

REQUEST FOR PROPOSALS

BANKING SERVICES

For

PITT COUNTY, NORTH CAROLINA



Submittals Due: July 27, 2018 by 5:00 p.m. EST

Contact: Brian Barnett, Deputy County Manager - CFO

E-mail: brian.barnett@pittcountync.gov

Phone: (252) 902-3012



June 6, 2018

MEMO TO: Prospective Vendors
FROM: Brian Barnett, Deputy County Manager - CFO
SUBJECT: Request for Proposals – Banking Services

DUE DATE AND TIME: July 27, 2018; 5:00 p.m.

The County of Pitt, is currently seeking proposals from qualified banking institutions for the project entitled “Banking Services.”

Enclosed are our specifications for the scope of work. Please review these documents carefully and use the forms provided to submit your proposal.

All proposals are to be received by mail no later than July 27, 2018 by 5:00 pm. Each proposal should be clearly marked: “**Proposal – Banking Services.**”

These materials should be mailed or delivered to:

Brian Barnett
Deputy County Manager - CFO
County of Pitt
1717 W. 5th Street
Greenville, NC 27834
Email: brian.barnett@pittcountync.gov

Should you have any **questions**, please submit in writing via email to Brian Barnett (brian.barnett@pittcountync.gov) by 5:00 pm on June 21, 2018.

We strongly encourage local, small, minority and disadvantaged business participation.

Pitt County is an equal opportunity employer. A copy of our EEOP Utilization Report is available at www.pittcountync.gov or upon request to the County Manager or Human Resources Director.

NOTICE

Proposals will be received by Pitt County, until **5:00 p.m., Friday, July 27, 2018**, in the Financial Services Department, 1st floor, County Office Building, 1717 5th St., Greenville, North Carolina, at which time they will be considered for the following:

BANKING SERVICES

Specifications and Proposal documents may be obtained in the Financial Services Department, 1st floor, County Office Building, 1717 5th St., Greenville, North Carolina, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday or by email request to brian.barnett@pittcountync.gov.

**Pitt County
Brian Barnett
Deputy County Manager - CFO**

REQUEST FOR PROPOSAL

SECTION I – GENERAL INFORMATION

The Financial Services Department from Pitt County, NC (the “County”) requests that qualified and interested banking institutions who operate within the legal jurisdiction of the County, submit proposals for providing certain banking services. Each proposal submitted shall be expected to respond to each consideration set forth in this Request for Proposal (the “RFP”).

OBJECTIVE

The County desires to select a reputable financial institution to manage its deposits, provide core banking services and make available certain other related financial services to the County for its benefit and the benefit of the citizens it serves.

This RFP is organized into several separate sections. This first section gives a general overview of basic selection process, terms and conditions and basic requirements. All candidates must provide the Required Financial Information as well as the information required in the RFP section. The RFP will have more specific terms and additional conditions and mandatory requirements.

EVALUATION AND SELECTION PROCESS

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

The following will be the basic criteria for evaluating all responses.

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 Attachment 1 – Cost Form, which also serves as a price response form for requested services (see instructions below). The current service provider is Wells Fargo.

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 institutions.
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 institution is equipped to best address the technological needs of the County.
5. Ensure institution best addresses the overall goals, objectives and mandatory service requirements as set forth in this document.
6. Ensure institution 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 during the selection process.

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.

TERMS AND CONDITIONS

The contractual period to be approved by the County Board of Commissioner with the chosen firm(s) will be for a five-year term beginning approximately January 7, 2019. Up to three, three-year extension periods may be granted at the sole discretion of the County at the prices proposed by or negotiated with the successful firm. A formal contract will be used and shall control subject to specifications, requirements, and conditions contained herein.

The County shall retain the right to cancel the contract at any time for cause. Such cancellation will generally result by the failure of the contracted institution to complete or provide the specified services, or by a violation of the Mandatory Requirements (listed below). The County shall retain the right to cancel the contract at any time without cause with 90 day notice.

The County does not guarantee that activity levels and services indicated in Attachment 1 of this RFP will continue at the same level during the contract period.

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

All cost proposals must be included on Attachment 1 for each of the applicable RFP services. **Proposals will NOT be accepted unless cost proposals are included on the attached Cost Form in Microsoft Excel and PDF format. All proposals must be printed and on an USB flash drive.** Since terminology may vary, institutions are required to conform to this template. Exceptions to the proposal specifications should be listed separately and defined, or they will be invalid.

