November 22, 2023

MARYLAND STATE TREASURER'S OFFICE

Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

QUESTIONS AND ANSWERS #2
FOR
REQUEST FOR PROPOSALS FOR
LOCKBOX BANKING SERVICES

RFP #LB-10192023

Note to Proposers: Following from our Questions and Answers #1 which was issued on November 16th 2023, this is the 2nd part of 2 responses. Please be guided accordingly.

Number	Question	Response
1	Line 40 of the Financial Proposal Form lists LBX Multiple Payee>40. How many payees are included on the acceptable payee list?	Per item charge for comparing check payee to an acceptable payee list of 10-39 acceptable payees, or acceptable variations of a valid payee name vs. Accept All Payees. Any payee not on the list will be rejected to the customer in a daily remittance package. There are 345 total payees specified across all 54 current lockboxes.
2	Line 44 of the Financial Proposal Form lists LBX Custom Report. Please provide a sample of the report required and the delivery method.	Lockbox fee for mailing a custom report or additional copies of the report. Sample custom report being mailed to an agency is a Deposit Summary report.

3	Line 58 of the Financial Proposal Form highlights a service listed as LBX Virtual Base. Please provide a definition of the service that is listed as LBX Virtual.	Monthly fee charged per lockbox used for virtual lockbox transaction processing. Items received and scanned at the agency location, then and transmitted to the bank to be processed and included in the daily AR file from the site.
4	Line 127 of the Financial Proposal Form highlights a service listed as LBX Restrictive Processing. Please outline the requirements associated with this service.	***Based on new information recently obtained we provide the following answer, which also amends the response to Question #23 in Questions and Answers #1:*** Per item charge for the process of reviewing invoice information against unique criteria. E.g., Stamping specific information on the face of a check, invoice or envelope per customer's processing instructions or special review to not accept a payee.
5	Retail Lockbox Services – do the payments include scannable OCR coupons?	Yes.
6	Overall lockbox – how does the STO handle partial payments?	Partial payments are processed as received/unbalanced for the amount of the check.
7	Overall lockbox – how does the STO handle multi payments (i.e., multi-check and 1 document, multi-documents and 1 check, multi-check and multi-documents)?	We are unable to provide a specific response to this question.
8	Service description "LBX Multiple Payee", how many payees are on the payee list?	See response to Question #1.
9	Service description "LBX Correspondence or Rejects", can we obtain details/rules of what qualifies as an un-processable item?	Lockbox item rejected as un-processable per customer defined business rules, a correspondence item needing additional customer research, or any other non-monetary item received through the lockbox. Documents are returned in a daily remittance package by a customer defined delivery method.

10	Service description "LBX WT Mark Sense or Address Change", is Mark Sense used for address changes? Please describe any process around this.	Wholetail lockbox fee to detect and outsort coupons which include mark sense in specific location to indicate change of information…i.e., a 'Change of Address' checkbox.
11	Can you please clarify what service is associated with line items for "LBX Virtual Base" and "LBX Virtual Remi Processed"? How does STO use a LBX Virtual?	LBX Virtual Base – See response to Question #3. LBX Virtual Remi Processed - Per item (check) charge for processing Virtual Lockbox transactions. Fee charged per check scanned (i.e.: check, money order, cashier's check…etc.) This per check fee includes front and back image capture.
12	Can you please clarify what service is associated with "Pymnt Auth Max Check Mthly Base"?	This service blocks all check activity on an account above a designated, preset dollar limit. Any checks below the established limit will be considered authorized to pay.
13	Please explain the difference between "LBX Rough Sort 5 or Less" and "LBX Fine Sort 6 or more".	LBX Rough Sort 5 or Less - Lockbox per item charge for sorting items processed into 5 or less sorts. Sorts are based on visual review during mail extraction/staging. Examples include remitter name, distinct document types. Unique batch range required for each sort. LBX Fine Sort 6 or more - Lockbox per item charge for sorting items processed into 6 or more sorts.
14	Service description "LBX Value Added Keying", what fields of data are keyed and/or captured from the remittance documents? How many characters per field on average?	Please see our response to Question #8 in Questions and Answers #1.
15	What will be your monthly average balances in the account in excess of FDIC?	The average Positive Collected Balance for a rolling 6 months is approximately $2.7 million.