

REQUEST FOR PROPOSALS

BANKING SERVICES

for Pender County, North Carolina

RFP# 19-0322



Pender County Finance
PO Box 1578
805 S. Walker Street
Burgaw, NC 28425

EXTENDED: Responses Due: 04/17/2019 at 5:00pm

Contact: Trisha Newton, Purchasing Agent
Phone: 910.259.1281
Email: tnewton@pendercountync.gov



TABLE OF CONTENTS

Introduction.....	2
Definitions	2
Objective	2
Schedule.....	3
Instructions	3
Provisions	4
Scope of Banking Services.....	6
Terms and Conditions.....	11
Evaluation and Selection.....	12
Appendix A – Merchant service statements	
Appendix B – Lockbox voucher samples	
Appendix C – Analysis statements (includes Lockbox data)	

INTRODUCTION

The County of Pender will accept sealed proposals for Banking Services for a period of four (4) years beginning on July 1, 2019 and transitioned as per the Proposer’s implementation schedule. The County may elect to renew the agreement for an additional two (2) year period.

DEFINITIONS

The County of Pender will hereinafter be referred to as the “County”. Respondents to the RFP shall be referred to as “Proposer”.

OBJECTIVE

The purpose of this request for proposal is to identify a banking institution that can offer the highest quality of services at the lowest cost to the taxpayers. This objective is the same as all other goods and services placed on a competitive bidding approach by the County.

SCHEDULE

Advertisement of Request for Proposal	March 22, 2019
Deadline for Questions*	March 29, 2019 by 2:00pm
Responses to Questions*	April 4, 2019
Deadline for receipt of Proposals	April 17, 2019 by 5:00pm EXTENDED Pender County Finance Dept., ATTN: Trisha Newton By Mail: PO Box 1578, Burgaw NC 28425 By Courier: 805 S. Walker Street, Burgaw NC 28425 Electronic copy: tnewton@pendercountync.gov
Board of Commissioners Meeting	May 6, 2019
Implementation**	Scheduled as per Proposal
New Contract in Effect	July 1, 2019

*A written record of all questions and answers will be provided by email to all Proposers who have notified the County of their intent to submit a proposal, as well as on the County website. Questions should be submitted to tnewton@pendercountync.gov.

**Proposers are required to provide a detailed implementation schedule outlining how to complete the transition to full use of the Proposer beginning on July 1, 2019.

INSTRUCTIONS

Proposal documents may be obtained on the County website at www.pendercountync.gov. Click on "I Want To...", scroll down to "Open RFP's and Bids". RFP response should be presented in the general format specified below:

1. Response to general requirements (included herein) and services provided
2. Schedule of Fees and Cost Analysis based on a unit of one as applicable
3. Timeline for Implementation
4. Required Financial Information

Proposals should be submitted bound (by staples, in a binder, comb bound or similar) using standard 8.5x11 paper, and sections should be appropriately labeled for easy reference. Proposers must provide one original bound and one electronic proposal. The bound proposal must be signed with blue ink binding the Proposer to the terms of the contract. The electronic proposal may be provided on a USB drive or emailed to tnewton@pendercountync.gov.

Proposals must be submitted to the Pender County Finance Department on or before **April 17th, 2019 at 5pm** to one of the addresses referenced in "**SCHEDULE**" above. Be sure to thoroughly review the proposal requirements contained herein.

Any proposals received after the time due will not be considered and shall be retained as documentation for the proposal file. As outlined herein, not all funds, investments and banking of the County of Pender are part of the proposed scope.

