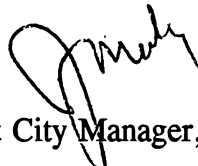




**CITY OF CAMBRIDGE**  
**Finance Department**  
City Hall, Cambridge Massachusetts 02139

Administration 349-4212  
Tax/Utility Coll 349-4220  
Treasury 349-4212  
Payroll 349-4290

To: Robert Healy, City Manager   
From: James P. Maloney, Jr. Assistant City Manager, Fiscal Affairs  
Re: Banking Services, Council Order, dated 3/15/93  
Date: May 19, 1993

Attached is a copy of the most recent request for proposal for banking services for the City. The RFP outlines in detail the selection process used to award the contract. In summary, the evaluation of bids is as follows:

1. Bidders must meet minimum requirements outlined in Section V.
2. The Selection Committee assigns ratings to all the comparative evaluation criteria (see section VII) for each qualified bidder.
3. If needed, additional information is gathered.
4. Selection is made.

Additionally, the City uses a variety of banks and depositories for the investment of idle funds. The vast majority of these funds are with the Massachusetts Municipal Depository Trust (MMDT), which is a pooled investment account overseen by the State Treasurer's office. While these funds are not insured, because of the manner in which it is managed, and the wide variety of investments made on a national basis, the City's exposure due to the failure of one of the MMDT's banks is considered extremely low.

Regarding the Community Reinvestment Act, please be advised that the City reviews the CRA reports of all banks with which it does business. Bidders for banking services are required to submit copies their most recent two years of CRA reports.

BANKING SERVICES

FILE NO. 2538A - THURSDAY, JANUARY 3, 1991 @ 11 A.M.

**REQUEST FOR PROPOSAL  
BANKING SERVICES  
CITY OF CAMBRIDGE FINANCE DEPARTMENT  
CAMBRIDGE, MASSACHUSETTS 02139**

Sealed proposals will be received at the Office of the Purchasing Agent, Room 303 City Hall, 795 Massachusetts Avenue, until 11 a.m. Thursday, January 3, 1991 for the furnishing of the following to the Finance Department.

The City of Cambridge is soliciting proposals for banking services from qualified, full-service banking institutions with demonstrable experience in the municipal area. The City will pay for these services on a direct fee basis. The successful Offeror will be required to provide complete banking services to the City commencing March 1, 1991.

Copies of the Request For Proposal may be obtained from the Office of the Purchasing Agent on and after December 13, 1990, between the hours of 8:30 a.m. and 5:00 p.m.

The successful Offeror must be an Equal Opportunity Employer.

The City of Cambridge reserves the right to reject any or all proposals, waive any informalities in the proposal process, or accept the proposal deemed to be in the best interest of the City.

Five sealed envelopes, four containing the non-price technical proposal marked "Proposal Banking Services (Non-Price)," and one containing the price proposal marked "Price Proposal--Banking Serves," must be received by Barbara Duffy, Purchasing Agent, City of Cambridge, Room 303, City Hall, 795 Massachusetts Avenue, Cambridge, MA 02139 no later than 11 a.m. on January 3, 1991.

Barbara L. Duffy  
Purchasing Agent

## **CITY OF CAMBRIDGE FINANCE DEPARTMENT**

### **Notice of Request For Proposal For Banking Services**

The City of Cambridge (the City) is soliciting proposals for banking services from qualified, full-service banking institutions with demonstrable experience in the municipal area. The City will pay for these services on a direct fee basis. The successful Offeror will be required to provide complete banking services to the City commencing March 1, 1991.

Prospective Offerors must demonstrate the ability to provide the full range of banking services described in this document, must meet all minimum criteria and must submit a completed proposal. All banking institutions submitting a proposal must be familiar with and able to comply with all Massachusetts General Laws (MGL) pertaining to municipal banking relations.

This proposal has been issued in conformance with the provisions of Massachusetts General Laws Chapter 30B, (Chapter 30B) effective May 1, 1990. Proposers should familiarize themselves with the provisions of this Act. A manual which outlines the legal requirements of Chapter 30B can be obtained from:

State Bookstore  
Room 16  
State House  
Boston, MA 02133  
Telephone: 617/ 727-2834

#### **KEY DATES FOR THIS PROPOSAL**

Dec. 13, 1990	RFP Issued
Jan. 3, 1991	Proposals due, proposal screened, evaluation begins
Jan. 11, 1991	Successful proposer notified
Mar. 1, 1991	Bank services commence

## SECTION I. TERMS AND CONDITIONS

1. The Offeror's proposal will remain in effect for a period of 90 days from the deadline for submission of proposals or until it is formally withdrawn, a contract is executed or this RFP is canceled, whichever occurs first.
2. The contract will be for a period of two years and ten months, beginning on March 1, 1991, and ending on December 31, 1993. The Offeror must guarantee implementation of contract on March 1, 1991, provided that the City has awarded the contract no later than January 11, 1991.
3. The City will have the option to cancel the contract provided that written notice is given 90 days prior to the effective termination date.
4. The Procurement Officer shall cancel the contract if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal year succeeding the first year.

