delivery daily, weekly or monthly. Current day information can be scheduled from 7 a.m. CT to 7 p.m. CT for up to 15-minute intervals. International information can be scheduled for delivery daily, monthly or at custom times any half hour over a 24-hour period.

### **BAI information reporting transmission**

The BAI Information Reporting Transmission service is available for both previous and current day account reporting in BAI2 format only. Previous day information can be scheduled for delivery daily, weekly or monthly. Current day information can be scheduled generally every hour from 6 a.m. to 3 p.m. PT, with additional times in the morning due to Controlled Disbursement reporting. Current day transmissions can also be sent every 15 minutes between 5 a.m. to 5 p.m. ET, as cumulative or incremental data.

## Tab N – Account Reconciliation

The City currently issues approximately 400 Accounts Payable and Payroll checks monthly and utilizes Full Account Reconciliation with Positive Pay services for its disbursement accounts.

**1. Does the bank offer Full Account Reconciliation Services with Positive Pay? If so, please describe the service including accepted methods for receiving the Positive Pay data and the format specifications for that data.**

We offer partial account reconciliation program, partial positive pay and full positive pay services. Full ARP requires the City take advantage of positive pay as a component of your overall ARP package.

Positive pay is the best and most affordable protection against fraudulent check activity. If you choose a service where positive pay is not required and you choose not to use positive pay services, you are responsible for – and more susceptible to – fraudulent activity within your accounts.

U.S. Bank Positive Pay services help detect check fraud by electronically matching checks that are presented for payment to the checks you have issued. SinglePoint Positive Pay provides the tools to review exceptions, view images, make payment decisions, request adjustments and access history online.

Each day, we update your exceptions list with mismatches between presented and issued checks, allowing you to review positive pay exceptions on multiple accounts at the same time. Exception items include checks that have been converted to ACH items. You can decision each exception from the list and submit to U.S. Bank in a matter of seconds. Your online decisions can include adjustments to an item's dollar amount and/or check number and automatic creation of updated issue information. You can link directly from the exception list to the corresponding check image; view and manipulate the image; and then decision from the image viewer.

You can change the default decision for every account. Default changes must be made prior to the account deadline and are effective immediately. For the same day service, you have the option to set your default to defer to previous day review. A second level of security can be set up to require an approver for all decisions. Decision approval must take place prior to account deadlines. Robust audit reports allow you to view modification history and determine who decisioned and edited items. Up to 45 days of exception history can also be viewed to verify decisions and review images of exception items.

**2. Does the bank offer Teller Positive Pay and Payee Positive Pay?**

Yes. As part of our commitment to offering clients the most robust suite of fraud prevention services available, we provide payee verification to help you detect and prevent altered payee name fraud on deposited and cash letter items, as well as items presented at the teller line. With this service, we enable you to detect fraud by helping you identify any items with non-matching payee names on disbursed checks. You can use two kinds of payee verification:

- **Teller payee positive pay, included with our standard positive pay service**—Your payee name information will be verified prior to checks being cashed by U.S. Bank tellers, if you provide it in your issue file.
  - The check amount, check number and payee name on checks presented for payment are matched to the data on your issue file. Any mismatches are not cashed, but returned to the presenter, reducing check fraud at the teller window.
  - **Requirements**
    - Add payee name information to your issue file.

- Verify that the payee name on the check exactly matches the payee name on the issue file.
- **Payee positive pay**, *optional feature for SinglePoint Positive Pay*—In addition to teller payee positive pay, the City can leverage our most advanced positive pay service, which provides the most complete fraud protection. This service expands our payee name verification to all items processed for your positive pay account, both at our teller line and in the back office. The payee positive pay service option is available only through SinglePoint.
  - U.S. Bank Payee Positive Pay identifies payee name mismatches. These exceptions will be presented to you daily in the SinglePoint Positive Pay Exceptions List for your review, along with all other positive pay exceptions. You can link directly from the exception list to the corresponding check image. You can view and manipulate the image and easily make your decision from the image viewer.
  - **Requirements**
    - Add payee name information to your issue file.
    - Verify your check stock meets U.S. Bank Payee Positive Pay Check Formatting Guidelines.
    - Complete and return the U.S. Bank Payee Positive Pay Check Image Questionnaire.

### 3. How are the exception items under the Positive Pay reported to the City? What is the procedure and timeline for paying or returning exception items?

With the previous day service, you can review exceptions for the previous day's checks after they have posted.

SinglePoint's image-enhanced positive pay delivers the City real-time access to images of exception items over the internet. You can view, manipulate and print images of exception items and enter pay/no-pay decisions within the same exception list.

The City has from 9:00 am to 3:00 pm local processing time to decision exception items. After 3:00 pm the default decision applies. Exception items decisioned for return are processed at 12:00 pm (noon) and 3:00 pm local processing time. Returns processed at 12:00 pm (noon) and 3:00 pm cannot have the decision changed. Returns are sent automatically to the return department for processing.

### 4. How are manual checks issued by the City sent to the bank for inclusion in Positive Pay?

SinglePoint Issue Maintenance enables organizations to input issue and cancel information and update issue files hourly online. Access transmitted file confirmation information. Achieve new levels of efficiency by bringing our powerful banking services together in an integrated, easy-to-use website. For newly issued or canceled checks, you can enter check issue and cancel information online. Up to 10 items for multiple accounts can be added on a single page with no limit on the total number of transactions you can enter throughout the day. This eliminates the fax process and saves you time.

Files can be uploaded online in the standard comma-separated value (CSV) format or you can create a customized delimited or fixed length format. You will receive a message that the file was accepted or rejected (*note: limit of 5,000 items per file upload*). Issue files at U.S. Bank, including the teller line, are updated immediately, from 4 a.m. to 8 p.m. PT each day.

Issue Maintenance is a natural companion to your ARP or positive pay service. Payee information can be entered for accounts on the payee positive pay service. Issue Maintenance ensures that

U.S. Bank is always notified, automatically, of requests to add issues and cancels. The City can access file confirmation information within two hours of receipt of your issue files at U.S. Bank. The total dollar amount and total number of issues and cancels are provided for each account in the file.

**5. Does the bank provide online check imaging for exception items?**

Yes. Images can be delivered online through our SinglePoint Image Access and via data transmission through our SinglePoint Image File Delivery service. This service provides the City a data transmission of images on a schedule you select and monitor.

**6. Describe the bank's check truncation service. Is online check imaging available for paid items? Deposit slips? Bank correction advices?**

SinglePoint Image Access provides image search and retrieval. You can view, save and print paid check images, deposit tickets, deposited checks, paper debit and credit memos, returned deposited items, returned re-deposited items and advices. Images are accessible from a number of different services within SinglePoint and are available for seven years from process date.

**7. Does the bank offer a CD-ROM imaging service? If so, please describe the service and associated costs.**

Image Archive is our CD-ROM-based long-term storage and retrieval service for end-of-cycle images of paid checks (post-statement cutoff). Image Archive includes viewing software to search, view, manipulate and print clear, crisp images from a PC. All Image Archive CD-ROMs are encrypted for protection of client data.

Please refer to the **Pricing Pro Forma** found with Tab V. for a listing of associated costs.

**8. Describe the bank's online stop payment, void, and cancellation services and features. How long is a stop payment effective via any method available?**

The City can place stop payments in SinglePoint or by calling Commercial Customer Service. Stop payments may be requested at any time during business hours. We cannot guarantee a stop payment will be enforced during the first 24 hours because the check may have already been cashed by a teller.

SinglePoint provides a check paid inquiry function to verify the check has not cleared before placing the stop payment. SinglePoint checks the last 90 days of posted check transactions to verify non-payment. If the check has been paid in the last 90 days, a message will display the check has been paid.

The default for a SinglePoint Stop Payment is 12 months; optional expiration periods of six or 24 months are available. You can choose to either renew the existing stop payment or place a new stop payment after the original stop has expired. You have access to a weekly report that displays stop payments set to expire that week.

Stop payments may be requested in SinglePoint Monday through Saturday from 4 a.m. to 8 p.m. PT. We cannot guarantee stop payment enforcement during the first 24 hours because the check may have been cashed by a teller.



**9. Describe how long online images are available for display and what type of images are available.**

Images are accessible from a number of different services within SinglePoint and are available for seven years from process date.

Transactions that post on the previous business day are digitized during third shift of that day and are available the next day by 7:00 am local time. Images are generally indexed and photographed by 5 am local time. There is a two-hour lead time between completing digitization and availability in SinglePoint Image Access. Check processing is structured so that items that need re-imaging are re-imaged during the normal processing hours and are available with all other images by 7:00 am local time.

**Image Availability**

All images except deposit detail (transit item) images up to seven years old are available immediately. Deposit detail (transit item) images less than 18 months are available immediately. Deposit detail (transit item) images more than 18 months still need to be requested from SinglePoint's digital image archive. The archive images are typically available in the Image Inbox within an hour but can take up to two hours depending on the number of images.

## Tab O – Daylight Overdraft Protection

The City currently requires daylight overdraft protection.

### 1. Describe any issues, concerns, and charges associated with the use of daylight overdraft facility.

U.S. Bank, as required by the Federal Reserve, monitors real-time daylight overdrafts by account and client relationship. The City can be set up at the account or client level to calculate daylight overdrafts for wire transfers.

#### Daylight overdraft limits

To facilitate wire transfers and other routine business, U.S. Bank can establish an intraday limit for the City to ensure the movement of funds as needed. These limits are set for control purposes. Decisions to release wires with daylight overdrafts are made on a discretionary basis. However, to protect your interests, you are consulted on wires exceeding the established daylight overdraft limit.

Wire transfer processing stops if limits are exceeded. The only place wires have intraday or daily limits defined are through SinglePoint. If those limits are exceeded, the wire does not move from SinglePoint to our wire department for processing. SinglePoint contains only wire limits defined for repetitive and non-repetitive wires.

#### Daylight overdraft fee

Currently, we do not charge our clients for general daylight overdrafts.

### 2. Will the bank guarantee payment of all the items even if it results in the account being overdrawn temporarily for the day?

To facilitate wire transfers and other routine business, U.S. Bank can establish an intraday limit for the City to ensure the movement of funds as needed. These limits are set for control purposes. Decisions to release wires with daylight overdrafts are made on a discretionary basis. However, to protect your interests, you are consulted on wires exceeding the established daylight overdraft limit.

Wire transfer processing stops if limits are exceeded. The only place wires have intraday or daily limits defined are through SinglePoint. If those limits are exceeded, the wire does not move from SinglePoint to our wire department for processing. SinglePoint contains only wire limits defined for repetitive and non-repetitive wires.

## Tab P – Merchant Bankcard

The City currently accepts Visa and MasterCard credit card payments only online and only for utility bill payments through Springbrook. The City will consider implementing a credit card terminal at the Finance department counter.

### 1. Please describe the bank's Merchant Bankcard and Point-of-Sale processing capabilities.

Elavon is a wholly owned subsidiary of U.S. Bancorp (NYSE: USB). With \$467 billion in assets, U.S. Bancorp is the parent company of U.S. Bank National Association. The company operates 3,018 banking offices in 25 states and 4,681 ATMS, and provides a comprehensive line of banking, investment, mortgage, and trust and payment services products to consumers, businesses and institutions.

We can process transactions in more than 30 countries enabling global commerce.<sup>1</sup> Elavon has built redundancy into its transaction authorizing and processing system, with our systems regularly achieving 99.9 percent uptime, which extends peace of mind during peak sales seasons.

#### DELIVERING THE BEST PAYMENTS SOLUTIONS IN THE WORLD

Every year Elavon processes over 3 billion transactions globally, worth more than \$300 billion. We extend solutions for all payment types and any processing environment through our robust, redundant processing platform. With our end-to-end advantage, you will benefit from having just one point of contact, lower acceptance costs – and a tailored solution that fits your business. Transaction management and reporting, advanced fraud monitoring, and our chargeback and interchange management programs are designed to help your business increase revenues and decrease costs across your enterprise.

#### Our Industry Experience

##### ELAVON: BUILDING CONNECTIONS THAT MAKE BUSINESS WORK.

Elavon has been a leader in payments processing for twenty-eight years, leveraging the world's best technologies for our customers, from large worldwide enterprises to locally owned small businesses, including entities for education, state and local municipalities and departments in the public sector. We extend powerful payment solutions for all payment types and processing environments, ensuring that the Peninsula College remains well connected.

#### A PARTNER YOU CAN RELY ON

Consistently rated among the top global payment providers, our scalable solutions drive commerce for over one million customers around the world. Backed by the strength and stability of U.S. Bank, the fifth largest commercial bank in the country, we are the payments solutions provider of choice for many of the world's top companies.

#### Our Public Sector Experience

Elavon's payments solutions assist organizations in higher education, government and public sector, utilities and non-profits in taking control of revenue, cutting costs and managing day-to-day operations more efficiently while giving payers the convenience they want.

#### SOLUTIONS TAILORED TO YOUR NEEDS

As a leading payments processor for public sector, education, airlines, hospitality, healthcare and retail, Elavon's team of solution engineers have specialized expertise. Our experts will work with you

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<sup>1</sup> capabilities per region/country may vary

to design and deliver a solution to meet your specific requirements. We specialize in giving you more of what you need to be successful.

