



**Baldwin County Commission**  
**Kimberly W. Creech**  
**Clerk Treasurer**  
**312 Courthouse Square, Suite 11**  
**Bay Minette, AL 36507**  
**(251) 937-0303**  
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**kcreech@baldwincountyal.gov**

DATE: February 16, 2016

TO: Baldwin County Financial Institutions

FROM: Kimberly W Creech, Baldwin County Clerk/Treasurer

SUBJECT: REQUEST FOR PROPOSAL BANKING SERVICES FOR THE BALDWIN COUNTY COMMISSION

The Baldwin County Commission hereby requests proposals for Banking Services, Lockbox Services, Merchant Service and Investments for all Baldwin County Commission regular funds. Regular funds are defined later in this proposal. The proposal shall be for the three-year period beginning June 1, 2016 and ending May 31, 2019, with options (2) additional terms of one (1) year each. Baldwin County Commission reserves the right to award, at its sole discretion, all or part of the required service(s) to one or more qualified proposer. Proposer is not required to submit on all requested services to be considered for award. The Commission reserves the right to select the proposal which best meets its needs solely at its discretion.

### **Confidential Information**

Proposers are hereby notified that all information submitted as part of, or in support of, proposals will be available for public inspection after the opening of the proposals, in compliance with Alabama statutes.

### **Designation of Depositories**

Financial Institutions which are a "Qualified Public Depository" (QPD) in the Security for Alabama Funds Enhancement (SAFE) Program as defined in Title 41, Chapter 14A, Code of Alabama 1975, and have a physical present in Baldwin County are designated as eligible depositories for funds under the discretion and control of the Baldwin County Commission.

### **Banking Services**

Banking services covers day to day services that the County requires to conduct financial operations. This includes but not limited to: bank accounts for deposits and withdrawals, sweep accounts, on-line banking, direct deposit for payroll, timely bank statements, local accessibility to institution, etc.

**All RFP responders must furnish a CD or Internet site demonstrating the bank's Internet/Cash Management systems capabilities by March 2, 2016.**

**Regular Funds–Banking Services**

For purposes of this proposal, regular funds mean the following on an exclusive basis:

1. 72 bank accounts currently in use by the Commission and the deposits and disbursements for these accounts as they currently exist [data for 72 accounts is on the attached schedule EXHIBIT 1].
2. The growth or decline of the deposits and disbursements for these accounts during the three-year period of this proposal.
3. Any additional accounts, deposits and disbursements which might be required by law or Commission action during the three-year period of this proposal.
4. The interest earnings on accounts which will be provided by this proposal. However, regular funds do not include warrant issue proceeds should the Commission borrow such during the three-year period of this proposal.

Institutions submitting proposals are requested to state the percentage of the Prime Rate they will pay as interest on all regular funds on deposit with their institution. [Proposals shall be submitted on a floating guaranteed yield basis tied to the Prime Rate of interest as quoted in the Wall Street. The Prime Rate is currently 3.50%. Proposals shall be a percentage of the referenced Prime Rate. The institution shall further state the dollar amount the Commission would have earned as interest had the actual prior 12-month average of \$96,303,837 (from the attached EXHIBIT 1) been on deposit from January 1, 2015 through December 31, 2015 under the terms as proposed. Whether or not interest will be earned on the reserve requirement must be stated in the proposal and taken into account in the above dollar calculation. Alternative proposals may be submitted using a different basis than Prime as long as all other requested information is included.

The following services are also required:

1. No service charge or additional cost for any transaction, function, etc. occurring in, or related to, the accounts, including but not limited to all of the items that follow.
2. Monthly statements for all accounts (currently 72), checks and deposit tickets furnished for all accounts. (EXHIBIT 1)
3. Electronic and ACH transfers upon request including incoming and outgoing wires.

4. Provide statements of the county's accounts with cut-off at the close of the last working day of the month and have them delivered to the County Business Office within five (5) working days after the last day of the month. With the bank statement, a data file should be included on electronic media that contains all cleared items with appropriate information (i.e., check number, date, and amount). Alternatively, the Bank should propose full reconciliation service. Return of all checks should be via CD on a monthly basis with the front and back of the check imaged in numerical order. Bank shall provide Web access to check images, account balances, and statements on a timely basis (to be specified in your response) between statement cycles.
5. Internet connection for the secure transfer of funds among Commission accounts and for history inquiry on account activity. The history capability must include online copies of checks for at least two years.
6. Payroll Account – The payroll account will be used solely to process payroll disbursements to employees. There will be deposits into this account to cover direct deposit transactions. All County employees are paid by direct deposit (ACH processing) biweekly. An ACH pass-through file is created by the County and transmitted to the bank every other Wednesday with processing of deposits to employee personal accounts to be available the following Friday. An average of 1,950 direct deposit transaction are processed monthly on this account.
7. Ability to pay vendors electronically and provide required payment documentation (invoice numbers, account number, etc.) to vendors.
8. Ability to provide Remote Deposits. Currently being used in 3 locations.
9. Designated individual to act as liaison between the institution and Commission. This individual is expected to meet with County officials on a regular basis and to promptly resolve problems.
10. The County requires access to a designated bank branch bank office within eight (8) miles of each of its locations. A list of locations can be found below. Alternatively, the bank must agree to provide daily weekday deposit pickup and/or delivery service from any county locations outside of the eight (8) mile requirement.

**List of County Locations:**

- 312 Courthouse Square, Bay Minette, AL 36507
- 1100 Fairhope Avenue, Fairhope, AL 36532
- 22251 Palmer Street, Robertsdale, AL 36567
- 18100 County Rd 54, Robertsdale, AL 36567
- 201 East Section Street, Foley, AL 36535
- 15140 County Rd 49, Summerdale, AL 36580

11. Provide a fraud prevention tool such as “Positive Pay” or “Controlled Disbursement” preventing the clearing of checks that have been fraudulently altered and/or do not agree to the County’s check register data file. The bank shall perform a daily reconciliation with any exceptions being reported to the County. An online system shall give the ability to return or pay exception items.
12. Provide all other routine banking services including but not limited to endorsement stamps, locking bags, and night deposit service available at main branch and each site.

### **Banking Services Questions/Statements**

**Please provide your responses to the items below in the order presented.**

#### **A. Wire Transfers**

1. Explain the financial institution's policies and procedures for wire transfers. Include the following:
  - a. What security measures are in place regarding wire transfers?
  - b. What is the latest time of day outgoing wire transfers can be made?
2. Can wire transfers be submitted ahead of transaction date? If so, how far in advance?
3. Does your electronic banking system provide inquiry on status of wire?
4. Does your financial institution offer electronic initiation of ACH by customer as an alternative to wire transfer?

#### **B. Electronic Banking**

1. Can the financial institution provide balance and transaction detail reporting electronically in the following detail?
  - a. Ledger, collected and available balances
  - b. Daily debit/credit totals and detail
  - c. Pending debit and credit information
  - d. Transaction detail for the prior day-What time is the information available?
  - e. Transaction detail for at least seven (7) years (including but not limited to check copies, deposit tickets and copies of deposited checks)
  - f. Transaction detail for the current/intra day
  - g. ACH debit and credit detail and totals
  - h. Incoming/Outgoing wire ACH transfer inquiry
  - i. Can the transaction details be downloaded to an excel spreadsheet?
  - j. Does the banks system allow customization of reporting? If so, please explain what is available.
2. Can the following transactions be done electronically?
  - a. Wire transfers: repetitive, non-repetitive, and future-dated ACH transactions
  - b. Stop payments
  - c. Internal account transfers
  - d. Account transaction inquiries
3. Are the following services offered electronically?
  - a. Check imaging
  - b. Deposit items imaging
  - c. Imaging of other items such as deposit tickets, credit and debit memos

d. Positive pay

e. Bank Statements

f. Are there any data items that cannot be reported intra-day electronically? If so, what are they?

4. Does the bank have a USB token device or Password Generating Token that can be utilized for on-line banking user authentication?
5. What has been your down time for your online banking system over the past 12 months? What problems has your system encountered? How do you notify users of problems with the system?
6. Is your customer service for online banking open 24 hours? If so, where is the overnight response team located? If your support is not open 24 hours, what are the hours?
7. How do you notify your customers of upgrades to the online banking system? Do you have any major upgrades scheduled for the next 12 months?
8. Describe any additional services available electronically which could benefit and enhance the operations of the Baldwin County Commission.

**C. Positive Pay**

1. Is Positive Pay service available? What is the recommended service delivery method? What are the hardware/software requirements? Does the bank provide automatic file receipt acknowledgements? If so, how?
2. What is the bank's deadline for transmitting files?
3. What data format is required for the daily file for issued checks? How does the County notify the bank of stop payment checks?
4. What is the bank's policy on check fraud and liability for loss?
5. How long are check images available online?
6. Please provide a brief description of each positive pay service that the bank offers along with sample reports.
7. How does the bank handle exception items? Is an image available? Is a daily listing offered? Are there defaults available for each account to return or pay?
8. What is the timeline for reporting exceptions to Baldwin County Commission? What is the deadline for the Baldwin County Commission to make a decision on exceptions?

**D. ACH Payments and Direct Deposit Payroll System**

1. What controls are in place at your bank to prevent file loss and duplicate transmissions? Does the bank provide automatic file receipts?
2. What back-up systems are in place to insure continuous processing of ACH transactions in the event of a "disaster" at your operations? What is your institution's formal disaster plan? Has your operations center experienced such a "disaster" within the past five years and how quickly were back-up facilities activated? Please provide details.
3. When will the ACH transactions need to be submitted to ensure availability of funds in the employee's account by 8:00 a.m. on payday? Will the funds ever be available before 8:00

a.m. on payday? How would your bank resolve a situation where employees' funds were not available at 8:00 a.m. on payday?

4. Does your bank provide acknowledgments when it receives an ACH file? If so, what format is used and what information is given? Are these available via e-mail?
5. Can a request be made to delete ACH transactions after file has been transferred? If so, what notification does the bank provide that transaction was deleted before funds were distributed?
6. Does your bank require a pre-notification run? If so, how much lead-time would be necessary before direct deposit could be implemented?
7. How does your bank handle ACH return items?
8. Will ACH items (i.e. direct deposit funding requirement) be reported via the daily presentments reporting system? Will they be segregated from the check presentments for reporting purposes?
9. What system does your bank use to upload files? Is this system part of the on-line banking site or is at a separate site?
10. Provide a copy the record layout for ACH payments.

**E. Statement and Reporting Frequency**

1. Provide a sample account statement.
2. Baldwin County Commission requires the following items:
  - a. The month-end statement cycle will close on the last day of the calendar month.
  - b. Within five (5) business days after the calendar month the awarded bank will furnish a statement reflecting the transactions occurring during the preceding month for all accounts.
3. Provide CD-ROM imaging of disbursement checks (front and back)
4. Are the statements available online? If yes, how many months are available online?

**F. Deposits**

1. What are the daily deadlines for checks deposited to receive availability and collected status according to the availability schedule?
2. How will the financial institution provide notification of incoming wire transfers and ACH transactions?
3. Reconciliation of deposit.- If there is a discrepancy between our deposit ticket and the amount of our deposit included,
  - a. How will you communicate the difference to us and,
  - b. How quickly?
  - c. What is the amount of over/short that generates an adjustment on the banks side?
  - d. What level of discrepancy will the bank research when requested by Baldwin County Commission?
4. Baldwin County Commission is currently utilizing remote deposit capture using a TellerScan scanner. Would this be compatible with the banks system? Can the bank provide scanning equipment or MICR equipment for electronic check conversion?
5. What is the deadline for same day credit of deposits?
6. What is the retention policy for checks converted to ACH?
7. Describe the liability for fraudulent deposit items.

