

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

The County of Lackawanna Treasurers Office is requesting proposals for Banking Services. **Proposals are due at 2:00PM local time Friday December 11, 2018.** Proposals must be submitted to: Lackawanna County, Chief of Staff Office, 200 Adams Avenue Scranton, PA 18503. Late proposal submissions will not be accepted under any circumstances. No electronic or faxed submissions will be accepted.

Lackawanna County reserves the right to accept or reject any proposal or waive any informality in the process. The County is evaluating banking consolidation but may consider excluding certain existing relationship components.

Bid packages may be obtained online at www.Lackawannacounty.org

Joseph A. Wechsler

Deputy Director of Purchasing

Lackawanna County

wechslerj@lackawannacounty.org

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

PART 1

GENERAL REQUIREMENTS

1-1. Purpose. This request for proposal (RFP) is being solicited by Lackawanna County Treasures Office for purposes of establishing consolidated, professional, government banking services for the County.

1-2. Issuing Office. This RFP is issued by the Lackawanna County Purchasing Department. Only emailed questions will be accepted for this RFP. Emails shall be addressed to Joseph A. Wechsler Deputy Director of Purchasing at wechslerj@lackawannacounty.org.

1-3. Scope. This RFP contains instructions to prospective proposers and specifications governing the solicited banking services. ***Proposals are due at 2:00PM local time Friday December 11, 2018. Proposals must be submitted to Lackawanna County Chief of Staff Office, 200 Adams Avenue, Scranton, PA 18503.*** Late proposal submissions will not be accepted under any circumstances. No electronic or faxed proposals shall be accepted.

Lackawanna County is soliciting this request for proposal to secure consolidated government banking services for a base agreement period of three (3) years with a County option to renew the agreement for an additional two (2) years.

1-4. Background. Lackawanna County, a third class county in the Commonwealth of Pennsylvania, is soliciting proposals from qualified government banking institutions duly registered in the Commonwealth of Pennsylvania. The County desires to obtain the highest quality banking services at the lowest cost to its taxpayers. The County has identified the need to modernize several areas of its financial management through establishment of effective depository services, a comprehensive online banking system, an account reconciliation program and a strategic plan to manage several asset accounts with volume over \$240,000,000. The County's objective is to augment or complement these core functions with various technological advances and pilot programs that could improve asset performance, financial transaction, cash management, cash flow, liquidity and customer service capabilities.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

Pursuant to our goal of service excellence, we are seeking to form a relationship with a financial institution that will not only share our quality focus, but one that will demonstrate the willingness to share in our vision, values and efforts to modernize. The RFP process will identify the financial institution which is most prepared to assist the County in prudent fiscal planning utilizing both present and future consultative services and products. Lackawanna County reserves the right to accept or reject any proposal or waive any informality in the process. The County is evaluating banking consolidation but may consider excluding certain existing relationship components.

1-5. Technical Proposal Requirements. The County's preference is to maintain all banking services with one financial institution and we encourage each entity to submit the most comprehensive proposal possible. It is the intention of the County to select one (1) vendor that will be capable of providing the multifarious services required.

The County will consider the following when ranking proposals submitted in response to this RFP:

- The proposing entity's current FDIC status.
- Presence in Downtown Scranton in proximity to the County Government Center.
- Establishing Dedicated Relationship Manager to provide a single point of contact for County business.
- Cash flow effectiveness.
- Overall cost and service fees proposed.
- The ability to provide efficient and user-friendly web-based products and services.
- The ability to deliver timely services.
- The reliability, credibility and experience of the institution and personnel related to government banking.
- The proposing entity's financial strength and capitalization.
- The proposing entity's dedication, success and experience related to the government banking market.
- The quality of the provider's performance based on previous business relationships with the County.
- The ability to provide secure courier service.
- The ability to meet quarterly with the County including the development of a performance report and a cross walk to attain specific goals sought by the County or suggested by the proposing entity.
- The ability to pay interest on all accounts.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

No single factor will determine the final award decision, so we encourage all participants to present all pertinent or imperative concepts or policies that may enhance their position as a proposing entity. Several of the above factors will be used to develop a competitive ranking amongst all proposers. The County may narrow its prospective candidates after its initial review and may invite top ranked proposers to a technical proposal meeting to discuss the details of the candidate's proposal.

1-6. Type of Contract. If an agreement is entered into as a result of this RFP, it will be developed using a modified version of the County's Master Professional Services Agreement including the term (and any extensions) indicated in Section 1-3.