### **ELAVON IS ALWAYS OPEN**

We provide unmatched experience and a powerful worldwide network. Our customized, consultative approach tailors design and delivery, client support, reporting, analytics and managed services to meet your business needs – and a dedicated account management team works proactively to ensure critical requirements are met. In addition, our 24-hour Customer Care team provides essential support services from front-line help desk to voice authorization services and back-end technical support.

- 2. Please describe your reporting methodology and how adjustments and charge backs and other debit adjustments are netted from daily proceeds or debited from daily proceeds or debited separately. Is the discount fee refunded when a charge back or refund occurs? What is the rebuttal process?**

#### **The right data for insight into your operations.**

From our interactive online portal, to chargebacks and custom reports, Elavon's services and solutions are designed to facilitate reconciliation and provide insight into your operations.

#### **Comprehensive reporting. What you need to Know When You Need to Know.**

Elavon will work with you to provide the information necessary to consolidate and manage settlement and transaction data through advanced custom reporting systems designed to meet your specific needs. Data can be summarized or detailed through a variety of hierarchies including at a chain level, region, store batch and the individual transactional level. To better serve our customers, Elavon offers various types of reporting tools.

#### **Account Details, at Your Fingertips**

Payments Insider®, our interactive customer portal, empowers you to manage all aspects of your payments business. Designed from the ground up to be intuitive and easy to use, the portal gives you secure online access to your business information, and engaging content like the latest industry news, security and compliance articles and important notifications.

#### **Customizable reports include useful funding, sales, chargeback and downgrade intel**

Download reports and statements in universal CSV or XLSX formats for easy reconciliation

User-friendly interactive dashboard widgets display at-a-glance information

Interactive online statements that drill down to detailed information

#### **Billing Statements**

Our billing statements are available online for up to 13 months for Payments Insider users. These statements help customers reconcile funding activity with their accounting systems and banking activity. We offer a variety of statement types, each containing varying levels of detail. The Chain Merchant Summary statement is used by entities with multiple locations. This statement combines several current chain statements into one chain summary level statement and provides summaries of total fees paid by the chain, as well as for each chain location. The statement includes the following features:

#### **Customer recaps are month-to-date and year-to-date data.**

Customer locations are sorted by location number, if that information is provided.

The deposit section of the statement includes batch numbers and all card types. This section displays the amount deposited by Elavon and by other card organizations. In addition, the customer may select further deposit detail by card type (Visa®, MasterCard®, Discover® etc.) The fee sections

break out fees for Visa/MasterCard, Discover, etc., chargebacks, the payment device, debits and other fees. Fee information is organized in an easy-to-understand format.

Billing statements are tied to a customer's billing cycle. The statement frequency can be daily, weekly or monthly as requested.

Statements can be delivered by snail mail and/or electronically.

### **Chargeback and Retrieval Services**

Elavon's Dispute Resolution department processes an average of 60,000 chargebacks per month and 15,000 retrieval requests per month while maintaining an average retrieval fulfillment rate of 97.5%.

The department is able to handle approximately 15% to 20 % of chargebacks without customer involvement which means fewer chargebacks for our customers and a lower overall cost of card acceptance.

- Chargebacks that require documentation from the issuing bank are processed within an average of 10 days.
- Chargebacks that do not require documentation from the issuing bank are processed within an average of 5 days.

A proprietary chargeback system called Automated Dispute Resolution Processing is used to work chargeback and retrieval activity. This single point of entry system stores data related to each dispute. Elavon implemented this system in 2001 and continues to invest in and enhance the system to assist in the dispute process. Auto Decision functionality has been integrated into the system based on payment brand regulations for specific reason codes. This logic allows the system to determine if items should be represented to the issuing bank or debited to the merchant.

### **Online Case Management**

#### **Simplifying a difficult process.**

Managing chargebacks and retrievals can be a difficult and confusing part of payment processing. Mailed or faxed notifications often get misplaced, overlooked or forgotten, resulting in unnecessary losses for your business. Our Online Case Management (OCM) solution enables you to easily review, respond and manage all of your chargeback and retrieval activity. Today's paper-based chargeback and retrieval process is inefficient and labor-intensive, often resulting in costly write-offs. Our OCM solution streamlines the chargeback response process by making it easier for staff to respond to requests. Since OCM supports the ability to prioritize cases on key factors, you can respond quickly and reduce the amount of write-offs, saving time and money.

#### **Greater efficiency through technology.**

With OCM, you can effectively manage your chargeback cases through our easy-to-use online portal. All information is stored safely in our secure data center, providing you with peace of mind. You can access your complete history of cases and any related documentation, helping to reduce or eliminate paper storage and related costs. OCM features a daily summary of case activity as well as account alerts.

You set the preferences for your alerts whether it's new chargeback and retrieval cases, status updates, high value amounts and case aging. Additionally, OCM features a broad selection of reports to manage your activities and measure your results.

#### **Detailed reporting.**

OCM offers a broad selection of reports to provide full visibility into chargeback and retrieval activity to help you effectively manage your case activities. Reports can range from a single listing to a specific filtered report by date, location, card type, case ID and a number of other criteria. You can drill down further into a specific case for a detailed look at the history, including actions taken and

results achieved. OCM enables you to export report data to other enterprise systems in multiple formats, including HTML, CSV, PDF, TXT and Excel.

**3. When and how would the City receive funds for each day's transactions? Is the settlement by ACH or Fed wire? Are settlement amounts listed separately on the bank statement or do they appear in one lump sum? Does the bank break out settlement amounts by merchant location?**

Batch deposits are generally shown separately on our customer's cash management reports. However, this is dependent upon your depositor bank's reporting capabilities. Days that the Federal Government is not open (weekends and Federal holidays) will impact your settlement times. Saturday and Sunday activity will typically be deposited on Monday as separate deposits, if your bank account is with the Member bank. Otherwise, the timing of such deposits is outside of Elavon's control, but generally occurs within 1 to 2 business days after settlement. An optional setting of Pay by Batch can be set to post batches separately or you may opt to lump them together daily.

**4. What is the cutoff time for card transactions?**

Cut off for next day funding is midnight.

**5. Can the bank supply the City with terminals if needed? Does the bank have a preferred credit card third party vendor for daily settlements?**

U.S. Bank | Elavon can supply the necessary equipment and supplies for the City. Please review the proposed pricing for terminal options following this section.

The bank utilizes Elavon for merchant processing, a wholly owned subsidiary of U.S. Bank.

**6. Is the bankcard relationship managed by a separate unit of the bank, or by the Account Relationship Manager? Please briefly describe the structure of this area.**

One point of contact for all of your payment solutions. Simpler really is better.

Elavon has a customer care organization specifically focused on government and public sector relationships, recognizing that they have unique needs. Through your relationship with Elavon, your Account Management team, as described below, is responsible for evaluating your needs and carefully developing a plan to align applicable Elavon products and services ensuring that your objectives are met. This Elavon employed team is U.S. based with tenure and deep industry experience to ensure full accountability and control of your service.

**How we engage with you.**

Our engagement model provides our customers with specialized attention that truly delivers results that align with your short and long-term strategy. Through meaningful insight and discovery, we identify and provide you with actionable recommendations that can improve and optimize your payment strategy. This model provides maximum benefits to our customers such as cost efficiencies and quality solutions that scale to their growing business.

Elavon's customer care functions are handled in-house. You will have a dedicated resource throughout implementation, and ongoing support to advocate on a broad range of issues that relate directly to your satisfaction and play a pivotal role in your customer experience including:

- Aligning your payment acceptance strategy with our solutions to drive the results that meet your expectations.

- Collaborating with your organization, service providers, partners, and other resources on the successful delivery of new business initiatives.
- Delivering and interpreting operating results through our account review process.
- Acting as your senior point of escalation for partnership impacting issues.

A dedicated Account Manager will work closely with you to support your staff, your business needs and see to your day-to-day issues. This individual will remain your primary operations contact, responsible for:

- Bringing new locations online
- Reviewing your statements and interchange status
- Handling chargeback issues
- Providing other “back-office” services related to your processing needs

For routine services, Elavon operates Customer Care centers for voice authorization and merchant assistance that are supported by dedicated and well-trained staffs of service professionals. Service is available 24 hours a day, 7 days a week

**7. When and how are the discount rate fees charged to the City? Can this fee be paid through analysis? Is tiered pricing available?**

Elavon collects fees through ACH from desired bank account at the end of the month. If the merchant desires daily discount, that would be set up through the account manager. Tiered pricing is available upon request during negotiation period.

**8. Is reporting information available online? What is the fee associated with this service? Is a “corporate level” view available to see all the merchant accounts?**

Please refer to answer for question #2. Payment Insider fees are waived for government agencies. Hierarchy group can be established to view all merchant accounts under one umbrella.

**9. What network is used for front-end and back-end operations?**

Elavon understands the value in working together. We have cultivated partnerships with industry leaders that specialize in providing solutions to government organizations and the public sector. These partnerships allow our customers to use, in most cases, the existing payment solutions they have in place today. This includes an extensive list of point of sale, Enterprise Revenue Program (ERP) systems, parking and recreation solutions. We also have longstanding partnerships with many specific providers which are part of the public sector’s complex operating environment.

Additionally, Elavon has certified over 300 gateways and software providers to our host, through our proprietary specifications. Numerous other gateways and software providers have certifications to the Elavon Acquiring specifications. A growing subset of these partners have completed an EMV certification or are in the process of doing so. While Elavon has established these partnerships as a convenience for our customers, the partners remain independent contractors and will contract for their products and services separately.

Elavon works with many customers and partners to certify the solution that best fits their needs. Our primary gateway service is the Elavon Gateway (Fusebox), which is a key component of our EMV delivery on Simplify. Through Commerce SDK, we can also offer EMV solutions through our Converge gateway. Elavon welcomes the opportunity to partner with additional gateways and solution certifications to bring the best to you and your customers.

**10. Please explain your rate increase policies. Can the rates be fixed for any period of time during the City's contract?**

American Express, Discover, MasterCard and Visa Interchange, and Assessments, pricing are dependent upon interchange and other fees imposed on all Card Brand Members. Elavon will pass through increases or decreases of these fees imposed by the Association members upon written notice. The Card Brand Members offer over 300+ cards that may be presented for payment; the latest Interchange and Assessment spreadsheet for the each card type can provided in upon request.

**11. What payment gateway platforms are accepted or provided?**

Refer to question #9

**12. The following pertains to the associated discount rate and other applicable charges. Please provide the following:**

**a. Visa Authorization Fee**

Cost plus per authorization - \$0.10

**b. MasterCard Authorization Fee**

Cost plus per authorization - \$0.10

**c. Monthly Service Fee**

Monthly service fee - \$10.00 per month

**d. Monthly Statement Fee**

Paper statement fee - \$10.00 per month when mailed, \$0.00 when delivered electronically.

**e. Please list any and all other applicable fees that the City would be charged.**

Cost plus 0.35% exchange fee per transaction.

**f. List any other credit cards accepted (Discover, American Express, etc.) and provide information answering the questions in this section for such other services.**

Both rate and authorization fee for American Express and Discover are cost plus 0.35% + \$0.10 per transaction on Pass Thru Pricing model.



## Elavon Proposed Pricing

### City of Fort Bragg

Visa/Mastercard/Discover Fees	
Interchange Card Level	Pass Through
Card Brand Members' Dues and Assessments	Pass Through
Other Fees	
Visa/Mastercard/American Express/Discover Processing Rate	\$0.10 per item
Visa/Mastercard/American Express/Discover Processing Fee	0.35%
Online (PIN) Debit Fee	Network Interchange/Switch Fees \$ 0.089
Voice Authorization Fee	\$0.85/per authorization
Chargeback/Return NSF Item Fees	\$25.00/\$15.00
Paper Statement Fee, if desired	\$10.00/month
PCI Monthly Fee (Financial Reimbursement Program) *	\$10.00 per MID
PCI Non-Compliance Fee**	\$59.95 monthly
Equipment EMV/NFC Terminals and Peripherals	
Ingenico Lane 5000	\$638.00 purchase
Paycentric Electronic Billing and Payment	
Bill Pay Hosting	\$150.00/ per month
Per Payment Submitted	\$0.90
Fee Per Additional Sheet	\$0.30
Postage	\$0.06
Implementation Fee	Waived***
Training	\$100.00/per hour
Reporting Tool Options	
Web reporting tool (Payment Insider)	FREE
Web Reporting Tool (MC Premium 1-5 Users)	\$20.00/monthly

Elavon's pricing is dependent upon interchange and other fees imposed on all credit card processors by Visa, Mastercard and other third parties. Elavon will pass through to all such increases imposed by third parties, upon written notice of the increased fee.

The card brands offer over 300+ cards that may be presented for payment; the latest Interchange and Assessment document can be provided upon request.

