



**City of Sisters**  
**Request for Proposal (RFP)**  
**Banking and Investment Services**

**520 E. Cascade Ave.**  
**Sisters, OR 97759**

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## **INTRODUCTION**

The City of Sisters, Oregon is seeking written proposals from banking or financial institutions for banking and investment services. The purpose of this process is to obtain high quality requisite depository, banking and investment services at a competitive price.

Responses must address all of the items listed in this request for proposal and be submitted in a sealed envelope marked "Banking and Investment Services Proposal" on the outside of the envelope.

Please submit one original and five copies of the proposal as follows:

City of Sisters  
Finance Department  
520 E. Cascade Ave.  
P.O. Box 39  
Sisters, Oregon OR 97759

Proposals must be mailed or hand delivered no later than **2:00 p.m. on January 29, 2010**. Incomplete proposals will not be considered. Any exceptions to the specifications of this request for proposal must be clearly stated in writing in the proposal. The City reserves the rights to reject any and all proposals, to waive irregularities, to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected, and to cancel this proposal if doing so would be in the public interest.

**BACKGROUND**

The City of Sisters currently maintains a commercial banking relationship with one depository institution. The City's contract for banking services has expired and it is appropriate to conduct a complete review of the services offered by qualifying institutions at this time. The City seeks a banking institution that demonstrates a strong commitment to customer service thru is banking services and products. In addition the City seeks to improve its efficiency through customized systems and procedures. The City will look to its bank for creativity and flexibility in meeting the City's needs.

The successful proposal (or proposer) will be awarded a contract for five (5) years with the option to renew subject to City and Bank's mutual agreement. The City is seeking a complete range of services and products as described in the *Required Services* section. The City is especially interested in various technical solutions that could improve the City's banking, cash management, and customer service capabilities such as account reconciliation, direct deposit, positive pay and automated/online banking.

The City utilizes a main depository account for the deposits of monies collected from customers and departments. The City presently has a Money Market Pool account with the rate tied to the Oregon State Pool Rate to maximize interest earnings on funds above its immediate needs that is accessible on a daily basis.

All daily deposits of cash and checks are prepared by the Finance and Administrative Department then transported to the bank night depository by the City Recorder each afternoon.

**PROPOSAL PROCEDURES**

The City has made every effort to include enough information within this RFP for a banking or financial institution to prepare a responsive proposal. The City encourages proposers to submit a proposal that is comprehensive, clear and concise.

**The schedule of the proposal process is as follows:**

|                                    |                               |
|------------------------------------|-------------------------------|
| Release of RFP                     | January 14, 2010              |
| Closing Date                       | January 29, 2010 by 2:00 p.m. |
| Proposal Review                    | February 8, 2010              |
| Interview finalists (if necessary) | February 10, 2010             |
| Notice of Intent to Award          | February 18, 2010             |
| City Council Approval of Contract  | February 25, 2010             |
| Implementation and Conversion      | April 5, 2010                 |

These dates are estimates and subject to change by the City.

Proposers are advised that if any information submitted is intended to remain confidential, it must be clearly identified as such. The City will endeavor not to disclose such information to the extent allowed under Oregon law. *Questions or requests for clarification may be directed to Lisa Young, Director of Finance and Administration at (541) 323-5204 or email address at [lyoung@ci.sisters.or.us](mailto:lyoung@ci.sisters.or.us).*

**Release of the RFP** – The RFP will be available on January 14, 2010 on the City’s website at [www.ci.sisters.or.us](http://www.ci.sisters.or.us).

**Proposal Review** – After the closing date, City staff will begin evaluation of all proposals submitted. Selected proposers may be requested to conduct an oral presentation of their proposals. These proposers will be notified to arrange and oral review meeting.

**Award Notification** – After a final decision is made, the successful financial institution will be invited to finalize a contract with the City of Sisters. Remaining vendors will be notified in writing of their selection status.

**Implementation and Conversion After Council Approval of Contract** – The awarded financial institution will be expected to present a conversion/implementation plan that agrees to timeframe above and it provides adequate support to City staff to ensure a smooth transition.

**REQUIRED BANKING SERVICES**

1. Full service bank branch located in Sisters, Oregon.
2. A depository account (s) to maintain for regular daily activity.
3. Money Market account to maximize interest earnings on funds above its immediate needs and which is accessible on a daily basis.
4. City requires that a night depository be available after 5:00 p.m.
5. The bank will provide standard banking supplies and services; including but not limited to deposit slips, depository keys, secured deposit bags and endorsement stamps to the City at no additional cost. The City will provide all checks utilized.
6. Monthly account and account analysis statements, confirmations and other report related features within five (5) business days after month end.
7. Must provide direct deposit services.
8. Must provide check protection (“Positive Pay”) services.
9. Automated account reconciliation services (daily download through the Internet of cleared checks) on the Accounts Payable and Payroll checks.
10. Must provide merchant bankcard services.
11. Automatic redeposit of returned checks a second time, if the instruments are initially dishonored due to “NSF” notations. NSF fees are to be assessed against the monthly analysis.
12. All stop payments shall be charged against the account analysis.
13. Electronic data transmission system available via on-line banking system on the next day by 8:00 a.m. Pacific Standard Time, including previous day balance, collected balances, earnings allowance and transaction information for each designated account.
14. The proposer must maintain wire transfer facilities through the Federal Reserve Bank System. In addition, the proposer must facilitate the Oregon Automated Clearing House transactions. The bank shall present any issues of which the City should be aware or any additional options not presented in this proposal.
15. Must have a disaster recovery and backup plan in place to protect the City and the bank in the event of disaster to either entity or both.

16. If the City develops a need for additional accounts or services during the term of the depository agreement, those new accounts or services shall be provided with the same conditions as apply to existing accounts.
17. The successful proposer is required to have an active business license with the City.
18. Provide filters on outgoing ACH transactions (“Electronic Payment Authorization”.)
19. ACH filter services to protect from unauthorized electronic transactions.

### **DESIRED BANKING SERVICES**

1. Procurement or purchasing cards.
2. Lockbox services.

### **INVESTMENT SERVICES**

Describe investment services offered:

- Staffing and main corporate office
- Financial management philosophy
- Investment fund selection
- Manager performance measurement and evaluation
- Experience with other governmental clients
- Fees
- References

### **OTHER REQUIREMENTS & INSTRUCTIONS**

1. Each proposer shall indicate the primary resource personnel and location of such personnel who will service the City within the scope of this agreement. One primary bank officer should be designated for communication purposes. In addition, the bank shall identify liaison staff members as well, on the basis of “primary” contact people and “backup” contact people.
2. Explain financial strength and condition of the company; indicate the level of requirement collateralization by Office of State Treasury – well capitalized, adequately capitalized or undercapitalized; any Federal Depository Insurance Corporation (FDIC) mandated requirements and if applicable, status of FDIC requirements and latest quarterly earnings summary.
3. Include a sample of any service agreements your bank requires.
4. Include a schedule of all bank service fees.

5. Describe what index the earnings rate on the general account would be pegged to, listing the last six months applicable rates.
6. Though the City will normally attempt to keep the collected balance as low as possible, the earnings credit for the collected balance will still serve to offset charges. What carry-forward do you allow for the earnings credits and what is the related settlement interval, monthly, quarterly, annually? The bank must specify the precise methodology for calculating the earnings credit as well as any applicable reserve requirements. Explain any charges that would not be offset by compensating balances.
7. Include a sample of the online balance report showing ledger balance, collected balance, and float balance, summary and detail, as well as user instructions.
8. Include a sample of the monthly detailed statement.
9. Include a sample of the monthly account analysis.
10. Include a list containing the addresses of each branch located within City of Sisters.
11. Describe briefly your proposed implementation plan and timetable for conversion, including any required training. The plan should provide the City with sufficient detail to allow for a reasonable estimate of the complexity and costs.

**EVALUATION CRITERIA FOR SELECTION**

It is the intent of City of Sisters to select the bank most qualified to provide the best value to the City. Best value is based not only on cost, but also includes the ability to provide quality desired services and support.

Each proposal will be evaluated on the seven (7) criteria.

The contract will be awarded to the institution with the highest net total. The seven criteria will be weighted according to the following allocations:

- |    |   |                          |
|----|---|--------------------------|
| 1. | Completeness of proposal.   | (10 points max.)         |
| 2. | Minimum requirements.   | (10 points max.)         |
| 3. | Ability to meet required requirements. All service requirements must be able to be installed and operating on the first day of the bank contract. | (15 points max.)         |
| 4. | Financial strength and capacity of the banking institution.   | (15 points max.)         |
| 5. | Communication and interpersonal skills; qualifications/experience of key personnel  | (20 points max.)         |
| 6. | Investment services   | (10 points max.)         |
| 7. | Fee schedule  | (20 points max.)         |
|    | <b>Total</b>  | <b>(100 points max.)</b> |

**FORMAT AND CONTENT OF PROPOSAL**

In order for City staff to adequately compare and evaluate proposals objectively, all proposals MUST be submitted in accordance with the following format. The proposal should be prepared simply, yet comprehensive, clear and concise. Each proposal should be placed in a book format and separated by section and tabbed in conjunction with the proposal specifications.

**Title Page/Cover**

The letter should designate the proposing bank, the primary address of the bank office where the government banking relationship will reside, the address of the local branch, if different, a contact for inquiries and be signed by the authorized bank officer. It should state date proposal was submitted. No pricing information should be included in the cover letter.

**Tab 1 – Transmittal Letter**

Letter should explain why the proposer believes it should be selected and briefly address its commitment, if selected, to provide services to the City of Sisters.

**Tab 2 – Required Banking Services**

Meet all requirements; if not list exception items and with detailed explanation.

**Tab 3 – Desired Services**

Answer the listed items.

**Tab 4 – Investment Services**

Answer the listed items.

**Tab 5 – Other Requirements & Instructions**

Answer and provide information to the listed items.

