

**THE SCHOOL DISTRICT OF PITTSBURGH
(Pittsburgh, PA)**

**REQUEST FOR PROPOSALS
CHECKING DEPOSITORY**

Issuance Date: July 11, 2014
Submission Date: July 31, 2014

Introduction

The purpose of this Request for Proposals (“RFP”) is to request banking services for the School District of Pittsburgh’s (the “School District”) checking account. The School District is seeking proposals from depositories who have substantial experience and capacity in providing depository checking that can meet or exceed the following chief criteria:

- A. Ability to enhance our earnings/ minimize our fees.
- B. Ease of doing business.
- C. Level of Commitment to customer service and responsiveness to our banking needs.
- D. Willingness to provide ongoing consultation in the area of cash management.

Some key background information on the School District as it relates to checking depository services:

- A. One of the general checking accounts currently is an interest bearing account. The primary source of deposits is received from tax collectors (City of Pittsburgh), State subsidies payments, and other local sources.
- B. The District generally maintains two depository accounts and rotates monthly disbursements between the two accounts. Taxes are deposited into one account and State subsidies are deposited into the other account.
- C. Each school location has a checking depository petty cash account which should receive the same pricing and interest earnings and be included under one account analysis.
- D. The tax collector makes periodic deposits/wires into the one general checking account on behalf of the School District.
- E. The Pennsylvania Department of Revenue makes periodic deposits/wires into one account on behalf of the School District.
- F. All School District payroll tax ACH payments are made from these accounts.
- G. All School District general expenditures (excluding payroll) are paid from these accounts.

The School District’s May 27, 1992 depository policy states that:

It shall be the policy of the Pittsburgh School District to deal with banking institutions that have Satisfactory or better Community Reinvestment Act (CRA) ratings and a demonstrated commitment to the School District and its citizens. Preference in terms of demand deposits shall be given to a qualifying institution that has received an Outstanding CRA rating.

The School District intends to select one or two depositories for this service. The engagement will begin on or about October 1, 2014. By submitting a response to the RFP the bidder indicates that it has full knowledge of the scope, nature, quantity and quality of work to be performed, as well as the detailed requirements and specifications. The District envisions a three-year engagement, with an option to renew for an additional three years. The District reserves the right to discontinue service at any time in the event that for any reason the services rendered by the successful bidder are no longer satisfactory.

The School District will not be liable for any costs incurred by a bidder in preparing proposals or other associated expenses. The bidder shall furnish such additional information as the School District may reasonably require. The District reserves the right to conduct pre-contract negotiations with any or all potential bidders.

Timetable/Response Submittal

The School District is requesting proposals from experienced and qualified banks to serve as general checking depository to the School District. Selection of the depository will be made based on the proposals submitted and possibly oral interviews, if needed. A tentative timetable for the selection process is provided below:

- July 11, 2014 Release of RFP
- July 31, 2014 Receipt of Proposals
- August 8, 2014 Interview Date (if necessary)
- August 27, 2014 Legislative Approval by Board of School Directors

Upon the release of this RFP and during the conclusion of the selection process, as it relates to the RFP, there shall be no communication between any prospective respondents and/or their lobbyist(s), agent(s) with any staff of the School District, or any elected representatives or other appointed official of the School District and/or their staff, except as provided for in the RFP. Any violation of this provision by any prospective firm and/or its agent shall be grounds for immediate disqualification.

All proposals for general checking depository shall be submitted to the School District as follows:

Pamela R. Capretta Executive Director of Finance and Facilities Management School District of Pittsburgh 341 South Bellefield Avenue Pittsburgh, PA 15213 Tel: (412) 622-3845 Fax: (412) 622-3857

One (1) original and four (4) copies of the proposal shall be prepared and submitted to the School District in such form as is set forth in this RFP by 12:00 p.m. on Thursday, July 31, 2014.

Proposals, including any/all attachments, cover letter and tabs should not exceed fifty (50) pages in length on 8 ½" X 11" paper, single spaced using a minimum font size of 10 pt.

Proposals should be submitted in accordance with the instructions detailed below. The School District reserves the right to select a proposal in its entirety or some portion(s) thereof. Furthermore, the School District reserves the right to reject any and all proposals and to waive irregularities.

Proposals which are submitted in electronic format or faxed will not be accepted.

Any questions regarding this RFP should be addressed to Ms. Pamela Capretta at (412) 622-3845 or pcapretta1@pghboe.net.

