Request for Proposal

Comprehensive Banking Services

Issued: April 16, 2025

Due: June 5, 2025

CITY OF MANTECA

REQUEST FOR PROPOSAL (RFP) FOR COMPREHENSIVE BANKING SERVICES

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I. Introduction

The City of Manteca ("City") is seeking proposals from qualified public depositories (a state or national bank located in California, as defined by Section 53635.2 of the California Government Code) to provide comprehensive banking services. The bank must be a member of the Federal Reserve System. The bank must be a Federal or State of California chartered bank and in good standing among comparable banks.

The City intends to select a bank ("bank") to provide the services listed below.

1. General Banking Services

This RFP does not cover corporate trust services related to debt issued by, on the behalf of, the City. Such services would be included in separate Fiscal Agent Agreements associated with such debt.

A. BACKGROUND

The City was incorporated in 1918 and is located in San Joaquin County, a growing region in the Central Valley area. It has a permanent staff of 474 full-time Equivalents (FTEs) and serves approximately 91,000 residents within 21 square miles.

The City operates using the Council-Manager form of government. The Mayor is elected at large, and four Council members are elected by district for staggered four-year terms to govern the City. The City Council is responsible for establishing policies, adopting an annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney. The City Manager implements the Council's policies and oversees the city's day-to-day operations and management.

The City's current primary banking relationship is with Wells Fargo. The current agreement is expiring, and the City has determined that a review of the services offered by qualifying institutions is appropriate. The City encourages proposers to be innovative and creative in their proposals. The City intends to maintain all/most banking services with one bank to maximize cash flow and minimize administrative costs. Therefore, banking services proposals must include services for the scope as described in the Scope of Services section. However, the City reserves the right to procure/purchase services from multiple providers when deemed appropriate.

Additional information regarding the City can be found on our website - https://www.manteca.gov/

B. OBJECTIVE

The city's objective is to secure the most efficient and effective banking services while maintaining sufficient liquidity and protecting all the funds entrusted to it.

II. RFP Requirements and Schedule

This Request for Proposal (RFP) solicits proposals from qualified, experienced, financially sound, and responsible firms to provide the city with comprehensive banking services.

The services needed are outlined below. The scope of services is further defined in Section III.

- Automatic account reconciliation
- ACH debit and credit services
- ACH debit block
- Branch deposits
- Automatic Remittance Processing
- Cash management
- Demand deposit accounts
- Depository services such as Online stop-payment
- Positive pay services
- Electronic Funds Transfer—ACH and wires
- Lockbox Services
- Electronic banking, including balance reporting, check inquiry, ACH transmissions, wires, and stop payments
- Banking supplies
- Online image retrieval
- Secure online banking payments collected in a batch deposit

In selecting a bank, the City's Primary goals are to partner with a financial institution that demonstrates quality and responsiveness in its customer service and can demonstrate the local decision-making authority available to handle the City's emergency needs as they arise.

The bank selected to perform banking services shall maintain a capital structure equal to or greater than the average of all funds the City has with the bank during the agreement term under California Government Code section 53638.

The bank will collateralize all collected balances in the name of the City, above balances insured by the FDIC, at 110%, according to California Government Code section 53652(a). The bank will notify the City immediately if it fails to meet the collateral or any other qualifying requirements during the contract term.

A. SCHEDULE OF PROPOSAL

Release of RFP	April 16, 2025
Submission of Questions Due	May 8, 2025
Responses to Questions Posted on Web	May 15, 2025
Proposals Due by **4 PM**	June 5, 2025
Interview (tentative)	Week of June 23, 2025
Award contract by City Council (tentative)	August 2025
Implementation/Conversion	August - September 2025

B. QUESTIONS CONCERNING THE RFP

Inquiries about this RFP must be directed in writing via e-mail to the RFP Facilitator, the Assistant Director of Finance, Matthew Boring (**mboring@manteca.gov**).

The City reserves the right to amend or supplement this RFP before the proposal's due date. All supplement (s), responses to questions received and additional information will be posted to the Procurement Registry, https://www.manteca.gov/business/request-for-proposals. Proposers should check this web page daily for new information. The City will endeavor to answer all written questions promptly by Thursday, May 15, 2025. The City reserves the right not to answer all questions. No questions other than written will be accepted, and no response other than written will be binding upon the City.

