



CITY OF BEAUMONT

REQUEST FOR PROPOSALS

BANKING & MERCHANT SERVICES

**PROPOSAL DUE DATE:
June 1, 2022 before 4:00 PM**

REQUEST FOR PROPOSAL (RFP)
FOR: BANKING SERVICES

TIMETABLE	
Issue RFP	May 6, 2022
Written Questions Due	May 20, 2022 by 4:00 PM
Responses to Questions	May 25, 2022
Proposals Due	June 1, 2022
Possible Interviews	June 8, 2022
Bid Reviews (Trustee Finance Sub-Committee Meeting)	June 13, 2022
Award bid-Selection (City Council Meeting)	June 21, 2022
Implementation/Go-live	TBD

CONTACT PERSON: Jennifer Ustation, Director of Finance
justation@beaumontca.gov

City of Beaumont
Finance Department
550 E. 6th Street
Beaumont, CA 92223

NOTICE FOR PROPOSALS

The City of Beaumont is requesting proposals for banking services from all financial institutions with full-service branches located within the corporate limits of Riverside County, with a preference inside the City of Beaumont limits.

One (1) original proposal and five (5) copies on the thumb drive shall be delivered to the City of Beaumont Finance Department at the above indicated address and by electronic submission via email to justation@beaumontca.gov, with a "subject" title- "City of Beaumont Banking & Merchant Services RFP" on or before 4:00 PM, Monday, May 20, 2022. It is the respondent's responsibility to ensure that proposals are received prior to the 4:00 PM proposal closing time as late proposals will not be accepted. The City of Beaumont reserves the right to award or reject proposals in part or in whole and on any basis, it deems in the best interests of the City.

BACKGROUND

The City of Beaumont is a general law city incorporated in 1912 currently serving a population of approximately 55,000, located in Western Riverside County. The City operates under a council-manager format of government which consists of a Mayor, Mayor Pro-Tem, three Councilmembers and the City Manager. The positions of Mayor and Mayor Pro-Tem are rotated among the elected Councilmembers. City Clerk and Treasurer are elected positions, each for a four-year term.

In addition to its function as the governing body of the City, the City Council acts as the governing body for other separate entities: Beaumont Financing Authority, Beaumont Public Improvement Authority, Beaumont Transit System, Beaumont Wastewater Systems, and the Beaumont Utility Authority. The City's management also has custodial, accounting and financial reporting responsibility for the Successor Agency to the City of Beaumont Redevelopment Agency. There is no requirement for separate financial reporting for these separate entities with one exception (Beaumont Transit System).

Official accounting records are on-site in the Finance Department, while some supporting information may be located in other departments within the City. Beaumont uses the Tyler Incode 10 accounting software. Payroll is processed through Incode 10 as well.

CURRENT BANKING SERVICES

The City of Beaumont currently maintains a primary commercial banking and merchant services relationship with Citibank. The City has determined that a review of the services offered by qualifying institutions is appropriate at this time. It is the City's preference to maintain commercial banking services for its operating account to maximize cash flow, maintain efficiency and minimize administrative costs. The City of Beaumont seeks proposals from financial institutions interested in providing banking and services for the City. We encourage financial institutions to submit comprehensive proposals which offer the highest quality of service while providing opportunities for improving the current management of cash flow. The City is looking for improved integration with its systems; a clear and fair charging structure; a full-service and easy-to-use configurable online portal; ease of access to banking data and transactions; and high levels of customer service with single points of contact. The City is also interested in any technological advances and pilots that could improve the overall banking experience.

In 2022, the average monthly balance in the operating account was approximately \$17 million. The most current client account analysis statements and bank statements can be obtained from Finance via email (justation@beaumontca.gov) illustrating the volume of the transactions for all the City's operating accounts.

The City also maintains two (2) merchant IDs that process **credit card transactions** through an "Online Point of Sale Terminal". One of the merchant IDs is used for utility related credit card transactions while the other merchant ID is used for non-utility related credit card transactions.

This RFP does not cover institutional custody services or corporate trust services.

