

REQUEST FOR PROPOSAL

**Banking Services for
ARVAC, Inc.**

**Corporate Office
227 SR 333
Russellville, AR 72802
479-219-5292**

RFP # 22-1130

Must be received by **12:00 pm CST, January 17, 2023**

**This date is modified - original due date 12:00pm on
November 23, 2022**

ARVAC, Inc. invites proposals in accordance with the requirements of this solicitation, which are contained herein. Please review all pages carefully to assure clear understanding.

Proposals are to be submitted to the ARVAC, Inc., Corporate Office no later than 12:00 p.m. C.S.T., November 23, 2022, at which time respondents to this request will be publicly identified and proposals will be reviewed.

Questions concerning this solicitation should be referred to Pete Gauger, Chief Fiscal Officer, at 479-461-7389 or via email at pgauger@arvacinc.org information. All questions need to be submitted by Friday, November 11, 2022. The answers will be posted in the form of an addendum to the RFP on Thursday November 17, 2022 on the ARVAC website: www.arvacinc.org.

Acceptance of a request for proposal issued by ARVAC, Inc., as indicated by submission of a proposal by responder, will bind responder to the terms and conditions herein set forth, except as specifically qualified in any addendum issued in connection therewith. Any alleged oral agreement or arrangement made by a responder with any agency or any employee of ARVAC, Inc. will be disregarded.

This solicitation does not commit ARVAC, Inc. to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods or services. ARVAC, Inc. reserves the right to accept or reject any or all proposals received as a result of this request or to cancel in part or in its entirety this proposal if it is deemed in the best interest of ARVAC, Inc. to do so.

Only commercial banks that are licensed by the State of Arkansas or the Controller of Currency for the State of Arkansas may submit proposals. Deposits must be insured by the Federal Deposit Insurance Corporation. Additionally, the bank must have a full-service office located within 10 miles of ARVAC, Inc. Corporate location at 227 SR 333, Russellville, AR 72802, and must have a principal relationship officer for ARVAC, Inc. The RFP response should include a list of all branches in the State of Arkansas. The financial institution must state the authority of the principal relationship officer and how they will interact with agency officials to solve problems that may arise from time to time.

1. INTRODUCTION. ARVAC, Inc. (“ARVAC, Inc.”) is issuing this Request for Proposal (“RFP”) for banking services including Operating, Agency, Wire and ACH, Payroll Accounts and any other accounts ancillary to the agency operations.

2. TERM. The required services are to commence July 1, 2023, but could be delayed up to 6 months, shall continue in force for an initial period of five (5) years upon mutual agreement in writing, with the option to extend for two one-year extensions, in accordance with the original terms of the contract.

3. STANDARD OF PERFORMANCE. The Vendor shall perform according to the terms and conditions as stated herein, and according to the highest standards and commercial practices of providing banking services. Instances of poor performance by the Vendor will be documented and submitted to the Vendor for immediate review and corrective action. Continued poor performance will be deemed a breach of the specifications of the RFP and shall be grounds for immediate termination of the contract. A review meeting will be held between the Vendor and ARVAC, Inc. when documented instances of poor performance occur and a plan for corrective action agreeable to both parties will be drafted and implemented. ARVAC, Inc. retains the absolute right to assess whether and when performance is subsequently acceptable.

4. TERMINATION AND ASSIGNMENT. The contract awarded in response to this RFP may be terminated by either party by giving the other not less than 180 days written notice of intent to terminate as of the date specified. If the contract is terminated for any reason the Vendor must continue operation until ARVAC, Inc. is able to secure continued operations; provided this period shall not exceed six (6) months from the effective date of termination.

The contract will not be assignable without prior written consent of ARVAC, Inc. and the Vendor. Any attempted assignment without such consent shall be void and of no effect.

