



HEALTH RESEARCH
I N C O R P O R A T E D

RFP# HRI RPD – 2018-01

Request for Proposals
for
Banking Services

Proposals Due Date: August 24, 2018 by 5:00 pm EST

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I. Introduction

A. Objective

Heath Research Incorporated (“HRI”), a nonprofit corporation, is seeking competitive proposals for various financial institution services. It is the preference of HRI to seek a partnership with a financial institution that maintains a local presence in Buffalo, NY. HRI’s goal is to receive accurate, timely depository and account maintenance services, provide security of assets, utilize modern electronic and automated banking options, and provide accessibility to our employees and customers. It is important that all of these goals are accomplished at the lowest reasonable cost.

B. Instructions

1. Responses to this request should be submitted in a sealed envelope and mailed or delivered to the following address:

Health Research Incorporated
Attn: Cristin Priester
Elm & Carlton Streets
Buffalo, New York 14263

2. The cost proposal portion (“Cost Form”) of the bid response should be prepared following the template provided in Exhibit I. Supporting material may be submitted and is encouraged; however the decision in selecting the most responsive proposal will be based on the completeness of the information provided as detailed in the attached template (see Exhibit I)
3. Detailed below is the schedule for the proposals process. Any proposals submitted after the stated “Proposal Submission Date” will not be considered.

Distribution of Requests for Proposal –	August 3, 2018
Proposal Submission Date -	August 24, 2018 5pm EST
Presentation Notification -	August 31, 2018
Presentations -	September 14, 2018 – 28, 2018
Committee Review -	October 5, 2018
Committee Approval -	October 31, 2018
Notification to all proposers on selected financial institution -	November 5, 2018
Implementation Period -	March - April, 2019

4. General Information to be provided by the financial institution

- a. Provide current ratings for the financial institution from each of the following agencies, if rating the institution: Fitch Ratings Ltd., Moody's Investors Service, and Standards & Poor's.
- b. Provide one copy of the financial institutions most current audited annual report and Form 10-K with the SEC. The annual report should contain at least three years comparative financial data.
- c. Provide one copy of the financial institute's most current quarterly report and Form 10-Q filed with the SEC.
- d. Describe your internal controls and procedures to protect account information including details on physical security controls and information/ cyber security capabilities.
- e. Provide detailed information on historical data breaches effecting the financial institution and the response to these types of attacks.
- f. Describe the process performed when fraudulent checks and/or unauthorized access to account numbers and account information occurs.
- g. Provide detailed disaster recovery and contingency plan in the event that the financial institutions operating system is down for an extended period of time.
- h. The proposal should also include, if any, copies of all agreements needed in accordance with the provision of services to a nonprofit organization. These will be reviewed and approved by Health Research Incorporated legal counsel.
- i. Clearly describe any services that are provided by third parties, identify the parties providing the service. Detail vendor management protocols specific to the third parties listed.
- j. Provide a detailed listing of business account products, associated account fees, and earnings credits.
- k. Provide a list of references including any nonprofit organizations that have similar volume and complexity.

1. Provide a list of branch locations nearest to the address listed below:

Elm & Carltons Streets
Buffalo, NY 14263

5. Health Research Incorporated strongly encourages proposals in accordance with the specifications outlined herein. However, alternate proposals may be entertained to the extent that they clearly provide for reduced costs of administrative efforts or contribute to improved service delivery. Responses should include a baseline submission that confirms to the formats and requirements of this Request for Proposal. Alternatives to the baseline proposals should be clearly identified and include complete cost information. Only one proposal per financial institution is allowed.

C. Evaluation

1. Proposal Evaluation Process

The selection process will be based on the response to the request for proposal. A committee comprised of members from the Accounting and Finance departments of Health Research Incorporated and Roswell Park Cancer Institute will evaluate responses surrounding price, quality and range of service offerings. Some of the factors evaluated during the process will include: unit costs, institutes financial information, references from other nonprofit clients, branch locations, the nature of services, and current and past performance.

Proposals will be evaluated in order to select the financial institution which rate highest according to the criteria listed below. Health Research Incorporated reserves the right to request interviews and/or demonstrations in addition to the submitted proposal response.

Health Research Incorporated reserves the right to negotiate with any of the highest scoring proposals in an attempt to reach a suitable agreement.

2. Evaluation Criteria

Proposals will be evaluated based on their relative responsiveness to the criteria listed below. Items listed below are in order of importance.