PROVISIONS

1. Only bids from Proposers operating a full-service branch within the Burgaw area or otherwise providing an opportunity for daily deposits will be considered.
2. Rejection or Changes of Proposals: The County reserves the right to reject any or all proposals received or to negotiate separately with competing respondents to this RFP and to award a contract based on services other than those set forth in this RFP. After reviewing the proposals, the County may elect to withdraw the RFP, make changes, waive technicalities and issue a modified RFP in any part thereof deemed to be in the best interest of the county.
3. The Proposer accepts full responsibility for assuring the prompt and timely submission of the proposal. The County will make no allowances for late delivery of mail. The proposal may be hand-delivered or by courier to the physical location specified in the "**SCHEDULE**" section.
4. The proposal must be valid for acceptance within ninety calendar days after the bid opening date. Upon acceptance, the proposal will be valid for the duration of the contract period.
5. The County reserves the right to negotiate specific points of the Proposal with the successful Proposer. The County reserves the right to amend services as needed at any point in time.
6. The Request for Proposal's Provisions, Scope of Banking Services and Terms and Conditions are integral parts of this RFP. The Proposer, by submitting a proposal, agrees to comply with all provisions and conditions of this document.
7. The County reserves the right to negotiate interest rates and yields for any type of investment alternative with any other institution at any time.
8. Proposals should be prepared providing a straightforward description of the vendor's ability to meet the requirements of this RFP. Responses should be concise and understandable by a "non-technical" audience.
 - a. The County is not liable for any costs or expenses incurred by the Proposers in the preparation of their proposals or submissions related to this proposal.
 - b. All materials submitted with the proposal become the property of the County and may be returned only at the discretion of the County Finance Director and Purchasing Agent.
 - c. By submitting a proposal, the Proposer represents that it has thoroughly examined and become familiar with the work required under this RFP and that is capable of providing and performing quality work to achieve the County objectives.

9. Contract: This RFP will result in a contract for a period of four years. With consent of both parties, the contract may be extended for additional two-year term. The winning Proposer shall provide the County with a contract which can be revised by the County's legal department.

- a. The specifications on this RFP shall be considered binding, and no other part of the Proposer's contract may supersede or otherwise revoke the RFP specifications.
- b. The contract shall provide a termination clause in which the County reserves the right to terminate the contract immediately with cause or with ninety days prior written notice without cause.
- c. The winning Proposer shall provide the County with a contract, which must be revised, approved and signed by both parties.
- d. The contract will be effective on the date it is signed by both parties (the County and Proposer).

10. Changes to the RFP: The County reserves the right to amend, at any time, any part of this RFP upon written notification to Proposers; and to change any of the scheduled dates, including the proposal due date. All changes will become part of this RFP and will be incorporated into the contract entered between the County and the Proposer.

11. Contracting and Subcontracting: The Proposer will assume responsibility for all services offered in the proposal, whether provided by the Proposer or a subcontractor. The Proposer will identify any subcontractors in its proposal by providing a list as an attachment to the RFP. The County will consider the Proposer to be the sole point of contact for contractual matters including payment of any and all charges resulting from the cost of any contract. The County reserves the right to approve or reject any subcontractor prior to use. All references to Proposer requirements throughout this RFP include subcontractors.

12. List of Cardholders/Customers: The Proposer may not sell or use cardholder information, including name and addresses, for any purposes other than those agreed upon in writing by the County. Proposer will maintain confidentiality.

13. Audit Requirements: All contracts will be subject to audit. The Proposer will give full and free access to all records and materials necessary to perform audit fieldwork, including data stored on computer systems, for the County and its authorized representatives. This provision applies to any subcontractor as well.

14. Best and Final Offers: Where two or more proposals are extremely competitive and deemed to be finalists for receiving the contract award, the County may enter discussions with any and all Proposers; request oral presentations and request revised proposals.

15. No assignment of this contract may take place without the express written permission from the County. This includes assignment or sale of the Proposer to another institution.

16. Public Record: Any material submitted in response to this RFP will become a "public record" once the Proposer's document(s) is(are) opened and the Proposer is determined to be a participant in the solicitation process and shall be subject to public disclosure consistent with Chapter 132,

North Carolina General Statutes. Proposals submitted under this section shall not be subject to public inspection until a contract is awarded N.C.G.S 143-129.8(d).

SCOPE OF BANKING SERVICES

Pender County uses Tyler Technologies' Munis ERP solutions for its financial operations and reporting. The Accounts Payable team processes several batches of checks weekly for County payments. The majority of the County's daily transactions, such as deposits, checks and wires are processed through this account.

We currently have two departments making their own deposits:

Tax Collections (300 E. Fremont Street, Burgaw, NC 28425)

Finance Department – consisting of all other departments combined (805 S. Walker Street, Burgaw, NC 28425)

Deposit tickets shall be provided for each account. Deposit tickets should have printed name of the account being credited.

ACCOUNTS within the scope will be included but not limited to:

- General Fund Account
- Housing Department Accounts (5)
- Utilities Projects Accounts as needed

The Proposer must, at a minimum, furnish the following services for the County's accounts during the period of this service agreement.

