

**REQUEST FOR PROPOSALS FOR  
BANK DEPOSITORY SERVICES FOR LAKE LAND  
COLLEGE DISTRICT 517**

Lake Land College District 517 invites proposals from qualified banking institutions with home offices or branch facilities within the District of Lake Land College and a branch or location within 25 miles of the main campus located in Mattoon, IL, who possess the capability and expertise to provide bank depository services and various other banking services for the College. The proposed agreement with the selected entity will be for a five-year period, with a provision for a five-year continuation under the same terms and conditions of the contract, at the sole option of the College. Proposals must be submitted in accordance with the conditions outlined in this Request for Proposals (“RFP”).

Proposals will be accepted until 2:00 P.M. (Central), Wednesday August 28, 2019.  
Please see response instructions below:

Submit one (1) printed proposal with original signatures. The printed documents must include the proposal as well as the exhibit documents included in this Request for Proposal.

Whether by mail, FedEx, UPS, courier, or personal delivery, please send the sealed proposal and exhibit documents to the following:

Lake Land College District 517  
Attention: Bryan Gleckler, Vice President of Business Services  
5001 Lake Land Boulevard  
Mattoon, IL 61938

The sealed envelope must be clearly marked: **RFP: Bank Depository Services**

All mailed, couriered or delivered submissions must reach this address on or before 2:00 P.M. (Central), Wednesday August 28, 2019. The College shall not be responsible for late delivery of a proposal under any condition. Late proposals will not be accepted, and will be returned unopened, regardless of postmark or date of origin.

## SUMMARY OF KEY DATES

- Date of Request:** July 16, 2019
- RFP Reference:** **Bank Depository Services**
- Item Description:** Lake Land College District 517 is accepting proposals from qualified banking institutions to provide bank depository services as set forth in the RFP.
- Question Period:** Monday, July 22, 2019, through Friday, August 2, 2019 by 4:00 p.m. (Central)
- All inquiries must be received via e-mail during this period. Emails must be sent to: [mbailey1292@lakelandcollege.edu](mailto:mbailey1292@lakelandcollege.edu).
- College's responses to requests and submissions of questions will be sent electronically as an addenda after the question period has ended.
- Pre-RFP Conference:** August 7, 2019 at 2:00 p.m. (Central) at Lake Land College in Webb Hall, Room 081. A maximum of 3 attendees per financial institution will be permitted to attend. Attendance is not mandatory but highly encouraged. It is also recommended that a copy of the RFP is obtained and reviewed prior to attending the Pre-RFP conference.
- Open Date:** August 28, 2019 at 2:00 p.m. (Central)
- Evaluation Period:** Upon review and evaluation of the proposals submitted, the College may develop a short list of candidates and invite selected respondents to participate in an interview and presentation process the week of September 16<sup>th</sup>, 2019.
- Vendor selection will be approved by the Vice President for Business Services and presented to the College Board at the October 14, 2019 board meeting for final approval.

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Bank Depository Services**

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**Selection Criteria**

The following criteria will be used by the College Administration to evaluate the proposals and to make a recommendation to the Board of Trustees.

1. Ability to meet the requirements of the requested RFP.
2. Lowest aggregate banking services cost, consistent with ability to provide an appropriate level of service.
3. Additional services not specified in the RFP which provide a significant benefit to the College.
4. Qualified depository for public funds in accordance with Illinois law.
5. Proposals will be accepted only from financial institutions that have at least a physical branch located in proximity to the College's main campus. Proximity to the bank provides convenience to the College and its students in making deposits and in instances when it is necessary to conduct business on the bank premises.
6. Must be a Federal depository for withholding and Social Security taxes.
7. Provide positive pay services. This service will include the matching of the payee name, check number and amount to assure accuracy prior to process checks. Any discrepancies must be made available to the College each morning for review and approval/refusal by 11:00 am of the same day.
8. Must have quality online services.

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**Introduction and Background Information**

1. Lake Land College (hereinafter referred to as “College”) is requesting proposals for Bank Depository Services that accommodate the College’s general banking requirements. The College will evaluate all base proposals and will award a contract which, in the sole opinion of the College, will result in the best interests of the College and its students being served. The College reserves the right to not award a contract if deemed to be in the best interest of the College.
2. The proposed agreement with the selected entity will be for a five-year period, with a provision for a five-year continuation under the same terms and conditions of the contract, at the sole option of the College.
3. The College is an Illinois Public Community College. The College’s district includes all or portions of the following fifteen counties: Christian, Clark, Clay, Coles, Crawford, Cumberland, Douglas, Edgar, Effingham, Fayette, Jasper, Macon, Montgomery, Moultrie and Shelby
4. The College is a unit of local government governed by a publicly elected seven member Board of Trustees (Board). In addition, a student trustee is elected annually to act in an advisory voting capacity to the Board. The College operates under the Illinois Public Community College Act and other relevant State of Illinois statutes. The executive officers of the College are the President, Vice President for Student Services, Vice President for Academics, Vice President for Workforce Development and Vice President for Business Services.
5. The College uses Ellucian for its financial accounting software. Ellucian provides maintenance and software support for the college’s computer system. More information on the Ellucian computer system can be found at [www.ellucian.com](http://www.ellucian.com).
6. The purpose of this RFP document and the resultant contract is as follows:
  - 6.1 To provide the College with the most efficient and cost effective combination of banking services to facilitate the daily financial activity required by the College in the business world.
  - 6.2 To maximize the College’s investment income on daily cash balances.
  - 6.3 To comply with statutory bidding requirements.
  - 6.4 To offer banking institutions and other financial institutions the opportunity to do business with the College on a competitive basis.

