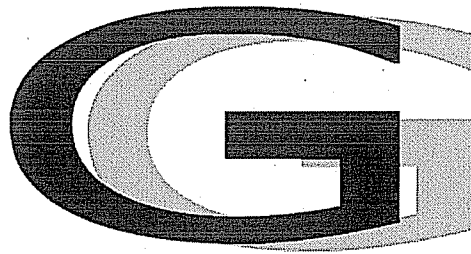


**CITY OF GARDEN GROVE
REQUEST FOR PROPOSAL**

RFP No. S-1088

**Provide Banking and Merchant Services for the City of
Garden Grove**



GARDEN GROVE

PROPOSAL SCHEDULE

**RFP Issued:
Mandatory Pre-Proposal Meeting
RFP Submittal Date:**

**November 30, 2011
December 14, 2011
January 5, 2012**

City of Garden Grove
LETTER OF INVITATION
REQUEST FOR PROPOSAL (RFP) No. S-1088
LETTER OF INVITATION

Date: November 30, 2011

Attention: Proposers

Subject: Provide Banking and Merchant Services for the City of Garden Grove

It is the policy of the City of Garden Grove to competitively seek proposals for its banking needs every five years among Garden Grove financial institutions. In addition, financial institutions located outside of the City may be included if they request to be considered. Enclosed is a Request for Proposal for the City's active bank accounts

The City's current account, held by Union Bank, terminates on June 30, 2012. The City is now requesting proposals on its account for the period of July 1, 2012, through June 30, 2017. The proposal will be based on a fixed unit price contract with an Earnings Credit Rate of no less than the 91-day T-Bill prior month's average that will offset the cost of providing these services; and the ability of your financial institution to service the accounts of the City. The contract may be extended one more year upon agreement of both parties.

The City's workload is substantial and will require a certain level of financial institution resources to adequately service the account. Any proposal that does not demonstrate the capability of serving an account with the volume and complexity of the City will be rejected. The financial institution should be able to accept City deposits up to a maximum of \$8,000,000, in conformance with Section 53638 of the Government Code. The City reserves the right to reject any and all bids, and may waive any irregularities or informalities in selecting the best bid in the opinion of the City.

A **Mandatory** Pre-Proposal Conference will be held at **10:00 am, December 14, 2011, City of Garden Grove Community Meeting Center, located at 11300 Stanford Avenue, Garden Grove, CA** to answer any questions related to the RFP. **Questions may be submitted in writing until December 21, 2011.** Only those Proposers who attend this mandatory pre-proposal meeting will be eligible to submit proposals.

One (1) Copy clearly marked "ORIGINAL" and four (4) copies clearly marked "COPY", using the Proposal Forms and including all information required by the Proposal Documents, must be sent to and received by:

RFP No. S-1088 (Banking and Merchant Services)
City of Garden Grove
Attention: Sandra Segawa, Purchasing Agent
11222 Acacia Parkway, Room 220
Garden Grove, CA 92840

All proposals must be in writing, sealed and identified as to content and be received and time stamped no later than **4:00 p.m., local time, on Thursday, January 5, 2012.** With the returned response to the proposal, please include a copy of your most recent financial report and the sample bid sheet analysis statement (Attachment B).

Proposals received later than the above date and time may be rejected and returned to the Proposer unopened. The only acceptable evidence to establish the time of receipt is the date/time stamp imprinted upon the proposal package by the date/time recorder by the City of Garden Grove Purchasing Office Assistant.

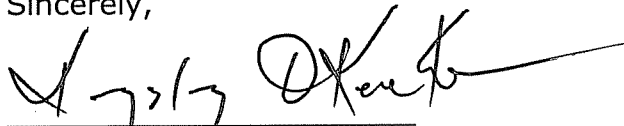
All Proposals shall be valid for one hundred twenty (120) calendar days after the final proposal due date. The City of Garden Grove reserves the right to reject any or all proposals, to waive any informality or irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received. The selection, if made, will be made in accordance with the Instruction to Proposers Section, item 9.0, Basis of Award of the RFP.

The contractor will also be responsible for verifying employees' legal right to work in the United States as required by the Immigration and Control Act of 1986. The contractor will assure compliance with all current EEO and ADA requirements.

Direct all questions regarding this proposal process to Sandra Segawa, Purchasing Agent, via email sandras@ci.garden-grove.ca.us.

Thank you for your interest in submitting a proposal to the City of Garden Grove.

Sincerely,



Kingsley Okereke
Finance Director

CITY OF GARDEN GROVE

INSTRUCTION TO PROPOSERS

1.0 EXAMINATION OF RFP DOCUMENTS

Proposer shall be solely responsible for examining the enclosed RFP Documents, including any Addenda issued during the proposal period, and for informing itself with respect to any and all conditions which may in any way affect the amount or nature of the proposal, or the performance of the Services in the event Proposer is selected. No relief for error or omission will be given.

2.0 INTERPRETATION OF RFP DOCUMENTS

Proposer may request of the CITY in writing, prior to submission of proposal, clarification or interpretation of the RFP Documents. Where such interpretation or clarification requires a change in the RFP Documents, the CITY will issue an Addendum. Proposer shall acknowledge receipt of any and all Addenda in its Proposal Letter. The CITY shall not be bound by and Proposer shall not rely on any oral interpretation or clarification of the RFP Documents.

