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Proposer's Company Name

**Addendum # 1 REQUEST FOR PROPOSAL**

**REQUEST FOR PROPOSAL**

**Kent District Library is seeking proposals  
for Banking Services**

**Proposals Due:**

**By Monday, November 16th, 2009 by 2:00 p.m. (local time)**

**Kent District Library**

**814 West River Center, NE**

**Comstock Park, Michigan 49321**

# KDL

Kent District Library  
www.kdl.org

## **Addendum # 1 REQUEST FOR PROPOSAL**

**Kent District Library is seeking proposals from qualified banking institutions to provide various Banking Services**

Proposer will deliver **five copies (5) of a sealed proposal** to the following address:

**Kent District Library  
Service Center  
814 West River Center NE  
Comstock Park, Michigan 49321**

**By Monday, November 16th, 2009 by 2:00 p.m. (local time)**

Proposals must be submitted in a sealed envelope marked with the name, address and contact information of the proposing firm and the words “**Proposal for Banking Services**” The **Signature Page** must be signed and should be submitted in a **separate sealed envelope** marked “**Signature Page**” and placed inside of the sealed proposal envelope. **Do not** include the Signature Page in each copy of your proposal. Proposals faxed or emailed will not be accepted. Any proposals received after the deadline will not be considered and will be returned unopened. Proposals will be opened publicly and names recorded immediately following the deadline for submission.

**As part of their proposals, bidders must confirm in writing that their proposals are consistent with the requirements outlined herein and clearly define any and all deviations. Proposals must be presented in the format of the proposal forms included in this RFP. All questions must be answered and all instructions must be followed. If a bank cannot meet a service requirement, the bank should enter “No Proposal for that specific requirement. All proposals must be submitted in their entirety by the deadline.**

Complete proposal packages with detailed instructions may be printed off of the KDL website, <http://www.kdl.org> beginning Friday, October 30th, 2009 or requested by calling 616-784-2016, ext 2230.

Questions regarding this RFP may be sent to Sherry Bava, Finance Director, by fax (616-647-2950) or email ([sbava@kdl.org](mailto:sbava@kdl.org)) until Thursday, November 12th, 2009 by 5:00 p.m. Responses will be posted in the form of an addendum on KDL’s website, [www.kdl.org](http://www.kdl.org) as soon as possible. **Please acknowledge receipt of the addendum(s) on the Signature Page of this RFP.**

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## SECTION I: INTRODUCTION

### PROPOSAL INFORMATION

#### Definitions

“**Proposer**” an individual or business submitting a proposal to Kent District Library

“**Contractor**” one who contracts to perform services in accordance with a contract

“**KDL**” is Kent District Library in Michigan

“**Library**” is Kent District Library in Michigan

“**Bank**” is the qualified banking institution

### PROPOSAL TERMS

A. Kent District Library reserves the right to reject any and all proposals received as a result of this RFP. If a proposal is selected, it will be the most advantageous regarding price, quality of service, the proposer's qualifications and capabilities to provide the specified service, and other factors that the Library may consider. The Library does not intend to award a contract fully on the basis of any response made to the proposal; the Library reserves the right to consider proposals for modifications at any time before a contract would be awarded, and negotiations would be undertaken with that proposer whose proposal is deemed to best meet the Library's specifications and needs.

B. The Library reserves the right to reject any or all proposals, to waive or not waive informalities or irregularities in proposals or proposing procedures, and to accept or further negotiate cost, terms, or conditions of any proposals determined by the Library to be in the best interests of the Library even though not the lowest proposals.

C. Proposals must be signed by an official authorized to bind the proposer to its provisions for at least a period of 90 days. Failure of the successful proposer to accept the obligation of the contract may result in the cancellation of any award.

D. In the event it becomes necessary to revise any part of the RFP, addenda will be provided. Deadlines for submission of RFP's may be adjusted to allow for revisions. The **entire** proposal document with any amendments should be returned. To be considered, **five copies (5)** must be at the Library on or before the date and time specified.

E. Proposals should be prepared simply and economically providing a straight forward, concise description of the proposer's ability to meet the requirements of the RFP.

Proposals shall be typewritten. No erasures are permitted. Mistakes may be crossed out and corrected and must be initialed in ink by the person signing the proposal.

F. A standard Kent District Library Services Agreement will be executed between KDL and the successful proposer (see Appendix A) unless the proposer submits a contract that is acceptable to KDL. KDL reserves the right to award the total proposal, to reject any and all proposals in whole or in part, and to waive any informality or technical defects if, in KDL's sole judgment, the best interests of Kent District Library will be so served.

H. Any ambiguity in any proposal as a result of omission, error, lack of clarity or non-compliance by the proposer with specifications, instructions, and/or all conditions of bidding shall be construed in the light most favorable to the Library.

## **PROPOSAL SPECIFICS**

### **I. Project Purpose**

The intent of this Request for Proposal (RFP) is to seek proposals from qualified banking institutions (the "bank") to provide various banking services for a period not to exceed FOUR (4) YEARS as described herein. The objectives are to identify the banking institution(s) that can offer the most comprehensive services at the most competitive rates, minimize the cost of banking services to the taxpayers of the Library; preserve capital, protect investment principal, and maximize the return on liquid assets while avoiding unreasonable risk. See Section III – Scope of Services for more detail.