C. CONDITIONS FOR PROPOSAL ACCEPTANCE

This RFP does not commit the City to award a contract or pay any costs incurred for services. At its sole discretion, the City reserves the right to accept or reject any or all proposals received as a result of this RFP, negotiate with any qualified source(s), or cancel this RFP in part or its entirety. The City may waive any irregularity in any proposal. All proposals will become the property of the City of Manteca. If any proprietary information is contained in the Proposal, it should be identified.

D. PREPARATION OF PROPOSAL

A proposing bank must follow the instructions for preparing the proposal in the prescribed format in Sections IV (Information Requested) and Pricing Form (see Attachment A). Each proposal shall be prepared simply and economically, avoiding using elaborate promotional materials beyond those sufficient to provide a complete, accurate, and reliable presentation. For ease of review, the proposals must follow the outline in Section IV of this RFP. Each response should be clearly numbered.

All banks are encouraged to respond creatively and innovatively to this RFP. Discuss any creative pricing or payment options the bank can provide. Describe alternate approaches to the requested services where possible or additional services offered or recommended that may not be specifically requested but benefit the City .

E. SUBMISSION OF PROPOSALS

Complete written proposals must be submitted in sealed envelopes marked and received by **4:00 p.m. (P.S.T)** on **June 5, 2025, at** the address below. Proposals will not be accepted after this deadline. Proposals faxed or e-mailed will not be accepted. No exceptions will be granted to the submission deadline.

City of Manteca
Finance Department
1001 W. Center St
Manteca, CA 95337
RE: Banking RFP

F. NUMBER OF COPIES

The Bank shall submit a total of 2 (one (1) signed original and one (1) electronic copy of the proposal). The signed version of the proposal must be signed by a representative with the authority to bind the firm to the contract.

G. EFFECTIVE PERIOD OF PROPOSALS

Proposals must state the period for which they will remain in effect. This period must be at least 180 days from the proposal date.

H. NO PROPOSAL

If a proposer cannot meet a particular service requirement, "No Proposal" should be entered on the Pricing Form for that specific requirement. In the case of a "No Proposal" remark, the proposer may offer an equivalent alternative service.

I. CONTRACTED SERVICES

If a third party provides a service, please indicate this clearly on the Pricing Form. For work the subcontractor performs, the proposer assumes full responsibility, including insurance and bonding requirements, for the quality and quantity of all work performed.

J. RESERVED RIGHTS

Notwithstanding any other provisions of this RFP, the City reserves the right to award this contract to the bank that will provide the best value to the City, based on the criteria stated in Section V – Evaluation and Award Criteria– and not necessarily to the lowest cost proposer after the interview and the conclusion of the City RFP process. Further, the City reserves the right to reject any proposals, award in whole or in part, and waive minor immaterial defects in proposals. The City may consider, at its sole discretion, any alternative proposal.

K. CONTRACT NEGOTIATIONS

After reviewing the proposals and any oral presentations, the City intends to potentially enter contract negotiations with the selected bank. These negotiations could include all aspects of services and fees. If a contract is not finalized in a reasonable time, the City reserves the right to open negotiations with the next best-ranked bank.

L. AWARD OF CONTRACT

The selected bank shall be required to enter into a written contract with the City in a form approved by the City's legal counsel. This RFP and the proposal, or any part thereof, may be incorporated into and made a part of the final contract. The City reserves the right to negotiate the terms and conditions of the contract with the selected proposer.

M. CONTRACT TERM

The intent of the City is to award the contract for an initial 3-year period, with the option to renew it for two additional 1-year periods, for a possible total contract term of 5 years. The city will have sole discretion over contract renewal.

The City desires fixed pricing for the three-year contract period. If the proposer intends to revise its fee schedule after the initial period, it must give written notice to the City 90 days in advance of any fee change. Fees may be changed only on the contract anniversary date. These fees are subject to negotiation and approval by the City and may not exceed the annual consumer price index-urban (CPI-U) for the most recently available 12-month trailing period.

N. DISPOSITION OF PROPOSALS

All proposals submitted become the property of the City and public records, and as such, they may be subject to public review. The City may disclose the proposals or portions at its sole discretion, per the California Public Records Act.

O. COST INCURRED IN RESPONDING

This solicitation does not commit the City to paying any expenses incurred in preparing and presenting any RFP proposals.

P. ASSIGNMENT

The successful proposer shall not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, firm, or corporation without the previous consent in writing by the City.

