

## I. GENERAL INFORMATION

### Purpose and Scope of RFP

The City of Boston (the “City”) invites qualified banking institutions having their principal offices in the Commonwealth of Massachusetts (“Offerors”) to submit proposals to provide banking services described in this Request for Proposals (the “RFP”). Offerors are requested to provide proposals on a fee-for-service basis, as well as on a compensating balance basis. Any banking services provided to the City on a compensating balance basis shall be rendered subject to an agreement executed in accordance with the requirements set forth in G.L. c. 44 § 53F.

The City expects to obtain from responsible Offerors binding proposals to enter into contracts with the City for the banking services specified herein.

### Awarding Authority/ Evaluation Committee

This RFP has been issued by the City’s Treasury Department. An Evaluation Committee comprised of Treasury Department officials shall review all proposals submitted, and will make non-binding recommendations to the Collector-Treasurer (the “Awarding Official”). As part of the comparative evaluation, the Evaluation Committee will review each proposal with regard to the Offeror’s qualifications, performance of banking services, and cost of services. In addition, Offerors’ Linked Deposit Banking grades will be considered as a factor in evaluating proposals to provide banking services.

### Timetable

The transmittal letter attached to this RFP sets forth the dates and times for certain events relative to this RFP, including the release of the RFP, submission of written inquiries, pre-bidders conference, submission of proposals, and the date by which the City currently expects selection decisions to be made.

### Inquires

Prospective Offerors must submit questions concerning this RFP via e-mail to [Vivian.Leo@CityofBoston.Gov](mailto:Vivian.Leo@CityofBoston.Gov) no later than the date and time specified herein. The Evaluation Committee will review and consolidate all inquires received before the deadline and the same Committee will prepare and provide written responses to all Offerors that have of record received this RFP.

Offerors are cautioned that all inquiries should be written in general terms and must not contain cost information.

<p><i>Note: Any Offeror that includes cost information in an inquiry will be disqualified without further consideration.</i></p>
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If it becomes necessary to revise any part of this RFP, or if additional data is necessary to clarify any of its provisions, an addendum will be published and provided to all prospective Offerors that have of record received this RFP.

Pursuant to G.L. c. 4 § 7(26)(h) (i) Offeror Non- Price and Price proposals are not subject to public disclosure until the date and time they are due to be opened; and (ii) Treasury Department and other City communications made in connection with the evaluation of Offeror proposals are not subject to public disclosure until all contracts for banking services have been awarded.

## Submission of Proposals

Offeror Price and Non-Price proposals must be formatted according to the instructions set forth in Section II of this RFP, captioned "Specifications and Preparation of the Proposal."

Offeror Price and Non-Price proposals delivered via overnight express courier must be placed inside properly labeled, sealed envelopes prior to being sealed inside the express mail courier package.

*Note: Proposals delivered in overnight express courier packages that do not contain separate, properly labeled and sealed Price and Non-Price proposal packages will be deemed non-responsive, and will be disqualified without further consideration.*

Non-Price proposals must be placed in a separate, sealed envelope, and be clearly labeled in large letters as follows:

**"[BANK NAME]: NON-PRICE PROPOSAL FOR THE PROVISION OF BANKING SERVICES PURSUANT TO A COMPENSATING BALANCE AGREEMENT."**

Price proposals must be placed in a separate, sealed envelope, and be clearly labeled in large letters as follows:

**"[BANK NAME]: PRICE PROPOSAL FOR THE PROVISION OF BANKING SERVICES PURSUANT TO A COMPENSATING BALANCE AGREEMENT."**

Offerors must provide one (1) signed original of each of the Price and Non-Price proposals, one (1) photocopy of each of the same, and a CD-ROM containing electronic copies of each proposal in the file formats specified in the following paragraph. The Non-Price and Price proposals, together with the bid deposit described below, must be delivered to the Treasury Department, City Hall Room M-35, Attn: Vivian Leo, First Assistant Collector-Treasurer, Boston, Massachusetts 02201-1020, at or before 4:00 p.m., Eastern Standard Time, February 3, 2010 (the "Submission Date").

The Offerors are required to provide electronic copies of each of the Price and Non-Price proposals in Microsoft Excel (.xls) file format and Microsoft Word (.doc) file format, respectively, on CD-ROM. The file formats should be in the form of Microsoft Office 2003 or less. The files should be captioned as follows:

[bankname] cb non-price proposal.doc

[bankname] cb price proposal.xls

It is the sole responsibility of the Offeror to ensure that Price and Non-Price proposals arrive on time at the designated location, on the Submission Date. Expenses for preparing and submitting the proposals are entirely the responsibility of the Offerors and shall not be chargeable in any manner to the City.

*Note: Proposals or any parts thereof received in City Hall Room M-35 after the Submission Date will be rejected as non-responsive to the RFP. Delivery of proposals to any office, function, or location other than City Hall Room M-5 will not constitute receipt by the City. It is the sole responsibility of the Offerors to ensure that proposals are received at the proper location, prior to the stated deadline. Offerors should plan accordingly for timely delivery.*

## **Deposit**

A deposit in the form of a certified check, or a treasurer's or cashier's check issued by a responsible bank or trust company, made payable to the "City of Boston" in the amount of two thousand five hundred dollars (\$2,500.00) must accompany the signed original of the proposal received by the Treasury Department.

