



REQUESTS FOR PROPOSALS

BANKING SERVICES FOR THE NILES PARK DISTRICT

**NILES PARK DISTRICT
REQUEST FOR PROPOSAL
BANKING SERVICES**

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NILES PARK DISTRICT REQUEST FOR PROPOSAL BANKING SERVICES

Introductory Section

General Information

The Niles Park District, Illinois is seeking competitive proposals for banking and related services. Commercial banking institutions, who possess the capability and expertise to provide depository and supplementary banking services are welcome to submit proposals for the provision of those services according to the requirements set forth in this document. Financial institutions may submit proposals on all or a combination of one or more services.

General Terms and Conditions

Indemnification

The bank shall indemnify, defend and save harmless the Niles Park District, its officers, agents, employees, representatives and assigns, from any and all lawsuits, actions, costs (including attorney's fees), claims or liabilities of any character brought because of any injuries, or damages received or sustained by any person, persons, or property on account of any act or omission, of said bank, its officers, agents and/or employees arising out of, or in performance of any of the provisions of the contract, including any claims or amounts recovered for any infringements of patent, trademark or copyright; or from any claims or amounts arising or recovered under the "Workers Compensation Act" or any other law, ordinance, order or decree. In connection with any such claims, lawsuits, actions, or liabilities, the Niles Park District, its officers, agents, employees, representatives and their assigns shall have the right to defense counsel of their choice. The bank shall be solely liable for all costs of such defense and for all expenses, fees, judgements, settlements and all other costs arising out of such claims, lawsuits, actions, or liabilities.

Venue

The parties hereto agree that for purposes of any lawsuit(s) between them concerning the contract, its enforcement, or the subject matter thereof, venue shall be in Cook County, Illinois, and the laws of the State of Illinois shall govern the cause of action.

Historical Data & Information

The Park District currently has demand account relationships with various banks and investment pools. Appendix A, the Banking Services Historical Data section, provides summary transaction information and account data and information for applicable accounts.

The RFP seeks quotes and information on checking account services, ACH/wire transfers, direct deposit payroll program, positive pay, automated account reconciliations and any related fees.

Term of Contract

Proposals for depository services for a three-year agreement are being sought, with an option for three additional years, at the Park District's discretion. Upon selection of the vendor, the Park District and the vendor will enter into a contract for a period of three years, with an option for an additional three years.

The Park District prefers all costs to be fixed for the first three years of the contract. Price adjustments may be made for the fourth through sixth years of the contract but should not exceed the lesser of 5% or the rate of inflation for the Chicago metropolitan region to be determined using the Consumer Price Index as of December each year. If the Bank proposes to fix costs for the entire six-year period or a different method, this should be indicated on the Cost Proposal Forms, Appendix B.

Format of Request for Proposal

The request for proposal is divided into three sections: the introduction, the depository banking section, and the appendices.

Evaluation of Proposals and Award of Contract

It is expected that a recommendation from the Park District's Executive Director and Finance Director will be presented to the Board of Commissioners at the April 20, 2021 board meeting.

Award of Contract

The Park District will award the services in the manner which will obtain the highest quality services at the most competitive price. One vendor may be awarded all services. The Park District, however, reserves the right to award individual services to separate vendors. The Niles Park District reserves the right to reject any and all proposals and to negotiate a proposal at all times. Proposals will be evaluated using the following criteria: 1) cost of services, 2) interest rates/earnings credit offered and benchmarks used on the accounts, 3) financial services provided to similar accounts, 4) completeness of the proposals with respect to the submission of requested information and documentation. The Park District reserves the right to request additional technical and pricing information during the evaluation period.

Termination of Contract

Either party may terminate the agreement by giving the other party no less than three months written notice. If the Bank terminates the contract prior to the expiration of the term, the cost of any check stock on hand shall be reimbursed to the Park District by the bank, along with any other out of pocket costs that the Park District incurred to transition to another banking institution.

Calendar of Events

<u>Target Date</u>	<u>Event</u>
February 22, 2021	Request for Proposals provided to Banking Institutions and posted on website
March 23, 2021	Proposals due by 10:00 a.m. in the office of the Director of Finance
April 20, 2021	Recommendation to the Park District Board
Within 120 days	Depository Services Contract to take effect

Terms and Conditions for Making a Proposal

A. Inquiries from Proposers

All questions regarding this RFP must be submitted in writing through email, mail or by fax by 5:00 p.m. on March 10, 2021 and will be responded to in writing. Direct questions to:

Scot Neukirch
Finance Director
Niles Park District
6676 W. Howard
Niles, IL 60714
scotn@niles-parks.org

FAX: (847) 967-6639

B. Costs Incurred in Responding

All costs, directly or indirectly related to the preparation of a proposal, including any oral presentations required to supplement and/or clarify a proposal, shall be the sole responsibility of the bank.

C. Response Instructions

The proposal should be returned in a sealed envelope bearing the name and address of the respondent and labeled "Request for Proposal for Banking Services." In addition, one electronic copy of the proposal and any supporting documentation in PDF format must be submitted on a USB flash drive.

Proposals must be submitted by 10:00 a.m. on Tuesday March 23, 2021. The Park District shall not be responsible for late delivery of the proposals under any condition. **Late proposals will not be considered.**

D. Proposal Acceptance Period

It is understood that, upon submission of the proposal, the fees and interest rates proposed will be valid for a period of 120 days after the submission.

PROPOSAL FORMAT

A. Overview of Required Sections

1. Cover Letter
2. Table of Contents
3. Principal Officers, Statement of Staff Experience, and Bank Background
4. Statement of Equal Employment Opportunity Practices
5. Scope of Required Services
6. Proposed Schedule Implementation
7. References
8. Concluding Remarks
9. Cost Proposal for Each Service
10. Attachments

B. Cover Letter

The cover letter should contain the name of the proposing Bank, the address of the proposing officer(s), and the contact individual(s) authorized to answer technical, price, and contract questions. Include contact individuals' telephone numbers and mailing addresses. The cover letter must be signed by a person or persons authorized to bind the proposer(s).

C. Table of Contents

The contents of the proposal shall be included in an index at the beginning of the proposal and should include all contents and attachments.

D. Principal Officers, Statement of Staff Experience, and Bank Background

This section should include the full name and principal address of the financial institution. Indicate whether the institution operates independently as a bank or as a holding company affiliate. Include the state in which the Bank is incorporated to operate and the date of incorporation. Third party vendors jointly proposing with a bank must include the same information as the financial institution.

Describe the organization of the staff team which would service the contract. Provide a listing of the officers of the staff team. Include name, title, and length of service with the bank/vendor. Remaining staff should be identified by name and title; additional qualifications and experience on similar accounts may be included.

This section should include the range of corporate services performed by the offices and the Bank's background in providing these services to public entities.

The Bank shall submit a copy of its audited financial statements and FDIC Call Reports for the past two years.

Finally, the Bank's most recent Community Reinvestment Act rating and an explanation of the institution's investment in the community is required.

E. Scope of required services

Depository Services

Clearly describe the scope of the required services to be provided as listed in Section I: Depository Services.

F. Proposed Schedule of Implementation

Comment on the Bank's ability to meet the timelines indicated in the RFP and present a schedule of when information to be provided by the Park District should be available. Provide any recommended changes to the schedule that you think are required to enhance the timeliness and quality of the relationship.

G. References

Each of the following is mandatory:

1. Provide a list of client references of similar sized and/or municipal accounts which the Bank/Vendor has served over the past two years and is currently serving.
2. Provide no less than three (3) references.
3. Provide a contact person and telephone number for each customer. Include a statement of experience servicing municipal or governmental clients.

H. Concluding Remarks

This section shall contain any final comments or an elaboration which the proposer believes is important to gain a better understanding of the proposed services and/or proposer's capabilities.

I. Cost Proposal(s)

The Park District is asking all proposers to submit fee proposals on a price per item basis with a monthly statement.

The compensation proposal should be documented by completing Appendix B "Cost Proposal Form for Depository Services" and submitting it to the Park District with the RFP. An Excel version of Appendix B is available. It is intended that the "Cost Proposal Form for Depository Services" include all of the unit prices for services requested. All volumes indicated are samples as they are based on the Park's historical data. (Refer to Appendix A for historical transaction data on the applicable Park District Accounts)

In addition, the proposer should include as a part of the total price the cost of any services not itemized on the cost proposals which the Bank/Vendor feels should be included. If not included, the Park District assumes there is no charge. Volume discount prices may be indicated if applicable.

The Bank may pass along costs which increase due to federally mandated regulations upon submitting written notice of such an increase to the Director of Finance two months prior to such proposed increase taking effect and upon demonstration of such mandate. Item prices that could be affected by such mandates should be indicated by an “*” on the proposal form.

SECTION I: DEPOSITORY SERVICES

General Requirements

Park District funds in excess the FDIC limits must be 110% collateralized at all times in order to comply with the Park District’s investment policy. The Park District will not accept mortgages as collateral. In accordance with Niles’s Investment Policy, the Park will only invest funds in a financial institution that is a member of the F.D.I.C. system. Furthermore, the Park will only maintain funds in a financial institution that is willing or capable of posting required collateral for funds in excess of the F.D.I.C. insurable limits. The Park will select, as depository, a financial institution in which the Park funds on deposit will not exceed 50% of the Park’s portfolio.

