



**MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT
GOVERNMENT OF THE COOK ISLANDS**

REQUEST FOR TENDER (RFT)

For

**THE PROVISION OF BANKING AND RELATED SERVICES
INVOLVING THE PUBLIC ACCOUNT**

At

**THE MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT
(MFEM)**

RFT REFERENCES NUMBER: 01-1213

Ministry of Finance and Economic Management
P.O Box 120
Avarua
RAROTONGA
Telephone (682) 29 511

PART ONE

INTRODUCTION

1 PRELIMINARY

1.1 Structure of the Request for Tender (RFT)

1.1.1 The Ministry of Finance and Economic Management (MFEM) invites tenders for the provision of banking and related financial services to MFEM. Tenders are to be provided in accordance with and subject to, the conditions contained in this Request for Tender (RFT).

1.1.2 The RFT comprises

Part One: Introduction

Part Two: Banking Service Specifications

Part Three: Conditions of Tender

1.1.3 The introduction provides background material and information concerning this project. Nothing in the background shall be construed as a representation on the part of MFEM, as to MFEM's future conduct or project schedule. Where a conflict exists between the introduction and any other part of this RFT, it shall be dealt with in and accordance with Clause 1.2 – Inconsistency of the conditions of Tender

The RFT document gives an outline of the scope of work, together with the tender forms and appendices to be completed by prospective tenderers and may be download it from website www.mfem.gov.ck or obtain it from:

Treasury Management Division
Ministry of Finance and Economic Management
Avarua
RAROTONGA

All tenders and supporting documents shall be sealed in an envelope, clearly marked as follows:

RFT References Number 01-1213: Operation of the Public Account of the Cook Islands

Closing Time: 3.30pm on 07 December 2012.

The sealed envelope must be deposited in the tender box:

The Office of the Financial Secretary
P.O Box 120
Ministry of Finance and Economic Management
Avarua
RAROTONGA

Enquiries relating to the tender may be directed by mail or email to:

Ngametua College
Funds Manager
Treasury Operations Management
Ministry of Finance and Economic Management
Avarua

RAROTONGA

Telephone: (682) 29 511, Extension: 8308 Email: ngametua@mfem.gov.ck

The details and replies to enquiries may, at the discretion of the Funds Manager be sent to all recipients of tender documents.

The closing date and time for submission of tenders is **Friday, 7 December 2012 at 3.30pm**. All tenderers will be required to do a presentation to a tender panel.

1.2 BACKGROUND

The Ministry of Finance and Economic Management (MFEM) through its Treasury Management Division (TMD) is mandated for the effective management and administration of public funds. This core function includes the collections of Government revenues and payments of expenditures.

The MFEM 2012-13 Business Plan demonstrated an objective to establish itself as the benchmark Ministry of Finance in the Pacific, known for its professionalism, innovation and dedication to a transparent public finance management system.

This initiative to tender the banking services out to the public will reassure government that it is getting the best value for money. It will also put a process in place to revisit the contract on a regularly basis to reflect changes in the current economic environment.

Government main public account is currently held at Westpac Banking Corporation (WBC).

The Contract for providing this service is aimed to start during the 2012/13 fiscal year and is fixed for a period of five years.

PART TWO

BANKING SERVICE SPECIFICATIONS

2 BANKING SERVICES

2.1 MFEM Banking Services Requirement

2.1.1 The tenderers proposal should effectively and adequately, without ambiguity demonstrate how it is able to provide its services to MFEM. The proposal should encompass key areas of support, partnering, innovation, high quality, value-added solutions and pro-activity of its service models.

MFEM will require the successful tenderer be able to provide the following:

- an efficient and cost effective current account administration services;
- enhanced business processes for improved efficiencies resulting in reduced costs;
- processes and controls to mitigate operational risk and fraud and a complete banking service for MFEM;
- the electronic quick pay interface;
- the provision of appropriate skills training in all spheres of the financial services as required by MFEM; and
- the ability to handle very large volume transactions.

The proposed solutions should be discussed under the following headings in the tender document:

- D.1 Transactional Banking Services
- D.2 Cash Management Services
- D.3 Guarantee Services
- D.4 Custodian Services
- D.5 Relationship Team

Pricing is to be completed on the template provided and all additional costs that the tenderers foresee will be incurred by MFEM are to be included as an appendix to the tender document.

D.1 TRANSACTIONAL BANKING SERVICES

1. Introduction

MFEM requires that all its bank accounts both current and future be maintained at a banking institution branch in Rarotonga. The successful tenderer should provide unique client service addressing the requirements of MFEM.