Q. INSURANCE

If selected to provide the banking services described in this RFP, the Bank shall be required to comply with the insurance requirements outlined in "Attachment B" or as described in the Service Provider Agreement. Please reference the attached sample City Service Provider Agreement (Attachment B) for information regarding the City's insurance requirements.

R. ACKNOWLEDGMENT OF CONTRACT AGREEMENT

Attachment B is the City's standard professional services agreement. All interested parties submitting proposals for this RFP should be prepared to agree to the standard terms and must be able to provide the required insurance outlined in Attachment B. The City will not execute the agreement without it first being signed by the bank.

S. CAUSES FOR TERMINATION

Causes for termination of the agreement may include the provider's failure or refusal to perform any of the agreement's provisions and failure to cure such default within two (2) business days of written notice. At its sole discretion, the City also retains the right to terminate the agreement without cause with seven (7) calendar days written notice. Termination or cancellation of the agreement will not relieve the Bank of any obligations for any deliveries entered into before termination of the agreement (i.e., reports, statements of accounts, etc., required and not received).

Termination or cancellation of the agreement does not relieve the Bank of any obligations or liabilities resulting from acts committed by the Bank before the agreement ends.

III. Scope of Services

A. GENERAL INFORMATION

The City has the following bank accounts:

- General account (main checking account)
- Payroll account (ZBA)
- Successor Agency to the Manteca Redevelopment Agency account
- Worker's Compensation account (ZBA)
- Health Savings Plan Account

B. REQUIRED SERVICES – no specific order of importance

- Provide an overnight investment service (sweep), an interest-bearing account for excess cash balances in the demand deposit accounts, or both.
- Disburse funds via repetitive or non-repetitive wire transfers and ACH upon request of an authorized person.
- Accept and send ACH transactions and provide online notification of ACH deposits within 24 hours.
- Process direct deposit of employee payroll bi-monthly.
- Provide (if needed and requested) credit card merchant services.
- Provide positive pay services.
- Provide deposit slips, deposit bags, coin bags, and wrappers free of charge to the City.
- Process transfers and receive electronic payments to/from LAIF, investment entities, and other State and County apportionments.
- Provide automated account reconciliation reporting services for City accounts. Available information should include, but not be limited to, closing ledgers, closing collected, opening

ledgers, opening collected, float, previous day debit, and credit details (including bankcard deposits, sweep transfers, and ACH credit and debit details).

- Provide online access to account information, including daily activity reports, monthly statements, cleared checks, and automated stop payments.
- Provide monthly activity and account analysis statements and reports for all accounts. The statement cutoff should be the last day of the month. Statements must be sent by the 10th of the following month.
- Provide a quarterly review of the City's cash management.
- Provide timely and on-demand customer service by email, phone, video conference and occasionally in person.

IV. Information Requested

Proposals must respond to each item in this section by listing the item number and providing a complete response to each question.

A. QUALIFICATIONS AND EXPERIENCE

1. Provide a general overview, including governmental client service philosophy, and a brief history of your organization, including parent and subsidiary companies and the number of employees.

2. Provide the address of the branch location(s) within Manteca that will service the account.

3. Disclose if it has a government service division and the number of years this division has been in operation.

4. Complete the following table with current credit ratings by Standard & Poor's Rating Services and Moody's Investor Services. If these rating organizations do not rate the proposer, provide other evidence of the institution's financial strength.

Bank

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

Bank Holding Company

	Standard & Poor's Rating	Moody's Investor Services
Short-term Unsecured Senior Debt		
Long-term Unsecured Senior Debt		

5. Discuss the firm's current capital structure, adequacy, and coverage. Provide the following statistics for the last reporting period:

   a. Total Risk-Based Capital Ratio: _____

   b. Tier 1 Risk-Based Capital Ratio: _____

   c. Tier 1 Leverage Capital Ratio: ____

6. Include a ***website link*** or an ***electronic copy*** of the last two audited annual financial statements.

7. Include a ***website link*** or an ***electronic copy*** of the last four quarters of FDIC call reports.

8. Provide a ***website link*** or an ***electronic copy*** of the bank's Community Reinvestment Act (CRA) rating, including information on the bank's CRA activity within the City's jurisdiction.

9. Describe and discuss the firm's ties to the Manteca community. Provide any examples of the firms commitment to community service and/or participation in non-profit organizations within Manteca.