## SECTION II. INSTRUCTIONS TO PROPOSERS

1. Five separate sealed envelopes, four containing the non-price technical proposal marked "Proposal Banking Services (Non-Price)," and one containing the price proposal marked "Price Proposal--Banking Services" must be received by Barbara Duffy, Purchasing Agent, City of Cambridge, 3rd Floor City Hall prior to 11 a.m. January 3, 1991. Chapter. 30B requires that price proposals must be separate from technical proposals. Therefore, please make no reference to pricing in the non-price technical proposal. Failure to adhere to this requirement will result in disqualification. It is the sole responsibility of the Offeror to insure that the proposal arrives on time at the designated place.
2. The signature of the authorized official(s) must be provided on all the proposal forms.
3. All information in the Offeror's proposal should be organized and presented as directed in Section IV, Proposal Specification and Preparation. Accuracy and completeness are essential. The successful proposal will be incorporated into a contract; therefore, Offerors should not make claims that they are not prepared to commit themselves to contractually.
4. The Price Summary Form for Years One, Two and Three must be completed. No substitute form will be accepted. Pricing must remain firm.
5. Failure to answer any question, to complete any form or to provide the documentation required will be deemed non-responsive and result in automatic rejection of the bid unless the City determines that such failure constitutes a minor informality, as defined in Chapter 30B.

6. All interpretations of the RFP and supplemental instructions will be in the form of written addenda to the RFP specifications. Requests for clarification or any questions about information contained in the RFP should be addressed in writing to Claire Spinner, Finance Department, 795 Massachusetts Avenue, Cambridge, MA 02139. Any information sent to one proposer will be available to all proposers. No requests or questions will be accepted after 5 p.m. on December 20, 1990. To receive the responses to any questions submitted by other Offerors, please send the name, address, telephone number and fax number (if any) of the person to whom this information should be sent.

### **SECTION III. EVALUATION OF THE PROPOSALS**

All proposals will be reviewed in accordance with MGL Chapter 30B by the Selection Committee, and final selection will be based upon an evaluation and analysis of the information and materials required under the RFP. The Selection Committee will be composed of the following members: the Assistant City Manager for Fiscal Affairs, the Assistant City Treasurer, the Assistant to the Finance Director and a representative of the public accounting firm KMPG Peat Marwick. Proposals that meet the minimum criteria will be reviewed for responses to the comparative evaluation criteria. The Selection Committee will assign a rating of Highly Advantageous, Advantageous, Not Advantageous and Not Acceptable to each comparative evaluation criteria. (A rating of Advantageous will be given to responses that indicate a level of service and bank credit worthiness that equals the City's current contract.) In addition, the City reserves the right to consult banking industry publications such as the Uniform Bank Performance Report (UBPR) and to use information contained in such reports in its selection process.

Price evaluation will be based on the aggregate cost for each year. The lowest price bid will be the one for which the total cost for the contract period is the lowest.

The City will not award a contract except to a responsive and responsible eligible proposer. Before awarding the contract, the City may request additional information from the proposer to insure that the proposer has the resources necessary to perform the required services. The City reserves the right to reject any and all proposals if it determines that the criteria set forth have not been met.

### **SECTION IV. PROPOSAL SPECIFICATION AND PREPARATION**

All information in the proposal should be organized and presented as directed below. The proposal should provide a straightforward and concise description of the Offeror's commitment and ability to perform the banking services described in this document. To expedite the evaluation of proposals, it is essential that the Offeror strictly adhere to the instructions in this part. A proposal may be deemed to be non-responsive, at the Evaluation Committee's discretion, if an Offeror fails to comply with the following instructions.

#### **4.1 Part One Introduction**

The introductory portion of the proposal must include a Letter of Transmittal signed by an individual authorized to bind the Offeror contractually. The letter must include: the name of the individual(s) who is authorized to negotiate and sign a contract on the Offeror's behalf; the name, title, address and telephone number of the individual(s) who can supply additional information; and a brief description of the overall services proposed.

#### **4.2 Part One Minimum Evaluation Criteria**

The Minimum Evaluation Criteria Form must be completed. YES or NO must be checked for each of the minimum criteria. Please use the form provided in this document.