7 The anticipated time frame for this project is as follows:

Tuesday July 16, 2019	Electronic Mailing of Proposal/Posting in newspapers and on College website
July 22 – August 2, 2019	Electronic Submission of Questions
Wednesday, August 7, 2019	Pre-Bid Conference (Attendance not Mandatory)
Wednesday, August 21, 2019	Addenda to RFP Issued Electronically
Wednesday, August 28, 2019	Proposals Due
September 16 – 20, 2019	Interviews
Tuesday October 16, 2019	Notification of Award

- 8 The “Mandatory Pricing Section” reflects information pertaining to the College’s banking requirements for the 2020 fiscal year. The College anticipates, but cannot guarantee, that its future banking requirements will be similar. Please note the College’s fiscal year runs from July 1 through June 30.
- 9 Although an attempt has been made to provide accurate and up-to-date information, the College does not warrant or represent that the background information provided herein reflects all relationships or existing conditions related to this Request for Proposal.
- 10 In order to ensure competitiveness, the College shall consider its investment alternatives separately from cash management services related to this proposal.
- 11 All proposals submitted must be valid for a minimum period of ninety (90) days after the submission deadline. Respondents may withdraw or modify a proposal if notice of the withdrawal or modification is received by the Vice President of Business of Services before the latest time specified for receipt of proposals. Withdrawal of a proposal after the deadline for receipt of proposals will not be permitted. However, in those cases where, in the sole judgment of the College, based on clear and demonstrable evidence, the proposing bank has made a bona fide error in the preparation of the proposal and such error will result in substantial loss to the bank, an exception may be made.

A written request, signed by a duly authorized primary bank representative, must be submitted to withdraw or modify a proposal.

Negligence on the part of the bank in preparing its proposal confers no right of withdrawal or modification of the proposal after the deadline for receipt of proposals.

- 12 No advantages shall be taken by either party of manifest clerical errors or omissions in the specifications. All banks are requested to notify the Comptroller immediately of any errors or omissions that may be encountered.
- 13 After the RFPs have been reviewed, interviews will be conducted with the three finalists.
- 14 Proposals will not be accepted after the scheduled deadline for receipt of proposals.
- 15 The College reserves the right to reject any and all proposals if said proposals are deemed to be unsuitable in the sole judgment of the College.
- 16 In the event the bank desires the College sign contract agreement documents in addition to the contract established in accordance with the Request for Proposal document, it is the bank's responsibility and at their legal expense to ensure such contract agreements do not contain language which contradicts terms and conditions contained in the RFP.
- 17 Responses are due no later than 2:00 p.m. (Central), Wednesday August 28, 2019.

Banks must submit their proposal and/or attachments to the following address:

Whether by mail, FedEx, UPS, courier or personal delivery, please send the sealed proposal and exhibit documents to the following:

Lake Land College District 517  
Attention: Bryan Gleckler, Vice President of Business Services  
5001 Lake Land Boulevard  
Mattoon, IL 61938

In a sealed envelope clearly marked: **RFP: Bank Depository Services**

Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the bank's risk to assure delivery at the designated office by the designated time. Late proposals will not be opened and will be returned to the bank or destroyed if requested.

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**Scope of Work – College Banking**

1. As specified in the notice of award of contract, the banking institution (bank) shall provide banking services in accordance with the terms and conditions specified herein. The bank must be chartered under existing Federal or State of Illinois laws, be a member of the FDIC or FSLIC and agree to revise the contract as required by changes in law.
2. Daily Cash Balances
  - 2.1 The bank must collateralize the College's cash balances with obligations of the character prescribed by Board Policy 10.15 – Banking, Investments and Checking (Attachment 1). The College's cash balances are not to be withdrawn without prior authorization of the College.
    - 2.1.1 The market value of pledged securities must be equal to one hundred ten percent of the actual amount of the daily balance less the amount of the insurance provided by an agency of the federal government.
    - 2.1.2 Collateralized obligations must be held by a third party.
    - 2.1.3 The bank must provide the College with a monthly report summarizing the market value of all securities pledged to the College.
    - 2.1.4 The bank must provide the College with a means of verifying the market values of the securities as required by the College's external auditors.
  - 2.2 The bank must provide the College with a collateralized repurchase agreement to invest daily available cash balances.
  - 2.3 In no case shall the interest rate paid to the College on any of its accounts be less than the published rate paid to other depositors of the bank for deposits of a similar type and maturity.
    - 2.3.1 If requested by the College, the bank must provide a listing of published rates including rates for long-term certificates of deposit, jumbo certificates of deposit and money market deposits.



2.4 The bank must provide the College with the following accounts:

- 2.4.1 **Working Cash** – The primary depository and payable account for the College.
- 2.4.2 **Payroll** – Used for all payroll disbursements, including regular paychecks, direct deposit transfers and other payroll tax payments, which is funded by the other operating accounts.
- 2.4.3 **Flexible Spending** - Used for all Flex Spending Account deposits and payments and also the Health Savings Account activity (employee withholdings as well as the college match)
- 2.4.4 **Credit Card Cash** - Used for all credit card deposits of the College as well as the fees associated with the acceptance of credit cards
- 2.4.5 **Health Insurance** - Used for the payment of all health insurance claims.
- 2.4.6 **Federal Funds** – Used for the deposit of all Federal loan payments for students.
- 2.4.7 **Foundation Working Cash** - The primary depository and payable account for the Foundation.
- 2.4.8 **Foundation Credit Card Cash** - Used for all credit card deposits of the Foundation as well as the fees associated with the acceptance of credit cards

### 3. Daily Banking Services

- 3.1 The bank must provide payment on checks and other debits issued by the College subject to restrictions regarding authorized signers and maximum dollar amounts.
  - 3.1.1 The College will provide the bank with the authorized signer via the bank’s signature card process.
  - 3.1.2 College checks contain a clause which states “void 90 days from date of issuance”. Therefore, the bank must not negotiate or pay on any College check after 90 days from the original issue date.
- 3.2 The bank must post all items that are presented by the College before 2:00 p.m. to the College’s ledger account balance the same day such items are

presented. The items must be posted to the College's collected balance as soon as banking regulations allow.

