



## TREASURER OF THE STATE OF LOUISIANA

**John Neely Kennedy**  
Treasurer

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May 13, 2016

### **ADDENDUM NO. 7**

Your reference is directed to RFP file number 16-002 for the Request for Proposal for Central Banking Services for the Department of Treasury, RFP which opened May 10, 2016 at 9:00 a.m. (CT).

The following changes have been made to section 1.7.1. Pre-Proposal Conference of the referenced solicitation:

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#### **1.7.1 Pre-proposal Conference**

A pre-proposal conference will be held on Monday May 16, 2016 at 2:00 PM (CST):

- In Conference Room, 7<sup>th</sup> floor of the City Plaza I Building (445 North Blvd, Baton Rouge, LA 70802) and/or;
- Live webinar via <https://www.connectmeeting.att.com> meeting number: 713-353-0212 access code: 6563126 and/or;
- By dial-in conference call: 888-822-7517 access code # 6563126.
- Preproposal Conference PowerPoint presentation is attached.

Prospective proposers may participate in the conference to obtain clarification of the requirements of the RFP and to receive answers to relevant questions. Any firm intending to submit a proposal should have at least one duly authorized representative attend the Pre-proposal Conference in person or via webinar. The webinar will be recorded for future viewing as well.

Although impromptu questions will be permitted and spontaneous answers will be provided during the conference, the only official answer or position of the state will be stated in writing in response to written questions.

REQUEST FOR PROPOSALS  
CENTRAL BANKING  
SERVICES  
RFP 16-002

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LOUISIANA STATE TREASURY

# ROLE OF THE STATE TREASURER

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## **To manage state funds by:**

- ❖ Promoting prudent cash management and investment strategies through accurate accounting and reconciliation of public monies on deposit in Treasury
- ❖ Controlling disbursements of these monies in accordance with law
- ❖ Investing public monies in a manner consistent with cash needs

# About Louisiana's Central Banking...

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**13,566,032:** *The number of deposit items processed through the central depository bank account*

**58:** *The number of agencies served by the central banking services contract*

**Over 180:** *The number of Treasury bank accounts*

# Expectations for Louisiana's Central Banking Contractor

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## Flexibility to meet various needs

- Deposits in rural areas
- Cash deposits, i.e. ferries
- Various busy times depending on the state agency
- Bank should have a physical presence at monthly Cash Management Review Board meetings

# Expectations for Louisiana's Central Banking Contractor

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## Relationship with Treasury and other state agencies

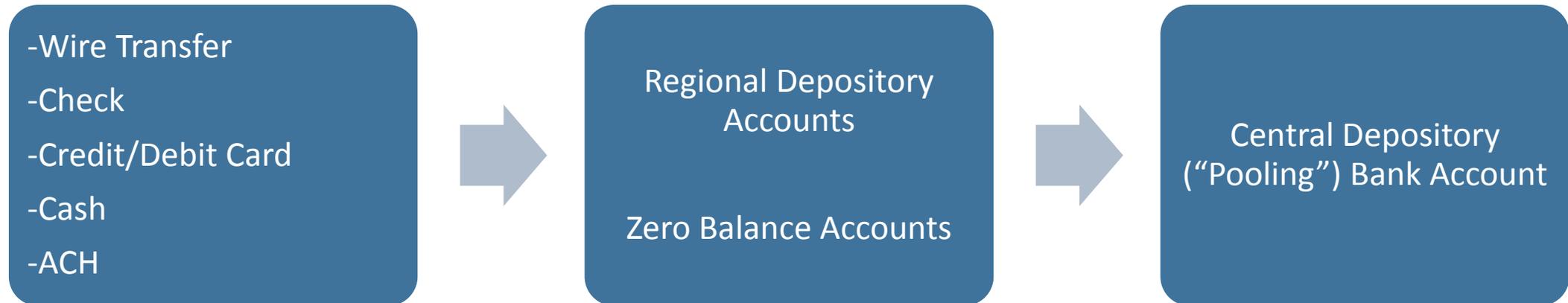
- **Treasury holds the central relationship** and should be involved in all aspects of the contract
- All additions and deletions of services must be approved by Treasury
- Contractor will submit a Treasury bill and a direct bill to some agencies
- Bills must be received in accordance with contract terms to allow for payment in that fiscal year
- Contractor should be able to hold weekly meetings/calls with Treasury
- Contractor should strive for consistency in agency relationships

# Centralized Cash Management System

## Depository Function

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### Receipt of Public Funds



# Centralized Cash Management System

## Depository Function

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### Receipt of Public Funds

#### Sources of Public Funds

- Local and Federal Government
- Individuals
- Proprietorships, Partnerships and Corporations

