



Request for Proposals

for

Banking Services

**Jamie Bailey, Cascade County Treasurer
Robert Hamud, Chief Fiscal Officer
Courthouse Annex, Rm 111
325 2nd Ave N
Great Falls, MT 59401**

Proposals Due by 5:00 PM, February 27, 2015.

Cascade County Banking RFP

Section One-Introduction

The County of Cascade, Montana through the County Treasurer, Jamie Bailey and the Board of County Commissioners through Robert Hamud, Chief Fiscal Officer, is issuing a Request for Proposal (RFP) for banking services for all of the County and related School and Special District accounts. Proposals will be accepted from qualified financial management institutions as specified in this document. The County wishes to seek and approve a contract for banking services for a term of no less than five (5) years. The County is looking at a contract that may include all available banking services, including merchant card services.

The County is looking for a banking relationship that both will accommodate the size and scope of its operations and be responsive to the ever-changing needs of conducting County business. The ideal banking relationship would include clear lines of communication, and focuses on continued management and evaluation of the banking relationships to identify operational efficiencies and maximize return on investment to the taxpayers of Cascade County.

The County is seeking for all proposals to be received in a sealed envelope no later than Close of Business on February 27, 2015 with the following timeline:

Notification and Advertisement of the RFP	January 11, 2015
RFP Informational Session	January 20, 2015
Deadline for receipt of written questions:	February 13, 2015
Proposals due by 5:00PM	February 27, 2015
County Evaluation of Proposals	March 2-13, 2015
Commission Work Session to Recommend Bank	March 17, 2015
Commission Meeting for Awarding Contract	March 24, 2015

Cascade County is located in North-Central Montana on Interstate 15 with a population of approximately 82,000 in 2014. County offices are located in the County Seat of Great Falls. The County operates under a three-member Commissioner form of Government elected for four year terms with one commissioner election occurring every two years. In addition, the following officials are elected for four year terms:

- Cascade County Clerk and Recorder
- Cascade County Treasurer/Superintendent of Schools
- Cascade County Attorney
- Cascade County Clerk of Court
- Cascade County Sherriff
- Cascade County Public Administrator

The major services provided by the County include public safety, regional prison, juvenile detention center, health department and community health center, aging services, public works, fairgrounds and event facility, disaster and emergency services, solid waste and weed and mosquito. Approximately 500 FTE are employed with Cascade County.

County banking services currently includes the following:

Total of 20 accounts

- Main county account (wires in/out, ACH's in/out, deposits, checks, direct deposits, book transfers)
- standalone county accounts (same as above)
- 7 standalone fiduciary accounts (same as above)
- standalone school accounts (same as above)

Annual transactions totaling the following:

- **Total checks-\$63, 879,311.95**
- **Total ACH's-\$13, 248, 816.66**

Including:

- County checks-\$35, 461, 310.26
- ACH's-\$10, 497, 384.36
- School checks-\$14, 939, 722.69
- School ACH's-\$3, 127, 432. 30
- Fiduciary checks-\$3, 478, 279.00

Average Daily Activity:

- 250 daily deposits
- 300 daily image deposits
- 60 return chargebacks
- 20 deposit corrections
- 12 stop payments

Minimum Bank Qualifications

The Proposer must meet the following banking qualifications:

1. Be a federally or State of Montana chartered financial institution.
2. Be a member of the Federal Reserve System and have access to all services.
3. Must be insured by the Federal Deposit Insurance Corporation (FDIC).
4. Be a full service bank in good standing among other comparable banks including credit rating.
5. Be capable of providing the services sought by Cascade County.
6. Have established offices within Cascade County.
7. Have experience in providing banking services for other large organizations including governments.
8. Be in compliance and good standing with the Community Reinvestment Act.
9. Have the ability to provide collateral on all deposits.

10. Agree to assign a single point of contact within the bank that will be committed to ensuring that different personnel and divisions of the bank are working together to meet the needs of the County and the provisions of the banking contract.
11. Be a qualified depository for public funds.