The City will attempt to administer the proposal process in accordance with the terms and dates outlined in this RFP, however, the City reserves the right to modify the activities, timeline, or any other aspect of the process at any time, as deemed necessary. By requesting proposals, the City is in no way obligated to award a contract or pay the expenses of proposing banks in connection with the preparation or submission of a proposal. The award of any contract shall be contingent on the requisite staff and City Council approvals. Determination of best value to the City shall be based upon, but not limited to, the following considerations: cost; the ability, capacity, and skill of the proposer to provide the services; the ability of the provider to deliver timely services; the character, integrity, reputation, judgment, experience, social responsibility, and efficiency of the provider; and the quality of the provider's performance on previous contracts with the City. No single factor will determine the final award decision. It is recommended that all proposers provide fully comprehensive proposals since all aspects will be considered in the determination for the award.

All costs directly or indirectly related to the presentation of a response to the Request for Proposal (RFP), any oral presentations required to supplement and/or clarify a proposal, and/or reasonable demonstrations which may, at the discretion of the City, be required of the proposer shall be the proposer's sole responsibility.

PRE-SUBMITTAL QUESTIONS

The City will accept pre-submittal questions from RFP participants in the interest of clarity and complete responses to the RFP. The RFP participants are encouraged to cover all questions in one request so that City staff can provide timely and effective responses.

All pre-submittal questions will only be accepted via email or until May 20, 2022. Responses to all questions will be emailed to all RFP participants. RFP questions are to be submitted to Jennifer Ustation at justation@beaumontca.gov. In order to assure that the City has one contact person per bank, please provide this contact information when submitting the proposal. The City will conclude the banks that do not provide contact information do not want to be included in the Pre-Submittal information sharing.

I. PROPOSAL CONTENT

All proposals submitted must include the Proposal Submission Package provided in Section VII of this RFP. Other information concerning the qualifications of the bank may also be included with the proposal (as determined solely by the bank), such as:

The bank's philosophy regarding its relationship with the client.

- Experience of the bank in providing services to major commercial or governmental accounts.
- A maximum of three references that have a current banking relationship with the bank. Governmental agency references are required. Please list contact person, phone number, email, and years of banking service.
- Identification of staff capabilities, along with resumes of key personnel who will be working with the City of Beaumont at the corporate and branch level.
- Samples of reports to be provided to the City. (Monthly Statements, Analysis Reports, etc.)
- Other information the bank believes to be appropriate.

Any supplemental information provided will be reviewed and considered during the selection process. The City will not consider proposals for partial services. The required documents are the Proposal Submission Package, which will include the last three years Financial Statements.

II. PROPOSAL TERMS AND CONDITIONS

1. Each proposal must meet all the specifications discussed in this RFP. All information provided to the City in response to the RFP will become public information. If a proposal is submitted, it is assumed that the proposal meets or exceeds the requirements as stated. If a required service cannot be met by the bank, then the phrase "NO PROPOSAL" should be entered on the proposal form for that service. In the case of a "NO PROPOSAL" Statement, the bank may offer an alternative service, which must be described in detail on a supplemental attachment. Any non-substantial deviations may be considered by the City, provided the bank submits a full description and justification for the proposed deviation(s). The final determination regarding any proposed deviation or alternative will be made by the City.
2. All questions or requests for information submitted via pre-submittal process email will receive an email response from the City, which will be shared with all other banks providing email contacts. However, it is an explicit provision of this RFP that any communication is not binding on the City's proposal process or selection of the successful bank.
3. Proposers must be a federally or State of California chartered institution during the term of the contract.
4. Proposers must maintain a full-service branch within the corporate limits of the County of Riverside during the term of the contract.