*Note: Failure to include a bid deposit as required will result in the disqualification of any proposal*

## **Return of Deposit**

All deposits, except those of such Offerors, if any, still under favorable consideration by the Evaluation Committee (the "Finalists"), shall be returned within five (5) days (Saturdays, Sundays, and legal holidays excluded) after the Awarding Official has identified such Finalists. Subject to the provisions of the following paragraph, the deposits of the Finalists shall be returned upon the earlier of: five (5) days (Saturdays, Sundays, and legal holidays excluded) after the execution and delivery of the contract(s); or, if the RFP process is canceled, within five (5) days (Saturdays, Sundays, and legal holidays excluded) of such cancellation; or upon the expiration of one hundred twenty (120) days (Saturdays, Sundays, and legal holidays excluded) after the deadline for submission of proposals.

## **Failure of Performance; Liquidated Damages**

If a successful Offeror fails to execute a contract and furnish the required security for performance within sixty-five (65) days (Saturdays, Sundays, and legal holidays excluded) after the successful Offeror is selected by the Awarding Official, or within such additional time as the Awarding Official may authorize in writing, the Offeror's deposit shall become the property of the City as liquidated damages, except in the case of bona fide clerical or mechanical error of a substantial nature, or other unforeseen circumstances affecting the Offeror. In such circumstances the Offeror's bid deposit shall be returned after submission to, and acceptance by, the Awarding Official of an affidavit signed by the Offeror stating the reasons underlying its failure to execute a contract.

## **Clarification of Proposals**

The Offeror of any proposal that the Evaluation Committee determines has a reasonable probability of being selected may be required to discuss or clarify its proposal with the Evaluation Committee.

## II SPECIFICATIONS AND PREPARATION OF THE PROPOSAL

### Introduction

All information in the Offeror's proposal shall be organized and presented as directed in this Section II. The proposal should provide a straightforward and concise description of the Offeror's commitment and ability to perform the applicable services.

Accuracy and completeness are essential. Omissions or ambiguous and/or equivocal statements will be construed against the Offeror. Since the successful proposal is to be merged into the contract, Offerors are cautioned not to make claims they are not prepared to bind themselves to contractually.

If the Offeror cannot fully respond to a specification, 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 thorough description of how the proposed alternative achieves equivalent or superior performance or results.

**To expedite the evaluation of proposals, be advised that it is essential that the instructions in this part be followed strictly. A proposal will be deemed non-responsive by the Evaluation Committee, if an Offeror fails to comply with the following instructions. All responses must use the same numbering and sequence order used in the RFP. The Fee Schedules (Compensating Balance and Direct Billing) should be submitted under separate cover. In addition, the earnings allowance credit worksheet including the formula, must be disclosed.**

*Note: Proposals that fail to disclose the information set forth in the preceding paragraph will be deemed non-responsive and will be disqualified without further consideration.*

### A. Letter of Transmittal

Part I of the proposal must include a Letter of Transmittal signed by an individual authorized to bind the Offeror contractually. The letter shall include: (1) the individual(s) who is (are) authorized to negotiate and sign a contract on the Offeror's behalf; (2) the name, title, address, telephone number, fax number, and email address of the individual(s) who can supply additional information; (3) a brief description of the overall services proposed; and (4) the following language:

**“This proposal will remain in effect for a period of one hundred twenty (120) days (Saturdays, Sundays, and legal holidays excluded) from the Submission Date (as defined in the RFP), and thereafter until the occurrence of the first of the following events: (i) cancellation of this RFP; (ii) receipt by the Offeror of a notice of non-selection; or (iii) the execution of a contract.”**

### B. Offeror Qualifications

Part II of the proposal must present a description of the Offeror's qualifications. Briefly address each of the following areas:

**References:** The Offeror must provide a minimum of three references. These should be individuals representing customers to whom the Offeror is presently providing comparable services. The references should be currently available to answer questions about the services rendered by the Offeror. In addition to their names, the Offeror should provide the title of each individual named as a reference, and his or her address, telephone number, fax number, and email address.

Experience: The Offeror shall include detailed information concerning its direct experience providing banking services similar to those set forth in its proposal to other customers that are comparable to the City. As part of this response, describe the experience and composition of the primary relationship team, as well as the experiences and composition of all personnel assigned to support the primary relationship team.

Financial Strength: The Offeror must provide evidence of its financial strength. At minimum, the Offeror shall provide an audited balance sheet and income statement for its two most recent fiscal years. If the Offeror is a subsidiary of a larger organization, this information should be included for both the parent and offering entities.

Community Reinvestment: The Offeror must have a completed Linked Deposit Disclosure form on file with the Office of the Awarding Official.

Call Reports: The Offeror must include copies of its four (4) most recently filed Call Reports.

## **C. Firm Profile**

### **Relationship Management and User Support**

The City seeks to select qualified, experienced and capable banks that will work closely with Treasury Department personnel to deliver and provide high-quality and cost-effective banking services to the City. Part III of the proposal must include responses to each of the following requests for information.

Please briefly describe your bank's relationship management philosophy/practice as it would relate to the City's Treasury Department and its personnel.

Please describe the ownership of your bank. Is the bank publicly or privately owned? Who is the majority equity holder?

Describe the relationship and the operations management group that will be assigned to service the requirements of the City.

Describe how your bank will provide complete user orientation and initial ongoing support to the City's Treasury Department. If so, will there be any fees or costs associated with the provision of this support?

Assuming the Awarding Official selected your bank to provide services to the City, who would be the:

- Relationship Manager assigned to these accounts? What is his/her background, name, title and resident office location? Number of years with your bank? Number of years experience in state and local government banking and cash management services?
- Back-up or support individual to the Relationship Manager? What is his/her name, title and resident office location? Number of years with your bank? Number of years, experience in state and local government banking and cash management services?
- How will the City be notified of employee turnover? Describe how the bank will ensure a smooth transition.

