



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** TREASURER

**File #:** 22-454

Board Meeting Date: 6/14/2022

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Sandie Arnott, Treasurer - Tax Collector  
**Subject:** Agreement with MUFG / Union Bank, N. A.

**RECOMMENDATION:**

Adopt a resolution authorizing the execution of an agreement with MUFG / Union Bank, N.A. to provide depository and full-service bank services, for the term of July 1, 2022, through June 30, 2025, in an amount not to exceed \$2,000,000.

**BACKGROUND:**

The Treasurer-Tax Collector is charged with managing and protecting the County's financial assets and acts as the banker for the County. The Treasurer-Tax Collector's objective is to obtain enhanced, quality banking services that are efficient and technologically advanced with an institution that provides strength and stability at the most advantageous cost to the County and its taxpayers.

**DISCUSSION:**

Towards the end of the current banking services contract with MUFG Union Bank, N.A. (Union Bank), the Treasurer-Tax Collector determined that it was in the best interest of the County to issue a Request for Proposals (RFP) for banking depository services to ensure competitive pricing. An RFP was released on the Public Purchase website and published on the Treasurer's public website on November 5, 2021, and closed on January 3, 2022, at the end of business.

At the conclusion of the RFP, a five-person committee was formed which comprised of subject matter experts in fiscal administrative matters from the following departments: Controller's Office, Human Resources Department, San Mateo County Office of Education, and two representatives from the Treasurer-Tax Collector's Office. Upon close evaluation of the submitted materials and evaluations based on the selection criteria, the committee ranked Union Bank most qualified proposer to provide banking depository services. The conclusion of selecting Union Bank was based on Union Bank's submission to the County, which demonstrated the bank's expertise in governmental banking, whole-tail lockbox operations to remain in the San Francisco Bay Area, commitment to long-term banking relationships with several other counties in California, and strongest commitments made in their pricing proposal. These factors best demonstrated the bank's ability to satisfy the department's

objective to obtain the best qualified proposer that could provide quality banking services that are efficient and technologically advanced and provide strength and stability at the most advantageous cost to the County and its taxpayers.

Banking services to be provided range from, but are not limited to, account analysis, business checking, check processing, information reporting, ACH activities, lockbox services and various others. Customer service will be handled by Union Bank's specialized Government Services Group which understands the special needs of government agencies.

The County Attorney has reviewed and approved the resolution and agreement as to form.

The Board is being asked to authorize the Treasurer-Tax Collector or designee to execute subsequent amendments which do not exceed an aggregate of \$25,000.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2021-22 Estimated</b>	<b>FY 2022-23 Projected</b>
Percent of deposits processed within one day	98%	98%
Client Services Officer - Initial response to inquiries	Within 24 hours of secure messaging request	Within 24 hours of secure messaging request

**FISCAL IMPACT:**

The term of this agreement is from July 1, 2022, through June 30, 2025, for an amount not to exceed \$2,000,000. About 33 percent (\$660,000) of the contract amount will be recuperated from County departments and school and special districts that will benefit from the banking activities. The contract amount will be included in future Treasurer-Tax Collector budgets.