

VILLAGE OF LITTLE CHUTE, WI



***Little
Chute***

EST. 1848

Request for Proposal
Banking Services

July 1, 2019

Proposal Due Date: Friday, July 26, 2019, Noon

I. General Information-Purpose of Request

The Village of Little Chute (Village) is requesting proposals from qualified financial institutions interested in providing comprehensive banking services. The Village intends to maintain most of their liquid assets with one institution in order to maximize its cash flow as well as to minimize its administrative costs. The primary objective of requesting proposals is for the Village to determine which financial institution can offer the highest quality of service at the most reasonable cost. This process also provides the Village the opportunity to explore alternative procedural methods that could improve its banking, cash management and customer service capabilities.

We encourage you to be creative and educational in your responses. The format must be consistent with the requirements of the RFP. The Village requires check protection (positive pay) services, remote deposits, the use of sweep accounts to maximize the interest earnings for the Village, ACH deposits and withdrawals, a collateral agreement and wire services. If you believe that your proposed services would be beneficial to the Village, we invite you to offer them. Please provide options that may create efficiencies, make improvements, and take advantage of new, applicable technologies.

The Village intends to establish a five-year contract, with an additional five-year renewal option. The conditions of the proposal must remain valid for a minimum contract term of five years. As a matter of policy, the Village may issue a RFP for banking services at the end of the term. Either party may cancel the contract for any reason with 90 days written notice.

There is not expressed or implied an obligation of the Village of Little Chute to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Communication

This RFP is issued on behalf of Village of Little Chute by the Finance Department. The Finance Director is the sole point of contact during this process and no information provided by any other personnel will be considered binding.

Written questions will be answered in writing and will be available to all proposers. Questions must be submitted by noon CST on July 15, 2019. Proposer's questions and the Village's responses will become open record and available upon request. The Village of Little Chute prohibits communication relative to this proposal initiated by a proposer with any Village elected official or employee prior to the time a decision has been made, except as provided for in this proposal. Violation of this section is grounds for disqualification.

All respondents should use this written document, its attachments and any amendments as the sole basis for responding.

II. Conditions of Qualifying

a) Designated Depository

Must be a qualified depository for public funds pursuant to Chapter 34 of Wisconsin State Statutes.

b) Location

The Village will consider proposals only from depository institutions with business operations that accommodate local deposits; that is, within the Village of Little Chute or within ten (10) miles of its limits.

c) Collateralization of Deposits

Institution is required to enter into a “depository agreement” to pledge collateral to secure all Village funds over and above amounts guaranteed by the Federal Deposit Insurance Corporation. Deposits are to be collateralized at 105% of expected monthly depository balances up to a maximum of \$15 million. All securities serving as collateral shall be specifically pledged to the Village and placed in a custodial account in the Village’s name at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The custodian may not be owned or controlled by the depository institution or its holding company, unless it is a separately operated trust institution. The custodian shall send statements of pledged collateral, listing individual securities and current market values, to the Village Finance Department on a monthly basis.

The type of collateral used must be acceptable to the village. Acceptable collateral types include:

- 1) Securities of the U.S. Treasury or U.S. Governmental Agencies as defined by the Federal Reserve.
- 2) U.S. government guaranteed securities, such as those issued through the Small Business Administration, are acceptable as long as they are fully guaranteed.
- 3) General obligations of municipalities are acceptable to the extent that they are rated highest or second highest by Moody's Investor Service, Inc. (Aaa or Aa1), Standard and Poors Corporation (AAA or AA), or other nationally recognized rating agency.

d) Financial Information

Qualified Depository shall provide financial statements for the past two years, including appropriate notes to the financial statements and unqualified auditor’s opinion, with their proposal. In addition, proposing institutions should submit their most recent bank rating information from applicable credit rating agencies or bank industry analysts. Financial strength and capacity will be evaluated based upon the information contained in the Veribanc Inc.-State of Wisconsin Report.