Account Representative

The Proposer awarded this contract shall name an account representative and a backup representative for the County's account; account representative and backup must be familiar with the County's account processes and shall serve as liaison with the County regarding matters of the account and assistance with day to day operations.

Contingency Plan

Each Proposer shall provide in its proposal, a Contingency Plan for providing banking services to meet the County's needs in the event of catastrophic damage due to hurricanes, tornadoes, riots, fire, flood, power failure or other catastrophic events that may severely damage Proposer's infrastructure and curtail or impact the normal operation of the Proposer. Contingency Plans shall include any information to demonstrate Proposer's capability of responding to catastrophic occurrences. Additionally, Proposers should specify any required time frame for ordering large amounts of cash for withdrawal—typically in preparation for a weather related event when power outages are expected.

Convenience of Services

Ideally the Proposer will have a branch located within Pender County. Should the branch nearest to the County plan to change operational hours or services offered, ninety days written notice must be provided to the County that includes an alternate plan to provide continuous service to the County.

Demand Deposit Accounts

The Proposer will handle the County's demand deposit accounts, securing all funds by deposit insurance, surety bonds, or investment securities as prescribed by the Local Government Commission. All Proposers submitting a proposal must utilize the approved Pooling Concept of Collateralization, and the Proposer shall comply with those regulations relative to reporting requirements.

Interest

The Proposer will maintain all County funds in interest-bearing accounts.

Remote Deposit

Two county departments are currently using remote deposit. The County would like to implement this technology in other areas as well. The Proposer should include plans for implementation, required equipment and pricing. Corrections to remote deposit misreads should be made timely, preferably the same day as the deposit.

Online Banking Services

The Proposer will provide online banking services. This will include inquiry to detailed daily transactions, daily account balances, detailed monthly statements, monthly account analysis, check image inquiry, deposit image inquiry, process ACH and wire transfers and the ability to issue stop payments on County checks. The Proposer should specify if same day and/or next day online banking is available and price both options. Images of checks and deposits are required to be available online for ninety days. The Proposer must provide a process where the County can download cleared check images and deposited check images for long term reference at no additional cost. Please specify length of time reports such as statements and analysis statements will be available online.

Wire Transfers

The Proposer will provide the County the capability to wire funds via Proposer's online banking website. Wires shall be made and accepted on a same day basis. All incoming wires received prior to the Fed's deadline are expected to be given the same day credit to County's account. The Proposer is expected to assume the responsibility for any loss or cost incurred by the County as a result of the Proposer's failure to transfer wires as instructed.

Deposit Bags

The Proposer shall provide tamper-resistant depository bags as requested by the County at no cost. The Proposer will provide cash wraps, coin wrappers and self-adhesive cash counter envelopes to County at no cost.

Deposit Tickets

All deposit tickets will be provided by the Proposer at no cost to the County. The Proposer shall provide the multi-part deposit slips in a form approved by the County.

Checks

The Proposer shall provide checks compatible with the County's Software (currently Munis) to the County at no cost. Immediate need will be for two-part continuous feed checks. Within approximately six months, the County will transition to laser checks. At that time, check design options must be made available to the County. If chosen design becomes unavailable, a compatible design must be provided to assure County's software will not be affected. If County's software provider charges for form design updates to accommodate different checks, Provider will incur costs.

Check Endorsement Stamps

Check endorsement stamps will be provided by the Proposer at no cost to the County. The Proposer shall provide stamps to each department upon the beginning of the contract. The endorsement stamps shall be in a format approved by the County. During the term of the contract, endorsement stamps shall be provided as requested. We currently require 8 endorsement stamps.

Daily Deposits per N.C.G.S. 159-32.

If the Proposer does not have a Burgaw Branch, then the Proposer is responsible for providing a statutory compliant means of daily deposits such as an armored car transport service or onsite depository equipment. This is necessary for two locations: Pender County Tax Department located at 300 E. Fremont St., Burgaw, NC 28425 and Pender County Finance Department located at 805 S. Walker Street, Burgaw, NC 28425. The Proposer's schedule of fees should break down pricing for one or both locations. Deposits must be made daily and made available to the County no later than the next business day.

Check Cashing Facility

The Proposer shall provide recipients of County checks a means of cashing their checks at any Proposer branch even when the recipient may not have an account with the Proposer. County checks shall be cashed at no charge to the individual nor pass fee to the County.

