



HAYWARD AREA
RECREATION
& PARK DISTRICT

HAYWARD AREA RECREATION AND PARK DISTRICT

REQUEST FOR PROPOSALS FOR BANKING SERVICES

RFP Issue Date: April 27, 2020

RFP Response Due Date: June 5, 2020

I. INTRODUCTION AND INSTRUCTIONS TO PROPOSERS

The Hayward Area Recreation and Park District is seeking proposals from qualified financial institutions (“Proposers”) to provide banking services based upon the scope of work identified in this Request for Proposals (RFP).

The District currently maintains nine bank accounts with its banking services provider and has determined that it is time to solicit proposals from interested financial institutions to ensure that the District receives the best available services to meet its needs.

A. TIME SCHEDULE

April 27, 2020	Distribution of Request for Proposals
May 18, 2020	Deadline for submission of questions
May 22, 2020	District provides responses to questions
June 5, 2020	Proposals Due
Week of June 22 – 26, 2020	District conducts interviews with finalist firm(s)
July 2020	Board of Directors considers award of contract for banking services

B. INSTRUCTIONS TO PROPOSERS AND PROCEDURES FOR SUBMITTAL

All inquiries and questions concerning this Request for Proposals must be submitted in writing by 5:00 p.m. on Monday May 18, 2020 via email to Bill Zenoni at 1bzenoni@gmail.com. Proposers shall not contact District personnel with any questions or clarifications concerning this RFP. Answers to questions received will be provided no later than Friday May 22, 2020.

1. Proposals must be properly identified on the outside of the package and are due by 5:00 p.m. on Friday June 5, 2020. Five hard copies of the Proposals must be delivered in a sealed package to:

Hayward Area Recreation and Park District
 Attention: Janelle Cameron, Administrative Services Director
 1099 E Street
 Hayward, CA 94541

One copy is to be clearly marked as “original” on the outside cover and must contain an original signature.

2. Each Proposer must also provide electronic versions of the proposal by the stated due date to:

camj@haywardrec.org and to 1bzenoni@gmail.com

3. Proposals must be valid for a period of 120 calendar days from the Closing Date for Receipt of Proposals.
4. Information in Proposals will become the property of the Hayward Area Recreation and Park District. The District reserves the right to make use of any information or ideas in the Proposals.
5. By submitting a Proposal, the Proposer represents that it has thoroughly examined and become familiar with the work required under the RFP and that it is capable of providing and performing quality work to achieve the District's objectives.
6. The District shall not be liable for any pre-contractual expenses incurred by Proposers in the preparation of their Proposal.
7. Each Proposer must submit its Proposal in accordance with all requirements of this RFP and compliance must be stated in the Proposal. Deviations, clarifications, and/or exceptions must be clearly identified and listed separately as alternative items for the District's consideration.
8. After the Closing Date and Time for Receipt of Proposals, evaluation and proposal clarification will commence. No proposals received after the closing date and time will be considered.
9. Proposers judged most responsive to the District's requirements may be asked to give a presentation of their Proposal to District staff.
10. In the event the District deems it necessary to clarify or make any changes to this RFP, those changes shall be made in the form of a written addendum authorized and issued only by the Administrative Services Director or authorized designee.
11. The District reserves the right to negotiate modifications with any Proposer as necessary to serve the best interest of the District. Any Proposal may be rejected if it is conditional, incomplete or deviates from specifications in this request. The District reserves the right to waive, at its discretion, any procedural irregularity or immaterial defects, which the District deems reasonably correctable or otherwise not warranting rejection of the Proposal. Any waiver will not excuse a proponent from full compliance.
12. Proposers shall describe their approach to the Scope of Work and indicate costs in separate attachments.
13. The District reserves the right to:
 - a. Negotiate the final Agreement with any Proposer as necessary to serve the best interests of the District.
 - b. Withdraw this RFP at any time without prior notice and makes no representations that any contract will be awarded to any Proposer responding to this RFP.

In addition, negotiations may or may not be conducted with Proposers. Therefore, the Proposal submitted should contain the Proposer's most favorable terms and conditions.