If the Vendor receiving the award for the contract is subsequently purchased by another Vendor, this will be considered an act of assignment and ARVAC, Inc. will have the option to accept the assignment or terminate the contract with 180 days written notice. The assignment Vendor must offer same or equivalent services as contract stipulates.

5. CONTRACT ADMINISTRATOR/INQUIRIES. The contract administrator and liaison for all matters concerning this contract is Pete Gauger, Chief Fiscal Officer. Inquiries related to the RFP should be directed to Mr. Gauger in sufficient time to allow a reply to all prospective proposers prior to opening date. Any clarification given to a prospective proposer will be furnished in writing to all prospective proposers as an amendment, if such information modifies these specifications or is deemed to be necessary for responding to this RFP.

6. OPENING DATE. Sealed, written, competitive proposals will be received until **12:00 p.m. C.S.T. in the ARVAC, Inc. Corporate Office on November 23, 2022, at 227 SR 333, Russellville, AR 72802.** Vendors who choose to submit their proposal via mail are cautioned that proposals must reach the ARVAC, Inc. Corporate Office by this designated date and time. All proposals must be executed by an authorized officer of the proposer and must be held firm for acceptance for a minimum period of 90 days after the opening date. Proposers are cautioned that only written information contained in the RFP (including amendments) is to be relied upon in preparation of a proposal. **The proposer is required to submit email copy of the proposal, and one original, and one electronic copy on USB to 227 SR 333, Russellville, AR, 72802 with RFP 22-1130 in the subject line.**

7. FORMAL PRESENTATIONS. ARVAC, Inc. reserves the right to require proposers to make a formal presentation to an evaluation committee. Presentations will be limited to no more than one hour.

8. PROPOSAL FORMAT. Each proposer must submit their proposal with all required information outlined in this RFP. Proposer may also propose alternatives to ARVAC, Inc. as additions to the base proposal. Such additional offerings should be clearly identified. ARVAC, Inc. prefers proposers respond to this RFP using the titles and sequence numbers specified herein for reference.

9. AWARD. ARVAC, Inc. reserves the right to reject any or all proposals, or any portion thereof, and readvertise if deemed necessary. Awards will be made to the proposer whose proposal conforms to the RFP and, in the sole judgement of ARVAC, Inc., will be the most advantageous to ARVAC, Inc.

10. CONTRACT GOVERNANCE AND INDEMNIFICATION. The contract will incorporate the contents of the RFP as well as any negotiated terms and conditions.

The Vendor shall indemnify and hold harmless ARVAC, Inc., its officers, and its employees from all claims, suits, actions, damages, and costs of every nature and description arising out of or resulting from the contract or the provision of services thereunder.

ARVAC, Inc. will cooperate with the Vendor in the defense of any action or claim brought against the Vendor seeking damages or relief for any loss, expense, damage,

liability, claim, or demand either at law or in equity for actual or alleged injuries to persons or property arising from any negligent act or omission by ARVAC, Inc. or its employees or agents in performance of this contract. ARVAC, Inc. also will cooperate in good faith with the Vendor should the Vendor present any claims of the aforementioned nature against ARVAC, Inc. to the Arkansas State Claims Commission and will make reasonable effort to expedite any hearing or other action before the Commission. However, ARVAC, Inc. reserves the right to assert in good faith any and all claims and defenses available to it in any such proceedings before the Commission or other appropriate forum.

Additionally:

A. A party wishing to contract with ARVAC, Inc. must:

1. Remove any language from its contract that grants remedies other than:
 - The right to possession.
 - The right to accrued payment.
2. Include in its contract language specifying that the laws of the State of Arkansas govern the contract.
3. Acknowledge in writing that contracts with ARVAC, Inc. become effective when awarded.

11. COST FOR PROPOSAL PREPARATION. ARVAC, Inc. will not reimburse any proposer's costs incurred in the preparation and submission of proposals.

