

# REQUEST FOR PROPOSALS

ISSUE DATE: **MARCH 2021**

TITLE: **BANKING SERVICES**

ISSUING DEPARTMENT: Wattsburg Area School District  
Administration Office  
10782 Wattsburg Rd  
Erie, PA 16509

PERIOD OF CONTRACT: **July 1, 2021 – June 30, 2024**

**Proposals** will be received until **May 12, 2021 at 1:30 p.m.** for furnishing the services described herein.

All inquiries for information concerning the scope of services, proposal submission requirements, or procurement procedures should be directed to:

Vicki Bendig, Business Administrator

Phone: (814) 824-3400 x4533

Email: [vicki.bendig@wattsburg.org](mailto:vicki.bendig@wattsburg.org)

**PROPOSALS CAN BE EMAILED, MAILED, OR HAND DELIVERED TO VICKI BENDIG IN THE ADMINISTRATION OFFICE ON OR BEFORE THE DUE DATE.**

In compliance with this Request for Proposals and to all the Terms and Conditions imposed herein, the Undersigned offers and agrees to furnish the services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiations.

Name and Address of Financial Institution

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By: \_\_\_\_\_

Signature In Ink

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

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

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I. Introduction

The initiation of the Request for Proposal (RFP) process is intended to result in the selection of a financial institution, herein referred to as “Bank”, that can provide the Wattsburg Area School District Board of Education, herein referred to as “Board”, with the highest quality and most flexible services for the lowest cost to the public. The Board desires that bank balances be continuously and fully invested for the benefit of the Board. The Board is requesting that each respondent competitively bid its services by type of service, propose an arrangement whereby daily un-invested cash balances are invested on behalf of the Board, and propose the most equitable method of establishing applicable investment rates.

II. Proposal Provisions

- A. The Board of Education (Board) request proposals for the banking services described in this RFP. The award period is for three years, beginning July 1, 2021 and ending June 30, 2024. A copy of this RFP can be provided via email upon request.
- B. Proposals must be received in the Wattsburg Area School District Board of Education’s Finance Department by May 12, 2021 at 1:30 p.m. Any proposals received after this time will not be opened or considered. All proposals received become the property of the Wattsburg Area School District Board of Education. The proposal envelopes must be sealed and marked on the outside “Proposal for Banking Services”. The envelope must also show the name and address of the company and representative submitting the bid. Proposals should be addressed to Vicki Bendig, Business Administrator, Wattsburg Area School District Board of Education, Administration Office, 10782 Wattsburg Rd, Erie, PA 16509. One (1) copy of the proposal should be submitted and signed by a bank official who is authorized to make the proposal on behalf of the bank.
- C. The Board reserves the right to waive any informalities in the proposals received, to reject any and all proposals or any item or combination of.

- D. The cost associated with the preparation of the proposal rests solely with the candidate. The Wattsburg Area School District Board of Education will not incur any costs associated with the proposals.
- E. Banks must meet all requirements under Pennsylvania law and Pennsylvania school code for banking services and investments, and Wattsburg Area School District policy 609. Included with these requirements is SC 440.1 regarding investment of school district funds and appropriate investments, and 72 PA 3836 regarding pooled assets and collateral. Valuation as collateral of assets pledged shall be the same as those applicable to United States Treasury Tax and Loan Accounts under the provisions of the United States Treasury Circular No. 92, except that the valuation of obligations of the Commonwealth and public bodies of the Commonwealth of Pennsylvania shall be at the face value thereof.
- F. The Board requests that the Bank answers all questions in this RFP. Please do not leave a question blank. Answer yes or no to “Agree to Provide” questions. Any charges for the following requests not listed in the comments section will be considered included in the base bid. If more room is needed to make additional comments, please make an attachment with reference to each question or section.
- G. All services will be evaluated on availability, time schedules, reporting, and interest rates. All proposals will be evaluated as follows:
  - 1. Financial strength and capacity of the financial institution.
  - 2. Ability to provide needed services in an efficient and responsive manner.
  - 3. Ability to provide all services requested by the Board.
  - 4. Ability to provide optional services requested.
  - 5. Overall cost.
- H. Comment sections in this proposal can be expanded based on need.
- I. All fees proposed must be fixed for the three-year period, July 1, 2021, through June 30, 2024.

- J. Banks must include proposals to invest funds for the district per the requirements outlined in II.E. The balance in the General fund will fluctuate from about \$3 million in July to about \$12 million in November. The Capital Projects fund balance will be in the range of \$30 thousand to \$1 million, and the Food Service fund about \$100 thousand.

III. Terms and Conditions

- A. The term of the contract between the Board and the Bank will be three (3) years in length. The contract will begin on July 1, 2021 and end on June 30, 2024. The start date will be dependent upon successful contract negotiations. If the Bank and the Board are unable to establish contract terms to the Board’s satisfaction by June 1, 2021, the Board will select another Bank.
- B. The Board reserves the right to cancel the contract and withdraw, without penalty, its accounts at any time it becomes evident that accurate and efficient service is not being provided as contracted. This would occur only after an attempt has been made to resolve the deficiencies and after written notification has been given to the bank ninety (90) days prior to this action.
- C. The services or compensation set forth in this agreement may be modified at any time during its term upon written mutual agreement.
- D. The Bank will respond to the Board’s independent auditor’s confirmation requests within ten (10) working days of the receipt of the request.
- E. The Board does not guarantee that the activity levels as indicated in this proposal will continue at the same level during the award period.
- F. The Bank will remain open during normal business hours of 9:00 a.m. to 5:00 p.m., five (5) days a week, Monday through Friday, excluding recognized holidays.

- G. The Bank must be a member of the Federal Deposit Insurance Corporation.
- H. The Bank shall comply with all applicable federal, state, and local laws, including but not limited to rules and regulations promulgated by or stated in II.E.
- I. If at the expiration of the original term the Board has not awarded a new agreement for banking services, this agreement shall continue until terminated by either party upon ninety (90) days written notice. All terms shall remain in effect except for an adjustment in the compensation balance, upon written mutual agreement.

IV. Requested Banking Services

The Board maintains nine (9) accounts through our current Bank. The information provided below gives a brief description of the nine accounts.

**General Municipal Fund:** This is the operating account for the district used for receipt of revenue for local, state, and federal sources and to transfer to pay most bills. A balance is typically available for investment in appropriate accounts.

**General Fund Checking:** This is the account used to pay most bills and is funded by transfers from the General Municipal Fund. This account operates as a zero-balance account where the required funds are transferred from the General Municipal Fund and the General Fund Checking account going to zero after all payments are processed.

**Payroll Checking:** The Payroll Checking account is used to process payments to all employees, and for the payment of all related payroll taxes and withholdings. The selected Bank must be able to receive and process an ACH file every two weeks for the direct deposit of employee pay at applicable banks in the ACH system. This account operates as a zero-balance account where the

required funds are transferred from the General Municipal Fund, and the Payroll Checking account going to zero after all payments are processed.

**Capital Projects Fund:** A checking account used to cover the cost of most capital projects. The payments to contractors and vendors are made through this account funded by transfer from the General Municipal Fund. This account operates as a zero-balance account.

**Food Service Municipal Fund:** The Food Service Municipal Fund is used to receive deposits related to the operation of the three cafeterias in the district school buildings. A balance is typically available for investment in appropriate accounts.

**Food Service Checking:** This is the account used to pay bills related to the food service program and is funded by transfers from the Food Service Municipal Fund. This account operates as a zero-balance account where the required funds are transferred from the Food Service Municipal Fund and the Food Service Checking account going to zero after all payments are processed.

**Seneca High School Activities Checking:** This is the account used receive deposits from fundraisers and events and to make payments to vendors and reimburse individuals related to extracurricular activities at Seneca High School. There is typically a balance around \$60,000 in this account.

**Wattsburg Area Middle School Activities Checking:** This is the account used receive deposits from fundraisers and events and to make payments to vendors and reimburse individuals related to extracurricular activities at Wattsburg Area Middle School. There is typically a balance around \$30,000 in this account.

**AFJROTC Checking:** This is the account used receive deposits from fundraisers and events as well as electronic transfers in from the USAF and to make payments to vendors and reimburse individuals related to the activities of the AFJROTC program at Seneca High School. There is typically a balance around \$1,000 in this account.



1. Account Requirements

- A. Cash balances referred to above will be invested in instruments meeting the requirements of Pennsylvania state law and school code and as outlined in II.E. above.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- B. The board requires that proof of collateral is sent to the district within fifteen (15) days following month-end.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- C. All methods presented to invest cash balances conform to state law and school code requirements as outlined in II.E.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- D. The Bank will allow the account to be drafted as requested by the Board for State and Federal agencies.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

## 2. Banking Supplies

- A. The Bank will provide all necessary banking transaction items such as deposit slips, night deposit bags, and coin and currency wrappers as required.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

## 3. Processing Procedures

- A. The Bank shall give all deposits received by 5:00 p.m. credit as good ledger balance funds for the same day.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- B. The available funds or collected balance will be determined by the following maximum clearing schedule:

Same Day: Cash, wire transfers, ACH items, transfers between accounts and items drawn on Bank.

Next Day: Items on local institutions and warrants.

Other items will follow the Federal Reserve Availability Schedule.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- C. All checks returned for uncollected or insufficient funds must be presented twice before debiting the Board’s account.

Agree to Provide: \_\_\_\_\_

Comments:

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- D. The Board would like to receive same day notification when an item has been returned due to errors, uncollected or insufficient funds.

Agree to Provide: \_\_\_\_\_

Comments:

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- E. Bank-generated debits and credits must be forwarded to the Business Office of the Board the next business day. Duplicate copies must be sent on all ACH debits and credits related to Payroll items.

Agree to Provide: \_\_\_\_\_

Comments:

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- F. The Bank should provide a secure, internet-based banking package that allows authorized Board employees to and check balances of accounts, issue stop payments, and other functions as required. Requests should be processed the same day. As a backup, the Bank will provide the board

with alternate procedures to issue stop payments and will process requests on the same day.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

G. Research items (lost check, deposits, etc.) will be furnished within 48 hours of the request.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

#### 4. Wire Transfers and ACH

A. The Bank must maintain wire transfer facilities to the Federal Reserve Bank and, on a same day basis, conduct electronic wire transfers of funds for both outgoing and incoming wire transfers.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

B. The Bank must maintain ACH facilities to the Federal Reserve Bank and, on the effective date provided by the Board, conduct electronic transfers of funds for both outgoing and incoming ACH items.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- C. All incoming wires and ACH credits received prior to the Federal Reserve deadline will be considered collected funds in the Board’s account for that business day.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- D. The Bank should provide a secure, internet-based banking package that can be used to initiate and process account transfers, wire transfer and ACH items including any related payroll tax deposits federal or state from authorized Board employees. As a backup, the Bank will provide the Board with alternate procedures to process these requests.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- E. The Bank’s deadline for accepting outgoing wire transfer and ACH items should be no earlier than 3:00 p.m. Please state the deadline for both.

Wire deadline: \_\_\_\_\_ ACH deadline: \_\_\_\_\_

Comments:

\_\_\_\_\_

- F. The Bank will trace from origin to destination all wire transfers ordered by 3:00 p.m. and not received by the destination party by 4:00 p.m. and also ascertain the identity of the party responsible for delaying the transfer.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- G. The Bank will trace from origin to destination all ACH items initiated by the Board and not received by the Board or destination party the next business day and also ascertain the identity of the party responsible for delaying the transfer.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

- H. The Bank will be responsible for any loss sustained by the Board as a result of the Bank’s failure to transfer funds as instructed; however, in such a case, liability shall extend only to the resulting direct loss, and not to any consequential special loss or damages.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

## 5. Direct Deposits

- A. The Board currently provides direct deposit of its employee’s payroll checks. The Bank should provide this capability and assist the Board in the implementation of this process. A complete disclosure of the processing requirements should be provided.

Agree to Provide: \_\_\_\_\_

Comments:

\_\_\_\_\_

6. Monthly Statements/Account Analysis/Reconciliation Services

- A. The Bank shall deliver within ten (10) calendar days after the end of each month a detailed itemized statement showing date and amount of each transaction, including check number (if applicable). Statements must be made available online as part of the electronic banking services.

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

- B. The Bank will provide the ability to retrieve copies of canceled checks (images front and back) online.

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

How long are original checks kept on site at the Bank? \_\_\_\_\_

How long is bank account information maintained in electronic form by the Bank? \_\_\_\_\_

- C. The Bank will provide an automated bank reconciliation within ten (10) calendar days after the end of each month.

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

## 7. Online Banking Requirements

- A. The Bank is to provide a secure, internet-based banking package that allows authorized Board employees to access account information by 8:00 a.m. each working day. The Board currently has an online banking package. The Bank should assist the Board in setup and training of the package.

Name of package: \_\_\_\_\_

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

- B. The system should provide beginning ledger balances, collected balances, and list debits and credits to the accounts.

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

- C. The system should allow the Board to determine if a specific check has cleared.

Agree to Provide: \_\_\_\_\_

Comments:  
\_\_\_\_\_

- D. The system should allow the Board to verify wire transfer/ACH debits and credits and access all associated detail received by the Bank regarding these items.

Agree to Provide: \_\_\_\_\_



Comments:

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- E. The Bank shall provide the Board with daily account information via online access, and as a backup, via phone call to the assigned branch.

Agree to Provide: \_\_\_\_\_

Comments:

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## 8. Safekeeping Services

- A. The Board currently does not make use of its current Bank's trust services for the safekeeping of purchased investments. If the Board wishes to make use of the Bank's safekeeping services, then the Board and the Bank will mutually agree upon the cost of such services in writing at that time. Please do not include this cost in your proposal.

Bank is able to provide safekeeping services? \_\_\_\_\_

## 9. Positive Pay Service

- A. The Board would like to have the ability to provide positive pay services for the Board's Accounts Payable and Payroll check batches for fraud prevention purposes. Accounts Payable batches are run once a week, and Payroll batches are run every two weeks. Please provide details and all costs for the Bank's positive pay program.

Bank is able to provide this service? \_\_\_\_\_

## V. Compensation

The Board will compensate the Bank by either the holding of a non-interest-bearing time deposit at the Bank or through the payment of direct fees. The Bank may use one or both of the compensation methods. Bank must provide a calculation of fees based on the activity provided in the attached Account Analysis Statement.

Compensation Balance Required: \$\_\_\_\_\_

Comments:

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