3.0 PREPARATION OF PROPOSAL

The proposal shall be formatted in accordance with the requirements specified herein. The proposal shall include copies of the Proposal Letter/Certificate of Acceptance provided with the RFP Documents. Proposal Letter/Certificate of Acceptance and forms shall be executed by an authorized signatory as described in 5.0 of this section, the instructions entitled "SIGNING OF PROPOSAL/AUTHORIZATION TO NEGOTIATE". All proposals shall be prepared by and at the expense of the Proposer.

Proposers should not assume that their past and/or current experience with the CITY demonstrates knowledge of the CITY's current needs or that the Source Selection Committee possesses knowledge of this experience. The evaluation of each proposal will be based upon the evaluation criteria applied to their proposal submission.

4.0 MODIFICATIONS AND ALTERNATIVE PROPOSALS

Proposer shall submit its proposal in strict conformity with the requirements of the RFP Documents. The proposal shall be complete in itself and shall be submitted within a sealed enclosure in accordance with **section 7.0 below "SUBMISSION OF PROPOSAL/PERIOD OF ACCEPTANCE" instruction herein.**

Proposers are cautioned to limit exceptions, conditions, limitations or provisions attached to a proposal as they may be determined significant enough to cause its rejection.

The proposal should conform to the requirements contained herein. Proposers submitting conforming basic proposals **may** submit alternate proposals as complete **separate** offers, if the alternate proposals offer technical improvements or modifications, which are to the overall benefit of the CITY. The CITY reserves the right to accept or reject any alternate proposal.

Oral, telegraphic or telephonic proposals or modifications will not be considered.

5.0 SIGNING OF PROPOSAL/AUTHORIZATION TO NEGOTIATE

Each proposal submitted by Proposer shall be executed by Proposer or by its authorized officer. In addition, Proposer must identify those persons authorized to negotiate on its behalf with the CITY in connection with this RFP.

6.0 WITHDRAWAL OF PROPOSALS

A proposal may be withdrawn by the Proposer prior to the date and time for submittal of proposals by means of a written request signed by the Proposer or its properly authorized officer. Such written request must be delivered to the place stipulated in the Letter of Invitation for receipt of proposals.

7.0 SUBMISSION OF PROPOSAL/PERIOD OF ACCEPTANCE

Each proposal submitted by Proposer shall be delivered to the CITY at the address shown on the Letter of Invitation up to the date and time shown therein. It is the Proposer's sole responsibility to assure that its proposal is received as stipulated. In compliance with this RFP, the Proposer agrees to provide the services at the costs stipulated therein if its proposal is accepted within 120 days from the date specified in the Letter of Invitation.

8.0 EVALUATION OF PROPOSALS

Price

35%

- Has Proposer provided complete pricing that addresses all requirements of technical specification in terms of pricing?
- Is the pricing suitable/fair in relation to scope of work?
- Has the Proposer shown the ability to guarantee pricing for the contract period?

Project Plan

25%

- Did Proposer provide the best plan for the City's needs?
- Has Proposer provided a detailed work plan?
- Are all required documents included in the RFP packet submitted?

Qualifications of Proposer

40%

- Financial strength of the bank
- Ability to meet minimum required service levels and offer required bank products
- Quality of references and overall experience with public agencies
- Qualifications and strength of the relationship management team
- Ability to offer product and service enhancements
- Local branch within the City of Garden Grove

To be considered in the selection process for core banking services, proposing banks must have the following minimum qualifications:

- Be a State or National bank as defined in Government Code Section 53630.5
- Meet all California Government Codes pertaining to depository requirements
- Be sufficiently capitalized to accommodate the City's cash/investment management needs
- Institution must be insured by the Federal Deposit Insurance Corporation
- Have local presence in the City of Garden Grove

9.0 BASIS OF AWARD

The selection of the bank to provide banking and merchant services to the City will be based on the bank's qualifications as presented in this proposal, overall price and cost to the City, the experience and success of the bank in providing banking services to similar clients, and the firm's ability to provide the services outlined in the RFP.

Any contract resulting from this RFP will be awarded to that firm whose proposal meets the requirements of the RFP and is most advantageous to the CITY in terms of meeting the technical requirements and for attainment of project objectives as defined in the Technical Specifications considering the evaluation criteria stated in the Instruction to "Proposers Section", item 8, "Evaluation of Proposals" above. The CITY may request Proposers within the Competitive Range to present an oral briefing and discuss the merits and/or deficiencies of their proposal. However, the CITY is under no obligation to enter into discussions or conduct negotiations with a Proposer, but can award a contract on the basis of the offer received. The CITY will

evaluate each proposal according to how favorable the services offered are to the CITY in light of the pre-established evaluation criteria and Cost Proposal reasonability. Proposers within the Competitive Range may be required to participate in negotiations and to submit such additional cost, technical, or other revisions to its proposal (or a Best and Final Offer) as may result from negotiations.

10.0 TYPE OF CONTRACT TO BE AWARDED

The proposal will be based on a fixed unit price contract with an Earnings Credit Rate of no less than the 91-day T-Bill prior month's average that will offset the cost of providing these services; and the ability of your financial institution to service the accounts and merchant needs.

