

**Town of Weldon**

**Banking and Financial**

**Services**

**RFP**

May 14, 2021

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## **SECTION I**

### **ABOUT THE TOWN**

The Town of Weldon is located in Halifax County, North Carolina and is adjacent to Roanoke Rapids. Spanning approximately three square miles, Weldon is known as the Rockfish Capital of the World and has a population of approximately 1,500. The Town prides itself on providing quality services at the least possible cost in order to be accountable to its citizens and customers.

The Town of Weldon has \$3,981,400 operating budget for FY 2020-21. It is expected to be slightly less for next fiscal. The town has four funds (General, Water and Sewer, Fire, and Library). The town has two banking institutions; the town uses NC Capital Management and Trust for reserve funds and BB&T (now Truist Bank) for operating expenses and revenue. As of April 30, 2021, the town has received 78.99% of its projected revenues and expended 73.38% of its expenditures for the year.

At the close of the BB&T April 2021 statement, the Town had a balance of \$1,269,796.23. Prior month's checks totaled - \$164,360.97; other withdrawals, debits, and service charges totaled \$143,848.78; deposits, credits, interest totaled \$280,899.54. The town makes daily deposits Monday through Friday (except state and federal holidays). The Town requires payroll direct deposit to its employees. Payroll is on a bi-weekly basis (Fridays), and averages about forty-eight (48) transactions per pay period of approximately \$32,000. Specific payroll calendars will be provided to the chosen institution. The Town also provides monthly draft utility payments for one hundred and four (104) customers and plans to continue doing so. The Town currently does not utilize positive pay services. If the Town develops a need for additional accounts, or services during the term of this agreement, services will be provided with the same conditions as apply to existing accounts at the time. If the Federal Reserve or other regulatory bodies provide for regulations, which are favorable to the Town, the institution shall make these new services available to it. Please itemize all monthly fees associated with each service provided (i.e. account maintenance fee, ACH service fee, EFT service fee, etc.).

<b><u>SECTION II</u></b> <b>GENERAL INFORMATION</b>
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The Finance Department from the Town of Weldon, NC (the “Town”) requests that qualified and interested banking institutions who operate within ten (10) miles of the legal jurisdiction of the Town, submit proposals for providing certain banking services for operating expenses only. Each proposal submitted shall be expected to respond to each consideration set forth in this Request for Proposal (the “RFP”).

**OBJECTIVE**

The Town desires to select a reputable financial institution to manage its deposits, provide core banking services and make available certain other related financial services to the Town for its benefit and the benefit of the citizens it serves. This RFP is organized into several separate sections. This first section gives a general overview of basic selection process, terms and conditions and basic requirements. All candidates must provide the Required Financial Information as well as the information required in the RFP section. The RFP will have more specific terms and additional conditions and mandatory requirements.

**EVALUATION AND SELECTION PROCESS**

The selection process will be based on the responses to this RFP. A committee, comprised of members from the finance department of the Town, will evaluate responses. Efficient and cost effective integration of services will be considered. The following will be the basic criteria for evaluating all responses. The full cost of implementation will be considered which includes software installation, data transmission file setup and other initial one-time implementation fees. Average or estimated volumes are included in Attachment 1 – Cost Form, which also serves as a price response form for requested services (see instructions below). The current service provider is Branch Banking and Trust Company (BB&T).

**Basic Selection Criteria:**

1. Ensure all proposal requirements, conditions and instructions are met as set forth in this RFP.
2. Ensure financial stability by reviewing financial statistics and other financial information provided by the institutions.
3. Review references, verifying exemplary service levels for similar banking and financial services and evaluate experience with governmental entities or private companies of similar complexity. Prior experiences with the Town will be strongly considered.
4. Ensure institution is equipped to best address the technological needs of the Town.
5. Ensure institution best addresses the overall goals, objectives and mandatory service requirements as set forth in this document.

6. Ensure institution provides service in an effective and efficient manner, which includes designating a specific Account Executive for the Town.
7. Ensure that the overall banking services are the most cost advantageous. The full cost of implementation will be considered during the selection process.

The Town reserves the right to reject any or all proposals, to waive any non-material irregularities or informalities in any proposal, to request additional clarification of proposals, to be the sole judge of suitability of the services for its intended use and further, specifically reserves the right to make the award in the best interest of the Town.

### **TERMS AND CONDITIONS**

The contractual period to be approved by the Town Council with the chosen firm(s) will be for a five-year term beginning approximately July 1, 2021. Up to three, one-year extension periods may be granted at the sole discretion of the Town at the prices proposed by or negotiated with the successful firm. A formal contract will be used and shall control subject to specifications, requirements, and conditions contained herein. The Town shall retain the right to cancel the contract at any time for cause. Such cancellation will generally result by the failure of the contracted institution to complete or provide the specified services, or by a violation of the Mandatory Requirements (listed below). The Town shall retain the right to cancel the contract at any time without cause with 90 days' notice.

The Town does not guarantee that activity levels and services indicated in Attachment 1 of this RFP will continue at the same level during the contract period. Any and all costs associated with the preparation of a response to this RFP are the responsibility of the candidate and are not to be passed on to the Town. An itemized cost proposal must be provided. Since terminology may vary, institutions are required to conform to this template. Exceptions to the proposal specifications should be listed separately and defined, or they will be invalid. The specific details shown herein shall be considered minimum unless otherwise indicated. The specifications, terms and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing individually by the Town. Candidates must consent to personal jurisdiction and venue in a state court of competent jurisdiction in Halifax County, North Carolina.

### **MANDATORY MINIMUM REQUIREMENTS**

There are certain minimal requirements for the institutions involved in providing any financial services referred to herein. Specific reference to each must be provided in the general response section as detailed in the instructions below. It is expected that the chosen firm will exceed these qualifications.

#### **Firms shall:**

1. Be a Federal Deposit Insurance Corporation (FDIC) insured institution;
2. Be online with the Federal Reserve Bank for funds and securities;
3. Have experience with large volume customers of similar complexity;
4. Be an Equal Opportunity Employer;

5. Comply with mandatory requirements according to type of service specified in the RFP for Core Banking Services;
6. Comply with all other requirements specified in this RFP.

### **TIMELINE**

The following timeline is provided for informational purposes. Contact Shanelle B. Harris, Finance Officer [sharris@historicweldonnc.com](mailto:sharris@historicweldonnc.com) to confirm dates, times and locations.

Publication of RFP	Friday, May 14, 2021
Pre-bid	Thursday, June 3, 2021 at 11:00AM
Questions Submission	Thursday, June 10, 2021 at 5:00PM
Response to Questions	Friday, June 11, 2021 by 5:00PM
RFP and Costs Sheet Submission	Thursday, June 17, 2021 at 5:00PM

**By Mail:** at PO Box 551, Weldon NC, 27890

**Physical Delivery:** 109 Washington Ave, Weldon, NC 27890

Bid Opening Friday, June 18, 2021 at 11:00AM

E-mailed and faxed responses will not be accepted. Questions may be directed to Shanelle B. Harris, Finance Officer via email to [sharris@historicweldonnc.com](mailto:sharris@historicweldonnc.com) during the question submission period that ends on Monday, June 10, 2021 at 5:00PM. Questions received will be answered in writing via addendum and posted online. The Town shall not be bound by oral or other information, explanations, or clarifications not confirmed in writing.

### **INSTRUCTIONS**

A cost proposal for commercial accounts must be provided along with submission materials. A printed copy must be with the proposal packet. Proposals will not be accepted unless cost proposals are provided.

Other important information and requirements:

- Responses to the Core Banking Services RFP should be organized as outlined in the RFP. Other than the cost proposal, responses need to be on paper only. There should be a separate response to the general requirements listed above and then responses for the Core Banking Services RFP section as instructed therein.
- All services should be priced on a per unit basis of one unless otherwise indicated.

- Five (5) paper copies are required. All proposals will become the property of the Town and will not be returned. Proposals become public record upon delivery to the Town.

**In summary, the response package should be organized as follows:**

1. Response to Section II General Requirements
2. Response to Section III Required Financial Information
3. Response to Section IV Core Banking Mandatory Institution and Service Requirements
  - ✓ Response to RFP requirements in order as listed
  - ✓ Requested bank information in order as listed
  - ✓ Additional information that may be helpful to the Town
4. Completion of Section V Required Forms
  - E-VERIFY
  - IRAN DIVESTMENT ACT CERTIFICATION
5. A detailed cost sheet for commercial customers.

### **SECTION III**

#### **REQUIRED FINANCIAL INFORMATION**

The following is required financial information to be provided by all candidates responding to any section of the RFP.

- Provide the current ratings for the candidate from each of the following agencies if rating the institution: Fitch Ratings Ltd., Moody's Investors Service and Standards & Poor's.
- Provide one copy of its most current audited annual report and Form 10-K filed with the SEC. The annual report should contain at least three years of comparative financial data.
- Provide one copy of its most current quarterly report and Form 10-Q filed with the SEC.
- If a subsidiary, please indicate the exact legal corporate name of each entity providing any of the services requested in this RFP.
- The candidate must include with their response, copies of all agreements needed in accordance with the provision of services to the Town. These will be reviewed and approved by the Town legal counsel.
- To ensure compliance with the Financial Reform, Recovery and Enforcement Act (FIRREA), the bank will need to formally approve the banking contract.
- Candidate certifies that they are not listed on the Final Divestment List created by the N.C. State Treasurer pursuant to Chapter 147 (the Iran Divestment Act) of the North Carolina General Statutes. In compliance with the requirements of the Iran Divestment Act and N.C.G.S. § 147, candidate shall not utilize in the performance of the contract any subcontractor or third party that is identified on the Final Divestment List.
- List references including any governmental units and other companies that have similar volume and complexity.
- State the method of collateralization ("Dedicated Method" or "Pooling Method") used for public deposits.
- Clearly describe any services that are provided by third parties, identifying the parties providing the service.

**SECTION IV**  
**CORE BANKING SERVICES MANDATORY INSTITUTION**  
**AND SERVICE REQUIREMENTS**

The Town of Weldon, NC desires to select a reputable financial institution to manage its deposits and provide core banking services. In addition to providing the Required Financial Information previously described, please respond to each of the following items.

**GENERAL REQUIREMENTS**

1. Be a FDIC insured institution.
2. Be online with the Federal Reserve Bank for funds and securities.
3. A full service branch of the institution must be located within 10 miles of the corporate limits of Town. Bank branches must be located within the vicinity of the main administrative location, and other locations.
4. Be a qualified depository for public funds in accordance with North Carolina General Statutes (hereafter "G.S.") specifically Chapter 159, Article 3 – The Local Government Budget and Fiscal Control Act (the "LGBFCA"), primarily G.S. 159-31 – Selection of Depository; Deposits to be Secured and the North Carolina Administrative Code Title 20 – State Treasurer, Chapter 7 – Collateralization Of Deposits under either the "Dedicated Method" (formerly option 1) of collateralization or the "Pooling Method" of collateralization (formerly option 2). The publication "Collateralization of Public Deposits in North Carolina" is available at [www.nctreasurer.com](http://www.nctreasurer.com) under "Financial Operations".
5. All funds deposited shall earn interest. Balances remaining at the end of each day in the main operating account shall be invested overnight at a competitive rate in an interest-bearing checking account.
6. Provide separate accounts as needed. The town presently has two (2) bank accounts. The Town *may* have activities that need to be maintained separately. There needs to be options for separate interest bearing and zero balance accounts.
7. Be able to handle, process and clear through separate zero-balance accounts.
8. All account balances shall be available for investment by the Town at all times.

**DEPOSITS**

9. Monies deposited in the bank by 2:00 p.m. shall be processed and credited for same day credit. Exception items can be delivered to the bank's designated operation center by 6:00pm. Other monies, such as maturing investments shall be given immediate credit and availability. Collected funds credit shall be given to checks drawn on the United States Treasury, Federal Reserve and the State of North Carolina. The bank shall provide collected funds credit for checks drawn on the United States Treasury, Federal Reserve and State of North Carolina.
10. Redeposit all returned deposit items for insufficient funds, waiting a minimum of 24 hours, before debiting the account. Forward returned items to an authorized representative of the

Town. Provide a return item report via on-line banking, which includes ACH and traditional check returns.

11. Provide onsite image capture deposits.

### **ONLINE SERVICES**

12. Provide on-line banking services package. Bank shall provide all software required to provide these services and to access all required reports. Detailed requirements are listed below. In the event that on-line services are down, provide an acceptable backup method via telephone or fax for each on-line requirement listed herein. All on-line services and options must be accessible 7 a.m. – 9 p.m., seven days per week. In RFP response, note whether these on-line services and reports are provided through dial-up (modem) or internet access. Include details of how updates and maintenance are handled.
13. Provide the following report types on-line.
  - a. Detailed transaction and balance reports – Report should show previous day detailed transactions, which include listings of all debits and credits impacting the accounts. Report should have ability for user to establish a minimum threshold for viewing either debits or credits or both and may have separate thresholds for electronic and paper entries. Reports should be accessible for six prior business days.
  - b. Intra-day position report – Report must provide up-to-the-minute recap of available account balances. It should be updated continuously throughout the day and reflect beginning balances, incoming and outgoing Fed wire transfers, ACH activity effective that day, maturing investments and disbursing debits. Please list types of transactions that update the Intra-day report and those that do not update the Intra-day report.
  - c. Return report – Report should list all check and ACH return items for the previous day. Report should be by account.
  - d. Please state in RFP response whether you offer imaged copies of the checks in addition to the report.
14. Provide stop payment services on-line from authorized officials of the Town. Verbal requests from authorized officials will be accepted and processed on the same day with documentation to follow. As a part of this service authorized officials would be able to inquire on-line to determine if a specific check had previously been presented for payment prior to initiating a stop payment.
15. Access imaged copy of checks on-line. This would be for current items not included on previous bank statements. If image is not available due to timing of check clearing, also accept request for check copies via telephone. Indicate how long after the check has cleared before an image is available online.
16. Provide ability to enter wire, ACH and book transfer on-line as outlined below. On-line system should offer ability to template repetitive transactions. System should also have ability to structure an approval hierarchy.
17. Provide ability to transfer funds on-line between two or more accounts maintained with the bank.

### **WIRE TRANSFERS, ACH TRANSACTIONS AND OTHER TRANSFERS**

18. Furnish direct deposit of employees' checks (credit entries) to their designated checking or savings account according to the Automated Clearing House (ACH) rules and regulations. Bank must be able to receive a direct transmission with all payroll information in fixed-width text file format. Transmission will be delivered no later than 8 p.m. one business day prior to payday. If needed, bank shall furnish pass-through software to aid in the ACH payroll file creation at no cost to the Town.
19. Process automatic drafts as a method of payment for some invoices. The Town also receives reimbursements from other agencies via ACH deposit.
20. Transmit debit entries initiated by the Town under ACH rules. The bank shall provide software or another means to allow Town to change and adjust ACH information prior to transmission to the bank. Bank must be able to receive information through direct transmission in required format. The Town's current file format is available upon request. Upon proper notification by the Town, bank shall manually adjust or stop payment or other adjusting entries. The bank shall be responsible for any loss limited to the liability for its own negligence or willful misconduct.
21. Process incoming and outgoing wire transfers verbally (via telephone) and on-line in real time as requested by duly authorized official(s) if instructions are received by the bank by the official deadline established by the Federal Reserve System. All incoming wires processed are expected to result in same day credit to the account. The bank is expected to assume responsibility for all losses or costs incurred by the Town as a result of the bank's failure to transfer wires as instructed.
22. Provide ability to create templates for repetitive wires and ACH transactions with the ability to restrict amount and access for different users. Each individual template should have ability to permanently establish different sections of the template. For example, for some repetitive wires, the same amount is wired each time. Each individual template should also have the ability to restrict use for designated authorized officials. Different templates would then be able to have different users. Changes to these templates shall only be made according to a written request to the bank from an authorized official.

### **SUPPLIES**

23. Provide sufficient pre-numbered and pre-encoded deposit slips per deposit site in duplicate at no charge for the Town to process daily deposits.
24. Provide all endorsement stamps for the departments making deposits at no cost to the Town. The bank shall provide two (2) stamps to each department upon the beginning of the contract. The endorsement stamps shall be in a format approved by the Town. During the term of the contract, endorsement stamps shall be provided as requested.
25. Provide two (2) lock bags with two (2) keys each for daily deposit.

### **OTHER SERVICES**

26. Provide account reconciliation for all disbursement accounts and have the capability to send daily and monthly transmissions of account activity to the unit. The Town's current file format is available upon request.
27. Forward bank generated debit or credit items to the Town the next business day with detail support describing the nature of the transaction. Detail support should include images of checks, adding tapes and deposit slips. Bank generated transactions without sufficient detail will not be accepted.
28. Provide research assistance on transactions (lost checks, lost deposit slips, mutilated checks, and bank generated transactions) by providing sufficient details within 72 hours of request.
29. Provide a large safe deposit box if need arises.
30. Provide an optional provision of a lock bag with keys for daily deposits. The Town has the right to purchase bags from a third party vendor. Please state any requirements of bags purchased through third party vendors.
31. Provide change as needed for various activities and events.

### **STATEMENTS AND PAYMENT OF FEES**

32. Allow the Town to pay service fees by direct payment invoiced annually, monthly draft, or compensating balance.
33. Provide a detailed itemized statement for each account for the previous month which shows each deposit, credit or debit memo, along with the check number and amount of each transaction processed within 10 working days of the subsequent month.
34. Provide all cleared check images (front and back) for each account, as well as providing the software and database that allows for efficient inquiry.
35. Furnish monthly detailed account analysis for each account enumerating the account activity by type of service and activity volume within each service. If compensating balance is utilized, provide analysis of fees compared to earnings allowance. Include average balances, net monthly earnings, total costs and any gain or loss by the bank. In the event costs exceed earnings allowance for a given month, the Town may be billed or have the right to negotiate a new compensating balance. In the event the earnings allowance exceeds fees, net against next month's charges.

### **GENERAL INFORMATION TO BE PROVIDED BY INSTITUTION**

36. Provide information outlined below.
  - a. Describe your internal controls and procedures to protect account information. If you have experienced any unauthorized access to account numbers and account information, please describe the circumstances and any resulting changes in controls and procedures.
  - b. For interest bearing account options, explain how the interest rate will be set and how often it will be adjusted. Provide the past daily interest rates for a similar account.

- c. For non-interest bearing account options, provide clear instructions on the earnings allowance calculation. Include definition of the benchmark rate that will be used in the calculation (Example: 6-month Treasury Bill).
- d. Provide a list of nationwide routing and transit numbers.
- e. Provide a list of your firm's local direct exchange banks.
- f. Provide a statement of any proposed mergers or software migrations within the next 12 months and any proposed implementation schedules.
- g. List bank branch addresses nearest to 109 Washington Ave., Weldon NC.
- h. Provide the contact information for a banker that will be assigned to the Town. Please specify experience and credentials.

**ORGANIZATION OF RESPONSE**

Information related to the above listed requirements should be organized and presented in the same order as listed above. Any additional information regarding institution specific enhancements or other services that may benefit the Town can follow.

**SECTION V**  
**REQUIRED FORM**  
**E-VERIFY**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_ (the individual attesting below), being duly authorized by and on behalf of \_\_\_\_\_ ("Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. (Mark Yes or No)  
a. YES \_\_\_\_\_, or b. NO \_\_\_\_\_
4. Employer and Employer's subcontractors comply with E-Verify, and if Employer subsequently retains any subcontractors on this project Employer will ensure their compliance with E-Verify.

This \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Signature of Affiant

Print or Type Name: \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_

Signed and sworn to (or affirmed) before me,  
this the \_\_\_\_ day of \_\_\_\_\_, 2021.

Notary: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

Notary Seal

**SECTION V**  
**REQUIRED FORM**  
**IRAN DIVESTMENT ACT CERTIFICATION**

N.C.G.S. 143C-6A-5(a)

As of the date listed below, \_\_\_\_\_ (name of vendor/service provider) is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 143-6A-4.

The undersigned hereby certifies that he or she is authorized by the vendor/service provider listed above to make the foregoing statement.

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Printed Name/Title

Notes to persons signing this form: N.C.G.S. 143C-6A-5(a) requires this certification for proposals or contracts with the State of North Carolina, a North Carolina local government, or any other political subdivision of the State of North Carolina. The certification is required at the following times:

- When a proposal is submitted
- When a contract is entered into (if the certification was not already made when the vendor made its proposal)
- When a contract is renewed or assigned N.C.G.S. 143C-6A-5(b) requires that contracts with the State, a North Carolina local government, or any other political subdivision of the State of North Carolina must not utilize any subcontractor found on the State Treasurer’s Final Divestment List.

The State Treasurer’s Final Divestment List can be found on the State Treasurer’s website at [www.nctreasurer.com/Iran](http://www.nctreasurer.com/Iran) and will be updated every 180 days.