

**CITY OF OVERLAND PARK, KANSAS**

**REQUEST FOR PROPOSALS  
FOR BANKING SERVICES**

May 15, 2002

8500 SANTA FE DRIVE  
OVERLAND PARK, KANSAS 66212-2899

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**REQUEST FOR PROPOSALS FOR CITY BANKING SERVICES**

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**REQUEST FOR PROPOSAL FOR BANKING SERVICES  
CITY OF OVERLAND PARK, KANSAS**

**I. GENERAL BACKGROUND**

The City of Overland Park, Kansas (the City) is soliciting proposals for banking services from banks that are eligible to be a depository for City funds pursuant to K.S.A. 9-1401, et. seq., as amended. This Request for Proposals (RFP) covers general banking services, safekeeping services, merchant credit card services and purchasing cards. The term will be four years, from January 1, 2003, through December 31, 2006, with a one-year renewal option, except the term for purchasing card services shall begin February 8, 2004, and terminate December 31, 2006 with a one-year renewal option.

This RFP does not include any investment management services. Any investment services would be covered under a different RFP or through investment bidding procedures as part of the investment program.

The City encourages all eligible and qualified bank representatives to examine this RFP carefully. Qualified banks are requested to submit proposals to provide banking services as defined in this RFP. The City expects the selected bank to be a leader and an innovator in the development and execution of financial products and services, and expects these services to be of the highest quality. This RFP, including the exhibits, is available in electronic format by contacting Karen Kindle at (913) 895-6179 or by e-mail at [kekindle@opkansas.org](mailto:kekindle@opkansas.org). The documents are also available for viewing on the City's website at [www.opkansas.org](http://www.opkansas.org).

**II. MINIMUM QUALIFICATIONS**

This section lists the minimum qualifications and criteria for a bank's proposal to be eligible for consideration and evaluation. Specific responses to each requirement must be provided in the accompanying response forms. For a proposal to this RFP to be considered and evaluated a bank must:

- Be insured by the Federal Deposit Insurance Corporation (FDIC).
- Be eligible to be a depository of City funds pursuant to K.S.A. 9-1401, et.seq., as amended, with a full service branch in or near Overland Park. All responding banks must complete Exhibit A.
- Be an on-line cash and securities member of the Federal Reserve.
- Be able to provide 105% collateralization of all City deposits with collateral in compliance with the City Investment Policy.
- Provide a copy of the most recent Quarterly Report (CAMELS). The City will also review the bank's Sheshunoff rating.
- Have the capacity of providing all "Required Services" internally. The City prefers that the responding bank provide services without the use of joint ventures, consortiums or contract service providers because of control issues. The City will determine the acceptability of any arrangements with the objective of the RFP being the "total solution."
- Maintain a financial institution bond, Form 24 or equivalent, with a limit of not less than \$3,000,000, banker's professional liability in the amount of \$2,000,000 per occurrence/annual aggregate and valuable paper coverage.

### **III. SCOPE OF SERVICES**

Details of the services to be provided to the City are separated into three categories.

#### Required Banking Services

These services are listed in Section IV and in Exhibit B and must be provided by the selected bank.

#### Optional Banking Services

These services are listed in Section V and in Exhibit C, and the City may desire to use them depending on the availability and price of the services offered. However, the City may award a contract for these services to a separate bank(s) besides the main depository that is awarded the contract for required services in Section IV above. Proposals are not required to address any optional services in order to be considered an acceptable proposal.

#### Other Value Added Banking Services

These are services not otherwise identified in this RFP that the proposing bank may offer to the City. Please submit your proposal on Exhibit D for any additional services that you wish the City to consider. Include all necessary attachments and discussion materials to clarify the services being offered.

### **IV. REQUIRED BANKING SERVICES**

All proposals must include the following services, which will be required in the City's Banking Services agreement. Proposing Banks must submit a completed Exhibit B with the proposal. Exhibit B is available in electronic form if desired.

#### **Account Structure**

The City will need the following bank accounts. The City requires a monthly statement on each account, except for the two convention center accounts. Monthly statements on the convention center accounts will be sent to the City's third party manager of the convention center. The City prefers electronic statements, but will accept a paper statement if an electronic version is not available.

#### Operating Account

The majority of the City's operations will flow through this account, including the deposit of revenues, accounts payable payments, payroll and investment purchases and maturities. The City will send and receive wire transfers and ACH transfers, write checks and make deposits to this account. The City requires e-mail notification of all incoming wires for this account. The City desires that this account be non-interest bearing with an automatic sweep investment option.

The following chart describes the frequency of various activities that will be processed in this account. Exhibit B contains information regarding the volume of checks, deposits, wires, etc.