B. KEY PERSONNEL

1. Provide the name, title, address, phone number, and email address of the primary contact person(s) assigned to this account.

2. Describe your firm's policy on changing the primary contact person on an account.

3. Name the individuals who will work with the City on a day-to-day basis. Information should include:
   a. Biographical information
   b. Experience working with other governmental entities
   c. Proposed role concerning the City's account
   d. Number of years of experience in this field
   e. Number of years with your bank
   f. Describe the level of local decision-making authority these individuals have to handle emergency needs of the City as they arise.

4. Will a specific customer service representative/Government Services Division be assigned to handle day-to-day transactions for the City?
   a. Describe the responsibilities of the customer service personnel, including the chain of command for problem resolutions.
   b. Is local customer service support available at the bank's local branches?
   c. What are the hours of operation of each customer service unit involved in supporting the proposed services?
   d. If the City discovers any error, how would you propose to resolve it (i.e., who should the City contact)?

5. After the initial transition, how often will the primary relationship manager attend on-site meetings with City staff? Describe a typical meeting agenda for this on-site meeting.

6. IT Resources: Will the bank provide dedicated IT liaison(s) to work on set-up, file transfer, testing, and troubleshooting solutions? What hours, including time zones, is technical support available?

C. GENERAL BANKING SERVICES

1. Deposit Services
   a. Please provide a listing of bank branches within the City limits.
   b. What is the ledger cutoff time for deposits?
   c. How are deposits credited? Are all items immediately verified? If provisional credit is given, when does verification take place? How will the City be informed if the bank corrects a deposit?

2. Coin/Currency Ordering Services
   a. Does the bank have an automated coin/currency ordering service? Describe this system's deposit and change order procedures, cutoff times, security, and other features.
   b. Describe change order procedures and restrictions for branch pick-up.
   c. For cash vault and branch change orders, discuss whether or not there are minimum purchase requirements (e.g., standard straps of currency and full boxes of coins). Is a discount offered for purchasing standard amounts or using standard change orders? What settlement options are available for change orders (e.g., cash, check, debit to account, wire, etc.)?

3. Cash Transportation

   The City currently utilizes an armored car service at City Hall and remote locations for daily cash pickup. Please describe your service (if available), including:
   a. Pickup schedule options
   b. Options for missed pickups or special pick-ups
   c. Insurance in delivery
   d. Time expectation of deposit transaction

4. Returned Item Processing
   a. Can items returned for insufficient or uncollectible funds be automatically re-deposited? If so, how many times?
   b. Does the bank offer any options that may increase the collection of NSF checks?
   c. Can the bank provide online access to electronic images (back and front) of returned items? How soon can these images be accessed?
   d. Can the bank provide a summary report of returned items identifying the payer(s) name, depositing location, deposit date, and the type of item returned?

5. Availability of Deposits
   a. Provide a copy of the bank's availability schedule, including branch deposits.
   b. Is the schedule offered to the City the best one for any customer? If not, quantify the difference and explain how the City may obtain the bank's best availability schedule.
   c. How does the bank determine and calculate the availability of deposited items?
   d. Do the availability policies differ from the Federal Reserve Bank availability schedule?
   e. Does the bank give immediate availability for on-us items?
   f. Does the bank calculate the availability by item or formula?
   g. Is the availability assignment made as soon as checks are released for collection, or is the assignment made at specific times during the day?
   h. List your cutoff times for giving same-day value on EFTs (e.g., wire, ACH/bulk) received. How soon after the bank gets incoming funds (e.g., wire, ACH/bulk) or notification of incoming funds does the City receive credits in its account?

6. Collateralization of Deposits

   The City requires the financial institution to collateralize the City's deposits in the name of the City. Collateral should be a preferred security interest in pledged securities meeting the City's investment policy requirements and consistent with State and Federal laws and regulations.
   a. Does the bank fully collateralize all City deposits exceeding the FDIC insurance limit? Provide information on any pooled services being utilized.
   b. Provide the name of the collateral custodian (e.g., Federal Reserve) to be used. The proposer shall produce evidence of collateralization annually as of June 30 and at the City's request.

