



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

6/3/2021 | 5:00 PM CDT

Jon Bangor
The Bank of New York Mellon
500 Grant Street
Pittsburgh, PA 15258

Re: **RFQ # 108272, Pension Fund Master Custody Services**

Dear Mr. Bangor:

The Metropolitan Government of Nashville and Davidson County (Metro) has completed the evaluation of submitted solicitation offer(s) to the above RFQ # 108272 for Pension Fund Master Custody Service. This letter hereby notifies you of Metro's intent to award to The Bank of New York Mellon, contingent upon successful contract negotiations. Please provide a certificate of Insurance indicating all applicable coverages within 15 business days of the receipt of this letter.

If the Equal Business Opportunity (EBO) Program requirements were a part of this solicitation, the awardee must forward a signed copy of the "Letter of Intent to Perform as Subcontractor/Subconsultant/Supplier/Joint Venture" for any minority/women-owned business enterprises included in the response to the Business Assistance Office within two business days from this notification.

Additionally, the awardee will be required to submit evidence of participation of and contractor's payment to all Small, Minority, and Women Owned Businesses participation in any resultant contract. This evidence shall be submitted monthly and include copies of subcontracts or purchase orders, the Prime Contractor's Application for Payment, or invoices, and cancelled checks or other supporting payment documents. Should you have any questions concerning this requirement, please contact Christopher Wood, BAO Representative, at (615) 862-6710 or at christopher.wood@nashville.gov.

Depending on the file sizes, the responses to the procurement solicitation and supporting award documentation can be made available either by email, CD for pickup, or in person for inspection. If you desire to receive or review the documentation or have any questions, please contact Sandra Walker by email at sandra.walker@nashville.gov Monday through Friday between 8:30am and 3:30pm.

Thank you for participating in Metro's competitive procurement process.

Sincerely,

Michelle A. Hernandez Lane

Michelle A. Hernandez Lane
Purchasing Agent

Cc: Solicitation File, Other Offerors

Pursuant to M.C.L. 4.36.010 Authority to resolve protested solicitations and awards.

A. Right to Protest. Any actual or prospective bidder, offeror or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the Purchasing Agent. The protest shall be submitted in writing within ten (10) days after such aggrieved person knows or should have known of the facts giving rise thereto.

[Procurement Division](#)

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RFQ # 108272-Pension Fund Master Custody Services

Offeror	The Bank of New York Mellon	The Northern Trust Company
Cost Criteria (35 Points)	35.00	18.15
Methodology and Approach (25 Points)	24.00	20.00
Project Approach & Understanding (25 points)	24.00	20.00
Qualifications and Experience (15 Points)	15.00	13.00
Total Evaluation Scores	98.00	71.15

Evaluation Comments

The Bank of New York Mellon

Strengths- Good overall approach and methodology. Detailed response on information delivery system with in depth capabilities. Accounts can be reviewed on a real-time basis. Very comprehensive response to the investment manager reconciliation process. Proforms monthly pro active reconciliation with Metro investment manager. Accounting system can track hurdle rates and assist in validating investment manager fees, by having breakpoints and the associated basis point fees. Detailed response on domestic and international performance measurement system and global performance evaluation. Fully automated Institutional Master Trust/Custody accounting system. Cash and custody alert enhancements. Good overall project approach and understanding. Indemnification process was very detailed and expanded borrowers indemnification. Security lending revenue splits percentage. More colleterial investment options at a better yield. Notification on bank overdrafts was very detailed. Detailed response on tax reclaim policy and procedures. Permits lending of securities to the custodian or sub-custodian. Good overall qualifications and experience. Organization response to client relationship officer in a timely manner. Ongoing educational sessions for clients and staff. Client loss over a five year period was low.

Weakness - Does not provide fee rebates. Statements not available until sixty days after year end. Limited customer services hours. Response on misplaced or lost securities over the last three years lacked specific detail. Failed to provide a response on core accounting system. Failed to provide a response on Security movement. Failed to provide a response on control system implementation. Failed to provide foreign exchange revenue by year.

The Northern Trust Company

Strengths- Good overall methodology and approach. Willing to negotiate a fee rebate. Provided more options for security accounting. Statements available thirty days after year end. Customer services hours are 24/7. Good project approach and understanding. Good qualifications and experience. Provide a detailed response on organization's Institutional Master Trust/Custody business unit. Institutional Master Trust/Custody clients. Assets lost over a five year period.

Weakness - Time delay on reviewing accounts. Investment manager reconciliation process lacked specific detail. No fee tracking service available. Commission recapture delay process lacked specific detail. Failed to provide a response on securities lending separate accounts. Securities lending available to all Master Trust/Custody clients lacked specific detail. Failed to provide a response to the percent of trades settled on time. Fee for managing the cash collateral. Response to tax reclaim policy and procedures lacked specific detail. Process on how the client relationship officer answers the client lacked specific detail.