

CITY OF EL SEGUNDO
OFFICE OF THE CITY TREASURER



REQUEST FOR PROPOSAL BANKING SERVICES

A PRE-PROPOSAL CONFERENCE IS SCHEDULED FOR 10:00 A.M. ON WEDNESDAY MARCH 20, 2013 AT THE FOLLOWING LOCATION:

EL SEGUNDO CITY HALL
WEST CONFERENCE ROOM
350 MAIN STREET
EL SEGUNDO, CA 90245

PROPOSALS ARE DUE AT THE FOLLOWING ADDRESS NO LATER THAN 3:00 P.M. PST ON THURSDAY, April 11, 2013

CITY OF EL SEGUNDO
OFFICE OF THE CITY CLERK
350 MAIN STREET, ROOM 5
EL SEGUNDO, CA 90245

TABLE OF CONTENTS

A. OFFICIAL NOTICE	Page 3
1. INTRODUCTION	Page 4
2. GENERAL INFORMATION	Page 5
3. PROPOSAL PROCESS AND TIMETABLE	Page 7
4. PROPOSAL SUBMISSION REQUIREMENTS	Page 9
5. STATEMENT OF WORK	Page 16
6. IMPLEMENTATION PLAN	Page 23
7. PROPOSAL EVALUATION PROCESS AND SELECTION CRITERIA	Page 24
8. ACKNOWLEDGEMENT OF ADDENDUMS	Page 25
9. NOTICE OF ATTACHMENTS TO REQUEST FOR PROPOSAL	Page 26

CITY OF EL SEGUNDO
OFFICE OF THE TREASURER

BANKING SERVICES REQUEST FOR PROPOSAL

The Office of the City Treasurer invites qualified commercial financial institutions to submit proposals to provide banking services to the City of El Segundo based upon the scope of work contained in this RFP. The intent is to select one or more financial institutions to provide some or all of the requested services.

The City seeks to obtain one or more financial institutions to administer the City's banking, deposit and custody operations to further the objectives of the City to streamline cash handling, enhance funds availability, increase use of technology to reduce costs and become more efficient, and partner with our financial institutions to enhance financial services to the community. The scope of services will include, but is not limited to, general account services, information reporting, reconciliation, electronic fund transfers, positive pay, controlled disbursement, returned items processing, image capture, lockbox, merchant card processing, custody services, investment services, electronic receipt and payment platforms, purchasing cards, payroll cards, and business continuity planning.

The RFP is available on the City of El Segundo website at www.elsegundo.org. Sealed proposals will be received by the City of El Segundo, Office of the City Clerk, 350 Main Street, Room 5, El Segundo, CA 90245, until 3:00 p.m. PST on Thursday, April 11, 2013. Facsimiles will **not** be accepted or recognized as the required format for submission. However, electronic submissions in PDF format are acceptable. Late proposals may be retained by the City, but will not be considered for award. Questions or clarifications about this RFP must be submitted in writing by mail, or email no later than Thursday, March 14, 2013, to the Office of the City Treasurer, 350 Main Street, Room 4, El Segundo, CA 90245, or email: mkobus@elsegundo.org. The responses to any questions/clarifications will be sent to all prospective bidders in the form of an addendum. The City of El Segundo reserves the right to accept any proposal or bid deemed to be in the best interest of the City of El Segundo or waive any informality in any proposal or bid. The City of El Segundo also reserves the right to reject any and all proposals or bids.

1. INTRODUCTION

The City of El Segundo has long been committed to excellence in fiscal administration striving for the highest standards of performance and accountability. As part of its continuing efforts to ensure excellence in financial management, the City is inviting competitive proposals from qualified and experienced financial institutions to administer the deposit and custody of City funds.

We encourage you to be creative and educational in your responses. While your format must be consistent with the requirements of the RFP, if you believe that your proposed solution(s) or service(s) would be beneficial to the City, we invite you to offer them as a supplemental attachment.