7. Positive Pay
   a. Does the bank offer Positive Pay and Payee Positive Pay?
   b. Please provide sample reports or a website link.
   c. Please provide the transmission method and time windows.
   d. Describe the process and deadline for transmitting AP and payroll check issuance information from the City to the bank.
   e. How frequently can transmission files be uploaded to the bank to issue additional checks and recently voided items? Is there a limit to the number of files per day?
   f. Does the bank offer the ability to enter one-time check disbursements issued during the day manually? Please describe.

g. What controls are in place to protect against lost files and duplications of transmissions? If duplicates are sent, is there a penalty or potential issue?

h. How and when will the City be notified of exception items? When must the City inform the bank whether an exception should be accepted or rejected? Does the bank offer a "do not pay" default for exception items?

i. Will stale-dated checks be reported as exception items?

j. Is Positive Pay required for all demand deposit accounts, even those without check-writing functionality? Can account(s) be designated as "post no checks" to prevent potential fraud? Is there a cost to make this account designation?

k. Is Teller Positive Pay available? How frequently is check issuance information updated and made available to tellers?

l. Are there any other fraud protection services that the bank provides or recommends?

8. Stop Payments

a. Describe the stop payment service and features. Can stop payments be placed online? How long is a stop payment effective?

b. Will the system automatically verify if a check has been paid before processing the stop payment request?

c. What term options are available for stop payments?

d. Is there a report that lists stop payments set to expire?

e. Can stop payments be automatically renewed? If so, for how long?

9. Automated Clearing House (ACH) Processing

The City utilizes ACH debits and credits as part of its electronic service. It includes direct deposit for payroll disbursements and collections for utility billing accounts.

a. Is the bank both a sending and receiving bank of the National Automated Clearing House Association (NACHA)?

b. How can the City submit ACH files or initiate ACH via bank software?

c. What are the transmission cut-off times for one-day and two-day ACH files?

d. Describe the procedures used to confirm accurate and secure receipt of the transmission.

e. What would happen to an ACH file if the City exceeds its daily exposure limit?

f. How are returned and rejected ACH transactions handled? What information does the bank provide to assist in identifying returned and rejected ACH transmissions? When is this information available?

g. Is your bank planning to opt-in and participate in processing same-day ACH debits?

h. Describe the bank's procedures for handling debits to the City's accounts that the City did not authorize. How soon does the bank notify the City of receiving an unauthorized ACH debit?

i. If the bank provides ACH debit blocking, what level of filtering can be applied?

j. Does the bank offer ACH Positive Pay (the ability to make pay/no-pay decisions on unidentified ACH transactions)?

k. Describe the process of electronic funds payments for deposit of various State and County apportionments, including LAIF.

10. Wire Transfer
    a. Describe the process of initiating wire transfers, including incoming, outgoing, and other transfers.
    b. During what operating hours will the wire transfer system be available?
    c. Describe the system's security features if wire transfers can be initiated online. Can varying degrees of authorization be set (e.g., multiple authorizers, maximum dollar amounts, etc.)?
    d. Does the bank offer dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe.
    e. What is the cutoff time for same-day wire transfers?
    f. Describe the ability to create and store recurring and future–dated wire instructions/templates, including the maximum retention period for future-dated transactions, timeline, and related charges.
    g. Describe the bank's procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of the wire transfer request.
    h. Describe the bank's policy for handling a failed wire transfer. How and when would the City be notified?

11. Lockbox (Wholesale and Retail)
    The City currently utilizes lockboxes to process utility payments.

    Please describe:
    a. The deadline and format of data transmissions.
    b. Lockbox address and location requirement.
    c. Breakdown of wholesale versus retail processing.
    d. Locations of processing centers.
    e. Handling of items that cannot be processed or return items.
    f. Remittance document layout requirements.
    g. Transmission requirements.
    h. Treatment of exception items.
    i. Imaging capabilities.
    j. Conversion of consumer checks to ACH payments.
    k. Disposition of documents (including imaging capabilities and truncation).
    l. Is there a "low volume" surcharge? Please explain.

12. Intra-bank Account Transfers
    a. Describe the process of initiating an intra-bank account transfer.
    b. Does the bank offer dual control release options (secondary approval levels) for electronically initiated transfers? If so, describe them.
    c. What is the cutoff time for same-day intra-bank account transfers?

13. Statements and Documents

a. How soon after the cutoff date are the following items ready?

	Online
Bank statements	
Partial reconciliation information	
Full reconciliation information	
Account analysis statements	

a. Are electronic images stored on the bank's online reporting system? If so, how does the bank charge for these services (per item viewed/per item loaded)? Is there a difference in price for deposited versus disbursement items?

b. How long are electronic images for deposited and disbursement items stored on the reporting system and available for customer access?

c. How does your image system capture and report images for damaged checks?

d. What technology would you recommend the City use for archiving historical data?

e. If access is only online, how long after the termination of a contract will the bank allow the City to access historical images on the reporting site? Can historical data be downloaded?

