



23 MAPLE AVENUE
NETCONG, NJ 07857
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**PROPOSAL FOR BANKING SERVICES
DUE: February 19, 2018 @ 11:00 A.M.**

PURPOSE:

The Borough of Netcong is accepting proposals for a money management system for banking services which is to be implemented on or after **April 9, 2018**. The goals the Borough is trying to achieve are as follows:

1. Maintain the effectiveness and efficiency of the Borough's cash management program.
2. Reduce the operating costs of the Borough as they relate to banking services.
3. Where deemed necessary and appropriate for the Borough, utilize the newest forms of computer and electronic banking.
4. Consolidation of all major banking activities with one commercial bank located in the Borough.

Presently, the Borough has the following accounts:

- | | |
|-----------------------------|--------------------------------|
| 1. Current Fund | 15. Dog License Trust Account |
| 2. General Capital Fund | 16. State Unemployment Account |
| 3. Planning Board Account | 17. Public Defender |
| 4. Payroll Account | 18. Snow Trust |
| 5. Payroll Agency Account | 19. POAA |
| 6. Special Recreation Trust | 20. Water Utility Operating |
| 7. Recreation Trust | 21. Water Utility Capital |
| 8. Trust Assessment Fund | 22. Sewer Operating |
| 9. Forfeited Property | 23. Sewer Capital |
| 10. Police Trust | 24. Clock Fund |
| 11. Public Assistance | 25. Community Block Grant |
| 12. Disbursement Account | 26. Donation Trust |
| 13. Recycling | 27. Sick Leave |
| 14. Police Off Duty Trust | |

The Borough currently takes payments via its web-site for property tax, water, and sewer payments. This is done through an ACH process in conjunction with our software vendor and Cit.e.net (see attached for volume). All proposals must show the ability to handle these transactions and be able to provide the platform under which these payments will be made. Currently, all fees related to ACH services are passed on to the users.

The Borough also collects a number of other fees via online payments, ACH and credit cards with the help of third party providers. These fees include dog license payments, marriage licenses, garbage fees, and many others. All service fees are paid by the user.

The Borough would like to expand its use of online banking services to check balances, make wire transfers, transfers between accounts, stop payments, and general transactions inquiries. This proposal should outline the banking institutions internet banking solutions. We would like to expand this into using on-line bank reconciliations/statements, on-line check viewing capabilities (so long as state record retention polices are met), and the use of the latest web based applications and technology, to include positive pay for the use of at least the payroll and disbursements accounts.

Under this proposal, one bank would be designated to administer minimally the General Fund Account and, the Payroll Accounts. If the bank is outside of the Borough of Netcong, then the proposal should include use of and pricing for an armored car service for deposits. The other accounts may be given to other banks. For purposes of this proposal, assume that all accounts are to be held by one bank, not including Developer Escrow.

Checks would be written from these accounts as needed with interest paid on the total cleared balance of all accounts. As part of this proposal please includes the balance on which the bank will pay interest (i.e. Ledger balance, collected balance, unused balance, etc.)

The Borough of Netcong will occasionally have the need to sell BAN's and other types of "debt" instruments. The Borough expects the primary bank to, at the very least, bid on all issues of debt, while understanding that the primary bank may not always win the bid for the particular instrument.

To be eligible for consideration the following items are required to be included in the proposals:

1. Deposit tickets, checks and checkbooks printed and supplied for all accounts without charge to the Borough.

2. A proposal which would show the costs associated with current credit card system (see activity summary sheet)
3. All Borough accounts to be free of monthly maintenance charges and "bad" check charges.
4. Wire transfers provided without charge to the Borough
5. All cash management services.
6. Security bags for deposits provided free of charge.
7. Assistance to the Borough to earn the highest return on all available funds.
8. Most recent annual report as well as subsequent submissions during term.
9. Service consideration for all Borough employees, including direct deposit.
10. Coverage by the Governmental Unit Deposit Protection Act (Provide current letter).
11. A Proposal for allowing Borough Residents to continue to be able to pay various Borough fees via the Borough's Website. (ACH and Credit Cards).
12. A proposal for the cost, set-up and use of Procurement Cards (P-Cards).
13. A proposal for Remote Deposit Capture
14. Positive Pay
15. A proposal to include paying for R&L payroll service (or a portion of)
16. Show an interest in being part of the community (i.e., sponsoring various events, working with local business, etc).
17. Include a breakdown of various local events sponsored and the dollars associated
18. Include a breakdown of your investment in the town (the number of loans and mortgages to Borough business and residents and the total dollars associated with them)
19. Other "state of the art" banking and cash management products.

All proposals should be submitted in clear concise language that will avoid misconception. The interpretation of unclear language shall be made by the Finance Department and will not be subject to further clarification. **All proposals must include a Governmental Unit Depository Protection Act (GUDPA) certificate in order to be considered.** Award for banking services to the Borough of Netcong will be based on the following:

- 1) GUDPA INCLUDED
- 2) Lowest average daily balance required.
- 3) Highest potential earning- cash management services.
- 4) Lowest costs associated with the credit card services, ACH services, and internet services.
- 5) Weighted Average of questionnaire, as determined by the Borough.
 - See attached - how proposals will be evaluated

The Borough reserves the right to:

- 1) Reject all bids and proposals.
- 2) Terminate the banking relationship at any point in time.

All banks wishing to propose these services must complete the Banking Services Questionnaire in its entirety and return seven (7) copies of its proposal in a sealed envelope to the attention of:

Ralph Blakeslee, RMC, MPA, CMC
Netcong Borough Administrator
23 Maple Avenue
Netcong, NJ 07857

No later than **February 5, 2018 11:00 a.m.**

Faxed and/or emailed proposals will not be accepted.

ACTIVITY SUMMARY

The following table summarizes an estimate of the *monthly activity* in all of the Borough checking accounts and is provided for your convenience. **(See Attached – 3 months of banking services per current banks analysis).**

Total number of accounts:	<u>27</u>
Total number of checks paid (written) annually:	<u>2200 (est)</u>
Total number of deposits made annually:	<u>6500 (est)</u>
Total number of ACH items:	<u>140-150 (annual est)</u>
Aggregate average collected balances:	<u>\$ SEE ATTACHED</u>

Banking Services Questionnaire

Bank Name: _____

Branch Location: _____

Mailing Address: _____

Telephone Number: _____

Fax Number: _____

Branch Hours: _____

1. Monthly bank statement:

Closing date: _____

Mail date: _____

Interest posting date: _____

2. Checks sorted for reconciliation?	Yes _____	No _____
Available on CD?	Yes _____	No _____

3. Wire transfers available by telephone?	Yes _____	No _____
by computer?	Yes _____	No _____

4. Limit to number of transfers per month?	Yes _____	No _____
If yes, how many?	_____	

5. Intra-bank transfers by telephone?	Yes _____	No _____
by computer?	Yes _____	No _____
by paper?	Yes _____	No _____

6. Daily account balance available		
by telephone?	Yes _____	No _____
by computer?	Yes _____	No _____

7. Permit redeposit of NSF checks?	Yes _____	No _____
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8. Stop payment by telephone?
by computer? Yes _____ No _____
Yes _____ No _____
9. Account analysis available monthly? Yes _____ No _____
10. Remote Deposit Capture Yes _____ No _____
11. Compensating balance required? Yes _____ No _____
12. Annual Report/Financial Condition
available? Yes _____ No _____
13. Locked bags for night deposit available? Yes _____ No _____
14. Provide overdraft protection? Yes _____ No _____
15. Are accounts linked for any purposes? Yes _____ No _____
16. Are you able to provide EDI/Corporate
Payment Notification (ACH) information? Yes _____ No _____
17. Hour that deposits must be made by for same day credit is: _____
18. Interest rate paid on deposits:
How is rate calculated?
19. Account information retention/retrieval process is:
20. Direct deposit of payroll available? Explain procedure:
21. Explain wire transfer procedure from #3.
22. Explain Stop Payment procedures from #9.
23. Explain funds availability policies.

24. List charges, if any, for the following services:

Monthly account maintenance per account	_____
Check sorting for reconciliation	_____
Check printing per hundred	_____
Deposit slip printing per hundred	_____
Payroll service per month	_____
Direct deposit per employee	_____
Other payroll charges	_____
Intrabank transfers per item	_____
Outgoing wire transfers per item	_____
Incoming wire transfers per item	_____
Overdraft per item	_____
Returned check per item	_____
Stop payment per item	_____
Deposit processing per ticket and per item	_____
Check processing per item	_____
Information retrieval per item/request	_____
Remote Deposit Capture	_____
Daily telephone calls	NO FEE
Positive Pay	_____
Locked bank bag	_____

Night deposit _____

Duplicate bank statement (per statement) _____

26. Please provide the following formulas and calculations, if they apply:

Net Monthly Earnings Calculation:

Average Daily Ledger Balance Calculation:

Reserve Requirement (%): _____ Not applicable

FDIC Insurance Assessment: \$ _____ per \$1,000 Not applicable

Average Daily Float Calculation: Not applicable

Average Collected Balance Calculation:

Compensating Balance Formula: Not applicable

Earnings Credit Formula:

Completed by:

Name

Title

Telephone Number

SCORING/EVALUATION OF PROPOSALS

Proposals will be broken down into 5 sections, based on the following criteria. Each section is weighted as a percentage of the overall score. Once all proposals are evaluated, the Borough will then interview the top 3 or 4 banks to make a final determination as to which bank will meet the Borough's needs.

Section 1 = 5% of total scoring

This section reviews that all requested information was received, each completed item receives. Proposals must ensure that all of the following have been included and completed:

1. Completed Activity Summary Form (may be part of Account analysis)
2. Completed Banking service Questionnaire
3. Completed Information Form
4. GUDPA Certificate
5. Most Recent Annual report included

Section 2 = 5%

This section reviews that all items in the Questionnaire have been completed – with a particular emphasis on item # 2, 3, 4, 5, 6, 7, 8, 9, 10, 13, 14, 16, and 20.

Section 3 = 25% of total scoring

This section reviews:

1. Credit Cards – availability, costs (swipe machine and on-line)
2. Ability to use and process p-cards
3. Other cash management services (please specify)
4. Positive Pay
5. Other items as may be appropriate based on individual proposals

Section 4 = 15% of total scoring

This section reviews the availability of being able to accept payment online, via credit card, ACH , or other means.

Section 5 = 50% of total scoring

This section reviews and calculates the cost of banking services and how the fees impact the cost to the Borough and available investment balances (based upon account analysis sample:

1. Is compensating balance required
2. Reserve requirements
3. FDIC Assessment
4. Interest rates and Interest earned rt