



COUNTY COUNCIL OF BEAUFORT COUNTY  
PURCHASING DEPARTMENT

POST OFFICE DRAWER 1228 ♦ BEAUFORT, SOUTH CAROLINA 29901-1228  
TELEPHONE: (843) 255-2350 FAX: (843) 255-9437

PROPOSAL NOTICE NO. 3961/120702

Page 1 of 69

CLOSING DATE AND TIME: July 6, 2011 3:00 P.M

PROPOSAL TITLE: Banking, Credit Card Processing, E-checking, and Investment Services for Beaufort County

You are invited to submit proposals in accordance with the requirements of this solicitation which are contained herein.

A pre-proposal conference will be held at 10:00 am in the BIV # 2 Conference Room, 102 Industrial Village Road, Building # 2, Beaufort, SC 29906-4291, on June 16, 2011 at 10:00 a.m.. All offerors are strongly encouraged to attend.

In order for your proposal to be considered, it must be submitted to the Purchasing Department no later than the date and time as listed above, at which time respondents to this request will be recorded in the presence of one or more witnesses. Proposals received by the Purchasing Department after the time specified will be returned to the offeror unopened. Due to the possibility of negotiation with all offerors, the identity of any offeror or the contents of any proposal shall not be public information until after the contract award is made; therefore, the public is not invited to the proposal closing.

The proposals must be signed by an official authorized to bind the Offeror, and it shall contain a statement to the effect that the proposal is firm for a period of at least 90 days from the closing date for submission of proposals. **Proposals must be submitted in a sealed opaque envelope/container showing the above proposal number, closing date, and title.**

All submittals (see Part VIII, Submission Requirements) received in response to this Request for Proposals will be rated by a County Selection Committee, based upon the Evaluation Criteria as listed in Part IV and V. If the best offeror is clearly identified from the point summary, there will not be a need for oral presentations. If not, then an oral presentation from a minimum of the top two rated firms shall be required.

This solicitation does not commit Beaufort County to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods or services. The County reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with all qualified offerors, or to cancel in part or in its entirety this proposal, if it is in the best interests of the County to do so.

BEAUFORT COUNTY

David L. Thomas, CPPO  
Purchasing Director  
(843) 255-2353



## **Beaufort County**

Purchasing Department

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# **Request for Proposals to Provide Banking, Credit Card Processing, E-Checking, and Investment Services for Beaufort County**

<b>ISSUED DATE:</b>	<b>June 1, 2011.</b>
<b>RFP DUE DATE/TIME:</b>	<b>July 6, 2011, 3:00 p.m.</b>
<b>RFP NUMBER:</b>	<b>3961/120745</b>
<b>SUBMIT RFP TO:</b>	<b>Purchasing Department 102 Industrial Village Road, Building #3 Beaufort, SC 29906-4291</b>

*Requests for information regarding this RFP solicitation should be directed to the Purchasing Department by calling 843-255-2350 or by email at [dthomas@bcgov.net](mailto:dthomas@bcgov.net)*

## **Table of Contents**

	Page
PART I. General Information	4-5
PART II. Introduction	5-6
PART III. Scope of Banking Services to include Investment, Credit Card and E-Banking Payment Processing	6-22
PART IV. Award Criteria	22
PART V. Evaluation Criteria Score Sheet	23
PART VI. Contractual Requirements	24-27
PART VII. Special Instructions	28-31
PART VIII. Submission Requirements	31-32
PART IX. Local Vendor Preference	33
PART X. Exhibits A through E	34-40
Enclosure A Flow Chart for E-Banking and Credit Card Processing	41-42
Enclosure B Summary of Walk-in Transactions for July 2009 to January 2010	43
Enclosure C Program Provisions for Small and Minority Business Participation	44-55
Enclosure D Sample Contract	56-60
Enclosure E Treasurer's Office Policy on Investments	61-69

## PART I

### **General Information**

1. Proposals will be considered as specified herein or attached hereto under the terms and conditions of this proposal.
2. Proposals must be made in the official name of the firm or individual under which business is conducted (showing official business address) and must be signed in ink by a person duly authorized to legally bind the person, partnership, company, or corporation submitting the proposal.
3. Offerors are to include all applicable requested information and are encouraged to include any additional information they wish to be considered.
4. **One (1) clearly identified original and Six (6) copies of your proposal are required.**
5. Qualification Statements will be received by the Beaufort County Purchasing Department until 3:00 p.m. on the closing date shown.

Qualification Statements are to be mailed to:

Beaufort County Purchasing Department  
P. O. Drawer 1228  
Beaufort, SC 29901-1228

Hand deliver and/or Express mail to:

Beaufort County Purchasing Department  
102 Industrial Village Road, Building # 3  
Beaufort, SC 29906-4291

The submitting offeror is required to have printed on the envelope or wrapping containing his proposal the RFP number, closing date, and title.

Offerors who desire to receive a copy of the Statement of Award must include a self-addressed stamped envelope.

6. **Prohibition of Gratuities:** It shall be unethical for any person to offer, or give, or agree to give any County employee or former County employee, or for any County employee or former County employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or

controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore.

7. This solicitation does not commit the County to award a contract, to pay any costs incurred in the preparation of a proposal, to sell surplus property, or to procure or contract for the articles of goods and services. The County reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with all qualified Offerors, or to cancel in part or in its entirety this proposal request, if in the best interest of the County to do so.

**Questions regarding this RFP should be sent in writing (preferably via e-mail) at least ten (10) calendar days prior to the proposal closing date to the Beaufort County Purchasing Department to:**

**David L. Thomas, CPPO, CPPB**  
**Purchasing Director**  
**Email: [dthomas@bcgov.net](mailto:dthomas@bcgov.net)**  
**Fax: (843) 255-9437**

Answers to questions received that change and/or clarify this solicitation will be posted on the County's website at [www.bcgov.net](http://www.bcgov.net) under the Purchasing Department's page. If it becomes necessary to revise any part of this RFP, addenda will likewise be posted on the County's website. Offerors must acknowledge in writing, receipt of all addenda in the text of their proposals.

All official correspondence in regard to the requirements, terms, and conditions should be directed to and will be issued by the Purchasing Department. Offerors are cautioned that the County assumes no responsibility for oral explanations or interpretations of solicitation documents.

All material submitted in response to this RFP shall become the property of the County and will not be returned to the Offeror. The content of each Offeror's proposal shall become public information once a contract has been awarded.

## **PART II**

### **Introduction**

The following is a description of the type and quantity of services requested by the Beaufort County Treasurer's Office and Beaufort County (hereinafter referred to as the County) beginning August 1, 2011 and ending June 30, 2012, with the option to renew for four additional one (1) year contracts for a total of five years.

The primary intent concerning the procurement of the professional banking services is to obtain what the County would consider to be the best package of banking services consistent with a fair and reasonable fee structure, reputation of the institution, degree to

which the County's requirements will be met, prior experience of the principles involved, etc. The County reserves the right to use the banking services of the awarded contractor with other County departments and Elected Officials. The proposals should be for a total bank relationship including but not limited to:

- a. Deposit accounts-integrated-zero balance-sweep
- b. Online check clearing with check capture
- c. Re-purchase agreements
- d. Certificate of deposits
- e. Lock box services
- f. Credit card services
- g. Online payment system
- h. Cash management
- i. Reconciliation services
- j. Digitized storage of paid checks and statements
- k. Stale date check management
- l. Ability to collateralize all deposits in excess of FDIC coverage
- m. Courier pick up services
- n. Bank branch acceptance of real property tax payments

The County reserves the right to accept or reject, in whole or in part, any proposal submitted acceding to the criteria that, in the judgment of the County, would be in the best interest of the County.

**ALL PAGES DEEMED CONFIDENTIAL MUST BE CLEARLY LABELED CONFIDENTIAL**

### **PART III**

#### **Scope of Banking Services to include Investment, Credit Card and E-Banking Payment Processing**

- 1) The County anticipates awarding a contract for these services by August 1, 2011.
- 2) The successful offeror shall enter into a contractual agreement based upon the offeror's written proposal with the County beginning August 1, 2011, and continuing until June 30, 2012. The Treasurer and County Staff will review the banking service requirements each year. At the end of the first-year contract period, it is understood that proposals for banking services will again be submitted to the local financial institutions if the County requests no extensions of services from the current bank. The contract may be renewed each year up to a maximum of five years. The contract agreement may be terminated by either party to the agreement by providing sixty (60) days written notification to the other party. All pricing is to remain constant for the duration of the contract.
- 3) All deposited funds must be 100% collateralized including interest; in conjunction with FDIC coverage by federal, state, or municipal securities consistent with the

South Carolina State Code of Laws governing municipalities. The County must receive written proof of collateralization of deposits. Sample notification shall be included (see Proposal Contents).

The amount pledged as collateral must be evaluated on a daily basis to ensure that all of the County's funds are adequately collateralized. If an increase in collateral is needed, it must be done at that time; collateral cannot be decreased without the written consent of the County.

- 4) The bank which is awarded the contract for services is required to provide the County with evidence of bonding coverage of those bank employees who will be responsible for the receipt, disbursement, or other handling of County funds.
- 5) The Bank shall provide necessary depository bags and night depository services for all accounts to include after hour deposits. Any costs associated with these services shall be included in the compensating balance arrangement.
- 6) The Bank shall provide the County with credit/debit card merchant services at three (3) or more designated locations, with automatic dialing equipment. The current locations are in the Town of Bluffton, the City of Beaufort, and the Town of Hilton Head Island. This number is subject to change and we request a quote on the discount rates associated with the collections and billings of merchant services. All associated costs including rental or purchase fees and merchant discounts are to be included in the compensating balance arrangement.
- 7) The Bank shall provide the option for direct deposit services. All associated costs and fees are to be included in compensating balance agreement.
- 8) Balance Reporting-The County requires balance reporting for daily access via the internet, printable and in PDF and Microsoft Excel format to its account balance information. The information to be contained in the report should be for the previous and current business day. Previous day information should include: ledger balance, collected balance, one day float amount, two + day float amount, total credits, total debits, and detail of debits and credits. Current day information should include: opening available balance, funds immediately available, one day float, two + day float, total credits and debits (real time) including lockbox presentments and availability, and sweep credits if applicable.
- 9) Controlled Disbursements-The County requires a controlled disbursement check clearing system for all disbursement accounts to better manage its cash positions. The controlled disbursement presentment notification should be accessible through bank reporting. This information should be available and accessible by 9:00 A.M. Eastern Standard Time.

- 10) Account Reconciliation-The County requires full or partial account reconciliation services on the selected accounts. On a monthly basis, electronic access to check images accompanied by a paid item listing.
- 11) Check Imaging-The County requires ability to view paid checks online for a period of 180 days. The County requires receipt of a CD per account on a monthly basis with images of all paid checks.
- 12) Positive Pay-The County currently utilizes and requires “positive pay” services on selected accounts.
- 13) Account Analysis-The County requires account analysis statements on a monthly basis, electronic access is preferable, by individual account and at group level which will reflect average ledger balance, average collected balance, balance requirement, average available balance, rate and amount of earnings credit, and detail of services provided with quantities and unit fees for each to arrive at a total service cost.
- 14) Bank Statements-Statements shall be rendered within seven (7) working days after the close of the calendar month.
- 15) Credit and Debit Card payments-The County currently allows its constituents to pay for certain charges utilizing credit and debit cards. Overall processing of credit card payments and charges must be available by the bank or the bank’s service provider. See Credit Card Scope of Services on page 19.
- 16) Collateralization-The balances maintained in all accounts must be collateralized in the same manner and under the same stipulations as outlined in the Collateral Requirements section.
- 17) Payment for Services-The County intends to earn interest on all account balances and pay for all services with a compensating balance. What rate would the County earn in interest? (i.e. Fed Funds Rate, T-Bill Rate, etc.) What’s your method of calculating interest earnings? Respondents must provide this information as part of their proposal.
- 18) Sweep Accounts-The County is interested in utilizing a sweep feature on all its accounts to ensure the maximum return on cash deposits.
- 19) Research-The County requests that all research requests are responded to within three business days of the request.
- 20) Bank Errors-Bank errors resulting in lost interest to the County will be reimbursed by the Bank to the County. The method of reimbursement will be agreed upon by the Bank and the County.

21) The awarded bank must maintain an office or full service branch within Beaufort County.

22) Collateral Requirements:

- a. As security for the deposits of the County, the successful bank shall pledge securities equal to 100% including interest of their market value, of the largest total balances the County maintains in the bank, less the amount provided by the Federal Deposit Insurance Corporation. The securities pledged shall satisfy the statutory requirements and the County's Investment Policy. Reference Treasurer's Office Policy on investments covered in Enclosure E.
- b. The securities pledged shall be held in safekeeping at a financial institution acceptable to both the County and the successful bank. The original copy of all security receipts shall be filed with the Treasurer.
- c. The successful bank and the custodial bank shall provide the County a report of securities pledged at the end of each month or at any time requested by the County. The report should reflect the total pledged securities itemized by name, type/description, per value, market value, maturity date, and rating by Moody's or Standard & Poor's.
- d. Any substitutions of the securities or reductions in total amount pledged shall be made only by and with the proper written authorization of an authorized County signatory. The County shall approve all securities pledged. In the case of reductions, the successful bank shall provide in writing that collateral shall be available when needed to meet normal balance increases throughout the year. Any securities pledged shall have a rating of "A-1" or better by a nationally recognized rating firm.
- e. The Board of Directors or loan committee of the successful bank will be required to provide a resolution of certification approving the commitment and delivery of the collateral to the safekeeping institution not later than five days before the commencement of the contract period.

