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In response to the Treasurer of Guam Banking Services Request for Proposal the follows questions received were from the following banks:

Bank of Guam Ten (10) questions submitted on Friday, April 29, 2022 at 2:44 p.m.

Question #1.

Is there a reason why the term is short term (1 year) as opposed to a longer term (5 years)?

Answer:

Department of Administration will be implementing a new Financial Management Information System.

Question #2 Page 2, C.

Can there be flexibility to cost reimbursement if agreed upon after contract award?

Answer:

No, a Firm Fixed Price has been determined for this contractual agreement.

Question #3 Page 29, K.

This act does not require financial institutions to provide financial services to a cannabis related business. This is an issue of risk and whether the FI wants the risk. More importantly for BOG we would like the government to demonstrate the following if we are to consider banking a CRB.

- a. Can the government provide visibility to what legitimate business licenses are issued for hemp and cannabis related businesses to include who the beneficial owners are of the hemp/cannabis businesses
- b. Will the government's system provide access to FI's to verify legitimate sources of funds reported by the hemp and cannabis related businesses
- c. Page 35, AA. Please clarify "devices."
- d. Can the government provide more detail on its cannabis software program as it relates to, licensing, reporting and monitoring all licensed cannabis related businesses (CRBs)?
- e. What software is available for all these CRBs to report to the government as part of its "seed to sale" system?
- f. If the FI chooses not to bank CRBs, will this disqualify them from this contract?

Answer to a., b. c., d., e., and f.:

We anticipate to collecting fees and taxes from businesses engaged in cannabis businesses.

Question #4

To date, the Government of Guam has not submitted a plan to the USDA nor does the current Cannabis rules include anything on the production of hemp. The requirements on the request for proposal requires banks to be a member of the SAFE Banking Act of 2021.

We would like to get more guidance on the request as we are not familiar with such registry and how the SAFE Banking Act is linked to the 2018 Farm Bill. The Agriculture Improvement Act of 2018 (2018 Farm Bill), which removed hemp as a Schedule I controlled substance under the Controlled Substances Act was signed into law on December 20, 2018. The 2018 Farm Bill directs the USDA, in consultation with the U.S. Attorney General, to regulate hemp production. The 2018 Farm Bill states that hemp production shall be subject to a hemp production regulatory plan established by the USDA or states can submit a plan to the USDA.

Answer:

If enacted will Bank of Guam be able to operate under the Secure and Fair Banking (SAFE) Act of 2021.

Question #5, Page 28, F.

Participation in the State Tax Refund Opt-In program is voluntary.

a. What if there are no RDFI's (Receiving Depository Financial Institution) locally participating, would an ODFI be required to Opt-In and register with NACHA?

Answer:

Yes.

b. Has the government reached out to all banks operating in Guam requesting participation in this Opt-In program?

Answer:

At a discussion that took place prior to the RFP, Bank of Guam indicated they would reach out to the other banks.

Question #6 Page 77, Exhibit 2b.

Can the government provide a list of locations and number of scanners per location for remote deposit?

Answer:

Yes, the Treasurer of Guam locations and number of scanners to be provided are as follows:

<i>No.</i>	<i>Location</i>	<i>TOG</i>	<i>Quantity</i>
<i>1.</i>	<i>ITC Building – Tamuning</i>	<i>Main</i>	<i>4</i>
<i>2.</i>	<i>Department of Public Works (DPW) Permit Office – Tumon</i>	<i>Satellite</i>	<i>2</i>
<i>3.</i>	<i>Department of Motor Vehicle at (DPW) – Tumon</i>	<i>Satellite</i>	<i>2</i>
<i>4.</i>	<i>Department of Revenue & Taxation – Barrigada</i>	<i>Satellite</i>	<i>4</i>

Question #7 Page 29 - 31, M., N., O, & P.

Please clarify if bank statements and cancelled checks are electronically acceptable (Meaning paper statements and physical checks will not be returned to the government).

Answer:

Yes, electronic bank statements and cancelled checks are acceptable.

Question #8 Page 31, Q.

Please clarify that electronic delivery of these files/reports are acceptable to the government.

Answer:

Yes, electronic delivery of these files/reports are acceptable.

Question #9 Page 33, V.

Can the government provide at least 45-day lead time to provide check stock?

Answer:

See Amendment #2. Item No. 1.

Question #10 Page 76 & 77, Exhibit 2a. and 2b.

Can the government please provide the estimated annual volumes for all the services rendered on the exhibits?

Answer:

See EXHIBIT 2 ANNUAL BANK SERVICES FEES on Page 4 of 7.

