

Bank Depository Services Bid Notice and Specifications for:

**Sparta R3 School District
217 Division Street
Sparta, MO 65753**

DEPOSITORY OF FUNDS

In accordance with ' 165.211, RSMo., the Sparta School District will accept sealed bids for the Sparta School District bank depository services until 3:00 p.m. on May 13, 2019. Bids to be forwarded by United States Mail should be mailed at least three (3) working days prior to the scheduled proposal opening date to assure delivery in time for the bid opening. Bids are to be prepared at no cost to the Sparta School District and will remain the district's property. Bids must be delivered sealed and marked, "Bank Depository Services Bid" in the lower left hand corner of the envelope.

The district reserves the right to reject any and all bids, and to waive any irregularities. Bidders are asked to respond to all items. Clarification or questions may be addressed to the district's superintendent or business officer.

I. Procedures for Receiving/Awarding Depository Contract

- A. Once submitted to the district in sealed form, bids cannot be altered.
- B. After all written bids are opened and read, the Board of Education will take each bid under advisement.
- C. The district may question or interview each of the bidders to obtain an accurate understanding of each bid received.
- D. A certified check in the amount of \$2,500 payable to the Sparta School District will be submitted by each banking institution participating in the bidding process as required by ' 165.211, RSMo. The check will be returned to any unsuccessful bidder immediately upon action by the Board, and will be returned to the successful bidder upon verification of pledged securities by law.

II. General Conditions

- A. The minimum length of the depository agreement shall be for one (1) year, with an option exercisable by the district to renew at the same terms for up to four (4) additional years.
- B. It will be the responsibility of the depository to adhere to all state and federal laws applicable to public school districts, including the furnishing of securities. Funds

deposited must be fully secured as required by law. Each proposal should include the type of security to be used as collateral for the account(s) and name the trustee for securities pledged.

C. District's operating funds, as designated by the district, shall be included in the depository agreement. This agreement is not exclusive. District reserves the right to deposit surplus funds through the Missouri Securities Investment Program (MOSIP) or other depositories.

D. Responsibilities of the depository, aside from normal banking procedures, include:

1. Serve as depository for federal withholding deposits.
2. Render a statement by the fifth working day of each month.
3. Sort checks and prepare partial bank reconciliation and/or full account reconciliation on a monthly basis.
4. Furnish printed deposit books.
5. Furnish night depository bags and accept overnight deposits.
6. Furnish necessary coin (silver) bags and accept deposits in bulk.
7. Furnish cashier's checks.
8. Allow stop payment orders.
9. Furnish one (1) large safe deposit box.
10. Furnish printed checks up to 7,000 per year.
11. Permit and facilitate wire transfers of certain state and federal funds coming into the district.
12. Provide a licensed notary for the district.
13. Provide on-line balance reporting.
14. Provide direct deposit of payroll.
15. Provide controlled disbursement checking.

Bidders may list additional services on an addendum page.

E. Bids must include the "Sparta School District Depository Bid Sheet" and bids must carry the signature of the responsible party(s).

III. District Financial Information for Current and Past School Year

District's current financial records are available for examination by interested bidders during regular business hours at the Sparta School Central Office, 217 Division St, Sparta, MO 65753.

- A. District's budget for the 2019- 2020 school year is in excess of \$7 million.
- B. The district receives state aid payments monthly. Major local revenue is received in January and February. During the prior school year, the district made approximately 1,000 deposits.
- C. Payroll checks are issued on the 20th of each month. During the previous school year, the district issued approximately 2,000 payroll checks.
- D. Accounts payable checks are issued after approval at the regular monthly Board meeting held as described in Board policy BDA. During the previous school year, the district issued approximately 2,700 accounts payable checks.

DEPOSITORY OF FUNDS
Depository Bid Sheet for 2019-20

Name of Depository: _____

Submitted By (Signature/Title): _____

Security of Funds

What type and amount of securities will the depository provide as collateral?

Accounts

Rates should be designated as a percentage of the federal funds rate.

	<u>Interest Rate</u> (How Determined)	<u>Compounded</u> (How Often)	<u>Annual</u> (See Example A on Page 3)
1. Interest Bearing Checking	_____	_____	_____
2. Investment Savings/Funds Management	_____	_____	_____
3. Repo Sweep Account	_____	_____	_____

Short-Term Loans

Rate should be designated as a percentage of New York prime rate.

Rate Charged to District: _____

Annual Cost to District: _____ (See Example B on Page 3)

Services

Will depository agree to provide the following services to the district?

Service	Y/N	Monthly Fee (if any)	Compensating Balance (if any)
1. Offer demand deposit account			
2. Offer zero balance account			
3. Offer controlled disbursement account			
4. Offer repo sweep account			

Service	Y/N	Monthly Fee (if any)	Compensating Balance (if any)
5. Serve as depository for federal withholding deposits			
6. Render a statement by fifth of month			
7. Sort checks			
8. Prepare partial bank reconciliation on a monthly basis			
9. Prepare full account reconciliation on a monthly basis			
10. Furnish necessary cash (and coin deposit bags)			
11. Furnish night deposit bags/accept overnight deposits			
12. Accept silver (coin) deposits in bulk			
13. Furnish one (1) large safe deposit box			
14. Furnish printed checks up to _____ (year)			
15. Furnish printed deposit books _____ (year)			
16. Provide without cost: Ledger credits Deposited items Ledger debits Controlled disbursement debits	_____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____
17. Provide on-line balance reporting			
18. Furnish cashier's checks			
19. Allow stop payment orders			
20. Wire transfer funds to and from other banks and transfer funds to other accounts within depository			
21. Provide a licensed notary for the district			
22. Provide direct deposit of payroll:			

Service	Y/N	Monthly Fee (if any)	Compensating Balance (if any)
Monthly Maintenance			
23. Other services (list as addendum)			

Service Charges

Will depository agree to waive all service charges to district? Yes No

If no, please list on the back of this sheet any service charges that depository will not waive, if not listed in the *Service* section above, and indicate a fee for each.

If yes, please list required compensating balances, if not listed in the *Service* section above.

Examples for Clarification

Example A For comparison purposes, assume that the district will maintain a balance of \$15,000 in the interest bearing checking account as well as \$15,000 in the investment savings/funds management account in your depository for a period of one (1) year. Using the bank's average effective federal funds rate as of _____ (date), and by applying your agreed to percentage of that rate, please compute the total amount of interest that the district would earn in each account for that one-year period.

Example B For comparison purposes, assume that the district wished to borrow \$100,000 from your depository for a period of one (1) year. Using the New York prime rate as of _____ (date), and by applying your agreed to percentage of that rate, please compute the total amount of interest that the district would be required to pay for that one-year period.