#### Form G: Module 2 - Secondary Disbursement Bank

#### (Only firms proposing for Module 2 should respond to this section. Please limit your answers to Form G to no more than 30 pages.)

* 1. **BACKGROUND INFORMATION**

Nearly 100% of CCSF’s 34,500 employees receive direct deposit. On a monthly basis, 84,000 ACH credits are originated. Payroll is disbursed on every other Tuesday. The Controller’s Office employs best practices by transmitting the NACHA formatted ACH file by SFTP on the prior Thursday (or 3 days in advance). TTX funds payroll on the prior business day. The average payroll file is $84 to $93 million.

The payroll account has been set-up with same day ACH capabilities and used on a limited basis to make any required immediate payments.

For those individuals that do not provide CCSF with their banking instructions, a payroll card is issued as further described in Module 6. CCSF is not issuing any paper checks for payroll disbursement.

CCSF would prefer to fund the payroll account on the settlement date of the ACH credit file (Tuesday) and would be willing to allow the firm selected for this module to initiate a Federal Reserve drawdown wire to fund the account.

The partner selected for Module 2 will also be required to provide fraud controls, such as ACH debit and check blocks or filters, on the payroll account.

Desired services include:

1. Provide ACH transaction capability via transmission and online portal
2. Provide same-day ACH capability
3. Offer all the critical fraud tools and products necessary to protect City’s funds
4. Assign a dedicated account representative to handle day-to-day operational requests
5. Integrate with Peoplesoft to facilitate accounting and reconciliation
6. Offer a robust online banking platform
7. Provide a competitive earnings credit rate for uninvested balances
8. Provide an overnight investment service (sweep) and/or interest-bearing account for excess cash balances in the demand deposit accounts
	1. **REQUESTED INFORMATION**
9. **ACH Processing**
10. What ACH file transmission options are available?
11. Does your online portal allow for an upload of NACHA payments? What format options are available?
12. When does the firm need the file from CCSF for payments to be made on a same-day, next-day and 2-day settlement? Please complete the following table:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Same-Day** | **Next-Day** | **2-Day** |
| **Deadline for File Transmission** |  |  |  |

1. Discuss the firm’s methodology for determining debit and credit exposure limits.
2. Confirm that the firm is willing to establish an ACH daily exposure limit of no less than $100 million for CCSF?
3. What approvals would be needed to release a file that exceeded CCSF’s daily exposure limit?
4. Can same day ACH capability be available within the firm’s online platform but not available for file transmissions sent by FTP?
5. Does the firm provide automatic file receipt acknowledgements? If so, how is the acknowledgement transmitted?

|  |  |
| --- | --- |
|  | **Yes / No** |
| Phone |  |
| E-mail |  |
| Fax |  |
| File transmission confirmation |  |
| Other (please specify) |  |

1. Is CCSF required to submit a control total of an ACH batch? How would CCSF communicate ACH control totals to the firm (i.e. phone, online, email)?
2. How are returned and rejected ACH transactions handled? What information does the firm provide to assist in identifying returned and rejected ACH transactions? When is this information available?
3. If an individual ACH transaction within a file is rejected, will the entire file be rejected and not processed? How will the individual rejected ACH transactions be communicated?
4. **End-of-Day Overdrafts**
5. Are you willing to extend an overdraft facility of at least $100 million? Is there an additional cost for this facility if it is not used?
6. **Account Validation Services**
7. Do you provide any validation services on ACH credits initiated by CCSF to ensure the correct payee is paid? If not, what best practices would you recommend?
8. Are account validation and authentication services available from the firm’s online reporting system? If not, how are these services accessed?
9. **Account Funding**

##### When does the funding for outgoing payroll files need to occur? Can an incoming wire be sent on the settlement date of the ACH credit file?

1. Would you be willing to fund the account maintained at your bank with **an automated** Federal Reserve drawdown wire to ensure end-of-day overdrafts do not occur?
2. If an automated Federal Reserve drawdown wire is not available, is it possible to set up a drawdown wire within the firm’s online wire module?
	* 1. If so, can future wires be established? How far in the future? Is there a limit to the number of future dated wires? *(Note: CCSF currently initiates and approves wires for six-month time periods to ensure no overdrafts occur.)*
3. Are there any other suggestions for funding (i.e. a balanced NACHA file with an offsetting ACH debit) that you would suggest?
4. **Implementation / Conversion**
5. Provide a detailed conversion plan for transitioning the services in this Module to your firm. Include the estimated length of time for the transition and the amount of effort required by CCSF’s staff.
6. Who will be responsible for coordinating the transition? If a conversion team is used, how will CCSF’s account be transitioned to the ongoing client service team?
7. What lessons has the firm learned from similar implementations that can be applied to implementing services with CCSF? What recommendations do you have for CCSF based on past implementation experiences?
8. **New Services & Ideas**
9. Describe any new services or ideas that will enhance CCSF’s operations.
10. Provide any additional information that you believe to be pertinent but not specifically requested elsewhere in the RFP.
11. **Pricing**
12. For how long will the firm guarantee the proposed fees for this Module?
13. Are you willing to offer any transition or retention incentives? If an incentive is a monthly fee waiver, please indicate when the fee waiver would apply (i.e. when the accounts are initially opened or when services are substantially implemented)?
14. **References**
15. Provide a minimum of at least three (3) current professional references who may be contacted for verification of your professional qualifications to meet the requirements set forth herein. CCSF strongly prefers references from governmental entities similar in size and requirements to CCSF. Include the:
16. Name of the entity
17. Name, phone number and contact person within the above listed organization
18. Type of product/service provided
19. Date(s) the services were furnished
	1. **PRICING PRO FORMA**

Firms must provide a completed pro forma (Attachment D).

The price schedule should use Association of Finance Professionals (AFP) Service Codes. Include any one-time or set-up charges, research fees and all other fees that may be charged. CCSF reserves the right not to pay any fees that are not disclosed during this RFP process if your firm becomes the selected vendor.