#### **4.3 Part Three Exceptions - Alternatives to Scope of Services**

If the Offeror cannot provide a service as it is described in the Section VI Scope of Services Specifications, but believes it can offer equivalent or superior results by some other means, the Offeror must identify the mandatory specification, state that it is offering an alternative, and provide a description of the proposed alternative. The proposal should describe the alternative thoroughly and should clearly state how the alternative achieves equivalent or superior performance or results.

#### **4.4 Part Four Responses to Comparative Evaluation Criteria**

This portion of the proposal is intended to present a description of the Offeror's qualification. The Offeror should respond briefly to each item listed in Section VII Comparative Evaluation Criteria, and included all requested documentation. When preparing this portion of the proposal, the Offeror should clearly identify and respond to each comparative evaluation criteria.

#### **4.5 Part Five Standard Reports**

Please include samples of the banking institution's standard reports. At minimum, the following should be provided:

Monthly ARP

Daily and Monthly bank statements

#### **4.6 Part Six Price Summary Forms**

The Price Summary Forms for Years One, Two and Three must be completed. No substitute form will be accepted. Pricing must remain firm throughout the contract. The Price Summary Forms must be submitted under separate cover to the Purchasing Department. The Offeror should make no reference to pricing in parts one through four of the proposal. Failure to adhere to this will result in disqualification of proposal.

**SECTION V. MINIMUM EVALUATION CRITERIA**

Please answer each of the following by checking either YES or NO. Failure to respond to every item or a "NO" response will result in rejection of your bid.

1. The banking institution has its principal offices located in the Commonwealth of Massachusetts.

YES\_\_ NO\_\_

2. The banking institution is a member of the Federal Deposit Insurance Corporation (FDIC).

YES\_\_ NO\_\_

3. Massachusetts General Law Chapter 44 Section 55 requires that the maximum percentage of City deposits that a banking institution may hold in relation to their capital and surplus holdings is 60%. The City's average daily balance is approximately \$5,000,000. However, the daily balance can be as high as \$25,000,000 during the course of a fiscal year. Therefore, a banking institution's capital and surplus holdings must be equal to at least \$41,670,000 to comply with this law. Does banking institution meet this minimum criterion?

YES\_\_ NO\_\_

4. The Offeror has had three or more years experience providing banking services substantially similar to those described in Section VI, Scope of Services, to at least one municipality with an annual operating budget of \$100,000,000 or greater.

YES\_\_ NO\_\_

5. The banking institution is a member of the Automated Clearing House (ACH) and can accept direct deposit payments to the City from various sources (e.g. Commonwealth, Federal Government) and can process direct deposit of City payroll checks.

YES\_\_ NO\_\_

6. The City provides account reconciliation information and payroll direct deposit information on 9 track 1/2 inch magnetic tape with tape density of either 1600 or 6250. The file language is EBCDIC. The technical specifications for the tape layout are detailed in Attachments A and B. The Offeror is able to process information provided in this format.

YES\_\_ NO\_\_

7. The Offeror is in compliance with the City's South African divestiture ordinance. (In order to comply with this ordinance, the bank or bank holding company must not do direct business with the Government of South Africa or with South African companies.)

YES\_\_ NO\_\_

8. The Offeror will credit the City's deposit accounts with available funds according to the availability schedule established by the Federal Reserve.

YES\_\_ NO\_\_

9. The banking institution has a main or branch office located within the city limits of Cambridge, or has the ability to arrange for check cashing privileges for City employees at a location (bank) within the city boundaries, at no cost to the employees.

YES\_\_ NO\_\_

10. The Offeror can provide all of the following services (a more detailed description of each item is provided in Section VI):

YES NO

- 1. Account structure that includes concentration/zero balance disbursement accounts,
- 2. Wire transfers, ACH collections, disbursements (including direct deposit of employee payroll checks).
- 3. Automated reconciliation plan (ARP) for all disbursement accounts.

- — 4. Daily deposits, night depository service, daily courier service, daily armored car service.
- — 5. Daily account balance reporting, daily and monthly bank statements
- — 6. Federal and State tax payments
- — 7. General banking services such as: stop payments, coin processing, research and retrieval of cashed checks, canceled check storage, savings bonds.
- — 8. Microfiche and microfilm of City's banking records.
- — 9. Visa or Mastercard payment processing for Traffic & Parking and Hospital payments
- — 10. Daily coin processing for Parking Meter Collections
- — 11. Cash investments such as certificates of deposit, repurchase agreements, and high-yielding money market accounts.
- — 12. Ability to purchase the City's revenue anticipation notes (RANS) and bond anticipation notes (BANS).
- — 13. Ability, at the City's request, to collateralize City deposits and investments that are more than \$100,000.