23) The County maintains the Treasurer's Office 60 depository accounts: The successful offeror will provide serially encoded deposit slips for each source of funds as well as endorsement stamps containing the source number. The stamp will be used to stamp all items deposited in the event that an item is returned, the source may be easily identified. Bound deposit pads of four-part (4) carbonless paper deposit slips for each source number must be provided. Should the Bank not have an available branch within reasonable distance of the Treasurer's office, then depository transfer agreements shall be made with existing area banks through the Treasurer's office. In addition, all bank deposits shall be source coded by deposit location and easily identifiable on the deposit recon.

Any costs associated with the deposit slips and endorsement stamps shall be included in the compensating balance agreement.

24) The following accounts have checks issued by the County.

- Main Operating 102 Account
- Accounts Payable-Finance Department issues with Treasurer's signature.
- Surplus Tax
- Bankruptcy DTC Escrow
- Animal Shelter and Control
- Parks and Leisure Services
- Library
- Hilton Head Airport Hangers

**The initial order of checks, deposits slips and stamps should be provided complimentary and all future ongoing cost will be included in the compensating balance agreement.**

- 25) The successful offeror shall assist the County in establishing a courier service for the pick-up and delivery of deposits. Daily deposit pickups will be established at designated locations and delivered to the Bank. (A time schedule will be completed upon agreement of both the Bank and County.)

Locations are as follows:

- Myrtle Park, Bluffton
- Treasurer's Office, Beaufort
- Treasurer's Office, Hilton Head Office

All costs associated with this service shall be included in the compensating balance agreement.

- 26) Access through online systems shall be provided to the County enabling authorized personnel access to daily reporting systems, to include interest rate for overnight repos, totals including month to date balances for investments and regular accounts, wire transfers, stop payments, detailed debits and credits, and other bank reporting services available. (Specifications for the balance reporting system can be found later in the RFP on page 7). The cost of this service shall be included in the compensating balance arrangement.

- 27) The County shall be provided with the names of three (3) bank representatives who will be primarily responsible for the banking relationship. The names and phone numbers of these specialists of this relationship shall be provided.

- 28) The County shall have the option of compensating the bank in any of three (3) ways listed:

- a. Compensating balances,
- b. Non-interest bearing certificate of deposit, or
- c. Direct fees.

Each bank responding shall provide a fee structure for each type of arrangement. An earnings credit rate shall be used in the calculation of the compensating balances. The bank shall explain in detail how the earning credit rate is calculated.

Please provide your earnings credit rates for the months of October, November and December of 2010, and January, February and March of 2011. Please indicate if you can provide the county with the name of another county that can verify the stated historical earnings credit rate.

Please also indicate a minimum rate that your Institution is prepared to give the County for the duration of this contract.

- 29) The Bank shall provide directly to the Treasurer, a monthly detail account analysis (self-explanatory) that includes all accounts within ten (10) days following the end of each month. Each account shall be analyzed on an individual basis with all accounts analyzed on a consolidated basis. The Bank shall provide a summary statement for the county's banking relationship as well as individual detailed statements for all accounts analyzed in the group. The account analysis shall be on an annual basis with settlement at the end of the fiscal year. All costs associated with this service shall be included in the monthly compensating balance agreement.
- 30) The County reserves the right to negotiate specific points of the proposal with the successful offeror.
- 31) Overdraft Provisions-The County does not intend to have a net overdraft position occur during the course of the contract period. A net overdraft shall be defined as a negative balance in the County's accounts collectively, not by individual account. In the event a check or wire transfer is presented for where there are insufficient funds for the purpose of paying checks or wiring funds, the successful bank agrees to promptly notify the Treasurer, or designee, a period not exceeding one business day to respond and rectify the condition.
- 32) The successful proposer shall notify the County in writing within ten (10) days of any changes in Federal or State regulations or laws that would affect the Bank Services Agreement.
- 33) In the event it would be ruled illegal under the provisions of any Federal or State laws or regulations for the successful bank to comply with the requirements of the Bank Services Agreement, then the County expressly reserves the right and privilege to cancel the Bank Services Agreement and re-advertise the services.
- 34) The successful bank's records relating to the County's accounts shall be open for review during normal business hours by designated staff members or appointed independent auditors.

- 35) Please submit one original and six (6) copies of the proposal. Multiple copies of quarterly reports are not required.
- 36) The County reserves the right to negotiate any services, which shall be beneficial to the County and enhance overall efficiency and accuracy. The successful offeror will keep the County informed regarding new technologies, as they become available.
- 37) The Bank shall provide available services to County employees through group banking. Please describe in detail what benefits you may offer to the employees as it relates to group banking.
- 38) The Bank shall provide security software for the County to be able to transmit data to the successful offeror through electronic media.

## CASH MANAGEMENT SERVICES TO BE PROVIDED

### DEPOSIT RECONCILEMENT

A minimum of three depository locations (one each per location) located in the Town of Bluffton, Town of Hilton Head Island, and the City of Beaufort must be established and maintained for the County each using a deposit reconciliation service. If a Bank does not have a location, they must provide a courier service to each County location. For these accounts, the lower left-hand corner of the deposit slip will bear a series of magnetic characters that will identify the various sources of deposits made by the County. A deposit reconciliation must be performed on each account monthly, providing the date of each deposit and the dollar amount, with a subtotal for each source including bankcard deposits. The last page of the report must give information as to deposits made and dollars deposited for all sources combined. A sample deposit reconciliation will be included.

The names of these accounts as well as their February 28, 2011 bank balances are shown below:

### BEAUFORT COUNTY TREASURER'S ACCOUNTS

<b>Account Description</b>	<b>Account Type</b>	<b>Bank Balance as of 2/28/11</b>
Project Financing Fund	Investment	22,756.66
Debt Service Reserve Fund	Investment	3,764,462.37
Debt Service Fund	Investment	-
Incremental Revenue Fund	Investment	24,352,126.19
Main Operating 102 Account	Money Market	19,847,392.01

Money Market Account	Money Market	54,678.02
Compensating Balance Account	Checking	3,311,996.00
Tax Account	Money Market	4,023,834.25
Prepayment Installment Escrow Plan Acct	Money Market	6,223.73
Surplus Tax Account	Money Market	3,125,616.96
Redeposit Account	Money Market	615,267.99
Bankruptcy DTC Escrow Acct	Checking	187,737.17
BCSD 8 Projects Acct	Money Market	1,752,617.24
Government Center Renovations Acct	Money Market	5,659,622.11
R & C Land Bonds Acct	Money Market	106,465.45
Buckwalter Parkway	Money Market	1,705,857.00
HH #1 PSD 2007 Bonds	Savings	3,077,697.24
BCSD Facility 2005 Bond Issue Acct	Money Market	2,544,848.25
BCSD 2006 Ref Acct	Money Market	1,644,469.96
BCSD 2008 Bond Ref	Checking	2,301,725.55
August 2010 Motor Vehicle Reimbursement Acct	Checking	8,038.82
Building Codes Account	Money Market	293,158.76
Business License Department Account	Checking	502,411.55
Beaufort Hilton Head Airports	Checking	280,614.80
Animal Shelter & Control Acct	Checking	3,400.37
Brickyard Holdings vs. County of Beaufort	Savings	200,413.54
Accounts Payable	Money Market	4,483,352.14
Payroll Account	Checking	1,600,348.19
Joy Logan, Treasurer	Money Market	122,883.68

Managing Agency Beaufort County Airport	Investment	230,395.30
MA Beaufort County	Investment	6,442,865.71
County Improvement CD	CD	2,593.06
LI Airport Account	Checking	46,537.48
HHI Airport Account	Checking	210,194.17
Beaufort County Library	Checking	11,700.56
Hilton Head Airport Hanger	Money Market	12,476.64
General Investment	Investment	102,210,742.21
Surplus Tax	Investment	12,235,418.13
Fiscal Year 2005 Bonds	Investment	2,411,107.32
Sales Tax Road Projects	Investment	21,708,581.24
Gen Oblig Bonds FY 2001	Investment	122,877.45
Gen Oblig Bonds FY 2002	Investment	320,374.77
Gen Oblig Bonds FY 2003	Investment	224,858.98
Gen Oblig Bonds FY 2006	Investment	8,058,380.96
Beaufort County Schools	Investment	259,284.74
General Fund	Investment	3,961,462.41
Tax Account	Checking	2,141,900.11
Compensating Balance Account	Checking	2,065,376.53
Parks & Leisure Services	Checking	74,724.07
Business License Account	Checking	28,027.76
Beaufort County EMS	Checking	39,043.16
Debt Service Fund	Investment	-
Debt Service Reserve Fund	Investment	1,712,220.23

Library Impact Fee	Investment	2,397,625.92
Road Impact Fee	Investment	1,227,137.16
Incremental Revenue Fund	Investment	7,370,647.40
FY 2009 BAN Account	Investment	4,007,972.72
FY 2009 GO Bonds Account	Investment	816,409.24
FY 2009 BAN Rural & Critical Lands Account	Investment	4,761,976.88
GO Bonds, Taxable, (Build Amer Bonds, Series 2010B)	Investment	8,436,990.90

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279,149,919.21

**Note: Bank account analysis will be provided to offerers upon request.**

#### AUTOMATIC INVESTMENT SERVICES

An investment account will be provided within the total banking relationship. This investment account must have the ability to hold and account for returns on numerous specific investments. On each account all funds in excess of a predetermined compensating balance, if desired by the County, shall automatically be invested in overnight repurchase agreements. (The Bank may suggest other options.) Excess funds must be invested to the penny, meaning that the collected balance in these accounts shall always remain at the target and no minimum or incremental investments shall be required. When balances in either of these accounts are adequate to fund disbursements or maintain the target balance, the Bank shall automatically transfer funds from investments to these accounts for funding purposes. The Bank shall provide an economic benefit analysis of target balance versus zero balance for the County's automatic investment service, based on the average of thirty million dollars (\$30,000,000). The County would prefer a multi-sweep automatic investment service to maximize the dollars for increased interest rates. Interest must be allocated daily to each individual account in multi-sweep arrangements as well as a confirmation for the individual investments.

The securities used for these overnight repos shall be direct obligations of the United States Government or one of its agencies with a current market value of not less than the amount invested and the estimated accrued interest. On the maturity date, the Bank shall repurchase the securities from the County for the amount originally invested by the County, plus interest earned for the period. All interest earned shall be credited to the respective depository account on a daily basis.

A confirmation of daily investment transactions shall be provided on each depository account. The confirmation will be secured electronically at the beginning of each workday. The confirmation advice shall indicate a description of the security purchased, maturity

date of the repurchase agreement, the settlement date, total invested, interest rate, safekeeping receipt information, and the County's name and address as buyer. This information shall be available also, via the Bank's online information reporting system.

A monthly recap settlement shall also be provided which outlines the funds invested each day of the month, the amount of the maturing investment each day, the interest rate paid, and interest earned as well as the total interest earned for the month. The average interest rate for the month shall also be provided. Investment rates may fluctuate daily and shall be based upon the amount of funds invested.

Please provide your overnight investment rates for the months from January 2010 to March 2011 based on a balance of \$30,000,000 and include any SC County that can verify such a rate if you so desire.

### OTHER INVESTMENT SERVICES

The bank shall supply United States Treasury and United States Agency Securities including but not limited to Treasury Bills, notes and bonds, Federal Farm Credit Bonds, FNMA, GNMA, Federal Home Loan Bank Bonds, etc. The Bank shall also supply other investment instruments such as certificates of deposit.

The Bank shall provide advice on various investments and investment strategies to the County as may be needed and/or warranted.

The County reserves the right to negotiate interest rates for any type of investment alternative(s) with other financial institutions at any time.

### INVESTMENT REPORTING

The County will be supplied with online information reporting of balance of investments for the accounts listed in addition to written confirmations mailed to the County:

- 1 Project Financing Fund
- 2 Debt Service Reserve Fund
- 3 Debt Service Fund
- 4 Incremental Revenue Fund
- 5 Managing Agency Beaufort County Airport
- 6 MA Beaufort County
- 7 General Investment
- 8 Surplus Tax
- 9 Fiscal Year 2005 Bonds
- 10 Sales Tax Road Projects
- 11 Gen Oblig Bonds FY 2001
- 12 Gen Oblig Bonds FY 2002
- 13 Gen Oblig Bonds FY 2003

- 14 Gen Oblig Bonds FY 2006
- 15 Beaufort County Schools
- 16 General Fund
- 17 Debt Service Fund
- 18 Debt Service Reserve Fund
- 19 Library Impact Fee
- 20 Road Impact Fee
- 21 Incremental Revenue Fund
- 22 FY 2009 BAN Account
- 23 FY 2009 GO Bonds Account
- 24 FY 2009 BAN Rural & Critical Lands Account
- 25 GO Bonds,Taxable, (Build Amer Bonds, Series 2010B)

### CASH CONCENTRATION

Several locations or departments for the County deposit monies into other banks as required. The location will request the Treasurer's office to move funds to the concentration account. The Bank shall provide a service for cash concentration via ACH transaction utilizing user-friendly software or online services. The service shall provide reports necessary for auditing the movement of monies. All costs related to this service shall be included in the compensating balance.