Item	Frequency
Accounts Payable Checks	Bi-weekly
Payroll	Bi-weekly (opposite week of accounts payable) The City's payroll is 80% direct deposit and 20% checks.
Deposits	Daily
Investment Purchases	Bi-weekly (same week as payroll), can be at other times depending on cash flow
Investment Maturities	Weekly

Escrow Account

The City will deposit escrow payments received from developers into this account. This should be a non-interest bearing account with an automatic sweep investment option. Money from this account will be transferred to the Operating Account to pay for capital projects or to refund to the developer. Escrow funds currently total \$5.3 million. Exhibit B contains information regarding deposit and check volumes for this account.

OP Convention Center Account

The City has contracted with a third party to manage the convention center. The City will transfer the quarterly contract payments for the third party manager to this account, and the third party manager will use this account as the operating account for running the convention center. This account should be an interest bearing account.

OP Convention Center Event Account

Proceeds from events held at the convention center will be processed through this account. The City's third party manager will administer this account. This account should be an interest bearing account.

**On-Line Treasury Workstation**

Describe in detail your on-line communications capabilities for balance inquiry including immediate and delayed clearing balances, item image retrieval, wire and ACH transfer initiation, stale dated check management, stop pay management and any other on-line information that is available to the City. In addition, please describe the training available and appropriate controls regarding the City accounts using on-line access. Finally, indicate the hardware/system requirements necessary to run the workstation.

### **Availability of Funds Deposited**

The City desires to know the collected funds availability schedule for its deposits. These deposits include checks, money orders, cash, ACH credits and wires from local, regional, and out of state banks. The City requires updates as the schedule changes. Also describe the latest daily deposit time for fastest availability on deposits.

### **Positive Pay and Automated Account Reconciliation**

The City requires the use of a positive pay account reconciliation and fraud prevention program on the Operating Account. As checks are disbursed, the City will provide the bank with a computer readable record file detailing the check number, date and dollar amount of each item. Only those items reported by the City will be allowed to clear the account. The bank shall provide the City with a daily list of exception items for payment approval or rejection. The City prefers that the exception items not be paid as the automatic default. Please include information regarding the requirements for the electronic file, such as format, etc.

At the end of each month the account reconciliation consists of outstanding items. The City requires information be provided electronically to reconcile its accounts. The electronic file shall be in the standard comma delimited format for interfacing with the City's financial system, JDEdwards OneWorld XE. Information is expected to be received within three business days of month-end. Responding banks should describe their systems and how stale dated checks will be handled. The City desires that the positive pay program be integrated with the bank teller operations to maximize controls. In the response, please describe the status of the on-line teller access. Also, please include information on the current or future ability to read the "payable to" line on the check as an additional positive match for check payment or rejection.

### **Automatic Sweep**

The requirement of this RFP is an automated sweep product for the investment of end-of-day balances over any target balance level established based on the method of payment for services selected by the City. A sweep arrangement will be necessary for two accounts: the Operating account and the Escrow account. All excess balances will be deposited daily into the bank's "sweep" account. Interest will be paid daily from the sweep arrangement. The City would consider the use of a managed sweep product where cash is kept outside the bank account until needed versus daily replacement of all cash swept the prior evening.

The proposal should include all options available to public entities under Kansas statutes. Please include your bank's twelve-month earnings history, earnings benchmark and all costs.

### **Cancelled Check Safekeeping**

Please describe your cancelled check safekeeping to include image recovery for processed checks. The City desires monthly check image information to be on CD Rom for easy storage and research. The CD Rom shall include images of both the front and the back of checks.

## **Employee Payroll**

The bank must have the ability to provide employee payroll using ACH payments.

## **Banking Supplies**

The bank will provide lockable or disposable moneybags and printed deposit slips for all accounts. The City will provide the checks.

## **Wholesale Lock Box**

The City requires two wholesale lock boxes. The first lock box will handle payments for alarm ordinance fines. The average daily deposit is \$520.00 and involves 7 items. Documentation received with payments shall be returned to the City Clerk.

The second lock box will handle payments for ambulance fees. A third party administrator prepares the billings and maintains the accounts receivable records. The average daily deposit is \$3,450.00 and involves 10 items. Documentation received with payments shall be returned to the third party administrator. A copy of the deposit slip shall be sent to the Overland Park Fire Department.

Please describe your wholesale lock box capabilities including imaging, costs and benefits to the City. Please describe how a lockbox would be implemented by the City including information related to potential changes to billing procedures and how long it may take to start-up new procedures.

## **Collateral**

Pursuant to K.S.A. 9-1402, as amended, the bank is required to collateralize City deposits. The City Investment Policy requires that pledged securities have a market value equal to at least 105% of the amount of the total deposits of public funds, including accrued interest earned. Under the City's investment policy, the following items are considered acceptable collateral:

- A. Direct obligations of, or obligations insured as to principal and interest by, the United States Government or any agency thereof, and obligations and securities of United States sponsored corporations, which under federal law may be accepted as security for public funds.
- B. Surety bonds issued by a highly rated insurance corporation licensed to do business in the State of Kansas as determined by a nationally recognized insurance rating agency. Surety bonds are subject to review and approval by the City's Director of Finance, Budget & Administration.