Criteria

- 1). Financial

- Competitive pricing and fees
 - Financial stability
 - Financial condition compared to peers
- 2). Services
- Customer service support programs, approach, and philosophy including customer complaint management programs
 - Innovative products and services to include custom reporting capabilities and electronic product specifications
 - Contingency and disaster recovery plans including technology disruption management
 - Information security and cyber security capabilities
 - Physical security to maintain enhance confidentiality
 - Reliance on subcontractors and/or third party vendors for provided services and vendor management protocols
- 3). Experience
- Qualifications, experience, and specialization of assigned personnel
 - Relationship – current
 - Recent Community Reinvestment Act (CRA) rating
 - Better Business Bureau rating
 - Recent negative news
 - Agency ratings
- 4). REP Response
- Implementation and timeline
 - Response completeness and adherence to qualifications
- 5). References
- References
- 6). Local and NYS Vendor
- Local and NYS Vendor

D. Terms and Conditions

Reservation of Rights

Health Research Incorporated reserves the right to reject any or all proposals and to waive any irregularities or informalities in any proposals or in the proposal process. In the event that no proposal substantially satisfies the specified requirements as presented in the Request for Proposal, Health Research Incorporated reserves the right to initiate a new Request for Proposal, or to negotiate required services with the financial institution that in judgement of Health Research Incorporated offer the most acceptable service package.

Modifications and Amendments

All proposals are legal and binding. Submitted proposals should be signed by an individual authorized.

Health Research Incorporated reserves the right to renegotiate with the financial institution such additions, deletions or changes as may be necessitated by law or changed circumstances. In no event will Health Research Incorporated allow the financial institution to modify or alter its proposal after the submission deadline.

The above provision will not prevent Health Research Incorporated from seeking clarification from prospective financial institutions as necessary during the evaluation process.

E. Responsibility of Financial Institution

Declarations within this document regarding volume of banking transactions or other statistics are provided as a best estimate. These estimates are based on available information and are intended to provide information to assist vendors in the evaluation and preparation of proposals for Health Research Incorporated. Health Research Incorporated does not represent that these estimates are minimum or maximum volumes. However, Health Research Incorporated anticipates, but does not guarantee, the account activity and volume will increase.

Declarations representing the total number of accounts are a best estimate based on current and anticipated future needs. Health Research Incorporated does not represent that the account needs detailed herein will remain stable.

It is the responsibility of the financial institution to examine all information and specifications contained within this document. Failure to secure and review this Request for Proposal, or any misrepresentation thereof, will in no way relieve the financial institution of any obligations under its proposal.

Health Research Incorporated assumes no cost of the proposers for the preparation of this proposal.

II. Scope of Financial Institution Services

A. Accounts Included

1. Main Operating Account
2. Zero Balance Account
3. Payroll Account
4. Unipay Account
5. Money Market Account

B. Account Structure

1. Main Operating Account

Activity in this account is comprised of daily deposits of both cash and checks. The account will be subject to intra-bank transfers, credit card deposits, automated clearing house (ACH) transactions and wire activity.

2. Zero Balance Account

Disbursements for HRI's accounts payable will flow through this account, with money transferred from the main operating account.

3. Payroll Account

Payroll direct deposit and payroll checks will be disbursed from this account.

4. Unipay Account

This account is set up for CassLogic deductions of freight charges. Funds are transferred based upon employee usage.

5. Money Market Account

This account is set up to hold funds in an interest bearing account that are a required reserve.

C. Availability of Funds

Deposits will be made as needed by an employee of Health Research Incorporated at a branch location or by electronic means.

Awarded financial institution agrees to credit HRIs accounts for selected items according to the following schedule:

1. Incoming wire transfers processed are expected to result in same day credit to the account.
2. All other checks will be based on the awarded financial institution's "availability schedule". Any changes to the schedule should be provided in writing to the Director of Accounting and Finance at Health Research Incorporated. Health Research Incorporated reserves the right to periodically audit the awarded financial institution's compliance with the existing "availability schedule".

In the event of the awarded financial institution's failure to comply with the availability of funds instructions as detailed above, the awarded financial institution is expected to assume responsibility for any losses or incurred costs.

D. Online Banking and Reporting

The awarded financial institution will be required to provide Health Research Incorporated with its available internet banking that shall have the following minimum capabilities. Access to the internet banking by multiple organization personnel should be included with the pricing structure.

