

RFP No. 2023-03

BANKING SERVICES

DATE DUE: March 27, 2023 at 2:00 pm



By: Charles Hergenraeder
Director, Purchasing & Risk Management
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Phone: 209-384-6300

Date: March 14, 2023

**MERCED COMMUNITY COLLEGE DISTRICT
NOTICE
REQUEST FOR PROPOSALS (RFP) 2023-03
BANKING SERVICES**

NOTICE IS HEREBY GIVEN that the Merced Community College District, hereinafter referred to as the District, will receive up to, but not later than 2:00 p.m. on Monday, March 27, 2023 sealed proposals for the award of a contract for Banking Services.

All proposals shall be submitted in the format specified by the District. Proposals shall be delivered and addressed to the Merced Community College District, Director, Purchasing and Risk Management, 3600 M Street, Merced, California 95348, and shall be labeled "**Banking Services**", **RFP # 2023-03 by 2:00p.m. on March 27, 2023.**

Any banking firms or partnership who wishes their proposal to be considered is responsible for making certain that their proposal is received in the Purchasing Office by the proper time. Proposals received after the scheduled Submittal Deadline will be returned unopened. The receiving time in the Purchasing Office will be the governing time for acceptability of proposals. Proposals must be clearly labeled and submitted in a sealed envelope or box, bearing the name of the Banking Services, RFP #2023-03, and Submittal Deadline. Proposals must bear original signatures and figures.

The District reserves the right to reject any or all proposals, to accept or to reject any one or more items on a proposal, or to waive any irregularities or informalities in the proposal or in the bidding process.

Specifications The Request for Proposal Specifications may be examined and obtained from the Purchasing Office, or on the District website at:

<http://www.mccd.edu/offices/purchasing/bids.html>

If you have questions regarding the proposal or timeline, please contact Charles Hergenraeder at (209) 384-6300 or Purchasingbids@mccd.edu

**BY THE ORDER OF THE GOVERNING BOARD OF THE
MERCED COMMUNITY COLLEGE DISTRICT**

Chris Vitelli, Ed.D. Superintendent/President
Merced Community College District
Merced County, California

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SCHEDULE FOR RFP

Release of Request for Proposal	March 15, 2023
Questions are due by, 2:00 p.m.	March 21, 2023
Answers posted by 4:00 p.m.	March 23, 2023
Deadline for receipt of proposals 2:00 p.m.	March 27, 2023
Notification to finalists(s)	March 28, 2023
Optional presentations (1:00p.m -5:00p.m)	March 29, 2023
Notice of intent to award	March 31, 2023
Anticipated contract award date	April 11, 2023

All RFP's must be submitted by Hard Copy Only. Including one original and five copies.

- A. Proposals submitted after the deadline or delivered via fax will not be accepted.
- B. The awarded banking firm will be required to coordinate with our staff all the activities necessary to ensure a smooth transition. Conversion activities will begin upon notification and are projected to be completed June 2023.

We will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, we reserve the right to modify the proposal process and dates as deemed necessary.

I. General Information

A. The Merced Community College District

The Merced Community College District (MCCD) is a political subdivision of the State of California and provides higher education in portions of three counties. It consists of one community college with two branches located throughout the service area. MCCD is composed of most of Merced County; the Chowchilla Union High School District in Madera County, the Dos Palos Joint Elementary School District in Fresno County, and the Los Banos Unified School District. The main campus is located on M Street in Merced. The Los Banos Campus is located on Highway 152 in Los Banos.

In the 2021-22 academic year, 8,619 Full Time Equivalent Student (FTES) were enrolled. MCCD employs a staff of over 1,231 individuals with an annual budget of just over \$219 million.

MCCD is one of 73 community college districts in the State of California, serving more than 1.8 million students each year.

B. Scope of Services Required

The District is interested in utilizing one financial institution for its banking operations. The scope of services will be to provide basic banking services as identified below at a minimum, with the ability to add service enhancements as they are identified and available.

The District requires the following basic banking services:

1. Balance Reporting

The financial institution shall provide account balance information daily, including float balances and transaction totals on each College account through a network service from the bank. The network service must be capable of interfacing with Windows-based compatible personal computer systems. Describe the necessary hardware and software to be provided by the financial institution. Reporting shall include online or web-based balance reporting which includes summary information for computing daily investable balances and detailed information on daily deposits, wire transfers, ACH/EFT credits and debits, credit card deposits, ACH/EFT return or notice of change reports, and other types of paperless transactions.

2. Bank Statements

Monthly bank statements are required for all accounts and are to be available to MCCD by the bank no later than five banking days following the end of the month. All statements are to be on a calendar month basis. Statements shall be provided in electronic downloadable formats.

3. Transaction Reporting

MCCD requires the financial institution to provide, through the computer network described under Balance Reporting, the detail of daily transactions specified below:

- a. The total credit and debit amounts posted to each of the bank accounts.
- b. A listing of the individual credits posted to the bank accounts.
- c. A listing of the individual debits over \$10,000 posted to each of the demand deposit bank accounts.
- d. Availability to view cancelled checks on each account online.
- e. MCCD's requirements for transaction reporting may change in the future. The above details are the current minimum levels.

