

# **Request for Proposals**

January 27, 2020

## **Banking Services**

CITY OF HILLSDALE, MICHIGAN  
97 N. Broad Street  
Hillsdale, MI 49242



# City of Hillsdale – 2020 Banking Services RFP

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## I. SUMMARY

Continual changes in technology, treasury management practices and new innovative products and services provide public funds managers opportunities to achieve their objectives of appropriate and cost-effective banking services while protecting its funds and reducing risk to its reputation. In accordance with the Government Finance Officers Association (GFOA) best practices, local governments should periodically reevaluate their banking services. As it has been over ten years since the City of Hillsdale last solicited banking services proposals, it is time to reevaluate these services.

## II. PURPOSE OF REQUEST

The City of Hillsdale is requesting proposals for its primary banking services including its main depository. It is the City's intent to award all services to the most qualified Financial Institution, but may in the City's best interest award partial services to two or more qualified Financial Institutions.

## III. TIMELINE FOR PROCUREMENT PROCESS

The City of Hillsdale has developed the following timetable and fully expects to execute a finalized banking services agreement on or before May 4, 2020:

- Issue RFP on January 27, 2020
- Deadline to submit questions 3:00 p.m. February 14, 2020
- Deadline for Proposals - 3:00 p.m., March 2, 2020
- Opening of Proposals - 3:15 p.m. March 2, 2020
- Interview with Selected Firms –April 1-10 (if necessary)
- Take staff recommendation to Finance Committee – April 20, 2020
- Recommendation and Approval by City Council - May 4, 2020
- Finalize and Sign services agreement - week of May 11 -15, 2020
- Implementation – Month of July 2020

## IV. MINIMUM QUALIFICATIONS

To be considered for this proposal, financial institutions must meet all of the following minimum qualifications:

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- A. Institution must hold and maintain a charter, license, or other documentation from the United States Government or the State of Michigan the authority to provide banking services to the City of Hillsdale.
- B. Institution must be a State of Michigan qualified depository for public funds pursuant to Public Act 20 as amended, and all funds deposited with the institution shall be held only in a manner consistent with Public Act 20.
- C. Institution must be a member of (or have access to) the Federal Reserve System and have access to all Federal Reserve System services including but not limited to domestic wires and ACH transactions.
- D. Institution must have an established office or branch within the City limits or within close proximity to the City of Hillsdale.
- E. Institution must have a straightforward, intuitive, and secure web based interface to transfer of funds within City accounts, the initiation of wires or ACH transactions (including direct deposit files), and the reporting of current and previous days account balances.

### V. INSTRUCTIONS FOR PROPOSALS

- A. Proposals must be in a sealed envelope and clearly marked on the face of the envelope "BANKING SERVICES RFP". Proposals must be received by 3:00 p.m., March 16, 2020. Three (3) copies of the proposal must be submitted. Faxes, emails, and telephone proposals will not be accepted. Late proposals will be returned unopened.
- B. Proposals should be prepared in a simple, straight forward manner describing the institution's capabilities of meeting the requirements of this request. All quotes submitted in response to this RFP shall become the property of the City of Hillsdale and be a matter of public record available for review.

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- C. Send all proposals and questions to:

Bonnie Tew, Finance Director  
City of Hillsdale  
97 N. Broad Street.  
Hillsdale MI 49271  
[btew@cityofhillsdale.org](mailto:btew@cityofhillsdale.org)

Questions must be in writing. Deadline for submitting questions is 3:00 p.m. on Friday, February 14, 2020. Answers to questions will be in writing via email to all known interested vendors. A copy of bank account statements for the prior year will be made available upon request.