The tenderer should provide a commitment to offer customised and sustainable banking services in relation to MFEM needs through dedicated service managers.

2. Banking Services

The tenderer should be able to provide but not limited to the following services:

- *Checking facility*
 - Timely and secured processing of all cheques transactions;
 - Payments to beneficiaries at other banks to be effected on a same day value basis;
 - Cost efficient processes.
- *Telegraphic Transfer facility*
 - Real time and efficient processing of payments to beneficiaries at other banks to be effected on a same day value basis.
 - Allow for payments to be post dated and remittance advices of payment to be emailed or send by facsimile.
 - Referencing for all transactions must be available for bank reconciliation purposes.
- *Beneficiary bank account verification service*
 - The tenderer must be able to assist and provide MFEM reliable and updated information on beneficiary bank account when required
- *Deposit Identifier*
 - The tenderer to be able to provide a deposit identifier on MFEM's deposits which incorporate a deposit identifier validation routine in order to facilitate identification and reconciliation of all deposits made into the MFEM's accounts. The tenderer should also be able to update MFEM on a regular basis with regard to queries made on unidentified deposits.
- *Statements*
 - The tenderer is to provide statements on all accounts on a regular basis to MFEM. The bank statements are to specifically reflect all the relevant bank charges. The tenderer should have the ability for statements to be electronically delivered via e-mail to designated MFEM officials.
- *Image copy service provision*
 - The ability of the tenderer to provide MFEM with image copies of cheques debited to its accounts. These image copies should be able to be e-mailed. The tenderer to assist MFEM in obtaining duplicate or replacement cheques for cheques lost in transit.

- *Debit Order Management Solution*
 - Debit order management solution that supports loan repayments from MFEM clients.
- *Electronic banking*
 - Facilitate the security and timely movement of funds,
 - Meet MFEM's requirements in respect of payments for all salaries, wages, creditors and other payments obligation.
 - Ability to interface (where required) with MFEM's payroll and line-of-business applications currently being used
 - Referencing is available for all transactions simplifying bank reconciliations and data import capabilities.
 - Cost efficient processes.
 - To provide transaction history (list of transactions) storage retrieval for up to 365 calendar days (12 months).
 - The successful tenderer must liaise with the MFEM's internal audit team regarding solution processes and procedures ensuring that operational risks are addressed.
- *Other Banking Facilities*

D.2 CASH MANAGEMENT SERVICES

1. Introduction

The tenderer must play a role in assisting MFEM optimizing cash balances and reducing costs associated with the management and movement of funds.

The system must allow for the set-off of debit and credit balances monthly on other Ministries and Crown Agencies accounts in terms of calculating interest.

Comprehensive statement, transaction enquiry and reporting facilities must be available via file transmission for direct interface with MFEM's financial and accounting system that will allow MFEM to keep strong administrative and accounting control over banking accounts.

2. Banking Services

- *Cash Management*
 - Term deposit management through provision of electronic confirmation.
 - Auto-roll over of term deposit on special interest rates.
 - The ability to affect real time transfers with built-in security controls which prevent unauthorized movement of funds, including an audit trail report which records all additions, amendments, authorizations of transfers and the date and time of each transaction.
 - Providing an overdraft facility to assist MFEM with managing daily cash flows.
- *Interest Calculation, Distribution and Applicable Rates*
 - Flexibility should exist where interest on overdrawn bank accounts within the cash management system can be charged.

- MFEM should have the ability to stipulate the interest payment date, which should be able to have the flexibility to be any prescribed date and also to vary from month to month on term deposit.
- The tenderer should provide details of interest rates that would apply to MFEM on different account categories.
- Setoff interest on overall Government bank accounts on a monthly basis.
- *Reporting*
 - To facilitate administrative and accounting functions, online and hardcopy reports must be available that give, amongst other information, the daily net cash position of Government (both interim and final balances), the daily and month to date aggregate interest, overdraft limits, individual account transaction history, audit trails, distribution of interest reports, where appropriate.

D.3 GUARANTEE SERVICES

The tenderer should be able to issue guarantees on behalf of MFEM in favour of a third parties.

D.4 CUSTODIAN SERVICES

The tenderer should be able to accommodate any custodian services that may be required on behalf of MFEM.

D.5 RELATIONSHIP TEAM

The tenderer should be able to provide MFEM with an experience dedicated relationship team that will support MFEM's operations. The team should understand and be familiar with MFEM's operations in order to deliver effective solutions that will elicit quick sound decision making.

A Service Level Agreement between MFEM and the tenderer should be in place at commencement of the contract.