## **SECTION VI. SCOPE OF SERVICES SPECIFICATIONS**

The purpose of this Request For Proposal (RFP) is to obtain from qualified banking institutions detailed proposals for the provision of a full range of banking services. The successful proposer will become the City's principal bank. The following describes in detail the City's current banking system, which it intends to continue. If the Offeror does not provide these services as described below, but believes it can offer equivalent or superior results by some other means, the alternative service should be described, in detail, in Part Three of the Offeror's proposal. (See Section 4.3 of this RFP for further details.)

### **6.1 Account Structure**

The City's account structure includes separate accounts for deposit and disbursement accounts. Deposits are made to five accounts: Lockbox receipts, Regular receipts, Hospital receipts, Traffic and Parking Lockbox receipts and Traffic and Parking receipts. Disbursements are made from five zero balance accounts: City Payroll, Net Payroll (School), Payroll Deductions, Retirement Payroll, and Accounts Payable. The balances for these accounts are maintained in the Concentration account. A diagram of this account structure is provided in Attachment C.

The deposit accounts are interest bearing public funds money market accounts or "Super Now" accounts depending on the monthly withdrawal activity. Generally speaking, Traffic and Parking funds are transferred out of the principal bank for investment purposes approximately once a week. Funds in the other three deposit accounts are either transferred to the disbursement accounts or wired out for investment purposes. Funds in these accounts do not automatically transfer into the Concentration account.

As noted above, the City uses a zero balance/concentration account structure for its disbursement accounts. All balances are maintained in the Concentration account. Checks are presented against the various disbursement accounts, which have zero balances, causing those accounts to be overdrawn by the amount of the checks presented. At the end of each business day, funds are automatically transferred from the Concentration account to each disbursement account, bringing the account balances to zero. On a regular basis, the City determines the funding amount needed to meet its anticipated obligations, and transfers this amount from its deposit accounts to one or more of the disbursement accounts. All transfers made to the disbursement accounts are automatically transferred to the Concentration account at the end of the business day. Interest is earned on all excess funds in the Concentration account.

If the Concentration account is overdrawn, the bank will honor all checks that clear against the disbursement accounts, and will charge the City an overdraft fee. This fee is calculated by multiplying the amount of the overdraft by the current prime rate for one day on a 365 day basis. The City does not foresee an overdraft occurring in any other account; however, the overdraft fee in all other accounts described in this section will be calculated in the same manner, should the account be overdrawn.

Currently, the Concentration account is a public funds money market account. The City may

wish to convert this account to an open repurchase agreement in which the excess funds are invested in a repurchase agreement with no maturity (i.e. not an overnight repurchase agreement). Daily funding requirements for the zero balance accounts would be deducted from the open repurchase agreement and returned to the Concentration account. Remaining funds in the open repurchase agreement would stay invested. The interest rate calculation would be the Federal Funds Market rate minus 25 basis points. The City estimates that the repurchase agreement will not exceed \$5 million.

The City has two other accounts at its principal bank. The first is the Police Detail account, which is a deposit account. The other is the Collector's account. Checks returned for insufficient funds, which were deposited into the General City receipts or Lockbox accounts, are charged against this account. (All returned checks must be redeposited at least once.) Debits for INF checks are not charged to the General City or Lockbox accounts. However, checks deposited to the two Traffic and Parking accounts, the Hospital account and the Police Detail account are charged directly to those individual accounts.

#### **6.2. Wire Transfers, ACH Collections/Disbursements**

On a daily basis, the City makes wire transfers of funds either from its principal bank to other banking institutions, or from other institutions into the principal bank. Outgoing wire transfers requested by the City prior to 12 noon, must be effective that day. Funds received through incoming wires are available on the next business day. Wire transfers must be Fed Wires. The City also makes daily transfers between the accounts at the principal bank. Incoming and outgoing wires, as well as transfers between accounts will be charged to the City only as wire transfers or internal transfers and not also as items deposited or checks paid.

The Offeror must accept Federal Reserve Automated Clearing House (ACH) collections and must be able to process disbursements through the Federal Reserve to any banks that are members of the ACH. The City receives weekly payments from the Commonwealth through direct deposit to its principal bank. The federal government and banks or mortgage companies paying escrow accounts also make periodic payments via wire. In addition, the City offers its employees direct deposit of payroll checks. The City delivers a magnetic tape to the bank by 2 p.m. the day before the check date. All employees who have accounts at the principal bank are guaranteed next day deposit of funds (i.e. check date); all other accounts are credited no later than the next business day (i.e. one business day after check date). The Offeror must be able to accept and process the direct deposit tape under these constraints. Direct deposit information is provided by the City on a 9 track 1/2 inch magnetic tape with tape density of either 1600 or 6250. The file language is EBCDIC. The technical specifications for the tape layout are detailed in Attachment B. The Offeror must be able to process information provided in this format.