If the bank chooses to pledge securities as collateral, the bank will be required to pledge the securities at the Federal Reserve or at the Federal Home Loan Bank and execute a Security Agreement with the City.

## **Safekeeping Accounts**

The City maintains an investment portfolio of approximately eighty million dollars that requires safekeeping of directly owned securities and collateral from depository banks. The City will need two different types of safekeeping accounts. These safekeeping accounts are considered to be 02-classification accounts, distinguishing them from “trust” accounts, which are not desired.

- A. Directly purchased securities. The City has an investment portfolio, which holds government and other marketable securities purchased through banks and brokers. These securities, when purchased, must be delivered to the safekeeping agent on a delivery versus payment (DVP) basis, and the safekeeping agent for the City must title all securities in the name of the City. Sales of securities owned by the City and held by the safekeeping agent are also delivered on a DVP basis. Same day funds settlement should be available for all transactions.
- B. Securities deposited by banks as collateral for City deposits. The City intends to hold in safekeeping securities required as collateral from all banks with which the City maintains deposits. Each bank will require a sub-custodial account where securities are held in joint custody between the collateralizing bank and the City. The safekeeping agent will accept confirming instructions from both the City and the bank involved when any change is required in the collateral securities held in safekeeping. The safekeeping agent shall return cash from interest payments on securities and maturities with permission from the City. There will be approximately three sub-custodial accounts. The City requires a tri-party agreement be executed between each depository bank, the City and the safekeeping agent. Each depository bank that deposits collateral with the safekeeping agent will pay for their services.

## **Mark to Market Valuation**

The safekeeping bank will be required to value all securities in the City investment account and all securities in the banks’ collateral accounts at least monthly and preferably weekly or more frequently. The City is responsible for monitoring collateral value against deposits in banks. Security pricing procedures should be described in the response.

## **Computer Access to Information**

The City desires access to information using personal computers. Account information can be accessed from the Internet or via direct access to bank computers using dial-up programs with appropriate password protection. The City will need access to transaction and holdings information for all accounts referred to above. Access should be available on a daily basis to “live” current data, but limited access to information (no less frequently than weekly) would be considered. Ideally, information should be available on a historical basis for research if necessary. Proposing banks must provide information on how this requirement will be accomplished, as well as what safeguards exist to restrict information to only those persons authorized by the City.

Please describe any technical requirements for access to computerized information such as Internet Browser specifications, computer type needed, speed of modem, etc. Also describe the training offered by the bank to City personnel for computer access to information.

### **Monthly Reports**

The safekeeping bank shall prepare monthly summary reports for each account showing at a minimum the holdings at month-end and a schedule of transactions for the month. Reports should be available within seven working days of month-end.

### **Portfolio Performance Reporting**

The City would like to have the safekeeping agent provide accounting and performance reporting with regard to the City's investment portfolios. The City estimates that it could have up to 20 portfolios. The City uses fund accounting to account for various City operations. Each "fund" has its own cash balance that can be invested, and consequently, its own investment portfolio. A single investment could consist of money from several different funds, and therefore, appears in more than one portfolio. For example, a \$1,000,000 CD could be comprised of \$500,000 from the General Fund, \$100,000 from the Capital Improvement Fund and \$400,000 from the Transient Guest Tax Fund. The City desires a reporting system that can facilitate accounting for the multiple investment portfolios the City manages as a result of fund accounting, including interest accruals, premium amortizations and discount accretions.

These reports should include information related to marketable and non-marketable securities (CDs) held in the City's portfolios. Please describe the types of reports that are available, including the frequency of the reports. Also describe whether or not the reports are available through computer access. Attach copies of reports for evaluation by the City.

### **Other Required Information**

#### **Daylight Overdrafts**

Please provide details on any daylight overdraft issues that may concern your bank. It is likely that in managing the external investment program of the City that payment for an investment purchase may occur before the receipt of funds from an investment sold or matured or from other sources. This could cause an occasional daylight overdraft that will be cured before the end of the banking day.

#### **Designated Account Liaison**

The City will require the selected bank to designate a senior officer as a liaison. This officer must be capable of coordination of all City activities with the bank and be able to resolve any problems or issues that may arise.

## **Record Retention**

The bank should maintain records for the City for the term of seven years after the completion of the contract.

## **Disaster and Back-up Plans**

Describe your bank disaster and back-up plans and capabilities. The City must have access to cash, securities, and information at all times.