1-7. Rejection of Proposals. The assignment of the above services may be made to one or more of the proposers responding to this Notice, but Lackawanna County reserves the right to reject any and/or all proposals submitted, to cancel the solicitation requested under this Notice, and/or to readvertise solicitation for these services.

1-8. Incurring Costs. Lackawanna County is not liable for any cost incurred by proposers prior to issuance of a contract.

1-9. Amendment to the RFP. If it becomes necessary to revise any part of this RFP, an amendment will be issued on the Lackawanna County Website. Offerers are responsible to monitor the website for amendments

1-10. Response Date. To be considered, proposals must be received at the primary issuing office no later than the date and time indicated in Section 1-3.

1-11. Proposals. To be considered, Offerers must submit a complete response to this RFP, using the format provided in Part II. Each proposal must be submitted with five (5) copies to bind the Offerers to its provisions must sign all proposals. The Offerer will provide five (5) references citing past and/or present clients. For this RFP, the proposal must remain valid for at least ninety (90) days. The contents of the proposal of the successful Offerer may become contractual obligations if a contract is executed.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

1-12. Economy of Preparation. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offerer’s ability to meet the requirements of the RFP. Please refrain from adding unnecessary text and materials (Brochures or Company Amplifications) to the proposal.

1-13. Ownership. All Offerers shall certify and acknowledge ownership of all property proposed for use for this RFP. No “third party” agreements shall be considered. Offerers shall also certify ownership of all access to the property proposed for use as parking area for this RFP.

1-14. Insurance. All Offerers shall be responsible for furnishing and maintaining insurance in accordance with the specifications indicated as follows:

- Limit for Bodily Injury and Property Damage:
 - Each Occurrence \$1,000,000
 - Damage to Rented Properties \$ 100,000
 - Medical Expense \$ 5,000
 - Personal & Advertising Injury \$1,000,000
 - General Aggregate \$2,000,000
 - Products & Comp. Operations Aggregate \$2,000,000
- Additional Insured Endorsement to name: Lackawanna County
- Waiver of Subrogation in favor of: Lackawanna County
- Include Hold Harmless Agreement

Umbrella

- Each Occurrence \$1,000,000
- Annual Aggregate \$1,000,000

The above insurance shall be applied by the successful proposer to all of its employees, agents and subcontractors throughout the life of the agreement at no additional cost to Lackawanna County. Lackawanna County shall be listed on all above insurance policies as an “Additional Insured” cancelable only on thirty (30) days prior written notice to the Issuing Office. The successful proposer shall provide a waiver of subrogation in favor of Lackawanna County. The successful Offerer shall also indemnify and hold Lackawanna County harmless from any and all court action and/or suits resulting from the agreement.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

1-15. Qualified Depository Requirements. All financial institutions submitting a proposal must be a qualified public depository, as defined by Pennsylvania General Statutes, and must perform its obligations under this proposal in compliance with all applicable federal, state and County laws and regulations, statutes and policies.

1-16. Federal Reserve Membership. All financial institutions submitting a proposal must be a member, in good standing, of the Federal Reserve System. The institution must be a federal or Commonwealth chartered financial institution and in good standing among other comparable banks. All County assets must be insured in accordance with Federal limits for government accounts.

1-17. Market Capitalization. All proposers must possess adequate capitalization capabilities to accommodate the County's cash flow, liquidity and investment management needs. Proposers should indicate their certified lending limit and its ability to accommodate the County's cash flow needs based on its current and future portfolio.

1-18. Government Experience. Each proposer should detail its past experience in government banking with specific reference to success with similar government entities in terms of size, transaction similarities and portfolio status. The proposal should include at least five (5) past successful government banking agreements managed by the proposing financial institution as references.

1-19. Collateralization. The County is governed by the provisions of Pennsylvania Act 72 and will require the successful institution to deliver a collateralization letter to the County Treasurer's Office quarterly evidencing the institution's compliance with Act 72 for all accounts on deposit record. ***The average collected monthly balance for the County is approximately \$240 million*** dollars maintained principally in interest bearing money market accounts. All proposers must indicate the ability to comply with Act 72 and shall include the institution's current insurance limits for deposits. All proposers must indicate the method of collateralization used (e.g. pooled assets or purchased in the name of the depositor).

1-20. Investment Activity. All Offerers must indicate the ability to comply with Pennsylvania Act 10 of 2016 which defines allowable government investments.

