

**REQUEST FOR PROPOSALS – BANKING SERVICES**

**KERR-TAR REGIONAL COUNCIL OF GOVERNMENTS**

**Section A: Background**

The Kerr-Tar Regional Council of Governments is the Lead Regional Organization (LRO) for five of North Carolina’s Counties – Franklin, Granville, Person, Vance and Warren – with the central office being located in Henderson, NC. An LRO is a special district of the State of North Carolina established by Chapter 160A, Article 20 of the North Carolina General Statutes. Funding for regional Councils comes from a variety of sources: membership dues, federal and state grants, private grants, fees for service and state allocations, all considered “public funds”.

In the past several years, the Kerr-Tar Regional Council of Governments (herein referred to as KTRCOG) has utilized the services of one financial institution for its central operating account banking services. The KTRCOG is interested in soliciting bids from qualified and interested banking institutions who have branch banking facilities or provide banking services within Vance County where the KTRCOG is physically located.

**Section B: Objective**

This Request for Proposals (RFP) for banking services is intended to result in the selection of a financial institution that can provide the KTRCOG with the highest quality and most flexible services for the lowest cost to the public. The KTRCOG desires that all services rendered by the bank be fairly compensated and that all KTRCOG bank balances be continuously and fully invested for the benefit of the KTRCOG. In order to minimize banking services costs, the KTRCOG requests that each respondent competitively bid its service costs by type of service.

The KTRCOG intends to select a service provider for the services listed in this RFP. However, KTRCOG also reserves the right to not award a contract for any particular service and not enter into a contract with any respondent at this time. The full cost of implementing a change in banks, the financial strength of the bank, the performance and security of the bank’s treasury platform, and the bank’s response to requirements detailed in this RFP will be considered during the evaluation phase.

### Section C: Evaluation and Selection Process

The selection process will be based on the responses to this RFP and subsequent demonstrations and responses to inquiries. The Finance Department will evaluate responses for each of the services sections. During the evaluation process, KTRCOG reserves the right, where it may serve the KTRCOG's best interest, to request additional information or clarifications from respondents, or to allow corrections of errors or omissions. At the discretion of KTRCOG, respondents may be requested to make oral presentations or demonstration of online banking services as part of the evaluation process.

Responses for each of the services sections will be evaluated separately, however, efficient and cost effective integration of services will be considered. The full cost of implementation will be considered which includes software installation, data transmission file setup and other initial one-time implementation fees. The following will be the basic criteria for evaluating all responses. Additional criteria are listed in each of the separate RFP sections.

#### Selection Criteria:

1. Ensure all proposal requirements, conditions, and instructions are met as set forth in the RFP.
2. Ensure financial stability by reviewing financial statistics and other financial information provided by the bank, as well as reviewing data that is available to the public regarding the bank's financial status and service delivery history.
3. Review references, verifying exemplary service levels for similar banking and financial services and experience with governmental entities or private companies of similar complexity and size.
4. Ensure bank is equipped to best address the technological needs of the Foundation.
5. Ensure bank best addresses the KTRCOG's overall goals, objectives, and mandatory service requirements as set forth in the RFP.
6. Ensure bank provides service in an effective and efficient manner, which includes designating a specific Account Executive for the KTRCOG to respond to all issues and concerns in a timely and efficient manner.
7. Ensure that the overall banking services are cost advantageous for the KTRCOG. The full cost of implementation will be considered during the selection process.
8. Evaluate the bank's ability to provide additional services as requested.

The KTRCOG reserves the right to reject any or all proposals, to waive technicalities, 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 interests of KTRCOG

**Section C: Proposal Instructions**

1. Proposals must include items addressed in the request.
2. Each bid must be submitted in a sealed envelope with the notation: "BANKING SERVICES PROPOSAL".
3. The following is an expected RFP time schedule:
  - **January 30, 2017** – RFP's issued to interested area financial institutions
  - **February 28, 2017 - 3:00 p.m.** – Sealed proposals must be received in the KTRCOG's Office, 1724 Graham Avenue, NC 27536
  - **March 1, 2017 – March 15, 2017** – evaluation of proposals
  - **March 23, 2017** – Recommendation to KTRCOG's Executive Committee
4. Bids received after the **3:00 p.m. February 28, 2017** deadline may not be considered; however, the KTRCOG reserves the right to reject any or all bids, to KTRCOG.
5. If a bid must be withdrawn, please notify the KTRCOG prior to **March 1, 2017**.
6. To be considered the bank must meet all the requirements in **Section E: Core Banking Services**
7. Include in the proposal specific answers to all items in **Section E: Core Banking Services** and **Section F: Account Activity and Fees**.
8. The KTRCOG has provided, in **Section F: Account Activity and Fees**, the estimated *monthly* level of activities in the accounts. We request that all financial institutions develop their associated costs from these indicators. The KTRCOG does not guarantee that activity levels indicated in this proposal will continue at the same level during the award period.
9. All banking services costs must be submitted on a cost-per-unit basis unless otherwise indicated.
10. All costs associated with the preparation of a response to the RFP are the responsibility of the bidder and are not to be passed on to the KTRCOG.
11. All proposals become the property of the KTRCOG and information included therein or attached thereto shall become public record upon their delivery to the KTRCOG.
12. Any questions should be directed to Donna Lee, Finance Manager (252-436-2040 or dlee@kerrtarcog.org).

