

EOAC BANKING RFP

REQUEST FOR PROPOSAL FOR BANKING SERVICES

ECONOMIC OPPORTUNITIES ADVANCEMENT CORPORATION, PLANNING REGION XI (EOAC)

500 Franklin Avenue
Waco, Texas 76701-2111
RFP No. 07-24-2017

INTRODUCTION

A. PURPOSE AND SCOPE

EOAC is seeking proposals from qualified banking institutions (the bank) to provide various banking services for a period of three years with option for two additional years, not to exceed five years. Through this contract EOAC intends to minimize banking costs, improve operating efficiency, and maximize investment capabilities.

The proposal has been divided into the following sections:

1. Financial services overview
2. General banking information
3. Depository and collection services
4. Cash management services
5. Financing services
6. Merchant services
7. Purchasing card
8. Pricing proposal

It is EOAC's intent to maintain banking services with one bank.

B. ELIGIBLE BANKS

A proposing bank must be a federally or State of Texas chartered banking institution with banking facilities located in McLennan County, Texas. To assure a close working relationship, to facilitate available services and to support local business, EOAC may give priority to those banks with full-service capabilities within the Waco city limits. Any required statement regarding equal opportunity and affirmative action should be included. The proposal submitted will become part of the final contract.

C. ACCOUNT COMPLIANCE

Accounts proposed by the banking institutions must comply with security and collateralization requirements for public funds promulgated by the federal government and the State of Texas.

EOAC BANKING RFP

D. PROPOSAL FOMAT

To fully and equitably evaluate each bank's ability to meet the banking services needs of EOAC, a standard reply format is required. Each proposal must include a response to each item in the RFP in the order given. Only proposals submitted in the prescribed format and using the exhibit forms provided will be evaluated for contract award.

E. TIMELINE (Subject to change)

RFP distributed to banks	September 21 – 26, 2023
Pre-proposal meeting, 500 Franklin, Waco (optional)	October 6, 2023, at 10:00 AM
Proposals due from banks	October 19, 2023
Interview with selected bank	October 26, 2023
Best and Final Offer Negotiations	November 9, 2023
Recommendation to the Board of Directors	November 27, 2023

F. RESPONSE DATE

Three (3) copies of the bank's proposal must be received by EOAC no later than 4:30 PM, October 19, 2023. Proposal must be clearly marked "BANKING SERVICES PROPOSALS". Mail or deliver responses to:

Chief Financial Officer
Economics Opportunities Advancement Corporation
500 Franklin Avenue
Waco, Texas 76701-2111

Late proposals will not be considered. Amendments to proposals will be considered only if they are received by the above deadline. A corporate official, legally authorized to bind the bank, must sign the proposal.

G. QUESTIONS

Questions regarding the bid process or specific aspects of the RFP should be mailed, e-mailed or sent by facsimile transmission to;

Jeffrey Case or Robert Kunze
Economic Opportunities Advancement Corporation
500 Franklin Avenue
Waco, Texas 76701-2111
jeffrey.case@eoacwaco.org or robert.kunze@eoacwaco.org
254-754-1031, facsimile

Deadline for receipt of question is 4:00 PM, October 13, 2023. Responses to all material questions submitted will be communicated to all banks on record as having received the RFP by October 16, 2023.

EOAC BANKING RFP

H. SELECTION CRITERION

EOAC aims to select the bank that will provide the best overall value on a long-term relationship rather than simply selecting the low bidder. The following rating system will be used in order to select the most qualified bank to service EOAC's banking needs:

WEIGHT

- 20% Net overall cost comprised of the four following components:
 - 1. Cash management services fees
 - 2. Earnings credit rate
 - 3. Availability schedule applied to deposit items
 - 4. Financing services, costs and terms
- 15% Ability of bank representatives to serve the needs of EOAC
- 10% Quality of written proposal
- 10% Quality of references
- 10% Proximity of branch locations
- 10% Availability and commitment of implementing new technologies
- 10% Financial strength
- 10% Availability, quality of commercial teller service
- 5% Demonstrated commitment to the community

I. TERM OF BANKING AGREEMENT

EOAC will enter a contractual agreement for three (3) years, with an option to renew the contract for two (2) additional years based on satisfaction of the Board of Directors and EOAC management with the performance of the bank under contract.

