



DEPARTMENT OF THE NAVY  
COMMANDING OFFICER  
NAVAL AIR STATION  
700 AVENGER AVENUE  
LEMOORE, CALIFORNIA 93246-5001

IN REPLY REFER TO:

5381

Ser NOOL/

0118

MAY 16 2008

Association of Military Banks of America  
Post Office Box 3335  
Warrenton, VA 20188

Dear Sir or Madam:

Subj: SOLICITATION FOR ON-SITE BANKING FACILITY

The Commanding Officer, Naval Air Station Lemoore, CA, is seeking the establishment of in-store banking services. In addition to normal financial services, the bank is to also provide Automated Teller Machine (ATM) service. The Department of the Navy (DON) will grant final approval based primarily on the evaluation of the proposals received by the Commanding Officer, Naval Air Station Lemoore. If selected, your bank will enter into a lease and operating agreement with the Government. Additionally, your bank must agree to follow the policies outlined in the Department of Defense (DoD) Directive and the DoD Financial Management Regulation (FMR). You should review these documents thoroughly prior to preparing and submitting your proposal. The DoD Directive and DoD FMR may be obtained from the Office of Financial Operations web site at:  
<http://www.fmo.navy.mil/services/financialinstitutions.htm>

The Navy's decision will be based on which financial institution offers the best overall value to the Government as provided to the military and civilian employees at the installation. In evaluating the proposals, the Navy will consider the following elements, all of which are important:

- a. Service offered
  - (1) Range
  - (2) Convenience
  - (3) Cost
- b. Long term services available to a mobile population
- c. Past performance
- d. Ability to meet all conditions set forth in the attachment In-Store Bank/Cash Office Minimum Requirements.

Specific items to be addressed in your proposal pertaining to general operating information are: schedule for opening the branch office, staffing levels for the branch office, schedule for ATM implementation, frequency of servicing ATMs, and existing locations where financial services are provided to DoD military and civilian personnel. Additionally, the proposal must address loan services, savings services, and other products and services offered. Please refer to the In-Store Bank/Cash Office Minimum Requirements enclosure for further conditions.

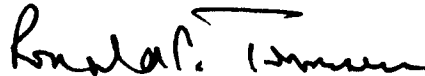
Any other information that you desire to be considered, such as information about past performance, may also be addressed in your proposal. The selected financial institution must execute an operating agreement with the installation. Please see the enclosed Appendix C of the DoD FMR for a sample operating agreement. Also, please complete the enclosed Department of the Navy Financial Institution Questionnaire and return it with your completed proposal.

Your proposal should be forwarded by 19 June 2006 to:

NEX Lemoore  
Attn: Dave Bargeon, General Manager  
Bldg. 796  
NAS Lemoore, CA 93245

Additionally, any questions should be directed to Dave Bargeon, NAS Lemoore Navy Exchange General Manager, at (559) 998-4722 ext. 4710.

Sincerely,



RONALD P. TOWNSEND  
Captain, U. S. Navy  
Commanding Officer

Enclosures: 1. Appendix C of the DoD FMR  
2. In-Store Bank/Cash Office Minimum Requirements  
3. Financial Institution Questionnaire

**DoD Financial Management Regulation**

**Volume 5, Chapter 34, Appendix C  
September 2000**

**APPENDIX C**

**SAMPLE OPERATING AGREEMENT BETWEEN MILITARY INSTALLATIONS AND  
FINANCIAL INSTITUTIONS**

*NOTE: The following operating agreement template identifies general arrangement and content. Content of the actual operating agreement may vary according to the circumstances of each installation.*

Operating Agreement Between (Name of Installation), (State or Country Installation Located) and (Name of financial Institution)

This Agreement is made and entered into this day by and between the installation commander of (name of installation) in his or her official capacity as installation commander, hereinafter referred to as the "commander" and the (name of financial institution), having its principal office at (location of home office) hereinafter referred to as the "financial institution," together hereinafter referred to as "the parties." Whereas the commander and the financial institution enter into this Operating Agreement upon the mutual consideration of the promises, covenants, and agreements hereinafter contained.

1. The parties understand and agree that this Agreement shall in no way modify, change, or alter the terms and conditions of Lease Number (number of lease) covering the use of real property described therein, and this Agreement shall continue, subject to the termination provisions herein-after set forth, during the terms of said lease and any extensions thereof. In the case of a banking institution operating a Military Banking Facility (MBF) overseas, this agreement will not change the conditions of the contract between the banking institution and the Department of Defense.

2. The financial institution agrees to operate a (federally or state) chartered office on-base in accordance with the policies and procedures set forth in DoD Directive 1000.11, "Financial Institutions on Military Installations;" and Volume

5, Chapter 34, of the DoD Financial Management Regulation as codified in the Code of Federal Regulations (CFR); and, in addition for the Overseas Military Banking Program (OMBP), the policies and procedures set forth in the applicable DoD contract. The hours of operations shall be between (*hour office opens*) and (*hour office closes*), and on the following days (*week days office open*), except on government holidays when the financial institution may be closed. The Program Office for the OMBP shall notify the commander of any changes to the DoD contract.