**Section D: Pertinent Information**

1. The KTRCOG currently maintains two (2) main accounts:
  - a. Public Fund Interest Checking Account for KTRCOG Operations
  - b. Public Fund Money Rate Savings Account for Revolving Loan Fund (RLF)
2. The KTRCOG currently has 2 MasterCard credit cards. These cards are under one primary account that is paid by check once a month - the entire balance - to avoid interest charges.
3. All credits associated with payroll - direct deposits and payroll tax payments are via ACH.

**Section E: Core Banking Services**

**General Requirements**

1. Have a branch within Vance County.
2. Be a qualified depository as required by NC General Statute 159-31, collateralizing account balances in accordance with the provisions of N.C. General Statute 159.31 (b) and the N.C. Administrative Code Title 20, Chapter 7 under the State Treasurer pooling method of collateralization (Option 2). Bank shall comply with those regulations relative to reporting requirements.
3. Provide separate accounts as needed by the KTRCOG. Current bank accounts are detailed in the Section G.

**Deposits**

4. Deposited items must only be presented once. All KTRCOG funds deposited should earn interest daily. **Explain your bank's interest policy.**
5. Forward returned items to the KTRCOG Finance Department. A return item report is to be provided online.

**Online Banking**

6. Provide an online banking services package which enables KTRCOG to monitor daily balances and debit and credit transactions. The online banking services package shall

have the capability to enable the Foundation to perform routine transactions such as check inquiry, stop payments, perform ACH transactions, wire transfer transactions, and other activities described in further detail below. Banks shall provide all software required to provide these services and to access all required reports. Detail requirements are listed below. All online services and options must be accessible 24 hours daily subject to availability to bank effective dates and times for processing requirements.

In RFP response, each bank shall include details of backup plans in the event of site failure or disaster and how updates and maintenance are handled.

Training on internet banking services will be provided to Foundation staff.

7. Provide access to imaged copies of paid checks and deposits online.

#### **ACH Transactions and Wire Transfers**

8. Provide automated clearing house (ACH) service for debit or credit transactions as required by the KTRCOG. Access to the ACH Services shall be available to KTRCOG online.

9. Provide ability to wire funds online. The service will provide the ability to create templates for repetitive wire transactions. Wires shall be made and accepted on a same day basis.

10. Provide for online transfers between any accounts of the KTRCOG held by the Bank.

#### **Other Required Services**

11. Provide positive pay service with Payee review for disbursements. The Bank must have the capability to receive an electronic transmission. The KTRCOG's current file format is available upon request. Exception reporting and communication must be provided through online banking services. Exceptions will be available by an established time each day. In RFP response, include the following information regarding positive pay:

- a) Include an overall description of your positive pay service including file layout and transmission process.
- b) Is the service same-day or next-day?
- c) Is it applied at the teller line?
- d) Explain how a manually issued check is added to the positive pay file in detail.
- e) Explain how voided checks are handled in reference to the positive pay file.
- f) Indicate any limit on the volume of positive pay exceptions that your system can handle.
- g) State your default disposition of exception items in the event that the bank does not receive the KTRCOG's decision to pay or not to pay.

- h) Do you offer payee positive pay?
- 12. The KTRCOG will also need to establish a corporate credit card account. Indicate the bank's capabilities and requirements for these services.

**Statement and Payment of Fees**

- 13. Please provided the option of receiving online statements as well as mailed statements.
- 14. Allow the KTRCOG to pay for service fees through the use of Earnings Credit Rate and direct debit from the KTRCOG's account of choice.
- 15. Furnish monthly detailed account analysis statements for each account.

**Other General Conditions**

- 16. The KTRCOG reserves the right to withdraw its account without penalty at any time it becomes evident that accurate and efficient service will not be provided.
- 17. The resultant contract for banking services shall in no way alter or modify present investment practices of the KTRCOG (G.S. 159-30).
- 18. The financial institution shall give the KTRCOG the benefit of any price reduction during the term of this agreement.
- 19. Services will be provided with the same conditions to all KTRCOG accounts. If the Federal Reserve or other regulatory bodies provide for regulations which are favorable to the KTRCOG, the Bank shall make these new services available to the KTRCOG.

**Section F: Account Activity and Fees**

Estimated account data per month for all accounts are detailed below. Please indicate your Cost per Unit (CPU) and/or monthly fee for each item. Please itemize all monthly fees associated with each service provided (i.e. monthly service fee, account maintenance fee, ACH services, EFT services).

<i>General Services</i>	<u>Monthly Volume</u>		<u>Monthly Fee or Applicable CPU</u>
	<u>KTRCOG</u>	<u>KTRCOG RLF</u>	
Average Balance (last 12 mo.)	\$557,328.66	\$480,373.89	_____
Checks Paid	75	0	_____
Automatic/On-Line Pays	10	1 (per qr.)	_____
Deposits Regular	15	2	_____
Direct (ACH) Deposits	6	0	_____
Return items	0	0	_____
ACH Transfers	3	1 (per qr.)	_____
Account Maintenance	\$96.46	\$2.50	_____

The Bank may list any other available services, including applicable charges (if any) which the Council may wish to consider.

APPENDIX A

OFFER OF SERVICE

The bank proposes and offers to provide banking services as required in the RFP for Banking Services for Kerr-Tar Regional Council of Governments

Bank: \_\_\_\_\_

Main Contact: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Signature of bank representative making this proposal:

\_\_\_\_\_  
(Sign)

Title \_\_\_\_\_

\_\_\_\_\_  
(Please print full name)

Date \_\_\_\_\_