#### Pricing Provisions:

Pricing implies that all hardware and software is certified to U.S. Bank's Payment Provider network/platform (Elavon). If another Payment Provider Network (PPN) is necessary to authorize and settle transactions, we will pass through any additional fees. Fees vary by specific PPN.

#### Additional Comments

**\*This fee is for Breach Financial Assistance. We will provide monetary coverage up to 20K for forensic/investigation cost associated with breach and/or security fraud.**

**\*\*This fee is only assessed if the Agencies have not provided its required PCI SAQ (Self-Assessment Questionnaire) within 90 days of MID issuance.**

**\*\*\*Waived, except when required to do custom work that is not part of the standard platform as set forth in a mutually agreeable SOW.**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
07/25/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UNDER THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hays Companies 80 South 8th Street Suite 700 Minneapolis, MN 55402	1-612-333-3323	CONTACT NAME: Dawn Heisemann and Melody Kronbach PHONE (AC, No. Ext): 612-333-3323 FAX (AC, No.): 612-373-7270 ADDRESS: dheisemann@hayscompanies.com
INSURED U.S. Bancorp and its Subsidiaries 200 South 6th Street EP-MN-1201 Minneapolis, MN 55402		INSURER(S) AFFORDING COVERAGE INSURER A: OLD REPUBLIC INS CO NAC# 24147 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: 56815854 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INR LTB	TYPE OF INSURANCE	ADOL INSR	BOOK NO.	WVCD	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:				MWZY31397919	08/01/19	08/01/20	EACH OCCURRENCE: \$ 5,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 1,000,000 MED EXP* (Any one person) \$ EXCLUDED PERSONAL & ADV INJURY \$ 5,000,000 GENERAL AGGREGATE \$ 6,000,000 PRODUCTS - COMP/OP AGG \$ 6,000,000	
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY				MWZB31397719	08/01/19	08/01/20	COMBINED SINGLE LIMIT (Per accident) \$ 250,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$							EACH OCCURRENCE: \$ AGGREGATE: \$ \$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below				MWZC31397619	08/01/19	08/01/20	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000	
A	Excess Automobile Liab.				MWZX31398119	08/01/19	08/01/20	LIMIT 4,750,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
RE: RFP.  
Evidence of Insurance.

CERTIFICATE HOLDER RFP City of Fort Bragg 416 N. Franklin St. Fort Bragg, CA 95437 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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ACORD 25 (2016/03)  
ddebuhr  
56815854

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## Tab Q – Purchasing/Credit Card

The City currently has a credit card program in place for employees to make various types of purchases and incur expenses for City-related business.

**1. Does the bank offer a purchasing or credit card service? If so, please describe the services.**

Yes. The U.S. Bank Purchasing Card provides a cost effective, time saving payment option for your business to business procurement needs, while supporting your purchasing and supply chain management strategies. The purchasing card streamlines the purchasing process and empowers your supply chain management strategies. By using purchasing cards to place orders, the costs associated with processing requisitions, purchase orders and check requests are dramatically reduced. The program simplifies and enhances all aspects of the purchasing process, including policy compliance, vendor negotiations, transaction monitoring, security, reporting and payment. Additional features of the purchasing card include:

- Worldwide acceptance
- Online reallocation tool
- Comprehensive spend reporting
- Financial systems integration
- Tokenization for Mobile Payment
- Transaction and spend limits
- Enhanced data capabilities
- Experienced technical consultants
- Tax and compliance management tools

Complex purchasing programs require a comprehensive array of payment products. U.S. Bank matches the products to your needs. Side-by-side with traditional purchasing card accounts, we offer global solutions, procurement solutions for high dollar purchases and solutions that provide sophisticated order management and integration with financial systems. Our purchasing solutions offer sophisticated spending controls at the cardholder and billing account levels as well as card integration and reconciliation capabilities with leading eProcurement providers.

### Central Bill Accounts (CBA)

We also offer a variety of Central Bill Accounts to meet specific spending needs:

- **Ghost Accounts**—Offer organizations all the same features and benefits of commercial cards, but without the actual plastic card. This provides an added degree of protection against potential card misuse.
- **Central Travel System (CTS) Accounts**—Centrally billed charge accounts to which all airline ticket purchases can be made. No card is issued; only your organization and/or your travel agency can issue airline tickets against the account. You will receive one easy-to-understand billing statement that outlines transaction detail for each charge. In addition, CTS offers the flexibility of unlimited subaccounts, so you can budget and separate expenses accordingly.
- **Event Planner Cards**—Created to meet the unique needs of your event and meeting planners. Our clients use event planner cards for charges such as room rental, audio-visual equipment, internet and teleconferencing services, transportation/group shuttles, event food and beverage, special event admission fees, or any other meeting-related expenditure not normally covered using an individual corporate travel card.
- **Supplier Accounts**—Designated accounts assigned to key suppliers which your employees can use to make purchases exclusively at the designated supplier. Other suppliers in the merchant category code could be blocked from individual accounts to discourage spending at competing suppliers.

## 2. Please detail all of the fees associated with the service and/or any rebate/rewards available with the program.

Please refer to **Exhibit 2 – U.S. Bank Purchasing Card Financial Proposal** for details on our rebate and fee offer.

## 3. How often are the statements and reports remitted to the City? Is the reporting available on line?

Comprehensive reporting is vital to the City for effectively managing your payment programs. With the Access Online reporting tool, you can run predefined standard reports or create organization-driven ad hoc reports with 72 months of transaction data available online, and offline for a total of 15 years. Statements are available for 12 months plus the current cycle within Access Online and are available in PDF format to both view and save, thus eliminating the need to maintain paper copies.

Access Online means immediate access to your transaction data, allowing you to run reports whenever needed. The highly intuitive user interface makes it easy for you to access your vital program data. Users simply select from a list of reports, define specific selection and sort options and choose an output type.

### Report Categories

Report categories available include:

- **Program Management Reports**—Supports general program management activities and allows you to monitor compliance with organization policy. Program performance indicators highlight important trends that you can use to proactively manage your accounts. Program Administrators gain access to information on every type of account activity.
- **Financial Management Reports**—Allows you to access transaction management activity information; can be used to determine if cardholders are properly managing their accounts and ensure that expenses are assigned to the proper cost centers.
- **Supplier Management Reports**—Allows you to manage supplier relationships, support supplier negotiations and manage spending by category. Used to analyze the overall effectiveness of your supplier strategies and identify overall performance issues and opportunities. The City is armed with actual program performance information that can be leveraged to drive supplier behavior and positively impact supplier negotiations.
- **Tax and Compliance Management Reports**—Assist you with monitoring expenditures, tracking variances and managing account allocations; can be used to ensure your programs are operating in accordance with U.S. Federal Government standards and requirements.
- **Administration Reports**—Provides Program Administrators easy access to basic program configuration information and helps them determine the impact the program structure may have on performance and utilization, including accounting code and user management.

### Dashboard Reporting

Access Online Dashboard reporting provides an intuitive, on-demand view of information that allows the City to step back from the details and see the key trends and relationships that drive your commercial card programs' success.

Dashboard reporting offers several benefits, including:

- Distills extensive data into a single page that graphically represents the areas of performance you care most about, such as spending, transaction and purchasing indicators
- Compares different time periods and key points of data to each other to understand current and historical trends

- Customizes reporting by hierarchy level to highlight overall or measure individual department performance

### Custom Reporting

In addition to standard reports, Access Online offers the following ad hoc reporting and scheduling options:

- **Flex Data Reporting**—Puts the control in the user's hands, so they can define what they want to see in a report. By setting the report context—date ranges, processing or reporting hierarchies and more—users are able to choose the amount of data they want. By defining report content (fields to include or calculate) users ensure only the information they need is in the report. Users can define a logical grouping of data, and at what level it should be subtotaled.
- **Report Scheduler**—Available with our Standard Reports; allows Program Administrators to schedule reports to run once or on a recurring basis. Additional features include:
  - Reports can be delivered to multiple recipients
  - Recipients can be notified via email when the report is available
  - Access to functionality is controlled by Report Scheduler entitlement

### Report Formats

All reports are parameter-driven and offer a high degree of flexibility and variety of output formats, all fully exportable and viewable online in the following formats:

- **Browser**—Open in the user's existing internet browser, requiring no additional software. Some reports take advantage of drill-down links for additional detail.
- **PDF**—Readily formatted for printing, downloading or email exchange.
- **Excel**—Use a spreadsheet structure for ease of additional analysis, sorting and filtering, and useful for export to third-party applications.
- **Active**—Use dynamic HTML to display using the existing browser but also offer interactive features, including on-demand sorting, filtering, charts, graphs and export to XML and CSV.

Reports can be delivered via the following methods:

- **Internet**—Access Online is a web-based system that allows users 24/7 access to reports.
- **Data File**—We will provide a data file at a frequency level directed by you.
- **Access Online Data Exchange**—Scheduled reports are only delivered through Access Online Data Exchange and can be retrieved from the Access Online Secure Mailbox. You will receive email notification when reports are available for viewing. Access Online provides Transport Layer Security (TLS 1.2) 256-bit data encryption. We do not distribute actual reports via email for security reasons.

### Benefits

The Access Online Management Reporting:

- Meets your unique reporting needs with customized reporting tools
- Measures and monitors program performance
- Identifies unique spending patterns and preferred supplier opportunities
- Eliminates hard-copy report distribution
- Makes monitoring purchasing and travel program compliance easy
- Provides online access to 72 months of transaction data

Please refer to **Exhibit 3 – Access Online Report Descriptions** for a detailed list and description of our standard reports.

#### 4. Is there an interface available to download cardholder purchase information, either in an Excel format or directly to the City's accounting system?

Yes. We will work with you to integrate your commercial payment program information with your financial systems. From accounts payable to electronic expense reporting and eProcurement, we have successfully integrated our solutions with all major financial ERP systems, including JD Edwards, Oracle, PeopleSoft and SAP.

Effective financial extracts contribute to increased processing efficiencies and cost savings. Access Online allows you to extract the data you need in the most efficient, convenient format, providing a wide variety of financial extract options to meet your specific integration requirements. Options for financial extracts include:

- **Standard Financial Extracts**—Appropriate for clients desiring a quick to implement, low maintenance, automated extract solution. If a standard financial extract is appropriate for the City, you will receive a basic financial extract at the end of each cycle in a format that is compatible with your systems.
- **General Ledger Extracts**—Directly integrate with the City's general ledger system. You control where transactions are allocated, how extracts are structured and when data is delivered, which provides more control over your transaction data. If you receive a daily general ledger extract, you can customize the daily file by choosing a specific number of previous days to include in the file. You can receive general ledger extracts daily or at the end of each cycle.

#### Output Format

The City can choose the output format that best suits your needs. The output file format indicates the unique positioning and layout of data within an extract file. We offer the following primary output file types:

- **Statement Billing File 2.5 (SBF 2.5)**—U.S. Bank standard statement file that contains transaction data with allocation information; primarily used to populate your general ledger with transaction information.
- **VCF 4.0 (TVCF 4.0)**—Standard file format that contains transaction, account, hierarchy and Level II and Level III data for both corporate and purchasing card programs. This file type also supports the inclusion of allocation data from Access Online.
- **RCON1 Standard Extract**—This file type accommodates U.S. Bank Virtual Pay programs and contains basic transaction detail data and the matching payment instruction (PI) and payment request (PR) data.

#### 5. Do you provide an online application to review/approve procurement card transactions and to manage other aspects of the program?

Yes. Access Online, our proprietary system for program management and reporting, provides the backbone for our commercial payment solutions, and provides the tools our clients need to manage their commercial card programs.

Access Online offers a feature-rich platform that is easily tailored to meet the unique needs of our clients. We will assist the City with choosing the features and functionality that best support and enhance your business processes. Access Online offers effective and efficient management controls as well as complete integration with client financial systems.

The core Access Online functionality includes:

### **Account Setup and Maintenance**

Program Administrators value self-service options and convenient 24/7 access to open new and edit existing accounts. Within Access Online, Program Administrators can set up accounts and user profiles (one at a time or with account templates for mass creation) as well as edit the following account and profile parameters in real-time:

- Demographic information
- Transaction controls and limits
- Hierarchy assignments
- Default accounting codes
- MCC (Merchant Category Code) group changes
- Access rights

### **Transaction Management and Approval**

Access Online provides users with tools to process and manage transactions in real-time. Program Administrators can configure the Access Online transaction management capabilities to reflect your processes and requirements. Transaction management functionality allows users to:

- Review transactions
- Dispute transactions
- Allocate and reallocate
- Review and add user-defined line items
- Add transaction comments
- Upload transaction documents
- Leverage inclusive report signature lines for convenient approval/sign off

The Access Online Transaction Approval Process is an aspect of the transaction management functionality that allows users to approve and audit transactions. You can customize the transaction approval process to mirror your existing auditing procedures and policies. This feature expedites transaction review and approval and generates a complete audit trail. Your Program Administrators can set up default approvers for each user, allow users to select approvers from a list, automate the approval process based on amount or other parameter, and more. Authorized users can also update individual cardholder account activity in real-time, allowing them to change allocations on-the-fly.