## **V. OPTIONAL BANKING SERVICES**

The City requests the proposing banks to offer any optional services or make any recommendations it believes would enhance the cash management capabilities of the City. All proposing banks are encouraged to make suggestions or add additional information not requested in this proposal. Banks are encouraged to describe factors that distinguish their institution from potential competitors. However, all respondents must submit a proposal on all required services in the proposal format provided.

Optional services should be summarized on an attached Exhibit C but can be accompanied and supported by other material. The City may elect to use some or all of the optional services but not necessarily with the primary operating bank. The provider for credit card and purchasing card services does not have to have a Kansas charter.

### **Credit Cards**

The City accepts Master Card, Visa and Discover as forms of payment for various City services. Please discuss how your bank would provide credit card services, including all fees, set-up charges, card acceptance on the City's website, etc. Please include a copy of your credit card merchant agreement.

The Financial Institution will be expected to provide the following needed Electronic Card Payment Services.

- Fast authorization and settlement for all major credit, private label and purchasing cards
- Reliable transaction processing
- One-to-one service relationships
- Flexible settlement and reporting options
- Facilitation of equipment deployment and repair
- Merchant customer service and terminal support
- Secure transaction processing for merchant and customer protection
- Commerce-enable to Web site
- Competitive, low discount rates based on average MasterCard and Visa sales(s) volume
- Electronic credit card deposits into any business checking account

- Low equipment prices
- Availability and service of a local credit card center
- Compatible with IcVerify version 6.1

The following table contains general data regarding the City's merchant card program.

Program Measure	Value
Number of Locations Accepting Credit Cards	10
Number of Credit Card Machines	14
Number of tickets (2001)	92,877
Average Ticket Price (2001)	\$39.00
Annual Dollar Volume	\$3.6 million

### Purchasing Cards

The City's current contract for purchasing cards terminates on February 7, 2004. The term for any contract resulting from this RFP would be from February 8, 2004, through December 31, 2006, with a one-year renewal option.

The City's purchasing card program has been in existence for two years. The City has developed several authorization strategies based on job duties to control spending. Each department has a control account into which transactions from individual cardholders are summarized for payment. Cardholders receive paper memo statements for reconciliation purposes. The accounts payable staff review reconciliations and transactions are downloaded into the City's accounting system using a computer interface with the bank that matches transactions with account numbers in the City's chart of accounts. The City utilizes a dial-up program from the bank to generate ad hoc reports that are downloaded into Excel to facilitate management of the program. In addition, the City has access to the bank's system to inquire on accounts for declines at the point of sale, statement transactions, authorizations strategies, etc. Cardholders can access their accounts online to see their balance, credit limit, available credit, transactions posted since their last statement and transactions from the previous three statements.

The chart below provides additional information regarding the City's purchasing card program.

Program Measure	Value
Average Dollar Volume per Month	\$138,000
Average Number of Transactions per Month	1,000
Average Dollar Amount per Transaction	\$137.00
Current Number of Accounts*	245
* Includes 43 cardless travel accounts	

Please describe your program, including all costs, rebates, accounting information to be provided to the City, reporting capabilities, 1099 reporting capabilities, internet capabilities, card formats, controls for the use of the cards, etc. Attach a copy of your bank's contract for this service.

### **Electronic Vendor Payments**

The City currently pays some of its vendors electronically and desires to expand its use of this form of payment. Please describe any electronic payment system your bank provides.

### **Courier and Armored Car Services**

The City deposits a large volume of cash and checks daily. At the present time the City has a contract with a courier service to pick up the daily deposit from City Hall and deliver it to the bank. Please describe your service to include pick-up and subsequent deposit times for best funds availability, and define the costs. The City is evaluating whether to have its own contract with a courier service or to have the bank make arrangements for delivery and would like the opinion of the responding banks.

### **Check to ACH Conversion**

The City currently receives a substantial volume of check payments over-the-counter. There are procedures to convert these payments to ACH presentment that would avoid the City making check deposits to the bank. Please describe any service available to the City, and clearly define costs and implementation procedures. Please include information with and without a guarantee.

### **Check to ACH Conversion for NSF Second Presentment Checks**

The City would be interested in evaluating having NSF checks converted to ACH and presented for collection rather than a second presentment of the check. Please provide information with regard to this service.

### **Satellite Accounts**

The City would like to streamline the banking procedures for its satellite accounts. The City has thirteen satellite accounts that are spread between two banks. These accounts are used to deposit money from various locations in the City that take in cash. The accounts are swept on a weekly basis to the City's main operating account. During 2001, these transfers totaled \$7,407,750. There are two factors that necessitate having this many accounts: (1) convenience for these City locations and (2) the need to differentiate the deposits for reconciliation purposes. Please propose a solution for the City to consider, keeping in mind these two factors.