### RECONCILEMENT SERVICES

The County, as listed on page 10, requests that a partial reconciliation service shall be provided on eight (8) accounts. The reconciliation must list all checks paid in serial number order, the date paid, and the amount of the check. In addition to a hard copy report, the same information must be provided on magnetic tape, PC diskette, or transmission. Specifications the different media types shall be included.

In addition the Bank shall provide images of the County's checks on CD-ROM with specific CD ROM software as required by the Bank. CD's shall be received by the County five (5) business days after the statement cutoff. The County shall request additional CD's as needed. The County does not require checks to be returned when images are on CD.

### BALANCE REPORTING

The County requests the following fields of information to be provided by 7:30 A.M. Eastern Standard Time each morning on all accounts.

### PREVIOUS DAY INFORMATION

- 1) Book balance,
- 2) Collected balance,
- 3) One-day float,
- 4) Two-day float,

- 5) Number of debits,
- 6) Number of credits,
- 7) Dollar amount of debits,
- 8) Dollar amount of credits, and
- 9) Automatic investment balances

This information shall be provided via a link-up between the Bank's host computer system and the necessary software provided to the County by the Bank.

The County requests that by use of this same balance reporting system they have access to, as needed, information regarding clearings on the previous day's deposits identified by source code, detail debit and credit posting to accounts, and current day information.

The system must provide the County with the capability to initiate online wire transfers, banks transfers, and stop payments from their office and offer authorization controls for these services.

#### LOCKBOX SERVICES

The County desires to have three separate lockboxes for real property payments, personnel property payments, and Emergency Medical Services (EMS) receipts. The real property lockbox will be active from November to January while the personal property and EMS lockbox will be active year round. If any part of this service is contracted, the contractor shall identify the subcontracting organization and the contractual arrangements made therewith. All costs associated with this service shall be included in the compensating balance agreement.

#### FRAUD PREVENTION SERVICES

Please describe any fraud prevention services that your bank can offer the County as it relates to check fraud and electronic fraud. All costs associated with this service shall be included in the compensating balance agreement.

#### CONTINGENCY SITES

Please include information on your bank's alternative sites, in case there are any major power outages that will affect your current operating site, such as your Automated Clearing House processing site.

#### OTHER SERVICES

Describe any service enhancements based upon the information presented in this RFP and your bank's knowledge of public sector, governmental and institutional banking that the County should consider. Please include detailed pricing information for such services.

#### **CREDIT CARD PROCESSING AND E-PAYABLE SCOPE OF SERVICES**

Currently, the County accepts tax payments by credit/debit card and E-check payments via Internet, payments by walk-ins, and by mail to the Treasurer's Office. The County desires to accept multiple brands of credit/debit cards that cover a majority of the available credit/debit card market. Our Treasurer's Office currently is using eleven credit card

readers and uses Equity Payment Inc. as our service provider (PayPoint, First Data, and Sterling provide equipment/software, see Flowchart Enclosure A) to process the payments to Palmetto State Bank. The County currently accepts Visa, Discover, MasterCard, and E-checks over the internet, by mail, and by walk-ins at the Treasurer's Office. Our current charge to tax payers is 3% per transaction for credit cards and \$3.95 per transaction for debit cards.

## **Functional Requirements**

1. The Offeror's system should have the ability to process payments tendered via credit card, debit card, and e-check.
2. The system should allow for matched taxed payments, payments directly tied to live data and be able to validate the amount and identifiers to the live data.
3. The system should be capable of printing a customer receipt with data elements and receipt information in a format determined by the County's Treasurer's Office. Receipts should be able to be issued in duplicate, and should include the following:
  - a. County Name
  - b. Date and Time of service
  - c. Description of service
  - d. Itemization of total fees
  - e. Description of payment type
  - f. Confirmation number
  - g. Payment method (Credit/Debit card or e-check)
4. The Offeror should provide the County a web address to the Offeror's payment website so that it can be made available from a link on the County's Website.
5. The system should have the ability to add a successfully completed transaction to the appropriate County system (Munis, Manatron) via industry standard integration technologies using XML or comparable file formats.
6. The system should provide the end-of-day closing routines where successfully completed transactions, except voids, should be batched and released for transmission to the appropriate systems for posting.
7. The system must have real-time reporting, available via secured web-site. Security should be administered by designated County employees.
8. The system should provide daily, weekly, monthly, and year-to-date totals by payment type (Credit/Debit card or e-check) and transaction type and record count, by department-designated number of days for transaction totals. These reports should also provide a breakdown/sub-total by payment and transaction types.
9. The system should store weekly, monthly, and annual totals by payment types, transaction type, and record count.
10. The system should provide the ability to cross-balance reports, i.e., the summation of final totals for all daily reports for a given month should balance to the total shown on the monthly reports for that month.
11. The system should allow for corrections, or credits; when correcting an error, a new confirmation number must be issued for a document, and must reflect the confirmation number originally issued, with security for the completed transaction held by the County's Treasurer's Office and or representative.
12. The system should provide standard reports, including:

- a. Transaction/Payment Type Report-This report should be capable of recapping all transactions by either the transaction type and/or the payment type.
  - b. Summary of Payment Report-This report lists the total number of payments and amount received for each payment.
  - c. Payment Void Report-This report lists all payment transactions voided on a given day, including receipt number, cashier, explanation, and Supervisor identification.
  - d. Settlement Report-This report lists all payment transactions sent to the bank for funding.
  - e. Reports should be exportable to an archival file type such as .pdf or .csv.
13. Offeror must acknowledge full compliance with existing and future Federal, State, and Local rules and regulation controlling individuals' (County Customers') privacy and secured control of personal data. Offeror will comply with all FACTA (the Fair and Accurate Credit Transaction Act) rules and processes including 'Red Flag' Guidelines.
  14. Offeror must provide only an 'Opt-In' process for sharing customer's information to third parties. An 'Opt-In' process will allow Offeror to share customer's data only if the customer actively selects to 'Opt-In' to the sharing of any information relating to the customer including credit card usage, demographics, and other customer information to any third party.
  15. Offeror must ensure that all data containing 'Personally Identifiable Information' (PII) transferred to or from County will be within a secure and encrypted connection.
  16. Offeror must settle monies to be deposited via ACH to the designated bank account within 48 hours of the transaction, even if bank account is not at the contractor's financial institution.
  17. Offeror must assign a contact person who is responsible for the overall account.
  18. Offeror shall be able to process both Gross Amount Transactions (convenience fee) and traditional (net of fees) transactions.
  19. The Offeror shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary to complete any required certification requirements as mandated by law. This includes any subcontracting for the project.
  20. The Offeror must provide the latest release at the time of RFP closing.

**Proposal Technical Responses: (Respond to each item in your proposal response)**

1. A brief description and background of your company.
2. Indicate the types of cards processed and your settlement capabilities.
3. A detailed description of your processing program.
4. Describe your ability to process credit cards both traditional and pre-authorized cards.
5. Describe your ability to process debit cards.
6. Describe your ability to process E-checks in an on-line environment.
7. Describe your ability to provide a check guarantee service.
8. Describe the level of support that will be provided during the implementation and after implementation.
9. Indicate any other programs, ancillary services procedures that you will offer

- and that might benefit the County.
10. Provide a list that shows responsibilities and resume' of all individuals in your organization that will be responsible for implementation an ongoing support of the program.
  11. Provide a description and sample of a monthly statement.
  12. Describe your systems computability with Microsoft's Internet E-Commerce software package(or other software)
  13. Provide a list of types of terminals and printers (etc) you recommend.
  14. Will the terminals accept pin pads for debit card processing?
  15. If the terminals or printers malfunctions, how quickly will they be replaced?
  16. What are the equipment requirements for PC batch processing?
  17. Provide a description of all security features of your software, equipment, and or program.
  18. Have you had any security breaches/incidents in the last three years that resulted in the loss of any customer data?

**Mandatory Offerer Requirements:**

1. Shall have been in business for a minimum of five (5) years.
2. Shall be able to process at a minimum Visa, MasterCard, and Discover.
3. Shall have been in the processing business a minimum of three (3) years.
4. Shall be able to process both Gross (convenience fee) and Net Charges.

**Training:**

1. The Offeror shall provide training of County personnel in the use and care of the equipment as required.

**IMPLEMENTATION PLAN**

Assuming the August 1, 2011 start date, please provide a detailed implementation schedule including the names or titles of parties responsible for each task. Include testing deadlines, and indication of the number of hours the County employees would be expected to dedicate for training. Please indicate if the training will be done in person or via telephone. Please provide the County with the contact name and telephone number of a County or City that you have most recently implemented cash management services for.

**QUALIFICATIONS**

In order to respond to this request for proposals, prospective offerors must meet the following requirements:

- 1) Be chartered to do business in South Carolina
- 2) Have deposits insured by the FDIC
- 3) Doing business in the Beaufort County area, and
- 4) Have multiple banking locations throughout the County and or provide courier services convenient to the three locations listed on page 10.

**PROPOSAL CONTENTS**

To be considered for award, all proposals must include, as a minimum the following information. All information should be presented in the order listed below:

- 1) Fee Structure
  - a. Cost proposal by service.
  - b. Outline rate structures, rate calculations and provide rate information on each investment category for the last three (3) months including a twelve (12) month's average for the last period. The instrument upon which the repo rates are based shall also be provided.
- 2) Reputation of the Institute
  - a. A copy of the institution's most recent annual and quarterly reports.
  - b. References of three (3) other municipalities and/or Counties currently utilizing the services of the Bank to include name of account services, telephone number, and a contact representative.
- 3) Degree to which the County's requirements will be met
  - a. A description of how you will provide services listed under each item in the *Scope of Services*.
  - b. Describe in detail other services deemed beneficial to the County including the pricing of the services shown as an appendix to the services listed above.
  - c. Sample notification of collateralization of deposits.
- 4) Prior experience of the principles involved, etc.
  - a. Resumes of contact persons and account representatives who will be assigned to the account.

## **PART IV**

### **AWARD CRITERIA**

Proposal will be evaluated by a staff evaluation committee on the basis of the following criteria listed in order of importance:

- 1) Fee structure and services provided,
- 2) Reputation and capitalization of the institution,
- 3) Degree to which the County's requirements will be met, and
- 4) Prior experience of the principles involved, qualifications of project personnel and offeror's ability to commit a capable staff,
- 5) Willingness to accept real property tax payments at branch locations,
- 6) Banks willingness to absorb all printing costs for checks, deposit slips, and endorsement stamps.

**PART V**

**EVALUATION CRITERIA SCORE SHEET**

EVALUATOR: \_\_\_\_\_ DATE: \_\_\_\_\_

RFP#: \_\_\_\_\_ TITLE: \_\_\_\_\_

OFFEROR: \_\_\_\_\_

	<u>POINT RANGE</u>	<u>POINTS ASSIGNED</u>
1. Fee structure and services provided	_____ Points	_____
2. Reputation and capitalization of the institution	_____ Points	_____
3. Degree to which the County's requirements will be met	_____ Points	_____
4. Prior experience of the principles Involved, qualifications of project personnel and offeror's ability to commit a capable staff.	_____ Points	_____
5. Willingness to accept real property Tax payments at branch locations and process for providing this service	_____ Points	_____
6. Bank's willingness to absorb all printing cost for checks, deposit slips, and endorsement stamps.	_____ Points	_____
TOTAL POINTS:	<u>100 Points</u>	<u>                    </u>

## **PART VI**

### **Contractual Requirements**

- 1.0 **EXCUSABLE DELAY**: The Contractor shall not be liable for any excess costs, if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.
- 2.0 **S.C. LAW CLAUSE**: Upon award of a contract under this proposal, the person, partnership, association, or corporation to whom the award is made must comply with local and State laws which require such person or entity to be authorized and/or licensed to do business in Beaufort County. Notwithstanding the fact that applicable statutes may exempt or exclude the successful offeror from requirements that it be authorized and/or licensed to do business in Beaufort County, by submission of this signed proposal the offeror agrees to subject itself to the jurisdiction and process of the Fourteenth Judicial Circuit Court of Beaufort County, as to all matters and disputes arising or to arise under the contract and the performance thereof including any questions as to the liability for taxes, licenses, or fees levied by State or local government.
- 3.0 **OFFEROR'S QUALIFICATIONS**: Offeror must, upon request of the County, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of this proposal. The Purchasing Department reserves the right to make the final determination as to the offeror's ability to provide the services requested herein, before entering into any contract.
- 4.0 **OFFEROR RESPONSIBILITY**: Each offeror shall fully acquaint himself with conditions relating to the scope and restrictions attending the execution of the work under the conditions of this proposal. It is expected that this will sometimes require on-site observation. The failure or omission of an offeror to acquaint himself with existing conditions shall in no way relieve him of any obligation with respect to this proposal or to the contract.
- 5.0 **AFFIRMATIVE ACTION**: The Contractor will take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of the handicapped and concerning the treatment of all employees, without regard or discrimination by reason of race, religion, sex, national origin, or

physical handicap.