- 3.2.1 The bank must provide the College with imprinted deposit slips at no additional charge.
  - 3.2.2 The bank must clear out-of-town, out-of-state, foreign and non-encoded checks deposited by the College on a timely and accurate basis.
  - 3.2.3 The bank must not hold any checks submitted for deposit longer than three business days prior to posting without prior notification to the Comptroller.
  - 3.2.4 The bank must process all returned items in an accurate and timely manner. Returned items must be presented twice and if returned a second time, promptly charged against the College's operating account. These items must then be delivered to the College.
- 3.3 The bank must process the College's incoming and outgoing wire transfers. The bank's submission must address the following:
- 3.3.1 Describe your wire process.
  - 3.3.2 What provisions are in place to allow a priority wire transfer requiring special handling and immediate release? Is there an additional charge for this service?
  - 3.3.3 Can ACH payments be initiated through the wire transfer initiation screens?
  - 3.3.4 At what point does the bank assume legal liability for executing a wire transfer? How is that event identified?
  - 3.3.5 What is the bank's policy in the event of a wire transfer failure for which receipt of instructions has been confirmed to the customer?
  - 3.3.6 How and when is the customer notified of a wire transfer that is rejected by the receiving bank?
- 3.4 The bank must process the College's ACH debits and credits. The bank's submission must address the following:

- 3.4.1 What procedure does the bank use to verify accurate and secure receipt of all types of ACH transmission methods? Describe each available method.
  - 3.4.2 What controls are in place to protect against lost files and duplication of transmissions? How and when is the customer notified of a duplicate file?
  - 3.4.3 Does the bank provide automatic file receipt acknowledgements? If so, how? What information is included in the acknowledgement?
  - 3.4.4 For differences noted during the confirmation process, how is the customer notified?
  - 3.4.5 Specify encryption requirements for FTP transmitted files.
  - 3.4.6 What back up procedures are available should our standard delivery mechanism fail?
  - 3.4.7 What are the bank's recommendations regarding pre-notifications for the service being requested?
- 3.5 The bank must provide for electronic direct deposit of payroll and accounts payable checks. The bank's submission must address the following:
- 3.5.1 What is the bank's procedure for receiving electronic payroll data?
  - 3.5.2 What are the transmission deadlines for direct deposit files? When (day and time) does the bank need the file from the College, and when specifically are funds debited from the College's account?
  - 3.5.3 What are the bank's back-up plans for data transmission? The College requires immediate notification of any changes or problems and the ability to re-send a file or delete a file.
  - 3.5.4 What screening measures does the bank use to minimize errors on files sent to you - i.e., prenotes, etc.?

#### 4. Other Banking Services

- 4.1 The bank must provide the following services to the College at no additional charge:

- 4.1.1 Safe deposit box to be utilized for off-site storage of Computer Backups and Board Materials. The Vice President of Business Services along with the President's office will need access to the safe deposit box.

## 5. Treasury Management Service

- 5.1 The bank must provide the College with a personal computer based applications software program or internet based program which allows authorized employees to access daily (previous day activity) the College's bank accounts "on line".

- 5.1.1 If the bank uses a PC based software program instead of an internet based program, the bank must install the PC based software program and provide training sessions for authorized employees.

- 5.1.2 The PC based software program/internet based program must allow the College's authorized employees to perform, at a minimum, the following:

1. review the detail activity in each of the College's accounts;
2. obtain the ending daily cash balances in each of the College's accounts;
3. perform a check search to verify whether a certain check has cleared or not;
4. process outgoing wire or ACH transfers and transfers between the College's accounts;
5. process all payroll and accounts payable ACH reversals; and
6. obtain the College's bank statements electronically.

- 5.2 The bank must provide the College with the necessary ACH and EFT services which allow the College to transfer funds to, and accept funds from, bank accounts owned by other individuals or organizations.

## 6. Reporting Services

- 6.1 For all College accounts, the bank must provide a statement dated the last day of each month. Bank statements should be available on-line or through electronic transmission no later than the 5<sup>th</sup> day of the next month. All of the College's deposits, withdrawals and daily balances must be listed on each statement for the period covered.

- 6.1.1 The bank must provide an uploadable check register file compatible with the college accounting software for bank

reconciliation purposes at no cost to the College. The list must contain the following data for each canceled check:

1. account number
2. check number
3. check amount
4. payees first and last name

6.1.2 The bank must occasionally provide the College with photocopies of individual deposit slips. The photocopies must be provided within three business days after the request is made. The bank must keep the College's deposit slips and canceled checks on file for five (5) years from the date of issue.

6.1.3 The bank must provide the College with access to image copies of all the canceled checks by an acceptable electronic means on a frequency to be agreed upon by the College and the financial institution, but in no event less than annually.

6.1.4 The bank must provide a separate detailed list of bank charges for each of the College's accounts each month (i.e. account analysis form). Any discrepancies on the account analysis form must be researched by the bank and, if necessary, be corrected by the bank.

6.1.5 The bank must provide a description of their electronic reconciliation features, if any.

7. The bank must provide the College with the necessary training, support and technical assistance required to implement and carry out the terms of the contract.
8. Provide remote capture of the College's deposits.
9. Provide positive pay services. This service will include the matching of the payee name, check number and amount to assure accuracy prior to processing of the checks. Any discrepancies must be made available to the College each morning for review and approval/refusal by 11:00 am of the same day.
10. Provide an ACH fraud filter feature.
11. The bank must be able to provide services for establishing trust accounts for joint projects with the Illinois Capital Development Board or for other purposes.

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**Additional Services- Not Required Under Scope of Work**

The following services are not required under scope of work as part of the banking services proposal, but would provide additional benefits to the College should the College choose to implement any of these items.

1. Provide credit card processing services. The College currently processes approximately \$3,000,000 bank card charges annually. The College accepts VISA, MasterCard, and Discover credit card payments for tuition payments using a third party processor.
2. Provide banking services for interested College Students, should they need it. Please state the terms of such.