### **II. Background Information**

**The Library's current banking services contract is with Huntington National Bank. The Library Director, Finance Director, and one designated Kent District Library Board Member utilize banking services. Only the Library and Finance Directors may engage in banking activities on behalf of the Library, e.g., establish and close accounts, authorize the movement of funds, approve wire transfer/trading agents for the Library.**

Kent District Library began in 1936 as the Kent County Library Association, and then officially became Kent County Library, and in 1994 the Library separated from Kent County to form Kent District Library. KDL is governed by an 8 member Board of Trustees, appointed by the Kent County Board of Commissioners and representing the various geographic regions of the KDL service area. In August 2000, Kent County voters approved a four-year millage proposal for 0.88 mill. In August 2004, Kent County voters renewed the 0.88 mill funding for ten more years. The Kent District Library is a non profit governmental unit. It is a District library with 18 branches located throughout Kent County, Michigan and an Administrative office

located in Comstock Park, Michigan. KDL is among the largest library in the State of Michigan with nearly 300 full and part-time employees. KDL pays its staff bi-weekly. KDL employs both union and non-union staff.

KDL is located in Kent County, Michigan and serves the rural and suburban population in 26 communities surrounding the city of Grand Rapids. KDL is comprised of 18 branches, the Library for the Blind and Physically Handicapped, and a Service Center. KDL provides the books and materials, staff, programs and technology to operate the community libraries. Local communities provide the buildings that house library branches. The Service Center, purchased in 2000, is the only building owned by KDL. The Operating Budget for 2009 is just over \$ 16 million. KDL's fiscal year begins on January 1 and ends on December 31.

### **III: Scope of Services and Standards to be followed**

The proposal has been divided into the following sections:

- A. Eligible Banks
- B. Account Compliance including Kent District Library's Investment Policy
- C. Financial Services Overview
- D. General Banking Information
- E. Depository and Collection Services
- F. Treasury Management Services
- G. Investment Services
- H. Financing Services
- I. Merchant Services
- J. Purchasing Card
- K. Pricing Proposal

It is the Library's intent to maintain most banking services with one bank. The Library reserves the right to eliminate any individual service contained in the RFP for reasons such as, but not limited to, the fees for providing the service are excessive, or if the service can be performed in-house.

#### **A. ELIGIBLE BANKS**

A proposed bank must be a federally or State of Michigan chartered banking institution with offices located in Michigan.

#### **B. ACCOUNT COMPLIANCE INCLUDING KDL'S INVESTMENT POLICY**

All accounts proposed by the banking institutions must be in compliance with Michigan Act 20 PA 1943, as amended, and Kent District Library's Cash and Investment Policy, as follows:

## **INVESTMENTS**

### **1. STATEMENT OF PURPOSE**

*It is the policy of Kent District Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Kent District Library and to comply with all state statutes governing the investment of public funds.*

### **2. SCOPE OF POLICY**

*This investment policy applies to all financial assets of the Kent District Library. These assets are accounted for in the various funds of the Kent District Library and include the general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, internal service funds, trust and agency funds, and any new fund established by the Kent District Library.*

### **3. INVESTMENT OBJECTIVES**

*The primary objectives, in priority order, of the Kent District Library's investment activities shall be:*

*Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of the capital in the overall portfolio.*

*Diversification – The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.*

*Liquidity – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.*

*Return on Investment – The investment portfolio shall be designed with the objective of obtaining a market average rate of return during budgetary and economic cycles while taking into account investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to safety and liquidity objectives.*

### **4. DELEGATION OF AUTHORITY TO MAKE INVESTMENTS**

*Authority to manage the investment program is derived from [MCL 397.182](#). Management responsibility for the investment program is hereby delegated to the Board Treasurer (or Finance Director as designee of the Board Treasurer) who shall establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures shall include references to: Safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board Treasurer. The Board Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Board Treasurer may delegate any day-to-day functions under this investment policy to the Finance Director as his or her designee.*

### **5. LIST OF AUTHORIZED INVESTMENTS**

*The Kent District Library is limited to the following investments authorized by [Act 20 of 1943](#), as amended:*

The Kent County Investment Pool, an investment pool organized under the [Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 et seq.](#)

Bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts or depository receipts of a financial institution as defined in MCLA 129.91(4) provided that the financial institution is eligible to be a depository of funds belonging to the State under a law or rule of the State of Michigan or the United States.

d. Repurchase agreements consisting of instruments listed in b., above.

## 6. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Investments shall be authorized with those Financial Institution(s) through a Resolution by the Board of Trustees, to perform the banking function of the Organization. The approved financial institution shall certify that they have: (1) received KDL's investment policy, (2) have read the policy, and (3) will comply with said terms of the policy.

## 7. STATEMENT CONCERNING SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the Kent District Library shall be on a cash basis. Securities may be held by a third party custodian designated by the Board Treasurer (or Finance Director as designee of the Board Treasurer) and evidenced by safekeeping receipts as determined by the Board Treasurer (or Finance Director as designee of the Board Treasurer).

## 8. STANDARD OF PRUDENCE

The Board Treasurer (and the Finance Director as designee of the Board Treasurer) shall make such investments and only such investments as a prudent person would make in dealing with the property of another having in view the preservation of the principal and the amount and the regularity of the income to be derived.

## 9. STATEMENT OF ETHICS

The Board Treasurer, the Finance Director as designee of the Board Treasurer, and any other Board members and staff involved in the investment of funds shall refrain from personal business activity that could conflict with the proper execution and management of District Library investments or that could impair their ability to make impartial investment decisions.

