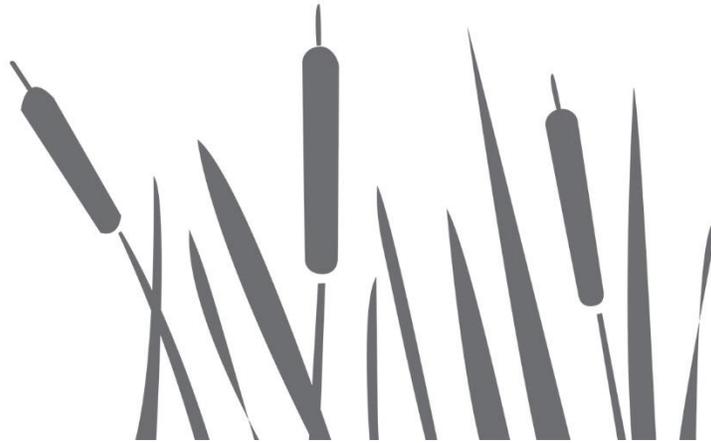


# SCARBOROUGH MAINE



## REQUEST FOR PROPOSAL FOR BANKING SERVICES

August 14, 2015

Ruth D Porter, Finance Director  
Town of Scarborough  
PO Box 360  
Scarborough, ME 04070-0360

# Town of Scarborough, Maine

## Request for Proposal – Banking Services

### OBJECTIVES

The Town of Scarborough is seeking competitive proposals for banking services that include various deposits, disbursements and safekeeping of public funds. The Town of Scarborough's goal is to achieve an optimum banking relationship which includes accurate and timely depository services, account maintenance services, maximum utilization of idle funds, capability of the bank to respond to the Town of Scarborough's need and to accomplish these goals at the lowest reasonable cost.

It is the policy of the Town of Scarborough to periodically review the banking services offered by all qualifying institutions to maintain efficiency and cost effectiveness. The Town of Scarborough's primary depository banking relationship is currently maintained at TD Bank. The Town of Scarborough wishes to examine the marketplace, make improvements where possible, and take advantage of appropriate and applicable technologies. It is the Town of Scarborough's intent to maintain depository banking services to maximize cash flow and minimize administrative costs.

### I. SUBMISSION INFORMATION

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A transmittal letter and three (3) complete copies, (one being the original copy,) of each firm's response shall be submitted in a sealed container plainly marked **“BANKING SERVICES – RFP 092015”** and will be received at the Finance Office, Scarborough Town Hall, before **September 2, 2015 at 2:30pm**. We will not accept submissions by e-mail. The original copy, being so marked, must be signed with the firm's name and bear the handwritten signature of an officer or employee having authority to bind the company by his or her signature (utilize the Town-provided Proposal Submission Form; page 19).

This will not be a public bid opening.

Mail the Banking Services Request for Proposals to:

**Kim Massa, Purchasing Specialist**

Town of Scarborough, Maine

259 US Route 1

PO Box 360

Scarborough, ME 04070-0360

(207) 730-4083 Phone / (207) 730-4088 Fax

E-mail address: [kmassa@ci.scarborough.me.us](mailto:kmassa@ci.scarborough.me.us)

## **INQUIRIES**

**Any firm requiring significant further information concerning the proposal, the project or terms, must submit specific questions in writing to the Town of Scarborough's Purchasing Specialist:**

Kim Massa, E-mail address: [kmassa@ci.scarborough.me.us](mailto:kmassa@ci.scarborough.me.us)

A written response will be provided. If an inquiry results in a change of this proposal, an addendum will be sent to all firms on file for this proposal. Verbal communication with Town of Scarborough employees is non-binding.

## **Electronic Files**

The RFP consisting of two files will be available on the Town of Scarborough's website:

1. Scarborough Banking RFP.pdf – An electronic copy of this RFP in Adobe "pdf format"
2. Banking RFP Pricing Form.xlsx – An MS-Excel worksheet which is the CONSOLIDATED PROPOSAL PRICING FORM that you must use when submitting your proposal.

Each proposal shall include the legal name of the organization and a statement as to whether or not it is a corporation, or other legal entity. A proposal by a corporation shall also give the state of incorporation (all businesses must be licensed to do business in Maine).

The Town of Scarborough is subject to the Freedom of Access law. Under this law, the Town must make public, information which it receives in the solicitation of proposals. The Freedom of Access law does, however, have an exception applicable to "trade secrets." In the event that the proposal you submit contains any trade secret information, the Town of Scarborough agrees that it will not disclose such information to any third party, and that such disclosure shall occur only if the Town of Scarborough is compelled to disclose such information by a final judgment, after giving you the opportunity to litigate the issue. Trade secret information must be submitted in a separate sealed envelope to the Town of Scarborough along with your sealed proposal. The outside of the envelope must clearly be marked "trade secret information/confidential."

