REQUEST FOR PROPOSALS
BANKING SERVICES

RFP ISSUE DATE: February 10, 2020
RFP CLOSING: March 6, 2020

RFP CONTACT: Cassandra Langenfeld
Administrator/Clerk-Treasurer
City of New Holstein
2110 Washington Street
New Holstein, WI 53061
clangenfeld@wppienergy.org
920-898-5766
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1.0 GENERAL INFORMATION

1.1 Introduction

The City of New Holstein (City) and New Holstein Utilities (Utilities) are requesting Request for Proposals for Banking Service as our current financial institution, BMO Harris, has notified us that they will be closing the New Holstein Office this Spring. The City and Utilities intend to maintain all banking services with one financial institution to maximize cash flow and minimize administrative costs. The City and Utilities would like to establish a banking relationship with a financial institution that is located in the City of New Holstein or may be located in the City in the near future.

The City and Utilities will make every effort to administer the proposal process in accordance with the terms and dates outlined in this RFP. However, the City and Utilities reserves the right to modify the activities, timeline or any other aspect of the process at any time and as deemed necessary by City and Utilities staff. By requesting proposals, the City and Utilities are in no way obligated to award a contract or pay the expenses of proposing banks in connection with the preparation of submission of a proposal.

1.2 Activity Schedule

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 10, 2020</td>
<td>RFP Issued</td>
</tr>
<tr>
<td>February 24, 2020</td>
<td>Request for Clarifications Due</td>
</tr>
<tr>
<td>March 6, 2020</td>
<td>Proposal Submittal Deadline</td>
</tr>
<tr>
<td>TBD</td>
<td>Committee meets to Review proposals</td>
</tr>
<tr>
<td>TBD</td>
<td>Interviews of short-list responders if needed</td>
</tr>
<tr>
<td>March 18, 2020</td>
<td>Review/Approval by the City’s Common Council</td>
</tr>
<tr>
<td>March 24, 2020</td>
<td>Review/Approval by the New Holstein Utilities Commission</td>
</tr>
<tr>
<td>April 1, 2020</td>
<td>Commence Transfer of Accounts</td>
</tr>
</tbody>
</table>

The City and Utilities have made every effort to include sufficient information within this Request for Proposal for a bank to prepare a responsive, comprehensive proposal. The timing of the proposal process is subject to change, depending on the needs of the City and Utilities, but is anticipated to follow the Activity Schedule.

1.3 Selection Process

The proposals will be evaluated by a committee comprised of a City representative and a Utility representative. Evaluations will be based on criteria outlined in this RFP, which may be weighted by the City and Utilities in a manner it deems appropriate. All proposals will be evaluated using the same criteria and weighting. Price and logistics to a branch location are not the sole deciding factor, although they are both a significant factor. In making a determination, the City and Utilities may consider the following criteria:

- The bank’s demonstrated understanding of the proposed banking relationship and its demonstrated ability to successfully meet the City and Utility’s needs.
- The bank’s past experience with accounts of a similar type, size, and complexity.
• The bank’s responsiveness to the Proposal and inclusion of all required Exhibits.

Upon completion of the evaluation of proposals, the City and Utilities will notify the selected bank if an interview or meeting is needed. The City and Utilities will not discriminate against any interested firm or individual on the grounds of race, creed, color, sex, age, disability or national origin.

2.0 SCOPE OF SERVICES

2.1 General Instructions

The evaluation and selection of a financial institution will be based on the information submitted in the proposals, plus references, and any required interviews/presentations. Institutions should respond clearly and completely to all requirements. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a proposal. Elaborate proposals with extraneous or marketing information are not necessary.

If a service requirement or section of the proposal cannot be met by the proposing institution, please indicate that the service is not offered on your response. An alternative equivalent service may be offered.

If there are any services not listed for which an institution intends to charge, please list each item separately.

2.2 Minimum Responder Requirements

Financial institutions submitting proposals for banking services must meet the following minimum qualifications:

a) Must be a federally or Wisconsin chartered financial institution.
b) Must be insured by the Federal Deposit Insurance Corporation (FDIC)
c) Must be a member of the Federal Reserve System and have access to all services
d) Must be able to initiate and receive wires from the Federal Reserve System
e) Must be able to initiate and received Automated Clearing House (ACH) transactions

2.3 Submitting RFP Questions/Inquiries

Written questions for clarification concerning this RFP shall be submitted by email to Cassandra Langenfeld at clangenfeld@wppienergy.org no later than 4:00 P.M. local time on Monday, February 24, 2020. Written responses will be posted on the City’s website no later than 4:00 P.M. local time on Thursday, February 27, 2020.

2.4 Submission of Proposals

The Administrator/Clerk-Treasurer shall be the only contact for any or all aspects of this RFP. Proposals must be submitted in a sealed envelope or package clearly marked “City of New Holstein/New Holstein Utilities Banking Services” along with the proposing financial institution’s name and address. The proposing institution shall return three (3) copies of
the proposal and other pertinent information (such as annual financial records) no later than 4:00 P.M. local time, Friday, March 6, 2020 to the office of the Administrator/Clerk-Treasurer, 2110 Washington Street, New Holstein, Wisconsin, 53061. Any proposals received after the above time will not be considered.

The City and Utilities 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 items or combination of items.

2.5 Proposal Organization and Required Format

**Letter of Interest:** Using the format show below, include a letter expressing the bank’s interest in being considered for the banking services.

A. Letter of Interest:

Cassandra Langenfeld  
Administrator/Clerk-Treasurer  
City of New Holstein  
2110 Washington St  
New Holstein, WI 53061

Ms. Langenfeld

We have read the City of New Holstein and New Holstein Utilities RFP for Banking Services and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to fulfill the requirement thereto. We understand that our ability to meet the criteria and provide the required services shall be evaluated solely by the City of New Holstein and New Holstein Utilities.

We have attached the following:

1. One (1) copy of our annual financial reports for the past three (3) years
2. All required information entailed in the RFP

It is understood the above information will be used as evidence of our ability to meet the requirements necessary to service these accounts.

It is further understood that all information included in, attached to, or required by the RFP shall become public record after acceptance of the service proposal.

Submitted by:

__________________________  
Financial Institution

__________________________  
Authorized Signature/Title

__________________________  
Date
B. Relevant Experience: Please provide the following information:

Bank Overview – General overview of bank, certification of meeting required qualifications to propose as outlined in 2.0, customer service philosophy.

Experience – Bank’s direct experience in servicing public sector clients. Please include the number of public agency clients and the dollar amount of public funds on deposit.

Relationship Management – Identify bank officers responsible for the City’s accounts, what each person’s role and responsibilities will be, and the relevant credentials and experience of each person on the relationship management team.

C. References: Please provide three (3) references (preferably public agencies) for whom you have provided banking services similar to those required by the City. Include for each reference a contact name, title, name of customer, address, telephone number, fax number, email address, and number of years as a customer.

D. Pricing Schedule and Conditions: Please provide a detailed pricing schedule.

E. Conversion Plan: Please describe how transition from our current provider would be coordinated in order to ensure a smooth transition without causing any lapse in services.

F. Demand Deposit Accounts:

City and Utilities currently have eight (8) checking accounts.

<table>
<thead>
<tr>
<th>Account</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>City’s Main</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>City’s Municipal Court</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Sanitary District</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Commission*</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Commission</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Commission</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Commission</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Utilities Flex (Clearing account for 125 cafeteria plan)</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Volunteer Fire Department</td>
<td>All deposits and payables</td>
</tr>
</tbody>
</table>

*of the five (5) utility accounts only three (3) of the five (5) are needed. They were all created to avoid service charges with our current bank.

The following chart indicates the average ending balance for each account in 2019.

<table>
<thead>
<tr>
<th>Main Acct</th>
<th>Reserve Acct</th>
<th>Vol Fire Dept</th>
<th>Vol Fire Dept MMDDA</th>
<th>Sanitary District</th>
<th>Utility Comm</th>
<th>City of NH Flex acct</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,960,530</td>
<td>$750,000</td>
<td>$5,178</td>
<td>$86,467</td>
<td>$188,071</td>
<td>$346,600</td>
<td>$112</td>
</tr>
</tbody>
</table>

Analysis Statements are available for more detail upon request.
City and Utilities have six (6) money market accounts

<table>
<thead>
<tr>
<th>Account</th>
<th>All deposits and payables</th>
</tr>
</thead>
<tbody>
<tr>
<td>City’s Reserve</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>Volunteer Fire Department</td>
<td>All deposits and payables</td>
</tr>
<tr>
<td>New Holstein Utilities (4)</td>
<td>For loan payments</td>
</tr>
</tbody>
</table>

Daily bank balances and activity are obtained online through the internet for these accounts. Accounts Payable disbursements are currently made by EFTs and computer-generated checks by the City Clerk’s Office/Utilities Office on a weekly basis. City and Utilities employees are paid on a bi-weekly basis through direct deposit. All City and Utilities checks require the signatures of two of the following: Mayor and City Administrator/Clerk-Treasurer. The City and Utilities perform monthly transfers between accounts.

Deposits are made by various City and Utilities personnel. Deposits occur during the day.

The City also has Health Savings Accounts (HSA) for their employees. The HSA provides a debit card and check writing abilities for our employees. There are currently fourteen (14) individual employee HSA’s.

Please provide answers to the following:

1. Please describe the bank’s cash deposit requirements. How should the coin and currency deposits be bundled? Is there a fee for depositing loose or rolled coins? Is there the option to run loose coin through a coin counter?

2. Please provide examples of the reports for account analysis statement and the bank statement.

3. Please describe the bank’s procedures for handling deposit adjustments. What documentation on discrepancies does the bank provide? Is the documentation different for cash deposits and check deposits? What is the minimum adjustment amount? How soon would support documentation of a deposit discrepancy be provided to the City and Utilities?

4. What are the cut-off times for deposits at the bank? If the bank has more than one branch, identify the time and branch(es) where a final daily deposit will be accepted. Is pricing different for night drop services?

5. Please describe the bank’s return item handling and notification procedures. How long does it take returned items to be sent to the City? Can returned items be automatically redeposited? If so, how many times?

6. Can change orders for $500 or less be made available to City departments without advance notice?

7. The bank will be required to provide certain transaction confirmations and respond to other requests for data as needed from the City’s auditors. Will the bank be able to comply with such requests?

8. How do you determine and calculate availability of deposited items? Do you give immediate availability for on-us item? Do you calculate availability by item or formula?
Please provide a copy of the funds availability schedule you propose to use for the City and Utilities.

9. Describe how outgoing wire transactions are handled. Do you have the option of dual control to verify any outgoing wire?

10. Please provide information on the ability to collateralize the City and Utilities funds.

G. Online Banking: Do the financial institutions’ online banking services include, at a minimum, the following capabilities:

1. Secure, dual administration (separation of duties) for initiating and approving user access, permissions, ACH transfers, template setups, etc.
2. ACH transfers
3. Ability to print or download electronic bank statements in an electronic file that can be imported to Excel
4. Daily detailed account reporting showing beginning and ending ledger balances, collected balances, and available balances.
5. Image viewing of deposit tickets
6. Image viewing of canceled checks, front and back
7. Stop payments
8. Funds transfers between accounts
9. Electronic notifications of transactions
10. Viewing information on refunds, voids or deletions of deposits or receipts
11. Information to be available for a minimum of 90 days

H. ACH:

The City processes direct deposits of payroll up to four (4) times a month. The payroll files are sent to the bank through the internet for paydays that occur on Fridays. Other miscellaneous ACH transactions such as retirement fund transfers, employee benefits, sales tax transfers, and federal tax payments flow through the main account each month.

The Utilities processes collections for utility billing accounts through ACH. The average monthly deposits are 84 and daily deposits are $1,000. Three (3) times a month Utilities pull 579 customers at $20,000 each pull.

Please provide answers to the following:

1. Please describe the bank’s ACH and Direct Deposit on-line banking service.
   a. What are the different ACH file transmission options available to the City?
   b. What are the transmission deadlines for ACH files? When (day and time) does the bank need the file from the City?
c. What are the hours of operation of the ACH unit?

d. Please describe what your security measures are for the ACH initiation/origination and ACH reception.

2. Please detail the bank’s back-up plans for data transmissions. The City requires immediate notification of any changes or problems and the ability to re-send or delete a file.

3. What screening measures does the bank use to minimize errors on files sent to you?

4. How does the bank handle file, batch and item reversals and deletions?

I. Conversion: The City and Utilities require a smooth and low-cost transition to a new bank.

1. Please describe the bank’s plan to implement the proposed services and to ensure a smooth, error-free conversion. Please detail all costs and the responsible party (bank or City) associated with the conversion of all new services.

2. Indicate your plans for educating and training City employees in the use of your system(s).

3. Describe in detail how the bank handles problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental clients. Please be specific about exactly whom the City will be calling and working with for the above described situations.

J. Data Equipment Compatibility:

The City and Utilities rely on online transactions and wishes to ensure equipment, software and data compatibility and therefore requests the specifications needed for an ACH debit and credit, balance reporting, and any other automated systems be included in this proposal.

K. Disaster Recovery:

1. Describe your institution’s formal disaster recovery plan.

2. How quickly will back-up facilities be activated?

L. Credit Cards

Please provide information on if your institution offers Corporate Credit Cards.

Is the City and Utilities able to issue multiple cards to the management staff that will be assigned to the same account? What rewards are offered by your credit card?