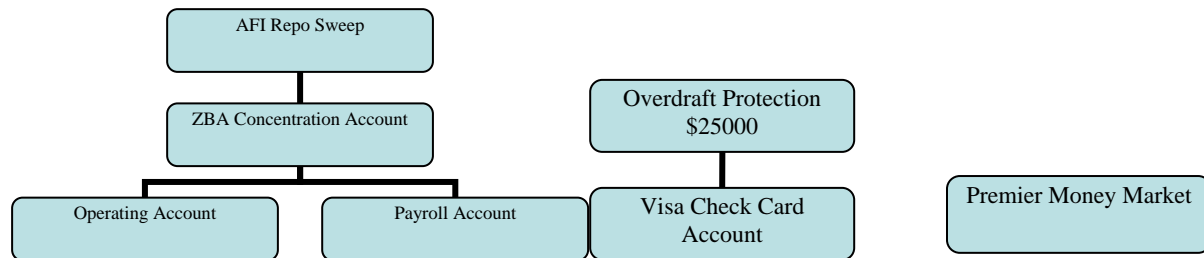
## 10. INVESTMENT ACTIVITY REPORT

The Board Treasurer and the Finance Director shall provide monthly reports to the Board concerning the investment of District Library funds. The Finance Director shall provide a detailed annual investment report, including account and fund information during the Annual Budget Work Session. The KDL Board will annually designate its

depositories and/or Kent County Investment Pool for the coming year during the adoption of the budget.

## C. FINANCIAL SERVICES OVERVIEW

### Current and Proposed Account Structure/Diagrams



Included on all accounts

- ACH Risk Manager
- Business Online-Export Capabilities
- Positive Pay
- Visual Archive
- On-Line Reporting
- Account Reconciliation
- Check Imaging
- On-line Wire Transfers
- Direct Deposit
- No NSF Check Fees
- Internet Banking-Including balance reporting
- Wires
- ACH transmissions
- Stop payment

## D. GENERAL BANKING INFORMATION

### I. Financial Strength

#### a) Safety and Soundness

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

#### b) Credit Ratings

Provide ratings for the bank and/or subsidiary 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 copier of their annual financial reports for the past **two (2)** years.

**d) Competitive Position and Future Commitment**

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. 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.
4. Do you provide Treasury Services locally?

**e) Disaster Recovery**

Proposer shall describe available disaster recovery services that can be provided if the Library cannot operate from its own facilities. Please include test schedule, location of backup facilities, instance where the backup facilities were utilized, and any other pertinent information.

**f) Implementation**

What is the average lead-time required for implementation, including but not limited to the following services?

- 1) Account Opening
- 2) Deposit Ticket Orders and Endorsement Stamps
- 3) Information Reporting
- 4) Other

**E. DEPOSITORY AND COLLECTION SERVICES**

**BASIC INFORMATION**

Kent District Library currently has one (1) depository account and one (1) minimum balance disbursement account. The average daily balances are approximately 170,000.00. Deposits are delivered to various branches from the Service Center located in Comstock Park, Michigan by armored car delivery to the Bank for processing. Bank verified deposit tickets are returned by the armored car to Kent District Library.

**I. Processing**

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

**II. Bank Compensation**

- a) How do you determine and calculate availability of deposited items?
  - 1) Do you give immediate availability for on-us items?

- 2) Do you use a standard schedule?
- 3) Do you use an accelerated schedule?
- 4) How often are they updated?
- b) Provide your bank's availability schedule.
- c) Can we compensate your bank for services by explicit fees, compensating balances, or a combination of the two?
- d) How are your bank's monthly earnings credit rates calculated?
- e) Provide historical rates for the last year.

### **III. Returned Items**

- a) Describe your procedure for handling non-sufficient fund checks deposited into a Kent District Library account.
- b) Can return items be automatically redeposited? If so, how many times?

### **IV. Stop Payments**

- a) Can stop payments be placed manually? On-line?
- b) Can the period be extended?
- c) Can you request stop payments for a range of checks? What is the limit of the range?

### **V. Wires**

- a) What methods of initiation does the bank offer?
- b) What are the opening hours and the cut-off times in Eastern Standard Time for initiating wire transfers to ensure same-day execution?
- c) What is the cut-off time for incoming domestic wire transfers to receive same day credit?
- d) Does the bank's wire transfer system have the capability of warehousing instructions for future dated wire transactions?

### **VI. Vault Services**

- a) What is the cut-off time to ensure same-day ledger credit?
- b) What types of bags do you allow/require?
  - 1) Do you provide these bags?
  - 2) Do you charge for these bags?

- 3) Do you provide dollar and coin wrappers?

## **F. TREASURY MANAGEMENT SERVICES**

### **I. Account Reconciliation Services**

- a) Provide a brief description of each account reconciliation service that the bank offers. Please provide sample report
- b) Describe the products features including but not limited to:
  - 1) File Transmission Time Windows
  - 2) File Layout
  - 3) Imaging Capabilities
  - 4) Reporting Capabilities- Paper vs. Electronic vs. Internet
  - 5) Technical Capabilities
  - 6) System Requirements

**Please indicate any costs or fees associated with the services described in this section.**

### **II. Positive Pay**

- a) Provide a brief description of each positive pay service that the bank offers. Please provide sample reports.
- b) Describe the products features including but not limited to:
  - 1) Data Transmission Methods
  - 2) File Transmission Time Windows
  - 3) Notification Report Delivery Methods
  - 4) Notification Transmission Time Windows/Response Deadlines
  - 5) Control Options-Default, Dollar Threshold, etc.
- c) Imaging Capabilities
  - 1) Technical Capabilities-Internet
  - 2) System Requirements

**Please indicate any costs or fees associated with the services described in this section.**

### **III. Information Reporting Services**

- a) Provide a brief description of the information reporting services that the bank offers. Please provide sample reports.
- b) Describe the products features including but not limited to:
  - 1) Applications/Modules available within the service
  - 2) Hours of Access/Time Windows
  - 3) Level of detail provided for prior day and for intra day information
  - 4) History Retention
  - 5) Export Capabilities
  - 6) Internal Control Options/Security Features

- 7) Imaging Capabilities
- 8) Technical Capabilities
- 9) Reporting-Paper vs. Electronic vs. Internet
- 10) System Requirements

**Please indicate any costs or fees associated with the services described in this section.**

**IV. ACH Processing**

**Kent District Library currently uses ACH processing for some vendors.**

- a) 1. Describe the service delivery method (direct transmission, PC-based system, web based) that you recommend based upon the information outlined for our organization.
- b) 2. Describe the products features including but not limited to:
  - 1) Transmission procedures
  - 2) Transmission time windows/ACH hours of operation
  - 3) Process for reversing/deleting files
  - 4) Security features
  - 5) System requirements

**Direct Deposit of Payroll - Current Practices and Structure**

Kent District Library currently uses ACH processing for *PAYROLL, FEDERAL TAXES, etc.* via the *Paychex* Payroll system.

