

# Overview

## **REQUEST FOR PROPOSALS TO PROVIDE Custody Services for the ERSRI Trust**

12/2018-2/2019

As part of the RI Treasury procurement process, a Requests for Proposal was issued for  
Custody Services for the ERSRI Trust

The ERSRI trust has been engaged with Bank of New York Mellon as the current provider of services since 11/1/2012. Fees for these services has varied slightly based on changes to investment strategies, averaging around \$500,000 per year.

The search committee included the following Treasury Staff: Alec Stais, CIO; Andrew Manca, COO; Vincent Izzo, Investment Accounting Manager; Justin Maistrow, Senior Investment Analyst; Renee Astphan, Senior Investment Officer

3 firms, including the incumbent Bank of New York Mellon, provided initial responses:

State Street Bank

Northern Trust

Bank of New York Mellon

Initial responses were judged according to custody of assets, required financial & control reporting, transaction services, cash management, performance & analytics, and fees.

Included in this process was an interview with all three candidates, and they made presentations based on the above criteria, including a technical presentation and a review of their team approach. Furthermore, diligence was supplemented with reference calls.

Assessment results are included below:

Master Custody Services RFP	Max Score	Northern Trust	BNY Mellon	State Street
<b>Minimum Qualifications</b>	<b>10</b>	9.8	10.0	9.8
<b>Required Information</b> -Financial Info -Custody Relationships -Staff -Audit Control	<b>10</b>	8.0	8.4	7.4
<b>Custody of Assets</b>	<b>10</b>	8.8	8.8	8.6
<b>Cash Management</b>	<b>10</b>	8.8	8.6	8.4
<b>Transaction Services and Accounting</b>	<b>15</b>	12.4	12.6	10.8
<b>Performance Reporting and Analytics</b>	<b>15</b>	12.4	11.6	12.0
<b>Fee Reporting</b>	<b>10</b>	5.8	8.2	6.0
<b>Fees</b>	<b>20</b>	19.0	20.0	17.0
<i>Benefit Payment</i>	<i>Bonus 5 Points</i>	4.0	5.0	3.0
<b>TOTAL</b>		<b>89.0</b>	<b>93.2</b>	<b>83.0</b>

The committee recommends the retention of Bank of New York Mellon as Custodian to the ERSRI Trust. This RFP also included the OPEB Trust and we also recommend that its custody be retained by BNY Mellon.

New Initiatives proposed by BNY Mellon to be included in new contract and anticipated availability:

- Excel Add-in for reporting. Available today
- KPI's/Scorecard – Evaluation of services tool. Available now
- Manager Fee Analysis report. Available now with training
- Asset Strategy View Reporting. Available now. Additional Cost \$10k.yr
- New Private Investment reporting without Burgiss subscription. Completion TBD
- ESG Scores Dashboard. Available now
- Dashboards to Include Sectors. Completion TBD
- Exporting dashboards. Available today for table views, graphical views in development
- Instruction Capture Alerts/Dashboards. Available now with training
- New Account Activation and tracking – online. Available now
- Overdraft Dashboard. Available now
- Document management and storage for Private Assets. Available now