2. GENERAL INFORMATION

I. BACKGROUND

About the City of El Segundo

Prior to El Segundo's incorporation in 1917, the City was part of "Rancho Sausal Redondo" ("*Ranch of the Round Clump of Willows*"), a rancho with a land mass of nearly 25,000 acres which extended from the areas as far west of what is now Playa del Rey, as far east as Inglewood, and as far south as Redondo Beach. The land consisted of wheat and barley fields on which cattle and sheep grazed.

In May 1911, five men representing the Standard Oil Company arrived here: Richard J. Hanna and J.E. Howell of the Eclipse refinery of Franklin, Pennsylvania and John Black, Henry Foster and William Rheem from the Standard Oil refinery in Point Richmond, a city 18 miles east of San Francisco). They were surveying the area as a potential site for their next oil refinery. What was required was an area adjacent to the seashore so their tankers could have appropriate access. The undeveloped nature of the site appealed to them because land costs had to be kept to a minimum. Also, the site had to be close to populated areas so it could attract enough employees.

Lastly, this new site needed a name. Richard Hanna's wife, Virginia, deemed this expanse as "*El Segundo*", (Spanish for "the second one,") because the site was to be Standard Oil's second oil refinery in California (The Point Richmond refinery was already christened as "*El Primero*"). Sometime later, a group of proud but unknown citizens had nicknamed it "El Segundo a nada" (Spanish for 'second to none').

Standard Oil bought 840 acres of this land on June 11, 1911. The refinery opened for business, just five and a half months later, on November 27. Six years later on January 18, 1917, the City of El Segundo was incorporated.

As of 2010, the City had an estimated population of 17,000 persons. The City covers approximately 11 square miles within the County of Los Angeles and is a major hub for aerospace operations in Southern California. The region supports a myriad of industries including wholesale and retail trade, manufacturing, government, financial services, tourism, transportation, utilities, and construction.

The City is governed by a five member City Council of which one is appointed by the City Council to serve as Mayor. The Council is the legislative body of the City and the members serve staggered four-year terms. The City Council appoints a City Manager with the overall responsibility for administration. The City has two other elected officials, the City Clerk and the City Treasurer both elected to four-year terms.

The City has 10 departments under direct control of the City Council. Public services provided by the City include police, fire and paramedics, residential refuse collection and disposal, street maintenance, traffic management, storm water pollution abatement, and other public works functions, enforcement of building ordinances and statutes, library services, recreation and parks, aging services and planning. The City of El Segundo's total expenditures and appropriations for FY 2010-11 were \$54,408,329.

About the Office of the Treasurer

The Office of the Treasurer serves as the banker, investor, and custodian of public funds for the City of El Segundo. As the City's banker, the Treasurer oversees \$37 million in investments. The City's treasury operations are managed in compliance with the California Government Code.

II. CONTRACT TERM

The term of this contract is for five (5) years with five (5) optional one (1) year extensions.

III. PROPRIETARY INFORMATION

All proposals submitted to the City of El Segundo in response to the Request for Proposal for banking services will be considered non-proprietary and subject to the Public Records Act. If you do not want the City to disclose all or part of the information contained in your response to the RFP, you must indicate in writing the proprietary information contained in your response. Failure to do so will be an indication to the City that your response is a public record.

IV. COSTS IN RESPONDING

All costs directly or indirectly related to preparation of a response to the RFP, including but not limited to, the written response, electronic media submissions, oral presentation materials, additional information requested by the City to clarify responses, and other material that is used as part of the RFP process, shall be the sole responsibility of the responder to the RFP.

V. CITY OF EL SEGUNDO CONTACT INFORMATION

Please see www.elsegundo.org for the current list of City Department contact information. Additional contact information will be provided to the successful respondent to the RFP.