**G. Returned Items**

1. Provide the financial institution's policies and procedures for processing returned items. Include the following:
  - a. Can all items returned for insufficient funds be automatically processed a second time?

- b. How and when will we be notified of the amount of returned items? Can we view returned items online?

#### **H. Stop Payments**

1. Briefly explain your financial institution's stop payment procedures. Include time constraints, whether requests can be made electronically and/or via telephone and when written notification is provided.
2. When will a stop payment request take effect and how long will it be in effect?

### **Lockbox Services**

The County utilizes lockbox services for Solid Waste Collection customer collection and processing of payments. The payments are deposited on the date of receipt and granted same day ledger credit. In addition, an electronic file is produced that is used to automatically post the payments to our accounts receivable system.

#### **Lockbox Services Questions/Statements**

**Please provide your responses to the items below in the order presented.**

1. Firm name and business address of lock-box processing center.
2. Provide names, titles and current resumes for contact personnel.
3. Provide a detailed step-by-step review of your operations that provide a turn-key solution for the processing needs for Solid Waste payments.
4. What controls do you have in place to ensure accurate processing in accordance with customer specifications? What controls are in place to ensure all payments received are processed the same day received?
5. Have you experienced any unauthorized access to account numbers and account information? If so, please describe. Describe your internal controls and procedures to protect account information.
6. What are the deposit times for the customer's lockbox and how are they determined?
7. In the case of an automated equipment or system failure, what back up arrangements are in place for lockbox processing?
8. Outline lockbox and customer procedures for out-of-balance conditions at the transaction level, batch level, deposit level and end-of-day level.
9. Define and illustrate what would be considered standard items, non-standard items and exception items and your processing capabilities for each type.
10. How do you handle correspondence, returned items and any other items that may be received in the lockbox? How do you communicate this type of information to the customer?
11. Describe any technology used to retrieve customer information and post returned checks through the use of previously captured MICR information or other means.
12. How long do you maintain coupons and other payment documents? How do you dispose of these documents?
13. Specify any services that you believe will enhance or set your proposal apart from others as well as the additional cost (if any) to receive such enhancement in service.
14. Indicate how quickly you could be ready to take on this work if selected.
15. Include a breakdown of **all** fees or costs, including item charges for standard, non-standard processing.

## **Merchant/Credit Card Services**

The County accepts Visa, MasterCard, and Discover credit and debit cards at its cashier locations for Solid Waste Collection Administration Office and over the internet payment gateway (PayFlow Pro). The County will need one merchant number.

Bank/Provider shall provide merchant services as follows:

1. Charges for credit card, debit card, and e-checks services are to be assessed as quoted in RFP response by either of the alternative methods described herein.
2. Credit card swipe readers/magnetic swipe readers for credit and debit cards will be provided for use at the County by the bank/provider credit card service. Equipment must be able to electronic transmittal of deposits to County's Solid Waste Collection Fund account.
3. Credit card tickets and other required supplies should be provided by the bank/provider.
4. Funds are deposited daily with fees are billed once a month.

## **Investments**

The County will follow the practice of separately bidding investments for idle funds. These investments have historically been in the form of Certificates of Deposit.

Any request for additional information regarding this Request for Proposal should be submitted by Wednesday, March 2, 2016 to Kimberly W. Creech at the address above, telephone (251) 937-0303 or [kcreech@baldwincountyal.gov](mailto:kcreech@baldwincountyal.gov).

Three sets of proposals (one original and two copies) should be sent to attention of Kimberly W. Creech in writing at the address above or by facsimile to (251) 239-4309 by 2:00 PM, Monday March 14, 2016. My E-Mail address is [kcreech@baldwincountyal.gov](mailto:kcreech@baldwincountyal.gov). You may use the proposal form attached, or you may use your own format as long as all requested information is included. Proposals shall be kept in confidence until after 2:30 PM, March 14, 2016.

## **CONFIDENTIAL INFORMATION**

Proposers are hereby notified that all information submitted as part of, or in support of, proposals will be available for public inspection after the opening of the proposals, in compliance with Alabama statutes.

The proposal which best meets its needs is to be recommended to the Commission for consideration at its regularly scheduled work session on March 22, 2016 and should be awarded at the regularly scheduled Commission meeting on April 5, 2016.

To submit a proposal, the financial institution must be a Qualified Public Depository under the Security for Alabama Funds Enhancement (SAFE) Act Program, Section 41-14A Code of Alabama, 1975 and have a physical presence in Baldwin County are designed as eligible depositories for funds under the discretion and control of the Baldwin County Commission. If awarded the proposal, the institution must maintain its status in SAFE for the three-year term of this proposal.

### **Summary of Schedule**

- Tuesday, February 16, 2016 RFP released to banks/institutions
- Wednesday, March 2, 2016: Last day to present written questions for RFP
- Wednesday, March 2, 2016: Banking institutions submit demo for online cash management system
- Monday, March 14, 2016, 2:00 p.m. RFP due
- Monday, March 14, 2016 2:30 p.m. Opening of RFP Responses
- Tuesday, March 22, 2016: Recommendation to Baldwin County Commission
- Tuesday, April 5, 2016: Contract awarded during regular meeting

**EXHIBIT 1**

	Average Balances 01/01/15-12/31/15	Average # of Monthly Deposits	Average # of Monthly Checks	Average # of Monthly ACH/Wires
General Fund	\$17,481,977	114	0	8
Sales & Use Tax	\$5,327,274	213	0	0
Health Tax Fund	\$681,462	5	0	0
County Transportation Fund	\$65,348	4	0	0
Legislative Delegation Office Fund	\$118,100	2	0	0
Juvenile Detention Facility Fund	\$29,482	11	0	0
JDC Construction	\$123,819	1	0	0
Archives Fund	\$193,953	6	0	0
Wilderness Fund	\$99,166	8	0	0
Baldwin County Community Corrections Fund	\$370,406	39	0	0
Seven Cent Gasoline Tax Fund	\$14,041,187	33	0	12
Road & Bridge Fund	\$886,541	5	0	0
Public Highway & Traffic Fund	\$127,018	4	0	0
Severed Material Tax Fund	\$62,497	1	0	0
Capital Improvement Fund	\$87,803	1	0	0
RRR Fund	\$487,822	6	0	0
Reappraisal Fund	\$2,423,650	6	0	3
Board of Equalization	\$17,727	1	0	0
Council on Aging Fund	\$150,048	3	0	0
Senior Treasures	\$13,909	6	0	0
Section 18 Fund	\$44,560	54	0	0
Parks Fund	\$216,451	14	0	0
Legal Minimum Parks Fund	\$10,119	1	0	0
FEMA Fund	\$22,894	1	0	0
BRATS 5307 Large Urban Transit Fund(New)	\$0	0	0	0
Eastern Shore MPO Fund	\$117,420	2	0	0
CDBG Grant Fund	\$100	0	0	0
LLEBG & COPS Grant Fund	\$100	0	0	0
LLEBG Grant Fund	\$125	0	0	0
CDBG Tenshaw/Blackshire Fund	\$200	0	0	0
GMES Act of 2006	\$341,116	1	0	0
State Grant Fund	\$191,861	2	0	0
Series 2008-A Warrant Fund	\$278,917	1	0	0
Federal Stimulus & Grants	\$100	0	0	0
Federal Grant Fund	\$111,321	3	0	0
Debt Service Fund	\$58,950	1	0	0
Solid Waste Fund	\$9,504,234	123	0	0

Solid Waste Collection Fund	\$3,578,427	254	0	1
Disbursement Fund	\$2,104,388	250	861	27
Payroll Fund	\$117,857	55	0	ACH Pass-through
Flexible Benefits Fund	\$23,321	4	0	0
Excess From Land Sales Fund	\$8,726,605	1	0	0
Data Processing Fee Fund	\$1,089,825	2	0	0
Special Motor Vehicle Registration & Titling Technology Fund	\$32,722	2	0	0
Land Redemption Fund	\$461,966	6	0	0
Fiduciary Fund	\$635,247	1	0	0
Supernumerary Fund	\$14,509	1	0	0
Law Library Fund	\$762,308	6	0	0
AAA Donations Fund	\$2,705	11	0	0
Historic Parks Fund	\$159,694	2	0	0
Tax Refund Setoff Program Escrow Fund	\$4,251	1	0	0
Baldwin Co Comm Capital Fund (New)	\$0	0	0	0
Employee Fund	\$5,004	4	0	0
District Attorney Fund	\$15,680	2	0	0
Worthless Check Fund	\$19,928	3	0	0
DA \$2 Fee Fund	\$24,846	8	0	0
DA Restitution Recovery Fund	\$89,225	2	0	0
Planning & Zoning Commission Fund	\$7,908	3	0	0
Motor Vehicle Special Training Fund	\$46,769	1	0	0
Donation Trust Fund	\$74,323	6	0	0
Manufactured Home Trust Fund	\$29,596	2	0	0
Revenue Commissioner Discretionary Fund	\$26,228	1	0	0
Probate Judge Discretionary Fund	\$57	1	0	0
Zoning Fee Fund	\$171,102	2	0	0
Self-Insurance Fund	\$342,328	21	0	12
Juvenile Supervision Services Fund	\$21,170	2	0	0
<i>General Fund Trust (idle funds)</i>	\$11,067,378	1	0	0
<i>EMD Trust (idle funds)</i>	\$1,600,189	1	0	0
<i>Financial Assurance Trust (idle funds)</i>	\$4,918,487	1	0	0
<i>Utilities Permit Fund (idle funds)</i>	\$292,079	1	0	0
<i>Oil &amp; Gas Trust Fund (idle funds)</i>	\$2,119,211	1	0	0
<i>Public Works Trust (idle funds)</i>	\$4,030,847	1	0	0
<b>Total 12-Month Average Balance:</b>	<b>\$96,303,837</b>	<b>1332</b>	<b>861</b>	<b>63</b>

**EXHIBIT 2**

**FORM 1 – PROPOSAL CERTIFICATION**

**Baldwin County Commission  
Request For Proposal (RFP)  
Banking Services  
Proposal Certification**

This proposal must be submitted to the Baldwin County Commission, Clerk/Treasurer, Kimberly Creech, 312 Courthouse Square, Suite 11, Bay Minette, AL 36507 no later than 2:00 p.m. Monday, March 14, 2016.

Proposal Certification

By signing below as an authorized representative, the Proposer agrees to be bound by the representations, terms and conditions contained in its proposal, and agrees to enter into a contract based upon the terms, representations and conditions contained in the proposal with the Baldwin County Commission if this proposal is approved and awarded by the Baldwin County Commission.

Proposer (company name)	
Mailing Address	
City, State, Zip Code	
Contact Person for Proposal	
Title	
Telephone	
Email	

SIGNATURE OF AUTHORIZED REPRESENTATIVE: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT 3**

**Baldwin County Commission  
Request For Proposal (RFP)  
Banking Services**

In accordance with the terms of the Request For Proposals, Banking Services for the Baldwin County Commission, dated February 16, 2016

\_\_\_\_\_ hereby submits  
(Name of Institution)  
the following response.

\_\_\_\_\_ % of the Prime Rate of \_\_\_\_\_ = \_\_\_\_\_ .

The County would have earned \$ \_\_\_\_\_ had **\$96,303,837** been on deposit with this institution from January 1, 2015 through December 31, 2015 under the terms as proposed.

Earnings will/will not (circle one) occur on the reserve requirement for demand deposits.

Earnings will/will not (circle one) occur on the reserve requirement on CD investments.

Signature: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

Date: \_\_\_\_\_