## **D. Quality Control Programs**

Part IV of the proposal shall include responses to both of the following requests for information.

- Does your bank have an ongoing formal quality control program to define and measure standards for key operating activities? If yes, please describe.
- Does your quality control program apply to operating services specifically required by the City's Treasury Department, including bank reconciliation services, balance reporting, positive pay and ACH/Electronic Payment Services?

Your bank will be required to verify the quality of all CD-ROMs that your bank supplies to the City of Boston.

The bank's primary relationship team will be required to meet quarterly or as requested by the Treasury Department, to review actual operating results against the Treasury Department's service requirements.

## **E. Disaster / Business Recovery Plan**

Part V of the proposal shall include responses to each of the following requests for information.

- Describe your bank's Disaster/Business Recovery Plan in the event of internal failure and/or external disaster beyond your control? If yes, please define and identify specific backup equipment, personnel, and locations?
- Does your Disaster/Business Recovery Plan specifically cover essential services required by the City's Treasury Department, e.g. Demand Deposit Accounting, Balance Reporting, Wire Transfer and ACH Activity, Account Reconciliation Systems, Check Printing, etc.?
- How often is the Disaster/Business Recovery Plan actually tested? When was the Disaster/Business Recovery Plan last tested? Where was the last test conducted? What were the results?
- Have you had to activate the Disaster/Business Recovery Plan due to an actual disaster or major systems failure within the last three years? If yes, please explain.
- Do you have a post-disaster contingency plan if your first backup location becomes inoperative? If yes, please explain.

## **F. Terms and Conditions**

The Awarding Official reserves the right to reject any and all proposals that either (a) do not comply with this RFP or (b) are for services which the City may conclude are not appropriate at this time.

The successful bank must hold its proposed services and prices for three years from the date of award or until June 30, 2013, according to the determination of the Awarding Official. The City is looking for one price, which will remain effective for the life of the three (3) year contract.

Not only must the successful Offeror provide monthly account analysis statements, but it must also submit with such statements an abbreviated compensating balance form (to be provided by the Treasury Department) for the purpose of monitoring account balances.

If in any month, or at year-end, account balances in an account, or group of accounts, are deficient to the extent that the cost of the banking services are not covered by the average collected balances, the City will increase the average collected balances, in the following month, by an amount agreed to by both the City and the successful bank that is sufficient to make up the deficit. Conversely, if in any month or at year-end, there is a surplus in the account(s), the City will reduce the average collected balance, in the following month, by an amount sufficient to reduce the surplus.

The City reserves the right to cancel the contract if the bank fails to meet the requirements of the Linked Deposit Banking Program (the "Program"), as the Program shall from time to time be promulgated. The City's Linked Deposit Policy was developed to help encourage economic development within all Boston neighborhoods, pursuant to two executive orders. These Orders require all financial institutions interested in becoming depositories of City funds or providers of banking services to submit data relating to lending and the provision of banking services. The collection and analysis of this data will allow the Collector - Treasurer to determine the extent to which an institution is engaging in activities and practices in furtherance of the policy goals enumerated in the Orders. Included in the policy goals are fair lending in all of Boston's neighborhoods, adequate banking services city-wide, the encouragement of economic development and the creation of affordable housing, and the hiring and promotion of Boston residents, women and minorities. The results of this analysis will be included as a factor in the choice of financial institutions for the deposit of City funds and the provision of banking services.

The City reserves the right to cancel the contract by giving written notice by certified mail (return receipt requested), to an officer of the bank to be designated in the contract. In the event of cancellation by the City, all obligations of the bank and the municipality shall terminate at the close of business on the thirtieth (30<sup>th</sup>) business day after such notice is delivered to the bank.

Upon termination of services of a bank, the City will maintain in the account(s) an average collected balance sufficient to pay for all outstanding services. If there is a surplus in the account(s), the bank will issue a check to the City for such surplus.

Either party may call a meeting within seven (7) days after a notice of termination is given by either party in an attempt to resolve the problem that resulted in termination.

The bank shall also provide the City with a yearly report in such form and including such information as may be required of the City by the Commissioner of Revenue.

The Offeror must include the following certification in its proposal:

**"The undersigned certifies under penalties of perjury that this bid is in all respects bona fide, fair and made without collusion or fraud with any other person. As used in this section, the word "Person," shall mean any natural person, joint venture, partnership, corporation, or other business or legal entity."**

**Name of person signing proposal**  
**Title**  
**Bank**

*Note: Offerors are advised that the Awarding Official shall report to the Commissioner of Banks (the "Commissioner") any unfair method of competition or deceptive act or practice that is prohibited by either M.G.L. c. 167 § 2A ("Section 2A"), or by any rules or regulations that the Commissioner may promulgate in accordance with Section 2A, including, but not limited to, 209 C.M.R. 32.32, 209 C.M.R. 40.00 et. seq., and 209 C.M.R. 42.00 et. seq.*

### **III. Scope of Banking Services**

In an effort to eliminate the City's exposure to any potential loss of its deposits, the City requires the financial institutions accepting City deposits to provide (a) sufficient depository insurance or (b) collateralized deposits with securities held by a third party financial institution in the name of the City of Boston. Please specify how your financial institution would achieve this requirement.