The specific details shown herein shall be considered minimum unless otherwise indicated. The specifications, terms and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing individually by the County. Candidates must consent to personal jurisdiction and venue in a state court of competent jurisdiction in Pitt 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.

TIMELINE

The following timeline is provided for informational purposes. Contact Brian Barnett, Deputy County Manager – CFO at brian.barnett@pittcountync.gov to confirm dates, times and locations.

RFP response(s) and the related cost forms (Attachment 1) must be completed and returned by **5 p.m. on July 27, 2018** to the County at **1717 W. 5th Street, Greenville NC**. *E-mailed and faxed responses will **not** be accepted.*

Questions may be directed to Brian Barnett, Deputy County Manager - CFO via e-mail at brian.barnett@pittcountync.gov during the question submission period that ends on June 21, 2018 at 5:00 p.m. Questions received will be answered in writing via addendum and posted online by (June 15, 2018). The County shall not be bound by oral or other information, explanations, or clarifications not confirmed in writing.

INSTRUCTIONS

The cost proposal portion (“Cost Form”) of the proposal response must be inserted in the template form provided in Attachment 1. The attachment has been loaded separately online to allow for it to remain in Excel format. An electronic file of this form must be included in the proposal packet along with the printed paper form. Generic terms are used where possible and banks are responsible for fitting their specific services to these terms. Any additions must be highlighted in yellow on paper and within in the Excel file. This is a REQUIRED form. Proposals will not be accepted unless cost proposals for the applicable services are included on this form. Save the file using the proposing bank name. Example: ProposingBank.xls. Unsealed cost forms will invalidate the proposal. Please indicate how many years the Bank will guarantee the price schedule provided in this proposal. Will future price changes be indexed or capped?

Other important information and requirements:

- Responses to the Core Banking Services RFP should be organized as outlined in the RFP. Other than the cost proposal, responses need to be on paper only. There should be a separate response to the general requirements listed above and then responses for the Core Banking Services RFP section as instructed therein.
- All services should be priced on a per unit basis of one unless otherwise indicated.
- Six (6) paper copies and one electronic copy of each proposal are required. All proposals will become the property of the County and will not be returned. Proposals become public record upon delivery to the County.
- **Responses should be limited to a maximum of 25 pages, not including Required Forms and attachments.**

In summary, the response package should be organized as follows:

- 1. Response to general requirements**
- 2. Required financial information**
- 3. Core Banking Services RFP:**
 - ✓ **Response to RFP requirements in order as listed**
 - ✓ **Requested bank information in order as listed**
 - ✓ **Additional information that may be helpful to the County**
- 4. Cost Form in a sealed envelope (paper form and Excel file on an USB Flash drive)**

SECTION II – REQUIRED FINANCIAL INFORMATION

The following is required financial information to be provided by **all** candidates responding to **any** section of the RFP.

- Provide the current ratings for the candidate from each of the following agencies if rating the institution: Fitch Ratings Ltd., Moody’s Investors Service and Standard & Poor’s.
- If a subsidiary, please indicate the exact legal corporate name of each entity providing any of the services requested in this RFP.
- To ensure compliance with the Financial Reform, Recovery and Enforcement Act (FIRREA), the bank will need to formally approve the banking contract.
- 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.
- State the method of collateralization (“Dedicated Method” or “Pooling Method”) used for public deposits.
- Clearly describe any services that are provided by third parties, identifying the parties providing the service.

Please include the following information as an attachment.

- Provide one copy of its most current audited annual report and Form 10-K filed with the SEC. The annual report should contain at least three years of comparative financial data.
- Provide one copy of its most current quarterly report and Form 10-Q filed with the SEC.
- The candidate must include with their response, copies of all agreements needed in accordance with the provision of services to the County. These will be reviewed and approved by the County legal counsel.

SECTION III – CORE BANKING SERVICES

MANDATORY INSTITUTION AND SERVICE REQUIREMENTS

Pitt County, NC desires to select a reputable financial institution to manage its deposits and provide core banking services. In addition to providing the Required Financial Information previously described, please respond to each of the following items.