The banking institution must be both a “sending” and “receiving” bank on the Automated Clearing House (ACH) system to accommodate our payroll disbursement. The Park District anticipates all data will be transmitted to the Bank’s processing center or computer electronically.

Incoming Wires. The Park intends to consider all wire transfers received by the bank prior to the end of the business day, as “available for investment” by the Park, regardless of the time of actual receipt by the bank. Should a wire transfer not be received by the bank, as specified above, then the wire transfer will be traced from origin to destination to ascertain the party responsible for delaying the transfer. If necessary, adjustments will be made as soon as possible for any lost interest. It is the express intention of the Park to perform daylight overdrafts to the extent that incoming wire transfers are expected during the business day. In the event that the incoming wire transfer does not arrive by the end of the business day, interest on any overdrawn balances will be calculated using the same rate of interest that the Park receives on the checking accounts.

Outgoing Wires. The selected bank agrees to execute any wire transfer order within one hour after notification by the Finance Department through the computer terminal, by telephone, or by fax, if necessary. Wire transfers ordered and not received by the destination party by 5:00 p.m. will be traced by the bank from origin to destination to ascertain the party responsible for delaying the transfer. If necessary, adjustments will be made for any lost interest, or charges resulting from a “fail” to complete an investment transaction.

The Park requires the successful proposer to provide “on-line”, internet-based banking services software accessible by web browser (e.g., Internet Explorer). The software must have adequate

security measures to ensure protection of the Park's assets. Assuming security measures are appropriate, the Park desires to use on-line banking for the following, at a minimum:

1. Daily balance reporting (ledger, available and collected).
2. Detailed debit and credit postings (cleared checks, deposits, chargebacks, wire transfers in and out, interest payments, etc.) with ability to download data into Microsoft Excel spreadsheet format.
3. Initiation of internal account-to-account transfers.
4. Initiation of regular recurring wire transfers.
5. Initiation of ACH debit and credit transactions and creation of reusable templates for recurring/repetitive ACH debit (collection) or credit (direct deposit) type transactions.
6. Placement of stop payment orders.
7. Positive pay.
8. Ability to configure user accounts with multi-level security (such as inquiry only versus administrator access)

The Park desires receipt of scanned images of cleared checks and other bank documents in an electronic media format that is accessible via the Internet. Imaging methods that have an indexed format and that can be searched are required. The Park would like to consider uploads for cleared check information into its financial system, Tyler Technology's Fund Balance System. Cost proposals for this service must be included.

Description of Depository Services

- A. Appendix A provides a historical overview of the Park District's current account structure with its current financial institutions. The Park District requires an account structure similar to that which presently exists. That is, accounts for deposit activity, a payables account for weekly invoice payments, and a payroll account for bi-weekly payroll periods. Refer to Appendix A for the accounts needed and activity associated with the accounts.

The Park District requires controlled disbursement capabilities and would like to structure its accounts in such a way as to maximize its interest earnings by never allowing funds to remain idle.

1. Interest income must be credited monthly based on the average daily investable balance in each account. Please provide information as to how the interest rate/earnings credits paid on the average daily balance is determined. If interest rates are based on a specific index, explain what the index is and indicate what interest rates would have been paid for February 2021.
2. Availability: The Park District will be given credit for all deposits made at your bank on the day on which the deposit is made. Please indicate the time at which funds must be on deposit to be credited the same day. If all funds are not available for same day credit to the Park District, please indicate when such funds would become available.
3. Deposit discrepancies, should any occur, must be brought to the attention of the Finance Director, Accountant, or their designee on the same day a discrepancy is found. This must be communicated by telephone with follow-up in writing for any debits/credits made to correct the error.

4. Returned checks submitted for deposit to the accounts must be immediately returned by the depository institution. When the check is returned the Park District account shall be debited and the check shall be returned to the Park District.
5. Research services such as balance inquiry will be performed at the request of the Director of Finance or other Finance Department personnel. Such charges, if any for those services will be included in the monthly billing statement. Please indicate the per request fee for this service.
6. In order to more efficiently manage its cash flow and invest funds, the Park District requires the capability of on-line/electronic monitoring of its accounts. On-line monitoring should be accessible via personal computer. The Park District will want to initiate repetitive outbound wire transfers electronically. Therefore, please include a unit price for wire transfers in and out of Park District accounts on the Cost Proposal Form.

The Park District also requires the ability to electronically stop payment on checks and to make payments for payroll withholding amounts (e.g. FICA, Federal and State tax, pension payments, etc.) electronically as well.

Explain the Bank's security features with respect to the on-line system. How is access limited? If the Park District chooses to initiate wire transfers electronically through the on-line system, what security measures are activated?

Please list your ability to provide the above services on the Cost Proposal Form and include all costs associated with having on-line services. In addition, indicate costs for wire transfers initiated from an electronic system, stop payment of checks, electronic payment of payroll withholding amounts, and costs to receive financial market data.

7. The date of Park District statements should be the last calendar day of the month and shall be received by the Park District within seven working days after the end of the calendar month. If the Bank will be unable to send the statement within seven working days, please state how many days it will take for the Park District to receive the statements.

The statements must include a list of all items clearing the account. The Bank will deliver, with the statement, all items clearing the account including all checks, and other transaction receipts recording account activity (e.g. debit/credit memos) or must supply this information in an electronic format (e.g. CD or on-line access). Deposits will be sorted in date order, checks in sorted in numerical order, the other debit/credit items shall be separated from deposit slips and checks and shall be in date order. Deposit slips must be returned to the Park District on a daily basis. If it is discovered after delivery of the statement that an item has been omitted from the statement, the Bank shall notify the Park District immediately and mail the document to the Park District rather than holding it until the next statement date.

8. Please provide an explanation of all online services provided.
9. An account analysis shall be provided on each account within seven working days at the end of each calendar month. The analysis shall provide the Park District's account activity providing the number of the various types of transactions and the costs assigned to each. Any costs shown on the account analysis not specifically listed within the Bank's cost proposal will not be considered valid under the agreement unless approved by the Park District.
10. The Park District offers ACH direct deposit of payroll to its employees. Data is transferred through an internet program provided by the bank. Employees are not limited to the number of bank accounts to which they make direct deposits. Payroll is paid bi-weekly for regular and part time employees.

What procedures does the Bank follow for settlement? Explain the bank's cutoff schedule for receiving data to ensure that the employee accounts are credited by 7:00 a.m. on the payroll date. Please provide in your proposal any other processing details of which the Park District needs to be aware.

11. The Bank shall provide the following supplies as needed at no cost: 1.) printed duplicate deposit slips and 2.) locked money bags. If the Bank chooses to charge for these services, please indicate the amount on the Cost Proposal Form.
12. The Park District makes deposits of funds on a daily basis. An armored car service is utilized. If your bank provides an armored car service, please include the cost for armored transport services provided by the institution. Only one pick-up per day is necessary.
13. In the past, the Park District has not issued checks for which funds were not available (i.e. overdrafts). In the extremely rare event that this does happen, the Park District requires that the bank notify Park District staff of the situation rather than fail to honor the check. Park District staff will ensure that funds are transferred to the bank immediately to cover the overdrafts.

Bank Submitted by: _____
Name/Title: _____
Email: _____
Phone number: _____
Date Submitted: _____

APPENDIX A

Name	Available Balance
NPD CREDIT CARD	\$ 1,048,024.11
NPD GENERAL FUND	\$ 823,993.14
NPD GEN LIAB FUND	\$ 434,984.02
NPD RECREATION FUND	\$ 344,479.13
NPD CAPITAL PROJECT	\$ 212,332.19
NPD FICA FUND	\$ 208,642.57
NPD ICE RINK FUND	\$ 177,298.19
NPD GOLF COURSE FUND	\$ 159,506.75
NPD POLICE FUND	\$ 157,273.64
NPD HANDICAPPED FUND	\$ 113,369.02
NPD AP CHECKING	\$ 93,292.94
NPD DEBT SERVICE	\$ 92,403.25
NPD PAYROLL	\$ 28,562.13
NPD IMRF FUND	\$ 24,426.49
NPD SWIM POOL FUND	\$ 23,256.49
NPD PAVING & LIGHT	\$ 18,986.58
NPD AUDIT FUND	\$ 16,110.07
	\$ 3,976,940.71

The Park's gross, annual payroll was \$3.93 million (including benefit vendors) for 2019 (pre Covid), of which \$2.92 million was paid through direct deposit and \$1.01 million paid through checks. Currently, approximately 36% of employees use direct deposit. In 2019, the Park issued approximately 4,831 payroll checks and direct deposited another 2,813 checks. Payroll is prepared bi-weekly. Checks are generated weekly for accounts payable, with an estimated annual total of 4,210 checks for a total of approximately \$6 million dollars being generated during 2019. Daily deposits are made into multiple bank accounts for the Park's various funds.

APPENDIX B

All charges for services should be outlined in the format below. An attached Excel spreadsheet, Appendix B, has been provided to assist.

NILES PARK DISTRICT Cost Proposal Form for Depository Services

The following proposal form must be completed by the Bank. The proposal form requests costs for a price per unit fee utilizing a monthly statement payment method. Please use the following tables to provide per unit costs:

PRICE PER ITEM MONTHLY STATEMENT PAYMENT METHOD

Sample volumes are based on a sample month for the Park in 2021.

Please indicate if there is no charge for a certain item by entering a zero. It is assumed by the Park District that unless there is a specific charge listed in this section of the RFP, the service is without cost and will remain so for the term of the contract.

Descriptions are based on the Park's current service detail report, add any fees necessary by inserting a line or by explaining the additional fee in the section provided below.

Monthly Investable Balance			\$ 3,924,798.55
ACCOUNT SERVICES	Monthly	Monthly	Monthly
STANDARD	Unit Price	Total Units	Total Fee
CHECKS PAID		332	\$ -
ACH ADDENDA RECEIVED		5	\$ -
COMMERCIAL DEPOSITS		32	\$ -
DEPOSIT ADJUSTMENT		1	\$ -
COMPOSITE GROUP		1	\$ -
PAPER ANALYSIS STATEMENT FEE		1	\$ -
UNENCODED ITEMS DEPOSITED		38	\$ -
MONTHLY MAINTENANCE		17	\$ -
PAPER ACCOUNT STATEMENT FEE		17	\$ -
PAPER ITEM ADMIN FEE		33	\$ -
ACH CREDIT RECEIVED		83	\$ -
ACH DEBIT RECEIVED		32	\$ -
DEPOSIT ADMINISTRATION FEE		4360	\$ -
ACH			
ACH ORIGINATED - ONLINE			
ONLINE ACH MONTHLY FEE		1	\$ -
ACH CREDIT ORIGINATED		155	\$ -
ACH ADDENDA ORIGINATED		2	\$ -
ACH FILE PROCESSED		4	\$ -

CASHIERING			
INTERNAL VAULT			
CASH VAULT MONTHLY BASE CHARGE		5	\$ -
CASH VAULT DEPOSIT NOTES NON-ST		459	\$ -
CASH VAULT DEPOSIT ADJUSTMENT		1	\$ -
CASH VAULT DEPOSIT COIN LOOSE		4	\$ -
CASH VAULT DEPOSIT CURRENCY		4410	\$ -
CASH VAULT DEPOSIT		10	\$ -
CHECK CLEARING			
RETURNS - STANDARD			
RETURNED ITEM SPECIAL INSTRUCTIO		4	\$ -
RETURNS MGMT MODULE		15	\$ -
DATA EXCHANGE			
FILE MAP AND IMPORT		1	\$ -
FTD DATA EXCHANGE		1	\$ -
FILE DELIVERY MAINTENANCE		1	\$ -
DISBURSEMENTS			
ARP / POSITIVE PAY			
CHECK MANAGEMENT		14	\$ -
ARP MONTHLY BASE CHARGE		2	\$ -
ARP CHECKS PAID		329	\$ -
ARP CHECKS ISSUED		333	\$ -
CHECK MANAGEMENT		2	\$ -
POSITIVE PAY MONTHLY BASE CHARGE		2	\$ -
BANK MAINTAIN POS PAY EXCPTN		2	\$ -
ACH POSITIVE PAY FILTER		5	\$ -
ACH POSITIVE PAY MO MAINT		2	\$ -
IMAGE SERVICES			
IS - 7 YR PAPER PAYMENTS		473	\$ -
IS - BASE FEE PER COMPANY		1	\$ -
INFO REPORTING			
PORTAL - STANDARD			
ONLINE WIRE MODULE		1	\$ -
ONLINE ACH MODULE		1	\$ -
PORTAL - PRIOR DAY			
ONLINE PRIOR DAY BASE		1	\$ -
ONLINE PRIOR DAY ACCOUNT		16	\$ -
ONLINE PRIOR DAY DETAIL		465	\$ -
ONLINE STOP PAYMENT BASE FEE		1	\$ -
PORTAL - INTRA DAY			
ONLINE INTRADAY BASE		2	\$ -
ONLINE INTRADAY PER ACCOUNT		15	\$ -
ONLINE INTRA DAY DETAIL		231	\$ -
AMP - PRIOR DAY REPORTING			
ONLINE STOP PAYMENT		4	\$ -
Total Fee		11,927	\$ -
Earnings Credit/Interest Rate			
Earnings Credit			\$ -
Fee Less Earnings Credits			\$ -

Use this section to explain any other fees not included above:

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