A bank, in responding to this RFP, may bid on any or all of the banking services listed below. Addendum A indicates the number of transactions anticipated. Although this is the City's best estimate of volume, the City does not guarantee these as minimum volumes. In responding to cost of service, please respond under separate cover and in the same sequence as presented in the proposal.

#### **A. Checking Account Services**

The bank shall accept deposits, endorse and photograph all checks deposited, service dishonored and returned checks, maintain and reconcile the account (see below for reconciliation services), provide CD-ROM copies of paid checks, provide monthly statements and all facilities normally provided to checking account customers, provide preprinted checks and deposit slips and other instruments pertaining to transactions for the account, and provide any normal and generally accepted services associated with this type of account not specifically listed herein. The bank shall provide reconciliation services for those accounts. See Addendum A for specific information.

The City requires positive pay data to be transmitted over a secured line to your bank. Please describe your positive pay service. State whether your positive pay is offered at the teller line. If so is it in real time? See paragraph J – Positive Pay for details.

All checks issued by the City must be honored without a check cashing fee to the payee, and no such fee will be paid by the City. Submit all fees associated with checking account services.

#### **List of Accounts**

A complete list of accounts for which the City requires services can be found in Addendum B. In addition, this list contains related volumes to the applicable account.

#### **B. Automated Lock Box (Optimal Character Recognition)**

The City seeks separate proposals for each of the following lock box services.

1. Real estate and personal property taxes which will be processed on a quarterly billing cycle of approximately 200,000 items per year. A large volume of these items will be processed during the months of July, October, January and April.

-OR-

2. Motor vehicle excise taxes, which consist of approximately 300,000 items per year (200,000 from the original mailing list and 100,000 from demand notices), and boat excise which consists of 5,000 items are usually processed during the months of February, March, and April.

-OR-

3. An all-inclusive lock box that includes both 1 and 2 above.

The City reserves the right to award all lock boxes to one bank or to award partial services, as indicated above, to different banks.

The following requirements should be considered when preparing each lock box proposal.

The City leases post office boxes in Boston and will give authorization for access to the successful bidder.

The bank must provide all of the following in order to respond to any of the proposals 1, 2 or 3, above:

- Mail pick-up at least five (5) times per day..
- A CD-ROM copy of each check and coupon processed.
- An audit trail that includes run and sequence numbers, date, type of tax, bill number is to be included for Excise Tax and ward and parcel data for Real Estate and Personal Poroperty Taxes
- A daily transmission of all transactions.
- A daily printed report of all transactions.
- Provide specific detailed information on the previous day's debit and credit memos.
- A scan line, used for processing (OCR-A) consisting of year and type of tax; ward and parcel number on real estate tax payments; bill number on excise; and three paid fields including tax, cost and interest with a check digit.
- Advise the City of each day's deposit total on the same day it is made.
- All reports and items must be sorted by type of tax.
- Deliver documentation and transmittal report(s) to the City by 8:00 a.m. of each business day for the previous day.
- In the case of an unreadable report(s), the bank will reproduce and deliver a new report the same day.
- Reply within two days to all inquiries made by the City.
- Mail a stamped receipt to taxpayers when a self addressed stamped envelope is enclosed.
- Stamp and return receipts to the City for Banks and Leasing Companies upon request.
- Provide the City with on-line access to manage those items which have been identified as rejects.

In addition to a detailed account of how the bank would provide such services, the Offeror is required to answer the following questions for each of the proposals, 1, 2 and 3, above.

- Can the bank process special instructions, such as balancing and processing multiple transactions paid with one check, along with specific packaging and sorting instructions; including instructions pertaining to which accounts to process and which accounts to return to the City?
- How soon will the City receive available funds for lockbox deposits?

Please detail by:

Checks drawn on the proposing bank.

Checks drawn on First Federal Reserve District.

Checks drawn on other Federal Reserve Districts.

- What are your routine cutoff times for processing and crediting to the account?

Submit all fees associated with lock box services.

### **C. Balance Retrieval System/ Internet Access**

The City seeks the services of a bank(s), which can provide an Internet-based retrieval system with real-time information.

At a minimum, the City requires the following information

Gross Balance  
Collected Balance  
One-Day Float  
Two-Day Float  
Total Debits  
Total Credits  
Specific Detailed information on the previous day's Debit and Credit activity.  
E.D.I.

In addition, the system is required to supply pre-formatted reports for daily use, and downloading capability to Microsoft Excel or text format. The system is required to maintain a history of information for no less than thirty one (31) days.

Please submit answers to the following questions:

- What are the minimum system requirements of your bank to operate this system?
- How long has the system been operational?
- Three Customer references.
- How many platforms (balance reporting, ACH, Wires) have been integrated thus far?
- If and when all platforms will be integrated?
- Will your system support any browser(s) other than Microsoft Internet Explorer?
- What version of Internet Explorer and/or other web browser(s) will your systems support?

Submit all fees associated with Balance Retrieval Services.

#### **D. Electronic Deposits (Direct Deposit)**

The City offers Direct Deposit to both its employees and pensioners. Currently, the City is offering selected vendors this service as well. These vendors also receive information through EDI. The awarding bank will be required to retrieve from the City the data for the direct deposit, including the EDI over a secured transmission.

The City requires detailed bank statements, connecting to detailed advice of credit/debit. Advice of credit/debits should include: Account Number, Date, Amount of Adjustment, and a detailed Description. The description "Per your Advice" is not acceptable. Please list all requirements the City would have to satisfy in order to use the Direct Deposit Service and provide sample reports. List all support services. Submit all fees associated with Electronic Deposits (Direct Deposit).