II. PROPOSAL RESPONSE REQUIREMENTS

A. RESPONSE ITEMS

Proposals should provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content with sufficient detail to allow for accurate evaluation and comparative analysis. Responses must provide the required information in the following order:

1. Cover Letter. All Proposals must be accompanied by a cover letter, signed by an individual authorized to bind the proposing entity.
2. Company Data. Each Proposer shall submit the following information:
 - a. State the company's official name and address and the names and titles of its principal officers.
 - b. Provide the firm's Federal Employer I. D. Number.
 - c. Provide the name and address of the person to receive notices who is authorized to make decisions and represents the company. Specify in what capacity the person shall be representing the entity and any limitations to their authority.
 - d. Indicate the number of years of the firm's experience in providing required, equivalent or related products and services.
 - e. Submit qualifications of the Proposer to be considered for selection:
 - i. The Proposer must be a qualified public depository, as defined by California General Statutes, and must perform its obligation under this proposal in compliance with all applicable federal and state laws and regulations, as well as statutes and policies. The Proposer must be able to offer the full range of banking services required by the Proposal throughout the duration of the contract with the District.
 - ii. The Proposer must be Federal or State of California chartered.
 - iii. The Proposer must collateralize the District's deposits pursuant to all applicable sections of the California Government Code. Indicate the current level of public funds deposits and related collateral market value as well as types of securities used as collateral.
 - iv. The Proposer must have been evaluated by an independent rating services as "Outstanding" or "Satisfactory" for the last eight consecutive quarters.
3. Price Proposal. The proposal shall include pricing for all services offered. Pricing shall be all inclusive unless indicated otherwise on a separate pricing sheet. The Proposal shall itemize all services, including hourly rates for all professional, technical and support personnel, and all other charges related to completion of the work shall be itemized. The prices shown on this list will be effective for the first three years of the Banking Services Agreement.

To assist with the pricing estimate, the volume of banking transactions in a recent representative month were as follows:

SERVICE DESCRIPTION	MONTHLY TRANSACTIONS
Checks Paid	480
Deposits Processed	8
Checks Deposited - Un-encoded Items	474
Images Written to CD	480
Wire Transfer Reverse	5
Cash Vault Deposits	262
ACH Electronic Credits	133
ACH Electronic Debits	44
Online Check Imaging	60
Stop Payment	2
Account Transfer Items	5

B. VALIDITY OF PROPOSAL

The Proposer shall state the length of time for which the submitted Proposal shall remain valid. The District requires a period of at least 120 calendar days.

C. REFERENCES

The Proposer shall include at a minimum, a list of five applicable, preferably located in California, government operations, which are provided with the types of services identified in this RFP.

D. CONVERSION PLAN

The Proposer shall provide a conversion plan for the operation and use of all of its banking services.

1. Describe the process by which the Proposer would coordinate to ensure a smooth transition from the current provider.
2. Provide a schedule of the conversion process.
3. Discuss the training program that will be used to train the District staff that utilizes any of the services and/or systems provided.
4. Include any hardware, software and any other requirements necessary for the implementation of the banking services proposed.

E. TRANSACTION RETENTION PERIOD

Describe the Proposer’s transaction history retention practice. Specify how long transactions are available for retrieval online and offline.

F. BACKUP AND EMERGENCY SYSTEMS

Describe the Proposer's backup and emergency systems which would enable the District to continue operations in the event of a system breakdown or other emergency. Indicate how often these systems are tested and the hours for the technical support hotline.

III. CONTRACT TERMS

The proposer shall be designated as the District's depository for a three year fixed rate contract with an option of two additional one year increments. The District reserves the right to cancel any agreement at any time upon ninety (90) days prior written notice of its intent to terminate any agreement. The designated depository shall provide the District at least ninety (90) days prior written notice of its intent to terminate any agreement.

IV. SCOPE OF WORK

A. NATURE OF SERVICES REQUIRED

The Hayward Area Recreation and Park District is soliciting proposals from full-service financial institutions. With the ongoing changes in technology and treasury management practices occurring within the banking industry, the District has determined that a review of services offered is appropriate at this time as a prudent procurement practice. The primary objective of this proposal is to obtain the most efficient and high quality banking services at the most reasonable cost.

It is the District's intent to maintain all of its banking services with one financial institution, and as such, all proposals must include services for all bank accounts. The District reserves the right to add or reduce the number of accounts required to meet its banking needs. The District wishes to utilize the following banking services: full account reconciliation for operating accounts, positive pay, electronic transaction fraud protection, online tax payments, electronic deposit and disbursement, online wire entry and online stop payment. Cleared checks will be returned by electronic file transfer. Online reporting should include prior and current day transactions, daily and monthly bank statements. Compensating balances and a sweep account are utilized.

1. General Operating Accounts

The District currently maintains nine bank accounts which are listed below with a brief explanation of each account.

- a. Operating Account: This is account used for non-payroll operating disbursements, ACH, or wire transfers, District deposits and investment settlements.
- b. Payroll Account: This is a zero-balance account, used to fund District's semi-monthly payroll primarily for ACH and checks.