### **Accounting Code Validation**

Access Online Accounting Code Validation improves the efficiency of your entire procurement process by automating the allocation process and reducing manual intervention. When a user allocates a transaction to an accounting code, this functionality confirms the validity of accounting codes, accounting code segment values and combinations of segment values. With Access Online Accounting Code Validation, you can:

- Create multiple unique accounting code structures
- Set distinct validation rules for different cardholder groups
- Develop and populate valid value lists
- Customize accounting code validation controls
- Run Reports

### **Reporting**

The Access Online comprehensive reporting suite allows users to run predefined standard reports or to define custom reports using the flex data reporting tool. All reports are parameter-driven and offer a high degree of flexibility and variety of output formats (e.g., HTML, Microsoft® Excel or PDF). Users can generate reports in real-time or schedule recurring report delivery. Standard report

categories include: program management, financial management, supplier management, travel expense management, tax and compliance and global.

### **Financial Extracts**

We will work with you to integrate your commercial payment program information with your organization's financial systems. From accounts payable to electronic expense reporting and eProcurement, we have successfully integrated our solutions with all major financial systems, including JD Edwards, Oracle, PeopleSoft and SAP. Effective financial extracts contribute to increased processing efficiencies and cost savings. Access Online allows the City to extract the data you need in the most efficient, convenient format, providing a wide variety of financial extract options to meet your specific integration requirements.

### **Data Exchange**

Access Online Data Exchange fully supports both upload and download capabilities for frequently used types of files, such as statement billing files, general ledger data feeds and custom reports. This functionality provides easy, automated and secure access to your data, facilitating complete integration with your systems. The Access Online file transfer method allows users to transfer large numbers of files with consistent, uninterrupted access.

### **Order Management**

Access Online Order Management connects your commercial card program and your eProcurement solution by automating accounting code allocation and facilitating order and transaction reconciliation. Order Management streamlines your procurement strategies, facilitates audit processes and provides enhanced data for management reporting while reducing post payment reconciliation activities. Order Management provides both automated matching and manual matching options and allows you to account for taxes and other fees by setting tolerances beyond the order amount.

For clients using eProcurement solutions (e.g., Ariba, Perfect Commerce, SAP EBP, Oracle iProcurement, ePlus, etc.), Access Online accepts an order data feed that is reconciled against purchasing card financial transactions.

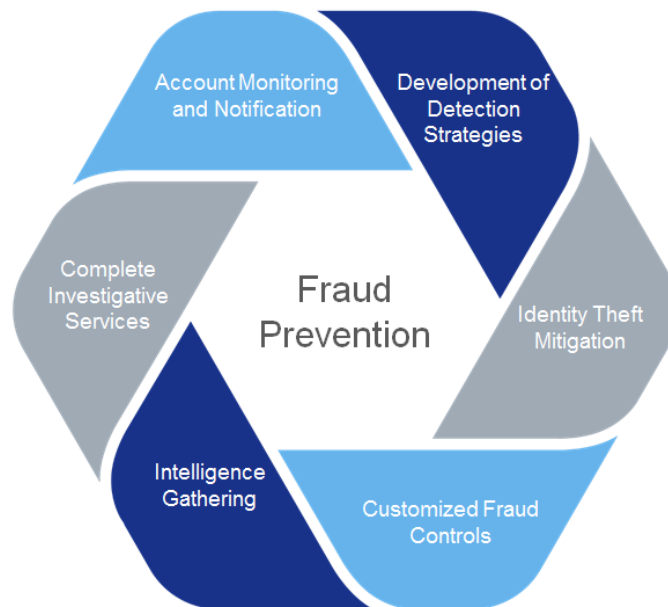
### **Future Enhancements**

To stay ahead of technology trends, we maintain, host and support Access Online internally. We actively seek feedback from clients on a regular basis to identify ways to increase productivity, efficiency and usability of Access Online. Enhancements are based on client feedback and reviewed and prioritized by an internal review group. It is our goal to provide our clients with the most user-friendly, intuitive product and system functionality in the industry. New features are introduced on an iterative basis, enabling new functionality to become available as soon as possible. We release Access Online updates about four times per year, with upgrade and maintenance releases scheduled throughout the year, as necessary.

## **6. Identify how fraud protection is identified, prevented, and monitored.**

U.S. Bank Corporate Payment Systems offers a full range of fraud prevention and investigative services as part of our standard offering to clients. The core service is driven by a team of dedicated fraud professionals focused on superior service and results for our clients. The complete fraud life-cycle support includes:





#### Account Monitoring and Notification

- Trained fraud professionals available 24/7
- Combination of real-time and near real-time fraud rule engines
- Authorization scoring with industry-leading risk models designed to profile cardholder behavior and compare it against known fraud patterns
- Outbound telephone calls to cardholders and program offices to verify activity
- Optional fraud alerts via text message and email
- 3D Secure authentication for card not present (online) charge activity

#### Development of Detection Strategies

- Sophisticated data modeling techniques used to detect fraud trends
- Standard industry practices including card activation programs requiring cards to be activated before first use and Card Verification Value (CVV) embedded in card magnetic strips along with chip enabled cards to prevent counterfeit risk

#### Identity Theft Mitigation

- Our Threat and Vulnerability team monitors the internet for rogue websites impersonating our sites and closes them down
- Compromised user ID alerts
- Immediate response to breaches through our cardholder privacy office

#### Customized Fraud Risk Controls

- Account opening and maintenance policies
- Appropriate credit limit assignments
- Merchant restrictions

#### Intelligence Gathering

- Participation in industry roundtables provides current information on fraud trends and allows for proactive steps toward fraud mitigation

- Quarterly reviews conducted with Visa and Mastercard on fraud trends, performance and innovative fraud products

### Complete Investigative Services

- Coordination with local, state and Federal law enforcement agencies
- Industry leading recovery rates minimize cost of programs to our clients
- Assistance on internal fraud cases by providing copies of charge receipts, transaction detail and copies of applications to law enforcement agencies, if required

We continually work to enhance our fraud detection capability and the overall customer experience, with three of our largest recent fraud initiatives highlighted below:

- **Visa Travel Notification Service**—We were one of the first providers to market with Visa Travel Notification Service (formerly known as Visa TravelTag). When a cardholder books their business trip on a U.S. Bank Corporate Travel Card, the itinerary data (dates of travel, destination, etc.) creates a travel tag on the cardholder’s account. When the card is used at a merchant, we check the cardholder’s travel tag in real-time to confirm that the authorization information matches the travel dates and destination. This process provides us with enhanced data to be used with fraud detection rules and provides cardholders with a better experience.
- **Visa Consumer Authentication Service (VCAS)**—Industry trends continue to show increases in fraud related to Card Not Present (CNP) transactions. As a result, we rolled out Visa’s VCAS product (often known as 3D Secure) to offer an increased layer of fraud detection for online transactions. VCAS is available for both Verified by Visa transactions and Mastercard Secure Code transactions.
- **Fraud Alerts**—When a transaction occurs and hits a fraud strategy, that transaction is declined and the cardholder receives a text and/or email alert instantly to verify if the transaction is legitimate. If the cardholder verifies the transaction, the system automatically removes the block and the cardholder can attempt the transaction again. If the cardholder declines the transaction, a fraud block remains on the account and the cardholder is prompted to call customer service.
- **Voice Print Technology**—Pindrop is a voice printing technology that provides additional protection against account take-over-phone attempts. It is a risk-based technology that listens to and assigns a risk score to each call by analyzing approximately 150 factors. Pindrop also identifies the true location of the caller (i.e. flagging spoofed calls where the caller is utilizing a tool to mask the true caller ID), the device type (e.g. land line, mobile phone, Voice Over Internet Protocol), the voice print and the reputation of the phone number. High risk calls are identified by the risk score assigned by Pindrop and can then be evaluated for further action. Once a fraudulent caller is identified, Pindrop allows for the creation of caller profiles within the system using the recorded call to identify subsequent calls from a specific fraudster.

## 7. Describe if credit cards can be managed online, including requesting additional cards, editing purchasing limits, editing availability of vendors for each card, making online payments, and any other online services available for the management of credit cards.

Access Online is a robust, web-based program management and reporting tool designed to meet the complex needs of any organization 24/7. This user-friendly solution for cardholders and Program Administrators offers card setup and account maintenance, on-demand and scheduled standard and ad hoc reporting, cost allocation and expense reporting tools, as well as file extracts for transaction data integration with your accounting systems.

The City will choose the features and functionalities that best support and enhance your business processes. Access Online offers effective and efficient management controls, allowing multiple users within your organization to efficiently manage accounts, manage transactions and establish workflow. The core Access Online functionality includes:

- **Account Setup and Maintenance**—Set up and edit accounts and user profiles in real-time
- **Transaction Management and Approval**—Leverage transaction management capabilities to reflect your processes and requirements
- **Accounting Code Validation**—Automate the allocation process and reduce manual intervention
- **Reporting**—Run comprehensive standard reports in real-time, define ad hoc reports and schedule recurring report delivery
- **Financial Extracts**—Extract the data you need in a format that integrates with your financial system
- **Data Exchange**—Transfer frequently used files such as statement billing files, general ledger data feeds and custom reports with Access Online Data Exchange
- **Order Management**—Connect your commercial card program and eProcurement solution by automating accounting code allocation and facilitating order and transaction reconciliation

Using Access Online:

**Program Administrators can:**

- Set up and maintain cardholder accounts
- Manage system access and user entitlements
- Establish policies, procedures and workflow
- Maintain cost allocation coding, lists and rules
- Generate management reports
- Schedule financial extracts
- Integrate information into financial systems
- Utilize account templates for quick account creation

**Cardholders can:**

- View online statements
- Review and dispute transactions
- Add comments and user line-items
- Reallocate transactions
- Pay individual bills online
- Update demographic information
- Manage account details
- Attach transaction documentation

**Managers can:**

- Review and approve cardholder maintenance requests
- Review and approve cardholder transactions
- View cardholder activity
- View user activity logs
- Generate management reports

With Access Online, you can use the data from your card program to make more informed business decisions, streamline operations and improve your bottom line.

In addition, built-in file extract capability makes it easy to import your commercial card transactions into your general ledger system, significantly reducing time used for manual processing. Access Online Data Exchange supports both upload and download capabilities for frequently used types of files such as statement billing files, general ledger data feeds and custom reports. This functionality provides easy, automated and secure access to your data, facilitating complete integration with your systems. The Access Online file transfer method allows users to transfer large numbers of files with consistent, uninterrupted access.

Within Access Online, your users can create reports that specify date ranges, departments and other options for customized spending analysis. Online, interactive reports allow you to review information in high-level spending summaries or by individual transactions, schedule reports to run on a certain date/time or on a recurring basis and then distribute this information via email to designated individuals.

## Tab R – City Disaster Preparedness Program

Please describe any processes in place to assist the City in the event of a natural disaster.

### U.S. Bank Enterprise Preparedness Program Overview

U.S. Bank’s Enterprise Preparedness Program establishes and supports our organization’s Business Continuity and Contingency Planning Program. The program is designed to evaluate the impact of significant events that may adversely affect customers, assets or employees. This program helps ensure that U.S. Bank and its applicable affiliates can recover our mission-critical functions and applications, thereby meeting our fiduciary responsibility to our stakeholders and complying with the requirements of the Federal Financial Institutions Examination Council (FFIEC), the Securities and Exchange Commission (SEC), the Office of the Comptroller of the Currency (OCC), the Financial Industry Regulatory Authority (FINRA) and the Office of the Superintendent of Financial Institutions (OSFI). In addition, we have met all recovery criteria as prescribed by the Interagency White Paper on Sound Practices to Strengthen the Resilience of the U.S. Financial System.

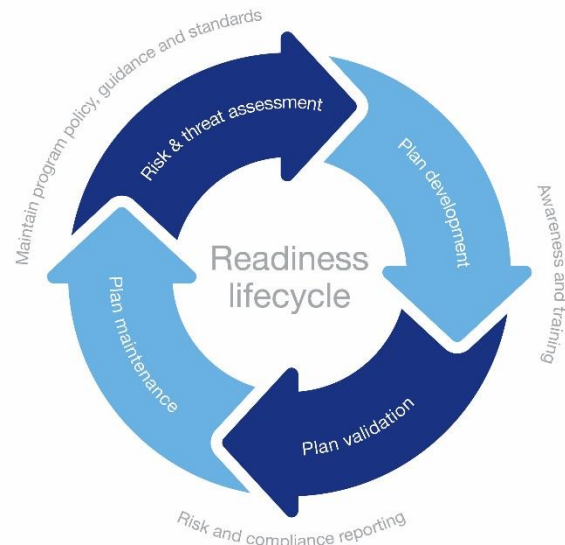
The U.S. Bancorp Board of Directors approves the U.S. Bancorp Enterprise Preparedness Policy annually, and key issues and status are reported to the Board and senior executives on a periodic basis.

Crisis Management manages and coordinates the enterprise response to adverse events that threaten to harm our organization, stakeholders, employees, assets or reputation. The enterprise response focuses on the safety of all employees, customers and assets of U.S. Bank; minimizing disruption of service and/or inconvenience to customers; returning to a business-as-usual state as quickly as possible; and limiting any potential liability of the organization.