The thirteen accounts are:

<b>Account Name</b>	<b>Description</b>	<b>Location</b>
<b>Overland Park Community Center</b>	Daily deposits of receipts from sports leagues, aerobics classes, room reservation fees, etc.	87 <sup>th</sup> Street & Lamar
<b>Overland Park Golf Course</b>	Daily deposits of the City's share of golf course revenues	125 <sup>th</sup> Street & Quivira
<b>St. Andrews Golf Course</b>	Daily deposits of the City's share of golf course revenues	135 <sup>th</sup> & Nieman
<b>Municipal Court</b>	Daily deposits of fines and court costs	124 <sup>th</sup> & Foster
<b>Arboretum</b>	Daily deposits of concession stand receipts and merchandise sales	179 <sup>th</sup> & Antioch
<b>Community Park Ball Fields</b>	Daily deposits of concession stand receipts	138 <sup>th</sup> & Switzer
<b>Bluejacket Pool</b> (summer only)	Daily deposits of gate fees and concession stand receipts	101 <sup>st</sup> & Bond
<b>Stonegate Pool</b> (summer only)	Daily deposits of gate fees and concession stand receipts	97 <sup>th</sup> & Antioch
<b>Marty Pool</b> (summer only)	Daily deposits of gate fees and concession stand receipts	74 <sup>th</sup> & Conser
<b>Roe Pool</b> (summer only)	Daily deposits of gate fees and concession stand receipts	104 <sup>th</sup> & Roe
<b>Youngs Pool</b> (summer only)	Daily deposits of gate fees and concession stand receipts	77 <sup>th</sup> & Antioch
<b>Tomahawk Ridge Aquatic Center</b> (summer only)	Daily deposits of gate fees and concession stand receipts	119 <sup>th</sup> & Lowell
<b>Deanna Rose Children's Farmstead</b> (April – October)	Daily deposits of donations, concession stand receipts and wagon ride fees	138 <sup>th</sup> & Switzer

## **VI. OTHER VALUE ADDED BANKING SERVICES**

Please describe any other banking services that your bank would be willing to offer by summarizing and including attachments for review by the City.

## **VII. PROPOSAL SUBMISSION PROCESS AND DEADLINES**

*All sealed proposals from interested banks must be received on or before 2:00 pm. on Friday June 28, 2002, and addressed to:*

City Clerk  
Banking Services RFP  
8500 Santa Fe Drive  
Overland Park, Kansas 66212.

One original proposal plus six copies shall be submitted. Proposals received after the date and time above shall not be considered and shall be returned unopened providing the entity submitting the proposal is identified on the proposal envelope. The City reserves the right to reject any or all proposals and to waive any minor informality, technicality or irregularity in any proposal.

Proposals will be time-stamped upon receipt and held in a secure place until the established due date. Proposals will not be opened publicly or disclosed to unauthorized persons, but will be opened in the presence of two or more City officials. A record of proposals will be established, which will include for all proposals: the name of the entity submitting the proposal, a description sufficient to identify the services offered, the names of the City officials present and the date and time the proposals were opened.

All proposals and related reference information submitted in response to this RFP will become the property of the City and will not be returned. Each entity submitting a proposal waives any right of confidentiality as to the proposal documents. If an entity submitting a proposal considers certain material in the proposal proprietary information, it shall clearly designate those portions of the proposal it wishes to remain confidential. As a public entity, the City is subject to making records available for public disclosure. The City will attempt to maintain the confidentiality of material marked proprietary; however, it cannot guarantee that information will not be made public.

- The City reserves the right to (1) accept or reject any and all proposals and to waive any technicalities or irregularities involving any proposal and to cancel the RFP process at any time prior to entering into a formal contract for banking services, (2) not award a contract for any or all of the banking services that are the subject of this RFP process, (3) award contracts for banking services to separate banks, (4) negotiate contract terms acceptable to the City with the successful bank(s), (5) disregard all nonconforming, non-responsive or conditional proposals and (6) reject the response of any bank which does not submit a proposal to the City's satisfaction.
- In evaluating proposals, the City may consider the qualifications of entities submitting proposals, whether or not the proposals comply with the prescribed requirements and those criteria set forth in Paragraph X of this RFP.
- During the evaluation process, the City reserves the right to request additional information or clarifications from those banks submitting proposals and to allow corrections of errors and/or omissions.

- Submission of a proposal indicates acceptance by the company submitting the proposal of the terms, conditions and specifications contained in this RFP and to include the contract requirements set forth herein.
- The City will not pay for any information herein requested, nor is it liable for any costs incurred by those banks submitting proposals. The City reserves the right to select the proposal that will best meet the needs of the City. Proposals that do not meet the stated requirements will be considered in non-compliance and will be disqualified unless the City waives such non-compliance.
- No proposal may be withdrawn for a period of thirty (30) days from the date set for the opening thereof.
- By submission of a proposal, each entity submitting a proposal certifies that:
  - A. It has not paid nor agreed to pay any person, other than a bona fide employee, a fee or a brokerage fee resulting from the award of the contract.
  - B. The City may, by written notice to the entity submitting the proposal reject the RFP or cancel any award under this RFP if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise were offered or given to any representative of the City with a view toward securing an order or other favorable treatment with respect to this RFP or the entity submitting the proposal participated in collusion with another entity to restrain or eliminate competition.
  - C. The contents of this RFP and any clarifications distributed or issued by the City shall become part of the contractual obligation and incorporated by reference into the ensuing contracts as the City deems appropriate.

