



# ROWAN-SALISBURY SCHOOLS BOARD OF EDUCATION

## REQUEST FOR PROPOSALS

ISSUE DATE: August 28, 2019

TITLE: **BANKING SERVICES**

ISSUING DEPARTMENT: Rowan-Salisbury Schools Board of Education  
Finance Department  
500 N. Main Street  
Salisbury, NC 28144

PERIOD OF CONTRACT:

**Sealed Proposals** will be received until September 27, 2019 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:

Skylia Solomon (704 )630-6036  
Email: Skylia.solomon@rss.k12.nc.us

**IF PROPOSALS ARE MAILED AND/OR HAND DELIVERED, 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.

Name and Address of Financial Institution

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Email: \_\_\_\_\_

By: \_\_\_\_\_  
Signature In Ink  
Title: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Date: \_\_\_\_\_

**\*PRE-PROPOSAL CONFERENCE: SEE SECTION II, PAGE 2**

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**I. Introduction**

The initiation of the Request for Proposal (RFP) process is intended to result in the of a financial institution, herein referred to as “Bank”, that can provide the Rowan-Salisbury Schools 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 desires that the Bank be fairly compensated for services rendered and that bank balances be continuously and fully invested for the benefit of the Board. The Board is requesting that each respondent competitively bid tis services by type of service, propose an arrangement whereby daily uninvest cash balances are invested on behalf of the Board, and propose the most equitable method of establishing applicable investment rates.

## II. Proposal Provisions

1. The Rowan-Salisbury School Board of Education request proposals for the banking services described in this RFP. The award period is for five years, beginning January 1, 2020 and ending December 31, 2025. A copy of this RFP can be found on Rowan Salisbury School Board of Education Finance Department's webpage: <https://www.rssed.org/about/departments/finance>.
2. A pre-proposal conference will be held on September 6, 2019 at 10:00 a.m. in the Central Office Board Room, 500 N. Main Street, Salisbury, NC. The purpose of this conference is to allow potential offerors an opportunity to present written questions and obtain clarification relative to any facet of this solicitation.
3. Attendance at this conference is not a prerequisite to submitting a proposal. If attending, please bring a copy of the solicitation with you. Any changes resulting from this conference will be issued in a written addendum to the solicitation.
4. After the RFP issue date, all communications between the Finance Department and prospective offerors shall be in writing. No oral questions will be accepted, other than at the pre-proposal conference. Any inquiries, request for interpretation, technical questions, clarification or additional information shall be directed to: Ms. Skylia Solomon at the contact information listed on the cover page of this solicitation. All questions concerning this RFP must reference the RFP section number and paragraph. Answers will be returned as soon as possible. Questions and responses affecting the scope of the proposal will be provided to all offerors by issuance of an Addendum. All questions shall be received by the Finance Department no later than September 19th, 2019. NO EXCEPTIONS.
5. Proposals must be received in the Rowan-Salisbury School Board of Education Finance Department no later than September 27th, 2019 at 10:00 a.m. The proposals must be in properly labeled, sealed envelopes. Proposals will be opened publicly on September 27th, 2019 at 10:00 a.m. in the Collaborative Conference Room at 500 N. Main Street, Salisbury, NC. Late proposals will not be opened or considered. Proposals may be delivered to: Skylia Solomon, Lead Accountant, 500 N. Main Street, Salisbury, NC or mailed to Rowan-Salisbury Schools, Attn: Finance Department, PO Box 2329, Salisbury, NC 28144. Please provide four copies of your proposal. Each copy must be submitted in

its entirety and should be signed, acknowledged, and dated by a Bank official who by his or her signature warrants that he or she is duly authorized to make such a proposal on the Bank's behalf and bind hereto.