3. The financial institution shall provide the following services:

a. Services for Individuals

- (1) Demand (checking) account services
- (2) Cashing personal checks and government checks for accountholders
- (3) Maintaining savings accounts and (any other Interest bearing accounts)
- (4) Selling official checks, money orders, and traveler's checks
- (5) Selling and redeeming United States savings bonds
- (6) Providing direct deposit service
- (7) Loan Services
- (8) Electronic banking (i.e., automated teller machines, internet banking).

b. Services for Disbursing Officers

- (1) Furnishing cash (if the financial institution's terms for doing so is consistent with sound management practices)
- (2) Accepting deposits for credit to the Treasury General Account (where the financial institution has entered into an agreement with the Department of the Treasury).

c. Services for Nonappropriated Fund  
Instrumentalities and Private Organizations

(1) Demand (checking) account services, including wire transfers

(2) Savings accounts and nonnegotiable certificates of deposit or other interest bearing accounts offered by the banking institution

(3) Currency and coin for change.

4. Service charges shall be as follows:

a. Service for Individuals

(1) No fees shall be charged to individuals for the services listed in subparagraphs 3.a.(2), and 3.a.(5), above, except for subparagraph 3.a.(2), wherein checks drawn on other financial institutions may be treated in accordance with the financial institution's established policy. Any charge to cash a government check shall not exceed that typically charged by financial institutions in the vicinity of the installation. Fees assessed to accountholders and non-acountholders for use of automated teller machines shall be the customary service charges of the financial institution or those negotiated for base personnel per the attached schedule.

(2) Checking and savings accounts. Fees for individual checking and savings accounts shall be the customary service charges of the financial institution or those negotiated for base personnel per the attached schedule.

(3) Sale of official checks, money orders, traveler's checks and other types of financial paper. Charges for these services shall be the customary charges of the financial institution operating the on-base office.

b. Service for Disbursing Officers. No charge shall be made for the services listed in subparagraph 3.b.(2), above. Compensation to the financial institution shall be per its separate agreement with the Department of the Treasury. Charges, if any, for the services stated in subparagraph 3.b.(1) shall be as locally negotiated with the financial institution.

c. Nonappropriated Fund Instrumentalities and Private Organizations. State the charges or refer to a schedule of charges for funds and organizations that do not participate in a central banking program. For those activities participating in a central banking program, determine the compensation to the financial institution by account analysis.

5. It is agreed that the financial institution shall:

a. Notify the commander or designated representative of any proposed changes to the attached schedule of fees and services at least 30 days prior to implementation.

b. Follow the requirements in Volume 5, Chapter 34, of the DoD Financial Management Regulation, and any changes thereto.

c. Comply with Department of the Treasury requirements for establishment and operation of a Treasury General Account where the financial institution agrees to act as a depository for government funds.

d. Absolve the (*Military Service*) and its representatives of responsibility or liability for the financial operation of the financial institution; and for any loss (including losses due to criminal activity), expenses, or claims for damages arising from financial institution operations.

e. Indemnify, and hold harmless the United States from (and against) any loss, expense, claim, or demand, including attorney fees, court costs, and costs of litigation, to which the government may be subjected as a result of death, loss, destruction, or damage in connection with the use and occupancy of (*Military Service*) premises occasioned in whole or in part by officers, agents or employees of the financial institution operating an office of the financial institution.

f. Favorably respond, whenever feasible, to reasonable local command requests for lectures and printed materials to support consumer credit education programs, financial management program and newcomer's briefings.

g. Prominently post in the lobby of the financial institution the name, Duty telephone number of the (Bank or Credit Union) Liaison Officer.

h. Accept the government travel card in all on-base ATMs operated by the financial institution.

i. Abide by the installation fire protection program, including immediate correction of fire hazards noted by the installation fire inspector during periodic fire prevention inspections.

6. The commander shall provide the following space and support:

a. Space requirements for financial institution operations shall be administered in accordance with the existing outgrant (i.e., lease, permit or license). (*Show Number of Outgrant*).

b. Utilities (i.e., electricity, natural gas or fuel oil, water and sewage), heating and air conditioning, intrastation telephone service, and custodial and janitorial services to include garbage disposal and outdoor maintenance (such as grass cutting and snow removal) on a reimbursable basis.

c. DoD housing and minor dependent education in overseas locations for military banking facility (MBF) and credit union personnel in accordance with Volume 5, Chapter 34, subparagraphs 340603.A.1.c, 340603.A.1.d, 340803.B, and 340803.C of the DoD Financial Management Regulation.

7. Termination of this Agreement shall be consistent with the termination provision of the real property lease and Volume 5, Chapter 34, of the DoD Financial Management Regulation. The Secretary of the (*Military Department*) shall have the right to terminate this Agreement at any time. Any termination of the right of the financial institution to operate on the installation shall render this Agreement terminated without any applicable action by the commander.

