Specific Questions to be Answered and Submitted with Proposal

1. **QUESTIONS RELATED TO Minimum Requirements (answer Yes or No)**
2. Is your Financial Institution a State of California chartered banking institution?
3. Is your Financial Institution a qualified depository for public funds pursuant to California Government Code Section 53648?
4. If your Financial Institution has a current Community Reinvestment Act (CRA) rating of “Satisfactory” or better in the State of California, as determined by the appropriate regulatory body, please provide an electronic copy of the most recent “Community Reinvestment Act (CRA) Evaluation” issued by the federal regulatory agency authorized to conduct such evaluations.
5. Does your Financial Institution have a relationship with the State Treasurer as an approved depository for Local Agency Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository?
   1. Please describe the LAIF transfer process. Are the transfers done by telephone, terminal, fax, wire transfer, etc.?
   2. Are the transfers to/from LAIF considered a “wire transfer”, an ACH transfer, or some other method? What is the cost for each method?
   3. What is the availability of funds for transfers from LAIF to the City’s bank account?
   4. 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?
   5. If you do not have a direct relationship with LAIF, how would the City make transfers to/from LAIF? Does this affect the timing of transfers? Is there additional cost to the City?
6. Does your Financial Institution have an existing relationship with Los Angeles County as an approved depository for Los Angeles County Treasurer Pooled Investments (LACT) transactions or provide a process for transferring funds to/from LACT that is equivalent to that of an approved depository.
   1. Please describe the transfer process. Are the transfers done by telephone, terminal, fax, wire transfer, etc.?
   2. Are the transfers to/from LA County Investment Pool considered a “wire transfer”, an ACH transfer, or some other method? What is the cost for each method?
   3. What is the availability of funds for transfers from LA County Investment to the City’s bank account?
   4. If you do not have a direct relationship with LA County Investment Pool, how would the City make transfers to/from LAIF? Does this affect the timing of transfers? Is there additional cost to the City?
7. **QUESTIONS RELATED TO EXPERIENCE AND QUALIFICATIONS**

A. Account Reconciliation

1. How many days after the end of the month is a list of outstanding check provided to the City?
2. What file type(s) does the bank use in transmitting a list of both outstanding checks and checks cleared?
3. How does your bank facilitate the viewing, by City staff, of checks cleared?
4. Does the system allow queries of individual items by amount, date, transaction type, etc.? Can reports and/or images be exported?
5. For online stop payment services, how are they confirmed and what is the duration of a stop payment? If available for different time segments, what is the cost?
6. Will the bank charge a fee each time data is downloaded or accessed on-line?
7. Can users specify the types of information that they want to view?
8. Describe the user friendliness and important features and capabilities about on-line data retrieving.
9. What reconcilement features does the bank have that distinguish it from other banks?
10. Is your online information reporting system owned and operated internally or is the system outsourced through a third party? If through a third party, please identify the third party. Are improvements and changes to the service controlled by the bank or a third party?
11. Do you have a demonstration site at which the City can preview sample same day and previous day reports available online from your bank? If yes, please provide a link to the site. If no, please provide print samples of the most useful reports available.

B. Availability of Funds

1. Is the availability of services different from those required by Federal laws and regulations? If so, please list the differences.
2. Does the Bank provide the option of viewing incoming ACH transactions prior to the actual posting? If so what method(s) is available to the City to view this data and what is the cost of each method.
3. What time is previous day and current day information available online?
4. Please describe your ability to provide online tools and resources to facilitate cash positioning and cash forecasting.
5. Do you offer an overnight, automated investment “sweep” service?
6. For overnight sweep accounts, what investment choices are available that comply with the government code?

