

#75. TOWN OF LUNENBURG PROCEDURAL POLICY
PROCUREMENT OF BANKING SERVICES

TITLE

1. This Policy is entitled the "Procurement of Banking Services" Policy

PURPOSE

2. The Policy details the requirement to re-evaluate the procurement of banking services on a periodic basis.

PROCEDURE

3. Staff will periodically initiate competitive procurement for banking services. The process should include requests for proposals (RFP) that include services, fees, earnings, and credit rates. This review will occur every five years.
4. Contracts for banking services will specify service fees and other components of compensation.
5. Staff will establish a relationship manager who will best understand the needs of the Town and be able to provide service improvement recommendations as well as cohesive communications.
6. Staff will evaluate the relative benefits and costs of paying for services through direct fees, compensating balances, or a combination of the two. Factors to consider in this evaluation are earnings credit rate, and reserve requirements.
7. Staff will evaluate the Town's needs in comparison to the costs and benefits of specific banking services, including:
 - Electronic
 - ✓ Balance and transaction and reporting services (image access and use)
 - ✓ Stop payments
 - ✓ Payment capabilities
 - ✓ Deposit capabilities
 - ✓ Transmitted analysis and storage
 - ✓ Digitized storage of paid cheques and statements
 - ✓ Stale dated cheque management
 - ✓ Access to safekeeping/custodial information
 - ✓ Consolidated bill payment service
 - ✓ Customer's pre-authorized withdrawal for payment of accounts
 - ✓ Transfers between accounts
 - ✓ Electronic imaging of returned items

- Accounts
 - ✓ Controlled disbursement
 - ✓ Interest bearing
 - ✓ Overdraft Protection
 - ✓ Line of Credit
- Branch Service
 - ✓ Side counter service for daily bank deposits

8. Staff will consider using a Request for Information or meet with several banks prior to issuing the RFP to determine if there are any products/services available that the Town would be interested in adding. This preliminary work is necessary periodically to take advantage of changes in banking services and technology as new services become available.

Clerk's Annotation For Official Policy Book

Date of Notice to Council Members
of Intent to Consider [7 days minimum]: June 23, 2015

Date of Passage of Current Policy: July 14, 2015

I certify that this Policy was adopted by Council as indicated above.

Clerk

Date