5. The "Monthly Activity Detail" (page A-2) is to be used as a basis for responding to bank service fees. The "Monthly Activity Detail" is a summary of a sample month of all transactions on all City accounts included in this RFP. It is believed to be a reliable estimate of the volume of the City's banking activities; however, the actual number of transactions may vary, and no guarantees are provided by the City regarding minimum or maximum volumes. All applicable, one-time set up or service charges related to any of the services covered in a bank's proposal must be individually disclosed in the proposal, with a cost on each one-time service/fee (or a no charge reference), as well as a description of the service(s). This information should be considered an addendum to the standard bank service fees that should be submitted based on the "Monthly Activity Detail" of standard services and fees. If an addendum on one-time services/fees is not included in the proposal, the City will consider the proposal complete, with all applicable onetime or any other services being no charge to the City.
6. Each bank submitting a proposal will include one (1) set of their annual audited financial reports for the past three (3) years.
7. Any RFP submitted to the City becomes the property of the City. The City reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, and to reject one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations by the bank.
8. The Proposal Submission Package must be completed in its entirety. The extensions of unit price figures for the estimated quantities as well as lump-sum prices must be disclosed on the Bank Service Fee Schedules, with standard monthly fees based on volumes listed in the "Monthly Activity Detail," with one-time or other service fees listed on an addendum to that report. If the unit price and total amount quoted by any bank for any item are not in agreement, the unit price alone will be considered as representing the bank's intention, and the total will be corrected to conform to the specified unit price. Proposal Submission Package unit price amounts for all required services must be included in the Package, as well as any one-time service fees. Unit prices must also be included for proposed optional and/or additional services included in the Proposal Submission Package.
9. Banks may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request or email to Jennifer Ustation, Director of Finance. No proposal received after the closing date or at any location other than the location stated in the RFP will be considered.
10. After notice of the award has been sent by mail to the address provided in the bank's proposal, the bank to whom an award is made will execute a written contract with the City no later than July 5, 2022.
11. If the bank to whom the award is made fails to enter into the contract, the award will be annulled and an award will be made to the next best proposer as determined by the City; and that bank will fulfill every stipulation as if it were the party to whom the first award was made.

12. The successful bank will not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, any other bank, firm, or corporation without previous consent in writing by the City Council of the City of Beaumont.
13. In the performance of the terms of this RFP, the bank agrees that it will not engage in, nor permit agents or employees of the bank, or such subcontractors as the bank may employ, to engage in unlawful discrimination in the employment of persons because of race, age, color, ancestry, national origin, religious creed, political opinion or affiliations, sex, marital status, disabilities, or applicable state or federal employment laws.
14. The contract will provide that the City reserves the right to terminate the contract at any time upon sixty (60) days prior written notice of the City's intent to terminate the contract.
15. The bank will immediately notify the City should the bank fail to meet the collateral requirements set forth in the State Banking Financial Code Section 53630 through 53684.
16. Causes for termination of the contract may include any one of the following: failure to promptly and faithfully provide the services required in this RFP; violation of any law governing any municipal depository; failure to cooperate upon receiving any reasonable request for information or service; and improper actions of the institution's officers or employees which, in the opinion of the City, would adversely affect the City's interest or endanger the safety or liquidity of municipal funds.

III. SCOPE OF SERVICES

The following section details the services to be provided to the City. Except for non-substantial deviations or acceptable alternatives, all services listed in this section are mandatory. The City will not consider proposals for partial services.

The following required services include:

1. The bank must be a member of the Federal Reserve System. The bank must be a Federal or State of California chartered commercial banking institution with at least one full-service branch located within County of Riverside limits.
2. The bank must be a qualified depository for public funds pursuant to the applicable federal and state laws and regulations, statutes and policies. All balances must be fully collateralized through the pool collateral system required under the State of California.
3. The bank must fulfill orders for currency and coin through the City's courier upon request.
4. The bank will engage a team or specific relationship coordinators for the life of the contract.
5. The bank will provide full account reconciliation, positive pay, electronic fraud protection, electronic deposits and disbursement, online wire entry, and online stop-payment placement.

6. Online reporting includes prior day transactions (no later than 8:00 a.m. Pacific Standard Time the next day) and current day transactions.
7. Compensating balances and sweep accounts are preferred.
8. Provide key measures of the bank's financial strength, including ratings from nationally recognized rating service(s) and banking rating service(s). Include one copy of the bank's most recent audited financial statements and one copy of the bank's rating from a nationally recognized rating service.
9. Provide the financial institution's current level of public funds deposited and related collateral market value.
10. The ability to accept multiple file submissions from our payment processing financial system.
11. Provide the City with a check scanner for deposit of checks directly from City Hall as well as a "smart-safe" for deposit of cash.
12. Image of deposited items and provide online access for deposit reconciliation including images of deposited items.
13. Provide online and email notification of deposit issues within 24 hours.
14. Possible off-site credit card payments on City-issued mobile devices.
15. Provide positive pay services with online transmission of check details.
16. Provide positive pay exception item review and correction online.
17. Provide online stop-payment services.
18. Provide all canceled checks daily (by 8 a.m. next day) and monthly, sorted in check number order. Provide an electronic file of paid/cleared check images (front and back), in addition to any alternative electronic archival system used by the bank.
19. Provide online access to cashed check images.
20. Method of reversal of automatic direct deposits for errors.
21. Accept and send ACH transactions.
22. Accept ACH payment files from 3rd parties.
23. Provide ACH debit blocking services.
24. Provide a secure electronic method to initiate intra-bank transfers.
25. Provide a secure electronic method with dual authorization for wiring funds.
26. Provide online balance reporting services

27. Allow approximately 5 City employees with different levels of authorization to access the bank's online reporting system.
28. Provide account reconciliation services for disbursements (full, partial or positive pay, depending on account).
29. Provide monthly activity statements and reports by the 10th day of the following month or sooner.
30. Provide a detailed monthly account analysis statement for each individual account and a consolidated statement showing charges for all account services.
31. Collateralize all collected balances, in excess of balances insured by the FDIC as required by applicable Federal/California Government Codes.
32. The city requires a daily deposit pick-up from City Hall with additional pick-up available upon request via an armored car service provider.

IV. INFORMATION REQUESTED

A. QUALIFICATIONS AND EXPERIENCE

1. Provide a general overview and brief history of your organization, including parent and/or subsidiary companies and the number of employees.
2. Provide the address of the office location(s) that will service the account.
3. Describe the experience of the financial institution in providing similar services for other cities and institutions.
4. Complete the following table with current credit ratings by Standard & Poor's Rating Services and Moody's Investor Services. If the proposer is not rated by these rating organizations, provide other evidence of the institution's financial strength.

Financial Institution

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

Financial Institution Holding Company

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

5. Discuss the firm's current capital structure, adequacy, and coverage. If applicable, provide the firm's risk-based capital classification (Well Capitalized, Adequately Capitalized, Under Capitalized, Significantly Undercapitalized).
6. Include an electronic copy of the most recent audited financial statement and the latest 10-k report with the proposal.
7. Provide the bank's Community Reinvestment Act (CRA) rating.
8. Be sufficiently capitalized to accommodate the City's cash management needs and ensure collateralization of funds.

B. PERSONNEL

1. Provide the name, title, address, phone number, fax number and email address of the primary contact person(s) assigned to this account.
2. Describe your firm's policy on changing the primary contact person on an account.
3. Name the individuals who will work with the City on a day-to-day basis. Information should include:
 - a. Experience working with other City and or government institutions.
 - b. Proposed role with regard to the City's account.
 - c. Number of years of experience in this field
 - d. Number of years with your firm
 - e. Describe the level of local decision-making authority these individuals have to handle emergency need of the City as they arise.
4. Will a specific customer service representative or a customer service department be assigned to handle day-to-day transactions for the City?
 - a. Describe the responsibilities of the customer service personnel, including the chain of command for problem resolutions.
 - b. Is local customer service support available at the bank's local branches?
 - c. What are the hours of operation of each customer service unit involved in supporting the proposed services?
 - d. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?
5. IT Resources: Will the bank provide dedicated IT liaison(s) to work on set-up, file transfer, testing and troubleshooting/issue resolution? During what hours is technical support available?

C. GENERAL BANKING SERVICES

1. Deposit Processing
 - a. Please provide a listing of bank branches, noting the address and distance of the branch closest to the City.
 - b. For deposits collected and transported by the City, which branch location do you propose the City use to deposit funds?
 - c. Please describe the bank's deposit requirements. How should the coin and currency deposits be prepared? How should un-encoded check deposits be prepared?
 - d. What is the ledger cutoff time for deposits?
 - e. How are deposits created? Are all items immediately verified? If provisional credit is given, when does verification take place? If the financial institution corrects a deposit, how with the City be informed of this change?

2. Remote Deposit Capture
 - a. Describe the financial institution's ability to process checks by RDC.
 - b. Is there a limit on the number of checks that can be contained in a single deposit?
 - c. Does your service allow for multiple deposits in a single day?
 - d. How will we be notified of deposit corrections and/or adjustments?
 - e. Describe the process used for balancing and correcting deposits transmitted to your institution.
 - f. Does your service offer the ability to adjust data using recognition technology that was not captured correctly by the scanner? If yes, please describe. If not, does the service allow the addition, deletion, and rescanning of checks during both the correction and balancing functions?
 - g. What equipment does the financial institution recommend for RDC and what is the price for this equipment?
 - h. Can checks be automatically endorsed with the financial institution's RDC service? Is the automatic endorsement an electronic image or printed on the check?
 - i. Are checks cleared as ACHs or image replacement documents? How does the financial institution's software determine the clearing mechanism?
 - j. Is there a difference in legal standing for items clearing by ACH or image replacement documents (IRDs)? If so, please describe.

3. Coin/Currency Ordering Services
 - a. Does the financial institution have an automated coin/currency ordering service? Describe the deposit and change order procedures, cutoff times, security and other features of this system.
 - b. Describe change order procedures and restrictions for branch pick up.

4. Returned Item Processing
 - a. Can returned items be automatically re-deposited? If so, how many times?
 - b. Does the financial institution offer any options that may increase the collection of NSF checks?
 - c. Can the financial institution provide online access to electronic images (back and front) of returned items? How soon after an item is returned can these images be accessed?
 - d. Can the financial institution provide a summary report of returned items identifying the payer's name, depositing location, deposit date, and the type of item being returned?

5. Positive Pay
 - a. Does the financial institution offer Positive Pay and Payee Positive Pay?
 - b. How would the City transmit check issuance information to the financial institution?
 - c. What is the deadline for the transmission of check issuance files to the financial institution?
 - d. How frequently can transmission files be uploaded to the financial institution for the issuance of additional check, and/or recently voided items? Is there a limit to the number of files per day?

- e. Does the financial institution offer the ability to manually enter one-time check disbursements issued during the day? Please describe
 - f. What controls are in place to protect against lost files and duplications of transmissions? If duplicates are sent, is there a penalty or potential issues?
 - g. How will the City be notified of exception items? What time will the City receive the information on exception items? What time does the City have to notify if an exception should be accepted or rejected? Does the financial institution offer a "do not pay" default for exception items?
 - h. Will stale date checks be reported as exception items?
 - i. Is Positive Pay required for all demand deposit accounts, even on accounts with no check writing functionality? Can accounts be designated as "post no checks" to prevent potential fraud? Is there a cost to make this account designation?
 - j. Is Teller Positive Pay available? How frequently is check issuance information updated and available to tellers?
 - k. Are there any other fraud protection services that the financial institution provides and/or recommends?
6. Stop Payments
- a. How are stop payment orders placed? Can stop payments be placed online?
 - b. Are stop payment requests effective immediately? If not, how long does it take for a stop payment request to be effective?
 - c. Will the system verify if a check has been paid before processing the stop payment request?
 - d. What term options are available for stop payments?
 - e. Can Stop payments be automatically renewed? If so, for how long? What is the associated fee for each renewal?
7. ACH Processing
- a. What ACH file transmission options are available?
 - b. What are the transmission deadlines for ACH files? When does the financial institution need the file from the City and when are the funds debited from the City's accounts?
 - c. How are returned and rejected ACH transactions handled? What information does the financial institution provide to assist in identifying returned and rejected ACH transmissions? When is this information available?
 - d. Describe the financial institution's procedures for handling debits to the City's accounts that were not authorized by the City. Does the financial institution notify the City of the receipt of an unauthorized ACH debit?
 - e. If the financial institution provides ACH debit blocking, what level of filtering can be applied?
 - f. Does the financial institution offer ACH Positive Pay (ability to make pay/no pay decisions on unidentified ACH transactions)?
 - g. Does the financial institution offer Universal Payment Identification Codes (ability to mask visible account numbers to reduce the risk of unauthorized direct debits)?

8. Wire Processing

- a. Describe the process of initiating wire transfers including USD domestic wires, repetitive wires, USD international wires, and foreign currency international wires.
- b. During what hours is the wire transfer system available?
- c. If wire transfers can be initiated online, describe the system's security features. Can varying degrees of authorization be set (i.e. multiple authorizers, maximum dollar amounts, etc.)?
- d. Does the financial institution offer dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe.
- e. What is the cutoff time for same-day wire transfers?
- f. What is the financial institution's maximum retention period for future dated transactions? For future dated transactions, at what time are warehoused wire transfers automatically released on the transaction date? What types of wire transfers can be warehoused? Are there warehousing charges?
- g. Describe the financial institution's procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of the wire transfer request, including the availability and method of delivery of internal confirmation/sequence number and clearing system reference number.
- h. Describe the financial institution's policy for handling a failed wire transfer. How and when would the City be notified?