A dedicated specialist Electronic Banking Manager and Relationship Manager should attend the following:

- ensure correct set up and optimisation of the cash management system structure;
- identify all additional systems interface requirements for electronic statements and electronic fund transfers;
- identify cash management, payment management and internet banking additional access requirements across MFEM including the institutional and remote requirements and the installation thereof;
- liaise with appropriate officials regarding interfaces into MFEM line of business application and text files that can be imported into other applications;
- specifically focus on opportunities for conversion of cheques and manual transfers to electronic funds transfer.

CONTACT OFFICER FOR RFT ENQUIRIES

All tenderer should direct any questions arising during the preparation of a response to this RFT to:

Mr. Ngametua College
Funds Manager
Treasury Operations Management
Ministry of Finance and Economic Management
Avarua, **RAROTONGA**
Telephone: (682) 29 511, Extension: 8308 Email: ngametua@mfem.gov.ck

All such enquiries are to be submitted in writing. MFEM reserves the right to circulate tenderer inquiries, and MFEM's answers, to all tenderers, but will not disclose the source of the inquiry, or reveal confidential information or the substance of a proposed tender.

INDICATIVE TIMETABLE

This timetable for evaluation, selection and implementation is indicative only, and may be subject to change.

Process:	Timeframe :
RFT released	Wednesday, 17 October 2012
Tender closed	Friday, 07 December 2012
Evaluation of tender started	Monday, 21 January 2013
Awards of successful tenderer	Thursday, 31 January 2013
Implementation date	Tuesday, 01 October 2013

PART THREE

CONDITIONS OF TENDER

3 TENDER BASIS

3.1 Interpretation of Terms

3.1.1 Unless a contrary intention is indicated, this RFT is to be interpreted in the same manner, and its terms shall have the same meaning as in the Contract.

3.2 Inconsistency

3.2.1 If there is an inconsistency between any parts of the RFT, a descending order of precedence shall be accorded to:

- (a) The Conditions of Tender;
- (b) The Contract,
- (c) The Introduction so that the provision in the higher ranked document shall, to the extent of the inconsistency, prevail.

3.3 Variation of RFT

3.3.1 MFEM reserves the right to amend the RFT upon giving tenderer timely written notice of such amendment.

3.3.2 MFEM reserves the right, in its absolute discretion, to terminate the tender process by notice in writing to tenderer.

4 MATTERS CONCERNING TENDER LODGEMENT

4.1 Part Tenders

4.1.1 MFEM will consider a tender for part of the Services on its merits and on a case by case basis.

4.2 Joint Tenders

4.2.1 MFEM will consider a joint tender for the Services.

4.3 Alterations, Erasures or Illegibility

4.3.1 Tenders containing alterations or erasures, and tenders in which prices or other information necessary for evaluation of the tender are not clearly and legibly stated, may be excluded from consideration at the discretion of the MFEM. Any alteration made to a tender must be initialed by the tenderer.

4.4 Copies of Tender

4.4.1 The original and two copies of the tender and any supporting material shall be submitted. The original is to be marked "Original" and each copy sequentially marked with a copy number. In the event of any discrepancy between the copies and the original, the original is to take precedence.

4.5 Lodgement of Tenders

4.5.1 Tenders must be lodged in the Tender Box at Treasury Management Division-MFEM on or before close of business (3:30 p.m.) on 07 December 2012 (the tender closing time).

4.5.2 Tenders must be enclosed in a sealed envelope or other sealed container and clearly marked on the outside with the RFT reference number and closing date in order to minimize mishandling.

4.5.3 Tenders lodged after the tender closing time will be taken to be "Late Tenders". Late Tenders will be opened and registered separately and may be excluded from the evaluation process at the sole and absolute discretion of the MFEM. Matters the MFEM may take into consideration in exercising its discretion include the circumstances surrounding the submission and receipt of the late tender, including:

- (a) How late the tender is, and the reasons provided for the late submission, supported by appropriate explanatory evidence;
- (b) The length of time permitted for the preparation of tenders, including any extension permitted under clause 4.6; and
- (c) Whether the MFEM is satisfied that the tenderer lodging the Late Tender is unlikely to obtain an unfair advantage through the lodgement of a Late Tender.

4.5.4 Any decision by the MFEM on whether or not to admit a late tender to the evaluation process shall be final.

4.5.5 Should the tenderer become aware of any discrepancy, error or omission in the tender document submitted, and the tenderer wishes to lodge a correction or provide additional information, that material must be in writing and lodged prior to the tender closing time.

4.6 Extension of Tender Closing Time

4.6.1 The tender closing time may be extended, at the sole and absolute discretion of the MFEM, by written notice from the MFEM. Any extension notice will be given the same distribution as the original Request for Tender.