1-21. Anticipated Services. The County anticipates the need for the following financial services and each proposer should describe in detail, including but not limited to the following:

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

DEPOSITORY SERVICES

1. Indicate various deposit products currently offered by the institution, including the tiered balance rate structures and maintenance fees.
2. Describe the institution's return item processing and re-depositing protocol.
3. Describe the institution's current image processing capabilities. Include hardware and software requirements and online accessibility.
4. Include hours of operation and requirements for service at available local branches and customer service centers.
5. Include the deposit processing capabilities such as splitting deposits amongst multiple accounts.

ACH AND WIRE TRANSFERS

1. Describe how repetitive domestic wires are established, initiated and confirmed.
2. Describe how the County would originate an ACH file and the associated daily deadline times.
3. Describe the security measures used to protect the integrity and authenticity of all incoming and outgoing wires and ACH initiations/originations/receptions.

ACCOUNT RECONCILIATION

1. Describe the institution's full account reconciliation and positive pay protocol. The description should include the institution's data transmission capabilities in report format for County inspection upon request.
2. Describe the bank's web-based services as they pertain to stop payments, copies of paid checks, ACH exceptions and voided checks. The proposal should indicate if electronic imaging service is included in the proposal and any costs associated for this service.
3. Indicate the institution's policy regarding daylight overdrafts.

ONLINE BANKING

1. Indicate the web-based system that is currently in use for government banking services and whether there are any fees associated.
2. Describe the frequency of system updates. Include audit data indicating performance of the system and the problem log for at least the last 12 months of operation.
3. Describe the support provided during implementation. Please include the implementation schedule for transitioning, training, technical assistance, user materials, onsite visits and service hours.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

4. Internal controls:

- A. Online cleared check information/images, front and back
- B. Multi-level security administration requirements
- C. Positive pay reports (including imaging of exception items)
- D. Reconciliation reports
- E. Training of government's system administration for managing accesses
- F. Describe how various levels of access and execution permissions are granted and by whom

ELECTRONIC STORAGE OF DOCUMENTS

Describe the bank's electronic storage capabilities and options. Include the duration of information retained online and any costs for retrieval of information no longer available online.

POSITIVE PAY OR PAYEE SERVICES

Describe the institution's ability to provide positive pay/payee services.

STOP PAYMENT SERVICES

1. Describe the bank's stop payment service and include methods available to initiate stop payments. Include costs for each of the stop payment options offered.

PAYROLL TAX PROCESSING

Describe services available from the institution to accommodate the County's payment and reporting of payroll taxes.

REMOTE DEPOSIT

Describe the capabilities, pricing and specifications for remote deposit equipment.

SECURE COURIER SERVICES

Please advise if this service is offered as part of proposal and include all costs.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

LOCKBOX SERVICES

The County is considering a modification in tax collection procedures. Should this occur, the Treasurer's Office will be responsible for collecting taxes on all properties. What procedures does your institution have in place, or will be capable of establishing and implementing, that can assist the County in the facilitation of this process? Describe how lockboxes can assist our licensing process (dog, hunting, etc.) in areas of issuance, receipting and recording.

OVERNIGHT SWEEP

1. Describe the overnight sweep account options offered by the institution including overnight investment options available to maximize County interest. Include a description of available options such as intra-day sweeps and overnight placements.
2. Include tiered requirements of sweep funds as related to account balance.
3. Include all costs for all sweep account options (maintenance fees, set-up charges, fund expenses, transaction fees, etc).

1-22. Form of Proposal. Attached to this RFP is the form of proposal which shall be used by all prospective proposers to submit a response to this RFP. The form shall be completely executed prior to submittal to the issuing office. If any blanks have not been filled in, Lackawanna County may immediately reject the proposal as incomplete. All prospective proposers are instructed to completely examine this RFP prior to completing. Lackawanna County is soliciting this request for proposal to secure consolidated government banking services for a base agreement period of three (3) years with a County option to renew the agreement for an additional two (2) years.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

PART 2

PROPOSAL FORM

PROJECT IDENTIFICATION: Lackawanna County
Lackawanna County Treasurer's Office
Lackawanna County Purchasing Department
Request for proposal for banking services

THIS PROPOSAL IS SUBMITTED TO:

Lackawanna County
Chief of Staff Office
200 Adams Avenue 6th Floor
Scranton, PA 18503

1.01 The undersigned proposes and agrees, if this Proposal is accepted, to enter into an Agreement with Lackawanna County to provide banking services for a period of three years with the possible renewal periods indicated.

