

**REQUEST FOR PROPOSAL
BANKING SERVICES**

QUESTIONS AND ANSWERS

1. Transaction Volumes – Please provide account-specific transaction volumes. This is most easily accomplished by providing copies of recent, typical account analysis statements from your existing bank (with the pricing blocked out). This helps us to easily understand exactly which services you are currently using or require for your different accounts and the volume we can anticipate (i.e. 300 checks deposited per month, or 50 ACH deposits/month, 350 check disbursements/month, 250 ACH disbursements/month, etc.). Your RFP requirements would override what appeared in the account analysis statement, should there be a discrepancy between your existing services and your required services. Please understand that we can provide the most favorable pricing in our proposal if we clearly understand your intended service usage and expected volumes.

RESPONSE: The current bank structure is posted on our website. We will also post copies of the most recent account analysis statements.

2. Safekeeping Services - please provide the size of your investment portfolio (that is subject to the safekeeping services), types of securities in your safekeeping portfolio, and the frequency of your trades.

RESPONSE: Our current investments are below:

- a. Certificates of deposit (2) \$1.9 million and \$540 thousand
- b. Overnight sweep investments totaling approximately \$9 million in various accounts
- c. Money market mutual fund \$90 thousand

3. Investment Policy - Please provide a copy of your investment policy.

RESPONSE: Our investment policy will be posted on our website.

4. Annual Audit Report - Please provide a copy of your most recent audit report.

RESPONSE: Our 2010 audit report will be posted on our website.

5. Electronic Deposit Scanning – You have requested pricing for 11 scanners. Will each scanner be deployed at a separate physical location? Will each scanner be depositing to the same account (i.e. the IHA General Deposit account)?

RESPONSE: Yes, each of the scanners will be deployed at separate physical locations. The scanners will deposit to various accounts. Four scanners will deposit to the general deposit account and groups of 2 scanners will deposit to the partnership operating accounts.

6. IHA is requesting annual reports for the last three (3) fiscal years - Quarterly financial statements from the last fiscal year-end through the third calendar quarter of 2011. IHA is requiring 1 original response and 5 copies to the RFP. In place of 6 paper copies may “we” provide 1 physical copy of each annual review and quarterly reports? The will be quite lengthy and 6 copies of the financial reports will be quite long.

RESPONSE: Six paper copies of the response are required, but only 1 copy of the financial reports is required.

7. Can you please clarify what you mean by your explanation of Miscellaneous Optional Services on page 8 of the RFP? We don't understand what IHA means in regards to Payment of Financial System Upgrades. Does this mean that if IHA decides to upgrade their system, that any fees would be paid through Analysis? Additionally, if IHA upgrades their system and needs to do testing with “the bank” for file transfers, that “the bank” would pay for fees through Analysis?

RESPONSE: This statement refers to any special software that would be required by the bank. IHA is currently upgrading its financial software to a windows based software and does not currently have need for this service.

8. Can you please tell me if ALL of the Indianapolis Housing Agency accounts should be considered HUD accounts or receive HUD funds? I would assume that the answer is yes, but I wanted to be sure that I asked that question before responding to the RFP.

RESPONSE: All accounts are considered to be HUD funds.

9. Could you please send to my attention the Request for Proposal for Banking Services (12/13/2011) found on the IHA website in a word document format?

RESPONSE: The Agency has made the decision not to release the document in Word.

10. I have reviewed the website and pulled the entire RFP. The information requested is not specific in regard to product names and volumes. For example, it says to include Positive Pay feature with the number of returns unknown, however it does not say for which account. We would need to know the volume of checks being issued that would require the Pos Pay feature. Also, in the General Bank Accounts Information volume information would be needed as well. For example one question would be on the IHA General Deposit Account, It states the account will have several deposits but does not say if the deposits are cash, check, both, etc and the number of each.

RESPONSE: The current bank structure document will be posted on our website.

Regarding deposits in the general account: The deposits are typically 50% checks and 50% money orders. IHA does not accept cash.

11. In regard to the RFP recently received, could you tell me when Indiana Housing Agency will be providing a detailed list of products/services and volumes for this proposal?

RESPONSE: The current bank structure document is posted on our website.

12. We request to review copies of the analysis statements with average balances, services used and transaction volumes (sensitive data and pricing may be redacted). These analysis statements will greatly help us understand the complexity of your accounts, the structure and services used.

RESPONSE: The most recent account analysis statements will be posted on our website.

13. Page 12 references attached HUD requirements. We did not see an attachment. Please advise.

RESPONSE: This document will be posted to the web site.

14. Page 10 references Not-for-Profit and For Profit Subsidiaries. What is the origination of the deposits? Are the funds on deposit considered public funds per Indiana code?

RESPONSE: Deposits are typically donations and fees charged for development of tax credit properties. The entities are controlled by IHA and thus, their deposits are considered to be public funds.

15. LIPH FSS Escrow – page 9 refers to the funds being invested in a CD but there are 1-2 transfers per month. Are the transfers to fund the CD or is the interest earned transferred out each month?

RESPONSE: The transfers will include funds transferred in from other accounts. The interest remains on the CD and is credited when the CD matures.

16. What is the average balance in the Max Saver account?

RESPONSE: The average balance is approximately \$330,000.