EXHIBIT 2 ANNUAL BANK SERVICE FEES

AMENDED 05/13/2022

SERVICES RENDERED	ESTIMATED ANNUAL VOLUME	FRACTOR TO ANNUALIZE	UNIT PRICE TO BE FILLED IN BY OFFEROR	ANNUAL EXTENDED AMOUNT
1. Monthly Maintenance Charges for:				
a. Concentration Account	520	_____	_____	_____
b. Checks Paid	185,000	_____	_____	_____
c. Encrypted files of Weekly Total Reports of checks	6 bank accounts	_____	_____	_____
d. Analyst Report	_____	_____	_____	_____
e. FDIC Assessment	_____	_____	_____	_____
f. Interest Earning Credit Offset	_____	_____	_____	_____
2. Deposits (Per Deposit Slip)	_____	_____	_____	_____
3. Checks Deposited drawn on:				
a. Drawee Bank	_____	_____	_____	_____
b. Other Guam Bank	_____	_____	_____	_____
c. Non-Guam Banks	_____	_____	_____	_____
4. Cash deposited per thousand	21,411	_____	_____	_____
5. Stop Payment Orders	1,287	_____	_____	_____
6. Stop Payment Order Cancellations	_____	_____	_____	_____
7. Wire Transfer - Incoming (Incoming Wire)	64	_____	_____	_____
8. Wire Transfer - Outgoing (Outgoing Wire)	_____	_____	_____	_____
9. Returned items charged back (Returned Checks)	166	_____	_____	_____
10. Deposit Slip Stock	_____	_____	_____	_____
11. Remittance Processing Fee Transaction Cost to maintain and operate Collection Center based on 2,000 ACH transactions and tax collection of dollars per month	_____	_____	_____	_____
12. Transactions processed via ACH or EFT.	8,160	_____	_____	_____
13. Electronic Credit Deposits	241	_____	_____	_____
14. Positive Pay Services	185,000	_____	_____	_____

Name of Bank: _____

Executive Authorized to make offer

Print Name: _____

Signature: _____ Date: _____

First Hawaiian Bank sixteen (16) questions submitted on Friday, April 29, 2022 at 4:06 p.m.

Question #1

We will be going through a core conversion and have a product freeze from 5/16 – 6/3. Will that be an issue?

Answer:

No, this will not be an issue for the government, as FHB deem their needs for their operations.

Question #2

If Positive Pay services cannot be provided, is FHB immediately disqualified from submitting responses to the RFP? Is Positive Pay a requirement on all disbursement accounts

Answer:

Is there something equivalent to a Positive Pay that FHB offers with their products? This is a requirement noted on page 33 of 77 Section. X.

Question #3

What is the nature of the cannabis business conducted with the Government of Guam?

Answer:

The Government of Guam anticipate to collecting fees and taxes from businesses engaged in cannabis businesses.

Question #4

Statements and Inclusions – they are listed multiple times for Daily, Weekly and Monthly, so it's confusing as to whether they are saying electronic AND hard copy?

Answer:

Electronic bank statements are fine. Daily transactions and monthly statement are required for a duration of one year at the minimum.

Question #5

Will you confirm that it's either or so if we deliver electronic, hard copy is not required?

Answer:

Electronic bank statements are fine. Daily transactions and monthly statement are required for a duration of one year at the minimum.

Question #6

Page 31 P. Timing of Delivery of Statements and Inclusions

Due to processing and time zone, the above delivery of statements and inclusions may not be available by the stated time but would generally be available as soon as the bank completes its processing. Would this be acceptable?

Answer:

Please state at what time processing will be completed and will transactions be reflected in Chamorro Standard time. When will processing be completed and the reports be available?

Question #7

Page 33 U.1.

a - The bank shall provide a balance reporting service daily no later than 11:00 a.m. each business day. The balance report may be transmitted by the following mode:

- i. By e-mail, and
- ii. By secured online access to download pdf balance report.

b. The balance reporting information must be provided on the Treasurer of Guam Balance Reporting form. Exhibit #1

We cannot provide the balance reporting in the Guam Balance Reporting form. Is it ok to provide the deposit account balance reporting information from the reports in online banking?

Answer:

Yes, this is fine receiving online banking.

Question #8

Page 34 Z., 5. d. - Check Reorder is not available in online banking. Is it acceptable to request these via a contact at the bank?

Answer:

See AMENDMENT #2. Item No. 2

Question #9

Page 34 Z., 7. - Check Reorder is not available in online banking. Is it acceptable to request these via a contact at the bank?

Answer:

Email must be encrypted.

Question #10

Is the Government of Guam requesting that custom reports be generated to track deposits and checks cashed? If yes, what kind of data is requested to be included in the reports?

Answer:

This information should be available from standard reports, and available for exporting from online. No need for custom reports.

Question #11

Page 28, B Is it a requirement for a bank to be a member of the Federal Reserve System?

Answer:

Yes, it is a requirement.

Question #12

Page 28, E. - What is the expected turnaround time from when a payment is received via a bank lockbox to providing credit to the Government of Guam?

Answer:

The Treasurer of Guam does not use bank lockbox.

Technical Specifications Requirements:

Question #13

Page 36, U. – Do you require Balance Reports to be emailed and accessible via an online banking portal?

Answer:

Yes.

Question #14

Page 36, V. – Is the ask that the bank provide check stock at no cost for all Transaction accounts?

Answer:

See Amendment #2. Item No.1

Question #15

Page 36, X. – Deposit Slip Stock – “The bank shall provide an encrypted deposit slip with bank account numbers and routing numbers for the following accounts” – What are encrypted deposit slips? Can a sample be provided?

Answer:

Yes, it is mandatory for encoded deposit slips.

-NOTHING FOLLOWS-