- c. Recreation and Parks Credit Card Account: This is a zero-balance account used for revenue collected by the District's Recreation programs (credit card payments only.)
- d. Recreation and Parks Cash Checks Account: This is a zero-balance account used for revenue collected by the District's Recreation programs (cash & check payments only.)
- e. Golf Department Account: This is a zero-balance account used for revenue collected by the District's Golf programs.
- f. Insurance Account: This account is utilized to fund the District's insurance requirements. There is very limited activity in this account. The current balance is \$18,500.
- g. General Reserve Account: The District's reserve funds are retained in this account, which has a current balance of \$1.4 million.
- h. Capital Outlay Account: The District's capital expenditures are charged to this account. The current balance is \$1.5 million.
- i. Capital Outlay Reserve Account: This account, which has a current balance of \$360,000 is utilized to accumulate funds for future capital projects.

NOTE: One or more of these accounts may be closed prior to initiating a new banking contract.

2. Merchant Card Processing

The District currently accepts Visa, MasterCard, American Express and Discover/Diner card payments. With the exception of the Golf and Theatre Arts programs, most of the District's program charges are processed by a third-party vendor (ActiveNet) via an online portal.

B. SCOPE OF SERVICES REQUIRED

1. Overview

Detailed services to be provided to the District have been segregated into the following two categories:

- a. Required Services: These services are mandatory and must be provided to the District by the selected institution. The only exceptions are acceptable alternative or nonmaterial deviations. The District retains the option in the case of certain services to elect not to use them. This is based on changes in the District's capability to handle these internally.
- b. Optional Services: These are services that the District may wish to use depending on the cost, quality and availability of the services offered. If there is a cost for these services, it must be specified in the bid. Optional services do not have to be addressed in order to be considered an acceptable bid, however, selection of a firm may be based on the ability to provide these optional services at a reasonable cost. In addition, any other services that the institution may wish to offer to the District may be included with the submission package.

2. Required Services

- a. Separate general operating accounts (currently ten accounts) to accommodate the District's banking needs.
- b. Deposit Services
 - i. On-site electronic deposit
 - ii. Check image deposit – daily scan of checks
 - iii. Guarantee same day credit for wire transfers and ACH deposits on the day received regardless of the time of receipt during the day. Send via email incoming wire/ACH deposits.
 - iv. Redeposit returned items due to “non-sufficient funds”. Items returned a second time will be forwarded to the District on a daily basis. Send via email returned item notification as well.
 - v. Provide the cutoff time for deposits to ensure same day ledger credit.
 - vi. Describe how the bank handles any deposit discrepancies, including check deposited to the District by mistake and how the District will be notified on deposit adjustments.
 - vii. Include a list of all the bank's deposit locations and branch hours within the greater Hayward area (excluding ATM deposits).
- c. Billing - Direct fees method, provide the unit charge for each required service, monthly and annual charges based on the District's estimated monthly volume for each service. Any earnings credit occurring in the account will be used to offset fees. Earnings credit on collected balances in excess of those required to pay charges incurred in any month will be carried forward to offset future bank charges. Interest earnings rate will be computed in accordance with the negotiated rate agreed upon.
- d. Daily cash balance reports for the previous day activity through direct access by 8:00 a.m. each business day. The following information must be provided:
 - i. Cash balance
 - ii. Type, number and amount of debits
 - iii. Type, number and amount of credits
 - iv. Collected and available balance
- e. Transaction reports for current day activity to be provided, including type, number and amount of debits and type, number and amount of credits
- f. Monthly statements for all accounts within seven business days after the end of each month. These statements must provide:
 - i. Listing of warrants and amounts cleared sorted by check number
 - ii. Date warrant cleared