**Tab 6 - Attachment I – Minimum Requirements**

Completed and attach form.

**Tab 7 – Attachment II Proposed Fee Schedule**

Complete and attach schedule.

**Tab 8 – Attachment III - Signed Agreement**

Complete and attach form.

**ATTACHMENT I –MINIMUM REQUIREMENTS**

Banking institutions submitting proposals must meet or exceed the following minimum criteria:  
(Indicate this by checking YES or NO next to each item)

1. Must be a qualified public depository as prescribed by Oregon State Law (ORS 295). Institutions must meet or exceed the requirements outlined therein.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
2. Must have a full-service branch located in the City of Sisters.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
3. Must be a member of the Oregon Automated Clearing House Association.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
4. Must have access to the Federal Wire System.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
5. Must be insured by the Federal Deposit Insurance Corporation.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
6. Must be able to facilitate transfers to and from the Local Government Investment Pool managed by the Oregon State Treasurer’s Office.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
7. Must be a full service institution capable of providing, at a minimum, the services described in the Required Banking Services section.  
YES \_\_\_\_\_ NO \_\_\_\_\_
  
8. Must work with the City on implementing technological advancements that would be cost effective for the City. Proposals regarding these kinds of services should be described separately as “optional services.”  
YES \_\_\_\_\_ NO \_\_\_\_\_

**ATTACHMENT II - PROPOSED FEE SCHEDULE**

The Proposer shall provide a schedule of fees using the form. Volumes indicated on this are average volumes for the 3 months, and actual may vary from month to month. For services not specific on the form, but which propose to charge for, or where a differing level of service is proposed, the Vendor shall provide a description of the service and the proposed fee structure.

| <b>Accounting Services</b>                  | <b>Average<br/>Monthly<br/>Volume</b> | <b>Standard<br/>Fee per<br/>Unit</b> | <b>Total<br/>Monthly<br/>Cost</b> | <b>Total<br/>Annual<br/>Cost</b> |
|---|---------------------------------------|--------------------------------------|-----------------------------------|----------------------------------|
| <b>General Account Services</b>             |                                       |                                      |                                   |                                  |
| FDIC Assessment                             |                                       |                                      | \$498.00                          |                                  |
| Account Maintenance                         | 1                                     |                                      |                                   |                                  |
| Investment Sweep                            | 1                                     |                                      |                                   |                                  |
| <b>Depository Services</b>                  |                                       |                                      |                                   |                                  |
| Deposits Made                               | 17                                    |                                      |                                   |                                  |
| Local Items Deposited                       | 316                                   |                                      |                                   |                                  |
| Deposits (Local Clearing)                   | 511                                   |                                      |                                   |                                  |
| Deposits (General Clearing)                 | 85                                    |                                      |                                   |                                  |
| Returned – Chargebacks                      |                                       |                                      |                                   |                                  |
| Return Notification                         |                                       |                                      |                                   |                                  |
| Returns – Reclear                           |                                       |                                      |                                   |                                  |
| Deposit Correction - cash                   |                                       |                                      |                                   |                                  |
| Lock Box per Item                           |                                       |                                      |                                   |                                  |
| Daily Sweep                                 | 35                                    |                                      |                                   |                                  |
| Wire Transmissions                          | 3                                     |                                      |                                   |                                  |
| <b>Check Disbursement</b>                   |                                       |                                      |                                   |                                  |
| Checks written                              | 137                                   |                                      |                                   |                                  |
| Stop Pay Manual                             |                                       |                                      |                                   |                                  |
| NSF Items/ Overdrafts                       | 2                                     |                                      |                                   |                                  |
| On-line Image Retrieval                     |                                       |                                      |                                   |                                  |
| Checking Printing/Supplies                  |                                       |                                      |                                   |                                  |
| CD ROM per disk                             | 1                                     |                                      |                                   |                                  |
| Positive Pay                                | 1                                     |                                      |                                   |                                  |
| <b>Disbursement/Reconciliation Services</b> |                                       |                                      |                                   |                                  |
| ACH Batch Initiation Fee                    | 1                                     |                                      |                                   |                                  |
| ACH monthly maintenance                     |                                       |                                      |                                   |                                  |
| ACH returned item                           |                                       |                                      |                                   |                                  |
| Additional ACH fees                         |                                       |                                      |                                   |                                  |

**Attachment III – SIGNED AGREEMENT**

I, the undersigned, an authorized representative of \_\_\_\_\_  
\_\_\_\_\_ whose address is: \_\_\_\_\_  
\_\_\_\_\_, have read and thoroughly understand the specifications, instructions and all other conditions of the request for proposal issued by City of Sisters for banking and investment services.

Acting on my behalf of my bank, which is listed above, I do attest that the services offered by us meet the specifications of City of Sisters in every respect, (check one) \_\_\_\_\_ without exceptions or \_\_\_\_\_ with exceptions (attached).

We, therefore, offer and make this bid to furnish City of Sisters with the banking and investment services detailed in our proposal at the prices indicated.

Bank Name: \_\_\_\_\_

Address of Home Office: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_