1. State of the art encryption, security and password protection.

2. Definable, sortable period viewing and reporting with statement-level detail.
3. Detailed transaction and balance report showing previous day detailed balances. This report should be accessible for 30 prior business days
4. Intra-day position report providing up to the minute recap of available account balances, incoming and outgoing wire transfers, and ACH activity effective that day.
5. National Automated Clearinghouse Association (NACHA) batch file upload, verification, approval, and reporting.
6. Return reporting listing all check and ACH return items for the previous day by account.
7. Positive pay exception report listing all checks and/or ACH items that are not included in the positive pay data transmission. Authorized personnel from Health Research Incorporated should be able to accept or deny these items online.
8. Stop payment services online from authorized personnel. As part of this service authorized personnel should be able to inquire online to determine if a specific check has been cashed.
9. Access imaged copies of checks online.
10. Item searching, especially but not limited to cleared checks, with imaging and printing capabilities for at least 90 days of history.
11. Provide the ability to initiate a wire and ACH.
12. Provide ability to transfer funds online between two or more accounts maintained with the financial institution.
13. System should have the ability to structure an approval hierarchy.

In the event that online services are down, an acceptable backup method via telephone or fax for each on-line requirement listed herein should be provided.

E. Wire Transfers

Authorized personnel should be able to process incoming and outgoing wire transfers verbally (via telephone) and online. Wire transfers should be processed in real time as requested by the authorized personnel if instructions are received by the financial institution official deadline. All incoming wires processed are expected to result in same day credit to the account.

F. ACH Transactions

Health Research Incorporated requires the ability to furnish direct deposit of employees' checks to their designated checking or savings account according to the ACH rules.

In addition, Health Research Incorporated will initiate ACH transactions from its main operating account. These transactions should be processed through the online banking.

Health Research Incorporated also allows a few select vendors to initiate an automatic withdrawal from its main operating account. The vendors that can process these transactions are limited both by vendor and dollar amount. These limitations must be placed on the account. Any transaction that is not processed by an approved vendor or exceeds the dollar threshold must be communicated to authorized personnel for proper processing.

G. Account Reconciliation

Health Research Incorporated will provide its own account reconciliation services with specific item assistance from the awarded financial institution to clear up discrepancies that may occur. The awarded should provide, at minimum:

1. Statement and detail reporting and capabilities with period and sort choices as part of the awarded financial institution's online banking as detailed above.
2. Access to images of checks cleared within the last 90 days as part of the online software detailed above.

H. Statement and Advice Frequency

1. The cut-off date for statement purposes will be the last business day of each calendar month
2. Statements should be received within 5 business days following the cut-off date
3. Statements should also be available for print from the on-line banking site
4. The awarded financial shall furnish each month one (1) hard copy statement and a one csv or excel file with download capabilities for upload to HRI's general ledger
5. Archiving capabilities for cancelled check

I. Reports

On a monthly basis, Health Research Incorporated will require a cleared check report. The report must be formatted for upload into HRI's main operating system for record keeping.

From time to time Health Research Incorporated may require customized reporting of banking activity that can be exported to a csv or excel file.

J. Designated Account Executive

Health Research Incorporated requests that the proposing financial institution provide the names of a designated account executive, as well as an alternate. The designated account executives must have the authority to make timely decisions in the normal course of business.

Résumés must be provided for all key account executives designated to service this account.

K. Other Financial Institution Services and Conditions

Earnings credits are desired for cumulative collected balances in all accounts and must be combined to offset monthly fees. The proposal should include the earnings credit rate and calculation method.

It is not the intent of Health Research Incorporated to overdraw any account. In the event that the account is overdrawn, an explanation of the awarded financial institute's overdraft process and fees should be included.

No debit or credit memos required to adjust error caused by the awarded financial institution will be charged to HRI. All financial institution errors must be corrected within three (3) business days of notification by Health Research Incorporated, and be listed separately from any other transactions.

It is preferred that the awarded financial institution supplies the following at no cost to Health Research Incorporated:

1. Coin wrappers
2. Deposit bags
3. Duplicate deposit slips
4. Remote capture device
5. Associated banking supplies

Types of banking supplies, availability and costs should be included in the proposal.

HRI will print its own numbered checks through existing software.

The awarded financial institution should provide a monthly analysis and detailed rates describing the charges incurred for financial institution services. Health Research Incorporated requests the capability of paying for these services via several options. This includes: compensating balances, direct payment, or other methods deemed appropriate. HRI prefers to have the option to select one or a combination of payment methods.

Health Research Incorporated requests the financial institution offer flexibility to incorporate into the payment plan certain other financial, collection processing or related fees that may arise from required new services.

L. Check Cashing

A number of Health Research Incorporated employees are foreign nationals, residents from outside our area and do not have a bank account. As a result, Health Research Incorporated will require the awarded financial institution to cash any payroll or accounts payable checks drafted to a Health Research Incorporated employee free of charge, provided the employee presents adequate proof of employment and identification.