3. PROPOSAL PROCESS AND TIMETABLE

The City has developed a timeline for the RFP that takes into account the amount of effort required for the proposers to respond and satisfactory time for the City to properly review the responses and ensure each proposal is reviewed thoroughly on its merits and cost efficiency. Detailed below are the steps of the submission and review process.

I. PRE-PROPOSAL CONFERENCE

A pre-proposal conference has been scheduled for Wednesday, March 20, at 10:00 a.m. in El Segundo City Hall, located at 350 Main Street, West Conference Room, El Segundo, CA 90245. The conference will provide prospective responders an opportunity to ask questions about the RFP content as well as the submission and selection process. Attendance at the conference is not mandatory, but highly recommended. If you are not able to attend the pre-proposal conference or would like to submit questions to be discussed in the pre-proposal conference; they must be in writing (U.S. mail, facsimile or email) to:

Crista E. Binder, CTP, City Treasurer
Office of Treasurer
350 Main Street, Room 4
El Segundo, CA 90045
Phone: (310) 524-2310
mkobus@elsegundo.org

All questions must be received by 5:00 p.m. PST on Thursday, March 14, 2013.

II. RFP PROCESS CALENDAR AND SUBMISSION DEADLINES

DATE	EVENT
March 6, 2013	Release of RFP
March 14, 2013	Submission of RFP Questions
March 20, 2013	Pre-proposal Conference
April 11, 2013	RFP Responses Due
April 25, 2013	Selection of RFP Finalists
April 30 – May 2, 2013	Presentations by Finalists
May 16, 2013	Selection of Banking Services Provider(s)
June 1, 2013	Contract Execution Date

III. RFP POSTPONEMENT/CANCELLATION/REJECTION

The City may, at its sole and absolute discretion, reject any and all, or parts of any and all proposals; re-advertise this RFP, postpone or cancel at any time this RFP process; or waive any irregularities in this RFP, or in any proposals received as a result of this RFP.

IV. PROPOSER'S QUESTIONS

Any City response to questions submitted in writing or received during discussion at the pre-proposal conference will be provided to all parties that were issued the RFP no later than five (5) calendar days prior to the due date of the proposal, and will become part of the RFP.

V. EXECUTION OF AGREEMENT

Proposed services and related pricing and warranties contained in the proposal must be valid for a period of one hundred twenty (120) days after the date of submission of the proposal. If a Proposer(s) is unable to execute an agreement within one hundred and twenty (120) calendar days after being notified of selection, the City reserves the right to select the next most qualified Proposer(s) or call for new proposals.

4. PROPOSAL SUBMISSION REQUIREMENTS

I. SUBMITTAL RULES

a. Proposer's Responsibility

Before submitting a proposal, each Proposer shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the full performance of the contract. Ignorance of such conditions and requirements resulting from failure to make such investigations and examinations will not relieve the successful Proposer from any obligation to comply with every detail and with all provisions and requirements of the contract documents, and will not be accepted as a basis for any claim whatsoever for any monetary consideration on the part of the Proposer.

Proposers may **not** contact any City of El Segundo official, employee, vendor or customer to gather information about this RFP. All questions about the RFP must be submitted in writing to the City Treasurer. Violation of these rules will result in disqualification from the RFP process. In addition, your financial institution may be excluded from bidding on any future proposals for banking services with the City of El Segundo.

b. Cost Schedule

The Proposer's cost schedule shall be submitted at the same time and at the same location as the proposal. All costs are to be contained in the proposal and shall also include payment terms required for services rendered.

c. Conflict of Interest

All Proposers must disclose with the proposal the name(s) of any corporate officer, director, agent or immediate family member (spouse, parent, sibling, and child) who is also an employee of the City of El Segundo.

d. Relationship to the City of El Segundo

It is the intent of the parties hereto that the successful Proposer be legally considered to be an independent contractor and that neither the Proposer nor the Proposer's employees and agents shall, under any circumstances, be considered employees or agents of the City.

e. Financial Strength and Stability

The Proposer must be able to demonstrate a good record of performance and have sufficient financial resources to ensure that they can satisfactorily provide the services required herein.