The Library is on a biweekly payroll basis, paying an average of 300 employees every other Friday. The net payroll amounts to approximately \$325,000 per pay period. The Library will not deposit funds to the payroll account. Instead, the bank will operate a “zero balance account,” to which funds are automatically transferred from the main operating account as payroll checks are presented to *Paychex* for payment.

**Please indicate any costs or fees associated with the services described in this section.**

**V. ACH Debit Block**

- a) Provide a brief description of each ACH debit block service that the bank offers.

**Please indicate any costs or fees associated with the services described in this section.**

**VI. On-Site Check Processing (“OCP”)**

- a) This service would allow KDL to scan their negotiable instruments with equipment and software that the Bank provides to KDL in order to create image files that KDL will send to the Bank and the Bank may accept for deposit into KDL’s checking/demand/deposit account.

**Please indicate any costs or fees associated with the services described in this section.**

## VII. Disbursement Services

- a) Describe the bank's disbursement services (controlled disbursement, PC-based system, web-based) that you recommend based upon the information outlined for our organization.
  - 1) Is the same system used for Account Reconciliation Services?
  - 2) Is the same system used for Information Reporting?
  - 3) Is the same system used for ACH Processing?
  
- b) Describe the products features including but not limited to:
  - 1) Endpoint locations
  - 2) Notification Methods
  - 3) Notification Time windows
  - 4) Electronic Reporting Capabilities
  - 5) Funding Options
  - 6) Security Features
  - 7) System Requirements

## VIII. Lockbox Services

**Kent District Library does not use all of these services at this time, but would like to review information for potential future use.**

- a) Please specify whether these options are available at your bank:
  - 1) Remittance with Photocopy
  - 2) Remittance without Photocopy
  - 3) Attach photocopy to documents
  - 4) Attach photocopy to documents and envelopes
  - 5) Return envelopes
  - 6) Invoice balances to check
  - 7) Return Items included in mail work
  - 8) Weekend Processing and Deposit
  - 9) Remittance Document includes change of address
  
- b) Reporting/Communications
  - 1) Data Keying
  - 2) Full check MICR capture
  - 3) Data Transmission Formats (\_\_\_BAI \_\_\_823 \_\_\_820 \_\_\_Other)
  - 4) If Other, Please explain
  - 5) CD-Rom
  - 6) E-mail/Fax
  - 7) Internet
  - 8) Imaging of Checks
  - 9) Third Party Reporting
  
- c) What is your deadline for data transmission?

- d) Please disclose the location of your processing center
- e) Please describe how processing errors are resolved and expected timeframes for resolution.

## **G. INVESTMENT SERVICES**

### **BASIC INFORMATION**

Kent District Library is permitted by law and Board policy to invest surplus funds in accordance with Public Act 20 of 1943, as amended. Kent District Library's Investment Policy is noted in above pages 7-10

. The Kent District Library investment portfolio currently averages approximately \$524,000.00 monthly. The bulk of our investments, other than certificates of deposit and money market fund investments, are held in safekeeping through a custodial agreement with our bank. Our average sweep-balances for the last twelve months were approximately \$220,000.00.

1. What investments can your bank offer to Kent District Library?
2. What safekeeping or custodial arrangements are available for investments purchased by Kent District Library, either from the bank or from another provider?
3. What reports will you provide indicating holdings in safekeeping or custodial accounts? Please provide samples.
4. How many customers are currently using your safekeeping or custodial services?
5. What methods are available for settlement of investment transactions?
6. What methods (telephone, computer, other) are available for Kent District Library to communicate information regarding investment transactions to your bank?
7. Does your bank offer automatic sweep of available balances into money market or other investments? Please describe. Please provide monthly average yields for the last twelve (12) months on the sweep vehicle recommended in this proposal.
8. How soon after a deposit is made to a checking account are funds swept to the investment vehicle? Describe this process in detail.
9. For this section, please describe any products or services not specifically mentioned here, which your bank offers, and which you believe would be beneficial to the Library.

**Please indicate any costs or fees associated with the services described in this section.**

## **H. MERCHANT SERVICES BASIC INFORMATION**

Bank shall have merchant services operations for processing credit and debit card payments.

**Please indicate any costs or fees associated with the services described in this section.**

### **1. Credit Card**

Line of Credit

The Library will have a requirement for a line of credit of \$25,000.

**Please indicate any costs or fees associated with the services described in this section.**

### **2. Debit Card**

The Library will have a required specific amount deposited from Library funds for the debit card of \$10,000.

**Please indicate any costs or fees associated with the services described in this section.**

## **I. INFORMATION SERVICES BASIC INFORMATION**

### **Background - Current Practices and Structure**

The Library utilizes a web-based product to access all daily balance reporting and banking activity. The Library obtains previous and current day activity and balance information and, ACH and Fed Wire debits and credits. The product provides a consolidated data exchange report with other deposit banks' balances. The Library administers the systems users' access and profiles.

- a) Information Reporting:
  - 1) Describe the electronic banking systems and access methods that may be used to access account information.
  - 2) At what time is previous day information available for access?
  - 3) How frequently is current day information updated throughout the day? If the information is delayed, how and when will the Library be notified?
  - 4) Does the system provide image delivery for deposit, disbursement and/or adjusting items? If so, describe.
  - 5) Can data be exported to Excel and other software packages? Discuss.