The Town of Scarborough agrees that trade secret information will only be viewed by Scarborough Town officials, and will be reviewed only on a "need to know" basis. The information will not be shared with any third party without your express consent or a court order.

## **II. TERMS AND CONDITIONS**

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### **Compliance**

A bank submitting a proposal must be a federal, national or Maine chartered bank, with preferably a major branch presence in the Town of Scarborough, capable of servicing the Town of Scarborough's bank accounts and be a member of the FDIC. If you do not have a branch in Scarborough, please include in this request for proposal an outline of your process for depositing funds. The proposer must be in compliance with all laws, rules, regulations, and ordinances of the United States, the State of Maine, and the Town of Scarborough at the time of submittal of a proposal for banking services and, if awarded a contract, remain in compliance for its duration. The bank also must have adequate capitalization, organization, facilities, equipment, and personnel to insure prompt and efficient service to the Town of Scarborough.

All submitted proposals and information included therein or attached thereto shall become public record upon their delivery to the Town of Scarborough.

### **Bank's Non-discrimination Compliance**

The Town of Scarborough, as a primary recipient of certain federal funds, is required to obtain written assurance from the bank that it is an equal opportunity employer and lender. Appropriate supporting documentation of the bank's policies in this regard must be provided and retained on file by the Town of Scarborough and available for examination by federal agencies.

### **Contract Periods**

The contract will be for an initial period of three years. The contract starting date will be on or around October 1, 2015, unless another date is determined by the Town of Scarborough to be more practical. The Town of Scarborough reserves the right to extend the contract for periods of one or two years, providing the parties to the contract agree, providing all the terms, conditions, and specifications remain the same, and providing such extension is approved by the Town Manager.

### **Access to and Retention of Records**

The successful proposer will agree to permit access to their records by the Town of Scarborough Finance Department, its agents, the state Auditor's Office, and if there is federal involvement, federal auditors for the purpose of examining records pertaining to Town of Scarborough funds. The successful proposer will agree to cooperate in any prosecution for misuse or misappropriation of Town of Scarborough funds. Records of Town of Scarborough transactions must be kept and maintained by the successful proposer for a period of no less than seven (7) years.

## **Changes to Proposal**

The proposer must indicate any variances from our specifications, terms, and/or conditions, no matter how slight. If variations are not stated or referenced in writing prior to the final proposal, it will be assumed that your proposal fully complies with our terms, conditions and specifications.

## **Modifications and Amendments**

During the period of the contract, or any extension thereof, the Town of Scarborough reserves the right to renegotiate with the bank such additions, decreases, deletions, or changes as may be necessitated by law or changed circumstances. However, no increase in basic quoted unit prices will be permitted and no additional charges shall be added to items or services in the original proposal that remain unchanged.

Each proposal shall be signed by a person legally authorized to bind the bank to a contract.

In this proposal, the proposer shall signify that they have read and understand all conditions as outlined in this Request for Proposal.

The proposer, in submitting a proposal, shall agree and so state in this proposal that no person acting for or employed by the Town of Scarborough has a direct or indirect financial interest in the proposal or in any portion of the profits which may be derived there from.

## **Cancellation of Contract**

For convenience;

Either party may terminate the contract upon giving written notice of at least 90 days.

For cause;

In the event of a breach of the contract by the bank for unsatisfactory performance as assessed by the Finance Director, or if the bank performs in a manner that precludes the Town of Scarborough from administering its functions in an effective manner, and if, after thirty (30) days following written notice thereof, the bank has been unable to remedy such breach, or provide satisfactory performance, then the Town of Scarborough, with approval of the Town Manager, shall upon written notice to the bank, be authorized to cancel this contract by giving a maximum of thirty (30) days as the final termination date of the contract. Under extraordinary circumstances the Town of Scarborough may terminate the contract within less than thirty (30) days.

## **Reservation of Rights**

The Town of Scarborough reserves the right to request clarification of and/or solicit additional information of any proposer; to have proposer(s) make presentations to the Selection Committee; and/or to negotiate with any proposer(s) regarding any terms of their proposal, including but not limited to the cost and/or scope of services, with the intent to achieve the best proposal that shall result in a contract that is deemed by the Town of Scarborough to be in its best interests.

The Town of Scarborough reserves the right to cancel any contract immediately for cause, or for convenience on ninety (90) days prior written notice to the contracted firm. The Town of Scarborough also reserves the right to include in the contract for services other terms and conditions not specifically set forth herein.

The Town of Scarborough reserves the right to waive any informalities in proposals, to accept any proposal, and, to reject any and all proposals, should it be deemed in the best interest of the Town of Scarborough to do so. The Town of Scarborough reserves the right to substantiate the Proposer's qualifications, capability to perform, availability, past performance record and to verify that the proposer is current in its obligations to the Town of Scarborough, as follows:

Pursuant to Town of Scarborough procurement policy and ordinance, the Town of Scarborough is unable to contract with businesses or individuals who are delinquent in their financial obligations to the Town of Scarborough. These obligations may include but are not limited to real estate and personal property taxes and sewer user fees. Bidders who are delinquent in their financial obligations to the Town of Scarborough must do one of the following: bring the obligation current, negotiate a payment plan with the Town's Finance office, or agree to an offset which shall be established by the contract which shall be issued to the successful bidder.

## **III. SCOPE OF BANKING SERVICES**

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### **General**

It is the intent of the Town of Scarborough that a single entity provide all the banking services specified in this proposal. Services include full-service depository including support for cash management services and Remote Deposit Capture if the Town of Scarborough chooses to implement it as part of this RFP. Merchant services are outside the scope of this RFP. The Town, to date, has benefited from the services of a primary relationship manager with the bank. This "lead-person" has helped in providing oversight, responsiveness, and cohesiveness to the distinct service areas. The Town of Scarborough prefers having such a "relationship manager" and we ask that you incorporate a high level bank officer to this function within the scope of your proposal. Please provide name, title, telephone number, fax number, email address and brief resume for the relationship manager.

The Town of Scarborough Finance Department, is responsible for the collection of taxes, vehicle registration and excise taxes, various accounts receivables, parking fees, as well as the

facilitation of reports of receipts from all Town-based operating departments. Average daily collection activity for the Town of Scarborough is approximately \$62,000 while during times of maximum tax collection daily activity can be as high as \$2 million.

Procedurally, any banking related matters should originate with Ruth D Porter, Finance Director/Treasurer. She is the primary contact for the establishment of any new accounts, authorized signers, on-line cash management users, user rights, etc. Within the Town of Scarborough, principal financial offers work through the treasurer for initiation of any depository, cash management, or merchant service related issues. This central contact provides for a global perspective of banking services, issues, and priorities.

In addition to collecting and depositing funds, Finance is also responsible for the timely payment of weekly and bi-weekly payrolls and account payable obligations, assuring that cash is always available as needed.

## **Investment**

The Town of Scarborough manages an investment portfolio in accordance with the Town of Scarborough's investment policy. (Investment Policy Attachment) The proposer shall assign an investment representative who is available for investment advisory management services and to discuss any account problems. Finance plays a very active role in daily cash management and managing investments. Part of our investment portfolio is comprised of a money market accounts, daily sweep into repurchase agreements and certificate of deposits (CDs). On-line cash management software has enabled us to actively transfer funds in response to daily receipts and expenditures.

When the Town of Scarborough has lower daily operating account requirements, the Town reserves the right to contract with separate institutions for investment and banking services. We also reserve the right to separately place investments at any time and in any amount.

Note: There are also Town of Scarborough accounts that exist outside of the general operating and investment accounts that are included in this request. These outside accounts are currently not part of this proposal but could be incorporated. Please provide what the bank can offer us in regards to subaccounts, public funds investments and CDARS.

## **Safety**

The Town of Scarborough now enjoys the Aa3-Moody's ratings and AA Standard & Poor's rating. The prevailing factor, as referenced in our investment policy, is safety of cash and investments. Our present depository relationship institution has offered the Town of Scarborough an alternative to repo-backed collateralization by utilizing irrevocable letter of credit.

Safety, liquidity, return on investment, and point of presence are essential requirements to any successful bidder. The safety standard that we are imposing is comparable to what we currently enjoy with our present institution. The Town of Scarborough is concerned about banking fraud. The safety of our funds is the primary goal of the Finance Department. Please provide a description of the bank's process for ensuring the safety of the Town's funds.

Provide an overview of the bank's disaster recovery plan.

## **Collateralization of Deposits**

Please provide a description of how the bank secures deposits that exceed the current FDIC limit of \$250,000. If private insurance is used, please include the insurer's name and cost. If repurchase agreements are used, please indicate if that security is pledged to one depositor or if they are pooled on commingled basis.