Returned Checks

All checks returned against any County accounts for uncollected or insufficient funds shall be presented twice before debiting the County's account. Returned debited items shall be forwarded daily to the County Finance Office.

Proposer Generated Debit or Credit Adjustments

The County must be notified of all Proposer generated debit or credit items within two (2) working days.

Research

The Proposer will furnish research items (lost checks, mutilated checks, lost deposit slips, etc.) within 72 hours.

Check Reconciliation

The Proposer must be able to provide secure internet file transmission of cleared checks on a monthly basis. The Proposer must work with the County to ensure that the file is compatible with the County's general ledger software.

ACH Services

The Proposer shall provide automated clearing house (ACH) for debit or credit transactions as required by the County for both employees and vendors. Access to the ACH Services shall be available to the County through the Proposer's online banking website.

Access to Records and Cooperation

The Proposer shall, upon authorization from the Finance Director or Designee, allow reasonable access to Proposer records by the County's internal or external auditors, and where state or federal assistance is involved, to the state and federal auditors, to examine records relating to the use of County funds. The Proposer shall also cooperate in any prosecution for misuse of checks and misappropriation of funds.

Payee Positive Pay

The County shall transmit to the Proposer through the internet via the Proposer's website a positive pay file from the County listing all checks written from all accounts. Any check presented to the Proposer will be verified against the Payee Positive Pay list provided by the County. If a check is presented for payment and it is not on the Payee Positive Pay list or does not match, the Proposer will not honor the check until notification is received from the County. Positive Pay Exceptions notifications will be emailed each day to assure timely decisions on acceptance/rejection of exceptions. The County requires the successful upload of Positive Pay files to be confirmed immediately and checks should be recognized/honored immediately.

Transfer Between Accounts

The Proposer will make transfers upon request between any demand deposit accounts and any interest-bearing accounts of the County held by the Proposer. This transfer between accounts will be handled with no additional charge to the County. Also, the Proposer will give the County the capability to transmit electronic funds transfers.

Compensation

Currently, the County utilizes a combination of an earnings credit allowance that is applied towards the cost of services and an interest bearing account. Each month the average positive collected balance is used to offset service fees, after which interest is paid on any remaining balance. If said balance is not sufficient to pay service fees, the County is not charged. Interest earned is applied to the account.

Merchant Services / Credit Card Processing

*****This may be awarded in conjunction with Bank Services or Separately. *****

The Proposer may include options for credit card processing by the County. The County currently has approximately twenty merchant service accounts, each accepting Visa/MasterCard, Discover, and American Express. All card processing equipment is First Data compatible and owned by the County. Should new equipment be required, the Proposer shall make accommodations to transition to new equipment. Merchant Proposer must agree to evaluate cost effectiveness on merchant service fees and rates at least every six months. Additionally, Merchant Proposer agrees to apply the County’s best pricing for all County merchant accounts. The Proposer must offer mobile processing options/devices for County departments that use mobile devices (laptops, tablets, smartphones) for work or attending events where payments are processed. The Proposer must be able and willing to establish additional accounts as requested. Each department must have its own merchant identification number. **See Appendix A** for copies of Merchant Services Statements.

Employee Accounts

The County currently has mandatory direct deposit of payroll for all employees. In the event an employee does not have a checking or savings account, please provide information on how your institution can assist the County in fulfilling its mission of direct deposit of all payroll checks for all County employees.

Lock Boxes

The County utilizes a lockbox program for customer tax payments. Please include in the proposal the conditions and explanations of how the Proposer would provide a lock box service. The County processed more than 15,000 tax payments during the previous calendar year. Each lockbox file must reflect the postmark date on the envelope. It is critical that this date is accurate, and images of each envelope are captured and included on each file. Please see **Appendix B** for sample vouchers and **Appendix C** for the lock box data within the Banking Analysis Statements.

Lockbox January - December 2018

<u>Month</u>	<u>Number of bills processed</u>
January	2,747
February	252
March	77
April	37
May	27
June	18
July	25
August	17
September	2,468
October	2,847
November	1,988
December	4,639
Total	15,142

Analysis Statements

Analysis statements are required monthly. See **Appendix C** for copies of Banking Analysis Statements.

TERMS AND CONDITIONS

The County will accept sealed proposals for Banking Services as specified herein.

