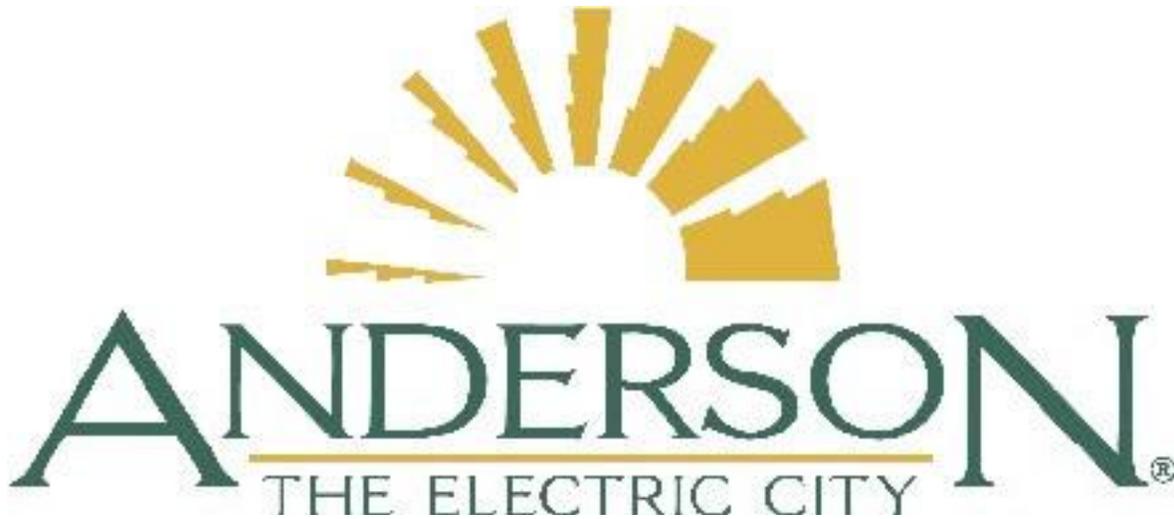


**CITY OF ANDERSON
FINANCE DEPARTMENT**



**401 South Main Street
Anderson, SC 29624**

**REQUEST FOR PROPOSAL
MUNICIPAL BANKING SERVICES**

Issue Date: August 9, 2017

Due Date: 5 p.m., Local Time, Wednesday, August 30, 2017

City of Anderson

Request for Proposal for Municipal Banking Services

Purpose of Request

The City of Anderson (City) is soliciting proposals for a primary banking relationship with a major bank that operates a branch within the city limits. The bank must be able to offer the full range of banking services required by this Request for Proposal (RFP).

The City reserves the right to reject any and all submittals and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of a proposal.

Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services.

The successful vendor must comply with the City of Anderson equal opportunity requirements. The City is committed to a program of equal employment opportunity regardless of race, color, creed, sex, age, nationality or disability.

Time Schedule

The City will follow the following timetable, which should result in final selection of banking services by October 24, 2017:

Issue RFP	08/09/2017
Deadline for Submittal of Proposal	08/30/2017
Preliminary Selection of Bank	10/13/2017
City Council Approval	10/23/2017
Notify Chosen Bank	10/24/2017

Candidates are invited to direct questions in advance of submitting a proposal to:

Peggy Maxwell, Finance Director, at (864) 231-2203 pmaxwell@cityofandersonsc.com, or
Tamara Lindley, Accountant, at (864) 231-5201 tlindley@cityofandersonsc.com.

Delivery of Proposal

All proposals should be delivered or hand carried to:

Peggy Maxwell, Finance Director
City of Anderson
401 South Main Street
Anderson, SC 29624

All written proposals must be in a sealed envelope and clearly marked in the lower left-hand corner: "**RFP-Banking Services.**" The City is not responsible for proposals delayed by mail and/or delivery services of any nature. No faxed or telephone proposals will be accepted. All proposals must be received by 5 p.m, Wednesday, August 30, 2017. Proposals received after the above date and time will be returned unopened.