- iii. Date and amount of deposits
 - iv. Summary of beginning cash balance, deposits/credits, warrants/debits, and ending cash balance for each day.
- g. Monthly account analysis report for each account and a summary providing the following information:
- i. Average daily cash balances
 - ii. Average daily float
 - iii. Average daily collected balances
 - iv. Overdraft charges
 - v. Detailed transaction volume description and prices
 - vi. Basis of earnings allowance
- h. Email exceptions to authorized District staff. Provide authorized staff ability to electronically (through website) accept or reject exception.
- i. Annual/Fiscal Year Statements for all accounts on or before August 1st of each year or as needed. The bank shall provide comparative data by month and by major service cost category to be identified by the District. This information shall be “actual” data and shall include columns for units processed, and collected and ledger balances. The annual statement detailed analysis shall be prepared on a fiscal year basis (July 1 – June 30). This report shall be provided at no additional cost to the District.
- j. The bank shall provide online services for the District to initiate wire transfers, ACH transactions, and transfers between accounts, create and store repetitive money transfer templates as well as create future-dated money transfers. Provide the cutoff time for setting up EFTs for same day execution.
- k. Web based online services shall include services such as image inquiry, information reporting, business statements, stop payments, positive pay, account balance inquiry, transaction inquiry, deposit history, and other online web applications that can provide added convenience and cost savings.
- l. Stop payments that are initiated by direct access to the bank by authorized District employees will be done the same day. The bank shall provide online confirmations of stop payments.
- m. Backup procedures (via phone and fax), forms and contacts shall be designated in the event of system failure or emergency. The bank shall provide hard copy confirmations.
- n. Positive pay to include such services as payment of matching checks by check number, vendor name and check amount, exception reports, return instructions, and holdover exceptions.

Describe the procedure and timeline for paying or returning exception items and default disposition if a decision response is not received.

- o. Upload positive pay file and provide ability to manually enter items into bank website.
- p. Direct access to the bank by authorized District employees to view images of paid checks for payroll and accounts payable per month. In addition, a bank file on cancelled checks shall be available to the District for upload to the District financial system (Microsoft Dynamics GP) for automatic clearing of cancelled checks on a monthly basis.
- q. Assure that proper District signature authorizations are on all paid items.
- r. The bank shall guarantee not to return unpaid because of insufficient or uncollected funds any item drawn on the District account. Any fees for overdraft will be charged to the District through account analysis.
- s. The District utilizes Electronic Federal Tax Payment System (EFTPS) to set up electronic fund transfers from its bank for Federal and State payroll taxes as well as retirement and health benefit payments.
- t. Direct deposit of District employees' payroll and benefit checks into their own bank accounts (based on an employee accepting this option) with a 24-hour turnaround. Online confirmation of receipt of the payroll file transferred to the bank will be available to the District. The bank must guarantee direct deposit amounts are available in individual personal bank accounts on the District's semi-monthly payroll dates. All payroll deposits must be available to the employee at the start of business on pay day. Describe the procedure and timeline for paying or returning exception items and default disposition if a decision response is not received.
- u. The District requires an independent agent to safe keep and clear securities on a delivery versus payment basis and report investments to ensure the protection of its security interest in portfolio investments. The District requires the custodian to be thoroughly familiar with the public sector and the investment of public funds. The custodial fees will be charged to the District through account analysis.
- v. The bank shall provide support for all products and/or services provided to the District. Training operating manuals and on-going support are to be supplied by the bank for all services provided.
- w. Ability to set up ACH's to make vendor payments such that accounts payable files can be submitted electronically to the bank to process payments.
- x. Other standard banking documentation and services not specified in this RFP will be provided to the District at a reasonable cost.

- y. Ability to offer the District overnight investment (SWEEP Account) for idle funds accumulated in the District's accounts. These investments must be within the District's investment guidelines set by the District Board of Directors.

3. Optional Services

- a. Partner with an armored courier service for deposit pick up at approximately four District facilities within the greater Hayward area. The current armored courier provides pickup service two times per week.

- b. Credit/purchase card

The District currently participates in the Cal-Card purchasing card program. The program is primarily used to pay for day-to-day supplies and miscellaneous expenses. The District is interested in exploring the capabilities of the selected bank to provide a credit/purchasing card program as an alternative to the Cal-Card program. Required services would include:

1. Customization of the card design
2. Provide detailed online reporting services
3. Provide a customized monthly electronic feed with all card transactions and associated expense allocation information
4. Provide a rebate to the District based on level of expenditures

There may be additional services not otherwise specified in this RFP that a proposing firm may wish to offer to the District, whether at no charge or at a cost specified by the bidder. Proposals are not required to address any additional services to be considered an acceptable bid. However, the desirability and price of any additional services offered may be a factor in the final selection of the successful proposal.

V. PROPOSAL EVALUATION CRITERIA

Proposals that meet the requirements specified in this RFP will be evaluated based on the following criteria:

- A. Completeness of response to all required items
- B. Ability to meet current and projected service requirements over the term of the banking agreement
- C. Reliability and quality of customer service.
- D. Experience and governmental knowledge of bank team
- E. Financial Strength
- F. Thoroughness of the conversion plan

G. Government Client References

H. Overall cost

END OF REQUEST FOR PROPOSALS