4.7 Tender Delivery

- 4.7.1 Tenders may be delivered to the address specified in clause 4.5.1, by hand (by the tenderer or the tenderer's private agent) or sent via registered post. Facsimile transmissions and email will not be accepted.
- 4.7.2 Where tenders are mailed, MFEM staff will, subject to this clause 4.7, place the tenders in the Tender Box. While reasonable efforts will be made to place mailed tenders in the Tender Box in a timely fashion, the MFEM gives no undertaking or warranty that tenders mailed to and received at the offices of the MFEM before the deadline will be lodged in the tender box before the tender closing time. Tenderers submitting tenders by mail do so at their own risk. Tenderers are encouraged to lodge tenders by hand.
- 4.7.3 In the event that it is unclear whether a tender was lodged prior to the Tender closing time, the onus is on the tenderer to establish that the tender was lodged prior to the tender closing time. The MFEM may require the tenderer to provide proof of delivery. For this reason tenderers should ensure that they have documentary proof of the delivery of tenders.

5 MATTERS CONCERNING TENDER RESPONSE

5.1 Period of Tender Acceptance

- 5.1.1 The MFEM requires that tenders be submitted in response to this RFT remain open for acceptance for a period of not less than three (3) months after the tender closing time. Tenderers shall state any longer period for which its offer comprised in this tender remains valid for acceptance.

5.2 Language of Tenders

- 5.2.1 The tender, including all attachments and supporting material, is to be written in English with definitions provided for any industry terms used. Unless otherwise specified, measurement is to be expressed in New Zealand legal units of measurement.

5.3 Tender Preparation

- 5.3.1 Tenderers are to complete and provide the information requested in this RFT, including:
- (a) Declaration by Tenderer at Annex A;
 - (b) Schedule of Information to be supplied by Tenderers at Annex B;
 - (c) Description of transactions and accounts at Annex C.
- 5.3.2 Where clauses in this RFT (including Contract) require information to be provided by the tenderer, this information is to be included in the relevant section of Annex B,

5.3.3 Supporting documentation may be provided to enhance the proposal contained in the tender. Supporting documentation must be provided before the tender closing time. Any supporting documentation which in the opinion of MFEM materially alters the tender will not be admitted to the evaluation.

5.3.4 Tenderers must ensure that the tender is complete, includes the correct number of copies, and contains clear and concise responses to all matters identified in this RFT. Failure to completely respond to the requirements of this RFT may lead to the tender being set aside for incompleteness. .

5.4 Improper Assistance

5.4.1 Tenderers shall not use the improper assistance of employees of MFEM, or information unlawfully obtained from MFEM, in compiling their tenders. The MFEM may set aside a tender which has been compiled with such improper assistance or unlawfully obtained information.

5.5 Tenderers to Inform Themselves

5.5.1 Tenderers shall be deemed to have:

- (a) Examined the RFT, any documents referenced herein, and any other information made available in writing by the MFEM to tenderers for the purpose of tendering;
- (b) Examined all further information which is obtainable by making reasonable enquiries relevant to the risks, contingencies, and other circumstances having an effect on their tender; and
- (c) Satisfied themselves as to the correctness and sufficiency of their tenders, including tendered prices.

5.5.2 Tenders are submitted on the basis that tenderers acknowledge that:

- (a) They do not rely on any representation, letter, document or arrangement, whether oral or in writing or other conduct as adding to or amending these conditions, other than amendments in accordance with clause 3.3 of these Conditions of Tender;
- (b) They do not rely upon any warranty or representation made by or on behalf of the MFEM, except as are expressly provided for herein, and they have relied entirely upon their own enquiries and inspection in respect of the subject of their tender;
- (c) The MFEM shall not be responsible for any costs or expenses incurred by tenderers in complying with the requirements of this RFT; and

- (d) Neither these conditions nor the tender give rise to contractual obligations between the tenderer and the MFEM.

5.6 Ownership of Tender Documents

- 5.6.1 Tenderers acknowledge that MFEM must retain all documents submitted in response to this RFT to enable evaluation of tenders and to comply with obligations relating to accountability and record keeping. Accordingly, tenderers submit documents in response to this RFT on the basis that they will become the property of the MFEM and that the MFEM may use the information contained in those documents for tender evaluation purposes, negotiations and the preparation, administration or management of any subsequent contract, and may copy the documents for these purposes.
- 5.6.2 Tenderers should note that the MFEM may provide the tender documentation, or any part thereof, to a third party for the purposes of assisting MFEM in tender evaluation, negotiations and the preparation of any subsequent contract.
- 5.6.3 Notwithstanding clause 5.6.1 and without prejudice to anything agreed in any subsequent contract, ownership of the Intellectual Property in the information contained in the tender documents shall remain vested in the person with the original ownership of that Intellectual Property.
- 5.6.4 Tenderers should also note the provisions of the Official Information Act 2008 and the commercial confidentiality aspects of this RFT. Matters or items which are commercial in confidence should be clearly identified as such.