- 6.0 PRIME CONTRACTOR RESPONSIBILITIES: The Contractor will be required to assume sole responsibility for the complete effort, as required by this RFP. The County will consider the Contractor to be the sole point of contact with regard to contractual matters.
- 7.0 SUBCONTRACTING: If any part of the work covered by this RFP is to be subcontracted, the Contractor shall identify the subcontracting organization and the contractual arrangements made with same. All subcontractors must be approved, in writing by the County, or when applicable a political subdivision within the County with the County's concurrence. The successful offeror will also furnish the corporate or company name and the names of the officers of any subcontractors engaged by the vendor. The County reserves the right to reject any or all subcontractors and require substitution of a firm qualified to participate in the work as specified herein.
- 8.0 OWNERSHIP OF MATERIAL: Ownership of all data, material, and documentation originated and prepared for the County pursuant to this contract shall belong exclusively to the County.
- 9.0 PAYMENT AND PERFORMANCE BOND: The successful Contractor shall furnish, within ten (10) days after written notice of acceptance of proposal, a Payment and Performance Bond. Contractor shall provide and pay the cost of a Payment and Performance Bond. The Bond shall be in the amount of one-hundred percent (100%) the annual contract cost, issued by a Surety Company licensed in South Carolina with an "A" minimum rating of performance as stated in the most current publication of "Best's Key Rating Guide, Property Liability" which shall show a financial strength rating of at least five (5) times the Contract Price. The Bond shall be accompanied by a "Power of Attorney" authorizing the attorney-in-fact to bind the surety and certified to include the date of the bond.
- 10.0 NONRESIDENT TAXPAYERS: If the offeror is a South Carolina nonresident taxpayer and the contract amount is \$10,000.00 or more, the offeror acknowledges and understands that in the event he is awarded a contract offeror shall submit a Nonresident Taxpayer Registration Affidavit (State form #1-312-6/94), before a contract can be signed. Affidavit must certify that the nonresident taxpayer is registered with the S.C. Department of Revenue or the S.C. Secretary of State's Office, in accordance with Section 12-9-310(A)(2)(3) of S.C. Code of Laws (1976) as amended.
- 11.0 BUSINESS LICENSE: In accordance with the *Beaufort County Business License Ordinance, 99-36, Article III*, as enacted November 22, 1999, any business or individual generating income in the unincorporated area of Beaufort County is required to pay an annual license fee and obtain a business license. The ordinance referenced is available on the Beaufort County website at [www.bcgov.net](http://www.bcgov.net) or by calling the Business License Administrator at (843) 255-2270 for a list of schedules.

- 12.0 ADDITIONAL ELIGIBILITY: Other Beaufort County Public Procurement units shall, at their option, be eligible for use of any contracts awarded pursuant to this Invitation.
- 13.0 INSURANCE REQUIREMENTS: Prior to commencing work hereunder, Contractor, at his expense, shall furnish insurance certificate showing the certificate holder as Beaufort County, P.O. Drawer 1228, Beaufort, SC 29901-1228, Attention: Purchasing Director and with a special notation naming Beaufort County as an Additional Insured on the liability coverages. If not otherwise specified, the minimum coverage shall be as follows:
- 13.1 Worker's Compensation Insurance - Contractor shall have and maintain, during the life of this contract, Worker's Compensation Insurance for his employees connected to the work/delivery, in accordance with the Statutes of the State of South Carolina and any applicable laws.
- 13.2 Commercial General Liability Insurance - Contractor shall have and maintain, during the life of this contract, Commercial General Liability Insurance. Said Commercial General Liability Policy shall contain Contractual Liability and Products/Completed Operations Liability subject to the following minimum limits: BODILY INJURY of at least \$1,000,000 PER PERSON, \$1,000,000 PER OCCURRENCE; PROPERTY DAMAGE of at least \$1,000,000 PER OCCURRENCE; or BODILY INJURY/PROPERTY DAMAGE of at least \$2,000,000 COMBINED SINGLE LIMIT.
- 13.3 Comprehensive Automobile Liability Insurance - The Contractor shall have and maintain, during the life of this contract, Comprehensive Automobile Liability, including non-owned and hired vehicle, of at least \$1,000,000 PER PERSON, \$1,000,000 PER OCCURRENCE; PROPERTY DAMAGE of at least \$1,000,000 PER OCCURRENCE, or BODILY INJURY/PROPERTY DAMAGE of at least \$2,000,000 COMBINED SINGLE LIMIT.
- 13.4 The required insurance policy at the time of issue must be written by a company licensed to do business in the State of South Carolina and be acceptable to the County.
- 13.5 The Contractor/vendor shall not cause any insurance to be canceled or permit any insurance to lapse. All insurance policies shall contain a clause to the effect that the policy shall not be canceled or reduced, restricted or limited until fifteen (15) days after the County has received written notice, as evidenced by return receipt of registered or certified letter. Certificates of Insurance shall contain transcript from the proper office of the insurer, the location, and the operations to which the insurance applies, the expiration date, and the above-mentioned notice of cancellation clause.
- 13.6 The information described above sets forth minimum amounts and

coverages and is not to be construed in any way as a limitation on the Contractor's liability.

14.0 INDEMNITY: The Contractor hereby agrees to indemnify and save harmless the County, its officers, agents, and employees from and against any and all liability, claims, demands, damages, fines, fees, expenses, penalties, suits, proceedings, actions and cost of actions, including attorney's fees for trial and on appeal of any kind and nature arising or growing out of or in any way connected with the performance of the Agreement, whether by act of omissions of the Contractor, its agents, servants, employees or others, or because of or due to the mere existence of the Agreement between the parties.

15.0 TERMINATION FOR DEFAULT:

15.1 The performance of Work under the Agreement may be terminated by the Purchasing Director, in accordance with this clause, in whole or in part, in writing, whenever the Director of Purchasing shall determine that the Contractor has failed to meet the performance requirements of this Agreement.

15.2 The Purchasing Director has the right to terminate for default, if the Contractor fails to make delivery of the supplies or perform the Work, or if the Contractor fails to perform the Work within the time specified in the Agreement, or if the Contractor fails to perform any other provisions of the Agreement.

16.0 TERMINATION FOR CONVENIENCE: The County may without cause terminate this contract in whole or in part at any time for its convenience. In such instance, an adjustment shall be made to the Contractor, for the reasonable costs of the work performed through the date of termination. Termination costs do not include lost profits, consequential damages, delay damages, unabsorbed or under absorbed overhead of the Contractor or its subcontractors, and/or failure to include termination for convenience clause into its subcontracts and material purchase orders shall not expose the County to liability for lost profits in conjunction with a termination for convenience settlement or equitable adjustment. Contractor expressly waives any claims for lost profit or consequential damages, delay damages, or indirect costs which may arise from the County's election to terminate this contract in whole or in part for its convenience.

17.0 We have provided a sample contract in Enclosure D on pages 56-61 for your review. This contract will be negotiated with the top ranked firm at the appropriate time.

## **PART VII**

### **Special Instructions**

- 1.0 **INTENT TO PERFORM**: It is the intent and purpose of Beaufort County that this request permits competition. It shall be the offeror's responsibility to advise the Purchasing Department if any language, requirements, etc., or any combinations thereof inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be submitted in writing and must be received by the Purchasing Department not later than ten (10) days prior to the proposal closing date. A review of such notifications will be made.
- 2.0 **RECEIPT OF PROPOSAL**: Proposals, amendments thereto, or withdrawal requests received after the time advertised for proposal closing will be void, regardless of when they were mailed.
- 3.0 **PREPARATION OF PROPOSAL**
  - 3.1 All proposals should be complete and carefully worded and must convey all of the information requested by the County. If significant errors are found in the offeror's proposal, or if the proposal fails to conform to the essential requirements of the RFP, the County and the County alone will be the judge as to whether that variance is significant enough to reject the proposal.
  - 3.2 Proposals should be prepared simply and economically, providing a straightforward, concise description of offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
  - 3.3 Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume.
  - 3.4 If your proposal includes any comment over and above the specific information requested in our Request for Proposal (RFP), you are to include this information as a separate appendix to your proposal.
- 4.0 **AMENDMENTS**: If it becomes necessary to revise any part of the RFP, an amendment will be provided to all offerors who received the original Request for Proposal. The County shall not be legally bound by an amendment or interpretation that is not in writing.
- 5.0 **ADDITIONAL INFORMATION**: Offerors requiring additional information may submit their questions, in writing to the Purchasing Department. Answers to questions received that should change and/or clarify this solicitation will be provided in writing to all offerors via an amendment.
- 6.0 **ORAL PRESENTATION/DISCUSSIONS**: Any offeror or all offerors may be

requested to make an oral presentation of their proposal to the County, after the proposal opening. Discussions may be conducted with responsible offerors, who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirement.

Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussions and revision of proposals, and such revisions may be permitted after submissions and prior to award, for the purpose of obtaining best and final offers. The purpose of these presentations/discussions will be to:

- 6.1 Determine in greater detail such offeror's qualifications.
  - 6.2 Explore with the offeror the scope and nature of the project, the offeror's proposed method of performance, and the relative utility of alternative methods of approach.
  - 6.3 Determine that the offeror will make available the necessary personnel and facilities to perform within the required time.
  - 6.4 Agree upon fair and reasonable compensation, taking into account the estimated value of the required services/equipment, the scope and complexity of proposed project, and nature of such services/equipment.
- 7.0 FUNDING: The offeror shall agree that funds expended for the purposes of the contract must be appropriated by the County Council for each fiscal year included within the contract period. Therefore, the contract shall automatically terminate without penalty or termination costs if such funds are not appropriated. In the event that funds are not appropriated for the contract, the offeror shall not prohibit or otherwise limit the County's right to pursue and contract for alternate solutions and remedies, as deemed necessary by the County for the conduct of its affairs. The requirements stated in this paragraph shall apply to any amendment or the execution of any option to extend the contract.
- 8.0 AWARD: An award resulting from this request shall be awarded to the responsive and responsible offeror whose proposal is determined to be most advantageous to the County, taking into consideration price and the evaluation factors set forth herein; however, the right is reserved to reject any and all proposals received, and in all cases the County will be the sole judge as to whether an offeror's proposal has or has not satisfactorily met the requirements of this RFP.
- 9.0 PUBLIC ACCESS TO PROCUREMENT INFORMATION: No such documents or other documents relating to this procurement will be presented or made otherwise available to any other person, agency, or organization until after award. Commercial or financial information obtained in response to this RFP, which is privileged and confidential, will not be disclosed. Such privileged and confidential information includes information which, if disclosed, might cause harm to the

competitive position of the offeror supplying the information. All offerors, therefore, must visibly mark as “Confidential” each part of their proposal, which they consider to contain proprietary information.

- 10.0 DEVIATIONS: Any deviations from the requirements of this RFP must be listed separately and identified as such in the table of contents.
- 11.0 ALTERNATES: Innovative alternative proposals are encouraged, provided however, that they are clearly identified as such and all deviations from the primary proposal are listed.
- 12.0 GRATUITIES: It shall be unethical for any person to offer, or give, or agree to give any County employee or former County employee; or for any County employee or former County employee to solicit, demand, accept, or agree to accept from another person a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement, or a contract or subcontract, or to any solicitation or proposal therefore.
- 13.0 KICKBACKS: It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor, or any person associated therewith, as an inducement for the award of a subcontractor order.
- 14.0 PROTEST PROCEDURES
- 14.1 Right to Protest: Any actual or prospective proposer, offeror, or contractor who is aggrieved, in connection with the solicitation or award of a contract, may protest to the Purchasing Director. The protest shall be submitted in writing fourteen (14) days after such aggrieved person knows or should have known of the facts giving rise thereto. The protest must be accompanied by a detailed statement, indicating the reasons for such protest.
- 14.2 Authority to Resolve Protest: The Purchasing Director shall have authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved proposer, offeror, or contractor; actual or prospective, concerning the solicitation or award of a contract.
- 14.2 Decision: If the protest is not resolved by mutual agreement, the Purchasing Director shall issue a decision, in writing within ten (10) days. The decision shall,

- 14.2.1 State the reasons for the action taken; and
- 14.2.2 Inform the protestant of its right to administrative review as provided in this Section.
- 14.4 Notice of Decision: A decision under Subsection (3) of this Section shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.
- 14.5 Finality of Decision: A decision under Subsection (3) of this Section shall be final and conclusive, unless fraudulent, or
  - 14.5.1 Any person adversely affected by the decision appeals administratively, within ten (10) days after receipt of decision under Subsection (3) to the County Council in accordance with this Section.
  - 14.5.2 Any protest taken to the County Council or court shall be subject to the protestant paying all administrative costs, attorney fees, and court costs when it is determined that the protest is without standing.