III. Scope of Banking Services

It is the Village's intent to select an institution that can provide high-level financial services at the most reasonable cost. The selected institution shall be designated as a Village depository for an initial five (5) year term, which is anticipated to commence no later than November 1, 2019. The contract shall contain an optional renewal clause which may be used for an additional five (5) year period under the same terms and conditions, thereby providing for ten (10) years of depository services.

The contract shall provide that the Village reserves the right to terminate the contract at any time upon 90 days prior written notice.

a) Account Structure

The Village's cash management systems looks to implement a central operating checking account, a variety of short-term investments for surplus funds, redemption and depreciation funds. The Village of Little Chute may also use multiple banks for tax and utility collection, investment firms for long-term investments and the Local Government Investment Pool.

b) Deposits

Daily cash deposits are transported to the bank daily. The Village wishes to deposit checks via remote scan.

c) Funds Availability

The institution will accept all items delivered to it for deposit to the various accounts included in the Request for Proposal, and will credit the accounts in accordance with Federal Reserve Regulations:

Funds received via wire transfer and ACH shall be considered immediately available funds.

Cash and items drafted on accounts held by the banking institution or "on us" shall be considered immediately available funds subject to with the banks published availability schedule of cut-off deposit times.

All other items shall be credited as available funds at such time as prescribed by the bank's availability schedule, but in no event later than the availability provided through the Federal Reserve's Regulation mandated availability.

If the institution can credit accounts earlier by reason of direct sends or courier trips for obtaining credit availability, then the banks shall credit the accounts at such earlier time. A copy of the bank's availability schedule shall be included in the proposal response.

d) Bags and Night Drop Service

The institution will provide secured depository bags to the Village and provide night depository services as needed. Deposits received by the bank before their stated close of business should receive same day credit.

e) Electronic Funds Transfer

The banking institution should be a member of the Automated Clearing House (ACH) system and should have a Fedwire account with the Federal Reserve.

1) Incoming

The Village does intend to consider electronic fund transfers (EFT) received by the banking institution prior to the end of the business day as “available for investments.” Should an EFT not be received by the banking institution, then the EFT will be traced from origin to destination to ascertain the party responsible for delaying the transfer. If necessary, adjustments will be made as soon as possible for any lost interest.

2) Outgoing

The banking institution agrees to execute any EFT order within one (1) hour after notification by the Treasurer or designee through the bank’s online system, or by telephone. EFT ordered and not received by the destination party by 6:00pm CST will be traced by the banking institution from origin to destination to ascertain the party responsible for delaying the transfer. If necessary, adjustments will be made for any lost interest, or charges resulting from a failure to complete the transaction. The institution must provide the Village with the cut-off time for initiating EFTs to ensure same day execution.

3) Online Access

The Village requires secure access to the institution’s online banking website for the purpose of executing wire transfers and initiating ACH credits and debits. Please provide details on your institution’s capability for handling automated wire transfers and ACH transactions, as well as the provisions enacted to ensure a secure environment for processing automated wire transfers and ACH transactions.

4) Daylight Overdrafts

It is the express intention of the Village to perform daylight overdrafts to the extent that incoming EFT are expected during the business day. This is typically related to investment transactions throughout the year, and property tax settlements that occur in January and February. Wisconsin Statutes require that each January 15 and February 20, municipalities pay all underlying taxing jurisdictions for property taxes collected by the municipality from December 1st through January 31st. This amount can range up to \$10 million on an annual basis. Should the EFT not arrive as planned, the responsible party causing the delay of the incoming EFT will make compensation for lost interest. Although the Village acknowledges that daylight overdraft cap limits are confidential information, respondents should include in their proposals your bank’s policy for handling daylight overdrafts, and in particular how daylight overdrafts (if any) caused by the Village will be handled. If your bank has adopted a policy of not allowing any daylight overdrafts, please state your policy as part of the proposal.

f) Direct Deposit

The Village mandates that 100% of our employees receive their bi-weekly paychecks through direct deposit. The payroll ACH file is provided by the Village to the institution, no later than 3pm on the Wednesday prior to the Thursday pay date. All deposits are required to be in the employees accounts no later than 8:00am CST the Thursday of payroll.