4. Account Reconciliation

MCCD desires a full check and deposit reconciliation. This service should be coordinated with the positive pay service.

- a. The banking firm shall provide to MCCD monthly bank statements reporting all debits, credits and list checks paid.
- b. Please discuss the banks capability to transmit data in various file formats to aid the account reconciliation process and the bank's services that surround this process.

5. Positive Pay

The process consists of the daily matching of electronic files of checks presented for payment against the check issued files provided by MCCD on a daily basis. Proposers shall describe the process and deadlines for collecting data from MCCD, verification of check information, matching, processing of exceptions, reporting, check images, assistance with researching, etc.

6. Monthly Activity Analysis

The financial institution shall furnish MCCD, no later than the tenth banking day of each month, an analysis of the earnings and the financial institution's monthly costs incurred in operating MCCD's bank accounts. The analysis statements should include a detailed listing of each service, as well as price and charges for each service and/or item.

7. Acceptance of Deposits by Financial Institution

Proposers shall describe their process for accepting deposits, including electronic deposits, and verifying deposit accuracy. MCCD requires immediate written notification of deposit discrepancies including all related documentation.

The bank shall provide detailed procedures and on-site training for Merced College employees related to the handling of foreign items. As an example, MCCD will need to know what kinds of money orders are accepted. In addition, MCCD will need to clearly understand the following: what items are considered "foreign" and must be sent for collections and for which items we receive immediate credit. The bank will be required to include on all credit advices for collection items the original check total, date of deposit, departmental name, and departmental location/sequence number.

8. Zero Balance Accounting (optional)

MCCD currently maintains accounts in the zero balance accounting (ZBA) format to both maximize investment earnings and mitigate negative balances in the demand accounts. Please describe any services available to support such operations.

9. Wire Transfers

Electronic confirmation on all wires shall be sent to MCCD via email to enhance MCCD's ability to record the activity promptly. The bank shall provide MCCD detailed on-line description of all (incoming and outgoing) wires.

- a. Outgoing: MCCD requires the financial institution to provide daily outgoing domestic wire transfer services. The wire must be able to be initiated and authorized via a secure web connection. A mobile access and authorization process would be an optional benefit.

b. Incoming: The financial institution will provide wire transfer facilities through the Federal Reserve Bank pursuant to telephonic instructions from authorized individuals for investment transactions or other purposes. MCCD considers incoming wire transfers immediately "available for investment" either by MCCD or by the financial institution through the automatic daily investment agreement. MCCD will notify the financial institution prior to noon of any outgoing investment wire transfer. Investment wire transfers ordered by noon local time and not received by the destination party by 2 p.m. local time will be traced from origin to destination to ascertain the party responsible for delaying the transfer. If appropriate, adjustments will be made for any lost interest or charges resulting from a failure to consummate an investment transaction. Proposer shall provide a detailed description of the fields and information to be provided to MCCD, including samples.

10. Automatic Clearing House (ACH) Services

MCCD requires the financial institution to provide daily ACH service for direct deposit services. Proposer shall provide a detailed description of the fields and information to be provided to MCCD, including samples. Electronic confirmation on all ACH transfers shall be sent to MCCD via email to ensure the transfer is complete. In addition, an electronic confirmation or an online access of returned ACH payments should be made available.

11. ACH Fraud Control

The bank must be able to provide varying levels of ACH fraud control (ACH debit and credit block, ACH debit and credit control, ACH debit and credit control with positive pay) on all bank accounts.

12. Financial Electronic Data Interchange (FEDI)

Describe the technical assistance available from the financial institution to assist MCCD with respect to originating payments and remittance detail from MCCD to its trading partners. Describe the controls the bank has in place to protect data integrity, ensure that payment files are not duplicated or lost, verify data syntax, etc., via means such as editing, audits and control procedures.

Discuss the support your bank provides its customers in identifying and establishing trading partners such as maintaining a database of trading partners, including information concerning the EDI capabilities of the trading partners as well as their respective financial institutions; advising customers of NACHA rules changes and their implications; and the type of assistance or services provided by the bank to its customers' trading partners with respect to the delivery of remittance information.

13. Automatic Overdraft Protection All disbursement checks, including sight drafts and ACH payments, from College accounts shall have automatic overdraft protection. While MCCD has had this protection, it has not had any occasion to use it.

14. Insufficient Funds Checks

MCCD prefers to have the financial institution directly debit its account rather than issue

checks on a daily basis. Proposer shall describe its process for charging MCCD for NSF checks.

15. Account Access Software Services

MCCD desires to have computer software provided by the financial institution that will enable MCCD to access bank accounts for balance inquiry, debit and credit detail postings by date, issue check-stop payments, process wire transfers with an acceptable level of security, and process ACH transactions. The proposal will identify the equipment required, types of documentation to be provided to MCCD, and costs associated with such services.

16. Courier Services (Optional)

Proposals shall reflect the ability of the financial institution to provide this optional service on a daily or weekly basis for the Districts' campuses.

