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Executive Director

# **Pasco County Housing Authority**

## **Request for Proposals 2018-03**

### **Banking Services**

**Date: December 5, 2018**

**Date of Issue: December 5, 2018**

**Questions Due: December 19, 2018**

**Proposals Due: January 15, 2019 2:00pm (EST)**



"This institution is an equal opportunity provider and employer."



## REQUEST FOR PROPOSAL FOR BANKING SERVICES

<b>Time Table</b>	
Distribution of RFP	December 5, 2018
Closing Date	January 15, 2019 2:00pm
Proposals Reviewed	January 2019
Oral Interviews	January/February 2019
Implementation & Conversion	February/March 2019

### CONTACT PERSON:

Michelle Phalin  
Procurement Specialist  
[procurement@pascocountyhousing.org](mailto:procurement@pascocountyhousing.org)

Pasco County Housing Authority  
36739 SR 52 Suite 108  
Dade City, FL 33525  
(352) 567-0848

## **REQUEST FOR PROPOSAL**

The Pasco County Housing Authority (PCHA) is accepting proposals for banking services for its bank accounts and related depository and cash management services.

Interested parties should submit **one (1) original three (3) copies** of their proposal by **January 15, 2019** to:

Pasco County Housing Authority  
Attn: Request for Proposals Banking Services  
36739 SR 52 Suite 108  
Dade City, FL 33525

Questions regarding the contents of this Request for Proposal must be submitted in writing to [procurement@pascocountyhousing.org](mailto:procurement@pascocountyhousing.org). Answers to all questions submitted will be answered and posted on the Agency's website ([www.pascocountyhousing.org](http://www.pascocountyhousing.org)) in the form of an addenda.

It is the bidder's responsibility to ensure that bids are received prior to the **2:00pm** bid closing time as late bids will not be accepted. The PCHA reserves the right to award or reject bids in part or in whole and on any basis, it deems in the best interest of the Agency.

Hard copies of the proposal should be prepared on standard 8 ½" x 11" letter size, printed double-sided and bound on the long side. The use of expensive papers and bindings is discouraged.

## I. INTRODUCTION

The PCHA is seeking proposals from qualified public depositories (a state or national bank located in Florida) to provide a variety of commercial banking services. The bank must be a member of the Federal Reserve System. The bank must be a State Florida chartered financial institution and in good standing.

The PCHA intends to select a financial institution (“bank”) with a branch office in or near Dade City, FL to provide banking services listed below. The RFP does not cover institutional custody services or corporate trust services.

1. General Banking Services
2. Merchant Card Processing
3. Letter/Line of Credit
4. Real Estate financing/financing assistance

### Background

The Pasco County Housing Authority (PCHA) is a proactive housing authority and the largest provider of affordable housing in the County. The PCHA is a non-profit organization created by Pasco County in 1973 and released from the County as a separate entity in 1977. The Authority was established in accordance with Florida Statutes to develop, manage, and maintain low income housing and housing assistance programs for low income families, disabled, elderly and single citizens of Pasco County.

As we see the demand for affordable housing increase, the limited affordable housing supply the Agency currently has available is not enough to house the thousands of families in need. As a developer of sustainable affordable and market rate housing, over the years we have expanded our housing stock in an attempt to meet the County’s growing needs. PCHA has been working diligently to acquire, build, and renovate properties.

Additionally, we are here as a stepping stone for families who need building a foundation for a brighter future. Therefore, aside from providing housing, we assist our customers with ways of becoming economically independent. In collaboration with our partners, we provide: program integrity, and home ownership assistance.

We value our vendors and contractors as partners in our mission to empower all individuals and contractors as partners in our mission to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout Pasco County.

The Pasco County Housing Authority receives approximately \$15MM in federal and non-federal fees deposited into its accounts over the course of the fiscal year (October - September). The Agency maintains banking activity in approximately thirty-five (35) separate bank accounts and maintains about \$3MM on deposit at any given point in time. PCHA writes approximately 350 checks each month and processes about 500 ACH transfers.