GENERAL REQUIREMENTS

1. Be a FDIC insured institution.
2. Be online with the Federal Reserve Bank for funds and securities.
3. A full service branch of the institution must be located within the boundary of the County. Bank branches must be located within the vicinity of the main administrative location, and other locations.
4. Be a qualified depository for public funds in accordance with North Carolina General Statutes (hereafter “G.S.”) specifically Chapter 159, Article 3 – The Local Government Budget and Fiscal Control Act (the “LGBFCA”), primarily G.S. 159-31 – Selection of Depository; Deposits to be Secured and the North Carolina Administrative Code Title 20 – State Treasurer, Chapter 7 – Collateralization Of Deposits under either the “Dedicated Method” (formerly option 1) of collateralization or the “Pooling Method” of collateralization (formerly option 2). The publication “**Collateralization of Public Deposits in North Carolina**” is available at www.nctreasurer.com under “Financial Operations”.
5. All funds deposited shall earn interest. Balances remaining at the end of each day in the main operating account shall be invested overnight at a competitive rate in an interest-bearing checking account. Please provide the Bank’s current earnings credit rate as well as the Bank’s methodology for determining and adjusting the earnings credit rate. What other additional secure, short-term investment products does the Bank offer? Please include any balance requirements or restrictions on the amount of draws related to these products.
6. The County may have activities that need to be maintained separately. There need to be options for separate interest bearing and zero balance accounts.
7. Be able to handle, process and clear through separate zero-balance accounts.
8. All account balances shall be available for investment by the County at all times.

DEPOSITS

9. Monies deposited in the bank by 2:00 p.m. shall be processed and credited for same day credit. Exception items can be delivered to the bank’s designated operation center by 6:00pm. Remote deposits for required for certain departments, and detailed information by coded deposit slips on reports.
Other monies, such as maturing investments shall be given immediate credit and availability. Collected funds credit shall be given to checks drawn on the United States Treasury, Federal Reserve and the State of North Carolina. The bank shall provide collected funds credit for checks drawn on the United States Treasury, Federal Reserve and State of North Carolina.
10. Redeposit all returned deposit items for insufficient funds, waiting a minimum of 24 hours, before debiting the account. Forward returned items to an authorized representative of the County. Provide a return item report via on-line banking, which includes ACH and traditional check returns.
11. Provide onsite image capture deposits.

ONLINE SERVICES

12. Provide on-line banking services package. Bank shall provide all software required to provide these services and to access all required reports. Detailed requirements are listed below. In the event that on-line services are down, provide an acceptable backup method via telephone or e-mail for each on-line requirement listed herein. All on-line services and options must be accessible 7 a.m. – 9 p.m., seven days per week.

How will the County access the reporting system? Is this available through the internet? What are the computer hardware and software specifications for the Bank's on-line system? Discuss the Bank's procedures for providing training to the County's employees specifically related to the Bank's online platform, both initially and ongoing. How will the Bank ensure that the County is current with any updates to the online platform and its ongoing enhancements?
13. Describe the Bank's security procedures for its information reporting system, both for access and information protection. Can the Bank limit access to the Bank's online system to known County and selected other IP addresses?
14. Provide the following report types on-line.
 - a. Detailed transaction and balance reports – Report should show previous day detailed transactions, which include listings of all debits and credits impacting the accounts. Report should have ability for user to establish a minimum threshold for viewing either debits or credits or both and may have separate thresholds for electronic and paper entries. Reports should be accessible for six prior business days. Reports should be able to download into Excel with detailed transactional information.
 - b. Intra-day position report – Report must provide up-to-the-minute recap of available account balances. It should be updated continuously throughout the day and reflect beginning balances, incoming and outgoing Fed wire transfers, ACH activity effective that day, maturing investments and disbursing debits. Please list types of transactions that update the Intra-day report and those that do not update the Intra-day report.
 - c. Return report – Report should list all check and ACH return items for the previous day. Report should be by account.
 - d. Positive pay exception reports – Reports should list all checks or ACH items that are not included in the positive pay data transmission and should be interactive. Authorized officials from the County should be able to accept or deny these items on-line. Exceptions should be available by 10 a.m. each day from the previous day's activity.
 - e. Please state in RFP response whether you offer imaged copies of the checks in addition to the report.
 - f. Describe the Bank's ability to customize reports as well as any fees associated and the length of time required to receive a customized report.
15. Provide stop payment services on-line from authorized officials of the County. Verbal requests from authorized officials will be accepted and processed on the same day with documentation to follow. As a part of this service authorized officials would be able to inquire on-line to determine if a specific check had previously been presented for payment prior to initiating a stop payment.
16. Access imaged copy of checks on-line. If image is not available due to timing of check clearing, also accept request for check copies via email. Indicate how long after the check has cleared before an image is available online. Also, indicate how long the check will be available to view online.
17. Provide ability to enter wire, ACH and book transfer on-line as outlined below. On-line system should offer ability to template repetitive transactions. System should also have ability to structure an approval hierarchy.
18. Provide ability to transfer funds on-line between two or more accounts maintained with the bank.