Additionally, Crisis Management maintains situational awareness and facilitates crisis management planning, conducts training, tests, exercises and maintains the emergency notification system. Crisis Management oversees the information flow between our lines of business, tiered response teams and executive management. The tiered incident response teams consist of the following:

- Executive Crisis Management team
- First Response Executive team
- International Response team
- Emergency Response team

The U.S. Bancorp Pandemic Preparation and Response Plan was developed in partnership with senior leaders and other critical support departments to prepare for the possibility of pandemic flu in the same way that we prepare for other events that could affect our employees, customers and communities. The plan was prepared in communication with public officials, pandemic planning experts, various state and local organizations, and other financial institutions and businesses. The plan augments procedures already in place as part of the existing Enterprise Preparedness Program and outlines strategies to mitigate the impact of a pandemic upon our company, employees and customers.



We have resources dedicated to the Enterprise Preparedness Program and detailed Business Continuity Plans and Disaster Recovery Plans for the restoration of critical processes, applications, infrastructure and operations. Key features of our planning process include:

- Employee safety strategies and communications/notifications
- Systems and telecommunications accessibility
- Alternate physical site location and preparedness
- Emergency notification processes and systems
- System and data backup and recovery
- Pandemic and high employee absenteeism

The Enterprise Readiness Services department coordinates strategy, planning, testing, reporting and monitoring of the U.S. Bank Enterprise Preparedness Program across our organization. The Enterprise Preparedness group has set forth guidelines which incorporate industry best practices for recovery of critical business units, recovery of technology, and emergency and crisis management response and integrates the program into the overall risk management framework.

- **Criticality assessments**—The Criticality assessments are used in the determinations of business process and application recovery time objectives, which addresses impacts based on financial, operational, reputational and regulatory risk factors.
- **Business impact analysis (BIA)**—The BIA measures the effects of resource loss and escalating losses over time in order to provide management with reliable data upon which to base risk mitigation and continuity planning. BIA is reviewed biennially in conjunction with plan.
- **Threat vulnerability assessment**—Our Enterprise Preparedness Program utilizes a Threat Vulnerability Analysis (TVA) process, biennially, to assess the risk of major natural hazard events and the impacts of those events on our corporate locations and the mission critical processes/technologies executed at those locations. This analysis drives strategic recovery planning for continuity of operations for these processes and technologies at the selected locations. The planning process assists in mitigating the potential concentration risk exposure of a single natural hazard or man-made event to any particular location or process.
- **Business continuity, disaster recovery and vendor service plans**—The plans are a documented collection of procedures and information that is developed and maintained to enable us to provide products and services at an acceptable predefined level in the event of a business, technology or third-party disruption. Recovery plans are reviewed and approved by senior management biennially at a minimum, or as changes occur to mission critical functions and applications or as a result of issues discovered during exercises/tests.
- **Exercising/testing**—All aspects of the plans are exercised/tested in accordance with regulatory requirements and U.S. Bank Enterprise Preparedness Policy guidance, and to demonstrate the level of recoverability. This includes plan activation simulation, including recovery strategies, crisis management and response, business continuity processes and critical infrastructure disaster recovery. Key mission critical applications are exercised on a quarterly basis. Business Continuity Plans are exercised on an annual basis. Mainframe data is mirrored and replicated to the hot site and server backups are stored off-site in a secured climate-controlled environment. All exercise testing is measured and reported with identified issues documented and remediated.
- **Audit**—Annual internal audits and periodic OCC/Federal Reserve exams are conducted on the U.S. Bank Enterprise Preparedness Program.
- **Board of Directors Updates**—The Enterprise Preparedness group provides annual updates at a minimum on the status of our Enterprise Preparedness Program to the Audit Committee of the Board of Directors of U.S. Bancorp.
- **Employee training and awareness**—Employee training and awareness includes biennial training courses, evacuation procedure awareness and identifying employees' roles and responsibilities during an adverse event. Clear communication during an event is vital. Employees who support mission critical operations and technologies are trained through participating in functional exercises of recovery plans.

Our Business Continuity Plans are developed and maintained to address recovery strategies for such events as: pandemic/high employee absenteeism, technology outages, natural hazard impacts, etc. Below are examples of what might occur during an interruption of normal business operations.

In the event a business site becomes inaccessible, we presently employ the following recovery strategies for mission critical functions:

- **Transfer work**—Work is transferred to another location that does the same business function or has been cross trained.
- **Relocate people within business**—Team members are relocated to another site.
- **Relocate to regional recovery center**—A location, other than normal facility, will be used to process data and/or conduct critical or necessary business functions.
- **Vendor work area recovery**—An external site will be used for the recovery of mission critical personnel and processes utilizing a third party owned location.
- **Work from home**—Team members will work from home on a bank-owned device.

In the event of a data center outage, we utilize an internal alternate data center, which is geographically dispersed, and utilizes near real-time data replication on an encrypted WAN connection to our recovery data centers within the prescribed recovery point objectives.

In the event of a major disaster at U.S. Bank that impacts your product or service, a member of the applicable product or service client support team will communicate with you.

Since it is impossible to anticipate every type of potential disaster, there can be no assurance that there will be no interruption of our business functions in all circumstances. The mission of our Enterprise Preparedness program is to minimize the impact of any disruption.

This overview is subject to modification by U.S. Bancorp at any time.

## Tab S – Implementation Plan

As part of any conversion, the City requires an efficient transition to the new bank or to enhanced services with its existing bank.

### 1. Please describe the overall plan the bank would coordinate to ensure such a conversion.

To help make your transition to U.S. Bank smooth and efficient, we designed an implementation process that includes a dedicated team of professionals. Our team ensures a successful onboarding experience. During the implementation process, we spend the time and resources to build a solid foundation for a successful relationship between the City and U.S. Bank. As your dedicated business partner, we work to understand your organization and provide solutions to support your business needs. You can rely on our commitment, accessibility and responsiveness.

Your primary U.S. Bank contact is your relationship manager, Laurie Baker, who works with your U.S. Bank implementation team. This team includes the following individuals:

- **Implementation resource, Teresa Mattson**—Teresa plays a critical role in orchestrating the entire implementation process and is your primary contact during this phase. She distributes and obtains appropriate documentation from your organization to implement new services; works closely with various operations departments within U.S. Bank; and coordinates the technical team for system testing and training. Her level of experience and commitment will ensure your implementation is accurate and is completed within the established timeframes.
- **Treasury management payments consultant, Desiree Cowden**—Desiree works with your organization to identify the appropriate solutions to help your organization manage cash and improve efficiencies. She will also keep you informed of new or emerging technologies, which may impact the way you do business.
- **Treasury management associate, Angelica Reza** — Angelica works closely with Desiree Cowden to establish the identified products and services.

Although there are many people involved in implementing treasury management services, you will always have one contact you can call with questions during your implementation process – your implementation resource. After successful implementation, you are assigned a Commercial Customer Service team for ongoing product and account support.

The process for establishing products and services with us may consist of the following phases:

- Scheduling a discovery meeting to ensure we have an in-depth understanding of your workflows and related cash flows to appropriately finalize the solution set.
- Gathering pertinent information necessary to complete documentation to establish accounts and implement services. Documentation is pre-filled by U.S. Bank where possible.
- After obtaining all required customer information, we send you applicable documentation, including service agreements, user guides and other materials as necessary.
- The agreements and/or applicable questionnaires are completed and received by the implementation resource, which marks the start of the service setup.
- Assembling the implementation team, who will work with your employees throughout the process.
- Developing an implementation strategy designed to achieve the production date you specify.
- Coordinating a kick-off meeting in which key stakeholders from U.S. Bank and the City are introduced, documentation can be presented for execution and the preliminary timeline is discussed and agreed upon.
- Facilitating weekly touch point meetings with key stakeholders throughout the process to ensure benchmarks are on track and any issues are quickly resolved.

- During setup, we test data transmissions for you using ARP, lockbox or ACH direct transmissions.
  - U.S. Bank first tests for connectivity through a telecommunications handshake.
  - Next, customer test files are transmitted for each applicable service to ensure the data is properly received.
  - Upon successful testing, we select a production date.

### Sample Implementation Schedule

The average time for an implementation is determined by the product. Implementation time frames range from a minimum of two days to a maximum of eight weeks. Customization of programming potentially could extend this timeframe. We track the average time per product implementation or modification, as well as in total.

Product	Projected Implementation Timeline	Actual Average
ACH Origination – after underwriting is completed	10-15 business days	12 days
Account Reconciliation	10-40 business days	20 days
Cash Vault	10 business days	Seven days
Electronic Statement (EDI)	20-35 business days	22 days
Image Archive CD-ROM	10-15 business days	12 days
Onsite Electronic Deposit	35-50 business days	20 days
Returned Items Special Instructions	Seven business days	Four days
SinglePoint	10 business days	Seven days
Sweep Account	Four-Eight business days	Five days
Wire Transfer	10-15 business days	11 days
Zero Balance Account	Three business days	Three days

### Purchasing Card Implementation Overview

To begin the implementation process, the City’s Implementation Project Manager will provide you with an Excel file to complete. The information requested in the file includes:

- Billing setup information
- Card delivery instructions
- Administrative access permissions
- Cardholder transmission template
- Autopay form

The Implementation Project Manager will remain engaged in the process to set up your billing, create cards, establish access to our Access Online tool and set up payment options. The Implementation Project Manager is available by phone or email to answer questions and be a resource for any required information.

## 2. Please detail all costs and the responsible party (bank or City) associated with the conversion of all new services.

U.S. Bank is willing to waive the associated depository and treasury management related implementation fees for a cost savings of approximately \$2,000.



**3. What size conversion allowance will the bank provide to the City? Please state a specific dollar amount or identify those supplies, products, or services included.**

U.S. Bank will provide to the City of Fort Bragg an earnings credit transition bonus of \$7,500 to assist in the cost associated with the transition.

**4. Will the bank provide on-site training for City personnel for all the services selected? How is the training typically structured?**

Yes, however, SinglePoint is easy and intuitive to use. There is a detailed and context-sensitive online help function in the application. Personalized training in any or all of SinglePoint's services is available upon request.

**5. The target implementation date is February 1, 2020.**

U.S. Bank can meet this timeline requirement.

## Tab T – Service Enhancements

**Based on the information provided in the RFP and your firm’s knowledge of the public sector, please describe any services or technological enhancements not previously mentioned that should be considered for further improving effectiveness of the City’s treasury management operations.**

The following services are offered to assist the City in your daily financial needs, with these services the City will not only increase potential earnings, but also save precious time and resources in your daily financial activities. If you need further clarification, please do not hesitate to contact either Laurie Baker or Desiree Cowden for additional information.

### VantagePoint Overview

**VantagePoint** is a dynamic integrated receivables tool that allows the City to combine and sort information from various sources including lockbox, e-lockbox and incoming ACH payments. The City can filter the data to meet individual and specific needs, which would allow for a cleaner and faster payment processing with fewer exceptions in the process. It would save time for the City because various funding sources could be combined into one report that could apply to your systems, eliminating reports for each source of funding.

With VantagePoint, you can:

- Standardize incoming payments
  - Centralize exception management within one customizable system.
  - Reduce manual processing of exceptions, data and reports.
  - Modernize A/R processes with enhanced reporting and trend analysis.
- Accelerate cash application
  - Automated exception processing workflow.
  - Faster exception resolution with remittance data more routinely matched to electronic payments.
  - Improve DSO with data matched to dollars sooner.
- Improve decision making
  - Access normalized data consolidated from disparate incoming payments sources.
  - Evaluate receivables management performance with better access to data.
- Gain a strategic view of working capital cycle with more transparent trend and benchmarking information.

### Check Payables Overview

The City can benefit from U.S. Bank Check Payables if you’re looking to streamline your accounts payables functions. Check payables is an outsourced check printing solution available via data transmission or via SinglePoint Check Payables. Check payables creates efficiencies by:

- Reducing the risk of fraud by eliminating the need to store check stock in-house
- Eliminating the need to acquire and maintain check printing and mailing equipment
- With our data transmission solution, you transmit a data file to us with all your payment information for checks. We facilitate the production and distribution of the check disbursements through our vendor, Apex. We also provide a checks-issued file to our account reconciliation and positive pay services to ease management of the check clearing process and help reduce check fraud.
- You choose the shipping method that best meets your needs for every check produced (First Class mail, foreign mail, Federal Express or UPS). Checks can be mailed directly from our print location or can be sent to you for mailing. You can request customized brochures be printed and placed in the mailing or pre-printed brochures can be included.
- Check payables eliminates the need to maintain secure check stock storage, reducing the risk of lost or stolen check stock. We use blank check stock and print all data from logos to dollar amounts, reducing the risk of check stock loss. Our check security paper offers the following options:
  - Printed watermark on the back of the check

- Micro-print border, void pantograph and a security endorsement backer
- Warning band that describes the security features on the document
- Thermo-sensitive ink padlock on face

### Consolidation of information Lockbox Current Day Detail Reporting Overview

Remittance detail reporting for each lockbox is available in the Special Reports function of SinglePoint Information Reporting service. The SinglePoint Lockbox Detail report can be customized to provide the specific remittance details necessary to make credit decisions or post receivables.