The PCHA will endeavor to administer the proposal process in accordance with the terms and dates outlined in this RFP, however, the PCHA reserves the right to modify the activities, time line, or any other aspect of the process at any time, as deemed necessary. By requesting proposals, the PCHA is in no way obligated to award a contract or pay the expenses of proposing banks in connection with the preparation or submission of a proposal. The award of any contract shall be contingent on the requisite staff and Council approvals.

Determination of best value to the PCHA shall be based upon, but not limited to, the following considerations: cost; the ability, capacity, and skill of the proposer to provide the services; the ability of the provider to deliver timely services; the character, integrity, reputation, judgment, experience, and efficiency of the provider; and the quality of the provider's performance on previous contracts with the Housing Authority. No single factor will determine the final award decision. Please describe all other services that may be used in the determination for award of bid. All costs directly or indirectly related to the presentation of a response to the Request for Proposal (RFP), any oral presentations required to supplement and/or clarify a proposal, and/or reasonable demonstrations which may, at the discretion of the PCHA, be required of the proposer shall be the Proposer's sole responsibility.

## II. PROPOSAL PROCESS

### Contract Term

It is the intent of the PCHA to award the contract for an initial three-year period with the option to renew it for additional two-year periods at the sole discretion of the PCHA. The PCHA desires fixed pricing for the three-year contract period. Prices in subsequent years shall be negotiated based on satisfactory customer service.

### Proposal Submission:

Proposals must be submitted to:

**Pasco County Housing Authority**  
**Attention: RFP 2018-03 Banking Services**  
**36739 SR 52 Suite 108**  
**Dade City, FL 33525**

Questions shall be submitted to:

[Procurement@pascocountyhousing.org](mailto:Procurement@pascocountyhousing.org)

All proposals must be delivered no later than **January 15, 2019 by 2:00pm (EST)**. Late submissions or proposals delivered via fax will not be accepted.

One (1) original and three (3) copies of the proposal should be submitted. Proposals shall consist of narrative materials (Tabs A - X), cost proposals (Tabs U and V), vendor qualifications/experience, and references (Tab W - X). All financial institutions are encouraged to be creative and innovative in responding to this RFP. Discuss any creative pricing or payment options the bank can provide. Describe alternate approaches to the requested services where feasible or additional services offered or recommended, which may not be specifically requested but of benefit to the PCHA.

**Proposal Format:** A proposing financial institution must follow the instructions for preparing the proposal in the prescribed format. Please answer the questions in section tabs (A through X) using the number sequence shown. Do not include any extraneous or marketing information.

**No Proposal:** If a service requirement or section of the proposal cannot be met by a proposer, then “No Proposal” should be indicated on the Bid Form (Tab U) and in the relevant tabbed section of the proposal. An alternative equivalent service may be offered.

**Contracted Services:** If a service is provided by a third party, please indicate this clearly on the Bid Form (Tab U).

**Cover Letter:** (One page preferred.) The letter should designate the proposing bank, the address of the bank office where the relationship will be domiciled, the address of the local branch, if different, and be signed by an authorized bank officer. No pricing information should be included in the cover letter.

Proposals to include the following Tabs:

**Tab A - Table of Contents:** (One page preferred.) Table of Contents should follow the RFP format.

**Tab B - Bank Services to Public Sector:** (Three page maximum preferred.) Please respond to the following sections:

*Bank Overview* - General overview of bank, governmental client service philosophy, corporate organization including identification of the government services unit, location of corporate, processing center, and branch localities. Also, please provide any relevant information regarding a correspondent bank relationship.

*Experience* – Describe the bank’s direct experience in servicing public sector clients. Please include: the number of public agency clients, the dollar amount of public funds on deposit, and bank’s knowledge of and adherence to the Florida Statutes and other applicable laws. Will the bank be able to comply with transaction confirmations and respond to other requests for data as needed from the Housing Authority's auditors?