#### **E. Electronic Stop Payments**

The bank is required to make available to the City an Internet-based Stop Payment System, in order for the City to communicate directly with the bank's Stop Payment System. The system is required to have the capability to place stop payments or removals of stop payments as needed, and must also maintain a history of these transactions. As part of your response, please describe the requirements of your stop payment program. Please submit all fees associated with Electronic Stop Payments.

#### **F. Internet-Based Transfer System**

The City requires that Offerors provide an Internet-based transfer system exist allowing transfers in the form of a wire transfer, internal transfer or an ACH credit or debit transfer to occur in a real-time environment. As part of your response, please describe the requirements of your Transfer System. Submit all fees associated with the Transfer System.

#### **G. Automatic Investment Service (Automatic Sweeps)**

The City seeks the services of a bank able to provide an automatic investment program to permit the City to maximize the use of its account balances. As part of your response, please describe the requirements of your investment program. Submit all fees associated with Automatic Investments.

#### **H. Imaging System via Internet Access**

The City requires that Offerors provide an imaging system allowing retrieval of the image of a check that has been presented for payment and cashed. The Imaging System must have the capability to print the image and/or download the image. Please submit all fees associated with Imaging System via Internet Access.

#### **I. Coin Processing**

The City requires that Offerors provide a system to collect, process, and deposit various coins into an established account. Please include all costs associated with this coin processing and depositing service.

#### **J. Positive Pay**

The City is currently using Positive Pay for several checking accounts. Please describe in detail your Positive Pay System. Does your bank offer positive pay at the teller line in real time? The City requires having this data transmitted over a secured line. See Section IIIA for those accounts currently associated with Positive Pay. Submit all fees associated for positive pay.

## **K. On-Line/CD-ROM Bank Statements**

The City requires that monthly bank statements be received via the Internet (in .PDF file format), as well as on a CD-ROM together with the monthly statements in paper format. The bank statement should be available five (5) days from the bank statement closing date. Please submit a description of this service and all fees associated with this service.

## **L. Electronic Storage and Retrieval of Canceled Checks**

The City requires electronic storage services for canceled checks and the ability to retrieve these checks via CD-ROM. Please describe any services the bank can supply to address this need and submit all fees associated with this service.

## **M. Credit and Debit Cards (Payment of Parking Fines)**

The Office of the Parking Clerk of the City of Boston Transportation Department collects parking ticket fines owed to the City. Currently, parking tickets are paid with cash, personal checks, registered checks, money orders, Visa credit cards, MasterCard credit cards, or debit/ATM cards. The City is exploring the possibility of accepting Discover Cards as a method of payment.

In order to be considered for selection, the bank must meet the following additional program specifications:

### **No Service Charge**

The credit card payment service selected by the City for the payment of tickets owed to the City must not charge the cardholder a fee for utilizing the program.

### **Guaranteed Payment**

The credit card payment service selected by the City must guarantee payment to the City of the money charged on the credit cards involved in the program. In addition, the period of time between acceptance of a credit card for payment and the deposit of the money into a specified City account, must be kept to a minimum. Please be sure to define this lag time.

### **Number of Acceptable Credit Cards**

The credit card payment service selected by the City must provide at least two (2) designated credit cards, Visa and MasterCard. Please be sure to specifically identify the cards and rates that will be involved in the program.

### **Authorization**

All Credit/Debit Card payments made to the City must be verified (receive authorization) regardless of the amount being charged (paid). To this end, the credit card payment service selected must provide an on-line, real time, automated authorization system (authorization terminal(s)).

### **Locations**

Currently, customers can make payment in-person (i) to cashiers at City Hall (ii) at the Boston Transportation Department's Tow Lot at Frontage Road (iii) or at the Inspectional Service Department at 1010 Massachusetts Avenue. Three (3) cashiering terminals are at City Hall and two (2) cashiering terminals are at Frontage Road.

### **Equipment and Supplies, Maintenance**

The bank shall provide the City with equipment including terminals, printers, key pads or alternative devices at no charge to the City, and supplies necessary to process Credit/Debit Card transactions for the duration of the contract. The bank, as part of the initial provision of equipment, shall also provide one (1) back-up terminal, two (2) back-up printers, and one (1) back-up pin pad.

**Indemnification**

The bank shall indemnify and hold the City harmless and all individuals acting on behalf of the City, from any and all liability, loss, damage, cost or expenses and any action taken against, arising from or resulting from proposes, errors or omissions.

The bank shall provide all hardware incidental to the provision of credit and debit card services. Ownership of such hardware shall remain with the bank.

**Cost**

Under the new proposal the charges for Credit and Debit Card Services are to be paid via a Compensating Balance Account. Please submit all fees.

**N. Parking Meter Account**

The City of Boston Transportation Department has installed multi-space parking meters. Currently there are ninety three (93) multi-space parking meters in the City. These multi-space parking meters are kiosks that accept credit cards, dollars and coins. Please include in your response any system requirements, as well as all costs and fees, associated with collecting and processing revenues from these multi-space parking meters.

**O. Credit Cards / Debit Cards**

**Payment of Excise, Real Estate and Personal Property Taxes**

The Office of the Collector-Treasurer currently allows taxpayers the option of paying their taxes by debit and credit cards. In order to be considered for selection, the Bank must meet the requirements as set forth in Item M, above.

**Payment of Fees / Fines for Other Departments**

The City allows customers the option of paying for fines and fees by debit and credit cards. In order to be considered for selection, the bank must meet the requirements as set forth in Item M, above as well.