### UPIC

The Universal Payment Identification Code (UPIC) is a unique remittance number allowing companies to receive ACH credit payments without revealing sensitive bank information. ACH debits are not allowed to post to their business DDA account, thus reducing risk of unauthorized debits. With UPIC's, companies can publish their account information freely to encourage their business partners to send electronic payments without the fear of fraud on their business DDA account.

### ACH File Confirmation

All ACH Direct File Transmission customers must use ACH File Confirmation to validate the file totals they have submitted to the bank for processing. Customers may also opt to enter control totals via IVR or SinglePoint as part of their file confirmation process. This is often used when a customer is using a third party service provider to generate and transmit the file for processing. Customers may opt for automated file confirmation without control totals. A variety of file confirmation reporting options are available. Clients who will be opting in to Same Day ACH Origination may want to strongly consider Automated File Confirmation due to the earlier transmission deadline for Same Day ACH.

- **Flexible Reporting** - Customer have the option to receive a confirmation back using a reporting method that best meets needs.
- **Timely Reporting** - Customers utilizing the file confirmation service will receive their confirmation within 30 minutes and no longer than one hour.
- **Input Security Options** - Customers now have the choice to determine what level of security they want when transmitting their ACH file to the bank. They can choose to continue to input control totals as a check point prior to their file being processed or bypass this control at the bank and rely on their own company's security practices for ACH file processing.

A file confirmation is a notice that can be either securely emailed, faxed or transmitted back to the customer after the file has been transmitted to the bank. The notice confirms that ACH Services received the ACH file for processing. This is called the ACH File Confirmation Service. A company may be setup with an unlimited number of email addresses or fax numbers to receive the file confirmation notice. They will incur a charge for each fax, email and file confirmation sent.

### Sweep Services

U.S. Bank recommends the City to utilize an overnight sweep to maximize idle cash deposits. We recommend either First American Government Obligation Y Fund (FGVXX) or the First American Treasury Obligation Fund (FOCXX). Both of these sweeps are next day sweep.

*Rates as of August 7, 2019.*

Government Obligations (FXVXX)	1.83%
Treasury Obligations (FOCXX)	1.80%

For the most current rate, please visit: <https://www.firstamericanfunds.com/home/our-funds.aspx?class=Y>

U.S. Bank ReliaCard will provide the City a reloadable, non-portable card option to claimants of various government distributions, including, but not limited to, child support, unemployment insurance, workers' compensation and retirement payments. Our end-to-end solution, from relationship management and operational support to reporting and online access, is designed to provide all the resources and information you need to successfully implement and manage your program.

A few key features of our solution that will benefit you and your cardholders include:

- **Convenient, 24/7 Cardholder Services** –Your cardholders can ask questions, get their card balance, voice complaints and resolve problems through a variety of methods, including a cardholder website, IVR, live agents, mobile banking app and proactive text alerts.
- **Ease of Use** – Cardholders can use their card anywhere Visa® is accepted to make purchases, get cash and pay bills (if the client chooses to enable the functionality), without needing a bank account.
- **Cost Savings for You and Your Cardholders through Reduced Check Use** – Our card programs replace costly paper checks with automatic disbursements, giving you the ability to distribute government funds while reducing costs and delivering timely payments. Cardholders, even those without traditional bank accounts, will not have to rely on check cashing locations (that often charge significant fees) to access their funds.
- **Simplified, Intuitive Program Administration** – Your administrators have direct access to the necessary tools to manage all aspects of their program from card enrollment to funding and reporting through our informative, easily-navigated administrative website.

**Innovation in the Prepaid Space** – As the winner of five Paybefore Awards for prepaid innovation since 2010 U.S. Bank is known for our industry-leading approach to investment and innovation in the prepaid space. From our mobile app to enhanced budget maintenance tools, U.S. Bank looks to continually infuse our prepaid offering with compelling features.

### Receivables Solutions

#### U.S. Bank VantagePoint™

The City of Fort Bragg can gain a more strategic view of your accounts receivable (A/R) and working capital cycle with U.S. Bank VantagePoint. VantagePoint is an integrated receivables solution that's powered by SinglePoint®, our wholly-owned online business banking portal. Payments received through ACH, Wire, Lockbox and E-Lockbox are consolidated into a single data transmission for posting. Using customized business rules, exception queues and configurable workflows, VantagePoint can centralize your incoming receivables information, enabling you to efficiently view, manage and post payments to your A/R system. Exception management is centralized within a unified, intuitive view that's easily accessed online.

### Purchasing Card Service Enhancements

U.S. Bank Payment Analytics is a web-based solution that enhances auditing practices by looking beyond the traditional card controls to provide 100 percent commercial card transaction monitoring. Using customizable rule templates, you can automatically review all card transactions and flag suspected card misuse and out-of-policy spending. By automatically running policy rules on all transactions, Payment Analytics makes cardholder transaction monitoring dramatically more targeted, efficient and effective. Program Administrators can receive email notifications of possible non-compliance and spend violations, so they can safeguard against commercial card misuse and improve purchasing practices.

Payment Analytics is available 24/7 and does not require new hardware or software. It automatically integrates your commercial card transaction data.

### Rules Management

The Rules Management functionality makes it easy to select and modify rule templates. The rule templates allow you to be automatically notified via email when the City-defined transaction parameters are met. You can choose from a variety of rule templates that include:

- Unauthorized Merchant Category Code (MCC) Alert
- Merchant Watch List Alert
- Transaction with a Non-Preferred Merchant Alert
- Split Transaction Alert
- Split Purchase Alert
- Transaction Close to Single Purchase Limit Alert
- Large Spend Increase over Average Spend Alert
- Excessive Use of Convenience Checks Alert
- Excessive Cash Withdrawals Alert
- Corporate Travel Card Purchase in Cardholder's Postal Code Alert
- Weekend/Holiday Purchase Alert
- Account Opened/Maintained with Limits Exceeding Standards Alert
- Account Balance Alert
- Foreign Currency Transaction Alert

### Case Management

The Case Management functionality allows you to create cases for follow-up investigation, and cases can be assigned to different owners for further examination. You are able to set the current status of the case as well as sort cases by rule name, date opened and last updated. By creating and associating cases, you can detect relationships between transactions over time, and move from a reactive to proactive control framework.

### Benefits to the City

- **Improve Compliance**—Manage out-of-policy spend and detect fraudulent activities in near real-time by associating time, people and events together.
- **Enhance Control**—Audit 100 percent of transactions versus a random sample, offering greater peace of mind and a more complete detection of policy violations and suspicious card use.
- **Reduce Risk**—Route flagged transactions to the appropriate personnel for review, providing greater program supervision over non-compliant activity.
- **Increase Efficiency**—Streamline the audit process with multi-dimensional rules that are consistently and continually applied across all transactions and card users.
- **Boost Cost Savings**—Automate routine audit tasks, focusing on transactions that are a cause of concern.
- **Streamline Administration**—Empower Program Managers with self-service capabilities, allowing them the flexibility to manage user entitlements, specify alert notifications and configure audit rules.
- **Broaden Visibility**—Record all case details in one central database, enabling Program Managers to gain insights into your organization's performance over time and improve the predictability of who, when and where problems may arise.
- **Expand Revenue Share Opportunity**—Realize growth incentives by identifying spend leakage and moving volume to secure card payment methods.

## Tab U – Social Responsibility/ Involvement in our local community

**Discuss involvement in the local and/or regional community and demonstrate how the proposed partnership will improve the livability of the community for its residents and visitors alike. Include a copy of your most recent Community Reinvestment Act (CRA) rating, along with a description of the scale and nature of your investments in the Fort Bragg and/or surrounding community.**

U.S. Bank National Association is proud to have received an Outstanding rating on our Community Reinvestment Act (CRA) performance evaluation from the Office of the Comptroller of the Currency (OCC) for the lending, investment and service tests as of 2012. Our overall rating was downgraded from Outstanding to Satisfactory due to an issue from several years ago we resolved in 2015. We are committed to bringing our overall rating back to Outstanding. We work hard to get better every day in all areas of our business, including our CRA rating.

The most recent copy of our CRA evaluation can be found at [usbank.com/community/cra-performance-evaluation.html](http://usbank.com/community/cra-performance-evaluation.html).

We believe all people deserve the opportunity to dream, believe and achieve. The building blocks that make our country great – a stable job, a home to call your own and a community connected through culture, recreation and play – continue to be at the heart of possibility for all of us. Through U.S. Bank Community Possible<sup>SM</sup>, we invest our time, resources and passion by supporting efforts to create stable jobs, better homes and vibrant neighborhoods.

Our corporate social responsibility work centers on economic development in the communities we serve and live. Community Possible, our corporate giving and engagement platform, focuses on programs centered on Work, Home and Play. We make work possible by supporting organizations that help small business thrive and people succeed in the workforce, provide pathways to higher education, and teach greater financial literacy. We make home possible by supporting efforts that connect individuals and families with sustainable housing opportunities. We make play possible by investing in community programs that develop ways for children and adults to play and create in venues across the country.

Strong civic connections start with understanding the needs of our communities and deepening relationships in ways that move us all forward. As our neighborhoods face challenges, we endeavor to help address those challenges through employee leadership and volunteerism, financial support of our nonprofit partners, investments in and loans for transformational community projects, and sharing our knowledge through financial education. Our employees form the base for our civic connections. They are inspired and engaged leaders in their communities and offer their time and talent daily. Our Development Network chapters and Business Resource Groups empower employees to harness what they hear from their clients and community partners and help them mobilize our many resources to lead the way to success.

To learn more about U.S. Bancorp's Corporate Social Responsibility and community development efforts, visit [usbank.com/communitypossible](http://usbank.com/communitypossible)

Our Community Development Lending and U.S. Bancorp Community Development Corporation (USBCDC) teams look for opportunities in each market to work with key community partners to develop affordable rental housing projects that provide needed services to residents and bring access to public transportation and markets with healthy foods. USBCDC, our community investment subsidiary, also provides capital investment for the rehabilitation of historic buildings, the development of renewable energy facilities and the generation of commercial economic activity in underserved communities.

**Exhibits for Banking Services Submittals:**

**Tab V – Sample Banking Services Bid Form**

This is a sample bid form. Please complete all items on this attachment. If the bank does not or cannot provide the specific requested service, please indicate “no proposal” and if appropriate, recommend an alternative service and include as a specified attachment. Per unit cost x Estimated Monthly Unit Volume = Total Monthly Cost x 12 = Estimated Total Annual Cost. Where fees vary for this formula, please indicate and provide an estimate of the total annual cost. Volumes indicated represent average monthly activity. If the bank opts not to use this sample form the bid should at a minimum include the proposed suite of products and estimated annual cost.

**Banking Services Bid Form**

**Bank Name:** U.S. Bank

<b>Item</b>	<b>Per Unit Cost</b>	<b>Estimated Monthly Unit Volume</b>	<b>Total Monthly Cost</b>	<b>Estimated Total Annual Cost</b>
<b>Balance &amp; Compensation Information Services</b>	Average Balance	Proposed Allowance Rate	Estimated Monthly Earnings	Estimated Annual Earnings
Average Collected Balance - Earnings Credit All	\$1,928,507.76	1.75%	\$2,812.41	\$33,748.89
Average Collected Balance - Interest Earnings	\$1,928,507.76	0.25%	\$396.27	\$4,755.22
<b>General Account Services</b>				
Account Maintenance	\$5.00	2	\$10.00	\$120.00
Paper Credits	\$0.20	61	\$12.20	\$146.40
Electronic Credits	\$0.10	143	\$14.30	\$171.60
Paper Debits	\$0.10	292	\$29.20	\$350.40
Electronic Debits	\$0.10	48	\$4.80	\$57.60
Deposited Items	\$0.07	88	\$6.16	\$73.92
Returned Deposited Items	\$3.00	3	\$9.00	\$108.00
Return Item Special Instructions	\$3.00	1	\$3.00	\$36.00
Redeposited Return Items	\$3.00	1	\$3.00	\$36.00
Deposit Coverage (Per \$1,000)	\$0.129	1929	\$248.84	\$2,986.09
<b>Lockbox and Elec. Lockbox Services</b>				
WLBX Monthly Maint-Los Angeles	\$100.00	1	\$100.00	\$1,200.00
WLBX Deposit	\$1.00	497	\$497.00	\$5,964.00
WLBX per item	\$0.40	78	\$31.20	\$374.40
WLBX OCR Item	\$0.30	497	\$149.10	\$1,789.20
WLBX Sort	\$0.16	78	\$12.48	\$149.76
WLBX Batch	\$0.16	1	\$0.16	\$1.92
WLBX Exceptions	\$0.37	78	\$28.86	\$346.32
WLBX Env Return	\$0.12	1	\$0.12	\$1.44
WLBX MICR Capture	\$0.05	588	\$29.40	\$352.80
WLBX Data Keystroke	\$0.018	1,355	\$24.39	\$292.68
WLBX Multi Payment	\$0.15	98	\$14.70	\$176.40