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**General Contractual Requirements**

This portion of the RFP pertains to the bank selected for final contract award.

1. The contract shall not bind, nor purport to bind, the College for any contractual commitment in excess of the original contract.
2. All percentages and prices shall be as indicated on the Pricing Page of this document, or as specifically provided for by this document. The College shall not pay nor be liable for any other costs. The bank shall not be allowed any additional compensation for any matter which the bank might have fully informed itself of prior to the closing date of the RFP.
  - 2.1 Payment for all goods and services required herein shall be made in arrears. The bank must submit a properly itemized monthly statement.
  - 2.2 In the event the scope of work is revised by the College, additional compensation shall be considered and negotiated at that time.
3. The bank shall fully coordinate its activities in the performance of the contract with those of the College. As the work of the bank progresses, advice and information on matters covered by the contract shall be made available by the bank to the College throughout the effective period of the contract.
4. In accordance with all applicable provisions of the Compiled Statutes of the State of Illinois, no official or employee of the College or its governing body and no other public official of the College who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the scope of work covered by the contract shall voluntarily acquire any personal interest, directly or indirectly, in the contract.
5. The bank shall, within 10 calendar days after the award of the contract, submit a written notification to the College of the name, title, address, and telephone number of one (1) individual within its organization as a duly authorized representative to whom all correspondence, official notices and requests related to the bank's performance under the contract shall be addressed.
6. The bank must accept the jurisdiction of the Circuit Court of Coles County.

7. The bank shall indemnify, defend and hold harmless the Board of Trustees of the College, as well as the College's officers, agents, and employees, from and against all claims, loss or expenses from any cause of action arising from or incidental to the bank's performance of the contractual requirements herein. The bank agrees to reimburse the College for any such loss, damage or claim, including its attorney's fees. The bank agrees to have in effect, throughout the duration of the contract, liability insurance coverage of the bank for its acts, failure to act, or negligence, arising out of or caused by the activity which is the subject of the contract, in the sum of not less than three hundred thousand dollars (\$300,000) per each person and not less than two million dollars (\$2,000,000) per occurrence. Evidence of insurance coverage must be submitted to the College upon request.
8. The bank shall not be responsible for any injury or damage occurring as a result of any negligent act or omission committed by the College, including its Board, agencies, employees and assigns.
9. The bank shall disclose any bank officers or board members that are officers of the College or serve on the Lake Land College Board of Trustees.
10. Inasmuch as under the contract the bank may acquire confidential information, the bank agrees to use such information only for the sole benefit of the College and to keep confidential such information, as well as all information developed in the conduct of the work contracted for including information disclosed by the College to the bank or any other person engaged in the contracted work.
11. In connection with services provided under the contract, the bank agrees to comply with the Fair Labor Standards Act, Fair Employment Practices, Equal Opportunity Act, the Illinois Human Rights Act, and all other applicable federal and state laws, regulations and executive orders to the extent that the same may be applicable.



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**Bank's Information**

This section pertains to any bank wishing to be afforded an opportunity to submit a proposal.

1. Proposals must be completed, signed, and returned (with all necessary attachments) to the Vice President of Business Services by the closing date and time specified on the RFP Summary.
2. **EVALUATION PROCESS:** The award of a contract resulting from the RFP shall be based on the best proposal received in accordance with the following evaluation criteria. As stated in the Introduction and Background Information section, the College will evaluate all base and alternate proposals received and will award the proposal which, in the sole opinion of the College, will result in the best interests of the College being served.
3. **COST:** Cost shall be evaluated based upon the firm, fixed prices indicated by the bank on the Pricing Page. The bank shall not be entitled to any other form of payment not specifically provided for by this document.
4. **EXPERIENCE AND RELIABILITY OF THE BANK:** Experience and reliability of the bank will be considered in the evaluation process. Therefore, the bank is advised to submit any information which documents successful and reliable experience in past performances, especially those performances related to activities similar to the requirements of the RFP.
  - 4.1 The bank should submit at least three (3) references. Each reference should include organization name, contact person with respective e-mail address, title, telephone number and address. In addition, the bank should provide a brief description of services performed for the references.
  - 4.2 The bank is advised to submit any information which documents successful and reliable experience in past performances similar in nature to the requirements specified in this document.
  - 4.3 The bank should submit proof of certification with appropriate explanations that all RFP requirements can be fulfilled should the bank be awarded a contract.
  - 4.4 The bank should identify key measures of its financial strength (e.g., capital ratios, market capitalization, total assets). Provide the annual report for the previous two completed fiscal years and the most recent call report.

- 4.5 The bank is encouraged to describe any services which are not listed and may benefit the College.
  - 4.6 The bank should include any innovative programs or services that differentiate your institution from other banking institutions that may be responding to this RFP.
  - 4.7 The bank should provide ratings for the organization and/or holding company if applicable, from two of the following agencies: Standard & Poor's, Moody's, Fitch, Sheshunoff, or Luce.
  - 4.8 The bank should provide the organization's web-site address.
  - 4.9 The bank should provide the names, titles, phone and fax numbers, e-mail addresses and brief biographies of bank personnel who will have ongoing responsibility for servicing this account. Include professional designations and treasury association involvement. Describe the role of each person listed in the relationship with the College.
5. **PROPOSED METHOD OF PERFORMANCE:** The bank should present a written narrative which demonstrates the method or manner by which the bank proposes to satisfy the requirements of the RFP. **At a minimum**, the bank should address all items listed below (items 5.1-5.4), which are applicable to the proposal. To facilitate evaluation of the proposals, it is **highly desirable** that each proposal be organized to respond to each paragraph of the Scope of Work, utilizing the same numbering arrangement for each item. If the bank is providing any of the additional services listed on page 14 of this proposal, these items should be addressed as well including a narrative on how the services will be satisfied and any costs involved to provide such services. In addition, the pages in each proposal should be numbered.
- 5.1 The proposed personal computer based applications software program or the proposed internet based program that allows in-house access to the College's bank accounts. (Refer to Section 5 in the Scope of Work – College Banking section.)
  - 5.2 The proposed method for processing ACH and EFT transactions.
  - 5.3 The proposed training and technical assistance that will be provided to implement the terms of the contract.
  - 5.4 The proposed positive pay procedures that will be provided.