14. Online Reporting

a. Describe the different reporting solutions and methods by which the bank makes deposit and balance information available.

b. How will the City access the reporting system?

c. What authorization levels (e.g., accounts viewed, transaction capabilities, etc.) are available for individual users? Is there a limit to the number of users accessing online services?

d. What current-day reporting is available through the reporting system (e.g., beginning and ending ledger balances, collected balances, available balances, and float assignment)? Please provide samples of the current balance and transaction reports.

e. Are there differences between the information available for the current-day and the reporting from the previous day? If yes, please describe them.

f. What time is the information available from the previous day?

g. In what file formats can data be downloaded?

h. The City would like to track its cash position daily. Can the electronic reports be customized to include data fields such as collected balance, outstanding (un-cleared) checks, float, and outstanding wires, transfers, and ACHs? Is there any additional charge?

i. How long is the balance history stored for the previous day's reporting?

j. Are any details provided in the current day's reporting unavailable in the previous day?

k. List all other transaction types that can be initiated using the online system.

15. Reconciliation Services

a. Does your bank offer Account Reconciliation Program (ARP) services? Please discuss options (full, partial, deposit, and serial sort) for reconciliation services, including:
   - File transmission deadlines
   - File layout requirements
   - Imaging capabilities (e.g., paper, electronic)
   - System requirements for the interface

b. Provide sample reports for all options.

c. Are the systems integrated for checks, ACH, and wire transfers? If so, describe. If not, explain any plans for integration.

d. Describe how reconciliation data is transmitted to the City.

16. File Transfer

a. How are file transfers initiated? In what formats is the information available for retrieval?

b. Do the means to connect to the bank's systems vary by transaction type?

c. Does your system provide for electronic confirmation of receipt for file transmissions?

d. Is there an existing interface with the City's financial system, Tyler New World, or would a custom interface need to be developed? Will there be a charge for the interface?

e. How is connectivity initiated? What protocols are used to facilitate the interface?

f. Describe the bank's process to verify that all records have been received and processed.

g. What controls are in place to protect against lost files and duplicate transmissions? How will the City be notified of a duplicate file?

17. Overnight Investment/Investment Sweep

The City requires an automated service that accommodates zero balances in the accounts daily and a sweep or other vehicle for investing excess funds.

a. Describe your policy and processes.

b. What short-term investment vehicle(s) does the bank propose to use for the overnight investment or sweep of the City's demand deposit accounts?

c. Does a reserve requirement apply to these proposed options?

d. Will the bank assess FDIC, FICO, or other charges to the City? If so, what is the fee for an entire year on a $1 million balance? How is this charge computed? Is it assessed on a ledger or collected balances?

e. Provide investment return history for the previous three years for each option proposed. Show the yield for each.

f. Describe your policy for crediting interest earned to demand accounts.

g. What time of day is the sweep deadline? Is it an end-of-day or next-day sweep?

h. What kinds of fees are charged to sweep funds into the proposed investment vehicle(s)? How is the fee calculated?

i. If the bank proposes a money market mutual fund, provide a copy of the

current prospectus and identify the class of shares, including the ticker symbol or CUSIP.

j. What collateral, if any, is provided to protect balances on the investment sweep?

18. Earnings Credit Rates (ECR)

a. What are the options for compensating your bank, i.e., direct fees, compensating balances, or a combination of both? Is the price the same for either option? If not, what is the difference? If on a fee basis, can excess balances be used to offset activity charges partially? Will earnings credit on collected balances over those required to pay expenses incurred in any month be carried forward to offset future bank charges? Provide the bank's ECR for compensating balance method of payment.

b. How is your bank's earnings credit determined, adjusted, and applied? Please include in the explanation the impact of the bank's reserve requirement and the formula for converting service charges to balance requirements.

c. Provide monthly rate history for the last two years.

d. What is the bank's current earnings credit rate? Are you willing to lock in a "floor" earnings credit rate? If so, for how long?

e. Are you willing to link the earnings credit rate to a market index? If so, which index and what spread would you suggest?

f. Using the ECR for March 2025, please calculate the compensating balances (after float and reserves) needed to offset one dollar of the bank services. ($1 in services = $ _____ in compensating balances.)

g. What time frame does your bank use when reviewing balances for deficiency or excess (e.g., rolling 12-month average, calendar quarter, calendar year, etc.)?