## **PART VIII**

### **Submission Requirements**

To achieve a uniform review process and allow for adequate comparability, the proposals must be organized in the manner specified below:

- 1.0 Letter of Transmittal - limit to four printed pages.
  - 1.1 Briefly state your firm's understanding of the work to be done, and make positive commitment to perform the work.
  - 1.2 Identify your proposal's principal strengths.
  - 1.3 Give the names of the persons who will be authorized to make representations for your firm, their titles, addresses, and telephone numbers.
  - 1.4 State whether or not your firm has been involved in any litigation within the past five (5) years, arising out of your performance. Explain fully if it has been involved in any litigation.
  - 1.5 Indicate the number and dates of amendments that you have received.
- 2.0 Table of Contents - clearly identify the material, by section and page number.
- 3.0 Proposed implementation plan, anticipated subcontract for service providers.

- 4.0 List several of Offeror's prior similar projects with name, address, and phone of a contact with whom County can discuss proposers past performance.
- 5.0 List any exceptions to this RFP.
- 6.0 Provide list of subcontractors you have used for the services we have requested and state the years of experience of your firm and each subcontractor for this type of services.
- 7.0 Other information and materials which the proposer wishes to submit in support of his proposal, qualifications, etc.

## PART IX

### LOCAL VENDOR PREFERENCE – PARTICIPATION AFFIDAVIT

#### SECTION 2.537.1

A competitive procurement made by Beaufort County shall be made from responsive and responsible resident vendors in the County for procurement, if such bid does not exceed the lowest qualified bid from a non-county vendor by more than five (5%) percent or Ten Thousand (\$10,000.00) Dollars, whichever is less, of the lowest non-county bidder. The resident vendor has the discretion to match the bid submitted by the non-county vendor and receive the contract award.

A vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association or corporation that is authorized to transact business within the state, maintains an office in Beaufort County, has a business license of Beaufort County or one of the municipalities within Beaufort County, and maintains a representative inventory of commodities within Beaufort County or one of the municipalities on which the bid is submitted and has paid all taxes duly assessed.

If no bids are received from a Beaufort County Local Vendor a vendor shall be deemed to be a "local vendor" if such vendor is an individual, partnership, association or corporation that is authorized to transact business within the state, maintains an office in Jasper, Hampton, and Colleton Counties (local preference only applies if Jasper, Hampton and Colleton Counties offer reciprocity to Beaufort County). A competitive procurement made by the county shall be made from responsive and responsible resident vendors in the respective counties for procurement, if such bid does not exceed the lowest qualified bid from a non-local vendor by more than five (5%) percent or \$10,000.00, whichever is less, local vendor has the discretion to match the bid submitted by the non-local vendor and receive the contract award.

If the procurement is to be made pursuant to state or federal guidelines which prohibit or restrict a local or state preference, there shall be no local or state preference unless a more restricted variation is allowed under the guidelines. Local/state preference shall not be applied to the procurement of construction services.

The undersigned hereby attests that the criteria of the "RESIDENT VENDOR PREFERENCE, SECTION 2.537.1" are met for the purposes of bid document \_\_\_\_\_, dated \_\_\_\_\_.

Company Name: \_\_\_\_\_ Principal Name: \_\_\_\_\_

Company Address: \_\_\_\_\_  
\_\_\_\_\_

Secretary of State Designation: (Corporation, Individual, Partnership, other) \_\_\_\_\_

Beaufort County Business License/Classification: \_\_\_\_\_

Tax Obligation Current: \_\_\_\_\_

Signature of Principal/Date: \_\_\_\_\_

Witness/Date: \_\_\_\_\_

Form 2.537.1

**PART X**

**EXHIBITS A-E**

RFP NO. \_\_\_\_\_

EXHIBIT \_\_\_\_\_ A \_\_\_\_\_

PAGE \_\_\_\_\_ of \_\_\_\_\_

**NARRATIVE ON THE APPROACH TO THE SCOPE OF WORK**

(Proposals should respond to the Scope of Work point by point by numeric reference.)

RFP NO. \_\_\_\_\_

EXHIBIT   B  

PAGE \_\_\_\_\_ of \_\_\_\_\_

### **SCHEDULE OF EVENTS**

The Offeror should briefly describe each step of the schedule of events in his proposed plan of action to accomplish the scope of work in a sequential manner, identifying the specific assignment of key personnel and the time required to complete each step.

<u>Step #</u>	<u>Schedule of Events</u>	<u>Time Required</u>	<u>Person Assignment</u>
---------------	---------------------------	----------------------	--------------------------

RFP NO. \_\_\_\_\_

EXHIBIT   C  

PAGE \_\_\_\_\_ of \_\_\_\_\_

**OFFEROR'S EXPERIENCE**

1. Contract Title: \_\_\_\_\_
2. Contract Period: From \_\_\_\_\_ To \_\_\_\_\_
3. Geographic Area Serviced: \_\_\_\_\_
4. Scope of Services \_\_\_\_\_

References: Contracting Office \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone #(s): \_\_\_\_\_

**OFFEROR'S EXPERIENCE**

1. Contract Title: \_\_\_\_\_
2. Contract Period: From \_\_\_\_\_ To \_\_\_\_\_
3. Geographic Area Serviced: \_\_\_\_\_
4. Scope of Work \_\_\_\_\_

References: Contracting Office \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Telephone #(s): \_\_\_\_\_

RFP NO. \_\_\_\_\_

EXHIBIT   D  

PAGE \_\_\_\_\_ of \_\_\_\_\_

### **PERSONNEL STAFFING**

<u>STAFF MEMBER</u>	<u>BACKGROUND AND EXPERTISE OF PERSONNEL</u>
---------------------	--

- |    |   |
|----|---|
| 1. | _____<br>(Name)<br><br>_____<br>(Title) |
| 2. | _____<br>(Name)<br><br>_____<br>(Title) |
| 3. | _____<br>(Name)<br><br>_____<br>(Title) |
| 4. | _____<br>(Name)<br><br>_____<br>(Title) |
| 5. | _____<br>(Name)<br><br>_____<br>(Title) |

RFP NO. \_\_\_\_\_

EXHIBIT   E  

PAGE   1   of   3  

### **PRICE PROPOSAL AND CERTIFICATION**

The undersigned \_\_\_\_\_, having carefully examined the information

(Name of Offeror)

contained in the Beaufort County RFP Number # \_\_\_\_\_ dated \_\_\_\_\_, 2011, proposes to provide \_\_\_\_\_ services to Beaufort County Government, as outlined in this proposal, at the prices specified below:

In compliance with the Request for Proposal # \_\_\_\_\_, and subject to all conditions thereof, the undersigned agrees:

- ( a ) This proposal, as stated, is open for acceptance for a period of 90 calendar days from the date of opening; and
- ( b ) To furnish all services, materials, and equipment necessary and incidental to perform the subject audits.

### **CERTIFICATION**

CONTRACTOR

HAS A FEDERAL AGENCY OR A FEDERALLY CERTIFIED STATE OR LOCAL AGENCY PERFORMED ANY REVIEW OF YOUR ACCOUNTS OR RECORDS IN CONNECTION WITH ANY GRANT OR CONTRACT WITHIN ANY GRANT OR CONTRACT WITHIN THE PAST TWELVE MONTHS?

YES

NO

(IF "YES" GIVE NAME, ADDRESS, AND TELEPHONE NUMBER OF REVIEWING OFFICE.)

RFP NO. \_\_\_\_\_

EXHIBIT   E  

PAGE   2   of   3  

This proposal is submitted for use in connection with and in response to Beaufort County RFP # \_\_\_\_\_. This is to certify, to the best of my knowledge and belief, that the cost and pricing data summarized herein are complete, current, and accurate as of \_\_\_\_\_, 2011, and that a financial accounting capability exists to fully and accurately account for the financial transactions under this project. I further certify that I understand that the sub-agreement price may be subject to downward renegotiation and/or recoupment where the above cost and pricing data have been determined, as a result of audit, not to have been complete, current, and accurate as of the date above.

This cost proposal is made without prior understanding, agreement, or connections with any corporation, firm, or person submitting a proposal for the same service and is in all respect fair and without collusion or fraud. I agree to abide by all conditions of this proposal and certify that I am authorized to sign this proposal.

Signature of Offeror's Representative authorized to enter into contract with Beaufort County Council:

FIRM NAME: \_\_\_\_\_

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Signature)

TYPE/PRINT: \_\_\_\_\_  
(Name) (Title)

ADDRESS: \_\_\_\_\_  
(Street Address and/or P. O. Box Number)

\_\_\_\_\_  
(City) (State) (Zip Code)

PHONE: ( ) \_\_\_\_\_ FAX: ( ) \_\_\_\_\_  
(Area Code) Phone Number (Area Code) Fax Number

EMAIL: \_\_\_\_\_

FEDERAL ID#: \_\_\_\_\_ S.C. TAX #: \_\_\_\_\_

RFP NO. \_\_\_\_\_

EXHIBIT   E  

PAGE   3   of   3  

IS YOUR FIRM:	1.	SOLE PROPRIETORSHIP	_____ YES	_____ NO
	2.	PARTNERSHIP	_____ YES	_____ NO
	3.	CORPORATION	_____ YES	_____ NO

IF COMPANY IS A SOLE PROPRIETORSHIP, LIST THE OWNER'S FULL LEGAL NAME:

IF COMPANY IS A PARTNERSHIP, LIST THE PARTNERS' FULL LEGAL NAMES:

IF COMPANY IS A CORPORATION, LIST THE FULL LEGAL NAME, AS LISTED ON THE CORPORATE CHARTER:

IS THIS FIRM A MINORITY, OR WOMAN-OWNED BUSINESS ENTERPRISE?

\_\_\_\_\_ YES    \_\_\_\_\_ NO            IF YES, SPECIFY: \_\_\_\_\_ MBE            \_\_\_\_\_ WBE

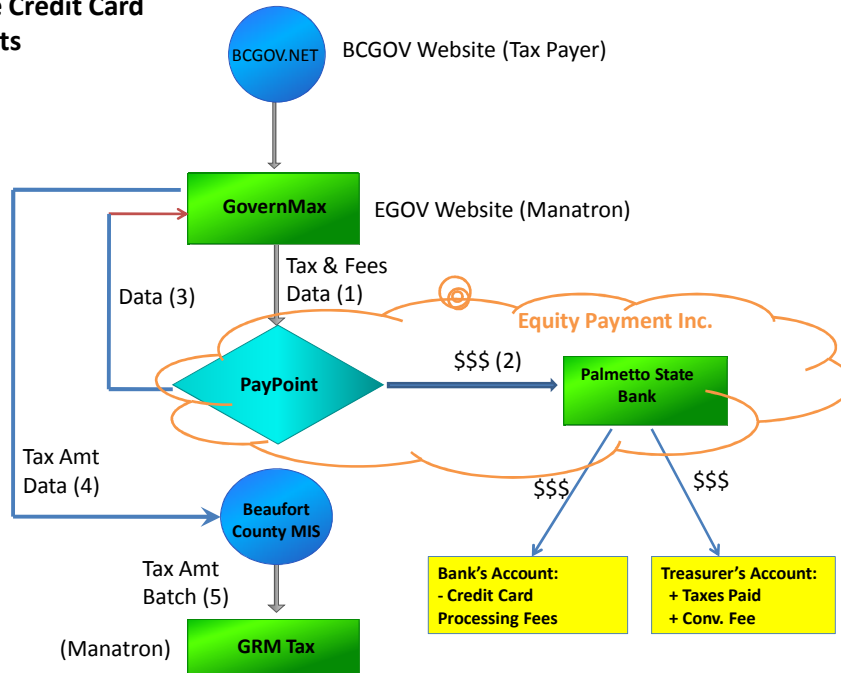
HAS THIS FIRM BEEN CERTIFIED AS A MINORITY/WOMAN-OWNED BUSINESS ENTERPRISE BY ANY GOVERNMENTAL AGENCY? \_\_\_\_\_ YES    \_\_\_\_\_ NO