Those entities whose proposals meet the requirements of this RFP may be interviewed.

## **VIII. PROPOSAL REQUIREMENTS**

- A. Proposals must include all required services as set forth in Section IV herein.
- B. Proposals must be submitted in the format provided in this RFP, including the use of appropriate exhibits.
- C. An individual having full authority to execute the proposal and to execute any resulting contract for services must sign each proposal, including Exhibit A.
- D. The following bank profile data is required in each proposal:
  - The year 2001 financial statements, or most recent 12-month ending period must be included. If the bank is owned by a holding company, submit financial statements for both the bank and the holding company.
  - Identification of the three largest owners of the bank.

- Description of how the City would rank relative to other customers of the bank in relationship to size and complexity of service.
- E. Each proposal shall include resumés of key management and staff members that would be assigned to the account.
- F. Each proposal shall include an organizational chart depicting the various departments, including contacts that would be involved in the City relationship.
- G. Each proposal shall provide information regarding the proposing entity’s community involvement within the City of Overland Park.
- H. Each proposal shall include a list of names, addresses, phone numbers and e-mail addresses for five customers of similar size and complexity to the City’s requirements, including the name of a contact person.
- I. Each proposal shall address the method of compensation to include the following:

The City requires that a monthly account analysis be presented within ten days from cut-off date. The account analysis must show at a minimum the following information:

- Account number
- Period covered
- Average ledger balance
- Average collected balance
- Services rendered to include type of service and quantity
- Per unit charge for each service per the banking agreement
- Extended charges of each type of service provided
- Total monthly charges of all services provided

The City requests flexibility in the payment for bank services as follows:

**By Fees:** Compensation to the bank may be in direct fees paid to the bank.

**Or**

**By Compensating Balances:** The City would maintain balances sufficient to pay for services averaged over a negotiated period of time from all accounts to pay for services.

**Or**

**By Zero Interest Time Deposit:** The City would purchase a zero interest time deposit anticipating that there would be no Federal Deposit Reserve Requirement.

**Or**

**By a combination of the above at the discretion of the City.**

The banks making proposals should address the payment for services in their response, describing costs associated with the alternative payment methods. It is important to describe the earnings allowance on compensating balances and the earnings credit computation methodology. It is expected that if the City elects to pay for services with balances, any surplus earnings above expenses would revert to the City annually.

All charges shall be in conformity with those specified in the Banking Services Quotation Form Exhibit B and C.

- J. Each proposal shall include the statement and contract drafts required by Section XII of this RFP.

**IX. DISCUSSION AND QUESTION CONFERENCE**

The City has scheduled a discussion and question conference in order to ensure that responses meet the RFP requirements to include contract requirements. It is highly recommended that entities interested in submitting a proposal attend this conference. The conference will be held with all entities simultaneously on Friday, June 7, 2002, at 2:00 pm at City Hall in Conference Room 1. All previously submitted requests for information and questions will be answered at that time. All requests for information and questions regarding this RFP must be forwarded in writing (may be sent by facsimile) no later than 1:00 pm on Thursday, June 6, 2002, to:

Mr. David Scott  
Manager of Finance & Accounting  
City of Overland Park  
8500 Santa Fe Drive  
Overland Park, KS 66212  
E-mail [dscott@opkansas.org](mailto:dscott@opkansas.org)  
Fax 913-895-5009

Responses to questions will be provided to entities requesting responses and to all known proposers.

**X. EVALUATION OF PROPOSALS**

Proposals will be evaluated by a City staff committee utilizing the criteria set forth below. The City staff committee will make a recommendation to the Finance, Administration & Economic Development Committee, who will in turn make a recommendation to the entire Governing Body. All proposals submitted will be the primary document upon which each proposal will be evaluated. All proposals will first be screened to determine minimum institution qualifications as outlined in this RFP. Proposals that do not meet these minimum requirements will automatically be rejected and shall not undergo further evaluation.

Submitted proposals will be judged on the following evaluation criteria:

- Scope of proposed services.
- Cost of services and effectiveness of total services performed.
- Experience, expertise and qualifications of key bank personnel assigned to the City.
- Financial strength and stability of the bank.
- Value of any new products or services suggested.
- Quality level of services to be performed and proposed approach to cost control, service level monitoring and administration.
- Clarity, completeness and timeliness of information provided for evaluation by the City.
- Quality of any in-person interview with the City's selection committee.
- Responses to reference checks.

