

**Menifee County School District
Banking Services Bid Specifications
December 15, 2016**

Bid item: Banking Services / Direct Deposit Proposal for July 1, 2018- June 30, 2020

Bid deadline: Tuesday, April 10, 2018

Bid opening: Friday, February 16, 2018

Special bid Conditions: (No Response Required)

1. **Contact Person:** Information pertaining to any item or condition in this invitation to bid may be obtained by communicating with Lorri Bartley, Director of Finance.
2. **Invitation to Bid:** Sealed bids will be received no later than 2:00 pm, eastern standard time, Tuesday, April 10, 2018. The bids are subject to the specifications and conditions contained herein. Any bid received after the announced time and date of the opening will not be considered and will be returned unopened. The outside of the sealed envelope should be labeled **“MENIFEE COUNTY SCHOOLS BANK BID ENCLOSED.”**
3. **Intent of Request for Proposal of Bid:** The intent of this invitation is to receive bids from state and national banks chartered in Kentucky and insured by an agency of the government of the United States to serve as the official primary depository for the Menifee County Board of Education, hereafter called Board. **The period of the bid begins July 1, 2018 and ends June 30, 2020.**
4. **Collateral:** The depository bank shall be a member in good standing with the Federal Deposit Insurance Corporation (FDIC). As such, agree to provide the cumulative total of Board accounts with \$100,000 FDIC Insurance and that any amount not insured by the FDIC, demand deposit and certificates of deposit will be collateralized by pledges of securities. Only eligible types of securities may be pledged as collateral as defined by Kentucky Revised Statutes 66.480. These securities shall be held in custody by an authorized custodian. The authorized custodian shall send a safekeeping receipt directly to Board whenever there is a change in collateral. **Your signature on this bid document validates meeting collateral requirements.**

Bid specifications: (No Response Required)

Given in the bid are the bank services required for any participating depository, sections A through J. All eligible bidders will provide their response to the requested services, items E through K required, and sign the bid. Past service provided by the depository will be included in the evaluation of the bidders.

The Board reserves the right to place the depository where it will be in the best interest of the Menifee County School District, including convenience of services.

Attached is a sample copy of the Bond of Depository that must be sent to the Division of Finance once a banking institution is selected by the Board. Each responsible bidder must be in agreement with the conditions of the Bond of Depository and provide the collateral protection required by the Kentucky Department of Education, Division of Finance.

Depositories and bank services provided for the Board must be in compliance with all federal and state banking laws. The escrow agent must file safekeeping receipts with the Board as evidence that collateral has been pledged in accordance with the provisions of the Bond executed by the depository institution. The amount of collateral required is set by the Board annually based upon the Division of Finance's recommendation.

Respond as Required to the following sections:

A. Collateral for Investments (Information Only – No Response Needed)

The depository will agree to fully collateralize funds invested with the bank by the Menifee Board of Education using allowable investment as stated in Kentucky Revised Statutes, as required by 702 KAR 3:090, in the amount of 103% of the current daily balance.

B. Funds Included (Information Only – No Response Needed)

The banking services being considered for bid are those accounts operated by the Menifee Board of Education and include General Fund Account, Special Fund Accounts, and School Activity Account(s). Bond issues of the Menifee County Finance Corporation may be handled by a different bank.

C. Right to Obtain Quotes for Investments (Information Only – No Response Needed)

The Board reserves the right to negotiate the terms of investments, and is not limited to investing with the primary depository. All long term investment funds may be dealt with on a quote basis as investment needs arise. Any institution wishing to quote at those times must provide approved pledges to meet the penal sum and collateral requirements stipulated by the Kentucky Department of Education for school boards as required by KRS 41.240.

D. Short Term Borrowing (Information Only – No Response Needed)

The Board will follow requirements of KRS 160.540 for short time investments, which states “[a]ny board of education may borrow money on the credit of the board and issue negotiable notes in anticipation of revenues from school taxes and state revenue for the fiscal year in which the money is borrowed, and may pledge the anticipated revenues from state and local sources for the payment of principal and interest on the loan. The rate of interest shall be at the rate or rates or method of determining rates as the board determines. In all cases such loans shall be repaid within the fiscal year in which they are borrowed.

E. Other Banking Services (Response Required)

If any items cannot be provided, please provide detailed written explanation.

1. Provide interest bearing accounts to the Board.
2. Monthly statements of its account will be provided **no later than the 3rd** business day of each month.
3. Notify the Board Treasurer of a shortage of a balance in above mentioned accounts, so that deposits can be made the same day to cover shortage. No charge for insufficient funds unless it exceeds a 24 hour period.
4. No charge for processing and sorting of checks or copying of checks in numerical order.
5. No charge for purchase or sale of securities originated by depository bank.
6. Checks and deposit tickets will be provided at no cost to the Board.
7. The Board will receive credit for certificates of deposit purchased the same day deposits are made.
8. The purchase of Governments U.S. Treasury Bills for the benefit of the Board as may be periodically requested by Board.

E. Other Banking Services (Response Required) (Continued):

9. The auditing firm that annually audits our books will require the assistance and cooperation of your firm, such as record of all investments and other information they may deem necessary.
10. No charge for wire transfers, stop payment of checks, or any other standard services charges.
11. A safe deposit box provided as needed.
12. Allow the Board to take advantage of any new type service(s) or new investment procedure(s) that may become available and permissible for Board of Education during the term of the this contract.
13. Payment by the primary depository for installation and annual software license for electronic pay stub capabilities. One time installation costs are estimated at \$2,500 and annual license fees at \$3,000.
14. The primary depository shall appoint one employee of the financial institution to be the person responsible to the Board for compliance with the terms of the adopted proposal and to make sure all transactions of the Board are handled promptly and efficiently.

Please provide below the name, address and phone number of the Bank's local contact person(s) that will be handling the Board's account if awarded to this bank. It is understood that these individuals will have decision making authority and Board employee's will not be routed to out of town offices when questions arise.

Please list below:

Name of Contact: _____

Position: _____

Location: _____

Contact Number: _____

F. Bid on Interest Rate for Checking Account (Response Required)

1. List the interest rate that will be paid on the checking account: _____
2. Will all monies deposited begin collecting interest on the date of deposit?
Yes: _____ No: _____
If no, explain below:

3. Include a three-year minimum of historical information if interest is based on Prime or Federal Funds Rate.
4. Is there a compensating balance?
Yes: _____ No: _____
If yes, provide amount below:

G. Bid on Loans (Response Required)

In the event the Board needs to borrow funds, as the official depository, we agree to extend credit to the Board, at the following rate per annum:

\$50,000 or less _____ percent + or - prime
 \$50,000 - \$90,000..... _____ percent + or - prime
 \$100,000 - \$150,000..... _____ percent + or - prime
 \$150,000 – limit of your bank _____ percent + or - prime

Please state legal lending limit: _____

H. Direct Deposit (Response Required)

The Board offers to employees direct payroll deposit. Please detail the process for implementing and processing direct deposit, such as the method to be used, a diskette or modem. Specify the minimum lead time needed to provide payroll data to your office to ensure that payroll will be available to every employee’s account regardless of the financial institution the employee(s) use.

Employees are paid on the 15th and 30th each month, however, when pay days fall on a holiday or the week-end, the pay date becomes the last previous business day prior the holiday or week-end. Note, that in June all 10-month employee payroll checks for July and August are processed.

Please list all other pertinent information relative to direct deposit. Detail services that your institution would render to support this project and associated cost and list references of other entities, especially school districts, in which you provide a direct deposit program. Please attach your response to direct deposit on a separate page.

Identify your guarantee that payroll deposits for employees will not be late. The Board has zero tolerate for late payroll.

I. Location of Offices (Response Required)

Convenience of bank services will be a factor in selection.

The following is a listing of your financial institution’s main office, branch office(s) in the Corbin area, and lobby and drive through hours of operation.

Office	Location	Lobby Hours of Operation	Drive Thru Hours of Operation

J. Other Bank Services (Optional)

Please list any other products or services that your bank can provide the Board that are not listed in this bid document. Products that will increase the efficiency of the financial operations of the Board will be evaluated at the time of the bid.

K. Bidder Agreement (Response Required)

Contracts will be executive for a term of 24 months from July 1, 2018 through June 30, 2020.

The undersigned agrees, if this bid is accepted within specified time, to provide all items of services and prices upon which we have quoted in accordance with the Bid Invitation.

The undersigned further declares that this bid is in all respects fair and without collusion of fraud that no member of this Board of Education of the Menifee County School District or other officer of said school district or any person in the employment of said school district has directly or indirectly interest in this bid or any portion of the profits thereof.

Firm Name: _____

By: _____

Title: _____

Address: _____

Phone: _____

Date: _____

L. LENGTH OF CONTRACT

The District is interested in establishing a stable relationship with the selected bank. To do this, the District would like to develop an agreement with an original term of two (2) years with an option to renew for additional years. After the initial term, fees can be renegotiated should this be deemed necessary.

Either party with a 60-day written notice may terminate the contract for any reason. Should the bank prematurely terminate the contract, all District costs to establish a new banking agreement will be the responsibility of the terminating bank.

Also, the District can terminate the agreement immediately should, in its sole opinion, information be received relating to the declining creditworthiness of the bank or adverse changes to the portfolio collateralizing the District's funds held by the bank.

General Conditions:

Banking firms may be required to submit to an interview as deemed necessary.

Responses to Items E. through J. are required in order for the bid to be considered, along with completion and signature on Item K.

The Board will select the bid based on the best evaluated bid for banking services. The criteria for selection will include areas that affect the economy and effectiveness in the operation or use of the product, to include: reliability, maintainability, useful life, residual value, and time of delivery, delivery of services, quality and past history, performance, or completion. The right is reserved by the Board to reject any or all proposals submitted.

The Board does not discriminate on the basis of race, color, national origin, age, religion, creed, marital status, sex, or handicap in employment, educational programs, or activities as set forth in Title IX, Title VI, Section 504. KRS 45A.455 prohibits conflict of interest, gratuities, and kickbacks to employees of the Board in connection with contracts for supplies or services, whether direct or indirect. KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities or kickbacks to employees which are designated to secure a public contract for supplies or services.

Return sealed bid to: Menifee County Schools (Banking Services Bid)
Lorri Bartley, Director of Finance
P.O. Box 110
Frenchburg, Ky 40322

Attachments: Copy Bond of Depository Form
Extra Copy of "Banking Services" Bid Document