Proposals should be prepared in a simple straight-forward manner with concise description of capabilities to satisfy the requirements of the request. Special bindings, colored displays, promotional materials, etc. are not desired. Emphasis should be on completeness and clarity of content. Four (4) complete copies of each proposal must be received by the Finance Director no later than the date and time specified in the above paragraph.

Public Records

Under South Carolina state law, the documents (including but not limited to written, printed, graphic, electronic, photographic or voice mail materials and/or transcriptions, recordings or reproductions thereof) submitted in response to this request for proposals (the “documents”) become a public record upon submission to the City, subject to mandatory disclosure upon request by any person, unless the documents are exempted from public disclosure by a specific provision of law. If the City receives a request for inspection or copying of any such documents it will promptly notify the person submitting the documents to the City (by U.S. mail and by fax if the person has provided a fax number) and upon the written request of such person, received by the City within five days of the mailing of such notice, will postpone disclosure of the documents for a reasonable period of time as permitted by law to enable such person to seek a court order prohibiting or conditioning the release of the documents. The City assumes no contractual obligation to enforce any exemption.

Introduction and Mandatory Requirements

First Citizens Bank currently provides banking services to the City. The City is requesting proposals to periodically test the market to assure that the City is receiving the optimum level of service at a competitive price.

The City presently maintains four types of accounts:

- Concentration Account – used for all cashiering, collections and money transfers.
- Accounts Payable Account – ZBA used for accounts payable disbursements/checks.
- Payroll Account – ZBA used for payroll disbursements/checks.
- 17 Miscellaneous Accounts –checking accounts for special revenue/grant funds.

The City deposited over \$55 million in its concentration account during the year 2016. Payroll is prepared bi-weekly for approximately 450 employees. Checks issued for accounts payable are currently processed weekly, an average of 200 per check run. Proposals should demonstrate the vendor's cost effective and innovative approach to today's banking needs as well as the rapidly changing demands of the future.

To be considered for selection, vendors must meet at least the following minimum qualifications:

- Authority to offer Banking Services - must hold a charter from either the United States Government or the State of South Carolina.
- Access to Federal Reserve System - must be a member of (or have access to) the Federal Reserve System and have access to all Federal Reserve System services.
- Legal Compliance - must be in compliance with all applicable laws, rules, regulations, and ordinances of the City of Anderson, the State of South Carolina, and the United States.
- Ability to supply web-based information reporting systems.
- Location of Banking Office - Must have established offices or local branches within the City.

Selection Criteria

Proposals will be evaluated by a committee of City staff. Evaluations will be based on criteria outlined herein which may be weighted by the City in a manner it deems appropriate. All proposals will be evaluated using the same criteria and weighting. The criteria used will be:

- Responsiveness to RFP – The City will consider all the material submitted to determine whether the Bank's offering is in compliance with the RFP documents.
- Ability to Perform Required Services –
 - The City will consider all the relevant material submitted by each bank, and other relevant material it may otherwise obtain, to determine whether the bank is capable of and has a history of successfully completing contracts of this type.
 - The bank shall furnish acceptable evidence of their ability to perform, regarding such categories as expertise/experience, equipment, facilities and personnel qualified to perform requested duties. The bank shall furnish a link to a web-based demonstration of their on-line reporting systems.
 - If the bank utilizes third party vendors to provide any banking services, a list of these vendors need to be provided along with their references.
 - The City requires additional security through a multi-factor authentication, security token, etc.
- References – List all South Carolina cities over 20,000 population for which the bank has provided services as their primary financial institution within the past two years.
- Fees – Monthly Service Detail – see page 12.
- Interviews and Site Visits – The City may conduct interviews and site visits as part of the selection process.

Terms and Conditions

The City reserves the right to reject any and all proposals with or without cause.

The City reserves the right to request clarification of information submitted and to request additional information regarding any or all proposals. Refusal to provide such information upon request may cause the proposal to be rejected.

The City reserves the right to award any contract to the next most qualified bank if the successful bank does not execute a contract or any terms of the contract within thirty (30) days after the award of the proposal.