Any Proposer who, at the time of bid submission, is involved in an ongoing bankruptcy as a debtor, or in a merger, reorganization, liquidation, or dissolution proceeding, or if a trustee or receiver has been appointed over all or a substantial portion of the property of the Proposer under federal bankruptcy law or any state insolvency, may be declared non-responsive.

f. Incorporation of RFP/Proposal

This RFP and the Proposer's response, including all promises, warranties, commitments and representations made in the successful proposal, may become binding contractual obligations and may be incorporated by reference in any agreement between the City and the bank.

g. Acceptance of Gifts, Favors, Services

The Proposer shall not offer any gratuities, favors, or anything of value to any official, employee, or agent of the City, for the purpose of influencing consideration of this proposal.

II. RESPONSE FORMAT

Proposals must include documents satisfying all requirements outlined in this RFP. Proposals which do not include all required documentation, or which do not have the appropriate signatures on each document requiring signatures, may at the City's discretion, be deemed non-responsive. Non-responsive proposals will receive no further consideration.

The City has made every effort to include enough information within the RFP for a qualified financial institution to prepare a responsive proposal. The City encourages institutions to submit the most comprehensive and competitive proposal possible. The City will not accept brochures, appendixes, or marketing material as an RFP response for any question.

Each respondent must submit one (1) original and five (5) copies of the proposal on 8 ½" x 11" paper and bound in a three ring binder. In addition, one copy must be submitted in an electronic format and included with the original RFP. Spreadsheets or other technical documentation that requires larger paper may be included in the proposal. Each proposal must contain the following information, including the services questionnaire and the cost proposal.

a. Table of Contents

Please outline in sequential order the major areas of the proposal, including enclosures. All pages in the proposal must be consecutively numbered and correspond to the Proposer's table of contents.

b. Proposal Cover Letter and Executive Summary

An introductory letter on bank letterhead indicating the name of the bank, contact person, phone, fax, e-mail, type of business entity, and a short statement summarizing the strengths of the bank/team as it relates to this RFP must be submitted with the proposal. The executive summary should include the following statement: "Proposal and cost schedule shall be valid and binding for ONE HUNDRED AND TWENTY (120) calendar days following proposal due date, and that this offer will not be withdrawn or modified during this time." The letter should be signed by an authorized individual of the bank.

The cover letter should be addressed to:

Crista E. Binder, CTP, City Treasurer
Office of the City Treasurer
City of El Segundo
350 Main Street, Room 4
El Segundo, CA 90245
mkobus@elsegundo.org

c. Corporate Structure

Please provide the following information and limit the response to no more than 3 (three) pages.

1. Bank's complete name, address, telephone number, facsimile number, and E-mail address.
2. Name and title of the primary relationship officer.
3. Describe your bank and any related affiliates, including the ownership structure of your institution, and how this relates to the parent organization and any related affiliates (if applicable).
4. Provide an overview of the bank, its line(s) of business and customer service philosophy. Identify the primary office to which the City will be assigned.
5. Describe the bank's government banking services philosophy and its level of commitment to providing this service to public entities in the context of the overall corporate strategy.
6. Describe any existing relationship that your bank has with the City of El Segundo including name of account, location, purpose and date.
7. Describe any significant developments in the bank within the past three years, such as changes in ownership, restructuring or personnel reorganizations.
8. Describe the bank's financial condition. Provide copies of the banks audited annual reports for the last two completed fiscal years. Please provide current credit ratings, i.e. Moody's, Fitch, S&P.
9. Within the past three years, has the bank or an officer or principal of the bank been involved in any litigation, legal proceedings, or investigations by a regulatory authority? If the answer is yes to any of these questions, please give a detailed explanation and the current status.
10. Please provide an organization chart outlining the relationship and reporting hierarchy of the bank and also the government banking services division.
11. Please provide a map of the number of branches located within or within five miles of the City of El Segundo.
12. Please provide a copy of the following:
 - a. Most recent Quarterly Call Report
 - b. Current Community Reinvestment Act (CRA) Rating
 - c. List of current government clients in the State of California
13. Please include your Federal and State taxpayer identification numbers and City of El Segundo Business License number.

d. Administration and Staffing Plan

Please provide the following information and limit the response to no more than 3 (three) pages.