The City reserves the right to utilize other appropriate selection and evaluation criteria as it deems necessary.

## **XI. PROPOSAL SCHEDULE**

- |                                                                          |                         |
|--------------------------------------------------------------------------|-------------------------|
| • Distribution of Requests and Publication                               | May 15, 2002            |
| • Questions Regarding Proposal Due 1:00 pm                               | June 6, 2002            |
| • Discussion/Question Conference 2:00 pm,<br>City Hall Conference Room 1 | June 7, 2002            |
| • Proposals Due to City Clerk at 2:00 pm                                 | June 28, 2002           |
| • Evaluation/Interview Period                                            | July 8 – 31, 2002       |
| • Review by the FAED Committee                                           | August 2002             |
| • Governing Body Approval                                                | September 2002          |
| • Expected Implementation Date                                           | October – December 2002 |

## **XII. CONTRACT REQUIREMENTS**

All banks submitting proposals in response to this RFP must include in their proposal drafts of contracts for those banking services included in each proposal. Please contact Karen Kindle at (913) 895-6179 or at [kekindle@opkansas.org](mailto:kekindle@opkansas.org) to obtain the City's sample contract documents in electronic format for the following banking services. The documents are also available for viewing on the City's website at [www.opkansas.org](http://www.opkansas.org).

- Safekeeping Account Agreement
- Security Agreement
- Pledge and Custodial Agreement
- Treasury Management Services Agreement

The City has previously found adequate the form and, to the extent provided, the terms of these sample documents. These sample contracts are intended to provide guidelines for the development of the draft contract documents to be submitted by the responding banks. While banks submitting proposals are free to submit contracts in a format different than the sample contracts, all contract drafts must include the terms required by this section. In addition, during contract negotiations the City reserves the right to reject any and all terms it finds unacceptable in the submitted draft contracts. Banks submitting proposals should note that the sample documents are not in all cases

complete. Documents may require the bank to complete information concerning certain subjects of interest to the City. Banks should feel free to add additional information and provisions to the sample documents as the bank deems necessary to insure all of the requirements of this RFP are adequately addressed. Banks submitting proposals for banking services for which there are no sample documents attached should submit drafts in a format that includes the contract terms required by this section.

The award of any contract for banking services pursuant to this RFP process is contingent upon the bank(s) receiving the award and successfully negotiating a contract for those banking services with the City. In the event the selected bank(s) will not execute an agreement that satisfies the contract terms required by this Section or the City is unable to negotiate a contract it deems acceptable with the selected bank(s), the City may withdraw its award for banking services with the selected bank(s) and award its banking services to the next most qualified bank, or the City may call for new proposals at its option.

The following contract terms must be included in all contracts for banking services. The City reserves the right to modify these contract terms by amendment, addition or deletion as it deems appropriate. A City Attorney will be available at the discussion/question conference on June 7, 2002.

#### **RIGHT OF CITY TO TERMINATE AGREEMENT**

- 1. Termination for Cause.** Without in any manner limiting the right of the City to terminate this Agreement or declare the BANK in default thereof for any reason set forth herein or in the Request for Proposal documents, if the work to be done under this contract shall be abandoned by BANK; or if this Agreement shall be assigned by BANK otherwise than as herein provided; or if the BANK should be judged as bankrupt; or if a general assignment of its assets should be made for the benefit of its creditors; or if a receiver should be appointed for the BANK or any of its property; or if at any time the City determines that the performance of the work under this contract is being unnecessarily delayed, that the BANK is violating any of the conditions or covenants of this Agreement, that it is executing the same in bad faith or otherwise not in accordance with the terms of said Agreement; then, in addition to other rights the City may choose to exercise, the City may, at its option, serve written notice upon the BANK of the City's intention to terminate this Agreement, and, unless within ten (10) days after the serving of such notice upon the BANK a satisfactory arrangement be made for the continuance thereof, this Agreement shall cease and terminate unless the City otherwise agrees to continue the Agreement. In the event of such termination, the City shall immediately serve notice thereof upon the BANK, and the City may take over the work and prosecute same to completion by contract with another banking institution or otherwise and in such event the City may take possession of and utilize in completing the work any and all documents and other materials as may be necessary therefor. When BANK's services have been so terminated, such termination shall not affect any rights or remedies of the City against BANK then existing or which may later accrue. Similarly, any retention or payment of monies due BANK shall not release BANK from liability.