Item	Per Unit Cost	Estimated Monthly Unit Volume	Total Monthly Cost	Estimated Total Annual Cost
<b>Lockbox and Elec. Lockbox Services (cont.)</b>				
WLBX Doc Matching	\$0.15	1	\$0.15	\$1.80
WLBX Manual Mail	\$10.00	1	\$10.00	\$120.00
WLBX Package Prep	\$55.00	1	\$55.00	\$660.00
WLBX Image Check/Coupon	\$0.04	1,245	\$49.80	\$597.60
WLBX Image Monthly	\$115.00	1	\$115.00	\$1,380.00
WLBX 7-10 Yr Archive Item	\$0.04	1,245	\$49.80	\$597.60
WLBX Mailout	\$0.05	1	\$21.00	\$252.00
Lockbox Deposited item	\$0.05	588	\$29.40	\$352.80
E-Lockbox Monthly Maintenance	\$180.00	1	\$180.00	\$2,160.00
E-Lockbox Electronic Pmt RB Item	\$0.12	183	\$100.00	\$1,200.00
E-Lockbox Return Item	\$2.00	1	\$2.00	\$24.00
E-Lockbox NOC Item	\$2.00	1	\$2.00	\$24.00
E-Lockbox Stopped Payment	\$1.00	1	\$1.00	\$12.00
<b>Paper Disbursement Services/Recon Services</b>				
Full/Positive Pay Maintenance	\$20.00	1	\$20.00	\$240.00
Full/Positive Pay – per item	\$0.05	185	\$9.25	\$111.00
Teller Payee Positive Pay	\$0.00	1	\$0.00	\$0.00
SP Pos Pay Image Retrieval	\$0.00	1	\$0.00	\$0.00
SP Issue/Cancel Input	\$0.25	1	\$0.25	\$3.00
SP Adjustment Request	\$0.00	1	\$0.00	\$0.00
SP Positive Pay Exceptions	\$2.00	1	\$2.00	\$24.00
SP Issue Maintenance – per file				
For First 5 per account	\$5.00	5	\$25.00	\$300.00
For Over 5 per account	\$0.00	1	\$0.00	\$0.00
SP Issue Maint. Confirm – per file	\$0.50	6	\$3.00	\$36.00
SP ARP Recon Reports Maint	\$15.00	1	\$15.00	\$180.00
Payee Positive pay Maintenance	\$25.00	1	\$25.00	\$300.00
Payee Positive Pay – per item	\$0.03	185	\$5.55	\$66.60
Payee Positive Pay – exceptions	\$2.00	1	\$2.00	\$24.00
Stale Date Maintenance	\$15.00	1	\$15.00	\$180.00
Stale Date Trans – per file	\$5.00	1	\$5.00	\$60.00
<b>Utility Bill Print and Mail Services</b>				N/A
<b>General ACH Services</b>				
ACH Monthly Maintenance	\$10.00	2	\$20.00	\$240.00
ACH Process Run	\$5.00	4	\$20.00	\$240.00
ACH Originated – transit item	\$0.075	260	\$19.50	\$234.00
ACH Originated – On US item	\$0.075	260	\$19.50	\$234.00
Same Day ACH Originated Trans Item	\$0.50			
ACH File Confirmation Fax	\$4.00	5	\$20.00	\$240.00
ACH File Confirmation Email	\$2.00			




Item	Per Unit Cost	Estimated Monthly Unit Volume	Total Monthly Cost	Estimated Total Annual Cost
<b>General ACH Services(cont.)</b>				
ACH Received Item	\$0.10	133	\$13.30	\$159.60
ACH Outgoing Transmission	\$5.00	6	\$30.00	360.00
ACH Monthly Maint. – 3 <sup>rd</sup> Party	\$25.00			
Unauthorized ACH Return – per item	\$7.00			
ACH Notification of Change	\$2.00	1	\$2.00	\$24.00
Same Day ACH Special Processing	\$150.00			
SP ACH Origination Mo Maint	\$0.00	1	\$0.00	\$0.00
SP ACH – on-us item	\$0.075	1	\$0.075	\$0.90
SP ACH – transit item	\$0.075	1	\$0.075	\$0.90
SP Same Day Transit item	\$0.50			
SP ACH Process Run	\$5.00	1	\$5.00	\$60.00
SP ACH Positive Pay	\$7.50	2	\$15.00	\$180.00
SP ACH Positive Pay Authorization	\$1.00	15	\$15.00	\$180.00
SP ACH Positive Pay per paid item	\$0.10	15	\$1.50	\$18.00
UPIC Monthly Maintenance	\$15.00	1	\$15.00	\$180.00
<b>Wire &amp; Other Funds Transfer Services</b>				
Wire Monthly Maint – Voice Pin	\$3.50	1	\$3.50	\$42.00
Incoming Wire	\$7.00	1	\$7.00	\$84.00
Voice Fedwire Non- Repetitive	\$20.00			
SP Fedwire	\$7.00			
SP Wires Monthly Maint.	\$15.00	1	\$15.00	\$180.00
<b>Online Information Services</b>				
SP Previous Day – Per Account	\$10.00	2	\$20.00	\$240.00
SP Previous Day – per item	\$0.03	1,049	\$31.47	\$377.64
Account Analysis Report PDF	\$0.00	1	\$0.00	\$0.00
Monthly DDA Statement	\$0.00	2	\$0.00	\$0.00
ACH Return NOC Report	\$3.00	2	\$6.00	\$72.00
SP Token Monthly Maint.	\$3.50	2	\$7.00	\$84.00
SP Book Transfer Mo Maint.	\$0.00	\$0.00	\$0.00	\$0.00
SP Book Transfer – per transfer	\$0.10	1	\$0.10	\$1.20
SP Mobile Monthly Maint.	\$0.00	\$0.00	\$0.00	\$0.00
SP Cash Vault Mo Maint.	\$15.00	1	\$15.00	\$180.00
SP Cash Vault per order	\$0.00	1	\$0.00	\$0.00
SP Stop Payment Mo Maint	\$0.00	2	\$0.00	\$0.00
SP Stop Payment Per Stop	\$10.00	1	\$10.00	\$120.00
SP Stop Pmt Renewal – per stop	\$9.00	.33	\$9.00	\$36.00
SP Positive Pay Monthly Maint	\$0.00	1	\$0.00	\$0.00
SP Issue Maint	\$15.00	1	\$15.00	\$180.00
SP Image Access Mo Maint	\$12.50	2	\$25.00	\$300.00
SP External Message Mo Maint	\$10.00	2	\$10.00	\$120.00
SP Checks Paid per item Stored	\$0.025	292	\$7.30	\$87.60
Deposited Item Stored	\$0.025	88	\$5.00	\$30.00

Item	Per Unit Cost	Estimated Monthly Unit Volume	Total Monthly Cost	Estimated Total Annual Cost
<b>Online Information Services (cont.)</b>				
SP Short Term Image Retrieved	\$1.25	2	\$2.50	\$30.00
<b>Service Enhancements/Other</b>				
Commercial Money Funds Sweep	\$50.00	1	\$50.00	\$600.00
Cash Vault – Cash Deposit per \$100	\$0.10	1,500	\$150.00	\$1,800.00
Cash Vault Deposit	\$0.50	49	\$24.50	\$294.00
Cash Vault Loose Coin Deposit	\$5.00	1	\$5.00	\$60.00
Cash Vault Individual Coin Roll	\$0.15	1	\$0.15	\$1.80
Cash Vault Currency Order per strap	\$0.70	20	\$14.00	\$168.00
Cash Vault Std Cash Order	\$3.50	1	\$3.50	\$42.00
Cash Vault non-standard cash order	\$4.50	1	\$4.50	\$54.00
Vantage Point (VP)				
Vantage Point Monthly Maint	\$120.00	1	\$120.00	\$1,440.00
VP Data Normalization – per item	\$0.01	183	\$1.83	\$21.96
VP Data Trans – per trans	\$0.25	22	\$181.50	\$2178.00
<b>Electronic Deposit Service (EDM)</b>				
EDM Monthly Maint – 1 <sup>st</sup> acct	\$40.00	1	\$40.00	\$480.00
EDM Monthly Maint – for over 1	\$15.00	1	\$15.00	\$180.00
EDM Web Monthly Maint – per Workstation (for 1- 10)	\$0.00	1	\$0.00	\$0.00
EDM Deposit Credit	\$0.50	22	\$11.00	\$132.00
EDM Image Check – on-us	\$0.08	101	\$8.08	\$96.96
EDM Image Check – Transit	\$0.08	683	\$54.64	\$655.68
<b>Totals – Monthly and Annual Fees</b>				

#### Other Information

Earnings Credit Rate for June2019	1.75%
Uncollected Funds Rate (%)	Prime + 4%
Overdraft Rate (%)	Prime + 4%
Fixed Pricing Guarantee (# of Years)	5 years

#### Bank Information

Name of Contact Bank Officer	Laurie Baker
Signature of Authorized Bank Officer	
Bank Officer's Telephone Number	208.308.0127
Bank Officer's Email Address	Laurie.baker1@usb.com

**City of Fort Bragg Banking Services Volumes**

<b>DESCRIPTION</b>	<b>Average</b>	<b>Proposed Earnings Allowance %</b>	<b>Monthly Estimated Earnings Credit</b>	<b>Annual Estimated Earnings Credit</b>
Average Collected Balance - Earnings Credit	1,795,485.59	1.75%	\$ 2,618.42	\$ 31,421.00
Average Collected Balance - Earnings Credit	133,022.16	1.75%	\$ 193.99	\$ 2,327.89
Average Collected Balance - Interest Earnings	1,795,485.59	0.25%	\$ 368.94	\$ 4,427.22
Average Collected Balance - Interest Earnings	133,022.16	0.25%	\$ 27.33	\$ 328.00

<b>Item Description</b>	<b>Monthly Volume</b>	<b>Per Unit Cost</b>	<b>Total Monthly Cost</b>	<b>Total Annual Cost</b>
ACCT MAINTENANCE	1.00	\$ 5.00	\$ 5.00	\$ 60.00
ACH Website FRAUD FILTER REVIEW - ITEM	15.67	\$ 0.10	\$ 1.57	\$ 18.80
ACH Website FRAUD FILTER REVIEW MO BASE	1.00	\$ 7.50	\$ 7.50	\$ 90.00
ACH CUSTOMER REPORTS	.33	\$ 3.00	\$ 1.00	\$ 12.00
ACH FAX SERVICE	4.67		\$ -	\$ -
ACH MONTHLY BASE	2.00	\$ 10.00	\$ 20.00	\$ 240.00
ACH NOC - FAX ADVICE	2.00	\$ 4.00	\$ 8.00	\$ 96.00
ACH ONE DAY ITEM	45.67	\$ 0.075	\$ 3.43	\$ 41.10
ACH RECEIVED ITEM	118.33	\$ 0.10	\$ 11.83	\$ 142.00
ACH SPECIAL INVESTIGATION	.33	\$ -	\$ -	\$ -
ACH RETURN ITEM-MANUAL	.50	\$ 2.00	\$ 1.00	\$ 12.00
ACH TRANSMISSION SPECIAL	3.33	\$ 5.00	\$ 16.67	\$ 200.00
ACH TWO DAY ITEM	327.67	\$ 0.075	\$ 24.58	\$ 294.90
ARP AGED ISSUE RECORDS ON FILE-FILE	285.00	\$ 5.00	\$ 5.00	\$ 60.00
BRANCH DEPOSIT POST VERIFY	29.00	\$ 0.50	\$ 14.50	\$ 174.00
CASH ORDER FEE IN A Bank BRANCH	.33	\$ 4.50	\$ 1.50	\$ 18.00
Website BASIC BANKING - MONTHLY BASE	1.00	\$ 10.00	\$ 10.00	\$ 120.00
Website BASIC BANKING ADDL ACCT-MO BASE	1.00	\$ 10.00	\$ 10.00	\$ 120.00
Website CHECK ISSUES-ITEM	189.67	\$ 0.25	\$ 47.42	\$ 569.00
Website E-BOX RPT - ITEM	183.00	\$ 0.12	\$ 21.96	\$ 263.52
Website E-BOX RPT SUBSCRIPTION MO BASE	1.00	\$ 180.00	\$ 180.00	\$ 2,160.00
Website E-STMT SUBSCRIPTION - ACCOUNT	1.00	\$ -	\$ -	\$ -
Website E-STMT SUBSCRIPTION - ITEM	390.00	\$ 0.12	\$ 46.80	\$ 561.60
Website EVENT MESSAGING SERVICE - EMAIL	147.33	\$ -	\$ 10.00	\$ 120.00
Website IMAGE VIEW < 90 DAYS - ITEM	2.33	\$ 1.25	\$ 2.92	\$ 35.00
Website RETURN ITEM RETRIEVAL-IMAGE	4.33	\$ 1.25	\$ 5.42	\$ 65.00
Website RETURN ITEM SERVICE MTHLY BASE	1.00	\$ 10.00	\$ 10.00	\$ 120.00
Website SEARCH	2.00	\$ -	\$ -	\$ -
CURRENCY FURNISHED BY Bank BRANCH	20.00	\$ 0.70	\$ 14.00	\$ 168.00
DDA CHECKS PAID	167.67		\$ -	\$ -
DEBITS POSTED	35.67		\$ -	\$ -
DEPOSITED CHECK	3.67		\$ -	\$ -
DEPOSITED CHECKS - ON US	4.33		\$ -	\$ -
DESKTOP DEPOSIT MONTHLY BASE	2.00	\$ 27.50	\$ 55.00	\$ 660.00
DESKTOP DEPOSIT-DEPOSIT CREDITED	21.67	\$ 0.50	\$ 10.83	\$ 130.00
DESKTOP DEPOSIT-DEPOSITED ITEM	683.33	\$ 0.08	\$ 54.67	\$ 656.00
DESKTOP DEPOSIT-DEPOSITED ITEM ONUS	101.33	\$ 0.08	\$ 8.11	\$ 97.28
E-BOX MONTHLY MAINT (W/CROSS REF)	1.00	\$ 180.00	\$ 180.00	\$ 2,160.00