Discuss the ability of the electronic banking system to interface directly with an accounting system and the benefits of such an interface.

- 6) Discuss the type and level of authentication and encryption methodology used for communicating with customers.

**Please indicate any costs or fees associated with the services described in this section.**

#### **IV. Project Control**

1. At the time of implementation the bank's representative(s) will meet with Library's Finance Director on a regular basis to review progress and provide necessary guidance to the bank in solving problems that may arise.

#### **V: Presentation Requirements and Evaluation Process Format of the RFP Response**

1. It is suggested the RFP response be formatted as follows:

##### **A. Title Page**

The response should identify the RFP subject and the name of the Bank, local address, telephone number, name and title of contact person and date of submission. The period which the proposal is effective should also be disclosed.

##### **B. Table of Contents**

The table of contents of the proposal should include a clear and completed identification of the materials submitted by section and page number.

##### **C. Letter of Transmittal**

The letter of transmittal should contain the following information:

- 1) • A brief understanding of the banking service to be performed
- 2) • A positive commitment to perform the service timely.
- 3) • The names of persons authorized to represent the proposer, their title, address and telephone number. This may be important if different from the individual who signs the transmittal letter.

##### **D. Price Worksheet**

Provide cost information as indicated on the Signature Price Worksheet, beginning on page of this RFP.

#### **VI: Profile of the Banking Firm**

The proposers are requested to provide a profile of general background information. This should include:

1. The organization and size of the proposer, whether it is local, regional, national or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff by staff level employed at that office.
3. A description of the range of activities performed by the local office.

## **VII: Summary of the Proposer's Qualification**

1. Identify the key bank contact personnel. Also provide a brief resume for each contact. (The resumes may be included as an appendix.)
2. Describe the local and branch offices locations.

### **A. Time Requirements**

### **B. Pricing**

Please use attached Price Worksheet beginning on page 21.

Provide any additional data the proposer feels may be helpful in the selection process.

### **C. Method of Evaluation Proposals**

It is Kent District Library's desire to select the bank that will provide the best overall value on a long term relationship rather simply selecting the "low Bidder". Accordingly, the following factors and assigned weights will be considered in order to select the most qualified bank to serve our banking needs:

#### **Weights**

20% Net overall cost comprised of the four following components:

1. Treasury Management Service Fees
2. Earnings Credit Rate
3. Investment/Sweep Yield
4. Availability Schedule applied to deposit items

20% Ability of bank representatives to serve the needs of Kent District Library

10% Quality of written proposal

10% Quality of references

10% Quality of oral presentation (if requested)

10% Proximity of branch locations

10% Availability and commitment of implementing new technologies

10% Financial Strengths

In the selection process, KDL reserves the right to interview the top finalists at the KDL Service Center. If finalists' interviews are necessary, they will be scheduled for November 22&23, 2009. Failure to make oneself available for a finalist interview may result in removal

from further consideration. The evaluation process is expected to be completed by the week of November 30th, 2009. This schedule is subject to change. KDL reserves the right, at its sole discretion, to waive minor administrative irregularities contained in this RFP.

After technical qualities have been evaluated, cost and other considerations will be evaluated. The proposing banking firm should indicate the cost of the services. Once all factors have been evaluated, the firm who is the best qualified to serve KDL's best interest in performing banking services will be selected.

## **VII: Standard Contract Provisions**

1. The contract will be for a term of at least 4 year(s) with the option to renew for additional terms at the Library's sole discretion.
  - At the time of renewal, fees and services may be renegotiated.
2. The Library reserves the right to sign any document necessary to protect prices, delivery schedules, interest rates or any other critical factor contained in the response to this RFP.
3. No action will be binding on the Library until a contract has been executed by both parties.
4. The successful vendor will be expected to sign an agreement containing the Library's General Contract Provisions.
5. A description of the specific staff that will directly assist the Library with banking services.
6. One complete and signed **Signature Page**, as contained in this RFP. Please include a more detailed breakdown of costs by module, type of service, etc., and attach that to the Signature Page. Specify which costs are related to the initial implementation and what the on-going, monthly and annual expenses would be. It is possible that some features may not be purchased due to budget constraints and therefore we need to be able to see what the related savings would be. The **Signature Page** must be signed and should be submitted in a separate sealed envelope marked "**Signature Page**" and placed inside of the sealed proposal envelope. **Do not place a Signature Page in the copies of your proposal.**

It is not the intent of this RFP to solicit an overly long response, but it is important the firm's experience/expertise be adequately described.

## **VIII: Bidding and Implementation Timeline**

An implementation schedule should be provided in your proposal, demonstrating the time elements in implementation. This schedule must consider all major elements and their

relations, as described in the Scope of Services. If you do not believe this preliminary schedule can be accommodated, please include a revised schedule along with your rationale in the proposal.

Please submit your proposal to meet the following proposed schedule:

RFP for Banking Services

Posted on [www.kdl.org](http://www.kdl.org)

Advertisement Appearing in Grand Rapids Press

Addendums posted to KDL website

Deadline for Proposals by 2:00 pm

Complete Analysis of Proposals

Interviews of Finalists if necessary

Contract Award by Board of Trustees

October 30th, 2009

November 1<sup>st</sup> & 9<sup>th</sup>, 2009

as needed

Monday, November 16th, 2009

Week of November 22nd, 2009

Week of November 22nd, 2009

December 17th, 2009

## **RIGHT TO REJECT**

The KDL reserves the right to reject any and all proposals submitted and to request additional information from all proposers. At the discretion of KDL, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. Any contract awarded will be made to the bank who, based on evaluation of the criteria contained in this RFP and oral interviews if necessary, is determined to be the best qualified to serve KDL's best interest in performing the banking services.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals (RFPs), unless clearly stated and specifically noted in the proposal submitted and confirmed in the contract between KDL and the firm selected.

**Question #1**

"One quick question, I noticed on pages 21-25 (pricing pages) there was no volumes given for the services you currently use. Are those coming at a later date or were they inadvertently left off. Without the volumes it will be hard to price out services. I'm sure you'll get others who will ask you this or maybe I missed the volumes listed somewhere?"

## ADDENDUM QUESTION #1

### SIGNATURE AND PRICE PAGE

The undersigned agrees to enter into an agreement with the Library to provide Banking Services

Description of Service	Monthly Volume	Unit Cost	Total Monthly Cost
<b>DEPOSITORY SERVICES</b>			
Account Monthly Maintenance	1		\$ -
Per Deposit	32		\$ -
Per Deposit Item	557		\$ -
Per Check	110		\$ -
Special Instructions for Redeposit's			\$ -
Redeposit	1		\$ -
Currency			\$ -
Deposit Adjustment			\$ -
Stop Payment	0		\$ -
Check Fine sort			\$ -
Overdraft/NSF	1		\$ -
Special Statement Cutoff			\$ -
Research/Photocopy			\$ -
FDIC Assessment			\$ -
Composite Relationship Group			\$ -
Other fees, please list			\$ -
<b>Subtotal Depository Services</b>	-		\$ -
<b>ACCOUNT RECONCILIATION SERVICES</b>			
Setup/Installation Fee			\$ -
ARP Account Monthly Maint. – Full Reconciliation			\$ -
ARP Account Monthly Maint. – Partial Reconciliation			\$ -
ARP Account Monthly Maint. – Deposit Reconciliation			\$ -
ARP Checks Processed Per Item			\$ -
ARP Stop Payments			\$ -
ARP Monthly Paper Reporting Maintenance			\$ -
ARP Monthly Data Transmission Maintenance			\$ -
ARP Monthly Date Transmission Per Item			\$ -

Other fees, please list			\$	-
<b>Subtotal Reconciliation Services</b>		-	\$	-
<b>POSITIVE PAY SERVICES</b>				
Positive Pay Monthly Fee		1	\$	-
Positive Pay Per Item Processed		109	\$	-
Positive Pay Online Reporting/Imaging		0	\$	-
Other fees, please list			\$	-
<b>Subtotal Positive Pay Services</b>		-	\$	-
<b>CD-ROM CHECK IMAGING</b>				
CD-ROM Imaging Software (one time fee)		1	\$	-
Setup/Installation Fee		1	\$	-
Training/Consulting Fee		1	\$	-
CD- ROM Imaging Monthly Maint. Per Account		1	\$	-
CD-ROM Imaging Per Item		142	\$	-
Other fees, please list			\$	-
<b>Subtotal Check Imaging Services</b>		-	\$	-
<b>ZERO BALANCE ACCOUNT SERVICES</b>				
Zero Balance Master Account		1	\$	-
Zero Balance Subsidiary Accounts		1	\$	-
Zero Balance Transfer Credits		1	\$	-
Zero Balance Transfer Debits		1	\$	-
Other fees, please list			\$	-
<b>Subtotal Zero Balance Services</b>		-	\$	-
<b>SWEEP SERVICES</b>				
Sweep Account Monthly Maintenance		1	\$	-
Sweep Transfer Debit		1	\$	-
Sweep Transfer Credit		1	\$	-
Other fees, please list			\$	-
<b>Subtotal Sweep Services</b>		-	\$	-
<b>WIRE SERVICES</b>		0		
Wire Initiation Online Software Monthly Fee			\$	-
Outgoing Repetitive Wires			\$	-
Outgoing Non-Repetitive Wires			\$	-
Incoming Repetitive Wires			\$	-
Incoming Non-Repetitive Wires			\$	-
Wire Confirmation – Phone			\$	-
Wire Confirmation – Fax			\$	-
Wire Confirmation – Online Reporting			\$	-

Other fees, please list			\$	-
<b>Subtotal Wire Services</b>		-	\$	-
<b>INFORMATION REPORTING/ONLINE BANKING SERVICES</b>				
Software Purchase (one time fee)		1	\$	-
Setup/Installation Fee		1	\$	-
Training/Consulting Fee		1	\$	-
Balance Reporting Monthly Maintenance		1	\$	-
Balance Reporting Per Account		5	\$	-
Balance Reporting Per Item/Field		0	\$	-
Balance Reporting Inquiry Fees		0	\$	-
Other fees, please list			\$	-
<b>Subtotal Information Reporting Services</b>		-	\$	-
<b>ACH PROCESSING</b>				
Software Purchase (one time fee)		1	\$	-
Setup/Installation Fee		1	\$	-
Training/Consulting Fee		1	\$	-
Direct Deposit Software Monthly Fee		1	\$	-
Direct Transmission Maintenance Fe		1	\$	-
Direct Deposit File Upload Input		1	\$	-
ACH Monthly Maintenance		1	\$	-
ACH Originated - Credit		1	\$	-
ACH Originated - Debit		1	\$	-
ACH Received - Credit		157	\$	-
ACH Received - Debit		27	\$	-
ACH Addenda			\$	-
ACH Returned Items			\$	-
Pre-notification Per Item Fee			\$	-
Internal Book Transfer Monthly Base			\$	-
Internal Book Transfer Credit			\$	-
Internal Book Transfer Debit			\$	-
Other fees, please list			\$	-
<b>Subtotal ACH Services</b>		-	\$	-
<b>CONTROLLED DISBURSEMENT SERVICES</b>				
Setup/Installation Fee			\$	-
Controlled Disbursement Base			\$	-
Controlled Disbursement Per Account			\$	-
Controlled Disbursement Per Item			\$	-
Other fees, please list			\$	-
<b>Subtotal Controlled Disbursement Services</b>		-	\$	-