**Alternative Payment Method**

The City is interested in exploring the possibility of alternative methods for processing credit and debit card payments in an attempt to reduce cost. Does the bank offer any products that may be applicable? Does your bank accept e-check as a method of payment?

**Kiosks**

The City is exploring the use of functional kiosks for remittance processing of fines, fees, permits and taxes.

**P. ACH Debits (Direct Payment)**

The City is currently allows taxpayers the option of paying real estate, personal property and excise taxes using direct payment. Please describe any services that the bank can supply to address this service as well as any system requirements. Please submit all fees associated with this service.

### **Q. Purchase Cards**

The City is interested in utilizing purchase cards for select departments as a means to purchase pre-approved merchandise from designated vendors. Please submit any relevant information that applies to purchase cards. Please include in your response any system requirements, as well as all costs and fees associated with this product.

### **R. Remote (On-Site) Deposits**

The City of Boston is currently depositing approximately 190,000 checks per year to designated accounts through a remote site using a web based application together with Canon Image Formula CR-180 II check scanners.

The bank shall provide the City with two (2) Canon Image Formula CR-180 II scanners or equivalents to process remote on-site deposits. This equipment will be provided at no charge to the City for the term of the contract, and ownership of the equipment shall remain with the bank. In the event the equipment should require repair, the bank shall service the equipment within twenty-four (24) hours of notification.

Please describe in detail the process that the bank would undertake to process deposits. As part of your response, include the availability schedule of these deposits. List any software, hardware or platform requirements. In addition, your response should describe the security safeguarding this method of deposit. Please submit all costs and fees associated with this product.

### **S. Additional Services**

The City may wish to acquire additional services as necessary throughout the course of the contract. Please include any technical advancement that you believe would be of interest to the City. Please submit any new services that may benefit the City and all fees associated with these services.

**Earnings Credit Rate**

Submit the bank's Earnings Credit Rate for the calendar 2009 in the following format. If the ECR is based on any index, please specify which index. Please provide the rate used to calculate the ECR, for the calendar year 2009.

<b>January, 2009</b>	_____
<b>February</b>	_____
<b>March</b>	_____
<b>April</b>	_____
<b>May</b>	_____
<b>June</b>	_____
<b>July</b>	_____
<b>August</b>	_____
<b>September</b>	_____
<b>October</b>	_____
<b>November</b>	_____
<b>December</b>	_____
<b>AVERAGE</b>	_____

Please specify in the space below the formula(s) used by your bank to calculate the compensating balance required for various levels of balances.

Using the Calculated ECR Average and a randomly selected hard dollar cost of \$10.00, enter the mathematical formula used by your bank to calculate the compensating balance requirement as submitted in your proposal.

**Fee Schedule for Banking Accounts**

Please submit the cost affiliated with each of the services under compensating balance and direct billing. In utilizing the fee schedule, please use the terminology as indicated. ***In any instance where additional services and cost is to be considered please list under the title of the service and the cost associated with this service.*** The City is looking for one price, which shall remain in effect for the full term of the three (3) year contract. This schedule along with the Earning Allowance Credit is required to be submitted under separate cover. In submitting this fee schedule electronically, please use Microsoft Excel (.xls) file format. In column 2, Balance Required to Pay for Services per Unit, shall be populated with your formulas and not your results. In column 3, Banking Services, ***along with providing your fee schedule, using the respective lettering in Section III "Scope of Banking Services" or any of the terminology used by your institution.*** Please provide a cross-walk of these services to the terminology referenced below. An example has been provided. Questions regarding the fee schedule should be transmitted via e-mail to [Vivian.Leo@CityofBoston.Gov](mailto:Vivian.Leo@CityofBoston.Gov). See ADDENDUM B for Schedule for Checking Accounts.

**Example:**

SERVICE	HARD DOLLAR COST PER UNIT (1)	BALANCE REQUIRED TO PAY FOR SERVICES PER UNIT (2)	Banking Services (3)
Monthly Maintenance	\$5.00 Per Month	\$1,520.52	A, D

SERVICE	HARD DOLLAR COST PER UNIT (1)	BALANCE REQUIRED TO PAY FOR SERVICES PER UNIT (2)	Banking Services (3)
Monthly Maintenance (Banking Services)			
Full Reconciliation (Monthly Maintenance)			
Full Reconciliation (Per Item)			
Partial Reconciliation (Monthly Maintenance)			
Partial Reconciliation (Per Item)			
Sorting Paid Check (Monthly Maintenance)			
Sorting Paid Check (Per Item)			
Transmission of Paid Items (Monthly Maintenance)			
Transmission of Paid Items (Per Item)			
Deposit Reconciliation Maintenance Per Item			
CD-ROM Bank Statement			
On-line / CD-ROM Image			
Deposits			
Items Deposited			
First Fed. Res. Dist.			
Other Federal Dist.			
Return Deposit Check			

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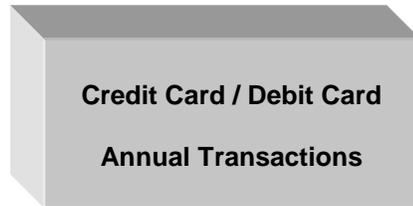
SERVICE	HARD DOLLAR COST PER UNIT	BALANCE REQUIRED TO PAY FOR SERVICES PER UNIT	Banking Services (3)
Additional or Duplicate Statements			
Outgoing Wire Transfer (Repetitive)			
Outgoing Wire Domestic (Non- Repetitive) Inter-bank Transfer			
Incoming Wire Transfer			
Book Transfer Module Web			
Electronic Funds Transfer			
Insufficient Funds Fee			
Foreign Check Fee			
Check Order			
Checks Paid			
FDIC Insurance			
First Fax, First Account			