IF YES, SPECIFY GOVERNMENTAL AGENCY: \_\_\_\_\_

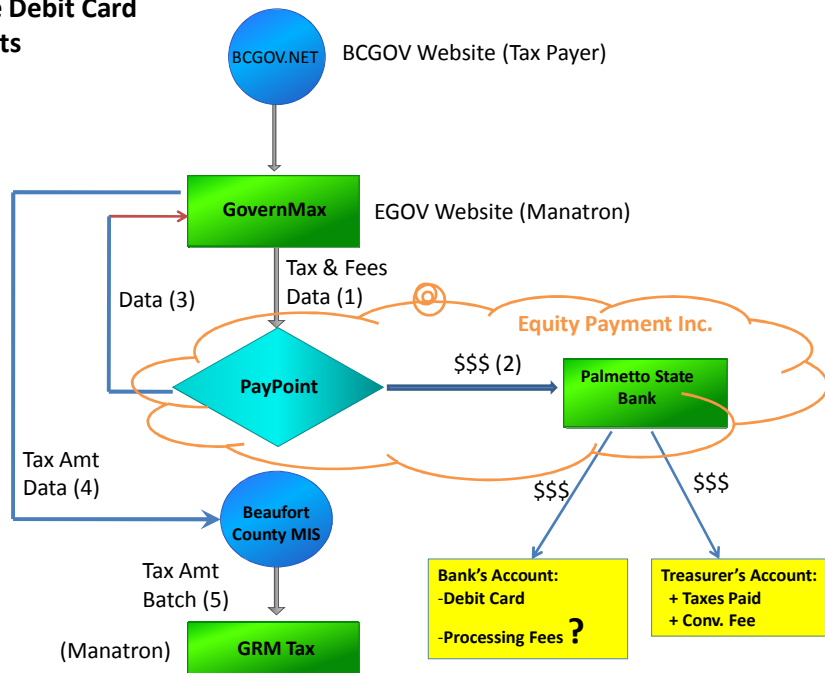
DATE OF CERTIFICATION: \_\_\_\_\_

## Enclosure A Flowchart for current processing:

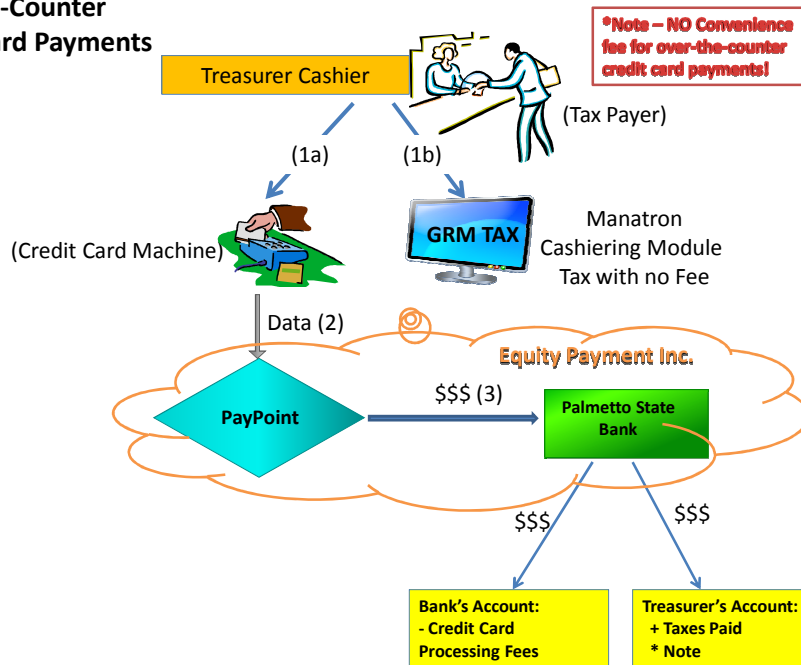
### Website Credit Card Payments



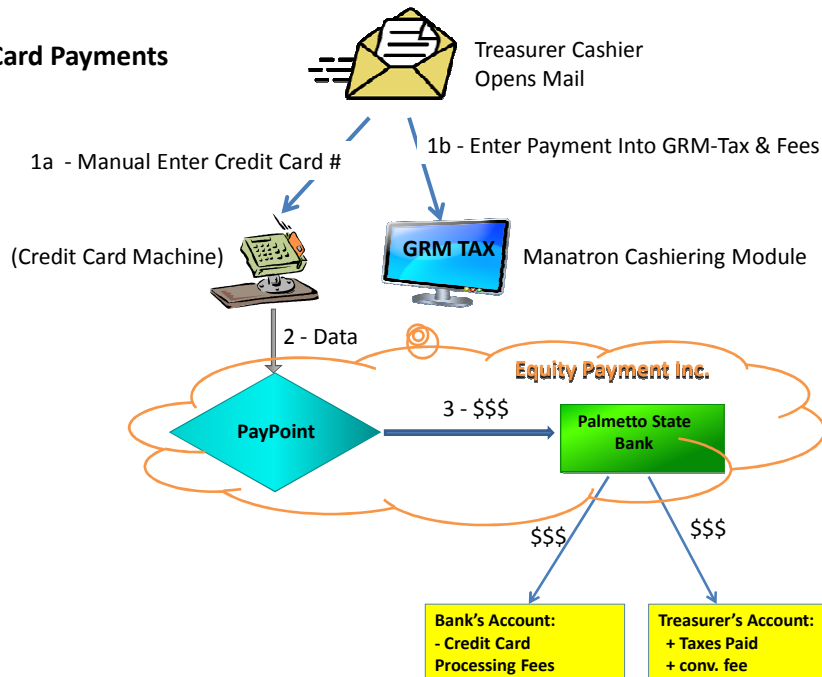
### Website Debit Card Payments



## Over-the-Counter Credit Card Payments



## Mail-In Credit Card Payments



**County is currently charging 3% per transaction for all credit cards and \$3.95 per transaction for all Debit Cards**

**Enclosure B-Summary of Walkin Transactions from July 2009 to Jan 2010**

<u>Card Type</u>	<u>#Sales</u>	<u>Volume</u>	<u>#Returns</u>	<u>Volume</u>
AMEX	3,138	7,666,905.86	3	(2,475)
DEBIT	9,273	1,399,894.35	-	-
DISC	724	969,426.01	2	(50.00)
MAST	3,727	6,139,707.14	12	(32,968.70)
VISA	10,035	9,694,415.40	27	(29,972.48)
Totals	26,897	25,870,348.76	44	(65,466.41)

Currently the Treasurer's Office uses eleven (11) swipe card pads. (7 in Beaufort, 2 in Hilton Head Island, 2 in Bluffton)

**Summary of Internet transactions:**

<u>CC type</u>	<u># Sales</u>	<u>Sales Volume</u>
AX		8,263,953.21
DS		579,511.97
MC		5,170,355.40
VS		13,707,957.92
EC		3,267,156.37
	25,122	30,988,934.87



## Enclosure C

# Program Provisions for **Small and Minority Business Participation**

### Small and Minority Business Participation Program Documents Overview\*

PRE-AWARD DOCUMENTS	
<i>Item/Form</i>	<i>Submission Requirements</i>
1 <b>Program Overview</b>	n/a
2 <b>Self-Performance Affidavit</b> Indicates intention to perform work and/or provide services with own current workforce.	Due with bid/proposal <b>only if</b> self-performing 100%.
3 <b>Good Faith Efforts Checklist</b> Indicates the actions undertook to recruit and solicit small and minority businesses for this project.	Due with bid/proposal.
4 <b>Good Faith Agencies Distribution List</b> Indicates agencies that should receive notice of solicitation to small and minority businesses for this project.	n/a
5 <b>Outreach Written Notice Example</b> Sample of notice to be sent to small and minority businesses soliciting their participation for this project.	n/a
6 <b>Non-Discrimination Statement – Exhibit 1</b> Certification that this project is open to all businesses and persons and that no business or person shall be excluded from participating in the Beaufort County procurement process.	Due with bid/proposal.
7 <b>Outreach Documentation Log – Exhibit 2</b> Documents solicitation efforts to obtain small and minority business participation for this project.	Due with bid/proposal.
8 <b>Proposed Utilization Plan – Exhibit 3</b> Listing of the small and minority businesses that will participate on this project and their proposed contract dollar amounts.	Due with bid/proposal.
POST-AWARD DOCUMENTS	
<i>Item/Form</i>	<i>Submission Requirements</i>
9 <b>Compliance Efforts</b> If the successful bidder/proposer, indicates the actions required to earnestly carry out the small and minority business utilization plan and document payments thereof.	n/a
10 <b>Monthly Compliance Status Report – Exhibit 4</b> Certifies monthly usage and payments to small and minority businesses.	Due monthly after work commences throughout the life of the contract.

**\* NOTE:** Projects involving Federal funds may have Disadvantaged Business Enterprise (DBE) participation goals and requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, or other Federal requirements prescribed by the U.S. Department of Agriculture (USDA) or U.S. Department of Housing and Urban Development (HUD). Contractors submitting bids on such projects will also have to meet any outlined DBE Program requirements listed in the bid documents and submit items, including but not limited to, the following: (1) Certification of Contractor to Comply with DBE Requirements; (2) DBE Letter of Intent and Affirmation; (3) DBE Contract Totals and Percentage; and (4) Bidder's List Questionnaire. For a current list of South Carolina DBE firms, please visit [www.scdot.org](http://www.scdot.org) and go to "Doing Business with SCDOT", then see "Office of Business Development and Special Programs" and click on "DBE Directory". Likewise, any USDA and/or HUD requirements must be met in addition to Beaufort County's requirements.

## PROGRAM OVERVIEW

### **Introduction**

Beaufort County recognizes that the South Carolina General Assembly, in South Carolina Code of Laws Section 11-35-5210\*, has declared that businesses owned and operated by minority persons have been historically restricted from full participation in our free enterprise system to a degree disproportionate to other businesses; and that it is in the state's best interest to assist minority-owned businesses to develop fully as a part of the state's policies and programs which are designed to promote balanced economic and community growth throughout the state. Therefore, Beaufort County wishes to ensure that those businesses owned and operated by minorities are afforded the opportunity to fully participate in its overall procurement process for goods and services. Further, Beaufort County seeks to ensure that small businesses are likewise afforded the same participation opportunity as minority businesses. Consequently, attention of all bidders and proposers is called to contract conditions contained herein pertaining to Beaufort County's "**Small and Minority Business Participation Program**", as prescribed in the Beaufort County Code of Ordinances Section 2-537.2.

### **Definitions**

*Small Business* means a for-profit concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, and qualified as a small business under the criteria and size standards in the Code of Federal Regulations, Title 13, Part 121, as amended. Beaufort County refers to these businesses as **Small Business Enterprises** or "**SBE**".

*Minority Business* means a concern at least fifty-one percent (51%) owned by a person determined to be socially and economically disadvantaged. *Socially disadvantaged* means those persons who have been subject to racial or ethnic prejudice or cultural bias because of their identification as members of a certain group without regard to their individual qualities. Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans (including American Indians, Eskimos, Aleuts and Native Hawaiians), Asian Pacific Americans, women and other minorities to be designated by the Beaufort County Council. *Economically disadvantaged* means those socially disadvantaged persons whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area that are not socially disadvantaged. Beaufort County refers to minority businesses as **Minority Business Enterprises** or "**MBE**".

**Small and Minority Business Enterprises will be abbreviated as "S/MBE".**

### **Provisions**

The successful bidder or proposer, hereafter referred to as "Contractor", is required to (1) make specific **Pre-Award "Good Faith Efforts"** to recruit S/MBE and (2) **Post-Award "Compliance Efforts"** of its labors to utilize S/MBE, unless self-performing one hundred percent (100%) of the contract work. Falsification of any pre-award or post-award documents will be considered a serious breach of public trust and funds.

\* SOUTH CAROLINA CODE OF LAWS, CHAPTER 35 "SOUTH CAROLINA CONSOLIDATED PROCUREMENT CODE, SUBARTICLE 1 "ASSISTANCE TO MINORITY BUSINESSES"

## SELF-PERFORMANCE AFFIDAVIT

***If self-performing 100% sign below and return this page with your bid/proposal.***

I hereby certify my company's intent to perform one hundred percent (100%) of the work required for:

Project Name: \_\_\_\_\_

Bid/Proposal Number: \_\_\_\_\_

By signing this affidavit, I further certify that my company has the capability to perform and will perform all elements of the work on the project referenced above with my company's employees.

I further agree to provide additional information or documentation requested by Beaufort County in support of the above statement.

If a need to subcontract all and/or some of my company's work on this project arises, I will notify the Beaufort County Purchasing Department in writing within three (3) business days.

