



City of San Antonio

Agenda Memorandum

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In Control: Audit Committee

CITY OF SAN ANTONIO
FINANCE DEPARTMENT
AUDIT COMMITTEE
INTERDEPARTMENTAL MEMO

TO: Sheryl Sculley, City Manager

FROM: Troy Elliott, CPA, Deputy Chief Financial Officer, Finance Department

COPY: Audit Committee; Ben Gorzell Jr., CPA, Chief Financial Officer; Kevin Barthold, City Auditor

SUBJECT: Post-Solicitation Briefing for Depository Banking and Lockbox Services

DATE: May 30, 2017

The City of San Antonio, Finance Department issued a Request for Proposals (RFP) for Depository Banking and Lockbox Services. Depository Banking Services include collecting and disbursing the City's funds, providing timely, accurate and reader-friendly reports, implementing security measures to protect and assist the City with its fiduciary responsibilities with respect to financial assets, providing online cash management services, as well as other financial services including, but not limited to, safekeeping, trust, escrow, and other receivable and payables services. Lockbox Services include collecting, processing, and depositing the City's receivables (i.e. wholesale, retail, etc.) directly through a designated post office box. Banks were allowed to submit proposals to provide one or both services.

The estimated contact value for Depository Banking Services is \$125,000 and Lockbox Services is \$20,000 annually. The initial term for the contract(s) awarded in response to this RFP is three (3) years, with the option to renew under the same terms and conditions for one (1), two (2) year period.

The City's objectives with respect to Depository Banking Services include selecting a bank that will assist in enhancing security measures and increasing efficiency and productivity, provide and implement banking solutions that will optimize effectiveness through advanced technology, and demonstrated a strong commitment to the community. The City's objectives with respect to Lockbox Services include selecting a bank that will accelerate cash flow, improve the efficiency of collections processing, utilizes technology in order to provide detailed reporting, images, and electronic remittance services, and assist the City with an analysis of the feasibility of adding additional Lockboxes.

On February 6, 2017, the Depository Banking and Lockbox Services RFP was released requesting proposals from Respondents to provide Depository Banking and Lockbox Services. The RFP was advertised in the San Antonio Express-News on February 5, 2017 and was posted on the City's website on February 6, 2017. Proposals were due March 8, 2017, and a total of three (3) firms responded to the RFP.

The Evaluation Criteria for both Depository Banking and Lockbox Services included: (i) Experience, Background, and Qualifications; (ii) Proposed Plan; (iii) Pricing; (iv) Local Preference Program; and (v) Veteran Owned Small Business Preference Program.

On May 19, 2017 the City conducted interviews with the three (3) banks that submitted proposals in response to this RFP. An evaluation committee comprised of representatives from the City Manager's Office, the Finance Department, the Information Technology Services Department, and CPS Energy were part of the evaluation process for the Depository Banking and Lockbox Services RFP.

This item is tentatively scheduled for City Council consideration on June 15, 2017.