#### Accounting for Deposits

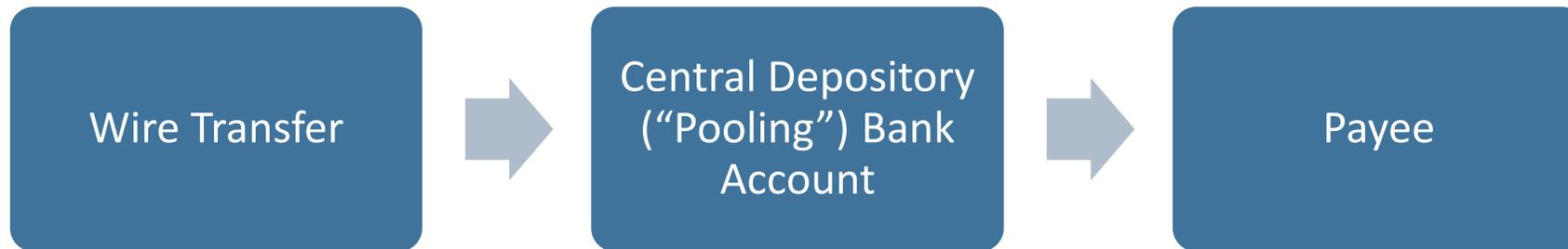
- Deposit tickets must be identified by state agency by a designated three digit assigned number
- Require a special numbered deposit ticket

# CENTRALIZED CASH MANAGEMENT SYSTEM

## Disbursement Function

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### WIRE TRANSFER



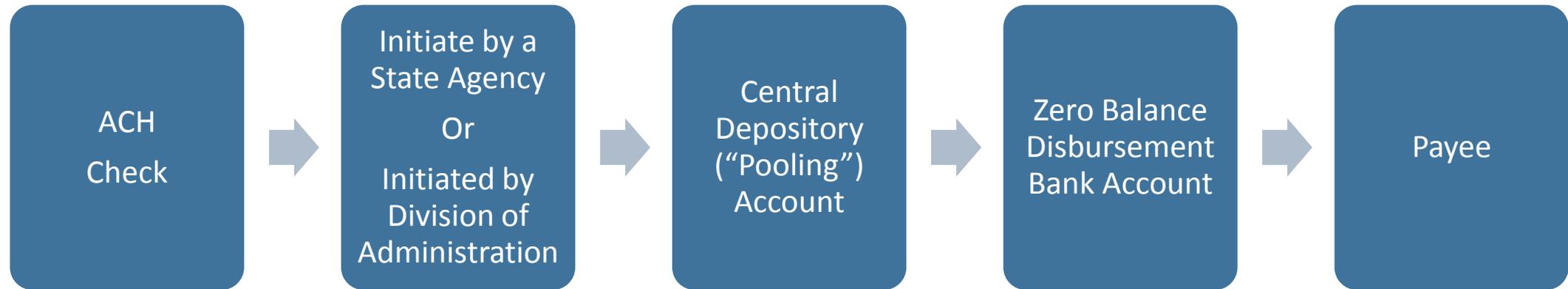
- Can only be initiated by Treasury

# CASH MANAGEMENT SYSTEM

## Disbursement Function

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### Automated Clearing House/Check Process

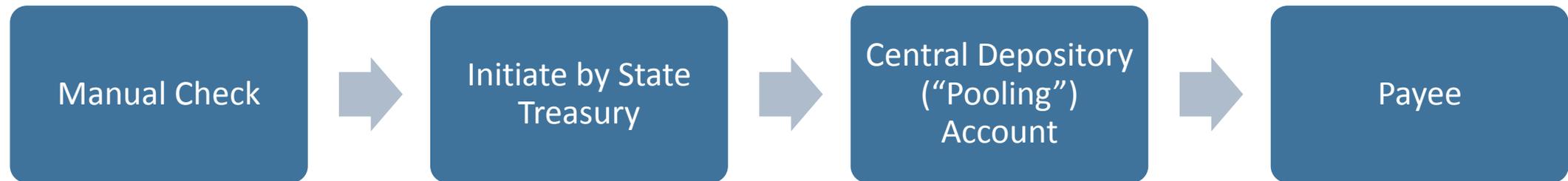


# CASH MANAGEMENT SYSTEM

## Disbursement Function

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### Manual Check



# Safekeeping and Custodial Services

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## Contractor should provide\*

- Securities Clearing
- Safekeeping
- Income Collection
- Record Keeping
- Reporting for Investment Portfolios

*\* For state-owned investment securities, repurchase agreements and collateral securities*

# Safekeeping and Custodial Services

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**32**

Number of Portfolios Managed

**620**

Number of Security Holdings

**\$4.803  
billion**

Market Value of Assets Under Management

# Safekeeping and Custodial Services

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Total of All Types of Transactions Annually	
Calls	86
Dividends	341
Interest Receipts	1,069
Maturities	51
Purchases	388
Principle Payments	24
Sales	353
<b>TOTAL</b>	<b>2,312</b>

Data as of 4/30/16