11.0 PUBLIC RECORDS ACT

Responses to this RFP become the exclusive property of the CITY and subject to the California Public Records Act. Those elements in each proposal which are trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure and which are prominently marked as "TRADE SECRET", "CONFIDENTIAL", or "PROPRIETARY" may not be subject to disclosure. The CITY shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked if disclosure is deemed to be required by law or by an order of the Court. Proposers, which indiscriminately identify all or most of their proposal as exempt from disclosure without justification may be deemed non-responsive.

In the event the CITY is required to defend an action on a Public Records Act request for any of the contents of a proposal marked "confidential", "proprietary", or "trade secret", Proposer agrees, upon submission of its proposal for CITY's consideration, to defend and indemnify the CITY from all costs and expenses, including attorneys' fees, in any action or liability arising under the Public Records Act.

12.0 CITY'S RIGHTS

The CITY may investigate the qualifications of any Proposer under consideration, require confirmation of information furnished by a Proposer, and require additional evidence of qualifications to perform the Services described in this RFP. The CITY reserves the right to:

1. Reject any or all of the proposals.
2. Issue subsequent Requests For Proposals.
3. Cancel the entire Request For Proposal.
4. Remedy technical errors in the Request For Proposal process.
5. Appoint evaluation committees to review proposals.

6. Seek the assistance of outside technical experts in proposal evaluation.
7. Approve or disapprove the use of particular subcontractors.
8. Establish a short list of Proposers eligible for discussions after review of written proposals.
9. Negotiate with any, all, or none of the Proposers.
10. Solicit best and final offers from all or some of the Proposers.
11. Award a contract to one or more Proposers. (Except for Brooks Bill procurements where multiple awards are not allowed).
12. Accept other than the lowest offer.
13. Waive informalities and irregularities in proposals.

This RFP does not commit the CITY to enter into a contract, nor does it obligate the CITY to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract

13.0 QUALIFICATIONS OF FIRMS

The CITY reserves the right to investigate the qualifications of all firms under consideration and to confirm any part of the information furnished by a Proposer, or to require other evidence of managerial, financial or other capabilities which are considered necessary for the successful performance of the contract.

Any person, firm, corporation, Joint Venture, or other interested party that has been compensated by the CITY or a contractor engaged by the CITY for assistance in preparing this RFP Document and/or estimate shall be considered to have gained an unfair competitive advantage in proposing and shall be precluded from submitting a Proposal in response to this RFP.

PROPOSAL REQUIREMENTS

CONTENTS OF PROPOSAL

1.1 GENERAL FORMAT OF PROPOSAL

The proposal shall constitute the Proposer's plan for completing the Scope of Work. Accordingly the Proposer should present the technical approach demonstrating a well-structured, reasonable Work plan. Proposers should refine and/or expand the Scope of Work in the RFP to reflect the particular plan they would use to perform the Work. Proposers shall address any problems that they envision to be associated with the Work citing specific suggestions for avoiding these problems.

Proposals shall be prepared on bound 8-1/2" x 11" paper, with all text clear of binding. **Please use tabs to clearly identify each section of the proposal content/requirements listed below in Section 1.2.**

1.2 PROPOSAL CONTENT

Please use dividers to section off the different areas of the proposal so the information is easy to locate. The Proposal shall have the following components:

A. Cost Proposal

The sample bid sheet analysis statement (Attachment B) must be included! *An electronic copy of this document is available on the City's website.* Additional sheets may be included if necessary to provide complete cost breakdown which includes all fees associated with providing the services in the Scope of Work. For comparison purposes, please use the Earnings Credit Rate provided on Attachment B. If you can offer the City a better rate than the 91-day T-Bill prior month's average please make note of the offer in the proposal.

B. Proposal Letter (Pages 11-12) completed and executed by an authorized representative of the proposing company.

C. References

List any current or recent major contracts in which your financial institution currently holds or has served within the last year. A minimum of three (3), but no more than six (6) references from current and past public sector clients is required for review.

D. Work Plan/Technical Description

The proposal shall include a Work Plan which would delineate the approach Proposer would utilize to complete the Work. The plan shall demonstrate the Proposer's understanding of the Scope of Work. As

stated previously, it should refine and/or expand the Scope of Work to reflect how Proposer would complete the project to the City's requirements.

If subcontractors are utilized, the Proposer must submit a description of each firm or person and the Work to be done by each subcontractor.

- E. Any other requirements as listed in the Scope of Work for this RFP Document.

Failure to submit such items duly executed by an authorized officer of the Proposer's firm may render the proposal incomplete and unresponsive and may cause its rejection.

RFP NO. S-1088

CITY OF GARDEN GROVE

PROPOSAL REQUIREMENTS

PROPOSAL LETTER/CERTIFICATE OF ACCEPTANCE

PROPOSER _____

SANDRA SEGAWA, PURCHASING AGENT
CITY OF GARDEN GROVE
11222 ACACIA PARKWAY
GARDEN GROVE, CALIFORNIA 92840

In response to the Request for Proposal (RFP) No.S-1088 Provide Banking and Merchant Services for the City of Garden Grove.