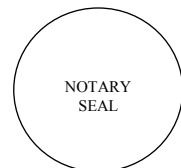
\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Authorized Representative Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



State of \_\_\_\_\_ County of \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

Notary Public \_\_\_\_\_ My Commission Expires: \_\_\_\_\_

## GOOD FAITH EFFORTS CHECKLIST (PRE-AWARD)

***Pre-award efforts include the following “good faith efforts” for Contractors intending to use subcontractors, or the bid/proposal may be rejected. If using subcontractors, complete and return this page (and required supporting documents) with your bid/proposal.***

- ☐ Divide and/or combine scope of work packages into economically feasible units, **if possible**.
- ☐ Request a list of potential S/MBEs from the Beaufort County Purchasing Department by e-mailing a request to [compliance@bcgov.net](mailto:compliance@bcgov.net) and reference the project name and number.
- ☐ Send a written notice (see Form 5 herein) at least ten (10) business days prior to the bid/response due date of intent to submit a bid/response and express interest in receiving quotes thereof to (1) potential S/MBEs **and** (2) “good faith agencies” (see Form 4 herein):
  - ✓ The written notice should contain the Contractor’s name and contact information; project name; project number; scope of work/bid packages available for subcontracting; information on availability of plans and specifications; and the Contractor’s company policy regarding insurance, bonding, and financial requirements.
  - ✓ A copy of the written notice **and** list of the S/MBEs to which the notice was sent should be included with the bid/proposal, along with the fax transmittal confirmation slips (if sent by fax), and/or copies of metered or stamped envelopes (if sent by mail).
- ☐ Complete and submit Exhibits 1-3 with all requested supporting documentation (where applicable):
  - ✓ Exhibit 1: Non-Discrimination Statement
  - ✓ Exhibit 2: Outreach Documentation Log
  - ✓ Exhibit 3: Proposed Utilization Plan

The undersigned acknowledges making a good faith effort to comply with the above areas checked:

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Authorized Representative Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## GOOD FAITH AGENCIES DISTRIBUTION LIST

***Send written notice at least ten (10) business days prior to the bid/response due date to all the agencies listed below and do the following: (1) indicate your company's intent to submit a bid/response and (2) request their assistance in the recruitment of small and minority businesses.***

**Beaufort County Black Chamber of Commerce**

Attention: Mr. Larry Holman  
Post Office Box 754  
Beaufort, SC 29901  
FAX: (843) 379-8027  
EMAIL: lholman2590@hargray.com

**Beaufort Regional Chamber of Commerce**

Attention: Mr. Jayson Gardner  
Post Office Box 910  
Beaufort, SC 29901  
FAX: (843) 986-5405  
EMAIL: jayson@beaufortsc.org

**Hilton Head-Bluffton Chamber of Commerce**

Attention: Ms. Janie Treon  
Post Office Box 5647  
Hilton Head Island, SC 29938  
FAX: (843) 785-7110  
EMAIL: jtreon@hiltonheadisland.org

**Native Island Business & Community Affairs Association**

Attention: Mr. Charles Young III  
Post Office Box 23452  
Hilton Head Island, SC 29926  
FAX: (843) 342-7089  
EMAIL: nibcaa@aol.com

**SC Office of Small and Minority Business Assistance**

Attention: Ms. Andrena Washington  
1205 Pendleton Street, Suite 440-A  
Columbia, SC 29201  
FAX: (803) 734-2498  
EMAIL: anwashington@oepp.sc.gov

**SCDOT Disadvantaged Business Enterprise Program**

Attention: Ms. Carolyn Burton  
955 Park Street, Room 117  
Columbia, SC 29202  
FAX: (803) 737-2021  
EMAIL: burtoncg@scdot.org

**SC Minority Business Enterprise Center**

Attention: Ms. Dawn Jennings  
400 Percival Road  
Columbia, SC 29206  
FAX: (803) 743-1162  
EMAIL: djennings@scmbec.com

**Small Business Administration**

Attention: Mr. John O'Neill  
1835 Assembly Street, Suite 1425  
Columbia, SC 29201  
FAX: (803) 765-5962  
EMAIL: John.Oneill@sba.gov

## OUTREACH WRITTEN NOTICE EXAMPLE

***Send written notice at least ten (10) business days prior to the bid/response due date to potential small and minority businesses and provide notice of the following: (1) intent to submit a bid/response and (2) interest in receiving quotes from small and minority businesses.***

No Name Company  
Post Office Box 1234  
Any Town, US  
(123) 555-7777 Telephone  
(123) 555-8888 Fax

Date

Subcontractor Company Name  
Subcontractor Mailing Address  
Subcontractor City, State, Zip

Dear Subcontractor Company Name:

No Name Company is pursuing work with Beaufort County, South Carolina and intends to submit a bid/proposal for Beaufort County IFB/RFP # 000-00000.

We have the following opportunities for subcontracting on this project:

- *Describe Bid Package 1*
- *Describe Bid Package 2*
- *Describe Bid Package 3*
- *Etc...*

Plans and specifications are available at our office and at \_\_\_\_\_ and \_\_\_\_\_.

It is the policy of No Name Company that \_\_\_\_\_ (*state policy concerning W-4, insurance, credit lines, and assistance in obtaining bonds, etc.*)

The IFB/RFP closing date is \_\_\_\_\_ at 3:00 pm and therefore, we must receive your quote/proposal into our office no later than \_\_\_\_\_ pm.

If you have any questions, please contact Mr./Ms. \_\_\_\_\_ at our company.

We look forward to hearing from you.

Sincerely,

\_\_\_\_\_  
Title  
No Name Company

**EXHIBIT 1**  
**Non-Discrimination Statement**

The bidder/proposer certifies that:

- 1) No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, or gender in connection with any IFB/RFP submitted to Beaufort County or the performance of any contract resulting thereof;
- 2) That it is and shall be the policy of this Company to provide equal opportunity to all business persons seeking to contract or otherwise interested in contracting with this Company for Beaufort County contracts, including those companies owned and controlled by socio-economic and racial minorities;
- 3) In connection herewith, we acknowledge and warrant that this Company has been made aware of, understands and agrees to take affirmative action to provide such companies with the maximum practicable opportunities to do business with this Company;
- 4) That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in full force and effect without interruption throughout the life of the referenced contract with Beaufort County;
- 5) That the promises of non-discrimination as made and set forth herein shall be and are hereby deemed to be made a part of and incorporated by reference into any contract or portion thereof which this Company may hereafter obtain and;
- 6) That the failure of this Company to satisfactorily discharge any off the promises of non-discrimination as made and set forth herein shall constitute a material breach of contract entitling Beaufort County to declare the contract in default and to exercise any and all applicable rights and remedies including, but not limited to cancellation of the contract, termination of the contract, suspension and debarment from future contracting opportunities, and withholding and/or forfeiture of compensation due and owing on a contract.

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
Authorized Representative Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## EXHIBIT 2 Outreach Documentation Log

Bidder/Proposer Name: \_\_\_\_\_

Bid/RFP No.: \_\_\_\_\_

Bid/RFP Date: \_\_\_\_\_

Project Name: \_\_\_\_\_

### LIST INFORMATION FOR THE S/MBEs YOU CONTACTED FOR INTEREST AND POTENTIAL PARTICIPATION (Use additional sheets if necessary and mark "Exhibit 2 Attachment")

Name of S/MBE	Firm Type	Address	Telephone Number	Trade/Commodity	Letter Sent (Y/N)	Response (No Response / Will Quote / Will Not Quote)	Result (If Submitting Quote)
<i>Beesons Bricklayers</i>	<i>MBE</i>	<i>61 London Lane, Bluffton, SC</i>	<i>123-555-0000</i>	<i>Brick Masonry</i>	<i>Yes</i>	<i>Will Quote</i>	<i>Accepted</i>
<i>Dot's Doors</i>	<i>SBE</i>	<i>11 Palm Way, Sheldon, SC</i>	<i>123-555-1111</i>	<i>Doors and Hardware</i>	<i>Yes</i>	<i>No Response</i>	<i>n/a</i>

The undersigned proposes to enter into a formal agreement with the S/MBEs identified herein for work, schedule and value listed in this schedule conditioned upon execution of a contract with Beaufort County.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Title: \_\_\_\_\_

**EXHIBIT 3**  
**Proposed Utilization Plan**

Bidder/Proposer Name: \_\_\_\_\_

Bid/RFP No.: \_\_\_\_\_

Bid/RFP Date: \_\_\_\_\_

Project Name: \_\_\_\_\_

LIST INFORMATION FOR THE S/MBEs YOU INTEND TO UTILIZE  
(Use additional sheets if necessary and mark "Exhibit 3 Attachment")

Name of S/MBE	Firm Type	Address	Telephone Number	Point of Contact	Trade/Commodity	Contract / PO Amount
<i>Beesons Bricklayers</i>	<i>MBE</i>	<i>61 London Lane, Bluffton, SC</i>	<i>123-555-0000</i>	<i>Jeff Beeson</i>	<i>Brick Masonry</i>	<i>\$10,000</i>

Total Anticipated Small Business Enterprise Participation Dollar Value: \$ \_\_\_\_\_

Total Anticipated Minority Business Enterprise Participation Dollar Value: \$ \_\_\_\_\_

The undersigned proposes to enter into a formal agreement with the S/MBEs identified herein for work, schedule and value listed in this schedule conditioned upon execution of a contract with Beaufort County.

Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Title: \_\_\_\_\_

## COMPLIANCE EFFORTS (POST-AWARD)

The successful Contractor is required to fulfill any Small and Minority Business Enterprise (S/MBE) commitments made in conjunction with the “Pre-Award Good Faith Efforts”, unless good cause is demonstrated for any failure to fulfill such commitment.

If the Contractor intends to make any substitutions for any reasons, the Beaufort County Purchasing Department must be notified in writing within three (3) business days for discussion and approval. No Contractor shall enter into an agreement with any S/MBE that would in any manner limit the S/MBE from selling or acting as a subcontractor to any other party.

Beaufort County shall have the right to inspect the Contractor’s records related to activity and expenditures to S/MBE utilized on its projects, to include related contracts/purchase orders and payment records, such as cancelled check copies. Further, designated Beaufort County personnel are permitted access to all work sites. Contractors and their staff should take measures to cooperate fully with all Beaufort County staff, including, but not limited to the Purchasing Director and Compliance Officer.

“Post-Award Compliance Efforts” require the Contractor to not only provide monthly reports regarding activity and expenditures to S/MBE, but also to maintain related records throughout the life of the project regarding its efforts to comply with the Small and Minority Business Participation Program. The “Monthly Compliance Status Report” must be submitted to the Purchasing Department until the project ends, by the fifth (5<sup>th</sup>) day, reflecting the activity of the previous month.

After the County receives a monthly status report marked as “final”, the Contractor will be issued an affidavit to certify totals regarding S/MBE usage throughout the life of the project.

All questions regarding “Post-Award Compliance Efforts” should be directed to the Purchasing Department via e-mail at [compliance@bcgov.net](mailto:compliance@bcgov.net) or (843) 255-2354.

# EXHIBIT 4



## MONTHLY COMPLIANCE STATUS REPORT

Small and Minority Business Participation

Completed reports must be submitted as follows:  
Beaufort County Purchasing Department •  
Attention: Compliance Officer  
P.O. Drawer 1228 • Beaufort, SC 29901-1228  
E-Mail: [compliance@bcgov.net](mailto:compliance@bcgov.net) • FAX 843.255.9437

**Prime Contractor Name:** ABC General Contracting  
**Project Name:** Building 3 Renovations  
**Type of Report:** ☒ Monthly ☐ Final  
**Report Number:** 1  
**For the Period Of:** June 1 – 30, 2010

Until the project ends, the Prime Contractor shall submit monthly reports to the Purchasing Department by the 5<sup>th</sup> day, reflecting activity of the previous month.

**Original Prime Contract Amount:** \$110,710.76  
**Change Orders to Date:** \$0.00  
**Current Prime Contract Amount:** \$110,710.76

Name of S/MBE	Firm Type	Quote Amount	Date of Contract/PO	Dollar Amount of Actual Contract/PO	Dollar Amount Paid This Month	Check Number	Dollar Amount Paid to Date
Beesons Bricklayers	MBE	\$10,040.82	May 1, 2010	\$10,040.82	\$1,500.00	0001122	\$1,500.00
Dot's Doors	SBE	\$2,507.22	May 15, 2010	\$2,507.22	\$850.00	0001123	\$850.00
Little Landscaping	MBE	\$5,411.00	May 15, 2010	\$5,411.00	\$2,100.00	0001124	\$2,100.00

SBE Expenditure to Date: \$850.00  
MBE Expenditure to Date: \$3,600.00  
MBE Expenditure to Date: \$4,450.00

S/MBE Total Expenditure to Date:

I certify that contracts/purchase orders have been executed with the above firms, amounts listed are accurate, and payments were made in accordance with contractual obligations. Cancelled checks to S/MBEs working on this project and/or supporting documentation for the information presented in this report will be made available to Beaufort County officials upon written request.

Name: **John Doe**  
Signature: *John Doe*

Title: **Project Manager**  
Date:

**Enclosure D Sample Contract**

**STATE OF SOUTH CAROLINA CONTRACT FOR \_\_\_\_\_ SERVICES  
FOR BEAUFORT COUNTY  
COUNTY OF BEAUFORT**

**(S A M P L E     C O N T R A C T)**

**THIS AGREEMENT** (the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between Beaufort County, a political subdivision of the State of South Carolina (hereinafter referred to as "County") and \_\_\_\_\_ (hereinafter referred to as "Contractor"). This Agreement shall consist, by reference of all the terms, conditions, scope of work, specifications and provisions contained in RFP or IFB # \_\_\_\_\_ dated \_\_\_\_\_ (advertised in The Island Packet/Beaufort Gazette on \_\_\_\_\_), all Addendums and Contractor's Proposal or Bid dated \_\_\_\_\_.

**W I T N E S S E T H :**

**WHEREAS**, the Contractor and the County desire to enter into an agreement relating to \_\_\_\_\_ Services for Beaufort County, subject to the terms, specifications, conditions and provisions of the request for proposal as heretofore mentioned.