1. How many staff members will be solely dedicated to the delivery of banking services to the City? Please include a brief background statement on the staff members that will be assigned to the City's account and a list of their experience in servicing both corporate and government clients.
2. How many clients besides the City will be assigned to the relationship manager?
3. Provide a list of the number of terminated relationships in the last three years and reasons why.
4. How much training does the bank relationship officer and support staff receives each year?
5. How does your bank measure quality and customer service? How often will the City be provided with the results of these evaluations?
6. Does the bank offer educational sessions, user conferences, etc. for clients? If yes, please list the types and methods of these educational offerings.

e. Samples

Please provide samples of the following documentation.

1. Previous Day Report
2. Current Day Report
3. Wire and ACH Reports
4. Wire transfer and ACH agreements and forms
5. Signature cards
6. System authorization forms
7. System security policy
8. Lockbox services instructions
9. Merchant card services agreements including current VISA/MC and AMEX interchange rates
10. Contract for Deposit of Monies

f. References

Please provide six (6) references (a minimum of three (3) must be governmental accounts) to which the proposer is currently providing banking services. Include the following listing with your proposal.

Contact Name:	_____
Title:	_____
Name of Customer:	_____
Address:	_____
Telephone Number:	_____
Fax Number:	_____
#Years as Customer:	_____
Services Utilized:	_____

g. Submission Media

Please provide a detailed listing of all the available methods for receiving bank deposit and transaction information (Paper, Web, FTP, HTTPS, EDI, etc.).

III. COST PROPOSAL

The cost proposal should be presented in annual increments. The cost proposal must be completed using the attached (Attachment 1) Excel worksheet titled: "City of El Segundo Office of the City Treasurer – Cost Proposal for Banking Services RFP-2013".

5. STATEMENT OF WORK

The RFP includes required and optional services needed by the City. The City reserves the right to select multiple banks to provide all or some of the required and optional services. You must bid on the required services to be considered for selection. You may bid on all or some of the optional services. The City strongly urges each respondent to submit responses for the optional services being considered by the City of El Segundo.

I. REQUIREMENTS

a. CRA Rating

In order to be considered for this RFP, your bank must have a current “Satisfactory” or above CRA rating. Please provide a statement indicating your current CRA rating and your ratings for the past five years.

b. Public Funds Depository

Please include a statement verifying your status as a public funds depository pursuant to California Government Code Section 53648 and your ability to collateralize all City deposits and report quarterly to the City. The City requires that your bank submit quarterly statements signed by an officer of the bank the amount and types of securities used to collateralize City deposits.

c. General Account Services

1. The City at its discretion may maintain large balances on deposit. Please provide your current earnings credit rate offered to public funds depositories and the basis for this rate (90-day T-Bill, LIBOR, etc.). The earnings credit rate must be available by the first day of the month to which it applies. Also, include your earnings credit rates for the past 12 months.
2. Please indicate your ability to carry over any excess earnings credit at the end of the City fiscal year (October-September) and the maximum amount allowed for carryover.
3. All City accounts, including any interest bearing accounts, must be included on the account analysis.
4. Please indicate what types of services can be billed to account analysis for the City of El Segundo in addition to standard banking charges.
5. The City requires \$1 million in daylight overdraft protection. Please include a statement indicating your ability to provide this level of overdraft protection. The bank will not charge the City for inter-day daylight overdrafts. Describe your policy on daylight overdrafts for individual accounts if the total balances of the City’s account in aggregate are positive. What is the rate charged for overdrafts?
6. What does the bank charge for FDIC premiums and how is the charge calculated?