9. Bank Compensation

- a. Can the City compensate the bank for services with fees, balances, or a combination of the two at its own election? Please describe any differences in related costs to the City with either option.
- b. Can the City choose between paying for analysis deficiencies by check, auto debit, or ACH credit?
- c. What is the bank's Earning Credit Rate (ECR) based on, and how is it calculated each month?
- d. List the bank's average ECR for each the last six months (October 2021 thru March 2022).

10. Utility Billing services

The city currently utilizes lockbox service for utility bill payment processing. Utility bills are printed and mailed bimonthly and average 17,000. Lockbox transactions processed average 1,900 per month.

- a. Does the bank have the capability to provide lockbox and electronic lockbox payment processing service? If so, please describe the service and any costs associated.

11. State Activity/LAIF Transfers

The city transacts State of California Local Agency Investment Fund (LAIF) transfers on a regular basis and receives State electronic payments.

- a. Please describe the LAIF transfer process. Are the transfers done by telephone, email, fax, wire transfer, etc.? How is the accuracy of transfers assured?
- b. What is the charge per transfer to LAIF? From LAIF?

- c. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's office and the State Controller's office?
 - d. Is the bank an approved State of California depository?
 - e. What is the charge for the deposit of State electronic payments? State warrant?
 - f. What is the bank's position on past issuance of IOU's by State of CA? Does the bank accept IOU's for deposits?
12. Overdrafts
- a. What are the fees and interest charges associated with overdrafts? How are these charges calculated?
 - b. Is there a fee per check or per occurrence when there is an overdraft?
 - c. Is there a daily cap on fees?
13. Describe the financial institution security procedures for its information reporting system, both for access and information protection.
14. Is system administration performed by the financial institution or the customer? What functions does the security administrator perform?
15. Is an audit trail report available, showing all activity, by whom and when, for each system?
16. Describe the types of insurance and bonding carried.
17. Include a copy of the financial institution's most recent reports issued in accordance with the Statement on Standards for Attestation Engagements (SSAE 16) for any processes or systems relevant to the services under this RFP.
18. If not already covered in the SSAE 16 report, describe the disaster recover plans for each proposed service for short- and long-term disaster and power failure recovery.
19. Describe any additional security measures available to the City to minimize the risk of unauthorized transactions in its accounts.

D. IMPLEMENTATION/CONVERSION

- 1. Provide a conversion plan for transitioning each of the proposed services to your financial institution.
- 2. Who will be responsible for coordinating the transition for each of the proposed services? If a conversion team is used, how will the City's account be transitioned to the ongoing client service team?
- 3. Indicate the financial institution's plans for initial and ongoing educating and training City employees in the use of your systems?
- 4. Will the City be allotted a fixed number of hours and training?

E. NEW SERVICES AND IDEAS

- 1. Describe any new services or ideas that will enhance the City's utilization of financial institution services described.
- 2. Please provide any additional information that your financial institution believes to be pertinent, but not specifically requested elsewhere in the RFP.

F. REFERENCES

- 1. Provide at least three references (government entities, if possible), including client name, contact person, address, phone number, services provided, and the length of time your financial institution has worked for the entity.

2. How many governmental clients has the proposed relationship manager gained and lost in the last five years?

G. SAMPLE CONTRACT

1. Provide a sample of the proposed contract for your financial institution's services. Please also provide samples of all other documents which will need to be signed/entered into related to the provision of the services requested in this RFP, including any documents referenced or incorporated into the contracts/agreements.
2. It is the intention to incorporate the RFP and your financial institution's proposal response as part of the overall contract. Is this acceptable? If not, why?

H. PRICING AND ACCOUNT ANALYSIS

1. For how long is the financial institution willing to guarantee the proposed fees?
2. Can fees be debited direct from the City's account rather than billed to the City?
3. Provide a complete fee schedule for all the services described in your financial institution's proposal using Association of Finance Professionals (AFP) Service Codes, is possible.

Fees related to all services described in the proposal must be listed, even if the service is not shown on the schedule. Also, include any one-time or set-up charges, research fees, minimum fees and all other fees that will be charged. Include any incentives or price breaks offered based on volume, timeliness of payment, rebates or other measures.