2.01 Offerer accepts all of the terms and conditions of the RFP (Part 1). The Proposal will remain subject to acceptance for ninety (90) days after the Proposal opening, or for such longer period of time that Offerer may agree to in writing upon request of OWNER.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

3.01 In submitting this Proposal, Offerer represents, as set forth in the Agreement, that:

- A. Offerer has examined and carefully studied the RFP, the other related data identified in the RFP, and the following Addenda, receipt of all which is hereby acknowledged.

<u>Addendum No.</u>	<u>Addendum Date</u>
_____	_____
_____	_____
_____	_____

- B. Offerer has examined the RFP and become familiar with and is satisfied as to the general and specific services sought by the County.
- C. Offerer is familiar with and is satisfied as to all federal, state and local laws to be in compliance with the Agreement.
- D. Offerer does not consider that any further examinations, investigations, or data are necessary for the determination of this Proposal for performance of the Agreement at the price(s) proposed and within the times and in accordance with the other terms and conditions of the RFP.

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

- E. Offerer is aware of the general requirements of the RFP to be performed by the successful proposer should the Proposal be accepted by Lackawanna County.
- F. Offerer agrees to provide the required insurance indicated in the RFP if the County accepts Proposal.
- G. Offerer has given the issuing office written notice of all conflicts, errors, ambiguities, or discrepancies that Offerer has discovered in the RFP, and the written resolution thereof by issuing office is acceptable to Offerer.
- H. Offerer has provided five (5) references from past and/or current government clients.
- I. The RFP is generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Agreement for which this Proposal is submitted.

4.01 Offerer further represents that this Proposal is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Offerer has not directly or indirectly induced or solicited any other Offerer to submit a false or sham Proposal; Offerer has not solicited or induced any individual or entity to refrain from bidding; and Offerer has not sought by collusion to obtain for itself any advantage over any other Offerer or over OWNER. Offerer further agrees to identify all owners of the Offerer's entity if not submitting as a sole individual.

5.01 Offerers are required to complete and submit the Attachment 1 Questionnaire

6.01 N/A

7.01 N/A

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

Attachment 1

Questionnaire

1. Name of Bank _____

2. Is your Bank willing to provide the County with monthly Treasurer's Reports on a Cumulative Calendar, Fiscal year and Current Month at no cost to the County? If no, what is fee amount?

Yes _____ No _____ Fee _____

3. Will a list of cancelled checks be provided monthly in numerical order with each monthly statement? Also will a copy of each cancelled check (front and back) be available upon request?

List Format _____ Fee _____

4. Will all statements have a cutoff date on the last day of the month and mail by the 5TH working day of the following month?

Yes _____ No _____

5. Provide a spreadsheet identifying all applicable fees related to the County's banking relationship and discounts if applicable.

6. Provide a prospective pro forma account analysis statement which identifies how the relationship will be viewed with actual balance and cost activity. If necessary, at the discretion of the Treasurer, the County may provide actual account activity numbers to the Offerer to calculate fees.

7. Bank must possess direct deposit capacity for possible future conversion by the County and must be able to serve as Lead Bank in receipt of County Employee Payroll and distribute to institution of employee's choice.

Yes _____ No _____ Fee _____

8. Does your bank have a Trust Department and what is the fee schedule associated with all Trust accounts?

Yes _____ No _____ Fee _____

REQUEST FOR PROPOSAL ID# 337-18-118

For Banking Services for Lackawanna County

9. Will all functions both Commercial and Trust be done locally?

Yes _____ No _____ List Locations:

10. Will your Bank coordinate with the County Information Technology Department for the necessary information providing a County deferred format for the bank accepting information via CD or other ways electronically?

Yes _____ No _____ Fee _____

10. Please list and explain any additional items or service that your financial institution can and will provided to Lackawanna County if your offer is successful.

11. As part of your response enclose a copy of the last Financial Report for your institution including locations of branches, current administrative structure, and Board of Directors.

12. Five Government Client References.

Name	Address	Phone	Contact person
------	---------	-------	----------------

Reference 1 _____

Reference 2 _____

Reference 3 _____

Reference 4 _____

Reference 5 _____

REQUEST FOR PROPOSAL ID# 337-18-118
For Banking Services for Lackawanna County

Bank Officer _____

Bank Name _____

Address _____

City State Zip _____

Phone _____

SUBMITTED on _____, 2018.

BY: _____

Lackawanna County reserves the right to accept or reject any proposal or waive any informality in the process. The County is evaluating banking consolidation but may consider excluding certain existing relationship components.