- D. Results: A tabulation sheet will be available for review after proposals are opened and reviewed.
- E. Changes and addenda to Documents:  
Information of change or addendum issued in relation to this RFP will be on file and available in the City Clerk's Office, 97 N. Broad Street, Hillsdale, MI.
- F. In addition, to the extent possible, copies will be mailed to each vendor registered as having received a set of quote documents. It shall be the vendor's responsibility to make inquiry as to changes or addenda issued. All such changes or addenda shall become part of the contract and all vendors shall be bound by such addenda.
- G. All proposals must include the following:
1. Complete responses to questions/statement-appendix A
  2. Statement of Qualifications-appendix 8
  3. Non-Collusion Affidavit Certificate-appendix C
  4. Signed Certification Regarding Debarment or Suspension Appendix D
  5. A clear and detailed schedule of fees/costs proposed either fixed or itemized. All costs associated with implementing the services agreement should also be listed such as remote capture devices, deposit slips, software, and other onetime setup costs.

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## VI. BACKGROUND

The City of Hillsdale was established back 1835 and is the county seat of Hillsdale County. Its population is approximately 8,300. The City is a home-rule city and is administered by a council/manager form of government. It employs 70 full-time employees, with numerous part-time/temporary positions utilized at various times throughout the year depending on the season. Direct deposit is utilized by all employees with some 200 ACH transactions processed on a bi-weekly basis. The City is currently using the following DDA accounts with average collected balances of:

General Checking	\$2,791,000
Payroll	27,700
BPU Receiving	2,166,000
Accounts Payable	330,000
Tax Collections	545,000
Sweep account.	\$1,495,000

## VII. SCOPE OF SERVICES

The City of Hillsdale is soliciting proposals for banking services with a financial institution which operates a branch or office within city limits or very close proximity. The banking services contract will be for a three year period beginning the day the contract is executed. It is hopeful that, at the City's option, a two year contract extension will be permitted with the same terms and conditions as the original agreement.

The following is a list of mandatory services required.

- Checking and Savings deposit accounts
- Payroll direct deposit
- ACH debit and credit services
- On-line banking-reporting
- On-line stop payments
- Overdraft protection
- Safety Deposit Box
- On-line wires and account transfers
- Excellent customer service
- Remote capture for more than one account

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The following is a list of optional services:

Positive pay  
Credit Card processing  
Credit Cards  
Procurement cards  
Safekeeping  
Nightly account sweep- fully insured  
Other financial services that can be provided that would be beneficial to the City of Hillsdale but not specifically addressed above.

The City of Hillsdale expects that the chosen financial institution has the capability to provide all of the services within the scope of this proposal. A financial institution will submit as part of its proposal any partners or other providers that will provide any service(s) that are part of the agreement.

### VIII. TERMS AND CONDITIONS

- A. Applicable Laws: the Ordinances and Charter for the City of Hillsdale and the laws of the State of Michigan concerning competitive quotes, contracts, proposals, and purchases will be employed.
- B. Taxes: The City of Hillsdale is generally exempt from Federal Excise and Michigan Sales Tax. Prices shall not include taxes. The City of Hillsdale is a governmental entity and qualifies for any governmental discounts.
- C. If the vendor elects to deviate from this RFP, all exceptions or other changes shall be clearly noted and submitted in advance so that all known vendors can be made aware and can elect to react to any changes.
- D. The City of Hillsdale does not discriminate based on race, color, national origin, sex, religion, age, or disability in employment or the procurement of services.
- E. Responses to this RFP may not be withdrawn or changed for a period of one hundred twenty (120) days after the official date of opening. This time period may be extended by mutual agreement of the City and any vendors.

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- F. The City of Hillsdale reserves the right to reject any and all quotes, waive informalities or defects in quotes and accept such quotes, as it shall deem to be in the best interest of the City of Hillsdale.

### **IX. EVALUATION OF PROPOSALS**

Proposals will be evaluated by the Finance Director, City Manager, and any other City staff deemed necessary. Evaluations will be based on the below criteria and may be weighted in any manner it deems appropriate.