J. RIGHT TO REJECT PROPOSALS

EOAC reserves the right to waive any information or irregularities in any proposal and to reject all proposals.

SECTION 1 -FINANCIAL SERVICES OVERVIEW

A. CURRENT & PROPOSED ACCOUNT STRUCTURE

The current account structure of EOAC is reflected below:

- 4 operating, checking accounts
- 1 payroll account
- 1 savings account

Desired services:

- On-line reporting
- Account reconciliation
- Check imaging

EOAC BANKING RFP

On-line ACH transfers, On-line account transfers
Direct deposit, employee payroll
Positive pay
On-line stop payment
Incoming ACH and Wire receipts
Purchasing card

B. VOLUME AND BALANCES

Below are the current average account volumes for EOAC:

	Operating	Payroll
Deposited Items	250	100
Checks	6500	100
ACH	500	4500

Average collected balances for all accounts

Operating	\$2,500,000
Payroll	\$ 60,000

C. EOAC PROFILE

Economic Opportunities Advancement Corporation of Planning Region XI (EOAC or Agency) is a Texas nonprofit corporation chartered April 25, 1966, charter number 223698, a tax exempt charitable organization under ERC section 501c (3), with primary offices at 500 Franklin Avenue, Waco, Texas. The Agency was organized to implement and carry out the provisions of the economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his/her capabilities and participate in the workings of our society; and, to strive for elimination of poverty. EOAC operates and/or manages social services program in a nine county area of Texas: Bosque, Falls, Freestone, Hill, Limestone, Johnson, Ellis, Navarro and McLennan counties. Currently EOAC administers three (3) major programs (Community Services, Head Start/Early Head Start, and Weatherization Assistance) with a staff of approximately one hundred fifty. A twelve-member volunteer board of Directors oversees the agency.

D. SERVICES REQUESTED

In addition to standard bank services, EOAC is interested in the following services:
On-line banking including balance reporting, wires, ACH transmissions, stop payment, account reconciliation, positive pay, check imaging, direct deposit, Agency credit card, ACH receipts.

EOAC BANKING RFP

E. BUDGET/AUDITED FINANCIAL STATEMENTS

Audited financial statements for the fiscal years ended August 31, 2021 and 2022 will be made available to proposing bank upon written request to EOAC from a corporate official legally authorized by the bank.

SECTION 2 – GENERAL BANKING INFORMATION

1. FINANCIAL STRENGTH

A. SAFETY AND SOUNDESS

Identify key measures of the bank's financial strength, (e.g. capital ratios, market capitalization, total assets)

B. CREDIT RATINGS

Provide ratings for the bank from the following agencies: Standard & Poor's/Moody's. Include ratings for Bank Financial Strength, Bank Deposits and Issuer Rating.

C. FINANCIAL STATEMENTS

Each proposer must submit with their proposals:

- audited financial statements for the past two fiscal years
- a copy of the current call report, and
- a statement regarding any recent or foreseen merger or acquisition.

2. ACCOUNT SERVICING

A. BANK CONTACTS

List names, titles, telephone, fax number and e-mail addresses for key bank contact personnel. Also provide a brief resume for each contact.

B. ACCOUNT EXECUTIVE

An account executive must be assigned to the account to coordinate the account services and expedite the solution of any problem. A trained and competent backup for the account executive, familiar with the account, should be assigned in the proposal. Stipulate the name and a brief biography of the account executive to be assigned to the EOAC's account.

C. REFERENCES

Each proposer must include five (5) references of current customers who use services similar to those in this request. Provide organization name, address, telephone number, e-mail address and the contact person for each reference.

D. PROXIMITY

Provide the distance of your nearest bank branch to the following location:
1800 N Valley Mills Drive
Waco, Texas 76701-2111

E. COMPETITIVE POSITION AND FUTURE COMMITMENT

EOAC BANKING RFP

1. What differentiates your products/services from other providers?
2. What new services or features does the bank plan to offer, and within what time frame?
3. Describe your commitment to the local community and the support provided by the bank to local (located in the nine counties served by EOAC) organizations over the last 5 years.
4. Provide any additional information which you believe to be relevant to this RFP, and your capabilities to provide the services requested, e.g. product brochures, and articles in trade journals.