17. Direct Deposit of Employee Accounts Payable, Travel Reimbursements, and Payments to Student Financial Aid.

The financial institution will be required to provide electronic deposits similar to that used through the ACH system for Accounts Payable vendor, employee and student payments into designated U.S. banks, credit unions, and other financial institutions. The financial institution will provide software, training, and technical support to accommodate all electronic transactions. The financial institution will assist in accommodating deadlines and other pertinent requests from MCCD when necessary.

18. Branch Location Deposits

MCCD requires the ability to make deposits of monies collected at various off-campus locations for same day transfer to MCCD's account. The account numbers at these locations are not different from MCCD's. The proposal should describe how deposits may be handled in the event the Proposer does not have a branch location in these locations (e.g., use of "pass-through" banks, courier service) and any constraints for the following locations:

- Merced
- Los Banos

19. Merchants' Bank Card and Debit Card Accounts

Please describe any services available to support such operations.

20. Collected Balances / Earning Allowances

MCCD will require the financial institution to provide interest bearing accounts for those accounts serving as savings accounts and specialty checking accounts, and an earnings allowance on deposited funds within those accounts established as demand accounts. Please describe the bank's calculation of collected balances and calculation of charges for funds advanced. Also, describe the methodology that would be used to give interest /earnings allowance credit to MCCD for bank balances.

21. Other General Services

Proposers shall describe their offerings, along with any associated fees, for the following services:

- a. Usual account services such as stop payment services, coin sorting and counting, and other services normally associated with a checking account will be made available to MCCD. The bank must have the ability to provide an online process for entering stop payments. Stop payments should be in effect for one year after the stop is issued. Check Images should be available online along with providing a monthly CD copy of cancelled checks for record retention.
- b. Services shall be provided for coin purchases, cash purchases, coin bags and wrappers, and locking bank bags. Currency purchases are not to include new bills.
- c. Collection assistance, with 24-hour deposit, on letters of credit typically processed by electronic transfer and drawn on the Federal Reserve Bank and various federal agencies is required.
- d. The financial institution shall provide, at MCCD's request, savings bond services for employees.
- e. MCCD will periodically require expert financial consultations.
- f. Although the selected financial institution may be used as the trustee for future College bond issues or borrowings, such determination will be made independently from this RFP and approved separately by MCCD. This proposal is not intended to affect existing agreements for trustee services.
- g. The financial institution must be able to receive deposits from the State Treasurer to MCCD's account and to provide same-day credit for these deposits or to propose an acceptable alternative.
- h. The financial institution will need to have the capability to collect foreign checks and have access to correspondent banks throughout the United States to facilitate collection of deposit items within a 5-day period.
- i. The financial institution will need the capability to convert and transfer funds for foreign currency payment requirements.
- j. The financial institution will need the ability to provide commercial letters of credit to MCCD for payments to vendors as requested.
- k. Describe the bank's current or planned image processing capabilities including online customer access to return and adjustment images.
- l. Cashier's Checks - MCCD occasionally has the need to request cashiers checks from the local branch. The cost of the cashier's checks must be charged to MCCD on the account analysis statement rather than debited directly to MCCD's general account.

- m. Returned Checks - For any checks accepted by MCCD and returned to the bank for nonpayment, the bank shall process a second time prior to returning them to MCCD. In the event of a second nonpayment, the bank shall debit the account to which the check was deposited and send the check to the Fiscal Services Office. These items must not be returned to any other department within MCCD. The debit advice should list each returned check amount by payor, or if this cannot be done, there should be a separate debit advice made for each returned check.
- n. MCCD is required to undergo an annual audit by a third-party auditing firm. The Proposer must work with MCCD to provide timely year-end reports and must work with the banking firm as needed. The Proposer must provide a detailed description of how it will provide the above requirements.

22. Investment Services

The management of MCCD's investments, or any portion thereof, is not included as part of this RFP for Banking services. Any solicitation of investment management services will be requested separately when it is considered in the best interest of MCCD to do so.

23. Financial Institution Contact Personnel and Customer Service

The financial institution will identify a primary Customer Service Representative (CSR) to be assigned to MCCD's account that will be familiar with MCCD's banking practices and provide information on deposits, checks, research, corrections, charge backs, etc, upon request. In the absence of the CSR, the financial institution shall identify an additional person that will provide customer service for these issues. Proposals shall include definitions of service levels that would be provided, as well as any additional information related to how customer service would be provided. This would include how changes in banking services or bank processing will be communicated to MCCD in a timely manner and how the financial institution would provide technical assistance, if necessary when changes occur.

24. Collateral Agreement

MCCD is a political subdivision of the State of California and as such requires the collateralization of deposits as outlined in Government Code 53652. The financial institution shall provide a collateral agreement subject to those requirements.

25. Contract Reviews

During the first year of the Agreement and no less than once each year thereafter, personnel from the financial institution shall meet with College personnel to review issues related to this Agreement. Performance measures such as service levels identified within the Agreement and other issues related to the performance of this Agreement shall be documented in order to facilitate improving the effectiveness of the contractual relationship between the financial institution and MCCD.