Instructions to Respondents

- Proposal Format -Please respond in detail to the bank information outlined in Section 1 and all of the guidelines and provisions outlined in Section 2. The format of the response is at the respondent's discretion as long as it includes all the information requested by the County.
- RFP Informational Session- Cascade County will hold a voluntary informational session on January 20, 2015 at 10:00AM at the Cascade County Courthouse Annex, 325 2nd Ave North in Great Falls. In addition, Jamie Bailey, Cascade County treasurer will respond to all questions and inquiries regarding the RFP at 406-454-6855 or jbailey@cascadecountymt.gov.
- Addendum- Any addendum to the RFP initiated by the County will be released with ample notice prior to the deadline of the RFP. If the County must release an addendum within five (5) business days before the RFP deadline, the deadline will be extended.
- Deadline-The Deadline for all proposals to be submitted to the County will be Close of Business at 5PM, Mountain Standard Time on Friday, February 27, 2015. If a proposer requests an extension, the County will consider extending the deadline for all RFPs.
- The proposer shall return (5) bound copies of the RFP response and all accompanying materials by the RFP deadline to the following address:
Cascade County Commission
Attn: Robert Hamud Chief Fiscal Officer
Courthouse Annex, Room 111
325 2nd Ave North
Great Falls, MT 59401
- **Evaluation Process-** The County will formulate an internal team to score each response to the RFP with emphasis on the following criteria:
 - a. Bank's ability to accommodate County's volume of transactions and account size and scope in terms of items such as processing, cash availability and security protocols. (20%)
 - b. Bank's presence in Great Falls both in terms of branches, management and community outreach/giving and personal customer care. This will be partly evaluated through reference checks with other customers of the bank. (20%)
 - c. Bank's online presence, services offered, and County online control of bank accounts, transactions, merchant cards, and tie-ins to the County's General Ledger system where appropriate. (20%)
 - d. Bank's response to Section 2 items with particular emphasis on the presence of lockbox services, positive pay, merchant/commercial card offering, online banking presence and scope, same-day processing of ACH, checks, wires and deposits and response to Section 19 pertaining to natural and/or manmade disasters. (20%)

- e. Number of “no” responses in Section 2, Scope of Banking Services. (5%)
- f. Responses to request for Additional Explanation – Section 3. (10%)
- g. Strength of banks account and service transition plan, and amount of costs associated with the transition. (5%)

Section 2- Scope of Banking Services

Cascade County has an extensive range of services needed to accommodate the banking needs of the County, which includes handling all County revenue and expenditures, as well as banking for numerous school districts and special districts within the County. Services provided by the bank should include:

<u>Category</u>	<u>Ability to Provide</u>
1. Wire Transfer Services- includes unrestricted transactions	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Notifications of all wire transfers in real-time including rejected/returned transfers	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. ACH	
o Notifications of all ACH transactions in real-time including rejected/returned	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Direct Deposit for Payroll disbursements	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Collections for Property Tax Payments	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Ability to handle over 11,000 annual ACH debit and credit transactions	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Bank should be both a sending and receiving bank of the National Automated Clearinghouse Association (NACHA)	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Ability for the County to submit ACH files electronically through Bank software	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Ability to re-present checks (RCK) through ACH on a targeted date	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Appropriate security measures (and description of) for ACH initiation/ Origination and ACH reception (ACH filters and blocks)	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Availability of Funds	
o Meet minimum of Federal Reserve Bank Availability Schedule	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Provide policy on same-day credits for deposits; checks, wires, Security Maturities and Coupon Flow	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Provide Expedited availability policy	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Monthly Statements and Account Analysis	
o Monthly statements provided electronically and available anytime through Bank Website going back 12 months	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Provide outline of bank’s dispute resolution process	<input type="checkbox"/> Yes <input type="checkbox"/> No
o Provide transparent process and reasonable time frame needed for ordering back statements, including providing fee schedule to retrieve statements	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Account Consolidation	
o Present a consolidated and efficient account structure for the County, with	

- an emphasis on fee reduction and simplification Yes No
 - Incorporation of existing County “off system” accounts into main account structure and reporting Yes No

- 6. Collection and Deposit Services
 - Bank needs to provide all timeframes including ACH, Wires and Deposits Yes No
 - Provide bank policy on collections and deposits Yes No
 - Provide bank check processing policy including timeframes Yes No
 - Provide ability to receive Canadian currency including cash at market rates Yes No

- 7. Remote Deposit Services including Check Truncation and Check Conversion
 - Provide bank acceptance policy on remote deposits Yes No
 - Provide bank policy on Check Truncation and Check Conversion Yes No

- 8. Collateralization of Deposits
 - Must be held at a mutually agreeable non-affiliated third party financial Institution Yes No
 - Bank policy on collateralization must be presented to County, and County must be notified of any changes prior taking place Yes No
 - Bank must be able to collateralize 100% of deposits made Yes No

- 9. Positive Pay service offered
 - County will not be liable for fraudulent checks received Yes No
 - County will send all checks to Bank database to be screened Yes No
 - County has ability to review and approve validations Yes No

