

Running An RFP for Banking Services

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SECTION I – Banking RFP Challenges faced by Municipalities

- Organizational Challenges

- Knowledge Challenges

- RFP Drafting Challenges

- Other Challenges to Consider

SECTION II – Responding to the Challenges: *Example City of Torrance*

- How to build the RFP Team

- Building the knowledge base

- How to draft the RFP

- Responding to “other” Challenges

SECTION III – What Banks/Vendors Want

- Concise statement of goals & objectives

- Clearly drafted requirements and questions

- Understandable, measurable evaluation criteria

- Timely, efficient management of the process

- Well defined implementation plan.

SECTION IV – Audience Questions and Discussion

Organizational Challenges

- Garnering Senior Management Support
- Teaming with Procurement/Contracting
- Legal Participation
- City-Wide Requirements Collection
 - Today's Needs
 - Future Requirements
 - Exploiting New/Different Options
- Building a Competent Evaluation Team
- Making Implementation Successful
 - Project Management
 - Treasury
 - Accounting
 - Accounts Payable
 - Payroll
 - Departments
 - Technology

Knowledge Challenges

- Draft Consensus Policies & Procedures
- Critically evaluate current bank & non-bank products and their value to the City
- Isolate deficiencies of current bank & non-bank products versus City requirements
- Be alert to new product offerings & technologies in the marketplace that satisfy requirements
- Compliance Requirements
 - PCI
 - PII
 - UCC [Sections 3/4/4a]
 - NACHA Rules
 - Card Association Rules
 - Fraud Management
 - Anti-Money Laundering

RFP Drafting

- Establish clear goals: Improved/expanded products? Increased productivity? Lower costs? Better risk management?
- Which products to procure?
- Bid versus RFP?
- Use RFP Templates?
- Partner with other Municipalities?
- Establish Minimum/Baseline Requirements
- Open Ended Questions versus Yes/No Questions?
- Match Questions to specific City requirements
- Evaluation Criteria
- Ensure the broadest possible group of Relevant Respondents

Responding to the Challenges

- How to build the RFP Team
- Building the knowledge base
- How to draft the RFP
- Responding to “other” Challenges

City of Torrance

- **Subject Matter Expert - City Treasurer**
 - Set Agency Goals & Objective
 - Interview Banks
 - Review & Edit RFP Template
 - RFP is vetted by our Procurement Division and Legal Department
 - Issue RFP
 - Score RFP

What Banks/Vendors Want

- **Concise statement of goals & objectives**
 - Services: Improving efficiency, saving money, preventing fraud, improving investment return, accommodation credit
 - Technology: Security/Fraud controls, new products/technology
 - Fulfilling requirement to bid
- **Clearly drafted requirements and questions**
 - Your organization: executive summary, background on municipality
 - Current processes, credit line/limits and services
 - Future services under consideration
 - Bid form / pricing template with actual services and volumes (indicate if volumes are cyclical)

What Banks/Vendors Want

- **Understandable, measurable evaluation criteria**
 - Scoring template
 - Timeline
 - Bidder Experience, Reference, Safety and Soundness
- **Timely, efficient management of the process**
 - Q&A period and response time
 - Finalist presentation
 - BAFO
- **Well defined implementation plan**
 - Implementation project team
 - Agency resources and capacity
 - Set Go Live date

QUESTIONS & DISCUSSION

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