



State of North Carolina

Office of the State Controller

DAVID T. McCoy
STATE CONTROLLER

July 18, 2013

MEMORANDUM

TO: Chief Fiscal Officers
Vice Chancellors
Business Managers

FROM: David T. McCoy, State Controller
Janet Cowell, State Treasurer

RE: Electronic Funds Transfer (EFT) Master Contract Awarded

The Office of the State Controller (OSC) and the Department of the State Treasurer (DST) have been working together to rebid the Master Services Agreement (MSA) for electronic funds transfer to replace the current expiring contract. The new contract has been awarded to North Carolina-based Bank of America. Using the competitive procurement process, the new contract five-year total cost is approximately \$1 million less than current rates. The bank fee for processing an electronic disbursement is now less than half a penny.

Under the new MSA, participants will continue to operate essentially as they do now. Participants who pay for EFT service will continue to provide for their own funding. Services secured through the Department of the State Treasurer, generally for payroll and NCAS related accounts, will continue to be paid through DST. All other non-EFT accounts will not be impacted by this MSA.

As soon as the contract is signed, all agencies will be required to participate under the new contract even if another bank is the agency's current EFT services provider. If an agency wishes to request an exception from the MSA, a detailed business case justification must be submitted to OSC by the agency's Chief Fiscal Officer. Agencies currently operating under an approved exemption must submit a new request for an exemption along with a new business case in order for an exemption from the new MSA to be considered.

Further communications regarding the process and procedures to convert to the new MSA will be provided during the next several weeks. This will include information about an upcoming stakeholders meeting and projected time schedules. If you have questions regarding the MSA, please contact Sharon Hayes, eCommerce Director, at (919) 707-0491 / sharon.hayes@osc.nc.gov or Amber Young, Central Compliance Manager, at (919) 707-0619 / amber.young@osc.nc.gov.com.

Thank you.

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