



The City of
San Diego
America's Finest City



Approval of Banking Services Contracts

June 26, 2013

Office of the City Treasurer

Kent Morris, Chief Investment Officer

Tricy Dienst, Assistant Investment Officer

- City Charter Mandates – §45 and §99
- RFP conducted every 5 years
 - Currently operating under one year contract extension with monthly termination options
- Banking Services RFP to Purchasing & Contracting in August 2011
 - Citywide input & participation
 - Issued on June 7, 2012

- Core Banking Services
 - Depository, Disbursements, Reconciliation & Reporting
- Payroll ACH Services
- Securities Clearance & Safekeeping Services
- Online Payment Transactions
- Procurement Card Services

- Responsiveness to the RFP Scope of Services
 - Ability to meet City's current & future banking needs
 - Full SAP integration for payment & reconciliation facilitation
- Commitment to community reinvestment
- Experienced & innovative management staff
- Highest quality service at best cost

Recommended Providers

Services	Current Provider	Selected Provider
Core Banking	Bank of America	Bank of America
Payroll Services	San Diego Metropolitan Credit Union	Bank of America
Securities Clearance & Safekeeping	Bank of New York-Mellon	Citibank
ProcurementCard	U.S. Bank	Bank of America

Note: Bank of America and Citibank have pledged full compliance with the City's Responsible Banking Ordinance.

Qualified bids were received by the following proposers in the RFP service categories noted.

		<u>RFP SERVICE CATEGORY</u> <u>(ALL WERE SEPARATE BID AREAS)</u>				
		Core	Payroll ACH	Securities Clearance	Online Payments*	P-Card
<u>PROPOSERS</u>	Citibank		•	•	•	
	BofA	•	•		•	•
	JP Morgan	•	•	•	•	•
	Wells Fargo		•	•		•
	US Bank	•	•		•	•
	HP				•	

* Vendor selection not recommended for this Optional Service Category



Bank of America Selection Highlights

- Five year contract approximately \$5M
 - One time loyalty credit of \$150K
 - Discounted fixed pricing structure
 - 35% reduction in Core Banking Fees
- Best technical proposal and most favorable pricing
- Seamless integration of payment functionality with SAP
- Best in class disaster recovery & fraud protection systems
- Best proximity of branch facilities to Citywide operations
- Strong commitment to reinvestment in San Diego



Citibank Selection Highlights

- Five year contract approximately \$248K
 - Comprehensive business contingency plan
 - Investment grade ratings from major rating agencies
 - Detailed implementation strategy
 - Online systems facilitate efficient trade entry, settlement alert mechanisms, report scheduling, and compliance monitoring
 - Cost-effective/most favorable pricing