d. Depository Accounts

1. Please identify the location of the cash vault, check processing center, lockbox and any other locations where the City's deposits will be received and recorded.
2. Please describe your requirements for depositing various types of negotiable instruments including, but not limited to, the following:
 - Currency
 - Coin
 - Checks
 - Non Domestic Items
 - Image Replacement Documents
 - Money Orders
 - Cashier's Checks
 - Drafts
 - Warrants
 - Stocks
 - Bonds
3. What is your availability schedule for the various types of deposits (currency, coin, checks, warrants, drafts, foreign items, image replacement documents, cash letters, other remote deposited items, money orders, cashier's checks, merchant cards, ach, wire, etc.)?
4. What are the restrictions on coin deposits and the requirements for processing coin?
5. The City requires that the bank contract for armored carrier services on behalf of the City. The City requires that the armored carrier pick up bi-weekly and/or periodically from various locations throughout the City of El Segundo. The City reserves the right to change the frequency and add or delete pickup locations. Services for armored carrier should be billed to account analysis. Please provide the City with three bids for armored carrier services. Attachment V lists the current City of El Segundo armored carrier pickup locations.
6. All returned items should be re-cleared twice before being returned.
7. The City requires that all disputed items involving debit and credit adjustments be resolved by the end of each City fiscal year. What is your process for ensuring timely resolution of outstanding items?

e. Account Reconciliation

1. The City requires that deposit tickets for the City's accounts be pre- encoded with unique identifiers in order to accurately account for City departmental deposits. Please include a sample of your ability to pre-encode deposit tickets and also model account structure.
2. Account reconciliation is required for the City's master cash concentration account and payroll accounts. The bank will provide the City a file for all transaction activity for these accounts.

3. Please indicate your ability to process stop payments online.
4. The City currently utilizes positive pay for certain City accounts. Please describe the bank's positive pay services including image cleared items, exception reporting and notification, file transfer and reconciliation.

f. Information Reporting

1. The City requires the bank provide online information reporting through HTTPS or another secure environment utilizing digital certificates for individual users or another token type security and password protected environment. Please include a brief statement describing your bank's online reporting system including security features. Also include any major enhancements to the system scheduled for the next five years.
2. Please list any other online systems that interface with your primary reporting system or other systems that provide online reporting outside of your primary online reporting system.
3. The City requires that all City banking transactions be viewable online including but not limited to the following:
 - Images of paid items
 - Images of returned items
 - Notifications for wire, positive pay, information reporting, other exceptions as they may apply
 - Downloadable reports
 - Export of images
 - Query of individual items by amount, date, transaction type, etc.
 - Creation of templates for wire initiation
 - Audit reports for users
 - Previous day reports
 - Current day reports
 - Wire and ACH reports
 - Returned items reports
 - Exception reports
 - Lockbox reports and images
 - Account Analysis
 - Bank statements
 - Unique identifiers for check deposits
4. Please indicate the time of day and types of reports that are available online to the City.
5. Please describe your policy on the delivery of hard copy statements including account analysis.

g. Electronic Fund Transfers (EFT)

1. The City requires that the bank provide wire, ACH and other electronic transfer services. Please describe your bank's current electronic payment services available to the City. Does your bank utilize the same system to process wire and ACH transactions?