The institution must provide same-day notification of all ACH rejections and returns via email or fax to the Village.

g) Monthly Account Statements

The institution must provide detailed monthly statements for each account. These statements should include cleared check numbers and amounts, missing check numbers, deposits by date and amount and miscellaneous debits and credits. The Village requires the statements for all accounts to be on a monthly basis. A sample of the monthly statement should be included with proposal response.

h) Online Access

The institution will provide secure, real-time internet access to all accounts. Details regarding the institution's online access should be included in your proposal. Access should offer the capability to view account balances, transaction summaries, transaction detail including debits, credits, checks, deposits and wires, initiate stop payments and void checks, search and view cleared checks, transfer funds between accounts, and provide historical data including search option for specific transactions. Please include in your proposal the length of time the archive is available. The Village should be able to initiate online wire transfers and ACH transactions.

Report generating capabilities should also be available, and the proposal should include information on standard and ad-hoc reporting capabilities. The proposal should also include a discussion on security features (ie: login names, passwords, tokens, and data encryption) included as part of the online account access system, as well as minimum system browser requirements for users of your online system. Other automated functions not performed through online access must be accessible by email or fax and a confirmation of receipt returned.

The institution will provide training on managing access to the online system for Village designated system administrator and back up. Institutions selected for the interview process should be prepared to demonstrate the capabilities on their online access system.

i) Returned Check Processing

All returned checks due to insufficient funds will automatically be re-deposited a second time. The charge, if any, for this process must be included on the Cost Proposal Form with the other banking service costs. Returned item images will be provided same day to the Village via a secured email.

j) Deposit and Error Correction

Deposits will be delivered to and processed at the same location. All deposits must be credited at face value. Any debit and credit memos made to correct errors must be accompanied by information identifying the specific error. Any errors caused by the institution will not be charged to the Village. Corrections of deposit errors must be accompanied by a copy of the corresponding deposit slip.

k) Positive Pay

The Village will submit an electronic file of accounts payable check data and payroll check data to the bank on the date that checks are issued. These files will be submitted in a format suitable for use by the institution. The institution should indicate what format(s) it can accept for positive pay files. On a daily basis, cleared checks should be matched against the submitted files and any exceptions reported by electronic means to the Village for approval prior to payment. Positive Pay will only be used on the Accounts Payable and Payroll accounts. The Village is willing to use Payee Positive Pay, if the format of our check file complies.

l) ACH Fraud Filter

A fraud filter for ACH transactions should be established for all accounts. This filter will limit the ability of outside parties to execute ACH debits against these accounts unless the Village grants specific permissions for them to do so.

m) Credit Card Issuance and Payments

The Village does have the need for an institution issued credit card and the institution must be able to receive payments and have them posted to the credit card account the day the payment is made to the institution.

n) Optional Services

The proposer may list any other services that they offer and feel may be of interest to the Village but are not included in the request for proposal.

IV. Description of the Village of Little Chute

Nestled in the heart of the Fox River Valley on the eastern border of the City of Appleton and on the Fox River, the Village of Little Chute is Outagamie County's largest Village with a population of approximately 11,000 residents. Little Chute is a community proud of its Dutch heritage and its participation with our neighboring communities in the cultural, residential, business, and recreational life of the Fox Cities and Fox River Valley.

Our major employers include:

Nestle' Pizza (Jack's Pizza), Division of Nestle' USA- the largest pizza production facility in the United States, Heartland Label Printers and Business Solutions, Trilliant- offering one of the broadest arrays of high-quality beverages, ranging from coffee and teas to cappuccinos, hot cocoas and more and Bel Brands-maker of a variety of processed cheese products.

The Village is a full-service municipality offering quality municipal services while maintaining a combined local municipal tax and utility rates that is among the lowest compared with the other incorporated communities in the Fox Cities Area.

The annual operating budget of all Village funds total approximately \$24 million and the Village maintains and operating reserves of approximately \$6 million dollars.

V. Estimated Timeline

The Village intends to use the following timetable for evaluation and selection of a technology support firm:

Description	Date
RFP's released	Monday, July 1, 2019
Question period from firms	July 1, 2019 – July 15, 2019
Proposals Due	Noon CST, July 26, 2019
Finalist Determined	August 19, 2019
Village Board Approval	September 4, 2019

All questions should be e-mailed to the Finance Director, Lisa Remiker-DeWall, at lisa@littlechutewi.org. An e-mail response will be provided as soon as practicable.

The above timetable for review by the Village is subject to change. The Village will not be legally obligated to adhere to the dates for interviews, recommendations and award.

Interviews

Interviews will likely be required of selected finalists at the respondent's expense. However, an award may be made without discussion with the respondents. Therefore, respondents are cautioned that proposals should be submitted initially on the most favorable terms, from both a technical and cost standpoint.

If an interview is required, the selected finalists will be notified of the date and time of the interview process in accordance with the schedule on Page 1. Vendors selected must be available on the day noted (September 4th 2019) – no exceptions. Vendors not selected will also be notified.

In addition to addressing questions from the evaluation panel, firms selected for interviews should be prepared to demonstrate their on-line banking and electronic deposit systems.

VI. Instructions to Firms

a) Proposal Submission

All responses must be submitted by email, mailed or delivered to:

Village of Little Chute
Finance Director, Lisa Remiker-DeWall
108 W Main Street, Little Chute, WI 54140
lisa@littlechutewi.org

If mailing or delivering, proposals must be in a sealed envelope and clearly marked in the lower left corner: "Banking Services." Please provide one (1) original and a thumb drive including the proposal file. If emailing, the attached file will be sufficient. Proposals will be accepted on or before Noon on July 26, 2019. Proposals received after that date and time will be rejected. Proposals will not be opened publicly.

This RFP does not commit the Village to award a contract, to pay any costs incurred in the preparation of a response to this request or to procure or contract for services or supplies. The Village reserves the right to accept or reject any or all proposals received as a result of this request, to waive minor irregularities in the procedure, to negotiate with any qualified source, or to cancel in part or in its entirety, this RFP, if it is in the best interest of the Village of Little Chute to do so.

b) Amendment

Amendment of proposals may be done as follows:

By Village: Proposals may be amended by the Village in response to need for further clarification, specifications and/or requirements changes, new opening date, etc. To expedite receipt, copies of the amendment will be emailed to prospective vendors. The email address provided in the proposal will be utilized unless directed otherwise in writing by the vendor.

By Firm: Proposals may only be amended after receipt by the Village by submitting a later dated proposal that specifically states that it is amending an earlier proposal. No proposal may be amended after the opening date unless requested by the Village.

Proposals may be withdrawn only in total, and only by a written request to the Village prior to the time and date scheduled for opening of proposals.

c) Outline of Proposal

In order to adequately compare proposals and evaluate them uniformly and objectively, all proposals must be submitted according to this format. Each proposal should be bound, include a table of contents, be page numbered and should follow the order listed below. There are to be no costs/fees charged for the preparation of the proposal.

Your proposal should provide a straightforward, concise description of the proposed delivery of services and your ability to achieve the same in the format provided. Emphasis should be on completeness and clarity.

1. Title Page

The proposal should identify the subject, the name of the organization, address, telephone number, e-mail address, name and title of the contact person, and date of submission. The response should confirm that the proposal is effective for ninety (90) days from the date submitted.

2. Table of Contents

The table of contents of the proposal should include a clear and complete identification of the material submitted by page number.