26. Security

Describe the method for granting bank employees physical access, the segregation of duties and systems safeguards such as how the customer's access to the bank's wire transfer systems are controlled and whether electronic transmissions to the bank are encrypted or authenticated. Describe procedures in the event a violated transmission arrives at the bank. Please indicate whether security access codes (passwords) are encrypted or authenticated. Describe procedures when security codes are violated. Additionally, the financial institution must have procedures in place for a callback verification of outgoing wire transfers above a certain dollar threshold.

Describe the security procedures that are used by the financial institution to prevent unauthorized access or retrieval of personally identifiable information provided to and maintained by the financial institution (Patriot Act Information or information on signatures cards).

27. Implementation/Conversion Plan:

The financial institution will provide a timeline and plan of action to coordinate with MCCD for the transition from the current provider. Describe the critical factors which may impact that lead time. This information shall include on-site training for MCCD personnel for the operation and use of the bank's services and automated systems for all areas of service. Describe your expectations regarding the role MCCD staff will play in the process.

Provide the average lead time required for implementation, including but not limited to:

- a. Account Opening
- b. Deposit Ticket Orders and Endorsement Stamps
- c. Information Reporting
- d. Implementation or conversion of banking software to ensure continued payment services
- e. Positive Pay conversion and implementation
- f. Other

II. Account Description

A. Overview

The California Community College Budget and Accounting Manual requires that much of the District's operating cash be held in the local county treasury. As a result, expenditures for accounts payable and payroll are disbursed from the Merced County Treasury.

There are, however, currently 14 additional active accounts held at one area financial institution. Balances in these accounts average approximately \$3 million accumulative.

B. Current Banking Structure

1. Clearing Fund – This is MCCD's primary account. Currently, deposits are received in person, through merchant card services as well as ACH transactions. This account is treated as a conduit since the majority of these monies are transferred to the County Treasury to cover operating cash needs.

2. Merced College Foundation – This is MCCD’s non-profit entity for which many of the campus organization’s funds are managed through. The Foundation maintains a checking account and a money market savings account to manage operating funds and invests other restricted funds with a third party.
3. Scholarship Fund – This is a checking account used to deposit, hold and disburse scholarship funding. Disbursements are annual or semi-annual. Additional scholarship endowment funds are held in investments by a third party.

Federal DFAFS – This account is used as a clearing account for deposits of Federal Student Aid monies. Deposits are received primarily through ACH.
4. Revolving – This account functions as petty cash and is used to issue reimbursement for travel/training and miscellaneous on-demand checks. It is maintained with a minimum balance and is replenished monthly.
5. Student Trust Fund – This fund is a checking account used to issue student refunds and is funded primarily through transfers from the Clearing account.
6. Student Financial Aid – This is a demand account used to issue student financial aid disbursements. Funding for this account is transferred from receipts from the Federal DFAFS account (zero-balance account).
7. Cal Grants Fund – This is an interest bearing account that is used to receive grant funding from the State of California. These funds are subsequently transferred to the Student Financial Aid account for the issuance of Student Financial Aid checks. This account must be interest bearing.
8. Learning-aligned Employment – This is an interest bearing account that is used for student aid payments for employment.
9. Community College Completion Grant – This is an interest bearing account used for student aid payment/awards.
10. Student Success Completion Grant – This is an interest bearing account used for student aid payment/awards.
11. Merced College / CSU Stanislaus – ACH deposits from CSU Stanislaus are deposited here. This is a zero balance account and automatically closes to the Clearing Account.

Veterans Administration Account – ACH Deposits from the Department of Veteran Affairs are placed here. This account is a zero balance account and automatically closes to the Clearing Account.

C. Merchant (Credit Card) Services

The District has two active merchant accounts for processing credit and debit card transactions for student fees and other campus charges. The merchant accounts deposit receipts and charge related fees to various demand accounts. See Attachment B for a list of merchant services and the volume of transactions on each account.

III. Minimum Qualifications

To be considered for selection, proposing banks must have at least the following qualifications:

- a. Be a member of the FDIC, the Federal Reserve and the Automated Clearing House (ACH).
- b. Be an approved State of California depository institution.
- c. Have established offices within the District's service area.
- d. Be in compliance and good standing with the Community Reinvestment Act.
- e. Be able to collateralize all funds on deposit according to prevailing California Code.
- f. Be sufficiently capitalized to accommodate our cash/investment management needs.

IV. Required Services and Format of Proposal

In order for us to adequately compare and evaluate proposals objectively, all proposals must be submitted in accordance with this format: Responses must be sent by hard copies only, one original and five copies.

Title Page/Cover: One printed page maximum. It should include the name of the proposed bank, its principal business address where the relationship will be managed, and the local branch addresses that can meet our daily banking needs.

Tab A - Table of Contents: Two printed pages maximum.

Tab B - Transmittal Letter: Two printed pages maximum. The letter should address the bank's willingness and commitment if selected, to provide the services, and why the bank believes it should be selected. The letter should be addressed to Charles Hergenraeder, Director, Purchasing and Risk, and signed by the Relationship Manager assigned to the accounts.

Tab C - Bank and Staff Profile: Five printed pages maximum. Respond to the following sections:

OVERVIEW: Provide a corporate overview of your bank, and present the bank's Community Reinvestment Act programs. Also identify the number of branches within MCCD limits and the nearest full service branch that can assist us with our immediate banking needs. The bank must have full service branch(es) in the City of Merced.

EXPERIENCE: Describe the bank's experience in providing services to the public sector. Include exclusive resources dedicated to the public sector.

RELATIONSHIP TO MANAGEMENT: Describe the relationship team that will be assigned to service our relationship. Describe individual roles, responsibilities and related banking experience.

COMPLIANCE AND EXCEPTIONS: Include a statement to confirm your bank's compliance to our minimum qualifications. Also, list any exceptions to required services.

Tab D - Scope of Services: Describe the bank's process or provisions for each listed item within the scope of services (no more than one page each) in Section 1.B of this RFP.

Tab E - Conversion Plan: Two printed pages maximum. Describe the overall plan your bank would coordinate to ensure a smooth transition from the current provider. The bank must also provide on-site training to our personnel for the operation and use of the bank's services and automated systems for all areas of service.

Tab F - Pricing Terms and Conditions: One printed page maximum. Include in this section, the bank's proposed terms of contract, and method in which pricing adjustments will be calculated, as well as the frequency of pricing changes.

Tab G - Pricing Schedule: Three printed pages maximum. Provide in this section, using our pro-forma (Attachment C), the pricing for services proposed by the bank. Provide pricing information for all possible services, even if the estimated volume indicates that we do not currently use the services.

V. **Additional Services Included in the Proposal**

Tab H – Merchant Services (Optional Service): Provide pages as necessary. Describe the merchant services offered by the financial institution. Include any information that would reflect the capabilities of the system and any possible integration with MCCD's current software, Ellucian Colleague. Also include current pricing for software, hardware and transactional costs.

Tab I - Investment Services (Optional Service): Three printed pages maximum. Describe investment services offered by the bank. Include rates on investment instruments offered by the bank and the basis for changes to those rates.

Tab J - Custodial Services (Optional Service): Provide pages as necessary. Describe custody services offered by the bank including systems capabilities and standard reporting packages.

Tab K - Service Enhancements: Three printed pages maximum. Based upon the information presented in our RFP and your bank's knowledge of the public sector, describe any enhancements, technological or otherwise, that we should consider to improve operational or cash management efficiencies. Include any services offered by the bank, and their related costs, to reduce the risk of fraudulent activity.

Tab L - Additional Information: Two (2) printed pages maximum. Describe any other information not previously mentioned that the bank believes should be given consideration.

VI. Exhibits to be Included in Proposal

Exhibit 1 - Authorization to Contract. Provide pages as necessary. Provide either an excerpt from your Corporate Resolution, Certificate of Secretary or correspondence from the Chief Executive Officer or chairperson attesting that the individual signing the proposal has the authority to make binding representations on behalf of the bank.

Exhibit 2 - Contract Samples. Provide pages as necessary. Include contract or agreement samples for banking services that is specific to the services represented in this RFP.

Exhibit 3 - Financial Statements and Ratings. Provide pages as necessary. Provide the most recent audited financial statements or annual report for the bank. Also, include your most current Standard & Poor's and Moody's credit ratings.

Exhibit 4 - Account Analysis. Provide pages as necessary. Provide a sample of your bank's account analysis and a user guide for the account analysis.

Exhibit 5 – References. Provide contact information for a least four comparably sized or similar businesses, two being from the community being served and two of which should be institutions of higher learning.

VII. Evaluation of Proposals

The evaluation criteria will include, but not be limited to, the following:

PROPER SUBMISSION OF PROPOSAL: Receipt of proposal by due date as outlined in this proposal according to our specifications. Late submissions or delivery via fax will not be considered.

COMPREHENSIVENESS OF SERVICES TO BE RPROVIDED: Overall capabilities of the bank to meet the required service levels described in this RFP.

PUBLIC SECTOR EXPERIENCE AND RESOURCES: The bank's experience in providing services to the public sector, as well as dedicated resources and personnel.

STRENGTH AND STABILITY OF BANK: The bank's financial standing among its peers and the associated credit quality ratings.

ASSIGNED RELATIONSHIP MANAGER/TEAM: The credentials and experience of the person(s) assigned to our relationship.

CHARGES FOR SERVICES: The amount of proposed charges and pricing increases in subsequent years.

SERVICE ENHANCEMENTS: The financial institution's efforts to understand our banking needs and goals, as well as the creativity the bank demonstrates in introducing new technologies and efficiencies to improve our current practices and procedures.

COMMUNITY INVOLVEMENT: Your bank's role as a corporate citizen and related CRA contributions.

OTHER FACTORS: Any other factors that we believe would be in our best interest to consider which were not previously described.