6. After an initial screening process, the College reserves the right to contact the bank to clarify and verify its proposal and to develop a comprehensive assessment of the proposal.
7. The attached Terms and Conditions, Request for Proposal, are hereby incorporated. Bank's terms and conditions which conflict with this RFP document and/or the attached Terms and Conditions could result in rejection of the proposal.

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**Mandatory Pricing Page**

The bank must complete, sign, and return this Pricing Page as part of its base proposal. In addition, if the bank wishes to propose additional services, the bank must include all prices connected with the additional services with its proposal.

**1. Banking Requirements**

(Col 1)	(Col 2)	(Col 3)	(Col 4)	(Col 5)
Item		Average	Firm Fixed	Estimated Annual
No.	Banking Service	Monthly	Unit Price	Charge Based on
		Volume		Average Volume
1	<b><u>Depository Services</u></b>			
1.1	Deposits	31		
1.2	Local Items deposited	200		
1.4	Deposit items returned	1		
1.5	Other – (specify)			
2	<b><u>General ACH Services</u></b>			
2.1	Incoming ACH credits	90		
2.2	Incoming ACH debits	20		
2.3	Outgoing ACH debits	10		
2.4	Outgoing ACH credits	2,000		
2.5	Other (Specify)			
3	<b><u>Wire Transfer</u></b>			
3.1	ELEC Wire Out-Domestic	1		
3.2	Incoming Domestic Wire	2		
3.3	Other (Specify)			
4	<b><u>Disbursements</u></b>			
4.1	Checks Paid	1,500		
4.2	Stop Pays	1		
4.3	Other – (Specify)			
5	<b><u>Information / Reconciliation</u></b>			
5.1	Account Maintenance Fee	1		
5.2	Online Banking Fee	1		
5.3	File Transmission Fee	1		
5.4	Online Banking Setup Fee			
5.5	Other – (Specify)			
6	<b><u>Other</u></b> – (Specify)			

**2. Interest Earnings Rates**

2.1 The bank must state the current interest earnings rate based on the opening Fed Funds Rate listed by Bankrate.com, which will be utilized to pay interest on “collected” balances:

\_\_\_\_\_ % as of August 27, 2019

By signature below, I hereby attest that the prices on this pricing page are stated in accordance with the terms and conditions of the RFP.

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Bank Name

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**Terms and Conditions**

**THE FOLLOWING GENERAL TERMS AND CONDITIONS ARE MANDATORY AND THEREFORE ARE NOT NEGOTIABLE.**

**EXTERNAL LAW**

If there is any conflict between the provisions of this Contract and any legal obligations or affirmative action requirements imposed on the College by federal or state law, such legal obligations or affirmative action requirements thus imposed shall be controlling.

**BANK COSTS**

All costs incurred by banks associated with the preparation, submission, presentation and demonstration of proposals, and attendance at meetings, including but not limited to, costs related to transportation, meals, lodging, and other related expenses, will be the sole responsibility of the bank(s) and will not, under any circumstances, be reimbursed by the College.

**REQUEST FOR PROPOSAL AS CONTRACT**

The specifications and provisions included in this Request for Proposal shall, along with the successful Bank's response, constitute the full and complete contract.

**HOLD HARMLESS AGREEMENT**

The bank agrees to indemnify and hold harmless the Board of Trustees of John A. Logan College, its members, officers, agents, and employees from and against any and all claims, demands, actions, complaints, suits, or other forms of liability, (monetary or otherwise), including, but not limited to attorney fees, court costs and interest that shall arise out of any injury, illness, or death of any person or persons, or damages to property caused or alleged to have occurred in connection with performance required of the bank. In the event any sales or use tax is assessed with respect to sales under the established agreement, the bank shall hold the College harmless against any liability with respect to any such assessments and against all costs and expenses related thereto.

**ERRORS AND OMISSIONS**

All proposals shall be submitted with each question properly completed. No claim for relief because of errors or omissions in the RFP will be considered. Banks will be held strictly to the proposals as submitted.

Should a bank find any discrepancies in, or omissions from, any of the documents, or be in doubt as to their meanings, they shall advise the Director of Purchasing and Auxiliary Services by 12:00 Noon, April 20, 2015, who, in turn, will issue the necessary clarifications to all prospective banks by means of addendum.

**FIRM QUOTE**

All proposals will be considered firm offers for contract.

**WITHDRAWAL OF PROPOSALS**

Proposals may be withdrawn by letter, e-mail, or in person prior to the time and date established for the close of proposal acceptance.

**SIGNATURE CONSTITUTES ACCEPTANCE**

The signing of these proposal forms shall be construed as acceptance of all provisions contained herein.

**ASSIGNMENT**

The contract entered into hereunder shall not be, in whole or in any part, assigned or transferred directly or indirectly, nor shall any portion be sublet without the prior written approval of the College.

**FEDERAL STATUTES, REGULATIONS AND/OR RULINGS REGARDING EMPLOYMENT**

The bank shall comply with all local, state, and federal ordinances, laws, and regulations pertaining to the operation specified herein. It shall be the obligation of the bank to apply for, pay for, and obtain all permits and licenses as required by the various agencies.

**AMENDMENT**

The terms, conditions, rates, and provisions of this contract may be amended by mutual written agreement of both parties.

**CONTRACTOR EMPLOYEES**

Any and all employees of the bank, while engaged in the performance of any work or services required by the bank under these specifications shall not be considered employees of the College.

**CONTRACT ENFORCEMENT**

In the event of an uncured default, any and all attorney's fees and court costs incurred in the enforcing of this contract will be borne by the defaulting party.

**GOVERNING LAW**

Any contract negotiated as a result of this RFP will be governed by the laws of the State of Illinois. The successful bank shall at all times observe and comply with Federal, State of Illinois and local laws, ordinances, orders and regulations existing at the time of or enacted subsequent to the execution of a contract which in any manner affects the bank's ability to perform contractual requirements.

**RELATIONSHIPS**

The relationship of the bank to the College shall be that of an independent contractor. The College shall have no direct control over employees of the bank.

**Lake Land College  
Request for Proposal  
Bank Depository Services**

**Legal Specifications**

**DEFINITIONS**

This Request for Proposal shall incorporate the following definitions:

**The College**--The terms "Lake Land College", or "College" shall mean the Board of Trustees of Public Community College District No. 517, operating as Lake Land College, as established pursuant to Illinois Revised Statutes, Chapter 122, and its members and authorized management representatives.

**Bank**--The term "Bank" shall mean the firms, corporations or persons submitting proposals based on these specifications and attendant documents.

**Request for Proposal**--The terms "Request for Proposal" and "RFP" shall mean this document and associated addenda.

**Fiscal year** – shall mean the twelve calendar months, beginning July 1st of each year and ending with June 30th of the succeeding year. The bank's year-to-date reports will coincide with the College's fiscal year.

**EXTERNAL LAW**

If there is any conflict between the provisions of this Contract and any legal obligations or affirmative action requirements imposed on the College by federal or state law, such legal obligations or affirmative action requirements thus imposed shall be controlling.



**Lake Land College  
Request for Proposal  
Bank Depository Services**

Contract for Banking Services

The contract shall consist of the contents of this Request for Proposal – Bank Depository Services in its entirety when signed by authorized representatives of both Lake Land College, hereinafter referred to as the “College” and the successful bank, hereinafter referred to as the “Bank”. By signing and submitting this bid, the Bank is offering to provide the specified services to the College under the terms and conditions contained in this RFP.

The Bank must include all applicable documents such as, but not limited to, contracts and agreements to be signed by the College. The College retains the right to include these documents in the evaluation of the proposal and to reject any offer where they are in conflict with the College’s specifications, terms or conditions of the contract.

The undersigned Bank agrees to all terms and conditions as set forth in this proposal and further certifies that it is not barred from contracting with any unit of State or local government as a result of a violation of either Section 33E-3 or 33E-4 of 720 ILCS 5/33E-1 et seq.:

**BANK**

**COLLEGE**

\_\_\_\_\_  
(Bank Name)

Lake Land College

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed name/title)

\_\_\_\_\_  
(Printed name/title)

\_\_\_\_\_  
(Bank address)

5001 Lake Land Boulevard

\_\_\_\_\_  
(Bank city/state/zip code)

Mattoon, IL 61938

**PLEASE NOTE: FAILURE TO SIGN ABOVE SHALL RESULT IN THE  
AUTOMATIC REJECTION OF THE PROPOSAL.**

## **Banking, Investments, and Checking**

### Introduction

It is the policy of the Board of Trustees of Community College District No. 517, Lake Land College, to prudently invest all College funds not required for immediate use in accordance with the “Illinois Public Community College Act”,<sup>1</sup> the “Public Funds Investment Act,” and the *Fiscal Management Manual* promulgated by the Illinois Community College Board.

The Board of Trustees shall annually, by resolution, authorize the College Treasurer to invest College funds not required for immediate operational needs. The Board shall receive a quarterly report of all College investments.

The investment of College funds shall include current operating funds, special funds, interest and sinking funds (except bond escrow funds dedicated to retirement of outstanding bonded indebtedness), and any other funds belonging to or in the custody of Lake Land College, including all restricted and non-restricted funds.

The investment of College funds shall be in accordance with the following guidelines or principles:

1. Except as otherwise provided, all investments of College funds will be placed with or through financial institutions authorized to conduct business in Illinois and located within the legally constituted boundaries of Community College District No. 517.
2. When it is deemed to be in the best interest of the College and alternative sources of investment within the District are not available at comparable yields or rates of interest, the College Treasurer may

be authorized to invest College funds in or through financial institutions located outside the District and/or in the Illinois Funds. The College Treasurer shall report to the Board of Trustees at the next regularly scheduled meeting any such investment of College funds placed in an out-of-district financial institution and the specific reasons or justifications therefor.

3. All in-district commercial banks and savings and loans authorized to conduct business in Illinois may be designated as depositories for purposes of this policy.
4. The College Treasurer may solicit competitive bid quotations from financial institutions located within the district. Such quotations may be received by telephone, subject to written confirmation prior to any placement of funds, or by sealed bid quotations following a solicited or advertised request for proposals. All quotations received shall include the applicable investment yield or annual equivalent interest rate for the term of investment specified by the College Treasurer.
5. Funds shall be invested by the College Treasurer based upon the most favorable quoted rate of return or investment yield for each term specified, unless otherwise authorized and approved by the Board of Trustees.

#### Procedures for Investment of Funds

1. Scope.

This investment procedure applies to all funds of Community College District No. 517. These funds are accounted for in the College's annual financial report and include all current funds and any other funds that may be created from time to time. All transactions involving the funds and related activity of any funds shall be administered in accordance with the provisions of this procedure and the canons of the "prudent investor rule."<sup>2</sup>

2. Objectives.

- A. Safety of Principal – Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. To attain this objective, only appropriate investment instruments will be purchased, and insurance or collateral may be required to ensure the return of principal.
- B. Liquidity – The College’s investment portfolio shall be structured in such manner as to provide sufficient liquidity to pay obligations as they come due.
- C. Return on Investments – The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio, and legal restrictions for return on investments.
- D. Maintaining the Public’s Trust – The College Treasurer shall act responsibly as custodian of the public trust and shall avoid any transaction that might impair public confidence in Lake Land College, the Board of Trustees, or the College Treasurer.

3. Investment Instruments.

The College may invest in any type of security allowed by the Public Funds Investment Act of the State of Illinois as may be amended from time to time. These investments may include but are not limited to the following:

- A. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued by the United States of America, its agencies and allowable instruments;
- B. Interest-bearing savings accounts, interest-bearing certificates of deposit, or interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;

- C. Certificates of deposit with federally insured institutions that are 100% collateralized or insured in excess of the \$250,000 provided by the Federal Deposit Insurance Corporation coverage limit;
- D. Collateralized repurchase agreements which conform to the requirements stated in the Public Funds Investment Act;
- E. Commercial paper meeting the following requirements:
  - (1) The corporation must be organized in the United States.
  - (2) The corporation's assets must exceed \$500,000,000.
  - (3) The obligations at the time of purchase must be rated within the three highest classifications by at least two of the four standard rating services.
  - (4) The obligations cannot have a maturity longer than 3 years.
  - (5) Not more than 33% of the total investment fund can be invested in commercial paper at any time.
  - (6) The total investment in any one corporation cannot exceed 10% of the corporation's outstanding obligations.
  - (7) The total investment in any one corporation cannot exceed more than 10% of the total portfolio value or more than \$20 million, the lesser of the two.
- F. The Illinois Public Treasurer's Investment Pool;
- G. Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph "A" of this subsection and to agreements to repurchase such obligations;

H. In addition to all other investments authorized under this section, a community college district may invest public funds in any mutual funds that invest primarily in corporate investment grade or global government short-term bonds. Purchases of mutual funds that invest primarily in global government short-term bonds shall be limited to funds with assets of at least \$100 million and that are rated at the time of purchase as one of the ten highest classifications established by a recognized rating service. Fund assets may hold an allocation of not more than 25% in foreign government bonds. In addition, the College has established the following criteria for any mutual fund investments:

- (1) Performance Measurement (Absolute Returns) – To help ensure that the College has investments that have above-average performance versus their peer group, the investment manager analyzes the overall performance of the investment choices for the most recent 3-, 5- and 10-year periods and compares them to returns of a similar group of investments.
- (2) Performance Measurement (Risk-Adjusted Returns) – To help ensure that the College has investments that provide appropriate returns for the amount of risk associated with the investment choice, the investment manager analyzes the overall performance of the investment choices for the most recent 3-, 5- and 10-year Sharpe ratio versus their respective peer groups. The higher the Sharpe Ratio, the better the investment's historical risk-adjusted performance.
- (3) Style Consistency, Investment Process and Portfolio Composition – To help ensure that the College has investments that maintain its principal investment strategy as represented by an index relevant to the investment, the investment manager analyzes the portfolio as compared to a performance variation

(measured in percentage terms). The investment manager also monitors the investments to ensure that the investment process has not changed to ensure consistency and repeatable results.

- (4) Management Tenure and Organization – To help ensure continued effective leadership and direction of the investment, the investment manager monitors any changes in portfolio management and also any changes to the structure of the ownership of the investment. Should any changes occur, the investment manager will then determine the overall impact of the change and decide what further action should take place.
- (5) Fees and Expenses – To ensure that the College is paying reasonable fees and expenses, the investment manager monitors each investment choice’s expense ratio and determines whether it is competitive, given the investment choice’s investment style, asset class and role in the portfolio.

- I. Investment products that are considered as derivatives are especially excluded from approved investments.

Investments may be made only in those savings banks or savings and loan associations in which the shares, or investment certificates, are insured by the Federal Deposit Insurance Corporation (FDIC).

#### 4. Diversification.

It is the policy of Lake Land College to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over-concentration in a specific maturity, issuer, or class of securities. Diversification strategies shall be determined and revised periodically by the College Treasurer. The diversification shall be as follows:

- A. Up to 100% of Sections 3.A. and 3.G. under “Procedures for Investment of Funds” but not less than 10%. For purposes of diversification, mutual funds investing primarily in these investments will also count towards the investment guidelines.
  - B. Up to 90% of Sections 3.B., 3.C., and 3.H. under “Procedures for Investment of Funds.”
  - C. Up to 33% of Sections 3.D., 3.E. and 3.F. under “Procedures for Investment of Funds.”
5. Collateralization.
- A. It is the policy of Lake Land College to require that investments in excess of FDIC insurable limits be secured 100% by collateral or private insurance to protect public funds in a financial institution if it were to default.
  - B. Eligible collateral instruments are any investment instruments acceptable under ILCS 235. The collateral must be placed in safekeeping at or before the time the College buys the investments so that it is evident that the purchase of the investment is predicated on the securing of collateral.
  - C. Safekeeping of Collateral:
    - (1) Third-party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations:
      - a. A Federal Reserve Bank or its branch office.
      - b. Another custodial facility in a trust or safekeeping department through book-entry at the Federal Reserve.
      - c. By an escrow agent of the pledging institution.



- d. By the trust department of the issuing bank.
  - (2) Safekeeping will be documented to Lake Land College in an approved written agreement that complies with FDIC regulations. This may be in the form of a safekeeping agreement.
  - (3) Substitution or exchange of securities held in safekeeping for the College can be approved exclusively by the College Treasurer provided the market value of the replacement securities is equal to or greater than the market value of the securities being replaced.
6. Safekeeping of Securities.
- A. Third-party safekeeping is required for all securities and commercial paper. To accomplish this, the securities can be held at the following locations:
    - (1) A Federal Reserve Bank or its branch office.
    - (2) Another custodial facility – generally in a trust or safekeeping department through book-entry at the Federal Reserve unless physical securities are involved.
    - (3) In an insured account at a primary reporting dealer.
    - (4) In an account in the College’s name at an established broker-dealer who is a member of a recognized U. S. Securities and Exchange Commission self-regulatory organization, such as the New York Stock Exchange, National Association of Securities Dealers, or the Municipal Securities Rule-Making Board.
  - B. Safekeeping will be documented by a Board of Trustees approved written agreement. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