6 ASSESSMENTS OF TENDERS

6.1 Tender Assessment

- 6.1.1 Tenders will be assessed to determine the tender representing the overall best value for money consistent with the current Cook Islands Government Financial Policies and Procedures Manual (CIGFPP Manual).
- 6.1.2 Subject to clause 6.1.1, the criteria to be applied for the purposes of evaluation may include the following:

Tender Evaluation Criteria

Description	Weight (%)
Pricing of Services – Bank fee and other charges	30%
Quality of Services	20%
Service Levels	15%
Relationship Management	15%
Information Systems	10%
Contract	5%
Implementation timetable	5%
TOTAL	100

Evaluation Criteria	
As mandatory requirement, services tendered will have the ability to provide all of the banking services and meet the service levels required by MFEM.	
Pricing of Services – Bank Fees and other charges proposed by the Tenderer	<ul style="list-style-type: none"> The tenderer’s ability to provide the best pricing of services, clear specification of bank fees and charges including transitional costs, This also includes pricing of other proposed banking services set out in Annex B.
Quality of Services	<ul style="list-style-type: none"> The quality of services offered by the tenderer and the ability to meet current and projected transaction volumes of MFEM, This includes the timing issues and legal requirements around these transactions, The ability to demonstrate a good understanding of MFEM business including innovation and proactive identification of a more efficient banking service.
Services Levels	<ul style="list-style-type: none"> The tenderer’s ability and approach to demonstrate an efficient and effective level of services which MFEM will demand for during the contract.
Relationship Management	<ul style="list-style-type: none"> The quality and extent of resources that would be provided by the Bank to manage its bank-customers relationship to MFEM, The tenderer’s approach to resolving requests and queries from MFEM.
Information Systems	<ul style="list-style-type: none"> The quality delivery and compatibility of Bank’s information system to MFEM’s current system.
Contract	<ul style="list-style-type: none"> The level of compliance with the terms of the contract and the implications of any additional terms and conditions relevant to the services.
Implementation timetable	<ul style="list-style-type: none"> The ability of the tenderer to meet its implementation timetable that provides good quality outcome to MFEM objective of the tender.

- 6.1.3 Tenderers should note that the list of criteria is not exhaustive and the category (b) evaluation criteria are not in any order of importance. MFEM reserves the right, in its absolute discretion, to evaluate tenders as MFEM deems appropriate in the context of its requirement for the services, including the determination of the evaluation criteria and the significance to be applied to particular evaluation criteria.
- 6.1.4 The MFEM may, in its sole and absolute discretion, use any relevant information obtained in relation to a tender, either through the tender process or by independent inquiry, in the evaluation of tenders.
- 6.1.5 Tender responses which, in the opinion of MFEM are incomplete, non-compliant with essential MFEM requirements, or clearly not competitive, may, at any time, be excluded from consideration at the MFEM discretion, but MFEM reserves the right to consider such tenders and to seek clarification in accordance with clause 6.1.8 Neither the lowest priced tender nor any tender will necessarily be accepted by MFEM. The MFEM reserves the right to accept or reject any tender regardless of its compliance or non-compliance with the RFT.
- 6.1.6 These Conditions of Tender are expressly not a contract between the MFEM and the Tenderer. Nothing in this Request for Tender or in any tender received, shall be construed as to give rise to contractual obligations, express or implied. No contract shall be created in relation to a tender until a formal contract is executed between the MFEM and the Tenderer, based on the terms of the Contract.
- 6.1.7 The MFEM reserves the right to seek clarification in relation to any ambiguity or uncertainty from any or all of the Tenderers in relation to their tender, including matters concerning the Tenderers proposed contractors. The MFEM may also request to visit the facilities of Tenderers and their proposed contractors to clarify parts of the tenders.