C. Payroll Services

1. The City’s payday is Wednesday.

1. What is the earliest day and time that the files can be transmitted?
2. What is the latest day and time that the files can be transmitted?
3. What are your procedures to notify the customer that the file transmission was successful or not? What is the time frame?
4. Can your system handle single transaction deletion versus resubmitting an entire replacement file?
5. What is the process for retrieving a wire or ACH transaction if there is a City error in processing a fund transfer? What is the process for retrieving a wire or ACH transaction if there is a bank error in processing the fund transfer?
6. Please describe the bank’s process for processing payroll direct deposit files and alternatives to file processing due to errors or technical problems.
7. Please describe the bank’s process for processing various state and federal taxes including cut-off times and primary bank contacts – State and Federal payroll, State EDD, State BOE, etc.
8. What options does the bank provide for the few employees who are not on direct deposit?
9. For direct deposits, when will monies be available for an employees if:
   1. They bank with your bank? (Currently, this is a same day service.)
   2. They bank with a separate banking institution?
10. Describe your policy on cashing payroll or other City issued checks for City employees that do not have an account with your bank.
11. What are the fees?
12. Who absorbs the cost for cashing these checks – the bank, City or employees?

D. Positive Pay

1. How are exception items under Positive Pay reported to the City? What is the procedure and timeline for paying or returning exception items?
2. In the event that the bank does not receive the City’s pay decision response by the stated deadline, is the default disposition set by the bank or by the City? If the bank sets the default, what is the default disposition (e.g., pay, return, optional)?
3. Does the bank provide on-line check imaging so that the City could review the exception items electronically?
4. Describe all methods by which the City can send manual issues or deletes to the bank.
5. How does the bank confirm that a Positive Pay and/or ACH transmission has been received?
6. Provide sample Positive Pay reports provided by the bank.
7. Discuss the bank’s policies and procedures for processing stale-dated items. If the City uses positive pay, will the City be notified of stale-dated items? If the City uses positive pay, can the bank enforce stale-dated items and return stale items unpaid to the bank of deposit?
8. Does the bank offer payee match as part of its positive pay service? Do branch tellers have access to the positive pay payee match file when negotiating a check for encashment?

E. Deposit Services

1. What are the cut-off times for deposits at the bank’s local branch, for scanned check items, and for incoming ACH/wires to ensure same day credit?
2. Indicate deposit options, including cash vault centers.
3. What information is provided for ACH deposits in order to identify the source of the deposit?
4. Will returned deposit items be re-deposited at least once?
5. What supporting documenting is provided for deposit adjustments?
6. Does the bank limit the number of sub-accounts the City can set-up?
7. Will the City order deposit tickets and other supplies through the bank or directly from a vendor? How are the charges handled?

F. Remote Deposit Services

1. Provide a brief description of your remote deposit service capabilities.
2. Does your service allow the deposit total to be entered before the scanning of checks?
3. Is there a limit on the number of checks that can be contained in a single batch? If so, describe.
4. Does your service allow our organization to make multiple deposits in a single day? If so, discuss any limitations.
5. Describe the process used for balancing and correcting deposits transmitted to the bank by the City.
6. Describe the procedures for handling exception items (e.g., MICR rejects, piggy back images, torn documents, foreign checks) received in a customer’s deposit transmission.
7. What methodology does the remote deposit service use to identify duplicate items?
8. What period of time does the remote deposit service retain the images to detect duplicates?

G. Wire Transfer Services

1. Briefly describe the process of initiation, approval and release of wires, including through the use of internet, mobile and telephone land line mediums.
2. Do any of the methods listed above provide for remote user initiation or release? If so, describe the method.
3. Please describe your process for recalling a wire when requested by the City. What additional charges are involved?
4. If wire transfers can be initiated online, what security systems or features are in place to allow for secure messaging for returns, recalls, investigations, and miscellaneous requests?
5. Please describe the bank’s ability to establish varying degrees of authorization (i.e. multiple authorizers, maximum dollar amounts, etc.?).
6. What controls has the bank put in place to prevent wire transfer fraud?
7. What has been the bank’s experience with fraud in the wire transfer area?
8. Please describe the bank’s procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of a wire.
9. How and when is the City notified of a wire transfer that is rejected by the receiving bank or at any point during the transaction of the wire?
10. What is the turnaround time for responding to inquiries about failed wire transfers?

H. Access to Historical Data

1. What are the electronic document storage options (CD or online and what are the retention periods?
2. Can data be accessed on-line for transactions that occurred more than 365 days from the date processed?
3. What is the fee for accessing data?
4. Can cleared checks be accessed on line? If so for how long and what is the costs?

I. Mobile Banking

1. Describe the mobile services you provide and their functionality on tablet mobile devices.
2. What security features are included with mobile banking and can it be utilized for commercial accounts?
3. Is your mobile information reporting system owned and operated internally or is the system outsourced through a third party? If through a third party, please identify the third party. Are improvements and changes to the service controlled by the bank or a third party?

J. Merchant Services and Online/Web Payments

1. The City currently uses a third party vendor for Merchant Services. Please describe any specific requirements needed by your bank in order to work with another merchant services provider.
2. Provide an example of daily merchant activity that would be displayed on-line on a daily basis.
3. Describe methods by which the City can download activity into Excel by merchant accounts (the City uses AMEX and Visa/MasterCard).

K. Fraud Protection

1. Describe how authentication tools (such as tokens) are distributed to users. Does the City need to identify one or more security administrators or is that function performed by your bank? What are the roles of City security administrators versus functions performed by your bank?
2. Explain how limits (access, functions and dollar limits) are assigned to users. Does your solution offer the ability to provide a report of all listed users and their rights and capabilities? How can the City verify that users and limits are properly assigned?
3. Can individual users be restricted to accessing information only on certain accounts or transaction types?
4. Does the system provide audit reports for users?
5. Can information be accessed from multiple locations?
6. What communications protocols/delivery methods are offered for file delivery (SFTP, E-mail, secure browser transmission, etc)? Is file delivery via the Internet available?
7. What safeguards and security measures are available or required when transmitting data (bank to City and City to bank)? (For example, but not limited to, wire transfers and online services etc.)
8. What fraud protections do you recommend (note: you must be able to provide all of the items that you recommend)?
9. What is the City’s liability for fraudulent deposit items?

L. Business Continuity/ Disaster Preparation

1. Provide a copy of the bank’s current disaster recovery/business continuity plan and how that plan provides for the interrupted delivery of financial information to the City of West Hollywood.

2. Please describe the redundancy measures that are in place to protect the City’s bank information in case of a system failure. In case of a system failure, how long will it take the bank to provide the City with its banking information? Please provide a list of the number and length of time of outages in the past two years and the reasons for the outage.

3. Describe the disaster recovery/business continuity services that the bank could provide to City employees in case of an emergency. This explanation should include the ability for City employees to utilize a bank facility to conduct daily work including information reporting, electronic fund transfers and access to other non-bank financial services.

4. Describe any other services that might help the City provide services with minimum interruption, e.g. outsourcing of payroll processing, payroll cards, lines of credit, mobile banking, etc.

5. Please provide a copy of the most recent branch closing policy.

M. Employee Credit Cards

1. The City currently has four bank issued credit cards issued to employees by its current bank. These cards are mainly used for travel arrangements and minor purchases.

* 1. If available, please describe the bank’s credit card program, billing options and related fees.
  2. Does the bank offer a reconciliation feature that could be used for travel expenses, if so, describe?
  3. Describe any online account program management available for Program Administrator or for card holder use?

N. Lockbox Services

1. The City currently has one lockbox to processes about 2,100 bills annually between May and July. The City has also begun to accept on-line credit card payments for these annual bills. Please describe your lockbox services for both retail and wholesale lockboxes.

2. Describe your ability to provide lockbox information in a file transfer that includes both data and images.

3. What information can be captured at the lockbox processing location including keying of data unique to the type of deposit such as annual rent stabilization filings, check images, coupons, envelopes and other information that may be required by the City to be included in the data transmission?

4. Please indicate the float times associated with processing lockbox deposits. When will the City receive credit for lockbox deposits?