2. What are the security/control features available to the City for the creation of non-repetitive and repetitive wire transfers? What are the security/control features for creating single ACH and batch ACH transactions?
3. What are the cutoff times for the bank for processing wires and ACH transactions?
4. Describe the protocol for initiating wires over the phone (oral wire transfers). What security measures are required to process an oral wire transfer?
5. What is the process for retrieving a wire or ACH transaction if there is a City error in processing a fund transfer? What is the process for retrieving a wire or ACH transaction if there is a bank error in processing the fund transfer?
6. Please describe the bank's process for processing various state and federal taxes including cut-off times and primary bank contacts – State and Federal payroll, State EDD, State BOE, etc.
7. Please describe the bank's process for processing payroll direct deposit files including transmission deadlines and alternatives to file processing due to errors or technical problems.

h. Controlled Disbursement

1. Provide a listing of the bank's controlled disbursement locations.
2. What are the presentment times for first and final presentment of cleared items at these locations?
3. Provide an end point analysis comparing local versus controlled disbursement location clearing availability times.

i. Lockbox Services

1. The City currently has one lockbox to process 3,000 items per month. Please describe your lockbox services for both retail and wholesale lockboxes.
2. Describe your ability to provide lockbox information in a file transfer that includes both data and images.
3. What information can be captured at the lockbox processing location including keying of data unique to the type of deposit such as annual business tax filings, check images, coupons, envelopes and other information that may be required by the City to be included in the data transmission?
4. Please indicate the float times associated with processing lockbox deposits. When will the City receive credit for lockbox deposits? The City requires a 24-hour deposit turn around for lockbox deposits.
5. What are the lockbox processing deadlines?
6. What is the error rate per 1,000 items processed?

j. Business Continuity

1. Provide a copy of the bank's current disaster recovery/business continuity plan and how that plan provides for the interrupted delivery of financial information to the City of El Segundo.
2. Please describe the redundancy measures that are in place to protect the City's bank information in case of a system failure. In case of a system failure, how long will it take the bank to provide the City with its banking information? Please provide a list of the number and length of time of outages in the past two years and the reasons for the outage.
3. Describe the disaster recovery/business continuity services that the bank could provide to City employees in case of an emergency. This explanation should include the ability for City employees to utilize a bank facility to conduct daily work including information reporting, electronic fund transfers, access to other non-bank financial services, e.g. Bloomberg, Sympro, etc.
4. Describe any other services that might help the City provide services with minimum interruption, e.g. outsourcing of payroll processing, payroll cards, lines of credit, mobile banking, etc.

k. State Activity

1. What is the charge per transfer to and or from the State of California Local Agency Investment Fund (LAIF)? Please describe the LAIF transfer process. Are the transfers done by telephone, Internet, fax, etc.?
2. What is the charge for deposit of State warrants in Sacramento?
3. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer's Office and the State Controller's Office?

l. Custody Services

1. Please describe your institutional custody services including but not limited to, safekeeping, daily trade settlement and reconciliation, income collection, notification process, information reporting, cash services, and performance monitoring.

II. OPTIONAL SERVICES

a. Merchant Card Services

1. Please provide a brief description of your merchant card services. The City of El Segundo requires that the merchant card services provider be able to provide over-the-counter transactions through terminals including debit cards, IVR, and online payment services.
2. Describe your online reporting capabilities. Will users be able to drill down into individual transactions by merchant account? What types of reports are available to view merchant card transactions? Can the user create custom reports?
3. How are chargebacks processed?
4. When will the City receive credit for merchant card deposits?
5. Briefly describe your customer service standards for merchant card processing and review.
6. Describe your minimum technology standards for processing credit cards including complying with the Payment Card Industry (PCI) standards for the major card types – Visa, MC, AMEX, and Discover.
7. Briefly describe your process for complying with the Payment Card Industry requirements.
8. Describe your ability to implement convenience fee programs for taxes and other City revenues for all payment options (POS, Web, Telephone) that comply with all applicable laws for the collection of convenience fees.

b. Electronic Receipt and Payment Options

The City is currently in the process of reengineering its payment and receipt processes to migrate from manual processing of checks and warrants to electronic payments and collections. Please describe the different types of electronic services that the City can utilize to streamline receipt and payment processes.