Any proposal may be withdrawn, up until the date and time set for opening of the RFPs. Any RFP not so timely withdrawn, shall constitute an irrevocable offer for a period of one hundred twenty (120) days after opening date, to sell to the City the services described in the attached specification, or until one or more of the proposals have been approved by the City administration, whichever occurs first.

The contract resulting from acceptance of a RFP by the City, shall be in a form supplied or approved by the City and shall reflect the specifications in this RFP.

The City shall not be responsible for any costs incurred by the bank in preparing, submitting or presenting its response to the RFP.

General Requirements:

The term of this Contract shall be five years. The City intends to begin receiving services December 1, 2017.

If compensating balances are used to pay for costs, all costs associated with the banking services agreement will be paid for by this method. The City will consider other payment methods such as direct fees, 0% CD's or a combination of methods.

All deposited funds must be one hundred percent (100%) collateralized by federal, state, or municipal securities consistent with the South Carolina State Code of Laws governing municipalities (beyond the limits of FIC coverage). Written proof of collateralization must be provided to the Finance Department on a monthly basis at no additional cost.

Investment activities of the City are not related to the appointment of a bank to provide banking services. The bank must provide the City with the means to conduct its investment activity, including but not limited to providing wire and safekeeping services if requested.

Any agreement for banking services as a result of this request for services is in no way intended to grant or guarantee an exclusive banking services relation between the City and the selected bank.

The selected bank must, upon authorization from the Finance Director or City Manager, allow reasonable access to bank records by the above or auditors which may be auditing the records of the City. The bank shall also cooperate in any prosecution of misuse or misappropriation of City funds.

All submitted proposals and information included therein or attached thereto shall become public records upon opening and accordingly subject to public disclosure as it may apply to the City. Upon opening all proposals shall become the property of the City.

The Banking Services Agreement shall provide that the City reserves the right to cancel any agreement at any time upon ninety (90) days prior notice of its intent to terminate the agreement. The City does not agree to use all services which may be included in a banking services agreement. The City may cancel the agreement with less than 90 days notice if the City finds that the terms of the agreement have been violated and the bank does not take immediate steps to meet the violated terms. The bank shall provide the City at least ninety (90) days prior written notice of its intent to terminate the agreement.

The City reserves the right to reject any or all proposals, to waive any non-material irregularities or informalities in any proposal and to accept or reject any item or combination of items in any proposal.

The selected bank will designate a customer service relationship manager and client services contact for all services. This relationship manager must have a local management presence within the Anderson area. The bank will provide a resume for this individual. The bank will specify the responsibilities the individual will have in relation to the City's accounts. The bank will specify if a backup individual will be assigned. If so, the bank will provide a resume for the backup individual and specify the location of the backup individual.

The bank will provide a sample banking contract that will be required for the services, if applicable.

The bank will provide sample copies and instructions of a resolution from the City of Anderson Council, if required.

The bank will provide the following information:

- Most recent audited financial statements;
- Total capital as of most recent year-end and quarter-end;
- Moody's and Standard and Poor's short term and long term ratings.

Specific Requirements:

Main Checking Account: The City requires a demand deposit type account through which all deposits will be made, checks written, ACH, wire transfer and credit card transactions will take place. The City prefers two separate zero-balance checking accounts for processing accounts payable and payroll checks. These "zero balance" accounts clear against the main operating account. The bank may describe/propose a modified structure that would be more efficient and/or less costly to the City. The bank should describe how debit and credit postings would work, if other than one daily entry for each ZBA and how these transactions will appear on the monthly statement. The bank must furnish the City, throughout the term of the contract and at the bank's expense, supplies for deposit instruments needed by the City. The City shall assume the expense of providing checks.

Other Checking Accounts: The bank will furnish the City with additional checking accounts as needed.

Overnight Investments: On a daily basis, all collected funds remaining in the non-ZBA accounts, after funding the ZBA's and meeting compensated balances, if applicable, will be invested in overnight repurchase agreements with the bank.

- The bank should describe in detail how the bank could accommodate overnight investments. Preference will be given to the investment being maximized automatically based on the cash amount remaining each night, as opposed to the City having to manually increase or decrease it each time.
- The bank should describe the formula and index for calculating the interest rate to be paid on the investments.
- The bank should describe the safekeeping procedures and reporting to be employed.
- The bank may describe/propose other alternatives for overnight investments that would be more beneficial to the City.