## **Liquidity**

Liquidity is based on the internal needs unique to the Town of Scarborough in its daily general fund operations. An essential tool in assisting us with that effort is a reliable, responsive and efficient on-line cash management solution. In that regard, we would look to a system with access protected by the most current standards in secure login techniques.

## **IV. ON-LINE CASH MANAGEMENT SERVICES**

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Currently the Town of Scarborough's general checking and money market accounts are actively managed through an on-line cash management system provided by our banking institution.

The on-line cash management system should offer functionality for account information, transfers, stop payment processing, international and domestic wire processing, ACH processing, and secure file transfer for Town of Scarborough and school direct deposit files. The system should support reporting, inquiries, ability to filter data and export to MS-Excel for analysis and provides 180 days of on-line activity. Beyond the 180 days, we would require a Safekeeping Agreement to archive the historical data. The media is negotiable.

The on-line system should include the following real-time features which may be restricted by account and/or by feature based on user login:

- Daily Reporting - Account inquiry of real time or prior day balances for all login enabled accounts on a summary and detail basis.
- Downloads - Account balance reporting and query with ability to preview, print, and export to MS- Excel.
- On line Imaging - (front and back of negotiable instrument) for both incoming depository activity as well as outgoing disbursements that have settled. We presently have imaging on our disbursements. Imaged depository activity is an essential requirement of this RFP.
- Wire Transfers - Processing, reporting and query with ability to preview, print and export to MS-Excel. The wire transfer function shall allow for preformatted (repetitive) wire transfers, and free-form (non-repetitive) wire transfers that have the ability of an addendum option as well as multi-level security (one user to release, a different user to approve).
- Account Transfers - Processing, reporting and query with ability to preview print and export to MS-Excel. Account transfers will support ad hoc or repetitive templates for speed and accuracy.

- Stop Payments - Processing, reporting and query with ability to preview print and export to MS-Excel.
- Bank Reconciliation – Partial or full bank reconciliations
- ACH/EFT Transactions - processing incoming and outgoing recurring and one-time batches which include multi-level security feature, similar to that of wire transfers, (one user to approve, a different user to release). Ability to report, query, add an addendum option and debit and credit look-up capability. Similar to Wire transfer, ACH transactions should support ad hoc creation, existing batch modification, and templates for repetitive transaction processing.
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- Positive Pay – service for the general checking account.
- Secure File Transfer Protocol (FTP) for applicable payroll direct deposit files and the like.
- Secure messaging that will fully encrypt and unencrypt allowing transmission of routing and/or account numbers if needed with the ability to add an addendum option.
- Email notification ability for incoming activity as set up by systems administrator as well as outgoing activity such as acknowledgement emails associated with Wires, ACH's, and/or account transfers preferred.
- The on-line cash management system will allow for at least 10 unique user ID's for the Town of Scarborough (we say 10 to allow for growth; currently we have approximately 4 unique user ID's). If there is an upper limit you should specify the limitation within your proposal. The system will allow for recognition of “normal workstation” access by user ID and if a user logs-in from an alternative workstation, the software will present additional user verification protocol to prevent unauthorized access. The bank will detail how this functionality is accomplished within their proposal. The bank's online banking system will require multifactor authentication – this is to be outlined in detail with the proposal. The online banking site should offer a minimum of 128 bit encryption.

Other cash management functionality:

- Self-Administration - Of user rights across all accounts and all functions within the cash management system (ex: set dollar restrictions and limitations of each type of activity by users). Within administrator rights; the ability to view by user ID, time/dates of login, transactions initiated or supported (dual control participation). The ability to export this data to MS-Excel would allow for valuable analytics.
- Bank Controlled limits on transactions not initiated by the Town through debit blockers and ACH filters.
- Credit Card Services:

The Town of Scarborough currently does not have on-line credit card cash management system. Please discuss how on-line credit card cash management system could meet our needs. Include

how long on-line images are available and your procedure for image archive and how that is available to us. Please detail if there are any additional costs, software requirements, etc., related to any element of your on-line cash management.

## **V. FULL SERVICE DEPOSITORY SERVICES**

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### **Remote Capture**

Currently the Town of Scarborough has not implemented remote capture depository services. The Town of Scarborough requests that depository imaging be an offering of the successful bidder. The availability for multiple sites imaging combined with an on-line cash management system that supports depository imaging allows our Finance staff to access depository detail from their desktops, an invaluable tool to administer frequent analytical needs associated with detailed depository transactions. Your proposal should detail the elements of your institution's capabilities in this area, specify the clearing and availability timeframes for the time and duration availability of the images and the archival features available to us as a user. Since we have not implemented this service also provide details of pricing and identify as "optional" within the context of your proposal. Specify the clearing and availability timeframes. The Town may opt to capture from multiple locations/departments requiring additional equipment that should be quoted separately as "optional" in the proposal.