#### **6.3 Automated Reconciliation Plan (ARP)**

The vendor, payroll accounts, and retirement accounts are reconciled each month by an automated reconciliation plan (ARP). The monthly ARP report for each account lists all checks issued that month, indicates which items have been paid, and lists all checks that are outstanding or have had

a stop payment placed. This report must be delivered to the City in hard copy and in microfiche approximately 10 to 15 business days after the close of the month. On a weekly basis, the City provides payroll and vendor account reconciliation information on 9 track 1/2 inch magnetic tape with tape density of either 1600 or 6250. The file language is EBCDIC. The technical specifications for the tape layout are detailed in Attachment A. The Offeror must be able to process information provided in this format. In addition, the City processes some of its payrolls through a service bureau (currently ADP). The Offeror must have the ability to accept magnetic tapes from the outside service bureau as well. Canceled checks are stored by the bank.

#### **6.4 Deposit of Funds**

The City makes daily deposits of collections received at the cashier's window in City Hall and other city department locations such as Traffic and Parking, the Hospital and various recreational facilities. Several departments drop off late night deposits at the Central Square branch of the principal bank. The City also has two lockbox services that make daily deposits. Currently, Cash Management Systems (CMS), located in Brighton, MA performs lockbox services for City tax and utility receipts. CMS makes deposits directly to the Lockbox account at the principal bank between 6:00 and 7:00 p.m. on a daily basis. On average, CMS deposits 25,000 encoded items into this account, with the heaviest activity during October and April when real estate bills are due. Lockhead, IMS. is the City's parking ticket processing agent. This company makes deposits directly to the Traffic and Parking Lockbox account.

#### **6.5 Account Balance Reporting**

The City receives a daily telephone report of account activity for each of its disbursement and depository accounts. The bank notifies the City each morning by 9 a.m. of the total amount and number of credits and debits, and collected and uncollected balances in all applicable accounts. The City also has access to detailed on-line account information via computer modem. The current software in operation is ADVISOR. The City intends to maintain both of these methods for receiving account information; in addition, the City will specify either daily and/or monthly bank statements for each depository account.

#### **6.6 Federal and State Tax Payments**

Federal tax payments are wired through the Federal Reserve on the liability date. The City will notify the bank of the amount of the federal withholding tax and FICA payment by 3 p.m. on the liability date. State taxes are paid by Treasurer's check to the Commonwealth. The City will notify the bank of the state withholding tax amount no later than 2 p.m. on the liability date.

#### **6.7 General Banking Services**

General services include stop payments, research and retrieval of cashed checks, processing of Affidavits of Forgery, coin processing etc. While most of these are routine banking functions, it is important that these services are provided as quickly and efficiently as possible. The City requires that stop payments are processed the same day that the bank is notified. Requests for copies of cashed checks should be processed within 5 business days.

The City offers its employees a savings bond program through payroll deductions. The City currently has two payroll systems, in-house for City employees and service bureau for School Department employees and retirees. On a weekly basis, the City sends a report of those employees that should receive savings bonds for those employees paid through the in-house system. This report includes the employee name, address, social security number and face value of the bond. For the employees paid by the service bureau, a report showing all deductions is sent to the bank. Bank employees must keep track of the number of deductions and determine when to issue the savings bonds for these employees.

#### **6.8 Microfiche and Microfilm services**

All ARP reports should be provided to the City each month on microfiche as well as in paper form. All canceled checks should be either put on microfiche or microfilm on a monthly basis by paid date in numerical order. Each disbursement account for which these services are provided must be processed separately.

#### **6.9 Credit Card Payments**

Currently the City Hospital allows patients to pay their bills through credit cards. The City intends to implement payment of parking fines by Visa and Mastercard, commencing January 1, 1991. The Offeror will provide this service. The merchant fee will be billed directly to the City.

#### **6.10 Parking Meter Collections**

On a daily basis, the City's Traffic and Parking department deposits coins from parking meters. Traffic and Parking employees delivers canisters of coins to the branch bank and are present when bank employees transfer the coins to coin bags. Each bag is tagged and marked with the route number and the bag weight. A receipted deposit slip for \$5600.00 is given to the Traffic and Parking employees. The next day, after the coins have been counted by the bank, the City receives a credit or debit adjustment to the deposited amount, along with the tags that were attached to the bags.