**City of Fort Bragg Banking Services Volumes**

<b>DESCRIPTION</b>	<b>Average</b>	<b>Proposed Earnings Allowance %</b>	<b>Monthly Estimated Earnings Credit</b>	<b>Annual Estimated Earnings Credit</b>
E-BOX PAYMENT RETURN	.33	\$ 2.00	\$ 0.67	\$ 8.00
ELECTRONIC CREDITS POSTED	109.33	\$ 0.10	\$ 10.93	\$ 131.20
LOCKBOX Website SUBSCRIPTION MTHLY BASE	1.00	\$ 100.00	\$ 100.00	\$ 1,200.00
MISCELLANEOUS CREDITS POSTED	41.00	\$ 0.10	\$ 4.10	\$ 49.20
POS PAY CHECK VERIFICATION CALL	.33	\$ 2.00	\$ 0.67	\$ 8.00
POSITIVE PAY ONLY - ITEM	185.33	\$ 0.05	\$ 9.27	\$ 111.20
POSITIVE PAY ONLY MONTHLY BASE	1.00	\$ 20.00	\$ 20.00	\$ 240.00
POST VERIFY CASH DEP IN Bank BRANCH	50,369.33	\$ 0.0010	\$ 50.37	\$ 604.43
PRINT SVC AUTOMATED RENDERING	3,022.67		\$ -	\$ -
PRINT SVC FILE TRANSMISSION	2.00		\$ -	\$ -
PRINT SVC MONTHLY BASE	1.00		\$ -	\$ -
PRINT SVC OUTER ENVELOPE 10	3,022.67		\$ -	\$ -
PRINT SVC PER SIDE PRINTED B&W	822.67		\$ -	\$ -
PRINT SVC PER SIDE PRINTED COLOR	5,222.67		\$ -	\$ -
PRINT SVC REPLY ENVELOPE 9	2,611.33		\$ -	\$ -
PRINT SVC TOTAL POSTAGE	1,233.33		\$ -	\$ -
PRNT SVC SPECIALTY PRINTING A	123.33		\$ -	\$ -
RECOUPMENT MONTHLY	1,823.77	\$ 0.1259	\$ 229.61	\$ 2,755.35
RETURN ITEM - CHARGEBACK	2.67	\$ 3.00	\$ 8.00	\$ 96.00
ROLLED COIN FURNISHED BY Bank BRANCH	1.67	\$ 0.15	\$ 0.25	\$ 3.00
SMART DECISION-BRANCH ACH	9.00	\$ 0.10	\$ 0.90	\$ 10.80
WHOLESALE LOCKBOX - DEPOSITED CHECK	588.00	\$ 0.05	\$ 29.40	\$ 352.80
WIRE IN - DOMESTIC	1.00	\$ 7.00	\$ 7.00	\$ 84.00
WTLBX PARTIAL PAYMENT	39.00	\$ 0.15	\$ 5.85	\$ 70.20
WTBX TRANSMISSION ITEM	653.33	\$ 0.01	\$ 6.53	\$ 78.40
WTLBX 7 YEAR B/W IMAGE ARCHIVE	1,245.33	\$ 0.04	\$ 49.81	\$ 597.76
WTLBX CHECKS	510.00	\$ 0.30	\$ 153.00	\$ 1,836.00
WTLBX CORRESPONDENCE / REJECTS	1.00	\$ 0.12	\$ 0.12	\$ 1.44
WTLBX DAILY DEPOSIT CUT	20.00	\$ 0.40	\$ 8.00	\$ 96.00
WTLBX FIRST CLASS POSTAGE PKG	.33	\$ 10.00	\$ 3.33	\$ 40.00
WTLBX IMAGING - SCANNABLE	1,085.33	\$ 0.04	\$ 43.41	\$ 520.96
WTLBX IMAGING NON-SCANNABLE	160.00	\$ 0.37	\$ 59.20	\$ 710.40
WTLBX MICR CAPTURE NON-SCANNABLE	78.00	\$ 0.16	\$ 12.48	\$ 149.76
WTLBX MICR DATA CAPTURE	510.00	\$ 0.05	\$ 25.50	\$ 306.00
WTLBX MONTHLY BASE	1.00	\$ 100.00	\$ 100.00	\$ 1,200.00
WTLBX MULTI PAYMENT	98.00	\$ 0.15	\$ 14.70	\$ 176.40
WTLBX PO BOX RENTAL/ANNUAL	.33	\$ 1.00	\$ 0.33	\$ 4.00
WTLBX ROUGH SORT 5 OR LESS-NON SCAN	78.00	\$ 0.16	\$ 12.48	\$ 149.76
WTLBX STD ITEM PROCESSED NON SCAN	78.00	\$ 0.37	\$ 28.86	\$ 346.32
WTLBX TOTAL PAYMENTS PROCESSED	575.33	\$ 0.05	\$ 28.77	\$ 345.20
WTLBX TRANSMISSION MONTHLY BASE	1.00	\$ 120.00	\$ 120.00	\$ 1,440.00
WTLBX VALUE ADDED KEYING - NON SCAN	1,354.67	\$ 0.02	\$ 24.38	\$ 292.61
RECOUPMENT MONTHLY	133.96	\$ 0.1259	\$ 16.87	\$ 202.39
ACCT MAINTENANCE	1.00	\$ 5.00	\$ 5.00	\$ 60.00
DEBITS POSTED	12.33	\$ 0.10	\$ 1.23	\$ 14.80
BRANCH DEPOSIT	20.00	\$ 0.50	\$ 10.00	\$ 120.00
DEPOSITED CHECKS - ON US	9.67	\$ 0.07	\$ 0.68	\$ 8.12
DEPOSITED CHECK	70.00	\$ 0.07	\$ 4.90	\$ 58.80

**City of Fort Bragg Banking Services Volumes**

<b>DESCRIPTION</b>	<b>Average</b>	<b>Proposed Earnings Allowance %</b>	<b>Monthly Estimated Earnings Credit</b>	<b>Annual Estimated Earnings Credit</b>
CASH DEPOSITED IN Bank BRANCH	15,022.67	\$ 0.0010	\$ 15.02	\$ 180.27
CASH ORDER FEE IN A Bank BRANCH	2.33	\$ 4.50	\$ 10.50	\$ 126.00
CURRENCY FURNISHED BY Bank BRANCH	183.33	\$ 0.70	\$ 128.33	\$ 1,540.00
Website RETURN ITEM SERVICE MTHLY BASE	1.00	\$ 5.00	\$ 5.00	\$ 60.00
STOP PAYMENT - ONLINE	.33	\$ 10.00	\$ 3.33	\$ 40.00
DDA CHECKS PAID	125.00	\$ 0.10	\$ 12.50	\$ 150.00
STOP PAYMENT - AUTO RENEWAL	.33	\$ 9.00	\$ 3.00	\$ 36.00
STOP PAYMENT - PAPER CONFIRMATION	.33	\$ 0.20	\$ 0.07	\$ 0.80
ELECTRONIC CREDITS POSTED	34.00	\$ 0.10	\$ 3.40	\$ 40.80
ACH MONTHLY BASE	2.00	\$ 10.00	\$ 20.00	\$ 240.00
ACH TWO DAY ITEM	163.33	\$ 0.075	\$ 12.25	\$ 147.00
ACH RECEIVED ITEM	15.33	\$ 0.10	\$ 1.53	\$ 18.40
ACH TRANSMISSION SPECIAL	3.33	\$ 5.00	\$ 16.67	\$ 200.00
ACH FAX SERVICE	.67		\$ -	\$ -
ACH NOC - FAX ADVICE	.33	\$ 4.00	\$ 1.33	\$ 16.00
Total Service Charges			\$ 2,228.23	

Collected Balance Available for Earnings Credit @ 1.75%	\$ 2,812.41
Interest Paid On Balances @ 0.25%	\$ 396.27
Earnings Credit Based Service Charges	- \$ 2,228.23
Current Month Surplus/(Deficit) Position	= \$ 187.91
<b>Net Service Charge</b>	<b>\$ -</b>

## **Tab W – Sample Account Analysis Statement and Users Guide**

Please see Exhibit 3 - Sample Account Analysis Statement with How to Read My Analysis Statement.

**Tab X – Relevant Cash Management Agreements**

Please view Exhibit 4– U.S. Bank Master Services Agreement with Appendix A & B along with U.S. Bank Services Terms and Conditions.

## Tab Y – Financial Statements and Rating

**Provide the most recent audited financial statements or annual report for the bank (a reference to electronic availability will suffice). Also include the bank’s most current Standard and Poor’s, Moody’s, and/or Fitch credit ratings, where available. A current IDC rating should also be provided.**

Our website address is [usbank.com](http://usbank.com). The most recent annual report and call reports are available at <http://phx.corporate-ir.net/phoenix.zhtml?c=117565&p=irof-financialinfo>

U.S. Bank continues to deliver consistent, predictable, repeatable, industry-leading financial results. Our disciplined business operations at all levels give us confidence in the commitments and decisions we make, allowing us to do what’s right for our shareholders, customers and communities. We have a proven track record of success, including the best debt ratings in the banking industry. We are focused on being the most trusted choice, creating the future now, driving one U.S. Bank and striving for simplicity in order to honor our commitment to strengthen financial futures together.

We are rated by the credit rating agencies Moody’s, Standard & Poor’s (S&P), Fitch and DBRS. Our debt ratings are provided in the following table.

### Debt ratings

	Moody’s	S&P	Fitch	DBRS
Ratings Outlook	Stable	Stable	Stable	Stable
<b>U.S. Bancorp</b>				
Long-Term Issuer Rating	A1	A+	AA-	AA
Short-Term Issuer Rating	N/A	A-1	F1+	R-1 (middle)
Senior Unsecured Debt	A1	A+	AA-	AA
Subordinated Debt	A1	A-	A+	AA (low)
Junior Subordinated Debt	A2	BBB	N/A	AA (low)
Preferred Stock	A3	BBB	BBB	A
Commercial Paper	P-1	N/A	F1+	N/A
<b>U.S. Bank National Association</b>				
Long-Term Issuer Rating	A1	AA-	AA-	N/A
Short-Term Issuer Rating	P-1	A-1+	F1+	R-1 (high)
Long-Term Deposits	Aa1	N/A	AA	AA (high)
Short-Term Deposits	P-1	N/A	F1+	N/A
Senior Unsecured Debt	A1	AA-	AA-	AA (high)
Subordinate Debt	A1	A	A+	AA
Commercial Paper	P-1	A-1+	F1+	N/A
Counterparty Risk Assessment	Aa2(cr)/P-1(cr)	N/A	N/A	N/A
<b>Elavon Financial Services Limited</b>				
Long-Term Issuer Rating	A1	AA-	AA-	N/A
Short-Term Issuer Rating	P-1	A-1+	F1+	N/A
Long-Term Deposits	Aa2	N/A	AA-	N/A
Short-Term Deposits	P-1	N/A	F1+	N/A

Last Change in Ratings: May 9, 2018



## **Tab Z – Additional Exhibits**

Included for your review are the following Exhibits that include Terms and Services, contractual exceptions, forms and addendums as defined by the following:

Exhibit 1a – Elavon Terms of Service

Exhibit 1b – Elavon Government Application

Exhibit 1c – City of Fort Bragg – Elavon Exceptions

Exhibit 1d – Elavon- Paycentric Bill Pay Addendum

Exhibit 2a – U.S. Bank Purchasing Card Financial Proposal

Exhibit 2b – U.S. Bank Corporate Payment Systems List of Exceptions

Exhibit 2c– Access Online Report Descriptions

Exhibit 3a- (electronic copy) - Sample Account Analysis Statement

Exhibit 3b – (electronic copy) How to Read Your Account Analysis Statement (paper copy within Tab W)

Exhibit 4a - (electronic copy) – U.S. Bank Master Services Agreement with Appendix A and B

Exhibit 4b – (electronic copy) - U.S. Bank Services Terms and Conditions (paper copy with Tab X)