The Town of Scarborough is not currently using a lockbox services. We are considering remote capture technology depository services but request that you provide lockbox services details of pricing and identify as "optional" within the context of your proposal.

### **Annual Evaluations and Adjustments of Account Analysis**

Annually, the Town of Scarborough's Finance Director and staff will meet with the bank's primary relationship manager or an assigned officer to review the Town of Scarborough's account analysis - service levels vs proposal. At this time a review of the previous year's account analysis will be done. The bank's representative will provide recommendations to determine if the Town of Scarborough shall go with compensating balance, direct fees, a combination of balances and fees or other options in the upcoming year. If the Town of Scarborough continues to go with compensation balance the prior year's analysis will be used to determine a target balance. If the previous year compensating balance was shown to be inadequate to support paying the bank for Town of Scarborough services, an adjustment will be made to increase the compensating balance for the upcoming year or if the compensating balance figure has been overpaying the bank for Town of Scarborough services, then the target balance will be adjusted down for the upcoming year. The Town of Scarborough's goal is to maintain a compensating balance or collateralization for compensating balance greater than \$250,000, which will generate sufficient earnings credits to offset the net service charges. Also as part of this evaluation, we will review the bank's financial condition, availability of funds, ongoing expectations and new technologies available.

## **Account Analysis**

The Town of Scarborough currently maintains two (2) separate operating accounts as part of its consolidated account analysis.

## **Account Definitions**

### **Operating Accounts:**

- General Operating Account – checks issued, ACH, deposits, transfers in and out
- Investment Account – transfers in and out

## **VI. OTHER BANKING SERVICES AND CONDITIONS**

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### **Stop Payments**

Stop Payments are currently processed through the “stop payment module” of our on-line cash management system. The same on-line cash management system provides authorized Town of Scarborough users the ability to view any image of disbursed items (AP or PR checks). The bank will assume responsibility for any item cashed if said item was confirmed as a Stop Payment on an as-of-day basis and is subsequently cashed (honored) by the bank. Please provide the amount of time a stop payment will be honored.

### **Deposit Return Items**

The bank will make one attempt to redeposit checks returned because of insufficient or uncollected funds. Checks that are still “uncollectible” after this attempt will be returned to the Town of Scarborough Finance Collections Department for reprocessing.

### **Overdraft Protection**

The Town of Scarborough will make every effort to assure that collected funds in the bank are equal to or exceed the gross amount of checks issued. However, if an unintentional overdraft condition occurs, all checks presented for payment shall be paid, and NSF fees waived.

### **Statements**

Account statements will be provided monthly on the last business day of each month, and delivered to the Town of Scarborough Finance Director’s office by the 10<sup>th</sup> day of the following month.

Account analysis reports shall be provided on all accounts, showing all activity. All debit memos and credit memos shall be returned to the Town. All checks must be available through electronic imaging.

The Town of Scarborough shall notify the institution of any errors or corrections within ninety days of receipt of statement.

## **Reconciliation Services**

Currently the Town of Scarborough has positive pay. The Town understands the benefits of presentation-based positive pay and would like the responder to discuss their capabilities and advantages in this service area. Please provide your bank's policy related to fraudulent presentation of negotiable instruments absent positive pay.

## **FTX Secure Connection Services**

The Town of Scarborough requires the selected bank to receive the Town weekly and School bi-weekly direct deposit payroll information from our financial software, currently Tyler Technology's Munis software. Please provide your bank's ability to interface or download data directly to Munis and vice versa. Please elaborate on the secure connection, whether it is your own or whether it is provided to you through a third-party provider.

The Town of Scarborough payroll transmission is currently sent electronically to the bank on Wednesday with the employees' direct deposit accounts being credit on or before the following Friday morning. For average monthly items refer to The Town of Scarborough Maine Banking RFP 2015 Pricing Form.

## **Check Imaging Services**

Disbursements:

All Town of Scarborough General Operating account produced account payables and payroll checks are to be imaged and available on-line for a period of 180 or more days.

Depository:

Although the Town of Scarborough does not currently enjoy the benefit of individual scanned checks that comprise their deposits, this is a remote deposit capture feature that the Finance division is seriously considering. (See previous Remote Capture paragraph.) Our preference would be for it to be provided on any depository activity and be able to be viewed through our on-line cash management system based upon user rights. We are seeking access to scan instruments and viewable deposited checks on demand through the on-line cash management system.