<b>PURCHASING CARD</b> Credit Cards	48		
Software Purchase (one time fee)			\$ -
Setup/Installation Fee			\$ -
Standard Plastic			\$ -
Customer Plastic			\$ -
Training/Consulting Fee			\$ -
Annual Fee Per Card			\$ -
Late Fees			\$ -
Interest Rate			\$ -
Paper Reporting (monthly)			\$ -
Online Reporting (monthly)			\$ -
Online Reporting per transaction			\$ -
Other fees, please list			\$ -
<b>Subtotal Purchasing Card Services</b>			\$ -
<b>WHOLESALE LOCKBOX</b>	1		
Other fees, please list			\$ -
<b>RETAIL LOCKBOX</b>			
Other fees, please list			\$ -
<b>CASH VAULT SERVICES</b>			
Other fees, please list			\$ -
<b>TOTAL FEES</b>			\$ -

**Rate Summary**

	<u>Earnings</u> <u>Credit</u>	<u>Now Interest</u>	<u>Sweep Interest</u>
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Total	0.00%	0.00%	0.00%
12 Month Average	0.00%	0.00%	0.00%

Current Rate as of Proposal Date: 0.701%

We hereby submit our proposal for “Banking Services” as indicated in the contract documents.

Having carefully examined the bid documents and having received clarification on all items of conflict or upon which any doubt arose, the undersigned hereby requests consideration of our firm for award of the referenced contract.

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

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Telephone # Fax #

\_\_\_\_\_  
Email

The above individual is authorized to sign on behalf of company submitting proposal. This proposal is valid for 90 days from the date of the above signature. The Consultant will be required to provide an insurance certificate and may need to sign a standard Kent District Library Service Contract.

Proposing firm acknowledges receipt of Addendum No. \_\_\_\_\_

**THIS MANDATORY RESPONSE CHECKLIST MUST BE SUBMITTED AS  
PART OF YOUR PACKAGE**

	RESPONSE CHECKLIST
	ADDENDUM(S) ACKNOWLEDGED (IF APPLICABLE)
	FIVE(5) HARD COPIES OF PROPOSAL FORM
	COPIES OF ALL REQUESTED DOCUMENTS AND INFORMATION
	SIGNATURE AND PRICE PAGE

**VERIFICATION OF MINIMUM QUALIFICATIONS FORM**

**Failure to complete this form may result in your bid being deemed non-responsive and rejected without further evaluation. Attach additional pages if necessary.**

- a) *Must have been in the business of providing the requested services for a period of at least 3 years.*

Provide a summary of how you meet this qualification, or attached documentation showing you meet this requirement:

\_\_\_\_\_

- b) *Must be able to provide Kent District Library at least three (3) business references who have received services from your business.*

Provide references below. The Library may contact the listed agencies.

- 1. Company that performed work: \_\_\_\_\_

Client Name: \_\_\_\_\_ Title: \_\_\_\_\_

Client Contact: \_\_\_\_\_ Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Contract Start/Expiration Dates: \_\_\_\_\_

TYPE OF WORK PERFORMED:

\_\_\_\_\_

- 2. Company that performed work: \_\_\_\_\_

Client Name: \_\_\_\_\_ Title: \_\_\_\_\_

Client Contact: \_\_\_\_\_ Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Contract Start/Expiration Dates: \_\_\_\_\_

TYPE OF WORK PERFORMED:

\_\_\_\_\_

- 3. Company that performed work: \_\_\_\_\_

Client Name: \_\_\_\_\_ Title: \_\_\_\_\_

Client Contact: \_\_\_\_\_ Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Contract Start/Expiration Dates: \_\_\_\_\_

TYPE OF WORK PERFORMED:  
\_\_\_\_\_

## **Appendix A**

### **STANDARD PROVISIONS FOR CONTRACTS**

If a contract is awarded, the selected vendor will be required to adhere to a set of general contract provisions, which will become a part of any formal agreement. These provisions are general principles, which apply to all contractors of service to the Library such as the following:

#### **ARTICLE I - SCOPE OF SERVICES**

The Consultant will **(SPELL OUT SCOPE OF SERVICE)**

#### **ARTICLE II - COMPENSATION**

Upon completion of the above services and submission of invoices the Library will pay the Consultant an amount not to exceed **(SPELL OUT DOLLAR AMOUNT)**.

#### **ARTICLE III - REPORTING OF CONSULTANT**

Section 1 - The Consultant is to report to the Library Director and/or his/her designee and will cooperate and confer with him/her as necessary to insure satisfactory work progress.

Section 2 - All reports, estimates, memoranda and documents submitted by the Consultant must be dated and bear the Consultant's name.

Section 3 - All reports made in connection with these services are subject to review and final approval by the Library Director.

Section 4 - The Library may review and inspect the Consultant's activities during the term of this contract.

Section 5 - When applicable, the Consultant will submit a final, written report to the Library Director.

Section 6 - After reasonable notice to the Consultant, the Library may review any of the Consultant's internal records, reports, or insurance policies.

#### ARTICLE IV - TERM

This contract begins on **(MONTH, DAY, YEAR)** and ends on **(MONTH, DAY, YEAR)**.

#### ARTICLE V- PERSONNEL

Section 1 - The Consultant will provide the required services and will not subcontract or assign the services without the Library's written approval.

Section 2 - The Consultant will not hire any Library employee for any of the required services without the Library's written approval.

Section 3 - The parties agree that the Consultant is neither an employee nor an agent of the Library for any purpose.