6.2 Negotiations

- 6.2.1 The MFEM reserves the right to enter into negotiations with any one or more Tenderers, including Tenderers who have lodged non-compliant tenders.
- 6.2.2 These conditions are not intended to limit the scope of negotiations. The tender shall not be deemed to have been accepted unless and until a formal written contract has been executed by the Tenderers and the MFEM Notification from the MFEM to any Tenderers that it is a preferred, selected or successful Tenderers shall not constitute an acceptance or rejection of any tender.
- 6.2.3 The MFEM reserves the right to terminate negotiations with any Tenderers and commence negotiations with any other Tenderers, at any time. In particular, the MFEM may reject a tender and consider other tenders in circumstances where, during the contract negotiations, the Tenderers seek to vary the terms of its tender.
- 6.2.4 No gifts or entertainment of any nature will be permitted between any parties involved throughout the tender process, including: tenderers or potential tenderers,

tender team members, evaluation team members, the Head of Ministry, or any other member.

6.3 Notification

6.3.1 The successful and unsuccessful tenderers will be notified in writing. No comparisons with other tenders will be made.

6.3.2 Tenderers may request to see evaluation documents. Note: This decision is at the discretion of the HOM.

7 MATTERS AFFECTING THE TERMS AND CONDITIONS OF CONTRACT

7.1 It is acknowledged by MFEM that there may be additional or alternative terms and conditions in relation to the provision of services. Tenderer is to provide complete details of any product-specific terms and conditions, and their effect on the provision of the services.

8 MATTERS AFFECTING TENDERED FEES AND PRICE BASIS

8.1 Fees are to be tendered, and the MFEM will make contractual payments in New Zealand dollars.

8.2 The Tenderer must provide details of those fees and charges which can, where possible, be firm for the Term of the Contract, and those fees and charges which will be variable throughout the Term of the Contract. The Tenderer shall submit fees for the services in accordance with paragraph 2 of Annex B of these Conditions of Tender. Where fees for specific transaction volumes are sought in accordance with paragraph 2 of Annex B, these fees shall be firm for the specified transaction volumes and the transaction volume to which each price applies should be shown.

8.3 Tendered fees are to be inclusive of all costs of complying with the Conditions of Tender and associated with providing the Services and carrying out all matters and doing all things necessary for the due and proper performance and completion of the proposed Contract. Fees and charges offered in the tender may not be modified during tender evaluation.

8.4 The Banker will be responsible for all overseas taxes, duties and charges and all Cook Islands Government taxes, duties and charges levied or imposed on the Banker.

9 GOVERNMENT OF THE COOK ISLANDS REQUIREMENTS

9.1 The Government of the Cook Islands is committed to maximizing opportunities, consistent with the principles of value for money for Cook Islands industry development.

9.2 Official Information

9.2.1 The *Official Information Act 2008* gives to members of the public rights of access to official documents of the Government of the Cook Islands and its agencies. The Act extends, as far as possible, the right of the Cook Islands community to access information (generally documents) in the possession of the Government of the Cook Islands, limited only by considerations of the protection of essential public interest and of the private and business affairs of persons in respect of whom information is collected and held by departments and public authorities.

9.3 Cook Islands Audit Office (PERCA)

9.3.1 Tenderers' attention is drawn to *Public Expenditure Review Committee and Audit Act 1995-96 (PERCA)* which provides the Auditor General or an authorised person with statutory powers to have, at all reasonable times and access to information, documents and records.

The successful Tenderer will be required to provide the Auditor-General, or his delegate, with reasonable access to information, documents and records, which are directly related to any contract entered into as a result of this RFT, for the purpose of carrying out the Auditor-General's functions.

The access will be required at reasonable times, on giving reasonable notice, for the purpose of carrying out the Auditor-General's functions and will be restricted to information and assets which are in the custody or control of the tenderer, its employees, agents or contractors, and which is directly related to the contract entered into as a result of this RFT.

ANNEX A - DECLARATION BY TENDERER

Name _____

A.C.N/A.B.N _____ (if any)
tenders to provide the services solicited by the Request for Tender Number
_____ at the fees and charges tendered and in accordance with
the Contract.

Acceptance

This tender remains open for acceptance until _____ being
_____ months from the tender closing time. (Refer clause 3.1. of
conditions of Tender).

Improper Assistance

This tender has been compiled without the improper assistance of employees or
former employees of the MFEM and without the use of illegally obtained
information.

REGISTERED OFFICE OR OTHER: _____

ADDRESS OF TENDERER: _____

POSTAL ADDRESS: _____

TELEPHONE/FACSIMILE: _____

Signature of tenderer or person authorised to make tender on behalf of the
tenderer. (Note: if made on behalf of tenderer details of the official position held
should be included such as Director, Manager etc.)

