

REQUEST FOR PROPOSAL

Issue Date: **August 19, 2019**

Title: **Banking Services**

Period of Contract: **Three Years**

Sealed Proposals will be received until **September 30, 2019 at 12:00 p.m.** for furnishing the services described herein.

All inquiries for information concerning the scope of services, proposal submission requirements, or procurement procedures should be directed to:

Jeremy Teetor
Chief Finance Officer
Phone: (336) 438-4000, Extension 20031
Email: jeremy_teetor@abss.k12.nc.us

IF PROPOSALS ARE MAILED AND/OR HAND DELIVERED, BRING/SEND DIRECTLY TO THE ISSUING DEPARTMENT ABOVE.

In compliance with this Request for Proposals and to all the Terms and Conditions imposed herein, the Undersigned offers and agrees to furnish the services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiations.

Proposal Submitted By:

Bank Name: _____

Bank Officer: _____ **Title:** _____

Address: _____

Phone: _____ **Email Address:** _____

General Information and Conditions

The initiation of the Request for Proposal (RFP) process is intended to result in the selection of a financial institution, herein referred to as “Bank”, that can provide the Alamance-Burlington Board of Education, herein referred to as “Board”, with the highest quality and most flexible services for the lowest cost to the public. The Board is requesting that each respondent competitively bid its services by type of service, propose an arrangement whereby daily un-invested cash balances are invested on behalf of the Board, and propose the most equitable method of establishing applicable investment rates.

Proposal Provisions

The Board of Education (Board) requests proposals for the banking services described in this RFP. The award period is for three years. A copy of this RFP can be provided via email upon request.

Proposals must be received in the Alamance-Burlington Board of Education’s Finance Department by **September 30, 2019 at 12:00 p.m.** Any proposals received after this time will not be opened or considered. All proposals received become the property of the Alamance-Burlington Board of Education. The proposal envelopes must be sealed and marked on the outside “Proposal for Banking Services”. The envelope must also show the name and address of the company and representative submitting the bid. Proposals should be addressed to Jeremy Teetor, Alamance-Burlington Schools, 1712 Vaughn Rd, Burlington, NC 27217. Ten (10) copies of the proposal should be submitted and signed by a bank official who is authorized to make the proposal on behalf of the bank.

The Board reserves the right to waive any informalities or minor irregularities or may reject any and all bids (anything herein contained to the contrary notwithstanding) if the Board deems said rejection to be in the best interests of the Alamance-Burlington Schools.

The cost associated with the preparation of the proposal rests solely with the candidate. The Alamance-Burlington Board of Education will not incur any costs associated with the proposals.

The bank must meet the qualifications under the State Treasurer’s Pooling Method of collateralization as shown in the North Carolina Administrative Code (NCAC), Title 20, Chapter 7. Any bank that uses the Dedicated Method of collateralization should complete an application for the State Treasurer’s Office to convert to the Pooling Method. Before your response to this RFP will be considered, the Board requires proof of the application.

The Board requests that the Bank answers all questions in this RFP. Please do not leave a question blank. Answer yes or no to “Agree to Provide” questions. Any charges for the following requests not listed in the comments section will be considered included in the base bid. If more room is needed to make additional comments, please make an attachment with reference to each question or section.

All services will be evaluated on availability, time schedules, reporting, and interest rates. All proposals will be evaluated as follows:

- Financial strength and capacity of the financial institution
- Ability to provide needed services in an efficient and responsive manner
- Ability to provide all services requested by the Board
- Ability to provide optional services requested
- Overall cost

Terms and Conditions

The term of the contract between the Board and the Bank will be three (3) years in length. The start date will be dependent upon successful contract negotiations. If the Bank and the Board are unable to establish contract terms to the Board's satisfaction by January 1, 2020, the Board will select another Bank.

The Board reserves the right to cancel the contract and withdraw, without penalty, its accounts at any time it becomes evident that accurate and efficient service is not being provided as contracted. This would occur only after an attempt has been made to resolve the deficiencies and after written notification has been given to the bank ninety (90) days prior to this action.

The services or compensation set forth in this agreement may be modified at any time during its term upon written mutual agreement.

The Bank will respond to the Board's independent auditor's confirmation requests within ten (10) working days of the receipt of the request.

The Board does not guarantee that the activity levels as indicated in this proposal will continue at the same level during the award period.

The Bank will remain open during normal business hours of 9:00 a.m. to 5:00 p.m., five (5) days a week, Monday through Friday, excluding recognized holidays.

The Bank must be a member of the Federal Deposit Insurance Corporation.

By accepting public deposits, the depository assumes the duty and responsibility of maintaining adequate collateral as provided by law and in accordance with the provisions of the North Carolina Administrative Code, Chapter 7.

The Bank shall comply with all applicable federal, state, and local laws, including but not limited to rules and regulations promulgated by or stated in: the Local Government Commission; North Carolina General Statute 115C-443, which stipulates the classes of securities in which Board deposits may be invested; and North Carolina General Statute 159-31, which requires security for deposits in amounts sufficient to protect the Board. Noncompliance with this section shall be considered a material breach.

If at the expiration of the original term the Board has not awarded a new agreement for banking services, this agreement shall continue until terminated by either party upon ninety (90) days written notice. All terms shall remain in effect except for an adjustment in the compensation balance, upon written mutual agreement.