NSF Checks:

Describe the solutions the bank provides for recovery of NSF checks. The City prefers a system that will convert NSF checks into an ACH file and have it automatically presented again by the bank to help reduce the City's involvement in the NSF check collection process.

Lock Box Services: The City requires a lockbox service for processing utility payments. The City has over 17,000 customers with 3,300 of these customers paying by mail. The bank should provide details on how their lock box system works, the costs associated with the service, whether this service is performed in-house or outsourced, and what online imaging capabilities are provided. The bank should provide two references of similar clients that currently use this service with the bank.

Wire Transfer Service: The bank will be required to provide wire transfer services. Wire service credits and debit notices shall be delivered to the City the day of the transaction, preferably via email. The bank will honor all outgoing wire requests by the City and not wait until incoming or deposited funds are available.

Positive Pay:

The bank shall provide electronic positive pay to reduce the check fraud loss by accelerating the flow of information between the City and the provider. A system should be in place wherein the City provides the check issue information and the provider verifies both the dollar amount and the check number as checks are presented for payment. All checks that fail to match the checks issued information, called "exceptions", are researched. The provider will notify the City of the exception items and the City will research the items and instruct the provider to pay or return the items.

In addition to positive pay, the City will require ACH positive pay to block all ACH debited and credited transactions unless authorized by the City or meets pre-established criteria.

Credit/Debit Card Processing: Describe your ability to provide an electronic system to accommodate credit/debit card authorizations and processing for customers. The bank will specify in their proposal what credit cards the bank will process and the related cost to the City. The bank shall indicate if these fees are charged against compensating balance earnings.

Purchasing Card Services: The bank shall provide selected City employees with purchasing cards for the purpose of making purchases. These purchasing cards are not to be debit or transaction cards such that the City account would be charged, but rather the City will make a payment from statements. The bank is to include in their proposal whether the City can obtain cards issued to specific individuals. Statements for each individual card should be available on line as well as the ability to adjust purchasing card transaction limits.

Direct Deposit: Describe direct deposit services, including automated electronic file transfer of data for both payroll, including associated bill transfers, and accounts payable. The City currently utilizes direct deposit services for our biweekly payroll, with a 48 hour turnaround time. The bank shall indicate if they use a corresponding institution to facilitate direct deposit services.

Indicate if the bank offers direct deposit services to any institution which receives wire transfers. Direct deposit is to be such that funds will be available no later than 8:00 am on distribution day. The bank should specify how many days and what time of day prior to the day of deposit the bank requires the information as to which accounts to make deposits (provide an example such as, if for deposit on Thursday must receive data by noon preceding Tuesday.) The bank shall explain its security structure and requirements for direct deposit. Describe time lines associated with direct deposits and if possible, alternatives to the standard time line, as well as the associated costs.

The bank should provide acknowledgement upon receipt of a file transmission. The bank should describe the level of detail, the information required and the reconciliation procedures involved.

The bank should describe how returned items are handled.

The bank should describe any special incentives it would be willing to offer City employees that currently do not use direct deposit to open such an account with the bank. Does the bank offer pay cards as an alternative to direct deposit? If so, please describe.

Remote Image Deposit:

The bank must provide equipment/scanning software to scan checks to be deposited as a remote image deposit and transmit the created images to the bank via an internet connection, at the bank's expense. The City currently uses the remote deposit scan (UNISYS My VisionX Model 09-2007) and is able to reconcile the deposit prior to transmission of file and deposit verification. The City requests to be able to view scanned document images for a period of at least one year. The City currently performs the remote deposit for utility deposits only, but has plans to expand this service to all City departments.

Electronic Lockbox Solution:

The bank must provide capabilities for an electronic lockbox solution for the consolidation of paper checks from various banks' online banking. The City requires a system that will coordinate e-payments from all processors with one file to process daily to eliminate the number of lockbox rejections and payments routed to the City to process. File format should be the same as Lockbox file format.

Reporting and Money Transfer: Describe the web-based system(s) available to access account transactions and balances, perform electronic money transfer (ACH and Wire), perform operations such as stop payments on checks. Include specifications for hardware and software capability as well as data download/file transfer formats for internet services proposed. Also specify the costs related to internet services.

Account Reconciliation: Describe the account reconciliation services offered by the bank including CD based and on-line check document image storage, positive pay (accounts payable and payroll), reverse positive pay, end-of-period report availability schedule and other electronic options or web-based options.

Statements: The City requires the bank to provide month-end statements for all accounts showing an analysis of all transactions to each account, with the ability to provide statements by transaction type as well as dates. Statements shall be available on-line. The bank is also to provide an account activity analysis of each account and a consolidation of the activity of all accounts for each month. The account analysis is to include, but not be limited to:

- Ledger balance
- Collected balances
- Detail of adjustments
- Reserve requirement - in dollars and percent
- Credits/debits
- Detail of services and related costs
- Total cost of services
- Earnings allowance

Identify the proposed compensation method: (i.e.: compensating balances, straight fees, other method or combination thereof). Describe the interval/time frame proposed for the City to compensate for any additional fees not offset by the earnings allowance on collected balances (i.e.: monthly, quarterly, semi-annually, annually) and to what extent the service charge credit/debit from one year can be carried forward to the next year.

Account Earnings: The City desires to earn maximum value on its funds. Banks should provide information on its proposed method to insure the City earns value on amounts which may be in the City's accounts.

Overdraft Protection: The bank shall provide the City with overdraft protection including daylight overdrafts. The bank will honor all demands upon the City's accounts including outgoing wire instructions by the City. In the proposal the bank shall state the cost of providing the overdraft protection, including, if used, a benchmark from which the bank will determine the interest to be charged on overdrafts and current rates.

In the proposal the bank shall state its policy relating to daylight overdrafts, as well as what constitutes a daylight and overnight overdraft situation. Specify the fees and interest charge formula and when it will be applicable.

Conversion Plan: Describe the conversion plan you would coordinate to ensure a smooth transition from the current provider.

Service Enhancements: Describe any enhancements, technological or otherwise, that we should consider to improve operational or cash management efficiencies.

Emergency Preparedness and Disaster Recovery: Describe your disaster recovery procedures. How quickly will back-up facilities be activated?

Other Optional Services: The bank may specify other services. These services should include a brief description and anticipated cost.

BID SHEET
COST OF SERVICES

Bid Procedures: Each item below must be addressed. If there is no cost enter "none." If the bank is not bidding or offering the service enter "no proposal." Banks may use their own format for bidding of services provided all items are addressed and in the same order as presented on this bid sheet.

Any additional costs associated with the "General Requirements" or "Required Services" that are not specifically listed in the "Cost of Services" section must be added by the bank including unit costs.

Estimated monthly activity is not intended to be a guaranteed minimum or maximum.

Pricing Adjustments: Prices in proposals are to be for the initial year of the contract. Annually, if the price per unit of service is adjusted, the bank must state its adjustment factor.

Adjustment factor _____

Monthly Service Detail - see page 12

Credit cards to be used for purchases:

Annual fee per card: _____

Can the bank issue credit cards to the City in general (not to a specific individual)?

Yes _____

No _____

Credit card payment services:

Credit card: _____

Unit Fee: _____

Discount: _____ %

Online Account Access:

Access by City to bank accounts for previous day activity:

Base/setup fee: _____

Monthly maintenance fee: _____

Access fees: _____

Other charges: _____

Access by City to bank accounts for same day activity:

Base/setup fee: _____

Monthly maintenance fee: _____

Access fees: _____

Other charges: _____

Does the system have the ability to store and retrieve historic balances and detailed transaction data by date and account? If so, for how long? _____

Briefly describe security procedures: _____

The City of Anderson is very interested in utilizing automated systems, including Internet banking and website assistance, and maintaining a paperless process as much as possible. Please include any additional services that your bank could make available to the City of Anderson together with cost, including hardware and software requirements.