F. DISASTER RECOVERY

Provide a detailed description of the bank's disaster recovery plan.

SECTION 3 – DEPOSITORY AND COLLECTION SERVICES

A. BASIC INFORMATION

EOAC currently has 4 depository accounts. The average total daily balances are approximately \$2,500,000. Deposits are primarily received by wire or ACH credits. Hard Copy deposit tickets are taken to the bank for deposit with a teller verified copy of the deposit ticket returned to the EOAC employee.

The bank must guarantee immediate credit on all incoming wire transfers and U.S. Treasury checks upon receipt and all other checks based on the bank's published availability schedule. The Bank should specify in their proposal their deposit requirements and commercial and retail deposit locations, including night deposit services and procedures.

B. COLLATERALIZATION OF DEPOSITS

The bank must agree to obtain and maintain acceptable collateral sufficient to cover all anticipated time and demand deposits, above the FDIC insured limit of \$250,000.00. Securities used to pledge against time and demand deposits must be held in an independent third-party safekeeping institution outside the bank's holding company. The bank will execute a tri-party safekeeping agreement with EOAC and the Safekeeping bank of safekeeping of these securities. Collateral will be maintained at a minimum of 102% and marked to market at least once a month. Control will be shared jointly between the bank and the entity. Substitution will be approved by EOAC and not unduly withheld. Substitutions of collateral will be requested in writing and new collateral will be received before the existing collateral is released. The proposal will name the safekeeping bank for collateral.

C. PROCESSING

What is the cut-off time to ensure same day credit?

D. BANK COMPENSATION

EOAC BANKING RFP

1. How do you calculate and determine availability of deposited items?
 - Do you give immediate credit for on-us items?
 - Do you use a standard schedule?
 - Do you use an accelerated schedule?
 - How often are they updated?
2. Provide your bank's availability schedule.
3. Can we compensate your bank for services by explicit fees, compensating balances or a combination of the two?
4. How are your bank's monthly earnings credit calculated?
5. Provide historical rates for the last year.

E. DAYLIGHT OVERDRAFT PROVISIONS

Every effort will be made to eliminate daylight overdraft situations on the account. However, in case this situation does arise, the proposal should include all bank policies regarding daylight overdraft charges or handling procedures.

F. RETURNED ITEMS

1. Describe your procedure for handling non-sufficient fund checks deposited into an EOAC account.
2. Can returned items be automatically re-deposited/if so, how many times.?

G. STOP PAYMENTS

1. Include a statement on the proposed stop payment process on an automated or manual basis
2. Can stop payments be placed manually On-line?
3. Can the period be extended?
4. Can you request stop payments for a range of checks? If so, is there a limit to the range?

H. WIRES

1. What methods of initiation does the bank offer?
2. What are the opening hours and cut-off times in Central Standard/Central Daylight Savings Time for initiating wire transfers to ensure same-day execution?
3. What is the cut-off time for in-coming domestic wire transfers to receive same day credit?

I. VAULT SERVICES

1. What is the cut-off time to ensure same-day ledger credit?
2. What types of bags do you allow/required?
 - Do you provide the bags?
 - Do you charge for the bags?

SECTION 4 – CASH MANAGEMENT SERVICES

EOAC BANKING RFP

A. ACCOUNT RECONCILIATION SERVICES

1. Provide a brief description of each account reconciliation service that the bank offers.
2. Describe the products features including but no limited to:
 - File transmission time windows
 - File layout
 - Imaging capabilities
 - Reporting capabilities: Paper vs. Electronic vs. Internet
 - Technical capabilities
 - System requirements

B. POSITIVE PAY

1. Provide a brief description of each positive pay service that the bank offers. Please provide sample reports.
2. Describe the products features including but not limited to:
 - Data Transmission methods
 - File transmissions time windows
 - Notification report delivery methods
 - Notification transmission time windows/response deadlines
 - Control options-defaults, dollar threshold, etc.
 - Imaging capabilities
 - System requirements

Please indicate all costs fees associated with the services described in this section. Please provide this information in the format provided in Section 7 of this proposal.