19. Account Analysis

a. Describe your service, including availability online, frequency – daily, weekly, monthly, and conversion to Excel.

b. Provide a sample analysis statement and include the Association for Financial Professionals (AFP) Service Codes on the analysis statement.

20. End-of-Day Overdrafts

a. What are the fees and interest charges associated with overdrafts? How are these charges calculated?

b. Is there a fee per check or occurrence when there is an overdraft?

c. Is there a daily cap on fees?

21. Daylight Overdrafts

a. Describe the bank's policies concerning daylight balance overdrafts. Indicate whether this is applied to each account or across all accounts of a client relationship.

b. Are outgoing wire transfers held if the intra-day limit is reached?

c. How does the bank process wire transfer instructions rejected for creditor daylight overdraft issues? How and when is the City notified?

d. Does the bank establish an intra-day limit per account or customer? How flexible can the bank be in setting an appropriate limit for the City?
e. If the bank incurs a daylight overdraft charge from the Fed, will it pass this charge on to its customers? If so, how (e.g., intra-day loan, daylight overdraft facility fees)? How is the cost allocated among customers?

22. Merchant Services / secured E-Payments

The City accepts debit cards, Visa, Master Card, Discover, American Express, and e-Wallet payments (such as Apple Pay) for various fees and permits.

The banking institution shall supply the appropriate supplies and equipment for online verifications. Please describe:

a. The financial institution's process.
b. The Point-of-Sale processing capabilities.
c. Software provided. Is support and training available?
d. What authorization methods do you support, and which do you recommend?
e. Please quote a discount rate and all other applicable charges for the credit card processing described above. Please include rates for both swiped and non-swiped transactions.
f. Clearing time lag between deposit and posting.
g. What is the allowable percentage of downtime and notification of down periods?
h. Guarantees against "downtime" with services.
i. What are the fees associated with debit and credit card transactions?
j. How is the applicable interchange fee determined for each transaction? What does the financial institution recommend to minimize interchange fees?
k. What is the reporting methodology and the availability of reports?
l. How are adjustments and chargebacks handled? Are chargebacks and other debit adjustments netted from daily proceeds or debited separately? Is the discount fee refunded when a chargeback or refund occurs? What is the rebuttal process?
m. What security features are available, including account number encryption and a purging policy?
n. The bank's efforts to ensure Payment Card Industry (PCI) data security standard compliance and liability.
o. What type of point-of-sale terminals are required? What are the cost or lease options per terminal?

23. Disaster recovery

a. Describe the bank's formal and tested disaster recovery plan.
b. How quickly will backup facilities be activated?
c. Describe the bank's operating capabilities to assist the City in the event of a disaster or declared emergency.

24. Dispute resolution process
    a. Describe your process for:
        - Positive Pay
        - Paper checks
        - Payments and Deposits
        - Lockbox
        - Others
    b. Are there any established turn-around times for research and adjustment items? If yes, please specify.

D. CONTROL

1. Specify whether the online capabilities are accessible 24/7. If not, list the hours of availability for each service.
2. Regarding Data Security and Anti-Fraud Procedures, describe your institution's overall security system to safeguard the City's funds, prevent fraudulent transactions, and identify and alert the City of irregular/abnormal transactions and transaction patterns. The institution shall partner in the City's internal control framework for banking/cash handling-related functions. Please identify technologies you have in place that will assist the City in improving its internal control effectiveness.
3. Describe the electronic or manual system that provides the proposed services and backup and recovery capabilities.
4. Who would the City contact to initiate day-to-day banking transactions if online capabilities and functionality are temporarily unavailable?
5. Include a copy of the Service Organization Control (SOC) reports conducted under the Statements on Standards for Attestation Engagements No. 18 (SSAE 18) regarding controls.
6. Describe the bank's security procedures for its information reporting system for access and information protection.
7. Is system administration performed by the bank or the customer? What functions does the security administrator perform?
8. Is an audit trail report available, showing all activity, by whom, and when for each system?
9. Describe the types of insurance and bonding carried.
10. Include a copy of the bank's most recent reports issued per the Statement on Standards for Attestation Engagements (SSAE 16) for any processes or systems relevant to the services under this RFP.
11. If not already covered in the SSAE 16 report, describe the disaster recovery plans for each proposed service for short- and long-term disaster and power failure recovery.
12. Describe any additional security measures available to the City to minimize the risk of unauthorized transactions in its accounts.