- A. The City will consider whether the submitted proposal meets the minimum RFP requirements.
- B. The City will review all submitted material and any other relevant material it may obtain to determine whether the financial institution is capable of providing the services outlined in this RFP.
- C. Fees
- D. References
- E. Community presence/investment



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### APPENDIX A - QUESTIONS/STATEMENTS

- A. Provide the names and titles of individuals who will be working on the proposed services and conversion including their areas of expertise.
- B. Submit five (5) references from current local government customers. References must include contact name, title, address, and phone number.
- C. Describe the institutions community participation or reinvestment program.
- D. Describe your institution's governmental service philosophy.
- E. Provide information about your institution including two years of your most recent financial statements, credit rating, and other information you want to share about your institution.
- F. Provide your funds availability schedule.
- G. Describe your on-line interface in detail including security features and system requirements.
- H. Can your institution automatically redeposit returned items?
- I. How does your institution handle positive pay exceptions?
- J. Explain your institutions disaster recovery plan.
- K. Describe the conversion plan (include timeframe) you would coordinate to ensure a smooth transition from our current provider.
- L. Discuss any special conditions, fees, services, or deviations from the services requested within this RFP.

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**APPENDIX B - STATEMENT OF QUALIFICATIONS**

Each financial institution submitting a proposal shall include this page completed, signed and notarized.

Name of Financial Institution \_\_\_\_\_

Business Address \_\_\_\_\_

Business Phone \_\_\_\_\_ Fax No \_\_\_\_\_

E-mail address of Authorized Signer \_\_\_\_\_

Services provided by your institution \_\_\_\_\_

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Please attach to this statement a copy of your charter, license, or documentation showing your ability to provide banking services in the State of Michigan for the City of Hillsdale.

I certify that \_\_\_\_\_ is capable of providing the services requested in this proposal and will comply with the rules, laws, and regulations of the State of Michigan, the United States Government, and any other laws and regulations governing municipal deposits and banking.

Title \_\_\_\_\_ Name \_\_\_\_\_

Authorized Signature \_\_\_\_\_

Sworn before me \_\_\_\_\_ day of, \_\_\_\_\_ 2020

Notary Signature \_\_\_\_\_

Notary Stamp

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**APPENDIX C - NON-COLLUSION AFFIDAVIT**

The undersigned, being duly sworn, states that the person nor financial institution herein named has not either directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action to impair the free competitive bidding process of this bankingservices RFP.

Institution Name: \_\_\_\_\_

Title \_\_\_\_\_ Name \_\_\_\_\_

Authorized Signature \_\_\_\_\_

Sworn before me \_\_\_\_\_ day of, \_\_\_\_\_ 2014

Notary Signature \_\_\_\_\_

Notary Stamp

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### APPENDIX D - CERTIFICATION REGARDING DEBARMENT OR SUSPENSION

To: Hillsdale City Clerk:

The undersigned vendor declares that they have carefully read, become familiar with and understands the quote/contract documents and specifications and hereby proposes to fulfill the attached quote.

In submitting this quote, it is understood and agreed by the undersigned that the right is reserved by the City of Hillsdale to reject any or all quotes. It is further understood and agreed by the undersigned that any qualifying statements, or conditions made to the above quote, as originally published, as well as any erasures, omissions, or entered wording obscure as to its meaning, may cause the quote to be declared irregular and may be cause for rejection of the quote.

#### Certification Regarding Debarment, Suspension and Other Responsibility Matters-Primary Covered Transaction

- I. The prospective primary participant certifies to the best of its knowledge and belief, that it and all its principals: (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or committee; (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification and (d) Have not within a three-year period preceding this application/ proposal had one or more public transaction (Federal, State or local) terminated for cause or default.

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- II. Where the prospective primary participant is unable to certify to any the statements in this certification, such prospective participant shall attach an explanation to this proposal.

SIGNATURE OF VENDOR \_\_\_\_\_

BY \_\_\_\_\_

TITLE \_\_\_\_\_

