

July 20, 2009

Mr. Ernie Passalaigne
Executive Director
Arkansas Lottery Commission
500 President Clinton Avenue #215
Little Rock, AR 72201



RE: Arkansas Lottery Commission Written Questions

Dear Mr. Passalaigne:

I have listed below the questions regarding the banking services bid.

1. You state in 3.0.2 "Vendor shall provide a record of all ACH transactions and returned items in a form to be specified by the ALC". **What format does the ALC require?**
2. You state in 3.1 bullet point 2 "Investment Services: For the general operating account, the Vendor shall provide an automatic investment service to invest all collected funds on an overnight basis. The normal overnight investment is a repurchase agreement, through a Public Funds Investment account or a sweep account. The Vendor shall transmit electronically a repurchase agreement form to the ALC on the day the account is charged to commence each purchase". **We will provide a Repurchase Agreement do you want a separate daily agreement when we invest the funds and if so what format will the ALC require?**
3. You state in 3.1 bullet point 5 "Bank statements must be provided and electronically transmitted within ten working days. Record positions must in a format to be specified by the ALC. **What format does the ALC require?**
4. You state in 3.0.3: "The prize and accounts payable sub-accounts must be controlled disbursement accounts. For these accounts, the Vendor must provide a service that allows the ALC to know at any point during the day the items that will clear during that night's processing, allowing the ALC to receive more accurate and timely account balance information". **We will provide internet banking services for the ALC that can be monitored all day, please go into detail what you will need in addition?**

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5. Based on your studies, what will be the estimated average balances in the accounts?
6. You stated in 3.1 in bullet point 9: "The depository interest credit shall be based on the average Federal Funds Rate, and shall be calculated gross of reserve requirements." How often does the ALC want the rate changed (monthly, weekly, daily)?

If you have any questions, please feel free to contact me at 501-217-4507.

Sincerely,

Terri Javert

Terri Javert
AVP Business Development



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