Specific Response Requirements

Responses should address the following questions or requests for information and be organized so that the specific questions or requests for information each begin on a new page with the question repeated at the top of the page.

I. Letter of Transmittal

Each proposal should be accompanied by a letter of transmittal which summarizes key points of the proposal and which is signed by an authorized officer.

II. Firm Experience and Qualifications

- A. Please provide an overview of the bank and its qualifications. State whether your bank is national, regional or local. Please include the location of the bank's office(s) in the City of Pittsburgh and Borough of Mt. Oliver.
- B. Provide a proximity study that matches our school locations (Exhibit C) to your branch locations. The analysis should provide a first and second match for the closest branch location to our location.
- C. Detail the bank's relevant Checking Depository experience, including three (3) references for similar PA School Districts accounts. References should include the name of the customer, as well as name, address and phone number of the responsible official of the customer who may be contacted.
- D. Provide your most recent Community Reinvestment rating and explain your commitment to community banking in the City of Pittsburgh and Borough of Mt. Oliver.

III. Depository Team

Provide brief resumes for the following individuals who will be assigned to the School District's general checking account, including any relevant experience for each individual. Please include only those individuals who will work on the School District's account.

- A. The senior advisor who will assume the day-to-day and on-site responsibility for managing and supporting the School District's general checking account.
- B. Other members, including software support and cash management services, of your team assigned to the project and the specific role that each can be expected to play.

IV. Plan of Work

Please provide a detailed plan of work for the School District's engagement. The purpose of this account shall be to provide Depository services to the School District of Pittsburgh. The plan of work should supply specific information on the following procedures:

Basic Requirements of proposal:

- A. All proposals shall be based upon the School District utilizing a master account tied to an individual sweep-type disbursement accounts, which will maintain the accounts at a nightly zero balance (defined as all monies on hand each night, less minimum float requirements).
- B. All proposals shall be based upon the School District utilizing internet based software.
- C. All proposals shall be based upon account statement cut-off on the last day of the month.
- D. All proposals shall provide an internet wire transfer mechanism, whereby wire transfers can be initiated via a personal computer with internet access and should include daily on-line activity reporting.
- E. All proposals shall include the depository providing images of canceled online, as well as a monthly CD.
- F. All proposals shall include positive pay features.
- G. Check scanner services for deposits.

Complete the following questions:

- A. Describe the billing methods.
- B. Describe the bank's customer service organizational structure.
- C. Will a specific customer service representative be assigned to handle this business?
- D. Describe the file formats of transaction data – type of export file and import files.
- E. What is the amount of time a customer can view data including images stored on the reporting system and available for customer access?
- F. Briefly describe positive pay features.
- G. Briefly describe your online software features.
- H. Does the access include entry of stop payments and voids?

- I. Required minimum float and method of calculation
- J. Sweep account—the checking account is to be a sweep account. The bidder is to provide the procedures it will utilize to determine the balance available on a daily basis for investment, along with the determination methods for interest rates.
- K. The bidder is to comply with Act 62 of 1981, Act 72 of 1971 and the Public School Code of 1949, as amended. Please describe your collateral proceeds.

In order to provide for a uniform review process, please use the attached forms (Exhibit A, B, and C) to list procedural information for the proposed account.

V. Firm Information

- A. Has your bank or any of its employees, or anyone acting on its behalf, ever been convicted of any crime or offense arising directly or indirectly from the conduct of your firm's business or have any of your firm's officers, directors or persons exercising substantial policy discretion ever been convicted of any crime or offense involving financial misconduct or fraud? If so, please describe any such convictions and surrounding circumstances in detail.
- B. Has your firm, or any of its employees, or anyone acting on its behalf, been indicted or otherwise charged in connection with any criminal matter rising directly or indirectly from the conduct of your firm's business which is still pending or have any of your firm's officers, directors or persons exercising substantial policy discretion been indicted or otherwise charged in connection with any criminal matter involving financial misconduct or fraud which is still pending? If so, please describe any such indictments and surrounding circumstances in detail.
- C. Please describe (i) any material financial relationships that your firm or any firm employee has with any financial advisory firms, investment banks or other persons or entities that may create a conflict of interest in acting as Checking depository to the School District; (ii) any family relationship that any employee of your firm has with any public servant that may create a conflict of interest, or the appearance of a conflict of interest in acting as a Checking depository to the School District and (iii) any other matter that your firm believes may create a conflict of interest or the appearance of a conflict of interest in acting as Checking depository to the School District. Please describe any procedures your firm either has adopted, or would adopt, to assure the School District that a conflict of interest would not exist for your firm in the future.