12. ACKNOWLEDGEMENT OF AMENDMENTS. Proposers are responsible for checking the ARVAC, Inc. website for amendments: www.arvacinc.org

13. FURTHER INFORMATION. Proposers are cautioned that ARVAC, Inc. is not obligated to ask for or accept after the opening date, data which is essential for a

complete and thorough evaluation of the proposal. However, should ARVAC, Inc. request additional information, either written or oral, the Vendor must provide. Refusal to honor such requests may result in rejection of the proposal. ARVAC, Inc. may award a contract based on initial submissions without any further discussion of such proposals. Accordingly, each proposal should be submitted in the most favorable and complete terms possible.

14. PROPRIETARY INFORMATION. Proposals and documents pertaining to this RFP become the property of ARVAC, Inc. and shall be open to public inspection following the proposal opening, excluding proprietary information as exempted by law. Proprietary information submitted in response to this RFP must be separately packaged, sealed, and clearly labeled “PROPRIETARY”. Financial data, trade secrets, test data, and similar proprietary information will, to the extent permitted by law, remain confidential provided such material is clearly so marked by the proposer prior to submission.

15. EXAMINATION OF RECORDS. The Vendor agrees that ARVAC, Inc. or its duly authorized representatives shall at any time during the term of this contract have access to, and the right to audit and examine any pertinent records of the Vendor related to this contract. The Vendor shall retain such records for a period of no less than five (5) years from the date the records are made, unless ARVAC, Inc. authorizes earlier disposition. The Vendor agrees to refund to ARVAC, Inc. any underpayments or overcharges disclosed by audit or to take other acceptable corrective action.

16. PERMITS AND LICENSES. The Vendor will obtain and maintain at its expense, and in its name, all necessary licenses and permits required to perform the services described herein.

17. REQUIRED VENDOR INFORMATION AND SUCCESSFUL VENDOR’S RESPONSIBILITIES.

Vendors submitting a response to this RFP must provide the following supplemental information:

1. A minimum of three (3) references for which the Vendor has provided banking services similar in scope and complexity to those sought herein by ARVAC, Inc.
2. Copies of independently audited financial statements for its most recent two (2) fiscal years. Additionally, copies of any regulatory reports containing any limitations currently imposed upon the Vendor as a result of examinations by or agreements with the Federal Deposit Insurance Corporation (FDIC), the United States Federal Reserve, the Comptroller of the Currency, or any other regulatory agency.

3. A narrative description of its current organizational structure and history.

The successful Vendor shall have the following responsibilities:

- Shall be financially responsible for obtaining all permits, licenses, and bonding requirements to comply with all applicable city, county, state, or federal laws and regulations and shall assume liability for all applicable taxes.
- Agree to comply with all federal and state laws and regulations applicable to banking agencies.
- Agree to provide ARVAC, Inc.'s designated representatives and auditors access to all records pertinent to ARVAC, Inc.'s transactions and accounts as needed and at mutually acceptable times.

18. REQUIRED SERVICES. ARVAC, Inc. requests proposals from qualified vendors for banking services encompassing the following:

ACH Debits and Credits	FedWire Debits and Credits
Daily Deposits	Returned Items Processing
Check Processing and Routing	Positive Pay Capability
Stop Payment Orders	Electronic Information Reporting
Direct Payroll and Financial Aid Deposits	Overdraft Protection
Interest Bearing Accounts/Investment Return	International Banking Services
Collateralization	After Hours Deposit Service
Exemplary Customer Service	Cost of Services
Expense Management	Credit Card Services

A. ACH Debits and Credits – ARVAC, Inc. requires the ability to initiate Automated ClearingHouse (ACH) transactions electronically. Additionally, ARVAC, Inc. requires security features that will detect and prohibit unauthorized debits against its accounts. Describe how the Vendor processes ACH transactions, how ARVAC, Inc. will receive notice of such transactions, and what products are offered by the Vendor to expedite notification to ARVAC, Inc.