## **VII. ADDITIONAL SERVICES**

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### **New Services**

The Town of Scarborough request the bank to provide suggestions for innovations and/or value-added services. We recognizes that laws and technology enhancements allow for new services to emerge over time. The service may exist or emerge subsequent to this RFP. Based on what we

have described so far, we would appreciate you detailing any “new services” to the Town of Scarborough which you offer that may be important for the Town of Scarborough to embrace as part of this RFP. If the service emerges during the Town-bank relationship established as a result of this RFP the bank will offer the service to the Town of Scarborough in a fashion that allows the Town to negotiate the fee(s) with the bank.

## **Current Services**

Include a list of all current services or anticipated services your bank offers which we have not asked for, but which may benefit the Town of Scarborough, with a brief description and price quote.

## **VIII. ACCOUNT ANALYSIS STATEMENT**

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### Frequency

The selected bank shall provide the Town of Scarborough’s Finance Department with month-end account analysis statements for all services provided. This statement shall be delivered to the Finance Office within ten (10) business days following the end of the statement period.

### Content

The month-end account analysis statement shall include, but not be limited to the following information:

- All information in the contract, such as unit cost, extended price, items charged, and earnings credit (where applicable), must be identified per account and for the relationship as a whole.
- All account activity for each account and for the relationship as a whole.
- Detailed information on float for all deposits.
- Detailed calculations of any deficit or excess earnings credits (where applicable) for each account and for the relationship as a whole.
- All information provided on the account analysis regarding the daily collected, daily ledger, and daily available balances shall be verifiable against the daily balance reporting.

Indicate whether this information is available through the on-line cash management system as an alternative to a hard-copy statement.

## **IX. REPURCHASE AGREEMENT**

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### **Cash Management Sweep Account**

The bank is to explain how it handles the overnight and weekend investment of the Town of Scarborough's excess cash above minimum compensating balance requirements through the use of repurchase agreements as described below. The bank shall indicate in the Proposal submission the interest rate that would have been paid on the Proposal date, and include the method of calculation used to arrive at this figure.

### **Repurchase Agreement Confirmation**

A Repurchase Agreement confirmation shall be issued and delivered to the Town of Scarborough within three business days after the day the account is charged to commence each purchase or per applicable law. The confirmation shall show the following:

- The description of the securities purchased, including amount, interest rate, maturity, etc.
- The maturity date of the Repurchase Agreement (defined as the next banking day).
- The settlement date for the purchase.
- The principal amount of the Town funds invested.
- Safekeeping receipt information.
- The Town's name and address as buyers of the securities

Finance would prefer to receive confirmation via normal email rather than a hard copy confirmation mailed to us through the US Postal Service system.

## **X. PROPOSAL SUBMISSION**

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### **Explanation of Consolidated Proposal Pricing Form**

Use of the Consolidated Proposal Pricing Form (Page 18) or a copy thereof is required of all proposers. If the bank is unable to meet or exceed the requirements specified, then the phrase "No Proposal" should be entered for that particular item.

The actual prices paid will be on a variable cost basis. Under the variable cost method, actual monthly services will be counted and the volume of transactions will be computed to determine the compensating balance required to support the activity. Accordingly, the quarterly compensating balance will change each quarter based on previous volume and charges, as described below. For purposes of evaluating proposals, the estimated annual service charge, based on the Town of Scarborough's stated "estimated annual volume," will be used. This charge will then be converted to a required compensating balance as described in the following Section, "Compensating Balance Calculation."

The following items must be completed and submitted with proposal:

- 1 Consolidated Proposal Pricing Form
- 2 Narrative Responses
- 3 Proposal Submission Form

## **Compensating Balance Calculation**

Enter the amount of funds in dollars required for the Town of Scarborough to keep on deposit with your bank allowing for reserve requirement to compensate the bank for the Annual Service Charges stated in your proposal.

Describe how you calculated this compensating balance and how it will be calculated in future periods. The Town of Scarborough requires that the earnings credit rate quoted for use in our account be derived from an independent and published index reference, such as the 90 day T-bill rate. An internal bank rate reference is not quantifiable and therefore not acceptable.

## **Other Information**

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In addition to your pricing proposal, please include the following information in your proposal:

### **Implementation Timeline:**

From the time this RFP is open and a corresponding award, please describe your project time line and how you would meet our October 1, 2015, implementation date. You should give consideration to on-line cash management system templates for repetitive ACH's, repetitive wires, repetitive transfers and any conversion capabilities. Supplies will also be an important issue, especially AP and PR checks. Discuss how you would address staff training for individuals who work with on-line cash management software in various fashions. Please also discuss a plan for integration of Town administrative staff and management with banking administrative staff, branch management and relationship management personnel.

### **Community Reinvestment Act (CRA) compliance:**

Please furnish us with information regarding your organization's compliance with CRA. We would also request a copy of your most recent CRA performance evaluation. We understand that you periodically receive a CRA confidential examination report and we would be interested in it understanding that you may want to submit it under the title of "Trade Secret" separately from your main proposal document. If you've chosen to do so please notate it within the body of the main proposal.

### **No Cost for Proposal:**

Please include a statement indicating that the Town of Scarborough will not pay for or reimburse the bank for any costs associated with the preparation and submittal of proposal.

**Bank Errors:**

The Town of Scarborough will not be charged for any bank errors.

**Local Control:**

Provide detail regarding your organizational structure, whether decision are based locally or through any parent organizations or centralized in corporate offices which may be located in other states or countries. Please provide some form of organizational chart that shows decision making authority and proximity to us here in Scarborough, Maine.

**Litigation:**

As a municipality we must annually disclose as part of our Comprehensive Annual Financial Report various claims and suits pending against the Town of Scarborough which arise in the normal course of the Town’s activities. The purpose is to disclose if any of these claims may materially affect the financial condition of the Town of Scarborough. We would ask that you review this aspect related to any claims or suits pending against your organization, parent organization or affiliates that may materially affect the organization’s financial condition.

**References:**

Include five references of customers who have used services similar to those included in this request. Please provide name, address, telephone number and a contact person for each reference.

**XI. EVALUATION CRITERIA**

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The intent of this RFP is to identify a financially secure institution that can offer the highest quality of service at the lowest overall cost to the Town of Scarborough. A selection team of Town of Scarborough administrative staff will meet and review the material submitted in response to this Request. The committee will evaluate the information provided; including the findings of reference checks conducted, and rates each firm by the following standards:

Criteria	Maximum Points
A. Types of services offered, current technology, potential services available to Town	30%
B. Terms for maximum utilization of idle funds	20%
C. Yearly costs as compared with other proposals	50%

The Finance Director, Deputy Finance Director, and Accountant shall select the firm(s) which, in its own opinion, is (are) best suited for further or final consideration. Interviews may be conducted with these selected firm(s) to clarify submitted information. The Town reserves the right to negotiate with the selected firm(s) as to the terms of a contract including, but not limited to, the Scope of Services and price. Negotiations are intended to lead to a binding contract. The Town Manager will have final approval.

# CONSOLIDATED PROPOSAL PRICING FORM

**THE DATA ON THIS PAGE MUST BE COMPLETED AND INCLUDED WITH YOUR PROPOSAL**

**We've provided an electronic copy of the Pricing Form below on the Town Website.**

1. Please describe your method for publishing your earnings credit rate on your account analysis statement. The Town of Scarborough requires that the earnings credit rate be quoted as a computation independent and published index reference that we can access and confirm. You must do this in narrative form and then include the prevailing rate that you would use in your proposal. Explain in detail how to get from the published index to the rate.
2. Complete all green cells in the MS- Excel based pricing form:
  - a. The Unit Service Rates for the existing services we use; the annual service charge will be calculated.
  - b. Enter the earnings credit rate.
  - c. The worksheet will automatically compute the corresponding target balance to cover the costs.
  - d. Enter your institution's name at the bottom.
  - e. Print the pricing form and enclose with your Proposal. We will be looking for this worksheet at the opening of proposals.
3. Specific areas of the RFP: where we've asked for narrative are referred to here to assure complete responses:
  - a. General - The Town of Scarborough prefers having a primary "relationship manager," a high level bank officer. Please elaborate.
  - b. Safety – The Town of Scarborough wants to have a detail listing of what the bank will do to deter fraud. Please elaborate.
  - c. Safety – The Town of Scarborough wants to have a detail listing of what the bank uses to collateralize the additional funds over the FDIC amounts. Please elaborate.
  - d. Please discuss how your on-line cash management system will meet our needs. Include how long on-line images are available and your procedure for image archival. How is that available to us; detail any additional costs, software/hardware requirements, etc., related to any element of your on-line cash management system.
  - e. Provide detail on the institution's on-line banking security protocol. Please elaborate.
  - f. Remote Imaging – We are considering that depository imaging be provided by the successful bidder. Detail the elements of your institution's capabilities in this area, the time and duration availability of the images and the archival features available to us as a user. Since we have not implemented this service also provide details of pricing and identify as "optional."
  - g. Reconciliation Services – please provide details regarding your bank's policy related to fraudulent presentation of negotiable instruments "positive pay."
  - h. Present any new services that we may not be aware of / Present current services that may be new to us.
  - i. Organizational chart showing decision making authority and proximity to the Town.