4. Are you willing to offer any transition or retention incentives?
5. Are there any additional price breaks or incentives?

ADDITIONAL SERVICES

The bank may desire to offer the City additional services not otherwise specified in this RFP. In this event, a supplemental attachment should be prepared and included with the proposal describing the additional services offered in detail and indicating the cost, if any, for these services.

V. PRICING OF BANKING SERVICES

OVERVIEW

The City requires banks to offer the following options for payment of service charges:

Direct Payment of Service Charges (Option 1) - Under this approach, no compensating balance will be maintained by the City. The City will pay for actual charges for services provided on all City accounts. If the City elects this option, payment will be made by bank debit against the City's general checking account. The bank will link all City accounts for analysis and provide individual as well as a summary report on the charges and fees on a monthly basis. The bank will provide information identifying the volume of service transactions, unit prices and total

amounts owed, and an account analysis which will be submitted to the City within fifteen (15) working days of the end of the month. The City will receive an earnings allowance that will be used to reduce the monthly service charges.

Variable Compensating Balance Method (Option 2) - Under this approach, the compensating balance required to be maintained by the City will vary monthly based on the City's transaction volumes for the previous month and the bank's unit prices for services, reserve requirement and earnings allowance. The earnings allowance rate to be utilized is the three-month U.S. Treasury Bill average weekly auction results (coupon equivalent yield) for the previous month. Written notification to the Director of Finance will be required to adjust the compensating balance amount.

The City reserves the right to select either of the two options or a combination of both options as the method of payment for banking services. The City also reserves the right to change from one option to another.

ALTERNATIVE METHOD

Banks may desire to propose an alternative to the two options described above. In this event, a supplemental attachment should be prepared and included with the proposal describing in detail the alternative method along with computation detail.

VI. PROPOSAL EVALUATION AND SELECTION

OVERVIEW

Proposals will be evaluated by the City's Finance Committee, with a recommendation to be made to the City Council for consideration. The selection of the successful bank will be made by the City Council and subsequent award of contract will be based on a combination of the following criteria:

- Bank stability measures
- Banking philosophy
- Understanding scope of work
- Quality and responsiveness of the proposal
- Ability to meet service requirements including state-of-the-art electronic banking services that the City may require
- Related experience of the bank and references (Maximum of five references with governmental references required)
- Information on the Bank's "Business Continuity" plans
- Information on the Bank's "Community Involvement"
- Anticipated compensating balance requirements or direct charges for required services
- Availability and price of required and additional services

INTERVIEWS AND AWARD OF CONTRACT

Based on an evaluation of the proposals received using the above criteria, it is anticipated that the top candidates will be scheduled for interviews with the Finance Committee on June 8, 2022. The Finance Committee's final recommendation will then be submitted to the City Council on June 21, 2022 for approval and award of contract.

Following is the proposed timetable for the evaluation and selection process. In order to provide enough time to review and sign contracts, the effective date of the agreement will be within four weeks from the date of the approval by City Council.

TIMETABLE FOR PROPOSAL EVALUATION AND SELECTION

Issue RFP	05/6/2022
Written Questions Due	05/20/2022
Responses to Questions	05/25/2022
Proposals Due	06/1/2022
Possible Interviews	06/8/2022
Bid Reviews (Trustee Finance Sub-Committee)	06/13/2022
Award bid-Selection (City Council Meeting)	06/21/2022
Implementation/Go-live	TBD

VII. BANKING SERVICES ADVERTISEMENT

The City of Beaumont is requesting proposals for banking services from all financial institutions with full-service branches located in Riverside County. Additional information may be obtained by contacting:

Jennifer Ustation, Director of Finance
Finance Department
City of Beaumont
Telephone (951) 572-3236
justation@beumontca.gov

VIII. PROPOSAL SUBMISSION PACKAGE

OVERVIEW

The Proposal Submission Package should be indexed with page numbers and contain the following documents:

- Banking Services Proposal Cover Sheet
- Required Services/Pricing of Banking Services (including any addendums)
- Additional Services
- References
- Bank "Business Continuity" Plan
- Annual Financial Statements (Last Three Years Audited Reports)

- Rating agency rating report (Veribanc, Highline, etc.) at the expense of the submitting bank. The report is to be sent directly from the rating agency to the City of Beaumont to be received no later than 4:00 p.m. on June 1, 2022. (If mailed, the report is to be addressed to the same address as the proposal). The City will accept Bank Rating Research Reports if sent via email directly from the rating agency. Report sent via email should be sent to Jennifer Ustation, Director of Finance at justation@beaumontca.org and must be received prior to the closing deadline.