C. INFORMATION REPORTING SYSTEMS

1. Provide a brief description of the information reporting services that the bank offers. Please provide sample reports.
2. Describe the products features including but not limited to:
 - Applications/modules available with the service
 - Hours of access/time windows
 - Level of detail provided for prior day information
 - History retention
 - Export capabilities
 - Internal control options/security features
 - Imaging capabilities
 - Technical capabilities
 - Reporting: Paper vs. electronic vs. internet
 - System requirements

D. ACH PROCESSING (DIRECT DEPOSIT PAYROLL)

EOAC BANKING RFP

1. Describe the service delivery method (direct transmission, PC-based system, web based) that you recommend based upon the information outlined for EOAC.
2. Describe the product features including but not limited to:
 - Transmission procedures
 - Transmission time windows/ACH hours of operation
 - Process for reversing/deleting files
 - Electronic reporting capabilities
 - Security features
 - System requirements

Please indicate any cost or fees associated with the services described in this section. Please provide this information in the format provided in Section 7 of this proposal.

E. DISBURSEMENT SERVICES

1. Describe the bank's disbursement services (controlled disbursement, PC-based system, web-based) that you recommend based on the information outlined for EOAC.
2. Describe the products features including but not limited to:
 - Endpoint locations
 - Notification methods
 - Notification time windows
 - Electronic reporting capabilities
 - Funding options
 - Security features
 - System requirements

Please indicate any costs or fees associated with the services described in this section. Please provide this information in the format provided in Section 7 of this proposal.

SECTION 5 – FINANCING SERVICES

A. LOANS COLLATERALIZED BY REAL ESTATE

EOAC has one outstanding commercial real estate loan located at 1800 N. Valley Mills Dr. Waco, Texas. The current aggregate balance is approximately \$580,000.00.

B. REVOLVING LINE OF CREDIT

On an interim basis, EOAC may need an injection of working capital due to lag time between program contract and program grant renewals. Currently EOAC has in excess of \$1,000,000 unrestricted, non-federal/non-state funds for interim working capital needs. EOAC desires a revolving line of credit of at least \$150,000 to augment the unrestricted funds on hand for interim working capital needs.

Please indicate any costs or fees associated with the services described in this section. Please provide this information in the format provided in Section 7 of this proposal.

EOAC BANKING RFP

SECTION 6 – CORPORATE CREDIT CARD

To accommodate making air travel and lodging reservations, EOAC currently has a corporate credit card (one account) in the name of the agency. EOAC desires cards issued or sponsored by the successful proposer bank with a credit limit of \$10,000.00 one card (account) for the executive director and one card (account) for the agency.

SECTION 7 – PRICING PROPOSALS

<u>SERVICE</u>	<u>#Of Units</u>	<u>Unit Price</u>	<u>Service Charge</u>	<u>Balance Required (if applicable)</u>
FDIC Assessment				
Depository				
Account maintenance				
Banking center deposit				
Checks paid				
Stop pay				
Debits posted-electronic				
Credits posted-electronic				
Deposit account statements				
Direct account transfer				
Other _____				
Vault Services				
Currency				
Coin				
ACH Service				
Monthly maintenance				
Input				
Originated addenda				
Notify of change				
Standard reports				
Consumer On Us credit				
Consumer Off Us credits				
Corporate On us debits				
NSF charge				
Credit received item				
Debit received item				
Other _____				

<u>SERVICE</u>	<u>#Of Units</u>	<u>Unit Price</u>	<u>Service</u>	<u>Balance</u>
-----------------------	-------------------------	--------------------------	-----------------------	-----------------------

EOAC BANKING RFP

	<u>Charge</u>	<u>Required (if applicable)</u>
Wire Transfer		
Monthly maintenance		
Incoming domestic wire		
Temporary storage		
Other _____		
Account Reconciliation		
Monthly Maintenance		
Input Items		

<u>SERVICE</u>	<u>#Of Units</u>	<u>Unit Price</u>	<u>Service Charge</u>	<u>Balance Required (if applicable)</u>
Information Services				
Account maintenance				
Current day items				
Previous day items				
Archive (max yrs. ____)				
Archive maintenance				
Image retrieval				
Other _____				

This is a firm and irrevocable offer for ninety (90) days.

Organization: _____

Name: _____

Title: _____

Telephone: _____

Date: _____

Authorized Signature: _____