VIII. Final Comments

MCCD reserves the right to reject any and all proposals, cancel all or part of this RFP, waive any minor irregularities, and to request additional information from proposing financial institutions. By requesting proposals, we are in no way obligated to award a contract or pay the expenses of the proposing banks in connection with the preparation or submission of a proposal.

Our decision to award a contract will be based on many factors including but not limited to service, cost, financial strength and innovation. No single factor will determine the final decision to award.

For questions or to request additional information regarding this Request for Proposal, please contact Charles Hergenraeder, Director, Purchasing & Risk Management at (209) 384-6300 or Charles.Hergenraeder@mccd.edu.

We appreciate the efforts all the institutions and their respective staffs have put forth in responding to the Banking Services Request for Proposal.

Attachments to this RFP

Attachment A. Accounts: List of District accounts.

Attachment B. Merchant Services: List of District merchant accounts with total annual transactions.

Attachment C. Pro-forma Pricing Matrix: List of District's estimated annual banking services based on most recent one year activity to be completed by the bidder with proposed banking charges.

EVALUATION PROCESS

A District selection committee will evaluate the proposals. The selection committee may also contact and evaluate the Banking Services references; contact any Banking Services to clarify any response; contact any current users of a Banking Services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The selection committee shall not be obligated to accept the lowest price, but shall make an award in the best interests of the District.

Presentations may, at the District's option, be conducted with responsible banking firms who submit proposals determined to be reasonably susceptible of being selected for an award. Presentations may be for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Banking Services shall be accorded fair and equal treatment with respect to any opportunity for discussion and written revision of

proposals. Revisions may be permitted after submissions and before award for obtaining best and final proposals. In conducting presentations, the District will not disclose information derived from proposals submitted by competing banking firms.

A Notification of Intent to Award may be sent to any banking firm selected. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing firms unless an agreement is reached. If contract negotiations cannot be concluded successfully, the District may negotiate a contract with the next highest scoring banking firm or withdraw the RFP.

IX. TERMS AND CONDITIONS

ASSIGNMENT OF RIGHTS OR OBLIGATIONS Except as noted hereunder, Successful banking firm may not assign, transfer or sell any rights or obligations resulting from this solicitation without first obtaining the specific written consent of the District.

ATTORNEY FEES In the event a suit or action is instituted in connection with any controversy arising out of this contract, the prevailing party shall be entitled to receive, in addition to its costs, such sum as the court may adjudge reasonable as to attorney's fees and costs.

AUTHORITY OF THE MERCED COMMUNITY COLLEGE DISTRICT Subject to the power and authority of the District as provided by law in this contract, the District shall in all cases determine the quantity, quality, and acceptability of the work for which payment is to be made under this contract. The District shall decide the questions that may arise relative to the fulfillment of the contract or the obligations of the contractor hereunder.

ANTIDISCRIMINATION It is the policy of the District that in connection with all work performed under contracts there be no discrimination against any employee engaged in the work because of race, color, ancestry, national origin, religious creed, physical disability, medical condition, marital status, sexual orientation, gender, or age and therefore the banking firm agrees to comply with applicable Federal and California laws including, but not limited to the California Fair Employment and Housing Act beginning with Government Code Section 12900 and Labor Code Section 1735.

CANCELLATION OF THE CONTRACT **Without** cause, the District may cancel this contract at any time with thirty (30) days written notice to the contractor. **With cause**, the District may cancel this contract at any time with ten (10) days' written notice to the banking firm. Cancellation for cause shall be at the discretion of the District and shall be, but is not limited to, failure to provide service specified within the time allowed or within the terms, conditions or provisions of this contract. The successful banking firm may not cancel this contract without prior written consent of the Director, Purchasing & Risk.

COMPLIANCE WITH OR DEVIATION FROM SPECIFICATIONS Banking firm hereby agrees that the service offered will meet all the requirements of the specifications in this solicitation unless deviations from them are clearly indicated in the banking firm's response. Banking firm may submit an attachment entitled "Exceptions to Specifications," which must be signed by banking firms authorized representative. An explanation must be made for each item in which an exception is taken, giving in detail the extent of the exception and the reason for which it is taken.

COMPLIANCE WITH LAWS Banking firm shall observe and comply with all rules and regulations of the governing board of the District and all federal, state, and local laws, ordinances, and regulations. Banking firm shall give all notices required by any law, ordinance, rule and regulation bearing on conduct of the Work as indicated or specified. If banking firm observes that any of the Work required by this Contract is at variance with any such laws, ordinance, rules, or regulations, banking firm shall notify the District, in writing, and, at the sole option of the District, any necessary changes to the scope of the Work shall be made and this Contract shall be appropriately amended in writing, or this Contract shall be terminated effective upon banking firm's receipt of a written termination notice from the District. If banking firm performs any work that is in violation of any laws, ordinances, rules or regulations, without first notifying the District of the violation, banking firm shall bear all costs arising therefrom.

CONTRACT INCORPORATION This contract embodies the entire contract between the District and the Contractor. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. No changes, amendments, or modifications of any of the terms or conditions of the Contract shall be valid unless reduced to writing and signed by both parties. The complete Contract shall include the entire contents of the RFP solicitation, all addenda, all of Banking Services successful submittals, supplemental agreements, and any and all written agreements, which alter, amend, or extend the contract.