To be a complete proposal, all the above documents must be submitted via email to the City of Beaumont, with a "subject" title "City of Beaumont Banking & Merchant Services RFP" by 4 p.m. on June 1, 2022 closing date.

In addition, the following attachments may be required as part of the original document package:

- If the bank is proposing alternatives or non-substantial deviations to the Required Services, a full description and justification for the proposed alternative or deviation must be included with the proposal.
- If the bank is proposing to provide Additional Services, a full description of the service must be included with the proposal along with the cost detail.

Transaction indicators and estimated quantities have been provided with the standard "Monthly Activity Detail" list. It is assumed that the itemization of costs provided in this submittal will fully compensate the bank for all required services. In the event that additional itemization of transactions is required by the bank in order to be fully compensated for required services, an addendum should be completed in full by the bank. If estimated transaction volumes are required to complete the submittal form for additional items, the City should be contacted by email during the pre-submittal process for this information. The City's response to any question(s) will be distributed to all firms via email.

CITY OF BEAUMONT

**BANKING SERVICES PROPOSAL
SUBMITTAL COVER SHEET**

BANK NAME:	
LOCAL BRANCH ADDRESS:	
CONTACT PERSON:	
PHONE NUMBER:	
EMAIL ADDRESS:	
CORRESPONDING BANK: (If Applicable)	
CORRESPONDING BANK CONTACT PERSON / PHONE NUMBER:	
<p>The proposed term of agreement for the services and costs quoted in this submittal is for a period of five (5) years, with the ability to extend for two (2) additional two-year periods. The undersigned hereby certifies that this proposal meets or exceeds all of the requirements as specified in the City's Request for Proposal (including the Notice Requesting Proposal, Proposal Terms and Conditions, Scope of Services, Pricing of Banking Services, and Proposal Submission Package Sections) except as otherwise indicated and supported by supplemental schedules or attachments included with this proposal.</p>	
Signed by Bank Signatory:	
Bank Signatory (Print Name):	
Bank Signatory Title:	
Date:	
Address:	
Phone Number:	
Email Address:	

BANKING SERVICES PROPOSAL – REQUIRED SERVICES

Estimated Monthly Activity Detail

Service Description	Unit Volume	Activity Price	Unit Total
General Account Services:			
Account Maintenance	1		
Checks Returned with Statements	7		
Depository Services			
Deposits	350		
Checks Paid	40		
Deposited Items - On Us	60		
Deposited Items – Local Clearing	90		
Deposited Items – Other	100		
Currency Deposited		\$5,000,000	
Returned Item Debit	10		
ACH Returned Item Debit	5		
Returned Item Reclear Fee	0		
Returned Item Special Handling	0		
Controlled Disbursement Services			
Checks Paid (on Accounts Payable)	40		
Positive Pay Package	1		
Cash Reporter/Information Reporting	1		
ACH Services			
File Input	0		
Credit - Incoming	10		
Debit – Incoming	25		
Notification of Change	1		
Wire Transfer Services			
Incoming Domestic Wire	2		
Outgoing Domestic Wire	2		
Non-PC Repetitive Outgoing Domestic Wire	0		
Wire Notification (Phone)	1		
Information Reporting Services			
Basic Online A/C Maintenance	1		
Basic Online Detail Transactions	500		
Online CM ACH Maintenance (Stand Alone)	1		
ACH Upload Expense	1		
		Grand Total	\$

Please submit information on any standard monthly service charges that are not listed in the Monthly Activity Detail and use the same format shown in the Monthly Activity Detail. If any service charges are one-time set-up or service charges, or are to be no charge to the City, please make note of this.

All proposals for additional service must be accompanied by supplemental attachments describing in full the services offered along with monthly cost detail.

BANKING SERVICES PROPOSAL – ADDITIONAL SERVICES

<u>ITEM NO.</u>	<u>SERVICE DESCRIPTION SUMMARY</u>	<u>COST</u>	
		<u>Per Unit</u>	<u>Monthly</u>