6. Recommendations are tentatively scheduled to be made to the Board of Education at their regularly scheduled meeting set for October 28th, 2019.
7. The Board reserves the right to reject any and all proposals, to waive any non-material irregularities or informalities in any proposals, and to accept or reject any item or combination of items.
8. All proposals received become the property of Rowan-Salisbury Schools.
9. Any and all costs associated with the preparation of a response to this request are the responsibility of the proposer, and are not to be passed on to the Board.
10. 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.
  - Previous large volume account experience.
11. The proposer must be qualified under the State Treasurer's Pooling Method of collateralization as codified in the North Carolina Administrative Code (NCAC), Title 20, Chapter 7.
12. Any proposer that uses the Dedicated Method of collateralization should make an application to the State Treasurer's Office to convert to the Pooling Method. Proof of application is required before your response to the RFP will be considered.

13. Please respond to all questions in the RFP. Answer yes or no to “Agree to Provide” questions and if there is insufficient room in the comments area to describe exceptions or restrictions, attach detail as needed with reference to the appropriate service.
14. The Bank must include with their response to the RFP all agreements needed in accordance with the provisions of services the Bank is offering to the Board. The Board Attorney will review these agreements.

### III. Terms and Conditions

1. The term of the agreement will be five (5) years, beginning January 1st, 2020 and ending December 31st, 2025. The actual beginning date will be dependent upon successful contract negotiations. If the Bank and the Board are unable to set forth contract terms to the satisfaction of the Board by November 15, 2019, the Board will begin negotiations with another Bank.
2. 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 outlined. This would occur only after an attempt has been made to resolve the deficiencies and after written notification has been given to the bank 90 days prior to this action.
3. The services or compensation set forth in the agreement may be modified at any time during its term upon written mutual agreement.
4. Once the proposal is awarded, an account executive will be assigned to the Board's account. The account executive will serve as liaison with the Board regarding all matters of the account.
5. The Bank will respond to the Board's independent auditor's confirmation requests within ten (10) working days of the receipt of the request.
6. The Board does not guarantee that the activity levels as indicated in this proposal will continue at the same level during the award period.
7. A proposer must have and continue to operate a branch office within the City of Salisbury, North Carolina during the award period.
8. The Bank will remain open during normal business of 9:00 a.m. to 5:00 p.m. five (5) days a week, Monday through Friday, excluding recognized holidays.
9. The Bank must be a member of the Federal Deposit Insurance Corporation.
10. The proposer must use the Pooling Method of collateralization of public deposits as codified in NCAC, Title 20, Chapter 7.

11. 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 amount sufficient to protect the Board. Noncompliance with this section shall be considered a material breach.
12. The Board reserves the right to reject any and all proposals, to waive any non-material irregularities or informalities in any proposal, and to accept or reject any item or combination of items.
13. 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 pursuant to Paragraph 2. All terms shall remain in effect except for an adjustment in the compensation balance, upon written mutual agreement.



**IV. Requested Banking Services**

The Board maintains three accounts through our Bank’s online banking system. The information provided below gives a brief description of the three accounts.

**Current Expense:** The account by which substantially all the Board’s local banking transactions occur. The Board uses this account for both Accounts Payable and Payroll vouchers and assigns a different check sequence for each. This account is interest bearing.

**Insurance/Flex Benefits:** A holding account into which the Board completes deposits an average of three (3) times a month. Flexible Benefits Corporation debits the account electronically throughout the year for employee medical expenses. No vouchers are written from this account. This account is non-interest bearing.

**Insurance/NC PPO/State Health Plan:** A holding account into which the Board completes deposits an average of eight times a month. A transfer is completed twice a month (there may be other instances that require more transfers) to the current expense account and then a check is written to the insurance vendor from the same account. Currently no vouchers are written from this account, but if the opportunity arises with the current software vendor, the Board will begin writing vouchers from this account. This account is non-interest bearing.

**1. Account Requirements**

A. Cash balances referred to above will be invested in instruments meeting the requirements of North Carolina General Statute 159-30.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. The Board requires the use of Pooling Method of collateralization for public deposits in excess of the FDIC coverage. Indicate that the Bank is a Pooling Method financial institution.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. The Bank will allow the accounts to be drafted as requested by the Board.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Banking Services

A. 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Online Banking Services

A. The Bank should provide a secure, internet-based banking package that allows authorized Board employees to have access to the Board accounts. The online package will allow for multiple Board approved users to have individual sign on access to online banking. The Board currently has an online banking package. The Bank should assist the Board in setup and training of the package.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. The system should offer real time balances (beginning ledger and collected balances), debit and credit transactions, and same day processing for wires, ACH, stop payments and remote deposit capture deposits.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. The Bank should provide Remote Deposit Capture service through the online banking service for the central office and the four schools. Please specify any cost for equipment (if any).