**NOW, THEREFORE**, the Contractor and the County agree to all of these terms, conditions, specifications, provisions and the special provisions as listed below:

- A. This Agreement is deemed to be under and shall be governed by and construed according to the laws of the State of South Carolina.
- B. Any litigation arising out of this Agreement shall be held only in a circuit court of Beaufort County, Beaufort, South Carolina in the Fourteenth Judicial Circuit.
- C. The Contractor shall not sublet, assign, nor by means of a stock transfer sale of its business, assign or transfer this Agreement without the written consent of the County.
- D. This Agreement, including the terms, conditions, specifications and provisions listed herein makes up the entire agreement between the Contractor and County. No other Agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either party hereto.
- E. It is understood that this Agreement shall be considered exclusive between the parties.
- F. Any provisions of this Agreement found to be prohibited by law shall be ineffective, to the extent of such prohibition, without invalidating the remainder of this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the parties agree as follows:

## **ARTICLE 1 DESCRIPTION**

The Contractor does hereby offer to the County services for the purpose of providing \_\_\_\_\_ as contained and described in RFP or IFB # \_\_\_\_\_ (including all Addendums).

## **ARTICLE 2 LIABILITY**

The County and Contractor shall not be responsible to each other for any incidental, indirect or consequential damages incurred by either Contractor or County or for which either party may be liable to any third party which damages have been or are occasioned by services performed or reports prepared or other work performed hereunder.

## **ARTICLE 3 INDEMNIFICATION AND HOLD HARMLESS**

The Contractor does hereby agree to indemnify and save harmless the County, its officers, agents and employees from and against any and all liability, claims, demands, damages, fines, fees, expenses, penalties, suits, proceedings, actions and cost of actions, including attorney's fees for trial and on appeal of any kind and nature to the extent arising or growing out of or in any way connected with the negligent performance of the Agreement, by Contractor, its agents, servants or employees.

## **ARTICLE 4 ASSIGNMENT**

Contractor shall not assign any rights or duties of the professional services agreement without the expressed written consent of the County. Any assignment or subletting without the written consent of County shall be void and this Agreement shall terminate at the option of the County.

## **ARTICLE 5 TERM**

The term of this Agreement shall be for a period of one (1) year starting on \_\_\_\_\_ and ending on \_\_\_\_\_.

## **ARTICLE 6 COMPENSATION**

To be filled in with specific dollar amounts.

## **ARTICLE 7 INSURANCE**

Contractor does hereby covenant, agree and hereby represent to the County that it has obtained workmen's compensation insurance, general liability and automobile liability insurance, as well as providing coverage against potential liability arising from and in any manner relating to the Contractor's use or occupation of the premises during the course of performing the contracted services, all in accordance with and as described in the County's RFP or IFB # \_\_\_\_\_.

## **ARTICLE 8 DEFAULT**

In the event of default or breach of any condition of this Agreement resulting in litigation, the prevailing party would be entitled to reasonable attorneys' fees fixed by the Court. The remedies herein given to County shall be cumulative, and the exercise of any one remedy by the County shall not be to the exclusion of any other remedy.

## **ARTICLE 9 TERMINATION**

Either party may terminate this Agreement upon sixty (60) days' written notice to the other party. Upon such termination, the County shall pay the Contractor for all services performed hereunder up through the date of such termination.

## **ARTICLE 10 RESPONSIBILITY**

The County will be responsible to provide the Contractor reasonable access to County locations when necessary, ensure cooperation of County employees in activities reasonable and appropriate under the project, and obtain authorization for access to third party sites, if required.

## **ARTICLE 11 FORCE MAJEURE**

Should performance of Contractor services be materially affected by causes beyond its reasonable control, a Force Majeure results. Force Majeure includes, but is not restricted to, acts of God, acts of a legislative, administrative or judicial entity, acts of contractors other than subcontractors of Contractor, fires, floods, labor disturbances, and unusually severe weather. Contractor will be granted a time extension and the parties will negotiate an adjustment to the fee, where appropriate, based upon the effect of the Force Majeure upon Contractor's performance.

## **ARTICLE 12 SEVERABILITY**

Every term or provision of this Agreement is severable from others. Notwithstanding any possible future finding by a duly constituted authority that a particular term or provision is invalid, void, or unenforceable, this Agreement has been made with the clear intention that the validity and enforceability of the remaining parts, terms and provisions shall not be affected thereby.

## **ARTICLE 13 INDEPENDENT CONTRACTOR**

The Contractor shall be fully independent in performing the services and shall not act as an agent or employee of the County. As such, the Contractor shall be solely responsible for its employees, subcontractors, and agents and for their compensation, benefits, contributions and taxes, if any.

## **ARTICLE 14 NOTICE**

The Contractor and the County shall notify each other of service of any notice of violation of any law, regulation, permit or license relating to the services; initiation of any proceedings to revoke any permits or licenses which relate to such services; revocation of any permits, licenses or other governmental authorizations relating to such services; or commencement of any litigation that could affect such services. Such notice shall be delivered by U.S. mail with proper postage affixed thereto and addressed as follows:

County: Beaufort County Administrator  
P. O. Drawer 1228  
Beaufort, SC 29901-1228

Beaufort County  
Attn: Beaufort County Purchasing Director  
P. O. Drawer 1228  
Beaufort, SC 29901-1228

Contractor: To be filled in with specific information

## **ARTICLE 15 TOTAL AGREEMENT**

This Agreement constitutes the entire agreement between the parties hereto. No representations, warranties or promises pertaining to this Agreement have been made or shall be binding upon any of the parties, except as expressly stated herein.

This Agreement shall be construed in accordance and governed by the laws of the State of South Carolina.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day and year first above written.

**WITNESSES:**

\_\_\_\_\_  
\_\_\_\_\_

**BEAUFORT COUNTY**, a political  
sub-division of the State of South Carolina

By: \_\_\_\_\_  
Name: Gary Kubic  
Title: County Administrator  
Address: P.O. Drawer 1228  
Beaufort, SC 29901-1228  
Phone: (843) 255-2026  
Fax: (843) 255-9403  
Date: \_\_\_\_\_

**WITNESSES:**

\_\_\_\_\_  
\_\_\_\_\_

**CONTRACTOR NAME**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Tax ID Number: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Enclosure E Treasurer's Office Policy on Investments**

### **BEAUFORT COUNTY INVESTMENT ADVISORY COMMITTEE (BCIAC)**

1. There shall be a "county investment advisory committee" consisting of 5 members: including the County Treasurer.
2. The Treasurer shall serve as chairperson, and committee members shall receive no additional compensation for the performance of their duties as committee members.
3. The Treasurer has statutory responsibility for the investment of county funds and therefore must be able to have veto power on all investment decisions.
4. The committee members will use their expertise in the field of government investments and more especially county government, to advise the Treasurer on investment decisions which will maintain safety, liquidity and yield.
5. The investment committee will be charged with the responsibility of establishing a written investment policy consistent with statutory guidelines as it relates to governmental investment liquidity , maturities etc.

#### **I. Governing Authority**

##### ***Legality***

The investment program shall be operated in conformance with federal, state, and other legal requirements including S.C. Code of law; Chapter 45, Title 12-45-220.

#### **II. SCOPE**

This policy applies to the investment of all funds, held by Beaufort County Treasurer, which are eligible as investments.

##### **1. Pooling of Funds**

Except for cash in certain restricted and special funds, BCIAC will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

#### **III. General Objectives**

The primary objectives, in order of priority, of investment activities shall be safety, liquidity, and yield:

## **1. Safety**

**Safety of principal is foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.**

### **a. Credit Risk**

**The BCIAC will minimize credit risk, which is the risk of loss due to the failure of the security issuer or, backer by:**

- 1. Limiting investments to the types of securities listed in Section VII of this investment policy**
- 2. Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the BCIAC will do business in accordance with Section V**
- 3. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.**

### **b. Interest Rate Risk**

**The BVIAC will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in the market interest rates, by:**

- a. Structuring the Investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity**
- b. Investing operating funds primarily in shorter-term securities, money market funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).**

## **2. *LIQUIDITY***

**The Investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short term funds.**

### **3. *YIELD***

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is secondary importance compared to safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with few exceptions. A benchmark rate would be regularly meeting or exceeding the average return on three month U.S. Treasury bills, the state investment pool, a money market mutual fund, or the average rate on Fed funds, whichever is higher.

### **4. *LOCAL CONSIDERATIONS***

Where possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The BCIAC may accept a proposal from an eligible institution which provides for reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.

## **IV. *STANDARDS OF CARE***

### **1. *PRUDENCE***

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The “prudent person” standard states, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

### **2. *Ethics and conflicts of interest***

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interest in financial institutions with which the conduct business. They

shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of Beaufort County.

**3. *Delegation of Authority***

Authority to manage the investment program is granted to the Treasurer of Beaufort County {hereinafter referred to as investment officer} and derived from the following: S.C. Code of Laws, Chapter 45, Title 12-45-220. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written policies and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

**V. *Authorized Financial Institutions, Depositories, and Broker/Dealers.***

**1. *Authorized Financial institutions, Depositories, and Broker/Dealers***

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness (e.g. a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under the Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

- Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.
- Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties).
- Proof of state registration
- Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties).
- Certification of having read and understood and agreeing to comply

with the Beaufort County investment policy.

- Evidence of adequate insurance coverage.

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer.

## **2. Minority and Community Financial Institutions**

From time to time, the investment officer may choose to invest in instruments offered by minority and community institutions. In such situations, a waiver of certain parts of the criteria under paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state and local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.

## **3. Safekeeping and Custody**

### **1. Delivery and Custody**

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

### **2. SAFEKEEPING**

Securities will be held by a {centralized} independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the name of Beaufort County. The Safekeeping institution shall annually provide a copy of the most recent report on internal controls (Statement of Standards No. 70, or SAS 70).

### **3. INTERNAL CONTROLS**

The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of Beaufort County are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely derived

and (2) the valuation of cost and benefits requires estimates and judgments of management.

The internal controls structure shall address the following points:

- (1) Control of Collusion
- (2) Separation of transaction authority from accounting and recordkeeping
- (3) Custodial safekeeping
- (4) Avoidance of physical delivery securities
- (5) Clear delegation of authority to subordinate staff members
- (6) Written confirmation of transactions for Investment and wire transfers
- (7) Dual authorization of wire transfers
- (8) Development of a wire transfer agreement with the lead bank and third-party custodian

The investment officer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Investment committee, where present, and with the independent auditor. The Controls shall be designed to prevent loss of public funds arising from fraud, Employee error, misrepresentation by third parties, unanticipated changes in the financial markets, or imprudent actions by employees and officers of the Beaufort County Treasurer's office.

## **VII. SUITABLE AND AUTHORIZED INVESTMENTS**

### **1. Investment Types**

Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law where applicable:

- a. U.S. Treasury obligations which carry the full faith and credit of the United States government and are considered to be the most secure instruments available;
- b. U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value;
- c. Canadian government obligations (payable in U.S. currency);
- d. Certificates of deposit and other evidences of deposit a financial institutions;
- e. Banker' acceptances;

- f. **Commercial paper, rated in the highest tier (e.g., A-1,P-1,F-1, or higher) by a nationally recognized rating agency.**
- g. **Investment-grade obligations of state and provincial and local governments and public authorities;**
- h. **Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments.**
- i. **Money market funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-dominated securities; and**
- j. **Local government investment pools either state-administered or developed through joint powers, statutes and other intergovernmental agreement legislation.**

**2. Collateralization**

**Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposits, including checking accounts and non-negotiable certificates of deposit.**

**3. Repurchase Agreements**

**Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements.**

**VII. Investment Parameters**

**1. Diversification**

**The investments shall be diversified by:**

- a. **Limiting investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury Securities),**
- b. **Limiting investments in securities that have higher credit risks,**
- c. **Investing in securities with varying maturities, and**
- d. **Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs) money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.**

**It is the policy of Beaufort County to diversify its investment portfolios in order to minimize the risk of loss. Diversification strategies shall be determined and revised periodically by the BCIAC/ Investment officer for all funds.**

**2. Maximum Maturities**

**To the extent possible, Beaufort County shall attempt to match its investments with anticipated cash flow requirements. Unless matched to specific cash flow, Beaufort County will not directly invest in securities maturing more than five (5) years from date of purchase or in accordance with state and local statutes and ordinances. Beaufort County shall adopt weighted average maturity limitations (which often range 90 days to three (3) years), consistent with the investment objectives.**

**Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body.**

**Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.**

**IX. Reporting**

**1. Methods**

**The investment officer shall prepare an investment report, at least quarterly, including a management summary that provides an analysis of current investment portfolio and the individual transactions executed over the last quarter. The report will be provided to the county's Chief Administrative officer, the County Council, the investment advisory board and all pool participants. The report will include the following:**

**Listing of individual securities held at the end of the reporting period.**

- a. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one year in duration that are not intended to be held until maturity.**
- b. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.**
- c. Listing of investment maturity dates.**

**d. Percentage of total portfolio which each type of investment represents.**

**2. Performance standards**

**The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmarks shall have a similar weighted average maturity as the portfolio.**

**X. Policy Considerations**

**1. Exemption**

**Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.**

**XI. Approval of Investment Policy**

**The investment policy shall be formally approved and adopted by the Beaufort County Treasurer and the Investment Advisory Committee and reviewed annually.**