c. City Employee Services

1. Briefly describe what types of benefits that your bank can offer to City employees including those for new accounts, having paychecks direct deposited, and other banking services.
2. Describe your policy on cashing payroll, worker's compensation and other City issued checks for City employees that do not have an account with your bank.

d. Investment Services

The City from time to time may need to place public funds in short term investments for a variety of reasons. Briefly describe the types of short-term investment vehicles that you have available for State of California public fund investors including, but not limited to, money market accounts, commercial paper, sweep accounts, repurchase agreements, etc.

e. Cash Positioning and Cash Forecasting

Please describe your ability to provide online tools and resources to facilitate cash positioning and cash forecasting.

f. Mobile Banking

Please describe the mobile services you provide and their functionality on tablet mobile devices. What security features are included with mobile banking and can it be utilized for commercial accounts?

g. Service Enhancements

Please describe any services or enhancements to existing services, not already included in the RFP that would improve the effectiveness of the City's treasury operations. Please include your experience in providing these services to governmental agencies.

6. IMPLEMENTATION PLAN

The City requires a smooth and efficient transition to a financial services provider or enhanced service with its existing provider. Please provide a sample implementation plan that describes the bank's process for transitioning the City from one bank to another. This plan should include the following information:

- Timeline in weekly increments with major implementation milestones
- Description of conversion team and responsibilities of each member
- Responsibilities of the City during the transition
- Any costs that may be associated with the transition
- Training that will be provided to Treasury employees and other City employees as necessary
- How the bank will handle day-to-day problem resolution during the transition including customer service contacts for all types of bank services – deposit account setup, electronic fund transfers, merchant cards, lockbox, remote deposit, system implementation, etc.

7. PROPOSAL EVALUATION PROCESS AND SELECTION CRITERIA

An evaluation committee, appointed by the Treasurer, will meet to evaluate each proposal in accordance with the requirements of the RFP. The evaluation committee may request that proposers provide additional information concerning their RFP. This information, if requested, must be submitted in writing to the committee within five (5) days of the request. The evaluation committee will base its recommendations on the following factors:

- Proper submission of proposal.
- Proposer's stability and past experience in providing services to the public sector.
- Ability to provide and meet the requirements as set forth in this RFP.
- The quality of the Proposer's technology solutions for processing and reporting financial transactions including ease of navigation, seamless integration of multiple system interfaces, timeliness of information reporting, and system(s) stability.
- The Proposer's commitment to providing community based services within the City of El Segundo.
- The proposed fees for services, in the judgment of the City, which will provide the most comprehensive service at the most reasonable cost.
- Accessibility, availability and professional qualifications of the individuals that will be assigned the City's banking relationship.
- Other criteria as deemed necessary by the evaluation committee.

The Evaluation Committee will present their recommendations to the City Treasurer. The City Treasurer may request the Evaluation Committee provide additional information to support their recommendation(s) including requesting proposers for additional information or an oral presentation. After any additional information or presentations have occurred, the City Treasurer will then make the final selection.

The City Treasurer or designee and the successful proposer(s) will negotiate final terms and execute a contract(s) to provide the City of El Segundo with banking and related services. Failure to reach an agreement may result in the City Treasurer entering negotiations with another Proposer.

The proposed contract(s) will be presented to the City Attorney for approval as to form and legality.

8. ACKNOWLEDGEMENT OF ADDENDUMS

If addenda to this RFP are created, the form listed as Attachment 3 will be required to be included in the RFP submission package as acknowledgement of receipt of the additional information and inclusion in the proposal.

9. NOTICE OF ATTACHMENTS TO REQUEST FOR PROPOSAL

ATTACHMENT 1	COST PROPOSAL TEMPLATE
ATTACHMENT 2	BANK ACCOUNT STRUCTURE
ATTACHMENT 3	STATEMENT OF INVESTMENT POLICY