M. Remote Capture

Currently, Health Research Incorporated does not utilize remote capture depository services. HRI requests that depository imaging be an offering of the awarded financial institution. It is requested that the awarded financial institution offer site imaging that can be easily managed through an online cash management system. Proposals should detail the awarded financial institution's capabilities in this area, specifying the following: available scanning equipment and equipment maintenance, transfer procedures, batching and security, deadlines for same day credit of deposit, liability for fraudulent deposit items, the clearing and availability timeframes of images, and archival features available to the user.

N. Positive Pay

Provide positive pay options (both checks and ACH) for all disbursement accounts. The awarded financial institution must have the capability of receiving an electronic transmission. Exception reporting and communication must be provided through online banking services.

In the proposal, provide the following information regarding positive pay:

1. Include an overall description of the financial institution's positive pay services including file layout and transmission process
2. Is the service same day or next day?
3. Is it applied at the teller line?
4. Explain how a manually issued check is added to the positive pay file.
5. Explain how voided checks are handled in reference to the positive pay file.
6. Indicate any limit on the volume of positive pay exceptions that your systems can handle.
7. State whether a dollar threshold can be applied to the default disposition (i.e. return all checks over \$10,000).
8. Do you offer positive pay with check amount?
9. Do you offer positive pay with payee name or customer reference field (i.e. invoice number) or both?

Exhibits

Exhibit I

Cost Form

Volumes listed here in were averaged or estimated from HRI current financial institution analysis statements. Unlisted or zero volume may indicate transactions did not occur.

Service	Avg. Monthly Volume	Bank Bid Cost	Comments
ACH adjustment reject	-		
ACH Credit Received	69		
ACH Debit Received	89		
ACH Electronic Transmission - Item	2,966		
ACH same day origination surcharge	-		
AZBA-Trans. Fee	50		
BIB Stop Payment Charge	1		
Book Transfer Credit	-		
Check Block Monthly Maintenance	1		
Checks Processed	1,476		
Control Disbursement Same Day Detail	1,338		
Controlled Disbursement - Mo.Maint	1		
Currency Deposited Handling Fee	-		
Customer Service Funds Transfer	-		
Deposit Correction - Adjustment	-		
Deposit Insurance @ \$.12 / \$1,000	2,343		
Deposit Items Returned	-		
Deposits Processed	19		
Direct Deposit HSBC Trans Fee	13		
Direct Deposit Monthly Charge	1		
Direct Deposit Non-HSBC Fee	2,953		
Disb CD ROM Monthly Maint	2		
Disbursement CD ROM Fee	1		
Disbursement CD ROM Per Item	1,514		
electronic payment rejects	-		
EPA Authorization Set-up Manual	1		
EPA Monthly Maintenance	2		
Fedwire Receive Repair	-		
Fedwire Receive St	3		
FLU Per File Fee Simple Files	2		
HSBC Net Inter-Co St Local Bk TFR	5		

Service	Monthly Volume	Financial Institution Bid Cost	Comments
HSBCNet - Maintenance Fee	1		
HSBCNet ACH HSBC Items	14		
HSBCNet ACH Non-HSBC Items	14		
HSBCNet Book Credit	5		
HSBCNet Wire Repair Book	-		
HSBCNet Wire Repair Chips Qualife	-		
HSBCNet Wire Repair Chips Unqual	-		
HSBCNet/Repair/Fedwire Send	-		
HSBCNet/St/Book Debit	3		
HSBCNet/St/Chips Qual	2		
HSBCNet/St/Chips Unqual	-		
HSBCNet/ST/Fedwire Send	-		
ICL Deposit	19		
ICL Per Item, on US	5		
ICL Transit Item	200		
Image Retrieval - HSBCNet Extended	10		
Image Retrieval - HSBCNet Standard	23		
Miscellaneous Credits	3		
Miscellaneous Debits	3		
Monthly Maintenance	5		
Non-Encoded - Canadian	-		
Non-Encoded - ON-US	-		
Pos Pay-Returned Decision Checks	-		
Positive Pay - Paid No Issue Items	9		
Positive Pay Email Alerts	2		
Positive Pay, Per Item	2,038		
Positive Pay - Mo. Maint. Fee	2		
Qual/Chips Receive	5		
Recurring ACH Notification of CHNG	12		
Resubmit of Deposited Item Returnee	-		
RET Item SPEC INSTR - Maintenance	1		
Return Items Phone Advice	-		
Returned ACH	1		
Stop Payment Charge	-		
Teller Deposits Processed	-		
Unencoded - Transit	-		
Unqual/Chips Receive	-		
Vault Deposit - Currency	-		
Zero Balance Acct-Mo Maint	1		