FORCE MAJEURE If execution of this contract shall be delayed or suspended out of causes beyond the control of banking firm, the banking firm shall notify the District in writing, within twenty-four (24) hours, after the delay. Such causes may include but are not limited to: acts of God, war, fires, floods, epidemics, strikes, and severe weather.

FORMATION OF CONTRACT Banking firm signed offer (Proposal) and the District's written acceptance shall constitute a binding contract.

LAWS GOVERNING CONTRACT This contract shall be in accordance with the laws of the State of California. The parties stipulate that this contract was entered into in the County of Merced, in the State of California. The parties further stipulate that the County of Merced, California, is the only appropriate forum for any litigation resulting from a breach hereof or any questions risen here from.

PERMITS/LICENSES Banking firm and all banking firm's employees or agents shall secure and maintain in force such permits and licenses as are required by law in connection with the furnishing of services pursuant to this agreement.

INDEMNIFICATION To the furthest extent permitted by California law, banking firm shall, at its sole expense, defend, indemnify, and hold harmless the District, the State of California, and their agents, representatives, officers, consultants, employees, trustees, and volunteers (the "indemnified parties") from any and all demands, losses, liabilities, claims, suits, and actions (the "claims") of any kind, nature, and description, including, but not limited to, personal injury, death, property damage, and banking firms and/or attorney's fees and costs, directly or indirectly arising out of, connected with, or resulting from the performance of the Agreement or from any activity, work, or thing done, permitted, or suffered by the banking firm under or in conjunction with this Agreement unless the claims are caused wholly by the sole negligence or willful misconduct of the indemnified parties.

The District shall have the right to accept or reject any legal representation that the banking firm proposes to defend the indemnified parties.

INDEPENDENT CONTRACTOR In accepting this contract, selected banking firm (hereinafter Contractor) covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. Contractor further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be employed. Contractor certifies that to the best of their knowledge, no one who has or will have any financial interest under this contract is an officer or employee of the District. It is expressly agreed by Contractor that in the performance of the services required under this contract, Contractor and any of its subcontractors or employees, shall at times be considered independent contractors and not agents of the District.

INSURANCE The banking firm shall procure and maintain at all times it performs any portion of the Services the following insurance:

General Liability, including contractual liability. One Million Dollars (\$1,000,000) per occurrence for bodily injury, property damage and personal injury with a general aggregate limit of Two Million Dollars (\$2,000,000).

Automobile Liability Insurance. Automobile Liability Insurance with a Combined Single Limit (CSL) of One Million Dollars (\$1,000,000).

Workers' Compensation and Employers' Liability Insurance. For all of the Banking firm's employees who are subject to this Agreement and to the extent required by the applicable state or federal law, banking firm shall keep in full force and effect, a Workers' Compensation policy. That policy shall provide employers' liability coverage with minimum liability coverage of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. Contractor shall provide an endorsement that the insurer waives the right of subrogation against the District and its respective elected officials, officers, employees, agents, representatives, consultants, trustees, and volunteers.

Professional Liability (E&O) Insurance. Banking firm shall be insured against professional liability (errors and omissions) under a policy providing Professional Liability (E&O) insurance on claims made form that is applicable and appropriate to the banking firm's profession. The policy shall contain a provision that allows the insured to purchase "tail coverage" for a period of time that is at least three (3) years beyond the expiration of this agreement.

Other Insurance Provisions: The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- a. The District, its trustees, officers, officials, employees, agents, and volunteers ("Additional Insured") are to be named as additional insured on both the Commercial General Liability policy as well as the Automobile Liability policy.
- b. For any claims related to the projects, the banking firms insurance coverage shall be primary insurance as respects to the Additional Insured. Any insurance or self-

insurance maintained by the Additional Insured shall be in excess of the banking firms insurance and shall not contribute with it.

- c. Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the Additional Insured.
- d. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District.
- e. Banking firm shall furnish the District with Certificates of Insurance maintenance of the required insurance coverage and original endorsements affecting general liability and automobile liability coverage. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the District before work begins.

REJECTION OF WORK Contractor agrees that the District has the right to make all final determinations as to whether the work has been satisfactorily completed.

SAFETY AND SECURITY Banking firm is responsible for maintaining safety in the performance of this Agreement. Banking firm shall be responsible to ascertain from the District the rules and regulations pertaining to safety, security, and driving on school grounds, particularly when children are present.

SEVERABILITY The banking firm and the District shall be severed from this contract any provisions, or portion of any provision, of this contract that are held invalid, illegal or unenforceable. The banking firm and the District shall be severed from the contract and the remaining provisions shall be valid and enforceable.

SPECIFICATIONS, CHANGES TO The parties shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind or nature not set forth herein or by written amendment. No changes, amendments, or modifications of any of the terms or conditions of the specification shall be valid unless reduced to writing and signed by both parties.