WIRE TRANSFERS, ACH TRANSACTIONS AND OTHER TRANSFERS

19. Furnish direct deposit of employees' checks (credit entries) to their designated checking or savings account according to the Automated Clearing House (ACH) rules and regulations. Bank must be able to receive a direct transmission with all payroll information in fixed-width text file format. Transmission will be delivered no later than 8 p.m. one business day prior to payday.
20. Process automatic drafts as a method of payment for some invoices. The County also receives reimbursements from other agencies via ACH deposit.
21. Transmit debit entries initiated by the County under ACH rules. The bank shall provide software or another means to allow County to change and adjust ACH information prior to transmission to the bank. Bank must be able to receive information through direct transmission in required format. The County's current file format is available upon request. Upon proper notification by the County, bank shall manually adjust or stop payment or other adjusting entries. The bank shall be responsible for any loss limited to the liability for its own negligence or willful misconduct.
22. Process incoming and outgoing wire transfers verbally (via telephone) and on-line in real time as requested by duly authorized official(s) if instructions are received by the bank by the official deadline established by the Federal Reserve System. All incoming wires processed are expected to result in same day credit to the account. The bank is expected to assume responsibility for all losses or costs incurred by the County as a result of the bank's failure to transfer wires as instructed.
23. Provide ability to create templates for repetitive wires and ACH transactions with the ability to restrict amount and access for different users. Each individual template should have ability to permanently establish different sections of the template. For example, for some repetitive wires, the same amount is wired each time. Each individual template should also have the ability to restrict use for designated authorized officials. Different templates would then be able to have different users. Changes to these templates shall only be made on-line with approval from another user (dual approval).

SUPPLIES

24. Provide sufficient pre-numbered and pre-encoded deposit slips per deposit site in triplicate at no charge for the County to process daily deposits. The number of County deposit sites is subject to change, but is currently seven (7).
25. Provide all endorsement stamps for the departments making deposits at no cost to the County. The bank shall provide two (2) 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.

OTHER SERVICES

26. Provide account reconciliation for all disbursement accounts and have the capability to send daily and monthly transmissions of account activity to the unit. Currently the file is available to download to Excel.
27. Provide payee positive pay option (checks) for all disbursement accounts. Banks must have capability of receiving an electronic transmission. The County's current file format is available upon request. Exception reporting and communication must be provided through on-line banking services.

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. Provide no manual checks
- 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 decision from the County to pay or not to pay.
28. Forward bank generated debit or credit items to the County the next business day with detail support describing the nature of the transaction. Detail support should include images of checks, adding tapes and deposit slips. Bank generated transactions without sufficient detail will not be accepted.
 29. Provide research assistance on transactions (lost checks, lost deposit slips, mutilated checks, and bank generated transactions) by providing sufficient details within 72 hours of request.
 30. Provide sufficient night depository services including optional provision of bags with keys. The County has the right to purchase these bags from a third party vendor. These bags would display the name of the County and no bank name.
 31. Provide change as needed for various activities and events.
 32. Provide payment management services (payment to vendors using a single use commercial card number
 33. Provide E-Check Property tax payment solution where taxpayers can input banking information to pay taxes without fees.
 34. Provide detail list of additional services not requested in RFP that the Bank believes would enhance and streamline the County's existing structure. Please include a detailed rationale for why the County should consider utilizing these services.

STATEMENTS AND PAYMENT OF FEES

35. Allow the County to pay service fees by compensating balance.
36. Provide a detailed itemized statement for each account for the previous month which shows each deposit, credit or debit memo, along with the check number and amount of each transaction processed within 2 working days of the subsequent month, and kept online for one year.
37. Provide all cleared check images (front and back) on internet inquiry and download file into Munis Software for each account, as well as providing the software and database that allows for efficient inquiry.
38. Furnish monthly detailed account analysis for each account enumerating the account activity by type of service and activity volume within each service. When utilizing compensating balance, provide analysis of fees compared to earnings allowance. Include average balances, net monthly earnings, total costs and any gain or loss by the bank. In the event costs exceed earnings allowance for a given month, the County may be billed or have the right to negotiate a new compensating balance. In the event the earnings allowance exceeds fees accumulate charges and earnings and roll-over to next year(s).

GENERAL INFORMATION TO BE PROVIDED BY INSTITUTION

39. Provide information outlined below.
 - a. Describe your internal controls and procedures to protect account information. If you have experienced any unauthorized access to account numbers and account information, please describe the circumstances and any resulting changes in controls and procedures.
 - b. For interest bearing account options, explain how the interest rate will be set and how often it will be adjusted. Provide the past daily interest rates for a similar account for the six month periods of July – December 2016 and July – December 2017.
 - c. For non-interest bearing account options, provide clear instructions on the earnings allowance calculation. Include definition of the benchmark rate that will be used in the calculation (Example: 6-month Treasury Bill).
 - d. Provide a list of nationwide routing and transit numbers.
 - e. Provide a list of your firm's local direct exchange banks.

- f. List bank branch addresses in Pitt County. Save as a Word file using the proposing bank name. Example: ProposingBank.doc.
- g. Discuss your appetite for providing credit to the County in the way of a line of credit or commercial loan. Have you previously extended credit to the County?
- h. Please describe in detail any banking services you might propose to provide to the County's employees. Would employees have to enroll in direct-deposit in order to receive these services?
- i. What is the average lead time required for implementation? What are the critical factors that may impact that lead time?
- j. Who will be responsible for coordinating the transition of banking services? If a conversion team is used, how will the County's accounts be transitioned to the ongoing client service team?

ORGANIZATION OF RESPONSE

Information related to the above listed requirements should be organized and presented **in the same order** as listed above. Any additional information regarding institution specific enhancements or other services that may benefit the County can follow.

INFORMATION ABOUT THE COUNTY:

Average volumes are listed in Attachment 1. If the volume listed is one, the County is interested in pricing for that service. Please indicate your cost per unit and/or monthly fee for each item. Please itemize all monthly fees associated with each service provided (i.e. account maintenance fee, ACH service fee, EFT service fee, etc.).

The County requires payroll direct deposit to its employees. Payroll is on a bi-weekly basis, and averages about (1000) one thousand transactions per pay period. Specific payroll calendars will be provided to the chosen institution.

The County currently utilizes positive pay services.

If the County develops a need for additional accounts, or services during the term of this agreement, services will be provided with the same conditions as apply to existing accounts at the time. If the Federal Reserve or other regulatory bodies provide for regulations, which are favorable to the County, the institution shall make these new services available to it.

<p><i>See The General Information Section For Information On The Evaluation Process, Terms And Conditions, Other Mandatory Requirements And Instructions.</i></p>
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**Required Form
Proposed Pricing Form**

Banking Services

~See attached Cost Form in Microsoft Excel Format~

Required Form
FIRM INFORMATION

Name of Company _____

Address _____

Phone No. _____

E-Mail Address _____

Federal I.D. No. _____

SDBE, Minority or Woman Owned Business Enterprise _____ Yes _____ No

Proposal Submitted By: _____
(Name Printed Out)

(Signature)

Title: _____

Date: _____

**Required Form
E-Verify**

STATE OF _____
COUNTY OF _____

I, _____ (the individual attesting below), being duly authorized by and on behalf of _____ ("Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. (Mark Yes or No)
 - a. YES _____, or
 - b. NO _____
4. Employer and Employer's subcontractors comply with E-Verify, and if Employer subsequently retains any subcontractors on this project Employer will ensure their compliance with E-Verify.

This ____ day of _____, 2018.

Signature of Affiant
Print or Type Name: _____
State of _____ County of _____

Signed and sworn to (or affirmed) before me, this the ____ day of _____, 2018.

My Commission Expires: _____

Notary Public

|||
(Affix
Official/Notar
ial Seal)