

General Banking, Custody and P-Card Request for Proposals

Mark Thompson – Director, Treasury
Lila Eltawely - Enterprise Equity Senior Manager,
Office of Equity and Equal Opportunity

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Management Committee



Services Solicited

General Banking

- \$550,000 5-year contract
- Proposed earnings credits 3.0%
- Centralized service for all divisions
- 9 bank accounts
- 20 different products and services needed
- \$3.0 B in annually activity

Custodian

- Annual Cost \$40,000
- \$200,000 5-year contract
- Third party agent who safekeeps investments
- Required by Statute 118A.06 and Investment Policy
- Only used by Treasury

Purchasing Card

- \$0 cost to Council
- P-Card used for low-value purchases
- Annual volume \$7.5M; 14,000 transactions
- 330 cardholders across all divisions

RFP Process and Criteria

Timeline and Process

- RFP was issued February 1, 2023.
- New - Restructured bank accounts into smaller subgroups.
- New - Invited smaller banks to information session to solicit feedback and interest.
- New - Included financial equity questionnaire, received and evaluated for all proposers.
- Eleven proposals received April 4 across the three service categories.
- Four separate panels evaluated proposals for General Banking, Custody, P-Card, and questionnaire.
- Evaluation panels included staff from Treasury, Purchasing Card, General Ledger, Environmental Services, Transit, Community Development, and the Office of Equity and Equal Opportunity
- All Panels reached consensus at meetings in May, June and July.

Criteria

- Proposals evaluated on 1) Quality, 2) Qualifications, 3) Experience, and 4) Price.
- Financial Equity Questionnaire was part of Qualifications criteria.

Banking Account Break Out

Current Bank accounts



New Accounts Break Out

GROUP A:

OPERATING ACCOUNT
PAYROLL ACCOUNT
ACCOUNTS PAYABLE
EFT CREDIT ACCOUNT
EFT DEBIT ACCOUNT
FAHP CHECKING ACCOUNT
FAHP SAVINGS ACCOUNT
HUD RECEIPTS ACCOUNT

GROUP B:

ST PAUL TRANSIT STORE ACCOUNT

SUBGROUP A1:

OPERATING ACCOUNT
PAYROLL ACCOUNT
ACCOUNTS PAYABLE
EFT CREDIT ACCOUNT
EFT DEBIT ACCOUNT

SUBGROUP A2:

FAHP CHECKING ACCOUNT
FAHP SAVINGS ACCOUNT

SUBGROUP A3:

HUD RECEIPTS ACCOUNT

SUBGROUP A4:

ST PAUL TRANSIT STORE ACCOUNT

OEEEO

- **Structured banking accounts to include all size banks**
- **Held Information Session for community banks**
- **OEEEO was represented on all evaluation panels**
- **OEEEO help develop financial equity questionnaire**
- **Questionnaire was evaluated, considered as Qualifications**

Award Recommendations

General Banking

- Eight proposals were received for General Banking services.
- Panel recommends Wells Fargo for General Banking subgroups A1, A2, and A3.
- Panel recommends US Bank for General Banking subgroup A4.
- Wells Fargo's proposal demonstrated a comprehensive set of products, a strong understanding of the services needed for the Council's large banking needs, a strong service team, and offered the lowest pricing for these subgroups. Offered fees approximately 9% less than the current contract.
- US Bank was chosen for subgroup A4 due to its location.

Custody

- Four proposals were received for Custody services
- Panels recommends Principal Custody Solutions for Custody services
- Principal Custody Solutions offered solid combination of staff experience, technical and reporting capabilities and the lowest cost.
- Offered fees approximately 60% less than the current contract.

Purchasing Card

- Eight proposals were received for Purchasing Card services
- Panels recommends Bank of America for P-Card services
- Bank of America's proposal was comprehensive and demonstrated excellent qualifications and the experience required
- Offered the highest rebate percentages with zero program costs
- Projected rebate is 23% increase over current rebate

Thank You

Mark Thompson

Director, Treasury

mark.thompson@metc.state.mn.us

Lila Eltawely

Enterprise Equity Senior Manager

Office of Equity and Equal Opportunity

lila.eltawely@metc.state.mn.us