- 2. Termination for Convenience.** City reserves the right, in its sole discretion and for its convenience and without cause or default on the part of the BANK, to terminate this Agreement by providing sixty (60) days prior written notice of such termination to BANK. Upon receipt of such notice from City, BANK shall: (1) immediately cease all work or (2) meet with City and, subject to City's approval, determine what work shall be required of BANK in order to bring the Project to a reasonable termination in accordance with the request of the City. If City shall terminate for its convenience as herein provided, City shall compensate BANK for all work completed to date of termination. Compensation shall not include anticipatory profit or consequential damages, neither of which will be allowed. Any termination of the Agreement for alleged default by BANK that is ultimately determined to be unjustified shall automatically be deemed a termination for convenience of the City.

## **INDEMNITY**

### **1. Definitions**

For purposes of indemnification requirements, the following terms shall have the meanings set forth below:

- a. The "BANK" means and includes BANK, all of its employees, agents and assignees, and all of its affiliates and subsidiaries, its subcontractors and/or assignees and their respective servants, agents and employees; and
- b. "Loss" means any and all loss, damage, liability or expense of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including attorney's fees and the cost of defense).

### **2. Indemnity**

For purposes of this Agreement, BANK hereby agrees to indemnify, defend and hold harmless the City, its employees and agents from any and all "Loss" where "Loss" is caused or incurred or alleged to be caused or incurred in whole or in part as a result of the negligence or other actionable fault of the BANK. It is agreed as a specific element of consideration of this Agreement that this indemnity shall apply notwithstanding the joint, concurring or contributory or comparative fault or negligence of the City or any third party and, further notwithstanding any theory of law including, but not limited to, a characterization of the City's or any third party's joint, concurring or contributory or comparative fault or negligence as either passive or active in nature; provided, however, that the BANK's obligation hereunder shall not include amounts attributable to the fault or negligence of the City. Nothing in this section shall be deemed to impose liability on the BANK to indemnify the City for loss when the City's negligence or other actionable fault is the sole cause of loss.

## **INSURANCE**

During the performance of this contract, the BANK agrees to maintain for the duration of the contract insurance coverage of the types and minimum liability as set forth below. Before entering into a contract, the successful bank shall furnish to the City a Certificate of Insurance verifying such coverage and identifying the City as a loss payee on the valuable papers coverage. The certificate holder on the Certificate of Insurance shall be as follows:

City of Overland Park, Kansas  
c/o City Clerk  
8500 Santa Fe Drive  
Overland Park, KS 66212

Prior to any material change or cancellation, the City will be given thirty (30) days advanced written notice by registered mail to the stated address of the certificate holder.

A. Banker's Professional Liability

\$2,000,000 per occurrence and as an annual aggregate.

B. Banker's Blanket Bond

Coverage must be provided on Banker's Blanket Bond Standard Form 24 with a minimum limit of \$3,000,000 per loss under Insuring Agreements A-Fidelity, B-On Premises and C-In Transit. A minimum limit of \$2,000,000 shall be provided under Insuring Agreement E-Securities. Computer Crime coverage, in an amount not less than \$2,000,000, is to be provided either by endorsement to the Banker's Blanket Bond or by separate bond. If courier/messenger service is to be utilized for pickup and delivery of receipts, this service must also be covered under the Banker's Blanket Bond.

C. Valuable Paper Coverage

It shall be the responsibility of the awarded bank to carry open-peril coverage to replace or reproduce physical securities which are held as collateral.

D. Workers' Compensation and Employer's Liability

1. Workers' Compensation statutory (includes all states endorsement).

2. Employer's Liability - \$100,000 each occurrence.

**COMPLIANCE WITH EQUAL OPPORTUNITY LAWS, REGULATIONS, RULES AND LAWS**

The BANK agrees that:

1. The BANK shall observe the provisions of the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and shall not discriminate against any person in the performance of work under the present Agreement because of race, religion, color, sex, national origin, ancestry or age;
2. In all solicitations or advertisements for employees the BANK shall include the phrase "equal opportunity employer" or a similar phrase to be approved by the Kansas Human Rights Commission ("Commission");
3. If the BANK fails to comply with the manner in which the BANK reports to the Commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, the Bank shall be deemed to have breached the present Agreement, and it may be canceled, terminated or suspended, in whole or in part, by the contracting agency;
4. If the BANK is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the Commission which has become final, the BANK shall be deemed to have breached the present Agreement, and it may be canceled, terminated or suspended, in whole or in part, by the contracting agency; and
5. The BANK shall include the provisions of paragraphs 1. through 4. above in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.

The BANK further agrees that the BANK shall abide by the Kansas Age Discrimination In Employment Act (K.S.A. 44-1111 et seq.) and the applicable provision of the Americans With Disabilities Act (42 U.S.C. 1201 et seq.) as well as all other federal, state and local laws, ordinances and regulations applicable to this project and shall furnish any certification required by any federal, state or local laws, ordinances and regulations applicable to this project and shall furnish any certification required by any federal, state or local governmental agency in connection therewith.