NAME (Block Letters): _____

POSITION HELD: _____

SIGNATURE OF WITNESS: _____

ADDRESS OF WITNESS: _____

NAME (Block Letters): _____

Company executive nominated to receive correspondence/enquiries:

NAME :(Block Letters): _____

PHONE/FACSIMILE: _____

ANNEX B – SCHEDULE OF INFORMATION TO BE SUPPLIED BY TENDERERS

1 FORMAT FOR RESPONSES

1.1 Tenderers are requested to submit their responses in a format that presents information in the following order:

- (a) Executive Summary (no more than three pages);
- (b) Responses to the information requested below (Annex B);

1.2 Tenderers must ensure that the tender specifically responds to every item and condition identified in this RFT and any Schedules, Annexes or Attachments hereto.

The tender response is to be structured in the order in which the clauses appear with identical section clause numbering etc. The tender must be clear and precise and must refer, where appropriate, to page or paragraph numbers in manuals or supporting documentation which forms part of the tender.

1.3 Tenderers are welcome to include additional information they consider would assist the evaluation of their response. In the interests of efficiency, it would be appreciated if this information could be kept to a minimum and provided within the RFT format. Any supporting documentation which, in the opinion of MFEM materially alters the tender will not be admitted to the evaluation.

2 SERVICE REQUIREMENTS

2.1 Tenderers must provide a statement expressing their understanding of MFEM's service requirements within a Cook Islands Government context, including an understanding of the nature and scope of MFEM's transaction and account structure.

3 CORPORATE STRUCTURES

3.1 Tenderers are to provide sufficient information to enable MFEM to clearly identify the entity with whom it will contract. Provide details of your corporate structure with an emphasis on those elements of the structure which would be accepting corporate responsibility for the conduct of the Contract. Tenderers must provide details of:

- (a) The tenderer's full name, any trading or business name, and registered office;
- (b) Any matter relating to the commercial, technical or financial capacity of the tenderer which can materially affect the tenderer's ability to perform its obligations under any resultant contract; and
- (c) A profile of the tendering company or contracting entity, any parent company and any relevant subsidiary company or major contractor, which will be providing the Services to MFEM.

4 RELATIONSHIP MANAGEMENT

- 4.1 Tenderers are requested to provide an outline of their approach to management of MFEM/banker relationship with a particular focus on the ongoing functions and activities undertaken to establish a good understanding of MFEM's needs and ensure that Banking Services and products are made available and, as appropriate, tailored to the MFEM's needs.
- 4.2 Tenderers are to provide details of the key personnel (including location) who will be assigned to manage the relationship with MFEM and specify the person primarily responsible for day-to-day contact with MFEM. Please include a brief resume for each of these people.

5 PRICING

- 5.1 Tenderers are to provide details of proposed fees and charges against each of the service. Unless otherwise indicated, proposed pricing must be completed. Any fees or charges not stated as being additional will not be allowed as a charge against any of the specified services under any contract entered into as a result of this RFT. To assist evaluation of the offer, the tenderer should state the basis upon which the proposed fees are charged (e.g. per transaction, by dollar value, per facility, etc).

6 SERVICE LEVELS

- 6.1 Tenderers are requested to indicate whether they would be prepared to comply with these requirements or offer other Service Levels (including any additional costs in relation to the application of Service Levels) and incorporate those in any contract entered into as a result of this RFT.

The MFEM may have a particular interest in the possibility of Service Levels being agreed in respect of:

- (a) Response times to desktop banking problem resolution;
- (b) Response times in tracing cheque presentation,
- (c) Other pertinent banking issues for MFEM

6.2 Tenderers should state how they propose to measure, establish, maintain and report to MFEM on agreed Service Levels that would ensure that MFEM receives satisfactory service across the range of its Banking Services.

7 QUERY RESOLUTION

7.1 Tenderers should detail their approach to resolving requests or queries from MFEM including in respect of:

- (a) Details of a deposit and/or cheque in a deposit;
- (b) Opening an account or change to an authority for an account;
- (c) Queries on bank statement items; and
- (d) Queries on fees.

8 DISASTER RECOVERY

8.1 Tenderers should indicate whether they have a formal disaster recovery plan and back-up site in place in the event of a major systems failure or any other disaster impacting on the continuity of delivery of banking services to its customers.

9 SYSTEMS INTERFACES

9.1 Tenderers should provide relevant details of their Systems (including Banker Software) functionality, including both operational and technical requirements. Tenderers are to indicate their capability to interface their Systems with MFEM systems.

10 IMPLEMENTATION

10.1 The MFEM has set a target date for the completion of the implementation of the change in its banking provider (if any) of **01 October 2013** (target date). Tenderers should provide details of their proposed implementation plan consistent with this target date, including estimated time frames and indicative costs, should the tenderer be awarded a contract as a result of this RFT. This implementation plan should detail the tenderer's proposed support structure and approach, as well as an outline of the level of commitment required from MFEM to enable implementation.