B. FedWire Debits and Credits – ARVAC, Inc. requires the ability to initiate FedWire transactions electronically. Describe the steps required for ARVAC, Inc. to initiate this service. Specify the latest time ARVAC, Inc. may submit a request for same day transfer. Explain how the Vendor will notify ARVAC, Inc. when incoming wire transactions are received. Describe the product(s) offered by the Vendor to provide this type of information to ARVAC, Inc. electronically.

C. Daily Deposits – Describe how the Vendor computes or determines the availability of funds for depository accounts. Provide the Funds Availability Schedule the Vendor proposes for deposits. Specify the latest time deposits may be made to meet

the proposed Funds Availability Schedule. **ARVAC, Inc. strongly prefers same day credit for deposits made prior to 2:00 PM local time and expects flexibility in the schedule for extraordinary situations.** Describe how ARVAC, Inc. will be notified of any credit memos not initiated by ARVAC, Inc. including the documentation provided and the timeliness of such documentation. Specify how ARVAC, Inc. will be notified of deposit errors and the timeliness of such notification. **The Vendor must provide deposit slips in triplicate and in an acceptable format at no cost to ARVAC, Inc.**

D. Returned Items Processing – Describe the procedures followed in processing returned items and notifying ARVAC, Inc. of their return.

E. Check Processing and Routing – The Vendor and University will jointly establish specific formatting requirements for ARVAC, Inc.'s checks. **ARVAC, Inc. requires cancelled checks to be returned in CD ROM format.**

F. Stop Payment Orders – **ARVAC, Inc. requires the ability to initiate stop payment orders electronically.**

G. Electronic Information Reporting – The Vendor must specify what information will be provided to ARVAC, Inc. concerning the daily and monthly status of ARVAC, Inc.'s accounts. **ARVAC, Inc. requires the ability to monitor its accounts electronically and on-demand.**

H. Direct Payroll Deposits – The Vendor must describe its ability to process direct payroll deposits into Employees' accounts. The Vendor must also provide detailed information outlining the process and the specific requirements ARVAC, Inc. must meet. The Vendor should specify any limitations on its ability to access specific financial institutions by geographical location or other criteria. **ARVAC, Inc. requires the ability to initiate direct deposits electronically.**

I. Overdraft Protection – **ARVAC, Inc. requires the Vendor to provide overdraft protection on its accounts.** The Vendor must describe its policies governing overdrafts, its procedures for processing them, and what actions are required of ARVAC, Inc. if an overdraft occurs.

J. Interest Bearing Accounts/Investment Return – The Vendor must offer competitive interest rates on ARVAC, Inc.'s accounts. The Vendor must specify its policies for determining interest rates and describe its procedures for calculating interest. **ARVAC, Inc. requires an interest rate and account arrangement that will provide a high level of return on its deposits and not require frequent transfers and realignments of its investment position.**

Account Name

[105-FREEDOM HOUSE *0152](#)

[106-HEAP *0365](#)

[103-CSBG *0403](#)

[102-PAYROLL *0411](#)

[108-GENERAL FUND *5340](#)

[107-SS PAYEE *5400](#)

[101-ACCT PAYABLE *7477](#)

[104-HEAD START *6235](#)

[1350 CWY COMMUNITY C *3048](#)

- The typical total account balance is between \$2-4M.

Vendors are cautioned that these are historical accounts and ARVAC, Inc. will review and possibly adjust its cash position in response to proposed interest rates and account arrangements.

K. International Banking Services – The Vendor must have the ability to process international banking transactions and must specify its policies and procedures for processing international bank drafts and wire transfers.