3. Letter of Transmittal

Briefly outline and summarize the key elements of the proposal as to experience, qualifications, references, technical expertise, and understanding of the work to be performed, timing and fee.

The letter of transmittal should also include the affirmation that the institution meets the minimum requirements listed in the request for proposal.

4. Profile of the Firm

- a) Describe the types of services provided and locations.
- b) Include resumes of all key staff members to be assigned to the account, detailing educational background, years of experience and client names for similar sized agencies. The resumes may be included as an appendix.
- c) Describe firm's experience similar to the proposed engagement. Provide client names, contact persons and telephone numbers of all municipal clients who have been served in the last two years – at least three references shall be provided.
- d) Provide any other information relevant to the Firm's qualifications for the proposed engagement.

5. Firm's Approach to the Engagement

The institution should outline its plan for implementation if chosen to provide the services requested in the RFP. The implementation plan should include the average lead times for account opening, deposit ticket orders, endorsement stamps (if necessary), setup of online access, information reporting and other services.

6. Compensation

The selected banking institution will prepare, on a monthly basis, a billing for services rendered. The billing should be in a format that allows for reconciliation (using similar terms, format, etc.) as delineated in the Cost Proposal Form. Compensation should be debited from the appropriate accounts on a monthly basis.

Fees for any new services that were not detailed in Cost Proposal Form must be agreed to in writing between the Village and the banking institution prior to initiation of such fees and services.

7. Interest Earnings

1. Rate

Interest earnings will be computed in strict accordance with the negotiated rate included in the proposal. The negotiated rate will be a fixed daily rate which bears a direct relationship to the Daily Fed Funds rate as published on the web site of the Federal Reserve Bank of New York (www.newyorkfed.org).

2. Earning Balances

Interest shall be paid on total collected balances in the accounts at the end of the day, and shall be credited to the Master Account on the last day of the month.

3. Interest-Bearing Account

This account should be an interest-bearing demand deposit account. Interest shall be calculated on a daily basis and paid monthly on the last day of the month on collected balances in the account, (including any electronic funds transfers received during the day), at the end of each day on a 365-day year basis.

4. Alternative Property Tax Collection Locations

Some municipalities (including at present, the Village) utilize branches of their main bank as alternative collection locations for property tax payments, particularly for times when Village Hall is closed (after hours, weekends, etc.). Please indicate on Exhibit B details of how the bank would provide such services, including hours of operations, locations, how payment information would be transmitted to the Village for updating of the property tax database, etc. Also indicate the cost, if any, for providing this service, should the Village be interested in continuing this option.

5. Overnight Investment Options

The Village will entertain alternatives for overnight investment of Village funds other than the interest-bearing account program described above. Please provide details of any such program. Respondents should indicate what level of service is available to the Village and the approximate cost.

VII. Term and Conditions

Insurance

All proposals must include either a description of the firm's insurance or a certificate of insurance outlining the firm's insurance policies which evidence compliance with the requirements contained herein. The successful Firm shall agree that it will, at all times during the term of the agreement, keep in force and effect insurance policies required by the contract, issued by a company or companies authorized to do business in the State of Wisconsin and satisfactory to the Village. Such insurance shall be primary. Prior to execution of the written contract, the successful Firm shall furnish the Village with a Certificate of Insurance listing the Village as an additional insured and upon request, certified copies of the required insurance policies. The Certificate shall reference the contract and provide for thirty (30) days advance notice of cancellation or nonrenewal during the term of the agreement.

Failure to submit an insurance certificate, as required, can make the contract voidable at the Village's discretion. Additionally, the Firm shall not allow any subcontractor to commence work until the aforementioned documents, where applicable, have been obtained from the subcontractor and approved by Village of Little Chute.

Nondiscrimination

In connection with the performance of work under this agreement, the Firm agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, marital status, sexual orientation, sex, disability, national origin or ancestry. This provision must be included in all subcontracts.