Monthly Maintenance (Balance Retrieval)			
Items Processed			
Items Rejected			
Previous Day Reporting First Account			
Previous Day Reporting Add'l Account Web			
ACH Module – WEB			
Intra-day ACH Report			
ACH File Transmission Per Transmission)			
ACH Credits Originated Per Item			
ACH Return			
Electronic Stop Payment Per Item			
Electronic Credits			
Electronic Debits			
Per Account Charge			
Monthly Maintenance Per Item Charge			
Cash Preparation			
Coin & Currency Processing			
Monthly Maintenance Per Item			
Monthly Maintenance			
Monthly Maintenance			
Per Item			



**Fee Schedule for Credit and Debit Cards**

To determine the fee associated with this service, exclude all costs that relate directly to the interchange rate. Include in the cost those items that are directly incurred by your institution. Also, please identify the third party institution that would provide these services, and describe in detail the relationship between your bank and the service provider. Please indicate whether your third-party service provider would be willing to price its services at the same rate(s) for the full term of the compensating balance agreement. If so, please provide all costs. If not, please state how frequently during the contract such prices would change.



	Credit Cards		Debit Cards	
	Number of Transactions	Amount of Transactions	Number of Transactions	Amount of Transactions
Accounts Receivable	616	\$ 50,454.00	0	\$ -
City Clerk	0	\$ -	782	\$ 38,898.00
Collecting	2,857	\$ 8,832,802.56	1,022	\$ 283,644.00
Excise Tax	41,904	\$ 2,778,416.44	0	\$ -
Fire Department	1,008	\$ 121,811.81	21	\$ 1,339.00
Internet Parking	220,783	\$ 9,129,133.00	0	\$ -
Inspectional Service	5,219	\$ 1,763,881.54	0	\$ -
Mayors	0	\$ -	19	\$ 4,809.78
Parking Clerk - City Hall	3,471	\$ 545,151.00	7,236	\$1,273,837.00
Parking Clerk - Tow Lot	3,302	\$ 373,829.88	4,164	\$ 600,428.00
Parking Meters	200,881	\$ 263,629.13	0	\$ -
<b>TOTALI</b>	<b>480,041</b>	<b>\$ 23,859,109.36</b>	<b>13,244</b>	<b>\$2,202,955.78</b>

## Addendum A

### **1. Full Reconciliation Accounts**

The bank will provide a secured transmission indicating check number, account number, dollar amount, and paid date of each paid check. The bank will issue a full reconciliation report at the same time the checking account(s) statements are rendered. The bank must be able to present reconciliation data in one of four possible sequences: check number; paid date; issue date or additional data field. The report must include the amount, check number, paid date, and issued date of each check paid during the reconciliation period. An outstanding check must have the amount and the issue date indicated, although it will not have a paid date.

The bank will provide a summary for each account, in a sequence to be determined, showing which checks have been paid against a no issue record; any checks with different paid and issue amounts; and any checks with a stop payment or cancellation in effect. The bank will provide a recap of posted items report indicating, by date, the total count and dollar amount of all checks issued and paid and the grand totals of all checks issued and paid during the reconciliation period. The bank shall provide an outstanding settlement report indicating the totals of all outstanding checks as well as those checks paid against a no issue record.

The bank shall prove the total dollar amount of paid checks indicated on the recap to the total amount of the checks paid indicated on the checking account statement. Within ten (10) business days after the statement closing date, the performing bank will forward to the City, the bank statement, reconciliation reports, any output options, and paid checks sorted in check number order. Upon special request, the bank will provide the City with disbursement account activity, via electronic media or the reconciliation report, on a daily basis.

The Offeror should include in its proposal copies of a typical full reconciliation report.

### **2. Partial Reconciliation Accounts**

The successful bank shall provide partial reconciliation and provide the following reports:

Reconciliation report indicating in either check number, paid date, or missing check number sequence (sequence to be determined at a later time) the amount, check number, and paid date of each check paid during the reconciliation period.

Diagnostic Summary indicating reconciliation exception items.

Recap of posted items listed by paid date, scheduling the total count and dollar amount of checks paid during the reconciliation period. The bank shall prove the total dollar amount of paid checks indicated on the recap to the total amount of checks paid indicated on the checking account statement.

Within ten (10) business days after the statement closing date, the performing bank will forward to the City the bank statement, reconciliation reports, any output options, and paid checks sorted in check number order. Upon special request, the bank will provide the City with disbursement account activity via electronic media or the reconciliation report, on a daily basis

The Offeror should include in its proposal copies of a typical partial reconciliation report.

### **3. Partial Reconciliation with Transmission**

The Bank will provide a FTP secured transmission indicating check number, account number, dollar amount, and paid date of each paid check.

### **4. Basic Reconciliation**

Basic Reconciliation shall include a statement and cancelled checks

### **5. CD ROM of Canceled Checks**

For specified accounts, the bank shall provide, for each statement date, CD ROM of the canceled checks sorted into check number sequence.

## Addendum B

List of Accounts

The following is a list of accounts for which the City requires full, partial or a basic reconciliation. Please note that some accounts may require a transmission of paid items. Listed below are estimates of the annual activity for the respective account.