*Relationship Management* – Identify the size and scope of your public banking unit, bank officers responsible for the PCHA’s accounts, what each person’s role and responsibilities will be, and the relevant credentials and experience of each person on the relationship management team. Please specify the name and title of who will be designated as the bank’s relationship manager for the PCHA. Please describe what sets the bank’s government banking unit apart from others. Does the bank provide a toll-free and local number for Customer Service?

*CRA Rating and Other Community Involvement* – Provide the bank’s Community Reinvestment Act (CRA) rating and describe in detail, specific projects and community involvement activity in Pasco County. Are donations or *in-kind* contributions made to public agencies? If so, please give examples of recent contributions. What types of incentives will your bank offer PCHA employees to open accounts and have their pay checks direct deposited? What provisions will your bank make for employees to cash their checks if they do not have an account with your bank?

**Tab C - References:** (One page preferred.) Please provide three (3) local references that are of similar size and scope of service utilization as the PCHA. Local government references are preferred. Include the following information for each reference:

- Contact Name & Title
- Name and Address of Business or Government
- Telephone Number
- Number of Years as Customer Services Provided

**Tab D – Demand Deposit Accounts:** (two-page maximum preferred) the PCHA currently uses thirty-six (36) accounts. Ten (10) of the accounts have checks issued from them.

Please describe in detail the ability of the bank to provide the above deposit services for the accounts named below:

1. US Department of HUD- General Account
2. USDA Department of Rural Development

**Tab E - Deposit Compensation:** (Two page maximum preferred) The PCHA compensates for bank services primarily with compensating balances.

1. List the bank's Earnings Credit Rate (ECR), and how it is calculated and applied.
2. List the bank's actual ECR for the past 12 months.
3. Please explain, in detail, how and when the FDIC assessment is computed and charged.
4. Please detail exactly which types of items and services can be applied against the PCHA's account analysis in addition to standard bank services, i.e., merchant bankcard processing, bank courier service, etc.
5. Does the PCHA have the option of compensating on fees or balances basis or, a combination of both? Please describe any differences in related costs to the Housing Authority with either option.
6. Is there an option to charge analysis fees based on an average balance over three- or six-month period?
7. What procedure is used to make any adjustments to Account Analysis statements and how long does it take for adjustments to take effect?
8. Please state the negative collected balance charge that the PCHA will pay and, in detail, explain how this charge is computed. Is the rate quoted in this proposal good for the term of the contract? Please provide escalation clauses.
9. Please provide a sample Account Analysis statement.

**Tab F – ACH, Wire and Other Transfers:** (One page preferred)

Please describe the bank's on-line transfer service capability and what specifically is recommended for the PCHA's use and consideration.

1. What is the funding requirement for ACH payments? Are same-day payments possible? Please include deadlines for same and next day payments.
2. What is the process for initiating wire transfers? Please include deadlines.
3. Describe the financial institution's incoming and outgoing electronic money transfer services. Include safeguards and security measures offered by your service.
4. Please provide a description or sample of the bank's funds transfer agreement. How are authorization levels established for transfers?

**Tab G – Deposit Transmittal Process** (Two page maximum preferred) The City currently makes cash deposits at a local bank branch.

1. Does the bank offer desktop deposit? If not offered, what is the required deposit preparation for checks?
2. Do you provide courier services for cash, coin and/or check deposits? How often is the courier available? Please describe the courier services your organization provides.
3. What are the cut-off times for deposits at the bank's Processing Center to ensure same day credit?
4. What are the cut-off times for deposits at the bank's local branch to ensure same day credit? Is there additional charge for after banking hours processing fee?
5. Please describe the bank's deposit requirements. How should the coin and currency deposits be prepared? Can checks, currency and coin be included in the same deposit or are split deposits required?
6. Please describe the documentation available for checks deposited. Is a copy of the check available via the website?
7. What are the cut-off times for deposits at the bank's local branch to ensure same day credit? Is there additional charge for after banking hours processing fee?
8. Please describe the bank's deposit requirements. How should the coin and currency deposits be prepared? Can checks, currency and coin be included in the same deposit or are split deposits required?
9. Please describe the documentation available for checks deposited. Is a copy of the check available via the website?
10. Please describe in detail the bank's procedures for handling deposit adjustments. What documentation on discrepancies does the bank provide?
11. Please describe the bank's returned item handling and notification procedures. Is an automatic re-clearing option available? How long does it take for returned items to be sent to the Pasco County Housing Authority

**Tab H - Account Reconciliation:** (Two page maximum preferred.) The PCHA currently issues an estimated 4,420 annually. Currently, the accounts are reconciled manually.

1. Does the bank offer full Account Reconciliation and Positive Pay with data transmission capabilities? If so, please describe the services and what is recommended for the PCHA's consideration.
2. Describe the bank's web-based services as they pertain to stop payments, copies of paid checks, ACH exceptions, and voided checks. How many days is data available to verify if a check has been cashed?
3. Describe the account reconciliation services offered by the financial institution. How quickly are monthly statements available to allow for account reconciliation? Is a "data dump" into Excel available for the monthly statement activity?
4. Will the bank guarantee that all items drawn on PCHA accounts be paid regardless of the balance in the funding account? What is the charge for covering these items? Please be comprehensive in your response. What notification is given if there are insufficient funds (email, phone call etc.)? Is there a service available for notification of balance below an agreed upon float amount?
5. Please provide a sample Account Statement and Positive Pay statement activity?

**Tab I – Direct Deposit Relationship:** (One page preferred.)

1. Is the bank an approved State of Florida depository?
2. Please describe method the financial institution processes payments from State of Florida.
3. Does the bank have an office near Dade City, FL?

**Tab J – Intentionally Left Blank**

**Tab K - Balance & Detail Reporting:** (One page plus sample reports.) The PCHA utilizes web-based daily balance and detail reporting information (prior day detail).

1. Please describe the bank's on-line information reporting system including cost of web-

based reports. The PCHA may request a demonstration of your on-line system.

2. Can reports be custom-tailored for the end-user?
3. Can the PCHA obtain current day (intraday) information? If so, please describe the service.
4. What is the computer hardware and software specifications for the bank's on-line system?
5. Please provide a sample of prior day and intraday reports which would be the best example of the system's capabilities. Include the reports in this section.
6. Can the bank provide credit or deposit information by location or identifier number as part of these reports?
7. What is the bank's contingency plan for providing this information in the event of unexpected bank systems problems or natural disasters?
8. What other on-line or Internet based systems are currently available to customers?

**Tab L – Bankcard Processing:** (Two page maximum preferred.) The PCHA does not currently accept credit or debit cards. The PCHA is interested in accepting Visa, MasterCard, and Discover credit card payments for various fees.

1. Please describe the bank's Bankcard and Point-of-Sale processing capabilities. Does the bank outsource this service or have a department within the bank?
2. Please quote a discount rate and all other applicable charges for the credit card processing described above.
3. When and how will the PCHA receive funds for each day's transactions? Is settlement by ACH or Fed Wire? Are settlement amounts listed separately on the bank statement or will they appear as one lump sum? Will the bank break out settlement amounts by merchant location?
4. Is the bankcard relationship managed by a separate unit of the bank, or by the Account Relationship Manager? Please briefly describe the structure of this area.

**Tab M – Electronic Direct Payment Services:** (Two page maximum preferred.)

1. Please thoroughly describe the bank's electronic bill payment, EFT and ACH

services. Does the bank offer both ACH debit and credit programs as part of this service?

2. What hardware, software, and special programming are required for the implementation of an ACH credit program for payments to PCHA vendors?
3. Please detail all costs associated with ACH for a vendor payment program.
4. Please detail all costs associated with your automatic bill payment program.
5. Please detail all costs and processes for auto draft (automatic payment deductions).

**Tab N – *Conversion Plan:*** (Two page maximum preferred.)

1. Describe the overall plan your financial institution would coordinate to ensure a smooth transition from current provider.
2. Describe the on-site training to the PCHA’s staff for the operation and use of the financial institution’s services and automated systems for areas of service.
3. Provide a time line schedule and applicable charges for the conversion plan.

**Tab O – *Investment Services:*** (Two page maximum preferred.) Describe investment services offered by the financial institution.

**Tab P – *Service Enhancements.*** (One page maximum preferred.) Based on the information provided in the RFP and your bank’s knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that may be considered for further improving the effectiveness of the PCHA’s management operations.

**Tab Q – *Electronic Direct Payment Services:*** (Two page maximum preferred.)

1. Please thoroughly describe the bank's electronic bill payment, EFT and ACH services. Does the bank offer both ACH debit and credit programs as part of this service?
2. What hardware, software, and special programming are required for the implementation of an ACH credit program for payments to PCHA

vendors?

3. Please detail all costs associated with ACH for a vendor payment program.
4. Please detail all costs associated with your automatic bill payment program.
5. Please detail all costs and processes for auto draft (automatic payment deductions).

**Tab R – *Conversion Plan:*** (Two page maximum preferred.)

1. Describe the overall plan your financial institution would coordinate to ensure a smooth transition from current provider.
2. Describe the on-site training to the PCHA’s staff for the operation and use of the financial institution’s services and automated systems for areas of service.
3. Provide a time line schedule and applicable charges for the conversion plan.

**Tab S – *Investment Services:*** (Two page maximum preferred.) Describe investment services offered by the financial institution.

**Tab T – *Service Enhancements.*** (One page maximum preferred.) Based on the information provided in the RFP and your bank’s knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that may be considered for further improving the effectiveness of the PCHA’s management operations.

**Tab U – *Business Continuity Plan:*** (One page maximum preferred.) The PCHA requires assurance of ability to provide financial services in the event of a major emergency and during the disaster recovery period.

1. Please describe in detail, the bank’s compliance with state and federal regulations pertaining to this area.
2. Please describe testing of core service applications and system that assure information backup, anti-intrusion and other privacy requirements.
3. Describe operational diversification and geographic dispersal of service centers.

**Tab V – Proposer’s Insurance Certificates:** Provide a list of insurance carried and amounts covered. Indicate insurance underwriter or if self-insured.

The selected financial institution must within (20) working days of award of contract, provide and maintain in force at all times during the term of the services contemplated, Certificates of Insurance providing coverage as follows:

- Errors and Omissions for not less than \$2 million
- Fidelity coverage (Crime bond) for not less than \$1 million, with the PCHA named as a loss payee
- General Liability coverage of not less than \$2 million with the PCHA named as additional insured
- Evidence of worker’s compensation coverage

**Tab W - Standard Bank Fee Schedule for Government/Corporate Clients and Standard Form Services Agreement -** Please submit with Proposal responses.

**Tab X- Bank Credit and CRA Ratings-** Please submit with Proposal responses.

**Tab Y- Most Current Annual Report-** Please provide an electronic link to your most current annual report with Proposal.

### Additional Services

Please provide information and pricing on additional services not included in Tabs A – Y which may enhance banking services provided to the Pasco County Housing Authority.

### Tentative RFP Schedule

Mail/publish RFP \_\_\_\_\_

Questions Due \_\_\_\_\_

### III. EVALUATION OF PROPOSALS

This RFP seeks financial institutions to provide commercial banking services to the Pasco County Housing Authority. Selection will be made from a short list of proposers deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors listed below (not in priority order):

- Understanding of the needs and operation requirements of the Pasco County Housing Authority.
- The experience, resources, and qualifications of the financial institution and individuals assigned to this account.
- Relevant experience managing similar account relationships with public institutions and agency clients.
- Bank and branch locations.
- Availability schedule.
- Scope of services offered including degree of automation.
- Financial strength of proposing institution.
- Adequacy of financial controls and protection against loss.
- Quality and scope of conversion plan.
- The value of any new product or service suggestions or other new ideas and enhancements.
- Compliance with the requirements of this RFP and quality of proposals.
- Proposed fees and compensation.