Requested Banking Services

Alamance-Burlington Schools proposes to establish accounts for deposits and checking for the following funds/programs (see page 9 for statistical information):

- Local Current Expense Fund
- Capital Outlay
- Child Nutrition
- Daycare
- Summer Insurance
- Individual School Funds (36 schools)

These accounts will be NOW accounts, or money market checking accounts, either of which will be interest-bearing. If the accounts will earn a fixed rate of interest, please express as an annual yield. If the rate of interest paid on the accounts will fluctuate monthly, please indicate the rate of interest paid for the months of July, 2013 through September, 2013.

Fixed rate: _____

Or

July, 2019: _____

August, 2019: _____

September, 2019: _____

Account Requirements

The board requires the use of the Pooling Method of collateralization for public deposits in excess of the FDIC \$100,000 coverage. Indicate that the Bank is a Pooling Method financial institution.

Agree to Provide: _____

Comments: _____

All methods presented to invest cash balances have been approved by the Local Government Commission as acceptable for school systems, meeting both legal and safekeeping requirements.

Agree to Provide: _____

Comments: _____

The Bank will allow the account to be drafted as requested by the Board for State and Federal agencies.

Agree to Provide: _____

Comments: _____

Banking Supplies

The Bank will provide all necessary banking transaction items such as deposit slips, night deposit bags, and coin and currency wrappers as required.

Agree to Provide: _____

Comments: _____

Processing Procedures

The Bank shall give all deposits received by 5:00 p.m. credit as good ledger balance funds for the same day.

Agree to Provide: _____

Comments: _____

The available funds or collected balance will be determined by the following maximum clearing schedule:

Same Day: Cash, wire transfers, ACH items, transfers between accounts and items drawn on Bank.

Next Day: Items on local institutions and warrants.

Other items will follow the Federal Reserve Availability Schedule.

Agree to Provide: _____

Comments: _____

All checks returned for uncollected or insufficient funds must be presented twice before debiting the Board's account.

Agree to Provide: _____

Comments: _____

The Board will receive same day notification when an item has been returned due to errors, uncollected or insufficient funds.

Agree to Provide: _____

Comments: _____

Bank-generated debits and credits must be forwarded to the Accounting Department of the Board the next business day. Duplicate copies must be sent on all ACH debits and credits related to Payroll items.

Agree to Provide: _____

Comments: _____

Research items (lost check, deposits, etc.) will be furnished within 48 hours of the request.

Agree to Provide: _____

Comments: _____

Online Banking Requirements

The Bank should provide a secure, internet-based banking software that allows authorized Board employees to issue stop payments and check balances of accounts, to initiate and process account transfers, wire transfers and ACH items including any related payroll tax deposits federal or state from authorized Board employees. As a backup, the Bank will provide the Board with alternate procedures to process these requests. The software should provide beginning ledger balances, collected balances, and list debits and credits to the accounts. The software should allow the Board to determine if a specific check has cleared. The software should allow the Board to verify wire transfer/ACH debits and credits and access all associated detail received by the Bank regarding these items.

Agree to Provide: _____

Name of package: _____

Comments: _____

The Bank's deadline for accepting outgoing wire transfer and ACH items should be no earlier than 12:00 p.m. Please state the deadline for both.

Agree to Provide: _____

Comments: _____

The Bank will be responsible for any loss sustained by the Board as a result of the Bank's failure to transfer funds as instructed; however, in such a case, liability shall extend only to the resulting direct loss, and not to any consequential special loss or damages.

Agree to Provide: _____

Comments: _____

Monthly Statements/Account Analysis/Reconciliation Services

The Bank shall deliver within ten (10) calendar days after the end of each month a detailed itemized statement showing date and amount of each transaction, including check number (if applicable). For auditing purpose please provide statement in paper format or electronic form.

Agree to Provide: _____

Comments: _____

How long are original checks kept on site at the Bank? _____

The Bank should be able to provide the Board with daily account information, on a backup basis, via a telephone call with an account representative.

Agree to Provide: _____

Comments: _____

Safekeeping Services

The Board currently does not make use of its current Bank's trust services for the safekeeping of purchased investments. The North Carolina State Treasurer and the North Carolina Capital Management Trust hold the Board's current investments. It is expected that these investments will remain with the current holders for the period of this agreement. If the Board wishes to make use of the Bank's safekeeping services, then the Board and the Bank will mutually agree upon the cost of such services in writing at that time. Please do not include this cost in your proposal.

Bank is able to provide safekeeping services? _____

Optional Services Requested

The following requests are included in the proposal to gather information only. Do not include costs associated with these requests in your compensation proposal. Final determination on whether to proceed with any of these optional services will depend on potential savings, reduced administrative work, additional earnings, or improved benefits to the Board, schools, or employees. The ability to provide the following optional services may have an impact on the Board's selection of a Bank.

Compensation

The Board will compensate the Bank by either the holding of a non-interest-bearing time deposit at the Bank or through the payment of direct fees. The Bank may use one or both of the compensation methods.

Compensation Balance Required: \$ _____

Comments: _____

Reference

Please provide references from three existing commercial or governmental clients.

Statistical Information

Account	Balance @ June 30, 2019
Local Current Expense Fund	\$5,959,706.84
Trust Account	\$6,762,230.79
Capital Outlay	\$2,076,342.82
Child Nutrition	\$1,894,609.93
Daycare	\$766,370.40
Summer Insurance	\$247,242.17
School Funds (36 sites)	\$1,478,640