### **SECTION VII. COMPARATIVE EVALUATION CRITERIA**

The purpose of information requested in this section is to assist the City in evaluating the Offeror's overall qualifications, including its financial strength and its management capabilities. Responses to the following areas should be brief, yet complete.

#### **7.1 Financial Strength of the Offeror**

- o The following financial reports should be submitted with Offeror's proposal: 1987, 1988 and 1989 annual financial reports, including complete set of audited financial statements, auditor's opinion, and notes to the financial statements, and first and second quarter financial reports for 1990. If these reports were submitted with the proposal dated October 24, 1990, please do not resubmit.
- o What was the value of the banking institution's capital and surplus holdings as of March 30, 1990 and June 30, 1990.

Please provide a copy of the banking institution's Form 10-Q Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934, or equivalent report, for the quarter ending March 30, 1990 (also include this report for the quarter ending June 30, 1990 if it is available). If these reports were submitted with the proposal dated October 24, 1990, please do not resubmit.

- o Please provide a summary sheet comparing the following ratios for 1987, 1988 and 1989:
  1. Ratio of Total Capital to Total Assets
  2. Ratio of Net Charge-Offs to Average Loans
  3. Ratio of Gross Loans to Total Assets
  4. Ratio of Net Operating Income to Average Total Assets (Return on Assets)
  5. Ratio of Net Income to Total Equity (excluding preferred Stock) (Return on Equity)

## **7.2 Management Capabilities**

The Offeror should describe its management capabilities in the banking services relevant to this RFP. This section should include the names and professional qualifications of the bank employees who will have primary responsibility for administering the City's account. Please provide a statement as to the availability of staff performing all services.

## **7.3 References**

Please provide a list of three references, at least one of which is a municipality with an annual operating budget of \$100,000,000, that can be contacted during the RFP process. Two of the references must be current customers for which Offeror is providing services similar to those outlined in the RFP. One reference must be a client that is no longer an active customer of your bank. Include the customer name, contact person, his/her title, address and telephone number.

## **7.4 Relevant Experience**

Please describe the bank's direct experience providing the services described in Section VI, Scope of Services, to other government customers. In addition, please discuss the bank's experience in the municipal investment area and include a list of the weekly and/or monthly interest rates paid on the municipal money market account during the past 6 months.

The City reserves the right to require full collateral for its deposits over \$100,000. Please describe the bank's ability to respond to such a requirement, including type of securities and percentage of market value that will be used, the location of the pledged securities (e.g. third-party safekeeping), and the effect that collateral will have on interest rates.

## **7.5 Conversion Plan**

The contract for banking services will commence March 1, 1991. Offeror should outline a conversion timetable will allow service to begin within 45 calendar days of contract award. In addition, please provide the name of the project manager, the experience this individual has had in

converting similar accounts, and the estimated amount of time that the project manager will dedicate to the project.

#### **7.6 Interest Rates**

Please provide a list of each of the City's depository accounts (detailed in Section 6.1), with a description of what account type would be assigned to each particular account. Additionally, please describe how interest rates are determined for each account type. Does the bank have public funds or municipal interest rates that would apply to these accounts.

#### **7.7 Repurchase Agreements**

The City is evaluating using an open repurchase agreement for the investment of idle funds in the Concentration account as describe in Section 6.1, Account Structure. Please describe how the Offeror would structure such an agreement, including the following information: securities that will be used for underlying collateral (City may limit collateral to book-entry U.S. Treasury securities and U.S. government agency securities), where collateral will be held for safekeeping, how collateral will be valued, and how interest rate will be determined. Please include a sample of a master repurchase agreement.

CITY OF CAMBRIDGE  
PURCHASING DEPARTMENT

BANKING SERVICES

FILE NO. 2538A - THURSDAY, JANUARY 3, 1991 @ 11 A.M.

The undersigned hereby proposes to furnish all necessary services required for BANKING SERVICES for the City of Cambridge, for a period of two years and 10 months, all in accordance with the attached specifications and following price proposal schedule.

One award will be made as a result of this request for proposal. Contract will be awarded by January 11, 1991 unless award date is extended by consent of all parties concerned.

The payment and performance obligations for each succeeding year of a multi-year contract shall depend on the availability and the appropriation of funds.