11 CONTINUOUS IMPROVEMENT

11.1 Tenderers should indicate their approach to continuous improvement in the performance of services, including through:

- (a) The identification and application of proven techniques and processes from other activities within the tenderer's operations that might benefit MFEM either operationally or financially; and
- (b) The implementation of improvements in technology and banking industry practices which are aimed at improving efficiency and functionality in the delivery and use of MFEM's Banking Services.

12 CONTRACTORS

12.1 Tenderers must provide details of any contractors that the tenderer proposes to use to deliver services directly to MFEM under the Contract. Such detail shall include (for each proposed contractor) the name of the company, the elements of work to be contracted, and the significance of the work.

12.1.1 MFEM in its absolute discretion, reserves the right to reject any contractor proposed in the tender, and require the tenderer to propose an appropriate alternative contractor in the rejected contractor's place.

13 EXPERIENCE & REFERENCES

13.1 Tenderers should provide the names of at least two other organizations to which the tenderer has provided services of similar nature and scope to those required by the MFEM. Please provide the name and contact details of persons in these organizations who may be contacted and are prepared to act as referees.

14 TENDERER'S REPRESENTATIVE

14.1 Tenderers must include contact details of a person authorized to represent their organization for the purposes of:

- (a) Any enquiries relating to the preparation of the response to this RFT and;
- (b) Negotiations in relation to any contract as a result of this RFT.

15 INTERNET BANKING

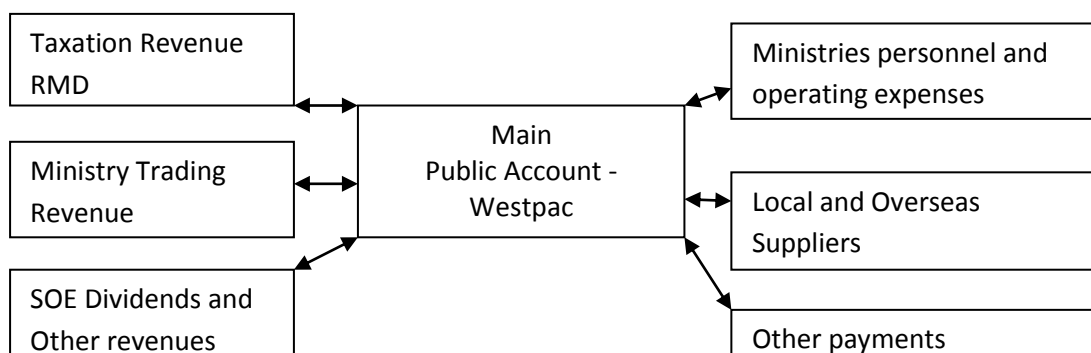
15.1 Tenderers should describe any Internet banking solutions that would be made available and describe how they might assist MFEM conduct its banking business.

15.2 Tenderers are requested to describe internet banking and e-payment solutions they may be able to provide that would assist MFEM to meet its goals in this area, including the availability of technologies and services supporting use of electronic remittance advices linked to e-payment instructions.

ANNEX C - DESCRIPTION OF TRANSACTIONS AND ACCOUNTS

1 BANK ACCOUNT STRUCTURES

This is the current flow chart of the main public account by MFEM at Westpac Cook Islands.



Tenders are encouraged to develop its own proposals as part of the RFT evaluation.

2 TRANSACTION VOLUMES

It should be noted that estimated volume of transactions on a monthly basis are equivalent to the transactions estimated in the major cash flow below. The MFEM is expecting a significant change with the volume of transaction through the use of technology that Tenderers are planning to offer to manage these volumes. The Tenderers should also indicate the nature of these changes and any unexpected impact.

3 MAJOR CASH FLOWS

This is an outline of the estimated cash movements from the main Public Account by average value on a monthly cycle:

<u>Inflows (receipts)</u>		Monthly
Monthly taxation revenue	\$7,000,000	
Other revenue	\$ 600,000	
Trading Revenue	\$ 430,000	
Dividends	\$ 250,000	
Interest on balances	\$ 180,000	
Tax Refund (VAT and Income)	(\$ 300,000)	
Total Estimated Revenue		\$8,160,000
<u>Outflows (payments)</u>		
Ministry Personnel	\$3,670,000	
Ministry Operating	\$1,080,000	
Payment on behalf of Crown (POBOC)	\$2,900,000	
State Owned Enterprises (POBOC)	\$ 180,000	
Loan repayments	\$ 100,000	
Other	\$ 150,000	
Total Estimated Expenditures		\$8,060,000
Surplus/ (Deficit)		\$ 100,000