#### ARTICLE VI - INDEMNIFICATION AGREEMENT

The Consultant will protect, defend and indemnify Kent District Library, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including the Consultant's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of Kent District Library in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of Consultant, any sub-Consultant, or any employee, agent or representative of the Consultant or any sub-Consultant.

#### ARTICLE VII- INSURANCE REQUIREMENTS

The Consultant will maintain at its own expense during the term of this Contract, the following insurance:

1. Workers' Compensation Insurance with Michigan statutory limits and Employers Liability Insurance with a minimum limit of \$100,000 each accident for any employee.
2. Comprehensive/Commercial General Liability Insurance with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage. The Library shall be added as "additional insured" on general liability policy with respect to the services provided under this contract.
3. Automobile Liability Insurance covering all owned, hired and non-owned vehicles with Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law, including residual liability

insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.

4. Professional Liability coverage with a minimum limit of \$1,000,000 each occurrence. The Library shall be added as “additional insured” on Professional liability policy with respect to the services provided under this contract.

Insurance companies, named insured’s and policy forms shall be subject to the approval of the Kent District Library Director. Such approval shall not be unreasonably withheld. Insurance policies shall not contain endorsements or policy conditions that reduce coverage provided to Kent District Library. Consultant shall be responsible to Kent District Library or insurance companies insuring Kent District Library for all costs resulting from both financially unsound insurance companies selected by Consultant and their inadequate insurance coverage. Consultant shall furnish the Kent District Library Director with satisfactory certificates of insurance or a certified copy of the policy, if requested by the Library Director.

No payments will be made to the Consultant until the current certificates of insurance have been received and approved by the Library Director. If the insurance as evidenced by the certificates furnished by the Consultant expires or is canceled during the term of the contract, services and related payments will be suspended. Consultant shall furnish the Library Director's Office with certification of insurance evidencing such coverage and endorsements at least ten (10) working days prior to commencement of services under this contract. Certificates shall be addressed to the Library Director, Kent District Library, 814 West River Center NE, Comstock Park, MI 49321, and shall provide for 30 day written notice to the Certificate holder of cancellation of coverage.

#### ARTICLE VIII - COMPLIANCE WITH LAWS AND REGULATIONS

The Consultant will comply with all federal, state and local regulations, including but not limited to all applicable OSHA/MIOSHA requirements and the Americans with Disabilities Act.

#### ARTICLE IX- INTEREST OF CONSULTANT AND LIBRARY

The Consultant promises that it has no interest that would conflict with the performance of services required by this contract. The Consultant also promises that, in the performance of this contract, no officer, agent, employee of the Kent District Library, or member of its governing bodies, may participate in any decision relating to this contract which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested or has any personal or pecuniary interest. However, this paragraph does not apply if there has been compliance with the provisions of Section 3 of Act No. 317 of the Public Acts of 1968 and/or Section 30 of Act No. 156 of Public Acts of 1851, as amended by Act No.51 of the Public Acts of 1978, whichever is applicable.

#### ARTICLE X- CONTINGENT FEES

The Consultant promises that it has not employed or retained any company or person, other than bona fide employees working solely for the Consultant, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the Consultant, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this contract. For breach of this promise, the Library may cancel this contract without liability or, at its discretion, deduct the full amount of the fee, commission, percentage, brokerage fee, gift or contingent fee from the compensation due the Consultant.

#### ARTICLE XI - EQUAL EMPLOYMENT OPPORTUNITY

The Consultant will not discriminate against any employee or applicant for employment because of race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief (except as it relates to a bona fide occupational qualification reasonably necessary to the normal operation of the business).

The Consultant will take affirmative action to eliminate discrimination based on sex, race, or a handicap in the hiring of applicant and the treatment of employees. Affirmative action will include, but not be limited to: Employment; upgrading, demotion or transfer; recruitment advertisement; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship.

The Consultant agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees. All solicitations or advertisements for employees, placed by or on the behalf of the Consultant, will state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, sexual orientation, national origin, physical handicap, age, height, weight, marital status, veteran status, religion and political belief.

#### ARTICLE XII - ASSIGNS AND SUCCESSORS

This contract is binding on the Library and the Consultant, their successors and assigns. Neither the Library nor the Consultant will assign or transfer its interest in this contract without the written consent of the other.

#### ARTICLE XIII - TERMINATION OF CONTRACT

Section 1 -Termination without cause. Either party may terminate the contract by giving thirty (30) days written notice to the other party.

#### ARTICLE XIV - EQUAL ACCESS

The Consultant shall provide the services set forth in paragraph I without discrimination on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical handicap, or age.

#### ARTICLE XV - OWNERSHIP OF DOCUMENTS AND PUBLICATION

All documents developed as a result of this contract will be freely available to the public. None may be copyrighted by the Consultant. During the performance of the services, the Consultant will be responsible for any loss of or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this contract by the Consultant must reference the project sponsorship by the Library. Any publication of the information or results must be co-authored by the Library.

#### ARTICLE XVI - PAYROLL TAXES

The Consultant is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect the Library against such liability.

#### ARTICLE XVII - PRACTICE AND ETHICS

The parties will conform to the code of ethics of their respective national professional associations.

#### ARTICLE XVIII - CHANGES IN SCOPE OR SCHEDULE OR SERVICES

Changes mutually agreed upon by the Library and the Consultant, will be incorporated into this contract by written amendments signed by both parties.

#### ARTICLE XIX - CHOICE OF LAW AND FORUM

This contract is to be interpreted by the laws of Michigan. The parties agree that the proper forum for litigation arising out of this contract is in Kent County, Michigan.

#### ARTICLE XX - EXTENT OF CONTRACT

This contract represents the entire agreement between the parties and supersedes all prior representations, negotiations or agreements whether written or oral.