VI. Fee Proposal

Please provide a fee structure that your firm would propose to Depository banking services for the School District of Pittsburgh, using all applicable professional standards.

- A. The bidder must state the fees that it would charge based on being the only originating bank.

- B. The fee proposal should detail the price for the following components. Complete Exhibit A and B.
- C. Indicate the historical earnings rate from June 1, 2013 to June 1, 2014 on your investment/sweep vehicle recommended in accordance with the District's investment policy, the Public School Code of 1949 and Act 72, along with all other applicable professional standards, presuming that the School District pays for services through direct fees, as opposed to compensating balances.

Evaluation Criteria and Selection Process

The contract(s) will be awarded to the qualified bidder whose proposal is most advantageous to the School District, based upon the evaluation criteria specified below. Thus, while the points in the evaluation criteria indicate their relative importance, the total scores will not necessarily be determinative of award. Rather, the total scores will guide the School District in making an intelligent award decision based upon the evaluation criteria.

The School District reserves the right to request oral presentations from those banks determined to be in a competitive range and shall use the information derived from these oral presentations, if any, in its evaluation.

The School District anticipates selecting one or two checking depository using the following criteria to determine which bank meets the needs of the School District best.

<u>Checking Depository</u>	<u>Points</u>
Experience and Qualifications	20
Ability to Meet the School District's Needs	30
Plan of Work	20
Fee Proposal	30

Exhibit A

Fee Proposal

Please indicate below the fees your bank will charge the School District for the applicable service. If there is no fee associated with the service, please indicate by writing \$0.00. Fee Proposal (Exhibit A)

A. Demand Deposit Related Services:

- Monthly account maintenance fee
- Monthly account balance fee
- Regular Deposit Ticket
- Deposit Items
- Paid Items
- Returns/Reclears
- Statements: Additional Copies
- Deposit Adjustment Fee
- Monthly Account Analysis Statement

B. Miscellaneous Branch Services:

- Cash Verification Fee

C. Account Reconciliation Services:

- Full Reconciliation Monthly Maintenance
- Full Reconciliation Items
- Image Maintenance
- Input/Transmission/Item
- Output Transmission/Item
- Additional Location Mailing
- Teller Positive Pay Maintenance
- Positive Pay Monthly Maintenance
- Disbursement Stops and Cancels
- Disbursement Check Inquiry
- Disbursement Issue Add/Cancel
- Disbursement Image View
- CD Copies

D. Automated Clearinghouse Services:

- Monthly Maintenance Fee
- Debits/Credits Originated
- Addenda Records Received
- Debits Received
- Credits Received
- Debit Auth-Account Maintenance

- ACH Positive Pay
- Service Bureau Files
- Return Item-Via Paper Receipt

E. Wire Transfer Services:

- Web Incoming Wire Transfer
- Web Incoming Book Transfer
- Web Outgoing Domestic
- Web Outgoing Book Transfer
- Web Wire Maintenance or Web Template Storage

F. Information Services:

- Previous Day Account
- Current Day Account
- Any Type of Fax Service
- Web-Info Reporting Monthly
- Web-Previous Day Trans-
- Web-Current Day Transaction
- Web Disbursement Monthly Maintenance
- Web Funds Transfer Monthly Maintenance
- ACH Monthly Maintenance

G. Investment Services:

- Mutual Fund Sweep Service

H. Check Scanner Services:

- Base Fee to purchase scanner – (per model, based on speed, items per minutes)
- Warranty cost
- Account maintenance

I. Software costs for web on-line banking services (in addition to above):

J. Web online banking fees (in addition to above):

List below any additional fees that your bank may charge the School District for services not listed above. Please attach additional sheets if necessary. IF ADDITIONAL FEES ARE NOT LISTED BELOW, THE SCHOOL DISTRICT WILL ASSUME THAT NO FEES WILL BE ASSOCIATED WITH OTHER SERVICES REQUESTED OR REQUIRED NOT SPECIFIED ABOVE.

Exhibit B

Fee Proposal based on the following

Please submit a fee proposal (Exhibit B) based on the following monthly transactions:

The School District Information (averages for a month):

- # of incoming wires 112
- # of sweep transactions (in) 9
- # of outgoing wires 70
- # of sweep transaction (out) 12
- # of checks issued monthly 1,391
- # of stop payments 5
- # of voids 1
- # of deposits (scanner) 17
- # of checks in deposits 161

Exhibit C

School Locations

PPS Schools 2013-2014