PROPOSAL

**PRICE SUMMARY FORM**

<u>Banking Service</u>	<u>Average Monthly Volume</u>	<u>Year One Mar. 1, 91 - Feb.29, 92 Unit Price</u>	<u>Year Two Mar. 1, 92 - Feb. 28, 93 Unit Price</u>	<u>Year Three Mar. 1, 93 - Dec. 31, 93 Unit Price</u>
Account Maintenance	27	_____/acct	_____/acct	_____/acct
Zero Balance Account Maintenance	5	_____/acct	_____/acct	_____/acct
Checks Paid	20,837	_____/item	_____/item	_____/item
Checks Deposited	37,500	_____/item	_____/item	_____/item
Return Deposits (Cks)	60	_____/item	_____/item	_____/item
Funds Transfer				
In Wire	12	_____/wire	_____/wire	_____/wire
Out Wire	13	_____/wire	_____/wire	_____/wire
In house Transfer	25	_____/trans	_____/trans	_____/trans
Daily Balance Report (Teleph)	20	_____/day	_____/day	_____/day
Direct Deposit	1600	_____/item	_____/item	_____/item
Stop Payments	18	_____/item	_____/item	_____/item
Coin Processing	20	_____/depos	_____/depos	_____/depos
ARP Maintenance	4	_____/acct	_____/acct	_____/acct
ARP Items	25,000	_____/item	_____/item	_____/item
Daily Courier	20	_____/trip	_____/trip	_____/trip
Savings Bond Processing	50	_____/bond	_____/bond	_____/bond

Check Storage	Monthly	<u>        </u> /month	<u>        </u> /month	<u>        </u> /month
Microfilm/Microfiche Services (ARP, canceled Cks)	Monthly	<u>        </u> /month	<u>        </u> /month	<u>        </u> /month
Check Copies	10	<u>        </u> /item	<u>        </u> /item	<u>        </u> /item
Merchant Service Fee	Monthly	<u>        </u> /month	<u>        </u> /month	<u>        </u> /month
Overdraft Fees on \$100,000 @8.0%	1 Day	<u>        </u>	<u>        </u>	<u>        </u>
Armored Car Service	20	<u>        </u> /trip	<u>        </u> /trip	<u>        </u> /trip
Night Deposit	15	<u>        </u> /depos	<u>        </u> /depos	<u>        </u> /depos
Foreign Currency	1	<u>        </u> /item	<u>        </u> /item	<u>        </u> /item
On-Line Account Information	Monthly	<u>        </u> /month	<u>        </u> /month	<u>        </u> /month
Additional Statements	55	<u>        </u> /item	<u>        </u> /item	<u>        </u> /item

TERMS: \_\_\_\_\_ FOB DELIVERED

The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion or fraud with any other person, business, partnership, corporation, union, committee, club or other organization, entity, or group of individuals.

\_\_\_\_\_  
(Name of person signing proposal)

\_\_\_\_\_  
(Name of Banking Institution)

Address & Telephone #: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IF PRICES QUOTED ARE NOT DELIVERED PRICES,  
PLEASE INDICATE SHIPPING CHARGES: \$ \_\_\_\_\_

ATTACHMENT A

TAPE FORMAT OF BANK RECONCILIATION TAPE - SEPTEMBER 1990

RECORD SIZE = 80  
RECORDS PER BLOCK = 1  
DENSITY = 6250

<u>FIELD</u>	<u>POSITION</u>	<u>LENGTH</u>	<u>TYPE (E=ALPHA, EN=NUMERIC)</u>
BANK ACCOUNT #	6	10	E
CHECK #	16	8	E
NET AMOUNT	27	9	E
ISSUE DATE	36	6	EN
NAME	42	15	E
VOID INDICATOR	57	1	E

City of Cambridge Direct Deposit Tape Format

September 1990

RECORD SIZE = 94  
 RECORDS PER BLOCK = 10  
 DENSITY = 6250

## Batch header record

Byte pos./Data	Length	Type (E=alpha, EN=numeric)
1 5	1	E
2 200	3	E
5 company name	16	E
21		
41 company account	16	E
51 PPD		
54 PAYROLL		
64 last check date	6	E
70 check date (YYMMDD)	6	E
76		
79 1	1	E
80 destination id	9	EN
88 batch#	7	EN

## Detail record

Byte pos./Data	Length	Type (E=alpha, EN=numeric)
1 6	1	E
2 transaction code	2	EN
4 bank id#	9	EN
13 cking/dir.dep.acct#	17	E
30 check amount	10	E
40 000000000		
49 employee number	6	EN
55 employee name	22	E
77		
79 0	1	E