SPECIFICATIONS, DEFINITION The term "specification" or "RFP specification" as used in this solicitation shall be interpreted to mean all the pages that make up this solicitation, including, *but not limited to*: the Request For Proposals, Instructions to Bidder, Terms and Conditions, Detailed Specifications or Scope of Work, Special Provisions, and Workers' Compensation Insurance Certificate, Non-collusion Affidavit, Confidentiality Agreement,

WAIVER The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.

X. PROPOSAL DOCUMENTS TO BE RETURNED

The following forms must be completed and submitted on or before the Submittal Deadline.

- a. Proposal
- b. Amendment form
- c. Workers' Compensation Insurance Certificate
- d. Vendor representation and certification

Failure to complete, sign (where required), and return the above proposal documents with your proposal may render it nonresponsive.

AMENDMENT FORM

THE VENDOR(S) SHALL ACKNOWLEDGE ALL AMENDMENTS TO THE SOLICITATION, AND COMPLETE THE FOLLOWING INFORMATION WITH THE SUBMISSION OF THE PROPOSAL.

Acknowledgment of Amendment(s):

Amendment number: _____

Date and time received: _____

By: _____

Date: _____

Manual Signature of Agent(s)

WORKERS' COMPENSATION INSURANCE CERTIFICATE

TO: THE MERCED COMMUNITY COLLEGE DISTRICT

I am aware of the provisions of Section 3700 of the Labor Code that requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code. I will comply with such provisions before commencing the performance of the work under this contract and submit the necessary evidence of workers' compensation to Merced Community College District.

Company: _____

Business Address: _____

Signature: _____

Name of Signing Official _____

Title of Signing Official: _____

Date: _____

Company Seal:

VENDOR REPRESENTATION AND CERTIFICATION

The undersigned hereby affirms that:

1. They are a duly authorized agent of the vendor (corporate or other authorization confirmation may be requested prior to final contract execution).
2. The offer is being offered independently of any other Vendor's and is in full compliance with the collusive prohibitions of this State. The Vendor certifies that no employee of its firm has discussed, or compared the proposal with any other Vendor or District employee, and has not colluded with any other Vendor or District employee.
3. The Vendor will accept any awards made to it as a result of this solicitation if the acceptance is made within 90 calendar days after the proposal due date.

I hereby certify that I am submitting the following offer as my firm's proposal. I understand that by virtue of executing and returning with this proposal this required response form, I further certify full, complete, and unconditional acceptance of the contents of this Solicitation (except as may be noted in the offer). I also agree to be bound by any and all specifications, terms and conditions, contract document, accepted offer and other documents of the Solicitation.

Submitted by: _____

Title: _____

Company Name: _____

Address: _____

Phone: _____ Fax: _____

By: _____ Manual Signature of Agent(s)

End of Document

XI.

ATTACHMENT "A"
LIST OF DISTRICT ACCOUNTS

College Account Description	balance as of 2/28/23
MCCD - Clearing Checking	\$ 999,645
MCCD - CSU Stanislaus	\$ -
MCCD - Veterans Administration	\$ -
MCCD - Student Financial Aid	\$ 2,170,165
MCCD - Cal Grant Checking	\$ 18,900
MCCD - Learning-Aligned Employment Program (LAEP)	\$ 3,006,607
MCCD - Community College Completion Grant	\$ 0
MCCD - Student Success Completion Grant	\$ 4,678,147
MCCD - Federal DFAFS	\$ -
MCCD - Foundation Administration Checking	\$ 1,060,991
MCCD - Foundation Administration Savings	\$ -
MCCD - Scholarship Fund Checking	\$ 417,742
MCCD - Revolving Checking	\$ 25,090
MCCD - Student Trust Fund	\$ 537
TOTAL	\$ 12,377,825

XII.**ATTACHMENT "B"
MERCHANT SERVICES**

Merchant Services (2022-23)		
Service Group	# of Sale Transactions	Amount
Global Payments System	1,456	\$ 133,641.50
Heartland	19,543	\$ 3,491,815.19

XIII.

**ATTACHMENT "C"
PRO-FORMA PRICING MATRIX
BASED ON ESTIMATED ANNUAL VOLUME**

Service Description	Annual Volume	Unit Price	Total Price
Monthly Maintenance	120		
Maintenance %	-		
Debits/Checks Paid	719		
Deposits	662		
Deposited Items On-Us	97		
Deposited Items	1,518		
Interest Paid	-		
Returned Deposited Items	3		
ACH Block	12		
ACH Positive Pay	36		
ACH Filter Exception Item	3		
Currency Deposited Per \$1	151,104		
Coin Deposited/Supplied	4		
ZBA Concentration Account	24		
ZBA Sub-account	36		
ACH Credit	1,671		
ACH Debit	146		
Treasury Management Online	12		
Online Stop Payment	4		
ACH Origination	24		
ACH Per Batch	50		
ACH Per Item	100		
Wire Origination	12		
Online Wire (Domestic)	23		
Positive Pay	12		
Positive Pay Addl Account	60		
RDC - 1st Account	12		
RDC - Per Item	1,589		