We the undersigned hereby declare that we have carefully read and examined the RFP documents including any plans and specifications, and hereby propose to perform and complete the Work as required in the Contract.

This Contract is not exclusive. The CITY expressly reserves the right to contract for performance of services such as those described herein through other Contractors.

The undersigned agrees to supply the Scope of Work at the costs indicated in its cost proposal if its Proposal is accepted within **120 days** from the date specified in the RFP for receipt of proposals.

The undersigned has reviewed the enclosed contract terms and conditions and agrees to accept all terms and conditions of the CITY's contract unless otherwise noted in the proposal response.

If recommended for Contract award, the undersigned agrees to execute a contract which will be prepared by the CITY for execution, within 14 calendar days following Notification of Award. It is understood that the recommendation for contract award will not be placed on the agenda for consideration by the City Council until the CITY has received the executed contract. The CITY will fully execute the contract subject to resolution of Protest filings, if any, and approval by the City Council.

The undersigned will also deliver to the CITY prior to the commencement of Scope of Work the necessary original Certificates of Insurance. If services are authorized to commence prior to the execution of the Contract pursuant to a Notice to Proceed issued by the CITY, pending the execution of the Contract, the services shall be subject to the terms and conditions of the Scope of Work and the Contract.

Incorporated herein and made a part of this Proposal are the Response Data and Proposal Forms required by the Proposal Requirements.

The undersigned acknowledges receipt, understanding and full consideration of the following Addenda to the RFP Documents:

Addenda

No. _____

Proposer represents that the following person is authorized to negotiate on its behalf with the CITY in connection with this RFP:

(Name)	(Title)	(Phone)
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The undersigned certifies that it has examined and is fully familiar with all of the provisions of the RFP Documents and is satisfied that they are accurate; that it has carefully checked all the words and figures and all statements made in the Proposal Requirements; that it has satisfied itself with respect to other matters pertaining to the proposal which in any way affect the Work or the cost thereof. The undersigned hereby agrees that the CITY will not be responsible for any errors or omissions in these RFP Documents.

Proposer's Business Address
and Telephone/Fax Numbers:

BY: _____ (Signature)	_____
_____	_____
(Type or Print Name)	
_____	_____
(Title)	

(Email Address)	

ATTACHMENT "A"
RFP NO. S-1088

CITY OF GARDEN GROVE

FINANCIAL INSTITUTION SERVICE PROPOSAL
SCOPE OF WORK/RESPONSE

Proposal Submitted by:

Bank:

Address:

**THIS SECTION MUST BE COMPLETED AS OUTLINED BELOW AND
RETURNED WITH THE PROPOSAL
PLEASE DO NOT CHANGE THE FORMAT
PLEASE INCLUDE THE REQUIRED SAMPLE REPORT**

Customer Service The City of Garden Grove places a strong value on excellent customer service and requires a commitment to it from both its own staff and the companies with which it does business.

- The bank will be required to respond to audit confirmations and other requests for data at least annually or as needed from the City's outside auditors. The bank may be requested to permit the auditors to conduct on-site inspection of transactions or review the Bank's internal control system. Define the roles and responsibilities associated with handling this task at your bank.
- Will there be a special person assigned to our account for inquiries, day-to-day communications and problem resolution? If no, how would these items be handled?
- Are there toll-free numbers for customer service and technical support? What hours is live phone assistance available?
- Provide a report/statement indicating system downtime for the past year, including how many hours and types of services that were affected. How were these problems communicated to the clients?
- Describe your emergency back-up procedures.
- Describe any short-term plans to enhance services.

Compensation A "Bid Sheet" is included as part of this RFP process to assist you in detailing the fees charged by your institution and to provide you an estimate of the volume of the City's banking activities. Monthly the financial institution shall provide a statement to the City showing the average collected balance for all the accounts as of the end of the month, the average aggregate of the collected balances, the earnings based on the 91-day T-Bill prior monthly average or better rate if available, a statement itemizing costs for the various activities in the account, net over/short for the month, and the amount of collected balance needed to cover \$1.00 of service. The completed Response sheet will become an exhibit to the final contract for the selected bidder.

- Can the City compensate your Bank by hard dollar fees, compensating balances, or a combination of the two? Are there price differences related to the method of payment? Describe any policies or limitations related to the compensation methods. 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 credit to the City for bank balances.
- Explain in detail if/how and when you charge the FDIC assessment.
- Are Account Analysis reports available on-line?
- How long will the Bank's pricing as indicated in this proposal be fixed?
- Describe any charges for overdrafts and/or negative collected balances. Explain how the charge is computed.
- Detail what charges can be included on the account analysis statement.
- Include a description/definition of all items and codes that could appear on the Bank's analysis statements and their current prices.
- Provide the following formulas:
 - Daylight Overdraft
 - Overnight Overdraft
 - FDIC Insurance
 - Service Charge Credit

Information Reporting The City requires the ability to obtain information and conduct book and wire transfers via an on-line system. The Bank must have an electronic communication/file transmission system to allow the City to receive, no later than 8:00 a.m. Pacific Standard Time, previous day balance and transaction information for each designated account. The Information must be available by computer via secure internet access. The system must also have wire transfer capability. Describe the balance reporting system offered by the Bank, its' features, including "user-friendliness".