# PROPOSAL SUBMISSION FORM

**THIS PAGE MUST BE COMPLETED AND INCLUDED WITH YOUR PROPOSAL**

The UNDERSIGNED hereby declares that he/she or they are the only person(s), firm or corporation interested in this proposal as principal, which it is made without any connection with any other person(s), firm or corporation submitting a proposal for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined in the invitation for bids, and that their proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by the Town of Scarborough, Maine, who has direct or indirect personal or financial interest in this proposal or in any portion of the profits that may be derived there from, has been identified and the interest disclosed by separate attachment. (Please include in your disclosure any interest which you know of. An example of a direct interest would be a Town of Scarborough employee who would be paid to perform services under this proposal. An example of indirect interest would be a Town of Scarborough employee who is related to any officers, employees, principal or shareholders of your firm or to you. If in doubt as to status or interest, please disclose to the extent known).

The propose acknowledges the receipt of Addenda numbered

If Applicable

COMPANY NAME: \_\_\_\_\_

(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE: \_\_\_\_\_

(Officer, Authorized Individual or Owner)

PRINT NAME & TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

E-MAIL: \_\_\_\_\_ FEDERAL TAX ID NUMBER: \_\_\_\_\_

**Town of Scarborough Maine Banking RFP 2015 Pricing Form**

Service Description	FY2015 Annual Volume	Average Monthly Volume	Unit Service Rate	Annual Services Charge
<b>General Account Services</b>				
Account Maintenance	12	1		\$ -
Paper Statements	12	1		\$ -
<b>Investment Account Services</b>				
Account Maintenance	12	1		\$ -
Paper Statements	12	1		\$ -
<b>Depository/Disbursement Services</b>				
Deposits Processed	922	77		\$ -
Checks Deposited	40,970	3,414		\$ -
Checks Paid	9,255	771		\$ -
Returned Deposited Item - Final Pres	119	10		\$ -
Overdraft Protection		-		\$ -
<b>Account Reconciliation</b>				
Positive Pay Maintenance	12	1		\$ -
Positive Pay (ARP) Paid Items	9,253	771		\$ -
Positive Pay Return Items	1	0		\$ -
Positive Pay (ARP) Issue File Transmission	125	10		\$ -
<b>Electronic Payment Services</b>				
ACH Initiated	43,656	3,638		\$ -
ACH Received Credits		-		\$ -
ACH Received Debits		-		\$ -
ACH Returns Per Item	49	4		\$ -
ACH Notice of Change	13	1		\$ -
<b>Online Services</b>				
On-line Account Info Maintenance	12	1		\$ -
On-line Account Transfer Module		-		\$ -
On-line Transmission Module		-		\$ -
On-line ACH W/Addenda	1,050	88		\$ -
On-line Stop Payment Module		-		\$ -
On-line Stop Payment	15	1		\$ -
On-line Trans Records		-		\$ -
On-line Book Transfers	24	2		\$ -
On-line Check Image Module		-		\$ -
On-line Wire Module		-		\$ -
On-line Secure token	36	3		\$ -
On-line Secure token		-		\$ -
<b>Wire Services</b>				
Wire Out - Domestic	1	0		\$ -
Wire In - Domestic	26	2		\$ -
<b>Other Miscellaneous Services</b>				
Cash Management Sweep Maint		-		\$ -
Account Analysis		-		\$ -
<b>Optional Services</b>				
<b>Depository Services</b>				
Remote Capture Maintenance		-		\$ -
Remote Capture Checks Deposited		-		\$ -
Remote Capture Scanner		-		\$ -
<b>Lockbox Services</b>				
Lockbox - Retail Monthly Maintenance		-		\$ -
Lockbox - Image Capture		-		\$ -
Lockbox - CD ROM Weekly		-		\$ -
Lockbox - Data Entry		-		\$ -
Lockbox - Daily Reporting		-		\$ -
Lockbox - Item Processing		-		\$ -
Lockbox - Wholesale Transmission		-		\$ -
<b>New Services Suggestions</b>				
Please List:				
_____		-		\$ -
_____		-		\$ -
<b>Other Fees &amp; Services</b>				
Please List:				
_____		-		\$ -
_____		-		\$ -
_____		-		\$ -
_____		-		\$ -
				<b>\$ -</b>

**Average Monthly Fee** \$ -

Present us with a percentage you would offer us today and tell us how to identify the rate based on a published index (see section J - Compensating Balance Calculation).

Interest Rate:

**Monthly Target Balance:**

Completed by - Institution Name: