

**INTERNATIONAL FALLS PUBLIC SCHOOLS, ISD #361**  
**1515 11<sup>TH</sup> Street**  
**International Falls, MN 56649**

**REQUEST FOR PROPOSAL: LOCAL BANKING SERVICES**

**INTRODUCTION:**

Independent School District 361 (the District) is requesting proposals for banking services from qualified financial institutions located within the District's boundaries. The District is a tax-exempt entity, and therefore, taxes are not to be included in the proposal fee calculations.

The District Business Manager will evaluate proposals submitted. During the evaluation process, the District reserves the right, where it may serve the best interest of the District, to request additional information or clarifications from financial institutions. At the discretion of the District, financial institutions submitting proposals may be requested to make oral presentations as part of the evaluation process.

**BACKGROUND INFORMATION:**

The District provides public school education to pre-kindergarten through twelfth grade, as well as, community education programs to the citizens of this District.

The District's fiscal year begins on July 1 and ends on June 30. The District has an annual budget of approximately \$13 million, of which 75 percent goes to the payment of employee salaries and benefits.

**PROPOSALS:**

**1) Schedule**

- a) Issuance of RFP: Wednesday, May 31, 2017
- b) Proposals Due: Monday, June 12, 2017 at 3:00 p.m.

Proposals for banking services will be received at the District Business Office located in Falls High School until **Monday, June 12, 2017 at 3:00 pm**. Proposals received after the stated time may not be opened or considered.

**2) Preparation**

Prior to submitting a proposal, each financial institution is required to examine all specifications. Submission of a proposal shall be proof that such an examination has been made and that the financial institution is familiar with all requirements. The District will not be responsible for, nor honor any claims resulting from, or alleged to be the result of misunderstanding by the financial

institution. There is no expressed or implied obligation for the District to reimburse responding financial institutions for any expenses incurred in preparing proposals in response to this request.

### **3) Submission**

- a) Submit one original completed proposal form that is furnished with this request for proposals with full name and address of financial institution. No facsimile copies will be accepted.
- b) Proposal forms must be signed, executed by a principal duly authorized to enter into a contract.
- c) A hard copy of the completed pricing sheets must accompany the original completed proposal form.
- d) Provide a list of at least three (3) references that includes school districts/organizations of comparable size to the District.
- e) Provide a detail description of your website including the features available for business customers.
- f) Provide a detail description of the financial institution's services available to the District as it relates to the Scope of Services Section.
- g) Provide a copy of you latest audited financial report.

### **4) Inquiries**

All inquiries concerning this Request for Proposal shall be directed to Stacy Grover, Business Manager, at Independent School District 361, 1515 11<sup>th</sup> Street, International Falls, MN 56649; telephone (218) 283-2571 x194; e-mail [sgrover@isd361.k12.mn.us](mailto:sgrover@isd361.k12.mn.us). It is the financial institution's responsibility to bring all discrepancies, ambiguities, omissions or matters that need clarification to the attention of Stacy Grover, Business Manager.

### **5) Contract**

It is anticipated that the evaluation process will be completed by June 16, 2017. Following the notification of the selected financial institution, it is expected a contract will be executed between both parties by July 17, 2017.

Services requested are for a five-year cycle, beginning on August 1, 2017. However, the services are subject to an annual review and the District reserves the right to terminate the contract.

### **6) Other**

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

Submission of a proposal indicates acceptance by the financial institution of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal

submitted and confirmed in the contract between the District and the financial institution selected.

### **SCOPE OF SERVICES:**

While the exact range and extent of services to be provided will be subject to contract negotiation, the District anticipates that the selected financial institution shall provide, at a minimum, professional services and dedicated personnel necessary to perform the following services and products.

The District currently has four accounts handled by three separate financial institutions. These are the main general account, a local account (cash deposits only), savings account, and a student activity account. The District has several trust agency accounts which are not included in this RFP.

It is the District's intent to consolidate the main general account, the local account, and the savings account into one main account and a student activity account to all be held with one local financial institution. Account descriptions are listed in the Account Description Section below. The District expects to earn interest or earning credits on some or all of the accounts described above.

The following are services that the financial institution will need to provide for some and/or all of the accounts.

#### **1) Customer Service**

The District has been entrusted with public funds and takes this responsibility very seriously and needs to choose a financial institution that provides the highest quality of service for a reasonable price.

It is imperative that the District has a primary contact(s) at the financial institution chosen from this RFP. The District will require this primary contact(s) to be familiar with the District's accounts. Please provide a short summary of what differentiates your services and products from other financial institutions.

#### **2) Depository Services**

The District sends, via drop off by District personnel, cash deposits to the local financial institution from the District Office on a daily basis during the school year. Check deposits are sent via remote deposit capture to the District's main general account on a daily basis. It is the intent of the District to combine these two activities to one local financial institution.

The District requires that all items returned for insufficient funds are presented for payment a second time.

The District receives incoming wire transfers and ACH deposits and will expect the transfers be accepted by the financial institution on the date the wire/ACH is received.

Additionally, the District requires the local financial institution to be able to efficiently manage unrolled volumes of coin, as well as, accept Canadian funds for conversion to US funds as needed.

**3) Disbursement Services**

The District issues paper disbursements for both the main general account and student activity accounts. The District requires check images made of paid checks with those images to be provided monthly.

All payrolls are transacted via ACH on a bi-weekly basis, as well as, some regular accounts payable transactions. The financial institution must have and maintain ACH originating capabilities.

The District may require at times wire transfers either via phone, in person or on-line account access.

The District desires the ability to initiate on-line or via the phone stop payments for both the paper disbursements and ACH payments with immediate acknowledgment that the stop payment was accepted.

**4) Internet Services**

The District requires secure internet services including but not limited to user administration, account balances, reporting (transactional history), statements, wire transfers, stop payments, images and internal funds transfer.

**5) Security and Data Protection Services**

Sound industry practices reflect the understanding that certain financial data should be protected at all times, as well as, protection against unauthorized account access. The selected institution must be able to provide information regarding their best practices, policies and procedures used to protect account data and unauthorized account access.

**6) Other Services**

The District currently utilizes a sweep account service to optimize the investment return on account balances, as well as, remote capture deposits. Information regarding both of these services and products are to be included.

The District may require a night depository service. Information regarding this service should be included.

The District requires the local financial institution to be well versed and knowledgeable in the management and investment of government funds.

## **ACCOUNT DESCRIPTIONS:**

### **1) Main General Account**

This account will be used for all daily transactions and will be considered the primary District account. All District disbursements and all District receipts will be managed through this account. This account is currently setup as a sweep account. Monthly payroll and accounts payable transactions average \$1,000,000. Federal and Minnesota state withholding and sales taxes are paid via ACH transactions along with an ACH for the monthly payment of the District's procurement card transactions, and some accounts payable transactions.

All investments are made from this account.

The six month average available balance of the current main general account was \$2,100,000 excluding short investments.

Collateral pledged for all the District's account is estimated to be approximately \$3.5 million including short term investments. To meet legal requirements, it is possible that for short periods of time collateral requirements could reach \$4 million.

The majority of the Districts receipts are received via electronic funds transfers from the State of Minnesota or via remote deposit capture from the Districts Business Office.

### **2) Local Account**

Currently the District utilizes a local bank account for all cash deposits. The intent of the District is to consolidate this account into the main general account under item #1 above. During the school year this account handles daily cash deposits which include unrolled coin.

### **3) Savings Account**

The District maintains a depository account with an approximate balance of \$61,000. The intent of the District is to consolidate this account into the main general account under item #1 above.

### **4) Student Activity Account**

The District maintains a student activity money market account. Average balance in this account is maintained at approximately \$24,000.

## **BASIS FOR PROPOSAL AWARD:**

- 1) Proposal award will be based upon, but not necessarily limited to, the factors of:
  - a. Quality of services and products.
  - b. Price of services and products.
  - c. Ability of financial institution to fulfill contract and scope of services.
- 2) The District reserves the right to:
  - a. Award this proposal in part or whole to a single financial institution.
  - b. Reject any or all proposals.
  - c. Negotiate with financial institution(s) after proposals have been submitted.

- d. Waive minor irregularities or discrepancies as defined by District policy and regulations.
- e. Cancel contract entered into with the successful financial institution any time during the life of the contract if the District deems the financial institution's services and/or products fail to meet the standards established by the detailed scope of services or the general provisions outlines in this RFP.

**SUCCESSFUL PROPOSAL:**

This is an informal proposal which will not be read at a public opening however, the information may be publicly reviewed after award. The successful proposal(s) shall enter into a formal contract with ISD #361.

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1515 11<sup>TH</sup> Street

International Falls, MN 56649

## PROPOSAL FORM: BANKING SERVICES

**1. Financial Institution Information-Corporate**

Name:	
Address:	
City State Zip	

**2. Financial Institution Information-Branch in the District's Boundaries**

Name:	
Address:	
City State Zip	

**3. Primary Contact Person Information (please provide other contact information on a separate sheet as deemed necessary)**

Name:	
E-Mail Address:	
Phone Number:	( )
Fax Number	( )

**4. Authorization**

Signature	
Date	
Title	

**5. Check if you have included the pricing sheets**

<input type="checkbox"/>	Hard Copy of pricing worksheet must be included with this original proposal form
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<input type="checkbox"/>	Email the Excel pricing workbook to <a href="mailto:sgrover@isd361.k12.mn.us">sgrover@isd361.k12.mn.us</a>
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**OR**

<input type="checkbox"/>	CD or Diskette of Excel pricing workbook (file) with this proposal form
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**6. Attach a list of references including school districts and other organizations**

**7. Summary of what differentiates your services and products from others**

**8. Please provide a detail description of your website including the features**

**Return by Monday, June 12, 2017 at 3:00 pm to:**

Independent School District #361  
Attn: Stacy Grover, Business Manager  
1515 11<sup>th</sup> Street  
International Falls, MN 56649