Assignment or Subcontract

This contract may not be assigned or subcontracted by the Firm without the written consent of the Village.

Independent Contractor Status

The Firm agrees that it is an independent Contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties.

Amendments to Contract

This contract may be modified only by written amendment to the contract, signed by both parties.

Waiver

One or more waivers by any party of any term of the contract will not be construed as a waiver of a subsequent breach of the same or any other term. The consent or approval given by any party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive the need for further consent or approval of any subsequent similar act by such party.

Indemnification and Defense of Suits

The Firm agrees to indemnify, hold harmless, and defend the Village, its officers, agents and employees from any and all liability including claims, demands, damages, actions or causes of action, together with any and all losses, costs, or expense, including attorney fees, where such liability is founded upon or grows out of the acts, errors, or omissions of the Firm, its employees, agents or subcontractors.

Contract Period

The term of this contract will be for five (5) years.

Termination of Contract

It should be noted that either party may cancel the service agreement for by written notice to the other party at least 90 days in advance of the commencement of the applicable year in which service is being terminated.

If through any cause, the Firm shall fail to fulfill in timely and proper manner his obligations under this contract, or if the Firm shall violate any of the covenants, agreements or stipulations of this contract, the Village shall thereupon have the right to immediately terminate or provide notice of the terminations this Contract. Such termination notice shall be in writing and shall identify the date of the termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports or other materials related to the services prepared by the support firm under this contract shall, at the option of the Village, become the property of the Village of Little Chute.

Notwithstanding the above, the support firm shall not be relieved of liability to the Village for damages sustained by the Village by virtue of any breach of the contract by the support firm, and the Village may withhold any payments to the support Firm or the purpose of set off until such time as the exact amount of damages due to the Village from the support Firm is determined.

EVALUATION AND AWARD

Proposals will be evaluated in accordance with the criteria listed below. Award will be made to the responsive, responsible Contractor who complies with the requirements and scores the highest total on the evaluation criteria as it pertains to the overall needs of the Village of Little Chute.

Experience – Experience with similar sized public and/or private sector clients, demonstrated ability to deliver requested services, staff qualifications	10%
Available Technology/Business Processes – Demonstrated ability to provide requested level of on-line services, availability of services that could create operating efficiencies for Village of Little Chute, ability to work efficiently with Village systems. Evidence of solid business processes that ensure the Village’s banking transactions will be processed in a timely, accurate manner.	45%
Cost (Based on the total for the five (5) year period)	45%

OTHER CONSIDERATIONS

Factors which include, but are not limited to, quantity involved, time of completion, purpose for which required, competency and financial capacity of vendor, ability to render satisfactory service and past performance will be considered in determining status as a responsible vendor. The Village reserves the right to request additional information as may reasonably be required to make this determination and to further investigate the qualifications of the respondent as deemed appropriate.

IX. Professional Services Contract

If your proposal is accepted and a contract is issued, then this Request for Proposal and all documents attached hereto including any amendments, the Firm's technical and price proposals, and any other written offers/clarifications made by the Firm and accepted by the Village, will be incorporated into a contract between the Village and the Firm, it shall contain all the terms and conditions agreed on by the parties hereto, and no other agreement regarding the subject matter of this proposal shall be determined to exist or bind any of the parties hereto.

The submission of a proposal shall be considered as a representation that the Firm has carefully investigated all conditions, has full knowledge of the scope, nature and quality of work required, and is familiar with all applicable State, Federal and Local regulations that affect, or may at some future date affect the performance of this contract.

Acceptance of this proposal will take place only upon award by the Village Board, execution of the contract by the proper Village officials, and delivery of the fully-executed contract to the Firm. Acceptance may be revoked at any time prior to delivery of the fully-executed contract to the successful Firm. The contract may be amended only by written agreement between the Firm and the Village of Little Chute.