The County does not guarantee same activity levels and services indicated in the attached appendices.

The contractual period to be approved by the County Board of Commissioners with the chosen firm(s) will be for a four-year term beginning approximately July 1, 2019. Two-year extension periods may be granted at the sole discretion of the County at the prices proposed by or negotiated with the successful Proposer. A formal contract will be used and shall control services subject to specifications, requirements, and conditions contained herein.

As referenced in "**PROVISIONS**", 10.b., the contract shall provide a termination clause in which the County reserves the right to terminate the contract immediately with cause or with ninety days prior written notice without cause.

Any and all costs associated with the preparation of a response to this RFP are the responsibility of the Proposer and are not to be passed on to the County.

The specific details shown herein shall be considered minimum unless otherwise indicated. The specifications, terms and conditions included with this RFP shall govern any resulting contract(s) unless approved otherwise in writing individually by the County. If in the event of litigation, the legal jurisdiction of the contract will be Pender County, North Carolina.

MANDATORY MINIMUM REQUIREMENTS

There are certain minimal requirements for the institutions involved in providing any financial services referred to herein. Specific reference to each must be provided in the general response section as detailed in the instructions below. It is expected that the chosen firm will exceed these qualifications. Firms shall:

1. Be a Federal Deposit Insurance Corporation (FDIC) insured institution;
2. Be online with the Federal Reserve Bank for funds and securities;
3. Have experience with large volume customers of similar complexity;
4. Be an Equal Opportunity Employer;

5. Comply with mandatory requirements according to type of service specified in the RFP for Core Banking Services;

6. Comply with all other requirements specified in this RFP.

7. Provider must be listed on NC Department of State Treasurer's Pooling Method of collateralization of public deposits list and meet N.C.G.S. 159-31. If at any time, the Provider is removed from the NC Department of State Treasurer's Pooling Method list, the County must be notified immediately.

The County requires compliance with 41 C.F.R. § 60 Equal Employment Opportunity and 2 C.F.R. § 200.324 Record Retention Requirements.

FINANCIAL REQUIREMENTS

1. Provide the current ratings for the Proposer from each of the following agencies if rating the institution: Fitch Ratings Ltds., Moody's Investors Services and Standard & Poor's.

2. If a subsidiary, please indicate the exact legal corporate name of each entity providing any of the services requested in this RFP.

3. To insure compliance with the Financial Reform, Recovery and Enforcement Act (FIRREA), the Proposer will need to formally approve the banking contract.

4. List three references including any governmental units and other companies that have similar volume and complexity. Please include contact, name, title, address, phone number, email address and years serviced.

5. Clearly describe any services that are provided by third parties, identifying the parties providing the service.

6. Attach one copy of the most current audited annual report and Form 10-K files with the SEC. The annual report should contain at least three years of comparative financial data.

7. Attach one copy of the most current quarterly report and Form 10-Q filed with the SEC.

8. The Proposer must include with their response, copies of all agreements needed in accordance with the provisions of services to the County. These will be reviewed and approved by the County legal counsel.

EVALUATION AND SELECTION

The selection process will be based on the responses to this RFP. A committee, comprised of members from the Finance Department and other selected staff of the County, will evaluate responses. Efficient and cost effective integration of services will be considered.

Basic Selection Criteria:

1. Ensure all proposal requirements, conditions and instructions are met as set forth in this RFP.
2. Ensure financial stability by reviewing financial statistics and other financial information provided by the Proposer.
3. Review references, verifying exemplary service levels for similar banking and financial services and evaluate experience with governmental entities or private companies of similar complexity. Prior experiences with the County will be strongly considered.
4. Ensure Proposer is equipped to best address the technological needs of the County.
5. Ensure Proposer best addresses the overall goals, objectives and mandatory service requirements as set forth in this document.
6. Ensure Proposer provides service in an effective and efficient manner, which includes designating a specific Account Executive and/or support staff for the County.
7. Ensure that the overall banking services are the most cost advantageous. The full cost of implementation will be considered which includes software installation, data transmission file setup and other initial one-time implementation fees. Average or estimated volumes are included in Appendix A.

The County reserves the right to reject any or all proposals, to waive any non-material irregularities or informalities in any proposal, to request additional clarification of proposals, to be the sole judge of suitability of the services for its intended use and further, specifically reserves the right to make the award in the best interest of the County.

-- END --