F/TR = Full Reconciliation with transmission  
P/TR = Partial Reconciliation with transmission  
P = Partial Reconciliation  
B = Basic Reconciliation

C = CD ROM  
PP = Positive Pay  
R = Remote Deposit

ACCOUNT NAME	SERVICE	WIRES IN/OUT	ACH CREDITS	ACH DEBITS	ORIGINATING CREDITS	ORIGINATING DEBITS	DEPOSITS	ITEMS DEPOSITS	ITEMS PAID	INTERNAL TRANSFERS IN/OUT
<b>GENERAL FUND ACCOUNTS</b>										
City of Boston	B,C,R	314/60	610	152	0	0	1,604	1,302	1,876	838/472
City of Boston	B,C	0/10	0	0	0	0	16	184	56	10/0
<b>PAYROLL/ACCT. PAY. ACCTS.</b>										
City of Boston Payroll	F/TR,C,PP	0/0	0	2	0	0	18	232	71,182	50/2
City of Boston Accts. Payable	F/TR,C,PP, R	24/0	6	208	0	0	96	92	67,122	308/0
<b>DIRECT DEPOSIT ACCOUNTS</b>										
Payroll Direct Deposit	B,C	0/0	92	104	773,032	0	22	42	128	40/6
BPS Retirees' Direct Deposit	B,C	0/0	30	12	31,574	0	14	46	72	2/0
SBRIS Direct Deposit	B,C	12/0	48	12	139,092	0	0	0	28	12/2
<b>GENERAL CHECKING ACCTS.</b>										
Accounts Receivable	B	0/0	254	2	0	0	0	0	0	0/150
BAS Special	B	0/0	0	0	0	0	50	1,044	0	0/0

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ACCOUNT NAME	SERVICE	WIRES IN/OUT	ACH CREDITS	ACH DEBITS	ORIGINATING CREDITS	ORIGINATING DEBITS	DEPOSITS	ITEMS DEPOSITED	ITEMS PAID	INTERNAL TRANSFERS IN/OUT
<b>GENERAL CHECKING ACCTS. (CONTINUED)</b>										
Boston Police Detail Account	B	0/58	0	2	0	0	150	11,158	28	0/10
BPS Cafeteria Revenue	B	0/0	0	0	0	0	3,338	862	6	2/6
CDBG	B,R	2/0	2,210	0	0	0	100	14	0	2/174
Deputy Account	B	0/50	0	0	0	0	52	2,520	0	8/42
Drug Evidence	B	0/2	42	40	0	0	1,462	10	1,418	0/0
ISD Main Account	B	0/0	0	0	0	0	850	31,246	0	0/28
Neighborhood Development	B,R	2/0	0	0	0	0	684	405,974	0	0/176
Lock Box	B	0/0	0	0	0	0	22	6	0	0/34
Parking Clerk Mail Collection	B	0/0	0	0	0	0	1,200	478,998	0	0/40
Parking Clerk Window Account	B, R	0/0	0	0	0	0	826	338	0	6/30
Police Dept. Anti-Corruption	B	0/0	0	0	0	0	12	12	20	0/0
Police Dept. Boston Taxi Industry	B	0/0	0	0	0	0	822	2,242	166	0/0
Police Dept. CID	B	0/0	0	0	0	0	10	10	12	0/0
Police Dept. Evidence	B	0/0	0	0	0	0	152	0	54	0/0
Police Dept. Hackney Acct.	B	0/0	0	0	0	0	294	4	10	0/0
Retired Senior Volunteer Program	B	0/0	0	18	0	0	6	6	1,166	0/0
Refund Account	F/TR,C, PP	0/0	0	0	0	0	38	90	6,124	20/16
SBRS Operating Account	B	64/138	22	2	0	0	146	660	0	0/0
Trustee Assignment	B,C	0/0	0	0	0	0	10	60	20	0/0
Veterans Account	B	0/0	0	0	0	0	24	24	4,722	0/0

ACCOUNT NAME	SERVICE	WIRES IN/OUT	ACH CREDITS	ACH DEBITS	ORIGINATING CREDITS	ORIGINATING DEBITS	DEPOSITS	ITEMS DEPOSITED	ITEMS PAID	INTERNAL TRANSFERS IN/OUT
<b>PENSION ACCOUNT</b>										
SBRP Payment Account	F/TR,C, PP	74/0	0	74	0	0	88	704	29,058	24/16
<b>CREDIT CARD ACCOUNTS</b>										
City Clerk Credit Card	B	0/0	366	4	0	190	0	0	0	0/26
Fire Department Credit Card	B	0/0	206	0	0	0	0	0	0	0/16
Internet Merchants Services	B	0/0	358	18	0	0	0	0	0	0/16
Internet Parking Account	B	0/0	362	48	0	0	0	0	0	0/26
ISD Credit Card	B	0/0	244	2	0	0	0	0	0	0/12
Parking Clerk Credit Card	B	0/0	868	0	0	0	2	2	0	0/20
Parking Meters Account	B	0/0	342	0	0	0	0	0	0	0/24
Tax Credit Card	B	0/0	272	4	0	0	0	0	0	0/32
<b>PETTY CASH ACCOUNTS</b>										
Law Department Petty Cash	B	0/0	0	0	0	0	10	10	60	0/0
Workmen's Compensation	B	0/0	0	0	0	0	16	18	32	0/0
<b>ACH ACCOUNTS</b>										
Accounts Receivable ACH	B	0/0	8	0	0	0	0	0	0	0/10
Internet Merchants ACH	B	0/0	358	168	0	18,032	0	0	0	0/10
Real Estate ACH	B	0/0	488	204	0	25,904	0	0	0	0/14