L. Collateralization – ARVAC, Inc. requires **One Hundred Five Percent (105%) collateralization of its accounts.** The Vendor must pledge United States government securities as collateral and must provide safekeeping receipts to ARVAC, Inc.. The Vendor must specify in detail its policies and procedures for insuring compliance with **Rule 2012-A, Management of Cash Funds in Appendix F** insuring adequate and acceptable collateralization of ARVAC, Inc.'s accounts. The Vendor's policies and procedures must conform to the standards of the Federal Deposit Insurance Corporation (FDIC) and sound banking practices. ARVAC, Inc. reserves the right to review the Vendor's proposal on collateralization with the Arkansas Division of Legislative Audit.

M. After Hours Deposit Service – The Vendor must provide ARVAC, Inc. the ability to make deposits after normal business hours. Describe the actions required of ARVAC, Inc. and the Vendor's procedures for ensuring adequate security for these deposits.

N. Cost of Services - ARVAC, Inc. seeks and strongly prefers a cost structure whereby the Vendor provides account maintenance and most other cost-based activities for one monthly charge. Vendors proposing alternative costing structures must specify in detail the charges and fees they propose and must clearly demonstrate significant cost savings or other financial advantage to ARVAC, Inc.

O. Positive Pay Capability - The Vendor must offer positive payment security capability. The Vendor should explain in detail how this service is provided, what actions are required of ARVAC, Inc., and the costs involved.

P. Cash and Coinage Requirements – ARVAC, Inc. periodically requires cash and coinage to support its cashiering operations. Examples of when this may be required include, but are not limited to, fee collections at Head Start centers, fundraising events, and other public events. **Vendors should include in their proposal a positive assurance that these requirements will be met as needed and on a timely basis contingent upon proper notice by ARVAC, Inc.**

Q. Exemplary Customer Service – ARVAC, Inc. requires high standards of customer service. The Vendor should present its strategies for providing such service including the appointment of primary representatives to (1) address ARVAC, Inc.'s requests for service and, (2) resolve any problems in the administration of its accounts.

R. Credit Card Services – ARVAC, Inc. utilizes credit cards for procurement of goods and services. The Vendor should submit a proposal for credit card use, methods for limiting maximum expenditures for the month and per transaction, and these may vary by cardholder. In addition, the response should include potential cash back options or incentives for credit card use. Credit Card statements should be monthly and electronic access to credit card activity should be available 24-7. The Vendor should also provide methods for fraud protection,

S. Expense Management – Respondent should recommend an expense management app that works with credit card services above

19. ADDITIONAL SERVICES. ARVAC, Inc. welcomes vendor proposals on additional services or products.

In addition to the required services outlined above ARVAC, Inc. will consider and evaluate Vendor proposals to provide other services of benefit to ARVAC, Inc. as well as its customers and, employees.

20. EVALUATION AND SELECTION CRITERIA. The selection of a service provider under this contract shall be based on ARVAC, Inc.'s assessment of the Vendor's ability to provide the services enumerated in this RFP and the costs associated with providing these services. The following point scale shall be followed in evaluating proposals:

- | | |
|------------------------------------|----------------|
| A. Required Information | 0 to 5 points |
| B. Required Services | 0 to 30 points |
| D. Interest Rate/Investment Return | 0 to 25 points |
| E. Cost of Services | 0 to 35 points |
| F. Additional Services | 0 to 5 points |

CONTINUED

21. VENDOR AFFIRMATION

I, THE UNDERSIGNED DULY AUTHORIZED REPRESENTATIVE OF THE BIDDER, UNDERSTAND THAT THE BID MUST BE SIGNED BY THE BIDDER OR AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER. FURTHER, I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTAND ALL THE BID INSTRUCTIONS, SPECIFICATIONS, TERMS AND CONDITIONS (INCLUDING ALL ATTACHMENTS) AND AGREE, ON BEHALF OF MYSELF AND THE BIDDER TO BE BOUND BY THEM.

Signature _____

Date _____

Name & Title _____

Company Name & Address _____

VENDORS SHOULD SIGN AND COMPLETE THIS VERIFICATION STATEMENT AND ATTACH IT TO THEIR PROPOSAL.