- 10. Stop payment services offered Yes No

- 11. Safekeeping Services Offered and policy provided Yes No

- 12. Availability of “Wholesale” lockbox or alternative Yes No
 - Single lockbox and account for processing multiple remittance types and payments Yes No
 - All documents fully imaged at receipt Yes No
 - Automatic electronic posting to the G/L system Yes No
 - Dedicated PO box/Address and Clearing Facility process for County Yes No
 - Same-day identification of problem accounts and checks Yes No
 - Ability to view and save images online when payments are processed Yes No

- 13. Online Banking Services
 - Availability of bank account integration with G/L system Yes No
 - Instant online access to all County accounts with real-time updates of

- reporting and transactions Yes No
 - Online check clearing and images Yes No
 - Multi-level security administration requirements Yes No
 - Positive pay reports Yes No
 - Staff training, resources and helpdesk for utilization of online system Yes No
 - “Real-time” access and integration to merchant card accounts Yes No
14. Vault/Deposit Services
- Ability to accommodate all cash amounts requested by County without delay. Yes No
 - Special services required during the fair Yes No
 - Does the bank provide armored transport Yes No
 - Accommodation of large cash transactions of the County Yes No
 - Same day credit policy during open business hours Yes No
 - Returned checks processed a second time if there are insufficient funds Yes No
15. Merchant/Purchasing Card Services offered by Bank Yes No
- Cards must be Visa or Mastercard (preferred) with pin and chip capability and be updated/reissued with latest bank security features and upgrades Yes No
 - Separate written agreement between bank and County for cards Yes No
 - County online control over cardholders, credit limits, and real-time transaction viewing with multiple permissions and online users Yes No
 - Card purchases will be integrated/posted to County G/L system Yes No
 - County is not liable for any fraudulent purchases nor activities Yes No
 - Bank policy of fees and rebates on cards Yes No
16. Card payment processing services to be retained by outside vendor Yes No
17. Overdraft processing policy including rate schedule and rate basis Yes No
18. Provide Controlled Disbursement Policy Yes No
19. Disaster/Emergency situation requirements
- County should have immediate ability to raise the credit limit and daily spending limit of purchasing cards during an emergency Yes No
 - County should have immediate access to additional liquidity of cash and Funds held by the bank during an emergency Yes No
 - Bank will provide a single point of contact at the bank available 24 hours a day during the emergency if requested by County Yes No
 - Ability for the County to keep a stock of manual checks marked for, and only used for emergencies Yes No
 - Manual checks should only come from primary County accounts and should not be accepted after a period of six months from the date that the

last manual check was issued during or for the emergency Yes No

20. References

- Provide a list of public or private entities and contact information that are Bank customers with a similar sized operation as Cascade County in Montana Yes No

Additional elaboration on the requested items is found in the following section. Please provide written explanation for all items marked “No.” In addition to the above items, the County requests the following:

- Banks responding to this RFP must present an comprehensive fee schedule for all banking services the County is requesting.
- Identification of services included in the RFP that are handled and/or contracted out to a Third Party provider.
- Outline of a proposed banking transition process, and related fee schedule.
- Identification of primary and secondary bank managers and employees that will be assigned to the County’s accounts. Employees identified must include two permanently located in Cascade County. The bank must also provide the County with a telephone number that has 24/7 live customer service support.

Additional Detail-Section 3

The following section provides additional elaboration on points included in the Section 2 checklist. These points are further detailed information that the County is requesting from the Proposer on each Section 2 item. Please respond to the following:

1. Wire Transfer Services- The County needs to be able to conduct multiple wire transfers with appropriate security measures and appropriate fiscal controls. The bank will allow for instant wire transfers and wiring of securities to any bank using the interbank and Fed wire systems for investment purchases or sales and other transactions with commercial banks or brokerage houses. All transfers should be able to be initiated and monitored by the County online on a real-time basis. The County should have the ability to create and store recurring and repetitive wire instructions and templates and be able to create and store future-dated wire instructions.
2. ACH policies must be presented by bank in a clear and comprehensive manner. The bank should be able to accommodate the large volume of ACH transactions that the County handles daily, and should be able to provide real-time information on all transactions, including rejected deposits. The County should have the ability to re-present rejected deposits on specified dates.
3. The bank should clearly outline its policies on funds availability, including same-day credits and expedited availability when necessary.

4. The bank should present a clear policy including timing, fees and media type (cd's/flash drives, online access, etc) for monthly statements and requests for back statements. The availability policy of statements on the online banking system should be specified. The County is requesting 12 months availability of statements, however, shorter time frames will be considered.
5. The County is looking for the bank to assess the existing County account structure and number of accounts for consolidation and efficiencies. The County currently has "off system" bank accounts that should be evaluated for integration into the main account structure. Presently, the County has the following structure:
Total of 20 accounts
 - Main county account (wires in/out, ACH's in/out, deposits, checks, direct deposits, book transfers)
 - 5 standalone county accounts (same as above)
 - 7 standalone fiduciary accounts (same as above)
 - 7 standalone school accounts (same as above)
6. The County would request that the bank provide a clearly defined policy for check processing and clearing including timeframes and cutoff deadlines. Also, the County is looking for the ability to receive Canadian currency including coin. The County has a number of Canadian customers including patrons at the State Fair and at Montana ExpoPark events. This service would be a convenience to County customers.
7. The County is requesting outlined policy on remote deposit services offered by bank.
8. The County would require the bank to collateralize 100% of deposits to be in compliance with Government Accounting Standards Board (GASB) requirements. If this is not possible, please provide detailed explanation as to why this is not.
9. The County is looking for the detailed bank policy on positive pay. Positive pay is one of the key elements that the County is looking to include in future banking services. The County has been testing positive pay with its current bank.
10. Please outline the bank's stop payment policy.
11. The County is flexible and open to options on safekeeping.
12. The County would like to set up a "Wholesale" lockbox to handle the large amount of property tax payments. Setting up the lockbox at an out-of state address would be permitted. The County needs the ability for items to immediately be returned if information is found to be incorrect. The County would also like to be informed of any and all changes to the lockbox policies, procedures and staffing/location changes with ample notice provided. The County would also like the ability to visit the lockbox and witness the process when desired.

13. Online banking access should include a “one-stop-shop” system that has access to real-time information on all County bank accounts. The system should have a help desk and resource center available for assistance and questions to all staff that have access to online banking. The bank should provide staff training and provide the County regular updates on changes/enhancements to the online system. If merchant cards are included in the banking services, real time information including access levels, credit limits and transaction data should be available through the online system.
14. The annual Montana State Fair held at the Montana ExpoPark requires an onsite bank operated by the County. The County would need cash available to handle approximately the following amounts and services based on 2014 transactions:
 - 2014 Fair total cash handled \$1,145,517.79
 - Average cash handled per day \$161,168.64
 - Multiple Deposits Daily.
 - Separate Account for 2014 fair money.
 - Average Fair Bank change request \$30,510.
 - Box Office, Concessions change request \$19,950.
15. The County wishes to proceed with a merchant/purchasing card system as an integral part of the RFP. The card must be versatile, Mastercard preferred, and the online services and management of the card must be robust. This would include activation/deactivation, changing of credit limits, tracking of expenditures, and the tying of transactions to the General Ledger. The County would like the bank to provide rebate information, related purchasing limits, and thresholds. The Card must have pin and chip technology and be replaced immediately when new security technology and upgrades are available. Fleet cards for the County would not be impacted by the issuance of merchant cards, as the County is provided fleet cards directly from the State of Montana at no cost.
16. The County is proceeding with card payment processing services through a third party vendor, and this service will not be included in the RFP.
17. Please provide the bank’s overdraft policies.
18. Please provide the following on controlled disbursement services:
 - Availability of service, location of collection point, endpoint check cashing polices, number and timing of daily fed letters, funding alternatives, imaging options.
19. The County wants to ensure that the banking relationship is the strongest during a natural or manmade disaster. Since FEMA and state agencies rarely provide resources up front during an emergency, the bank will need to provide 24 hour contacts, liquidity and increased spending limits

when and where it is necessary, a stock of emergency-only use checks, and immediate provisional credit if needed.

20. The County wants to ensure that the bank has the resources and expertise to adequately handle the County's banking services and customer care needs. This includes contacting similar-sized institutions to gather their experience and feedback on the bank.

Section 4- Disclaimer

This RFP does not form nor constitute a contractual document. Cascade County shall not be liable for any loss, expense, damage or claim arising out of the advice given or not given, nor on statements made or omitted to be made in connection with this RFP. The County also will not be responsible for any expenses which may be incurred in the preparation of the responses to this RFP. This RFP is not to be construed as a contract or a commitment of any kind.

The County has the right to conduct relevant inquiries, research and reference checks regarding the Bank, services offered and employees identified in the RFP response.

The County reserves the right to select any offer in the best interest of the County, or no offerors.