E. IMPLEMENTATION/CONVERSION

1. Please provide a detailed implementation and conversion plan that identifies all tasks, estimated timeframes for the tasks, milestones, roles, and responsibilities for the City and Bank's personnel. A list of the minimum anticipated deliverables such as, but not limited to:
    - Configure bank account structure
    - Implement electronic banking and reporting
    - Configure and test file transmissions and electronic communication channels
    - Establish security and encryption protocol
    - Implement ACH debit blocks, where appropriate
    - Implement other banking services as determined
    - Implement an interface with the City's financial system Tyle New World
    - All necessary processes required of the City's current Bank to ensure a seamless transition
2. If a conversion team is used, how will the City's account be transitioned to the ongoing client service team?
3. Indicate your plan for initial and ongoing education and training for City employees using your systems.

F. NEW SERVICES AND IDEAS

1. Please explain how the bank plans to keep its product line competitive. Describe the approach the bank is taking in developing new services, what new services and features the bank plans to offer, and the estimated time frame.
2. Describe any services, technological enhancements, or otherwise, that the City should consider for improving operational or cash management processes.
3. Please provide any additional information your bank believes is pertinent but not explicitly requested elsewhere in the RFP.

G. REFERENCES

Provide at least three (3) local governmental references of similar size (i.e., scope of service utilization) to the city. Please include the following information for each reference:

- Contact name and title
- Name and address of the government
- Phone number and email address
- Services provided
- Number of years as customer and services provided

H. CONTRACT/REPORTS TO INCLUDE IN THE PROPOSAL

1. A sample of the proposed contract for your bank's services and all other documents that needed to be signed/entered into related to the provision of the services requested in this RFP, including any documents referenced or incorporated into the contracts/agreements.
2. Proposed custodial agreement for the collateral pledged to secure the City's account under FIRREA requirement.
3. Please send a sample report or a website link to the monthly bank statement, credit card processing statement, standard online reports, real-time query screens, and any other reports that we could expect to receive.
4. Is your bank willing/able to develop customized reports? If so, please provide specific pricing information.

I. LEGAL AND FIRM ISSUES

Please disclose and explain any significant adverse events in the bank's recent history, including criminal charges, civil litigation, or administrative actions involving allegations of securities or banking law violations by the bank or its employees during the past five years. Please comment on the resolution and status of the actions.

J. PRICING AND INCENTIVES

1. Please complete the attached pricing form on Attachment A for all services described in your bank's proposal using the Association of Finance Professionals (AFP) Service Codes, if possible. A list of services currently used with volume levels is provided on Attachment A. All fields must be completed; any blank or zero amounts in a field will mean no cost to the City. Fees related to all services described in the proposal must be listed, even if the service is not shown on the schedule. Also, include any one-time or set-up charges, research fees, minimum fees, and all other fees that will be charged. Include any incentives or price breaks offered based on volume, timeliness of payment, rebates, or other measures.
2. Are you willing to offer any transition or retention incentives?
3. Are there any additional price breaks or incentives?

V. Evaluation and Award Criteria

The proposals received will be evaluated to identify the financial institutions deemed fully qualified and best suited to the City's needs, per factors listed below (not in priority order):

- Understanding the needs and operational requirements of the City
- Bank and branch locations
- Scope of services offered, including degree of automation
- Relevant experience managing similar services with governmental agencies
- Professional experience and qualifications of the individuals assigned to the account
- Responsiveness to proposal format and inclusion of all required exhibits/reports
- Local decision-making authority to handle emergency needs
- Financial strength and capitalization of the banking institution
- Adequacy of financial controls and security protection against loss
- Value of any new product or service suggestions or other new ideas and enhancements
- Quality and scope of the conversion plan
- Ability to provide services as outlined in the Scope of Services and quality of the proposal
- Quality of references
- Best rate of interest paid historically on accounts (including evaluation of indexed rates)
- Best earnings credit rate (ECR)
- Proposed cost
- The level of connection and ties to the Manteca community

An in-house evaluation team will lead the selection process. The city will establish a short list of prospective proposers based on this preliminary evaluation. The final selection will be based on oral interviews and reference checks.