

## **CONSIDERATIONS WHEN ISSUING A REQUEST FOR PROPOSAL**

### **COMPANY OVERVIEW**

- Summary of Company, business activities and general strategy
- What changes are planned over the coming 3/5 years that would impact Cash Management. For example ERP systems, centralisation, Treasury Systems

### **OBJECTIVES**

- You should quantify the objectives you wish to achieve taking into consideration where the Company is today and where it wants to be. Please also outline the benefits you wish to gain from the exercise eg reduced transaction costs, reduced float, better liquidity management (perhaps measured in terms of interest margin), enhanced administrative procedures, centralisation / decentralisation

### **CURRENT BANKING OPERATIONS**

- Scope, countries, currencies and subsidiaries
- Current Products and Services

### **REQUIREMENTS OF CASH MANAGEMENT SOLUTION**

#### **ACCOUNT STRUCTURE**

- Preferred account location (based on transaction activity described below)

#### **LIQUIDITY MANAGEMENT**

- Cash Pooling requirements / considerations including zero-balancing or notional pooling, sweeps, interest reallocation etc

#### **CENTRALISED BANKING NEEDS**

#### **LOCAL BANKING NEEDS**

#### **TECHNOLOGY CONSIDERATIONS**

- Electronic banking functionality (balance reporting / funds transfer capabilities)
- Systems interfaces (ability to integrate to third party systems for payment / reconciliation purposes)
- Security (techniques employed at an access, operating and communications level)
- Hardware / software environments (web-based / client server / networking protocols / operating systems)
- 'Future proofing' (eg future developments planned)

## **SERVICE PHILOSOPHY**

- Service Centre structure, processes, tools utilised, responsiveness, service levels

## **IMPLEMENTATION**

- Approach / techniques
- Project Management skills

## **TRANSACTION / PARTICIPANT DATA**

- Number of entities / accounts
- Average daily balances by currency
- Overdraft requirements

## **TRANSACTION DETAILS BY VOLUME (ie no. of transactions) BY CURRENCY AND BY VALUE**

- Cross border transfers
  - Incoming
  - Outgoing
- Domestic Transfers
  - High value incoming (ie same day value items)
  - High value outgoing
  - Low value incoming (eg giro)
  - Low value outgoing
- Cheques
  - Payments
  - Receipts

## **TERMS AND CONDITIONS**

- Account Services
  - Account Maintenance
  - Liquidity Management
  
- Electronic Banking
  - Implementation
  - Initial training
  - Ongoing support
  - Upgrades
  
- Transactional services (as above)
  
- Interest rate conditions
  
- Value dating
  
- Cut-off times