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. The Board would like to have the ability to provide positive pay services for fraud prevention purposes through online banking services for the Accounts Payable and Payroll checks. Accounts Payable batches are processed at least once a week and Payroll batches are twice a month.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E. The Bank shall offer monthly statements, account analysis, reconciliation services through the online banking services. A detailed itemized statement showing date and amount of each transaction, including check number (if applicable).

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. The Bank will provide images of canceled checks (images front and back) through the online banking services. The system should allow the Board to determine if a specific check has cleared.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

G. The system should allow the Board to submit and verify wire transfers/ACH debits and credits and access all associated detail received by the Bank regarding these items.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Processing Procedures

A. The Bank shall give all deposits received throughout the day credit as good ledger balance funds for the same day.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

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

Next Day: Items on local institutions and State vouchers and warrants. Other times will follow the Federal Reserve Availability Schedule.

Each proposer shall provide a copy of its availability schedule and specifically note the availability schedule of State vouchers and warrants payable through the North Carolina State Treasurer.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. All checks that are returned for uncollected or insufficient funds must be presented twice before the Board’s account. Returned debited items shall be forwarded daily to the Board.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Wire Transfers and ACH

A. The Bank must maintain transfer facilities to the Federal Reserve Bank and, on a same day basis, conduct electronic wire transfers of funds for both ongoing and incoming wire transfers.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. The Bank must maintain ACH facilities to the Federal Reserve Bank and, on the effective date provided by the Board, conduct electronic transfers of funds for both ongoing and incoming ACH items.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. All incoming wires and ACH credits received prior to the Federal Reserve deadline will be considered collected funds in the Board's account for that business day.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

D. The Bank should provide a secure, internet-based banking package that can be used to initiate and process wire transfer and ACH items from authorized Board employees. As a backup, the Bank will provide the Board with alternate procedures to process these requests.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E. 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

F. The Bank will trace from origin to destination all wire transfers ordered by 12:00 p.m. and not received by the destination party by 3:00 p.m. and also ascertain the identity of the party responsible for delaying the transfer.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



G. The Bank will trace from origin to destination all ACH items initiated by the Board and not received by the Board or destination party the next business day and also ascertain the identity of the party responsible for delaying the transfer.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

H. 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Direct Deposits

A. The Board currently does provide direct deposit of its employees’ payroll checks and employee expense reimbursement. The Bank should provide this capability and assist the Board in the implementation of this process. A complete disclosure of the processing requirements should be provided.

Agree to Provide: \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. 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 holder 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 include this cost in your bid.

Bank is able to provide safekeeping services? \_\_\_\_\_

**V. 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 saving, 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.

The Board would like the Bank to provide an offer for individual schools’ and their cafeterias’ banking services. The Board requests this offer remain in effect for the duration of the agreement period. Please include any online banking services available and the costs of such services. This offer would apply to the individual schools only and not to any other organization associated with the Board or schools.

Bank is able to provide this service? \_\_\_\_\_

**V. Compensation**

The Board will compensate the Bank through payment of direct fees.

Using the account agreement, the Bank Proposed in Section IV 1A, provide an account analysis that calculates total service charge using the Consolidated Bid Form in Section VII.

Attach a description of all calculation methods, interest rate indexes, and reserve requirements. Include one year of historical interest rates for the type of arrangement proposed.

From the data obtained above, indicate the total direct fee and interest earnings for a twelve month period:

Direct Fees required to be paid? \$ \_\_\_\_\_/per year

Interest earnings (if any)? \$ \_\_\_\_\_/per year

Indicate lag time between the date the expense will be incurred, on a monthly basis, and the required payment date for the direct fees charged.

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