8. Any provision of this Agreement that is contrary to or violates any laws, rules, or regulations of the United States, its agencies, or the state of (*state in which the financial institution is located*) that apply on federal installations shall be void and have no force or effect; however, both parties to this Agreement agree to notify the other party promptly of any known or suspected continuing violation of such laws, rules, or regulations.

9. So long as this Agreement remains in effect, it shall be reviewed jointly by the commander and the financial institution at least once every 5 years to ensure compatibility with current DoD issuances and to determine if any changes are required to the Agreement.

IN WITNESS WHEREOF, the commander, and the financial institution, by their duly authorized office, have hereunto set their hands this day of *(month, day, year)*

\_\_\_\_\_  
FINANCIAL INSTITUTION OFFICIAL

\_\_\_\_\_  
INSTALLATION COMMANDER

NAVY EXCHANGE SERVICE COMMAND  
IN-STORE BANK / CASH OFFICE  
MINIMUM REQUIREMENTS

1. The Bank will provide personal check-cashing services to its account holders at no charge.
2. The Bank will cash, at no charge, Navy Exchange (NEX) payroll checks and personal checks drawn against any other financial institution up to a limit of \$150 per day regardless of financial institution affiliation.
3. The Bank will sell on an exclusive basis Money Orders, Traveler's Checks, and Cashier Checks, and will provide other routine teller banking services such as selling and redeeming US Savings Bonds.
4. The Bank will provide free check cashing of US Treasury checks of active duty military personnel.
5. The Bank will provide debit/check cards to customers as well as wire transfer services to other financial institutions on behalf of the customer.
6. The Bank will provide online banking.
7. The Bank will provide 24-hour, toll-free customer support.
8. The Bank will provide Western Union telegraphic fund transfers and message services for the NEX, and the NEX will continue to receive all revenues from these transactions. The Bank will provide the Printed Summary Report to the NEX each day. The Bank will be responsible for maintaining all compliance records associated with the US Patriot Act.
9. The Bank will provide teller and support services during all operating hours of the Navy Exchange including any additional hours due to special "holiday hours" or sales events.
10. The Bank will provide cash register change funds and will provide these funds prior to the start of each business day. This necessitates manning the bank space a minimum of one hour prior to the beginning of the business day.

11. The Bank will act as a depository for authorized government agencies and concessionaires conducting business on the installations.

12. The Bank will accept daily cash drawer early turn-ins at interim periods throughout the day and will accept physical custody of all store sales bags at the end of each business day as much as one hour after the store closes.

13. The Bank will summarize deposit totals by individual cash register on the Navy Exchange Service Command (NEXCOM) Daily Cash Accountability Report (DCAR). NEXCOM will provide access to their ATS accounting system and process. The detailed process includes separating the contents of each cashier's turn-in bag, weighing the coin and currency, entering the individual checks from each register into the ATS system, and consolidating store coupons.

14. The Bank will provide the General Manager with a report of the previous day's deposits and all the supporting documentation at the beginning of each business day.

15. The Bank will assist in identifying the causes of significant variances between the cash deposits recorded by the bank and the cash receipts identified through individual store register readings.

16. The Bank will reimburse NEXCOM for losses resulting from non-compliance with existing NEXCOM policies and procedures as well as shortages attributable to their operations.

17. The Bank will accept NEXCOM customer charge account (STAR CARD) payments and post them to the customer's account.

18. The Bank will accept other miscellaneous deposits, such as Dishonored Check payments, and Accounts Receivable payments.

19. The Bank will make Petty Cash disbursements authorized in writing by local NEX management.

20. The Bank will prepare NEX store cash and check deposits and credit them to the NEX operating account.

21. The Bank will provide all equipment, material, and services necessary to modify the bank space.

22. The Bank will provide banking services to include loan applications, checking and savings accounts, and Individual Retirement Accounts (IRA) to all NEX authorized customers.

23. The Bank will provide all necessary camera and security equipment, office equipment, and furniture necessary to support its operations.

24. The Bank will provide all of the above listed services to all Navy Exchange authorized customers.

**DEPARTMENT OF THE NAVY**  
**FINANCIAL INSTITUTION QUESTIONNAIRE**

Banks and credit unions, unless otherwise specifically addressed, will be referred to as financial institutions (FI). FIs operating an office on a Navy and Marine Corps installation are required to comply with the Department of Defense (DoD) Directive 1000.11 and DoD Financial Management Regulation 7000.14 and subsequent modifications thereto.

**I. BACKGROUND AND GENERAL OPERATING INFORMATION:**

1. Name and address of the FI:
2. Proposed staffing:
3. Proposed hours of operation:
4. Proposed renovations and estimated costs:
5. Number and location of proposed Automated Teller Machines (ATMs):
6. Existing locations where your FI provides services on Department of Defense Installations:
7. For credit unions, what is the field of membership and, if necessary, is your institution willing to modify its field of membership to include installation personnel?

Will your financial institution be willing to act as a Treasury General Account (TGA) depository for this location? If not, please explain: