

Banking Services Procurement Update

December 10, 2024





City of Flagstaff Banking



Banking Services Procurement Overview

- Utilizing a Request for Proposal (RFP)
- Minimum Requirements
- Banking Services
- Sustainable Procurement
- Draft Evaluation Rating
- Next Steps



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Utilizing a Request for Proposal (RFP)

- Scope is not definitively defined (difficult to hard bid)
- For complex services
- Price is not the determining factor
- Qualifications
- Experience
- Delivery of multiple services



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Minimum Qualifications

- Contractor shall provide sufficient information including supporting documentation to clearly show compliance to the minimum qualifications/requirements.
- Contractor shall be insured by the Federal Deposit Insurance Corporation (FDIC).
- Contractor shall collateralize all public deposits in accordance with §§ A.R.S. 35-312 and 35-1207.



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Banking Services

Collateralization

ASRS Statute

102% of public funds

Excess to FDIC Coverage

Deposits

Local branch

Multiple locations

Cash handling

Fraud controls

ACH fraud filters

Positive check payments

Disbursements

Checks

ACH

Wires

Direct Deposit

Collections

Electronic Checks

Lockbox

Armor car services

Real time credits



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Banking Services

Reporting

Robust search and report

Online account access

Automated receivables

Deposit location reporting

Paid check files

Earning offsets

Offset to monthly fees

Earnings on daily cash balances

Net zero or minimal cost of services

Daily balance sweeps

Overnight investments of idle cash balances

Additional Services

Investments

- Money Market account
- Certificates of Deposit

Employee benefits and workshops



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Sustainable Procurement

- Procurement Code Manual, Article 32: Sustainable Procurement
- Section 32.1: Financial Services
- 10 points/10% toward rating on relationships with fossil fuel industries and commitment to Climate Action



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Total Evaluation Rating

- Capacity of Responder ## points
 - Methodology and Approach ## points
 - Fee Proposal/Pricing ## points
 - Terms and Conditions ## points
 - Sustainable Procurement 10 points
- Total Points = 100

Interview Points, if necessary

- *Presentation* ## points
 - *Response: Questions/Concerns* ## points
- Total Points = 100 + TBD*



City of Flagstaff Banking Services



Next Steps

- Today: Update to Council
- December: Complete discussions with staff, development of RFP
- January: Submit draft RFP to Purchasing
- January: Legal review of RFP
- February/March: Advertise and close procurement
- April: Review proposals
- April: Vendor Interviews in necessary, Finalize offers
- May/June: Council award of contract (s)
- July 1, 2025: Start implementation/transitioning