5. What are the lockbox processing deadlines?

6. What is the error rate per 1,000 items processed?

O. Pricing and Fees

* 1. The City is requiring a minimum of five (5) year price schedule guarantee. If the Respondent is awarded this business, for how many years after the initial (5) year term will the Respondent guarantee the price schedule provided in its response to this proposals?
  2. After the five (5) year period, how will the City be notified of a price change?
  3. How will future price increases be determined? Can future price changes be indexed? If so, to what? Can future price increases be capped? If so, discuss.
  4. What kind of technical support is provided during the implementation, and is there a charge for this support? If so, how will the City be billed?
  5. What implementation allowances are provided?
  6. Please describe the Respondent’s policies and procedures regarding overdrafts? How does the bank charge for overdrafts?
  7. What balances are reported on the account analysis statement? What balance or calculation is used to arrive at the investable balance?
  8. How does the Respondent assess the reserve requirement? If captured, is it calculated as a percentage of the Average Net Collected Balance or Average Positive Collected Balance?
  9. Please describe the method used to calculate and determine the Earnings Credit Rate (ECR).

**QUESTIONS RELATED TO SOCIAL RESPONSIBILITY**

1. Investments

Table 1: Please complete the following table for investments made by your Financial Institution in calendar year 2016 and 2017:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Investments in the Following**  **Socially Responsible Practices** | **2016**  **Yes/No** | **2016**  **Percentage Invested** | **2017**  **Yes/No** | **2017**  **Percentage Invested** |
| 1. Investments that support community well-being; promote equality of rights regardless of race, sex, age, disability, or sexual orientation; and promote community economic development |  |  |  |  |
| 1. Investments made in entities that support a clean and healthy environment |  |  |  |  |
| 1. Investments with under-served communities, including small/medium, sized businesses, non-profits, affordable-housing developers and community facilities |  |  |  |  |
| 1. Investments in fossil fuel companies |  |  |  |  |
| 1. Investments in tobacco or tobacco related products |  |  |  |  |
| 1. Investments in private prisons, organizations or companies that support the production of weapons, military systems, or nuclear power |  |  |  |  |

B. Local Community Involvement

Table 2: Please complete the following table:

|  |  |
| --- | --- |
| **Community Involvement** | **Yes/No** |
| 1. Full service branch located in the City of West Hollywood? |  |
| If yes, how many branches? |  |
| 1. Branch operating business hours are adequate for the community. |  |
| Enter hours of operations: Mon-Thurs |  |
| Fri |  |
| Sat |  |
| Sun |  |

C. Commitment to the West Hollywood Community:

For the following two items, summarize your responses in a table format as follows:

1. Please describe any leadership activities that your bank participates in that shows your institution’s commitment to the West Hollywood Community; for the “Future” section below describe activities, including funding (if any), that you are committing to provide.

|  |  |
| --- | --- |
| Past: |  |
| Present: |  |
| Future: |  |

1. Describe you involvement in communities that have a strong representation in West Hollywood (LGBTQ, seniors, Russian, etc.); for the “Future” section below, describe activities, including funding (if any), that you are committing to provide.

|  |  |
| --- | --- |
| Past: |  |
| Present: |  |
| Future: |  |

D. Additional Questions:

1. Submit any innovative processes your institution is conducting or plans to conduct to promote healthy communities and that are socially responsible.
2. Please explain methods that will be used while conducting business in the City of West Hollywood that encourages recycling of materials and implementation of environmentally friendly practices and procedures.
3. Please describe your institutions initiatives to address the credit needs of City residents and businesses, including low and moderate income and minority residents.
4. Identify business products that are designed for the following consumers: un-banked or under-banked, elderly, youth, low income, no credit, poor credit, others. Describe your success, in number and dollar amount, for these target groups.
5. Please provide a copy of your latest annual financial report, discuss the financial stability of your institution, and provide an array of standard financial ratios that will demonstrate your financial health.
6. Provide ratings for the Financial Institution and/or Financial Institution holding company from Standard & Poor’s, Moody’s and Fitch Ratings in a table format for the last five years.
7. Provide a summary, in a table format, of your National and California ratings in a table for the last five years, if available.