BID INFORMATION

A. Whom may we contact at your financial institution regarding this proposal?

Name: _____
Title: _____
Phone: _____

B. Location (branch) which will service the City's accounts:

C. Bank preferred method of compensation:

D. Specify type and location of services (attach) not to be provided within the City limits.

E. List regular hours of branches within the City:

Phone Availability: _____
Lobby Hours: _____

The undersigned acknowledges that he/she has read and understands the provisions set forth in the proposal and agrees that he/she can furnish the specified services at the quoted prices. It is further acknowledged that the City's proposal and proposed response of the financial institution shall be incorporated into a contract between the City and the undersigned.

NAME OF FINANCIAL INSTITUTION _____

Signature of Authorized Official _____

Title of Official _____

Date _____

Office Address _____

City _____ State _____ Zip _____ Phone _____

City of Anderson						
Request for Proposal - Municipal Banking Services						
Operating Account - Monthly Service Detail						
Description				Volume	Unit Price	Total Price
General Account Service						
Account Maintenance - # of accounts				3		
ZBA - Parent Acct Maint				1		
Zero Balance Sub Acct Maint				2		
ACH Services						
ACH Credit Per Item Fee				238		
ACH Return Item				10		
ACH Notification of Change				3		
ACH Monitor Paid Decision				5		
ACH Monitor Filter				1		
Depository Services						
Checks (Debits)				113		
Rolled Coins Supplied				48		
Currency Deposited				1803		
Deposit Protection per \$1000				14621		
Deposit Items - FCB/GVT				288		
Deposit Items - In State				2743		
Deposit Items - Out State				580		
RID - Maintenance				1		
Deposits /RID				21		
Deposit Items/RID FCB/GOVT				102		
Deposit Items/RID In State				964		
Deposit Items/RID Out State				271		
Paper Disbursement Services						
Returned Items - Charge Back				5		
Information Reporting Services (Online Reporting)						
Additional Accounts				17		
ACH File Process				13		
ACH Item Fee				3158		
ACH Module Fee				1		
Same Day Bal Rpt-Wir				1		
Bank Trx Internal				18		
ERD Service Fee				1		
ERD Request Fee				1		
External Alerts				37		
Posted Items				463		
Plus Package				1		
Stop Payments				3		

City of Anderson						
Request for Proposal - Municipal Banking Services						
Operating Account - Monthly Service Detail - Continued						
LockBox Services						
	Lbx - Box Rental			1		
	Lbx - Check only Fee			300		
	Lbx - Check Processed			3222		
	Lbx - Data Transmission IP			3521		
	Lbx - Deposit Prep Fee			23		
	Lbx - Data Transmission			1		
	Lbx - Exception Items Fee			45		
	Lbx - Email Deposit Rept			23		
	Lbx - Image Check Capture			3222		
	Lbx - Image Fixed			1		
	Lbx - Img Remit Capture			3521		
	Lbx - Maintenance			1		
	Lbx - Remit Processed			3521		
	Lbx - Package Prep			22		
	Lbx - Correspondence Only			28		
	Lockbox Postage			35.8		
Wire & Other Funds Transfer Services						
	CTD Wire Out Domestic			6		
	Wire Email Notification			7		

City of Anderson						
Request for Proposal - Municipal Banking Services						
Payroll Account - Monthly Service Detail						
Description				Volume	Unit Price	Total Price
General Account Services						
Checking Maintenance				1		
Zero Balance Transfers				17		
ACH Services						
ACH Monitor Paid Decision				1		
ACH Monitor Filter				1		
Depository Services						
Checks Paid				166		
Account Reconciliation						
Positive Pay Maint				1		
Positive Pay Only Items				197		
Positive Pay Items				197		
Accounts Payable Account - Monthly Service Detail						
Description				Volume	Unit Price	Total Price
General Account Services						
Checking Maintenance				1		
Zero Balance Transfers				17		
ACH Services						
ACH Monitor Total Block				1		
Depository Services						
Checks Paid				415		
Account Reconciliation						
Positive Pay Maint				1		
Positive Pay Only Items				462		
Positive Pay Items				462		