

REQUEST FOR PROPOSAL BANKING SERVICES

AMITY TOWNSHIP
Berks County, Pennsylvania

The Township of Amity (hereinafter called the "Township", a township of the second class comprised of approximately 13,400 residents, located in Berks County, Pennsylvania), hereby invites qualified banking institutions, duly registered in the Commonwealth of Pennsylvania, to submit proposals for various banking services as described below.

The Township estimates 2021 cash assets of approximately \$9 million dollars in its funds and employs thirty-two (32) full time staff.

The Township currently operates a total of 4 active accounts. The General Fund Account handles the majority of all township payables processing an average of 1200 checks annually. The Highway Aid (Liquid Fuels) account processes an average of 20 checks annually. Other accounts include the sewer fund, EDU fund, recreation fund, Monocacy Hill fund, traffic impact funds and other escrow funds.

Objectives, Evaluation Criteria and Bidding Information

1. Objectives and Awarding of Proposals:

- a. In order to obtain the highest quality banking services at the lowest possible cost to the taxpayer, the Township is requesting quotations for banking services from the qualified banking institutions located in the immediate surrounding area.
- b. The Township Manager and Treasurer will analyze proposals received for the various banking services and will make a recommendation to the Board of Supervisors.
- c. As specified by the Pennsylvania Second Class Township Code, a banking depository will be appointed by a majority vote of the Township Board of Supervisors.
- d. The Board of Supervisors reserves the right to reject any and all proposals submitted, for any reason whatsoever, as it deems in the Township's best interest. We also reserve the right to waive any irregularities.

2. Bid Evaluation and Selection Criteria:

The Township intends to award the contract for "banking services" to the banking institution that submits the highest quality proposal. In determining the highest quality proposal, the Township will evaluate the following criteria:

- a. Cost and flexibility of the proposal.
- b. Banking institution's credit worthiness
- c. References of other business clients

- d. Location of banking institution's branches in relation to the Township's offices.
- e. Potential interest rates
- f. Services designed for the governmental entities.

3. Length and Terms of Banking Agreement

- a. The Township will enter into an agreement with the selected institution to provide banking services for the period of three years.
- b. Each bidder hereby agrees that all unit prices and all other conditions related to the banking services described herein shall be in effect for a minimum of thirty-six (36) months or shall otherwise so designate and only exceptions to this are certain unit prices or procedures, if any, that may be required by the Federal Reserve Bank or by any other applicable federal and state laws or regulations and any capital financing that the Township may need.
- c. This agreement will take effect no later than sixty (60) days after the Township Board of Supervisors makes the appointment for banking services, except for any investment that premature liquidation would cause incurrence of a penalty.

4. Instructions to Bidders for Submitting Proposals:

- a. One (1) physical copy and one electronic file of your Proposal for various banking services must be addressed and delivered in a sealed envelope clearly marked "Banking RFP" to Troy Bingaman, Township Manager, Amity Township, 2004 Weavertown Rd., Douglassville, PA 19518.

Proposals must be received by 4:00 PM on December 8, 2021, in order to be given due consideration. Proposals will be opened and distributed to reviewing members. Faxed proposals will not be accepted.

- b. Each proposal shall include all data requested herein, provided that any exceptions must be accompanied by an acceptable explanation.
- c. The Township expects to award the contract for various banking services at the January 3, 2022 meeting of the Board of Supervisors.

5. Scope of Requested Banking Services

- a. Remote Deposit-all checks are processed using the bank's remote deposit system.
- b. Over the counter deposits - All cash received directly by the Township are processed with deposit slips and may be presented daily to the bank branch.
- c. Availability of funds - Please specify your schedule of the availability of funds for investment purposes (on checks made payable to the Township).
- d. Wire transfers- incoming and outgoing - Please specify the unit cost and the daily time deadline for debiting and crediting wire transfers.

- e. Account reconciliation - Provide a detailed statement of activity listing each transaction including ending daily balance and a listing of cleared checks numerically sorted by check number including date and dollar amount cleared by the fifth (5) day of the next month. Check images must be provided as part of the statement. Provide an analysis of all costs and services for the period reported.
- f. Automated Clearing House Collections and Payments - Provide the time required to process payroll direct deposit.
- g. Second deposit on insufficient funds checks.
- h. Stop payments
- i. Cash/Investment management services - Including, but not limited to overnight repurchase agreements for sweep of general operating account.
- i. Online banking services provided.
- j. Zero balance accounts - Ability to maintain a zero balance at all times in both the payroll and operating accounts as needed.
- k. Direct deposit of payroll
- l. Collection and processing of sewer utility payments by lock box.
- m. Electronic file sharing for deposit or accounting information.
- n. Quarterly review meetings with Bank Representative.

6. Costing of Services:

- a. Provide a list of service costs for all items outlined in paragraph 5 hereof on page eight (8) of this document.

Collateralization Notice:

- 1. In compliance with the Commonwealth of Pennsylvania Act 72 of 1971 P.L. 281 as amended (the act") one hundred five percent (105%) of any Township funds held by the banking institution shall be collateralized as required by the Act.
- 2. The banking institution shall provide a Letter of Collateralization to the Township on a monthly basis, listing total deposits covered by the bank's collateral, the total amount, and types (for example, U.S. Treasury Bills, GNMA's, loan notes, etc.) of collateral held for such deposits, and the location the collateral is being held (for example, the Federal Reserve Bank of Philadelphia)

Bank Credit and Servicing Evaluation

- 1. Credit criteria:
 - a. Each bidder shall submit with its proposal the following statistic based on information contained in the quarterly Uniform Bank Performance Reports, or in similar reports, for calendar/fiscal years 2018, 2019 and 2020 (use Federal Reserve Bank definitions when not clear.) The Township will then compare the ratios of each bidder with the average of

its respective peer group (according to asset size) in the following categories:

- Primary capital to total assets
- Equity growth to asset growth
- Loan loss reserves to total loans
- Total deposits in amounts over \$100,000 to total deposits

- b. Each bidder shall specify in its proposal whether it is currently or has been:
 - 1. Under management supervision of the Resolution Trust Corporation, Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, or their similar current or former federal state regulatory agencies;
 - 11. Acquired by another banking institution (if so, please specify institution acquired by, date of acquisition, and amount of assets acquired).

2. Independent Audited Financial Statements:

- a. Each Bidder shall submit along with its proposal, one copy of its independent audited financial statements for the past two fiscal years, including (a) auditor's opinion, (b) balance sheet, (c) income statement, (d) statement of changes in financial position; and (e) notes to financial statement. All such information submitted will remain confidential at the bidder's request, and will be returned to the bidder, at its request, after the contract has been awarded.
- b. The successful bidder shall be required to submit subsequent audited financial statements for each fiscal year in which the agreement for banking services is in effect.

3. Client References:

Each bidder shall attach to the form of Proposal, a minimum of five current business clients, including municipalities or other governmental jurisdictions located in the Commonwealth of Pennsylvania, preferably in Berks County and trade references. The bidder shall include the name of the company with a contact name, email address and telephone number.

4. Bank Branche(s) and Personnel

Each bidder shall attach to the form of Proposal, the following information concerning its branches:

- a. The address of the bank's branch at which the Township would most regularly conduct business through this agreement. Please specify the working hours this branch is open to conduct business.
- b. The bidder shall also include with this information, the names of the following banking personnel that would be expected to deal regularly with the Township: the manager of the branch, a cash management representative, a regional vice president or other relationship representative and bank president.

Bidder Ethics and Collusion

1. Collusive bidding - Any bidder that submits more than one proposal in such a manner as to make it appear that one of the proposals submitted is competitive with that of a different bidder, or any two or more bidders that agree to fix their respective proposals in such a manner as to be awarded the bid shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.
2. Bribery-Any bidder that attempts to influence a Township official to award this contract to such bidder's banking institution by promising to provide or by providing to such Township official any gratuity, entertainment, commission, or any other such gift, in exchange for a promise to award the contract to such banking institution, shall be subject to any applicable penalties under the law.
3. Conflicts of interest - Any bidder that knows of any Township official having a material direct or indirect financial interest in such bidder's banking institution shall be required to submit a written statement, along with the Form of Proposal detailing such interest. Failure to disclose a known such financial interest shall result in that bidder's disqualification from further consideration of award of this contract.

FORM OF PROPOSAL
BANKING SERVICES

The undersigned, being duly authorized officer of the banking institution listed below, does hereby submit this proposal for banking services, under all terms and conditions (except those as noted) as specified in the Request for Quotations for Banking Services.

The following information is hereby included in the banking institution's proposal for banking services for the Township's consideration:

1. Primary Banking Services
2. Employee Payroll Services and Benefits
3. Auxiliary (optional) Banking Services
4. Client References
5. Bank Branches and Personnel
6. Audited Financial Statements
7. Bank Credit and Servicing Evaluation Data

Respectfully submitted,

By: _____

Type Name: _____

Institution: _____

Address: _____

Phone/Fax: _____

Seal

Witness: _____

Amity Township
Proposed Fee Schedule

Service	Estimated Annual Activity	Per Item Fee	Estimated Annual Cost
Deposit Items	10000		
Deposit Posted	150		
Return Deposited Item	10		
Checks Paid	1200		
Stop Payments	3		
Overdrafts			
Wire Transfers			
Account Monthly Maintenance	4 accounts		
Zero Balance Monthly Acct Fee			
ACH Monthly Maintenance			
Payroll Checks Paid	50		
Payroll ACH Direct Deposit Items	900		
Account Reconciliation	4		
Account Reconciliation - sorted	Yes		
Investment sweep fees			
Merchant Services	300		
PO Box Rental			
Online Banking Maintenance	Yearly		
Courier Service			
Lockbox			

Any other fees or charges not specifically identified in the RFP should be itemized and a cost to provide listed on separate sheet.