- C. Original certificates of deposit will be held by the originating bank. A safekeeping receipt will be acceptable documentation.
7. Qualified Financial Institutions and Intermediaries.
- A. Depositories – Demand.
    - (1) Any in-district financial institution selected by the College shall provide normal banking services, including but not limited to: checking accounts, wire transfers, and safekeeping services.
    - (2) The College will not maintain funds in any in-district financial institution that is not a member of the FDIC system or as provided by the Public Investment Act. In addition, the College will not maintain funds in any institution not willing nor capable of posting required collateral for funds or purchasing private insurance in excess of FDIC insurable limits.
    - (3) To qualify as a depository, an in-district financial institution must furnish the College Treasurer with copies of the latest two statements of condition which it is required to furnish to the Comptroller of the Currency as the case may be. While acting as a depository, an in-district financial institution must continue to furnish such statements to the College Treasurer within 45 days of the end of each quarter.
    - (4) Fees for banking services shall be mutually agreed to by an authorized representative of the depository bank and the College Treasurer on an annual basis. Fees for services shall be substantiated by a monthly account analysis.
    - (5) All financial institutions acting as a depository for the College must enter into a “Depository Agreement.”

**B. Banks and Savings and Loans – Certificates of Deposit.**

Any financial institution selected to be eligible for the College's competitive certificate of deposit purchase program must meet the following requirements:

- (1) Shall provide wire transfer and certificate of deposit safekeeping services.
- (2) Shall be a member of the FDIC system and shall be willing and capable of posting required collateral or private insurance for funds in excess of FDIC insurable limits.
- (3) Shall have met the financial criteria as established in the investment procedures of the College.

**C. Intermediaries.**

Any financial intermediary selected to be eligible for the College's competitive investment program must meet the following requirements:

- (1) Shall provide wire transfer and deposit safekeeping services.
- (2) Shall be a member of a recognized U. S. Securities and Exchange Commission Self-Regulatory Organization such as the New York Stock Exchange, National Association of Securities Dealers, or the Municipal Securities Rule Making Board.
- (3) Shall provide an annual audit upon request.
- (4) Shall have an office of Supervisory Jurisdiction with the State of Illinois and be licensed to conduct business in this state.

- (5) Shall be familiar with the Board of Trustees' policy and accept financial responsibility for any investment not appropriate according to the policy.

8. Management Program.

- A. The College Treasurer is authorized to purchase and sell investments, authorize wire transfers, authorize the release of pledged collateral, and execute any documents required under this procedure. These documents include:
  - (1) Wire Transfer Agreement.
  - (2) Depository Agreement.
  - (3) Safekeeping Agreement.
  - (4) Custody Agreement.
- B. Management responsibility for the investment program is hereby delegated to the College Treasurer, who shall establish a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions of employees of the entity. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions, check signing, check reconciliation, deposits, bond payments, report preparation, and wire transfers. No person may engage in any investment transaction except as provided for under the terms of this policy. The College Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.
- C. The wording of agreements necessary to fulfill the investment policy is the responsibility of the College Treasurer, who shall periodically review these agreements for their consistency with

College policy and State law, and who shall be assisted in this function by the College legal counsel and auditors. These agreements include but are not limited to:

- (1) Wire Transfer Agreement.
- (2) Depository Agreement.
- (3) Safekeeping Agreement.
- (4) Custody Agreement.

D. The College Treasurer may use financial intermediaries, brokers, and/or in-district financial institutions to solicit bids for securities and certificates of deposit.

9. Performance.

The College Treasurer will seek to earn a rate of return appropriate for the type of investments being managed given the portfolio objectives defined in "Procedures for Investment of Funds," Section 2, of this document for all funds. In general, the College Treasurer will strive to earn an average rate of return equal to or greater than the U. S. Treasury Bill rate for a given period of time for the College's average weighted maturity.

10. Ethics and Conflicts of Interest.

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

11. Indemnification.

Investment officers and employees of Lake Land College acting in accordance with this investment policy and written operational

procedures as have been or may be established and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market changes.

12. Reporting.

The College Treasurer shall submit to the Board of Trustees and the College President a quarterly investment report, which shall include information regarding securities in the portfolio by class or type, book value, income earned, and market values as of the report date. Generally accepted accounting principles shall be used for valuation purposes. The report shall indicate any areas of policy concern and planned revision of investment strategies.

13. Amendment.

This procedure shall be reviewed from time to time by the College Treasurer with regard to the procedure's effectiveness in meeting the College's need for safety, liquidity, rate of return, diversification, and general performance. Any substantive changes will be reported to the Board of Trustees.

Checking Account Depository

The Treasurer of Community College District No. 517, Lake Land College, shall see that College monies needed to meet current demands are under "Procedures for Investment of Funds," Section 7.A., of this policy.

Internally, all funds from clubs, organizations, divisions or departments, farm accounts, fund-raising activities, or all other funds raised in the name of the College must be deposited with the College through the Business Office. Such monies shall be deposited in the College's Trust and Agency Fund and placed by the College into the authorized depository. Expenditures of such funds shall be initiated through a properly executed purchase order presented to the Business Office by the appropriate club, organization, etc.

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<sup>1</sup> ILCS 805/3-47 Illinois Public Community College Act

<sup>2</sup> 760 ILCS 5/5 Illinois Public Community College Act

Adopted November 9, 1999  
Revised December 13, 1999  
Revised July 11, 2011  
Revised December 12, 2011  
Revised December 10, 2012  
Revised June 9, 2014  
Revised November 12, 2018

**Lake Land College  
First Mid-Illinois Bank & Trust  
Bank Accounts**

<u>Account Name</u>	<u>Avg. Balance</u>
Working Cash Fund	\$2,000,000
Fed Funds	\$75,000
Payroll Cash	\$200,000
Credit Card Account	\$200,000
Flexible Spending	\$40,000
Health Insurance	\$200,000