## End-of-batch record

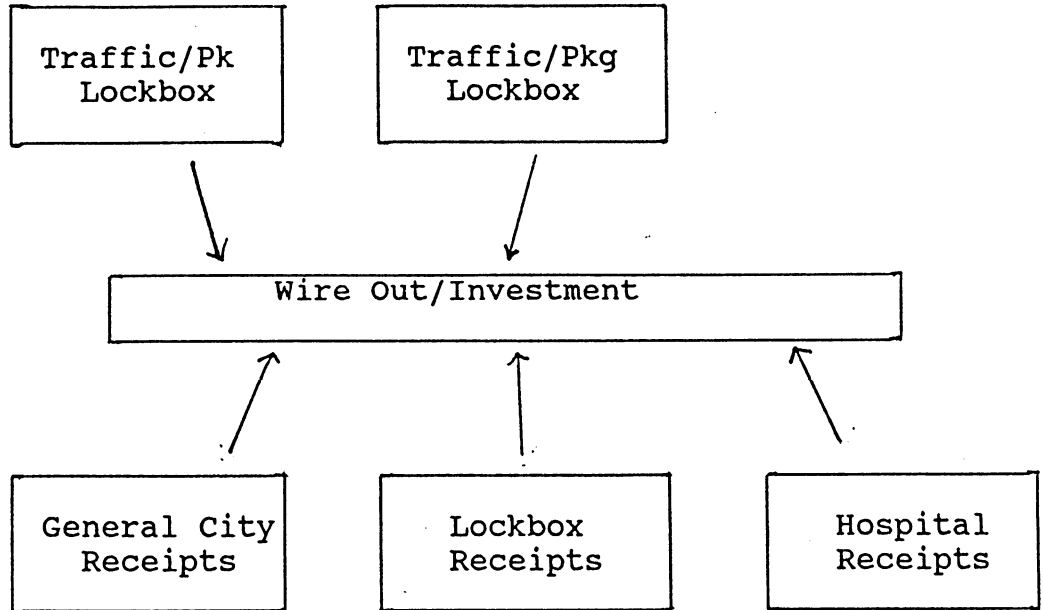
Byte pos./Data	Length	Type (E=alpha, -EN=numeric)
1 6	1	E
2 27	2	E
4 destination id	9	EN
13 company account	10	E
30 total amount	10	E
40 00000	5	E
45 origin id	10	EN
55 CITY OF CAMBRIDGE	17	E
77		
79 0	1	E
1 8	1	E
2 200	3	E
5 number of records	6	E
11 bank id #	10	E
21 total amount	12	E
33 total amount	12	E
45 company account	10	EN
80 destination id	9	EN
88 batch#	7	EN



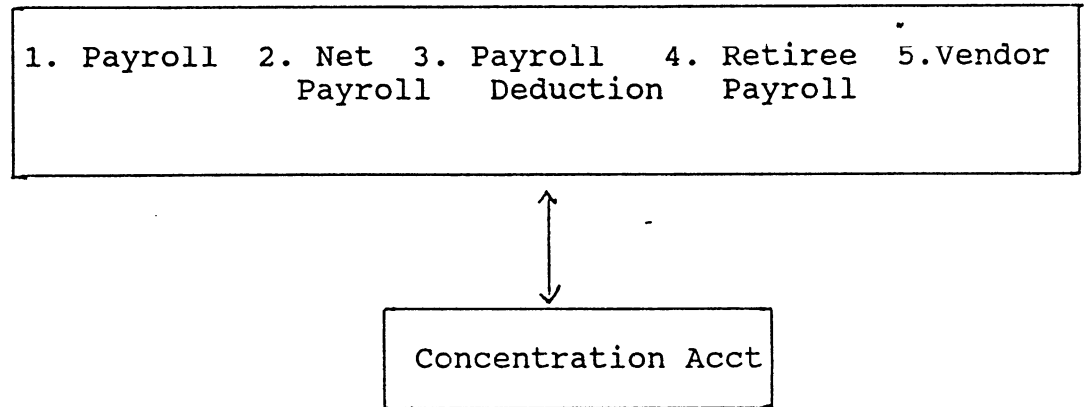
Attachment C

CITY OF CAMBRIDGE CHART OF ACCOUNTS

I. DEPOSIT  
ACCOUNTS



II. DISBURSEMENT  
ACCOUNTS





CITY OF CAMBRIDGE  
CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300  
FAX. 349-4307

EXECUTIVE DEPARTMENT  
ROBERT W. HEALY  
City Manager

RICHARD C. ROSSI  
Deputy City Manager

May 24, 1993

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 20, regarding a report on how banks are chosen to be depositories of city funds and how these institutions interact with the Community Reinvestment Act, received from James P. Maloney, Assistant City Manager for Finance, relative to this issue.

Very truly yours,

Robert W. Healy  
City Manager

RWH/mev  
attachment

Consent Agenda #7

S-251

Response to Awaiting Report #20  
RE: how banks are chosen to be  
depositories of city funds.

In City Council,  
May 24, 1993

*Placed on file*