- Describe the Bank's on-line information reporting system. How long is data available?
- Provide a sample of the standard reports that are available.
- Is current day information available? If so, how often is it updated?
- What are the hardware and software specifications for the Bank's on-line system?
- Are images of paid items and positive pay exceptions available on-line? If so, please describe.

- Describe the level of detail available on the information reporting service for each type of wire transfer service offered.

On-Line Security/Services

- Describe the security features of your on-line system.
- How are transaction access and permission granted, maintained and changed?
- What is your notification process for changes?

Collections/Deposit Processing Currently almost all of the City's deposited funds are delivered to the Bank via armored courier, with an occasional large check deposit being made at a local branch. Financial Institution will provide Monday through Thursday and every other Friday armored car pickup (except holidays of the financial institution/or City) at City Hall (11222 Acacia Pkwy., Garden Grove), and delivery to the financial institution. The City currently sends checks and cash. Cash averages \$10,000 to \$15,000 per day with the coin being less than \$1.00 on average. Usually once per month the cash is higher due to a deposit from our property and evidence division of the Police Department. The City has the right to review the bids received by the financial institution for armored car service. In addition, the City shall have the right to refuse service by any carrier and may negotiate a contract with an armored car service. If the City selects the armored car service, the cost of the service shall be billed to the City and paid directly to the armored car service by the City.

- Provide the location of the branch closest to Garden Grove City Hall (11222 Acacia Parkway, Garden Grove, CA 92840) that can be used for large dollar deposits that missed the courier, emergency cash withdrawals, supplies, etc.
- What time is the same-day ledger credit cut-off for over-the-counter deposits? Is there a later deadline at other branches or processing centers?
- Describe the Bank's deposit requirements, including coin, currency and check deposits. Who is responsible for the cost of deposit supplies (bags, deposit slips, etc.)?
- Does the financial institution support Check 21 Act procedures for electronic check clearing? Describe the financial institution's service including what forms or security will be employed to address this medium and the cost differential for using Check 21.
- How is the daily float calculated? What ways can the Bank offer to maximize availability of funds?
- Provide the location for your cash vault for armored car deliveries. What are the required delivery times to ensure same day credit? Are there extended hour charges? If so, what are the normal hours vs. extended hours?
- Describe the Bank's procedure for handling deposit adjustments. What documentation is provided on discrepancies? How quickly is it provided?
- Deposited Items Returned average 50 per month and are automatically re-deposited the first time returned, then forwarded to the City the second time the item is returned. Describe the Bank's returned items handling and notification

procedures. Are items automatically re-cleared? How quickly are the returned items sent to the City? Is this information available on-line?

Disbursements The City of Garden Grove mainly uses a general account for disbursement of payroll, accounts payable and housing with a positive pay service protection. Separate accounts are maintained for Worker's Comp., Liability, Petty Cash, Housing Authority, Housing Escrow and one for HUD/HOME - ACH Deposits only. City will supply City approved warrants and payroll checks. These checks will be reviewed and approved by the financial institution prior to final order.

Pre-issued Checks are issued daily. Regular checks are issued three times per month, once a month there is a housing check run, and payroll checks are issued every other week. There is a payroll direct deposit every other week and a housing direct deposit once a month.

- Does your system offer automated, repetitive and non-repetitive domestic wire transfer capabilities? Are there different controls for repetitive vs. non-repetitive? If so, please describe. If the system is not working, can the wire process be done by phone?
- Describe your procedure for notifying us when a wire transfer fails. How soon is notification made?
- Describe the setup of a positive pay file transmission. What format does the Bank require? Is technical support assigned to the project? If so, is there an additional cost?
- Describe the Bank's positive pay operation, including timelines for paying or returning exception items. Are images of the exceptions available on-line?
- How are stale dated (more than 6 months old) items handled?
- Describe the process for placing a stop payment. Does the City have the option to determine the length of time for which the stop payment is in effect? How long does it take for a stop payment to become effective once it has been entered in your system?
- Can a stop payment be cancelled on the same day as it was issued?
- What is the Bank's policy regarding recourse on an item on which a stop payment has been placed, but was subsequently cashed?
- What responsibility will the Bank assume in researching and correcting errors on paid items? (i.e. encoding errors)?
- Describe the Bank's documentation requirements for processing claims of forged items from the City.
- Will the Bank guarantee to pay all items even if it results in the account being temporarily overdrawn for the day? Describe the fees the City would be charged if that were to occur.
- What are your cutoff times for delivery of a direct deposit file?

- Do you require or recommend pre-notifications for every transaction prior to actual transfer? How are returned pre-notifications handled?

Payroll/Wires/ACH The City has approximately 800 full-time and fluctuating part-time staff. Currently the City offers direct deposit to the employees' deposit account. Payroll occurs bi-weekly.

- Describe how returned direct deposits are handled.
- Describe the acknowledgements you provide when you receive a file transmission, including the level of detail, the information required and the reconciliation procedures involved.
- Would you provide personal banking incentives for City of Garden Grove employees?

Full Account Reconciliation: The City utilizes full account reconciliation services for the City's main (General) account. The Bank must provide monthly account reconciliation reports, bank statements, account analysis statements, confirmations, and other report related features. Check images are to be provided to the City monthly on a CD. The City will need two copies so that one copy can be stored off site. In addition, at the end of the fiscal year (June 30) one or more CDs containing the entire year will need to be provided to the City. The Bank must be able to provide various reports and statements in a computer media and also provide specialized reports, where feasible, as needed. In addition, the Bank must be able to provide full account reconciliation services and positive paycheck protection services for the City's main account. Financial institution will also send a list of paid checks on CD or electronic file with the format approved by the City's Information Systems Division. Describe the account reconciliation services offered by the Bank.

Subvention Payments from the State, County, HUD and Local Agency Investment Fund and transfers The City receives subvention payments from the State and County and does LAIF transfers on a regular basis.

- Describe the LAIF transfer process. Are the transfers done by telephone, fax, wire ACH, e-mail, etc.:
- Does the Bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's Office and the State Controller's Office?
- Is there a charge per transfer to LAIF? From LAIF?
- Is it possible to set up the transfers in advance? If so, how far in advance can a transfer be set up?
- Describe the method used by the Bank for processing subvention payments.

City Credit Cards Financial institution will issue City Visa and/or MasterCard credit cards for Council members, Central Management, and other designated staff, (10-20) as requested (with no monthly or annual fee). The City does not pay late fees or service fees on any charge account.

Safekeeping Services Finance institution will provide safekeeping services for U.S. Government securities or other securities.

1. All investments shall be held in a separate account in the name of the City of Garden Grove.
2. Safekeeping by the financial institution shall in fact be legally the same as safekeeping by a third party. The instruments shall be held to ensure the investments will be classified as Investment Category 1 as outlined in Government Accounting Standards Board (GASB) Statement 3
3. The City requires safekeeping yearly (as of July 1 of each year of the contract) to provide proof that the City investments are insured including errors and omissions up to \$250,000,000.00.
4. The Safekeeping entity and the financial institution, its officers, directors and employees are responsible for any losses, liabilities, demands, claims, and expenses, any attorney's fees and taxes (other than those based on Financial institution's net income) arising out of or in connection with the safekeeping agreement for any action which is not authorized in writing by the City or action which is caused by the financial institution's negligence or willful misconduct. In addition, the financial institution's agents and contractors approved in advance in writing may also be held responsible for any losses, liabilities, demands, claims, and expenses, any attorney's fees and taxes arising out of or in connection with this agreement. This provision shall survive the termination of this agreement and shall be binding upon each party's successors, assigns, heirs and personal representatives. This clause shall be in the contract with the safekeeping entity of the financial institution.
5. Safekeeping shall only credit or debit the City's main bank account. A debit to the main account shall only be approved through written authorization by the City.

In order to ensure accurate communications between the financial institution and the City, the City requests an individual be assigned as the primary contact for each of the following sections of the financial institution.

1. Local Branch
2. Government Services Division (If Applicable)
3. Investment Division
4. Trust Division

Implementation 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.

- How long does a typical conversion to your Bank take?
- Provide a detailed implementation schedule, including assigned responsibilities.
- What costs are involved in an implementation?
- Do you provide written user manuals for all services? How often are they updated? Is there a cost for the update?
- Provide a listing of all contracts and other documentation that is required. Including samples.

- The bank must identify the cost (if any) to the City for: depository bags, endorsement stamps, deposit slips, standard commercial currency supplies such as currency wrappers, deposit tickets, labels, endorsement and routing rubber stamps, lead seals, and other necessary supplies.
- Any services, in addition to the basic services above, provided by the financial institution should be listed on an attached sheet using the following format:

Name of the Service
Description of the benefit of this service to the City

Monthly Charge for the Service or Collected Balance requirement of no less than the 91-Day T-Bill prior month average.

- The City reserves the right to choose which services it may desire and select the method of payment for the service

Other Information

Uncollected Funds Rate (%) _____

Overdraft Rate (%) _____

Fixed Pricing Guarantee (#years) _____

I hereby certify that I am authorized by the financial institution to meet all proposal requirements listed above and that this financial institution can conform with Section 53638 of the Government Code.

Name of Financial Institution Name: _____

Signature: _____

Typed Name: _____

Title: _____

Bank Officer's E-Mail Address: _____

Date: _____

Section 53638 of the Government Code reads as follows:

(a) The deposit shall not exceed the total of the paid-up capital and surplus of any depository financial institution. For the purposes of this subdivision, paid-up capital shall be deemed to include capital notes and debentures.

(b) The deposit shall not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of five hundred thousand dollars (\$500,000) may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law."

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2012, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **XXXXXXXXXXXX**, here in after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove COUNCIL AUTHORIZATION, DATED _____.
2. CITY desires to utilize the services of CONTRACTOR to Provide Banking Services for the City of Garden Grove.
3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination.** The term of the agreement shall be for the period of July 1, 2012 through June 30, 2017, with an option to extend said agreement for one additional year, for a total performance period of six (6) years. Option years shall be exercised at the sole option of the CITY. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for work performed to date in accordance with Proposal, Attachment "B". Contractor is required to present evidence to support performed work completion.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Proposal, which is attached as Attachment "B" and is hereby incorporated by reference. The Proposal and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Total Compensation for this agreement shall not exceed an amount of XXXXXXXXXXXX dollars (\$XXXX.XX), per year, in arrears and in accordance with Scope of Work and RFP No. S-1088, which is attached as Attachment A, and is hereby incorporated by reference.
 - 3.2 All work shall be done in accordance with Technical Specification and RFP No. S-1088.

- 3.3 For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on schedule included in Proposal (Attachment B).
- 3.4 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.5 Termination. CITY shall have the right to terminate this agreement, without cause, by giving three (3) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.
4. **Non-Liability of Officials and Employees of the City.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount, which may become due to CONTRACTOR.
5. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
6. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
7. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.
8. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.
- a. CONTRACTOR
- b. (Address of City) (with a copy to):
City of Garden Grove Garden Grove City Attorney
11222 Acacia Parkway 11222 Acacia Parkway
Garden Grove, CA 92840 Garden Grove, CA 92840
9. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

10. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.
11. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.
12. **Time of Essence.** Time is of the essence in the performance of this Agreement.
13. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.
14. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
15. **Indemnification.** CONTRACTOR agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"

By: _____

Name: _____

Title: _____

Date: _____

Tax ID No. _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Garden Grove City Attorney

Date

ATTACHMENT "B"

BID SHEET		Name of Bank			
BALANCE SUMMARY			Estimated Volumes		
AVERAGE BUSINESS CHECKING LEDGER BALANCE			2,000,000.00		
AVERAGE BUSINESS SAVINGS LEDGER BALANCE			150,000.00		
TOTAL AVERAGE LEDGER BALANCE			2,150,000.00		
BALANCE ADJUSTMENTS					
AVERAGE ADJUSTED LEDGER BALANCE			2,150,000.00		
LESS: AVERAGE UNCOLLECTED FUNDS			500,000.00		
AVERAGE COLLECTED BALANCE			1,650,000.00		
LESS: RESERVE REQUIREMENT			165,000.00		
BALANCE AVAILABLE TO SUPPORT ACTIVITY			1,485,000.00		
ACCOUNT POSITION					
EARNINGS CREDIT RATE OF		0.0200%	25.22	Use .020% for comparison	
LESS: INTEREST ACCRUED			5.00		
PLUS: EARNINGS CREDIT/INTEREST ADJUSTMENT			3.00		
NET EARNINGS ALLOWANCE - THIS MONTH			23.22		
LESS: CHARGES FOR BALANCE COMPENSATED SERVICES			0.00		
NET EARNINGS DEFICIT - SETTLEMENT PERIOD TO DATE			-23.22		
SERVICE DETAIL					
			PROPOSED UNIT PRICE	TOTAL	BALANCE
	EST. VOLUME		NOTE IF NO CHARGE	PRICE	REQUIRED
SERVICES PROVIDED - BALANCE COMPENSATION					
ACCOUNT ANALYSIS					
ACCT MAINTENANCE - WEB		5.00			
ACCOUNT RECONCILIATION					
FULL RECON MONTHLY MAINT		1.00			
POS PAY MONTHLY MAINT		1.00			
CHECK PAID TRUNCATED		2,500.00			
DAILY PAID REPORT		1.00			
OUTSTANDING ONLY REPORT		1.00			
OUTSTANDING CHECK REGISTER-ITEM		800.00			
RECON STOP PAYMENTS - RENEWAL		50.00			
STALE DATE FEATURE - BASE		1.00			
STALE DATE LISTING - ITEM		2,900.00			
TRANSMISSION OUTPUT- PER TX		1.00			
TRANSMISSION OUTPUT - PER ITEM		3,900.00			
IMAGE CD - ROM		1.00			
CHECK CAPTURE		2,500.00			
MAIL DELIVERY		1.00			
WEB POS PAY-ACCOUNT BASE		1.00			
WEB POS PAY-EXCEPTIONS		3.00			
POSITIVE PAY-PNI EXCEPTIONS		4.00			
			PROPOSED UNIT PRICE	TOTAL	BALANCE

		EST. VOLUME	NOTE IF NO CHARGE	PRICE	REQUIRED
WEB POS PAY-IMAGES		4.00			
WEB POS PAY-DUPLICATE IMAGES		1.00			
WEB POS PAY-MANUAL ISSUE		25.00			
WEB POS PAY-IMPORTED ISSUE		2,300.00			
IOD-IMAGE (<120 DAYS)		11.00			
IOD-IMAGE (120-180 DAYS)		9.00			
IOD-IMAGE(181 + DAYS)		17.00			
IOD-DUPLICATE IMAGE		1.00			
TRANSPORTATION SERVICES					
ARMORED CAR SERVICES				0.00	
BUSINESS CHECKING					
BRANCH DEPOSIT		31.00			
ELECTRONIC CREDIT		150.00			
PAID CHECK CHARGE		450.00			
ELECTRONIC DEBIT		38.00			
BANK STATEMENT WEB		5.00			
FDIC INSURANCE		1,398.63			
FICO INSURANCE		2,831.12			
CHECK PROCESSING					
UNENCODED COURIER DEPOSIT		60.00			
BANK CHECKS - BRANCH DEPOSIT		17.00			
LOCAL CLR.HSE./BRANCH DEP.		322.00			
LOCAL FED DIST 12 - BRANCH DEP		303.00			
OTHER FED - BRANCH DEPOSIT		100.00			
BANK CHECKS SERV. CTR DEPOSIT		800.00			
LOCAL CLR. HSE./SER. CTR		5,500.00			
LOCAL FED DIST 12-SERV CTR DEP		5,500.00			
ENCODING FEE - SERV. CTR. DEP.		14,800.00			
OTHER FED - SERV CTR DEPOSIT		3,000.00			
DEBIT ERROR NOTICE		1.00			
CORPORATE TRUST					
CORPORATE TRUST - TRUSTEE FEES				0.00	
CLEARPAY					
ACH WEB MONTHLY BASE FEE		1.00			
ACH WEB CREDIT TRANSACTION		100.00			
ACH WEB CREDIT TRANSACTION		2,000.00			
ACH WEB RETURNS TRANSMISSION		7.00			
ACH WEB REJECTS/REV/DEL		3.00			
ACH WEB NOC TRANSMISSION		3.00			
ACH WEB BATCH RELEASE		2.00			
CASH VAULT SERVICES					
CURRENCY DEPOSITED - STRAPPED		85,000.00			
DEPOSIT-MIXED CASH CHECK		1.00			
			PROPOSED UNIT PRICE	TOTAL	BALANCE
		EST. VOLUME	NOTE IF NO CHARGE	PRICE	REQUIRED
DEPOSIT - CASH OR COIN ONLY		20.00			

CURRENCY DEPOSITED-UNSTRAPPED	175,000.00			
COMMERCIAL CUSTOMER SERVICE				
LAIF REDEMPTION	7.00			
LAIF INVESTMENT	5.00			
IMAGE OF DEP ITEM <30DAYS	15.00			
CUSTOMER SERVICE ACTIVITIES				
PRINTER CHARGES	0.00			
DEPOSIT RECEIPT	18.00			
DDA AUTO-RENEWED STOP PMT	14.00			
INFORMATION REPORTING				
WEB PRIOR DAY REPORT ACCOUNT	1.00			
WEB PRIOR DAY REPORT ACCOUNT	6.00			
WEB PD BAL/SUM UPDATED	1,400.00			
WEB PD TRANSACTIONS UPDATED	3,100.00			
WEB CD BAL/SUM UPDATED	200.00			
WEB CD TRANSACTIONS UPDATED	450.00			
WEB CURRENT DAY REPT ACCOUNT	1.00			
WEB CURRENT DAY REPT ACCOUNT	6.00			
MERCHANT DEPOSITS (MC/VISA)				
MERCHANT TERMINAL FEES	139.90			
DEPOSITED ITEMS RETURNED				
DEPOSITED ITEMS RETURNED-RECLEAR	36.00			
DEPOSITED ITEMS RETURNED-CHRGBK	25.00			
CHARGE ALT. ACCOUNT	3.00			
SAVINGS ACCOUNT				
ELECTRONIC CREDIT	3.00			
BANK STATEMENT WEB	3.00			
FDIC INSURANCE	122.22			
FICO INSURANCE	121.67			
TELESERVICES				
BALANCE INQUIRY-TELESERV. REP	2.00			
INQUIRY & TRANSFER SERVICE	1.00			
TEAM STOP PAYMENTS				
WEB ACCT RECON STOP PMT	3.00			
WEB STOP PAYMENT RENEWAL	50.00			
WEB DDA STOP PAYMENT	3.00			
WEB STOP SINGLE INQUIRY	30.00			
WEB NUMBER STOP ACCOUNTS	8.00			
WIRE TRANSFERS				
INCOMING DOMESTIC REPETITIVE	2.00			
FACSIMILE ADVICE INCOMING WIRE	3.00			
		EST. VOLUME	PROPOSED UNIT PRICE	TOTAL BALANCE
			NOTE IF NO CHARGE	PRICE REQUIRED
ELECTRONIC WIRE TRANSFER				
ACCT TRANSFER END-OF-DAY/WEB	1.00			
WIRE TRANSFER MONTHLY FEE/WEB	1.00			

OUTGOING DOMESTIC WIRE/WEB	4.00			
SUB TOTAL CHARGES: BALANCE COMPENSATED SERVICES			0.00	0.00
LESS DIRECT CHARGES				
TRANSPORTATION/ARMORED	0.00		0.00	0.00
CORPORATE TRUST - TRUSTEE FEES	0.00		0.00	0.00
INFORMATION REPORTING				
WEB PRIOR DAY REPORT ACCOUNT	1.00		0.00	0.00
WEB PRIOR DAY REPORT ACCOUNT	6.00		0.00	0.00
WEB PD BAL/SUM UPDATED	1,400.00		0.00	0.00
WEB PD TRANSACTIONS UPDATED	3,100.00		0.00	0.00
WEB CD BAL/SUM UPDATED	200.00		0.00	0.00
WEB CD TRANSACTIONS UPDATED	450.00		0.00	0.00
WEB CURRENT DAY REPT ACCOUNT	1.00		0.00	0.00
WEB CURRENT DAY REPT ACCOUNT	6.00		0.00	0.00
TOTAL CHARGES: BALANCE COMPENSATED SERVICES			0.00	0.00