

**ANDERSON COUNTY BOARD OF EDUCATION  
1160 BYPASS NORTH  
LAWRENCEBURG, KY 40342**

**–REQUEST FOR PROPOSAL–**

Reference Number: **DEPOS-2025**

Title: **Primary Depository**

Date information released: April 4, 2024

Closing time of proposals: May 6, 2024 10:00am

**General Conditions and Specifications**

1. **CONTACTS**– Information pertaining to any item or condition in this invitation must be obtained by communicating with Sheila Mitchell, Superintendent, Josh White, Chief Finance Officer, or Marsha Rogers, Treasurer, at the address shown above or by telephone at 502-839-3406.
2. **DURATION OF AGREEMENT**– The intent of this invitation is to receive proposals from any local financial institution (“bank”) to serve as depository for the Anderson County Board of Education (“Board”). The duration of the agreement shall be from **July 1, 2024 to June 30, 2025**. **The agreement shall renew automatically for a one year period thereafter unless one party to this agreement elects to terminate it and gives notice sixty (60) days prior to the scheduled expiration date. The Board may negotiate a higher rate during the extension period.** The Board will officially appoint one (1) primary depository. Secondary depositories may be used for the purpose of soliciting proposals/quotes on investment instruments, bonds, and loans.
3. **ACCEPTABLE BANKS**– The board hereby limits the banks that are acceptable for submitting a proposal for “primary depository” to commercial banks or savings and loan institutions that have an office in Anderson County, Kentucky. The bank must be able to secure all deposit account balances exceeding coverage of FDIC insurance with approved collateral as required by the Commonwealth of Kentucky.
4. **PROPOSAL FORM**– Any bank that submits a proposal shall submit the attached “Official Proposal Form.” No proposal will be considered unless the Official Proposal Form has been completed, signed, and submitted. The bank shall not add any additional information other than that which is required in the proposal form. The bank shall not substitute any other method of calculating the interest to be paid to the Board on any accounts.
5. **PROPOSAL SUBMITTAL**– The original, completed copy of this proposal is to be received no later than the closing time indicated above. The proposal may be hand delivered on the date of the opening, provided it is presented **no later than the closing time** indicated above.
6. **PROPOSAL OPENING**– A representative of the bank may be present at the opening of proposals on the date, time, and location stated above, although this is not required. The Board reserves the right to negotiate any or all of the terms of submitted proposals from banks.
7. **PROPOSAL EVALUATION**– Proposals will be evaluated on multiple factors. Rate of return is only one factor. Other considerations include branch hours and locations, any existing relationship between the Board and the bank, and optional services. Any bank that cannot fulfill the list of required services will be eliminated from consideration. The evaluation

process will not be completed on the date proposals are opened and there is no set period by which the evaluation process must be completed.

8. **SIGNATURE**– An officer or member of the proposed bank, authorized to legally bind the bank, must sign the Official Proposal Form.
9. **PROPOSAL ISSUES**– The Board reserves the right to waive defects and informalities in proposals, to reject any or all proposals, or to accept any proposal as may be deemed to be in its best interest.
10. **SCHOOL ACCOUNTS INCLUDED**– Each school shall utilize the depository selected by the Board. **Each school using the primary depository as its bank shall be afforded the same terms described herein and in the Official Proposal Form including, but not limited to, the interest rate paid on deposits and no service charges as described herein.**
11. **CONSTRUCTION/BOND ACCOUNTS**– This depository agreement shall also include, if requested by the Board, any new construction accounts established as a result of selling school revenue bonds. The primary depository shall pledge securities of the United States Government having a fair market value at least equal to the balance of these accounts or secure all balances exceeding coverage of FDIC insurance with approved collateral as required by the Commonwealth of Kentucky. The securities pledged for construction accounts are in addition to the collateral requirements shown on the Official Proposal Form.
12. **INVESTMENTS**– The Board reserves the right to direct the Treasurer or Superintendent to invest any excess funds in any demand account, less the compensating balance required by the bank for servicing the district’s account, in any legal manner deemed to be in the best interest of the Board and is not limited to investing with the depository bank.
13. **INVESTMENT OPTIONS**– The Board reserves the right to use any or all investment vehicles offered by the bank that the Board, in its discretion, deems to be the most advantageous to the Board. The primary depository agrees to negotiate with the Board to permit the Board to take advantage of any new type of service or new investment procedure that may become available and permissible for use by a board of education during the term of this agreement.
14. **BORROWING**– The primary depository shall extend credit as needed on legally drawn notes of the Board. The Board reserves the right to negotiate the terms for such borrowings, and is not limited to borrowing funds from the primary depository.
15. **STATEMENTS**– Monthly statements of all accounts, along with canceled check images (sorted numerically), are to be furnished electronically to the Board by the primary depository within three (3) banking days following the close of each month. Monthly statements must show the number of deposits/withdrawals and the monthly/year-to-date interest earned. Accuracy of the information contained on the bank statement is very important. Beginning dates for the statements shall be the 1<sup>st</sup> calendar day of the month and the ending dates shall be the last calendar day of the month. Each month, the primary depository shall provide the Board with a listing of checks cleared.
16. **ELECTRONIC BANKING**– The primary depository shall offer the Board full electronic banking privileges that shall, at a minimum, permit the Board to see daily transactions and make online transfers. If the Board maintains security over its password to the online banking system, the primary depository agrees to hold harmless the Board from losses due to a security breach of the bank’s online banking system. The primary depository shall also provide an electronic data file for check clearing that is compatible with MUNIS (Enterprise ERP).
17. **SECURITY**– The primary depository shall offer the Board security tokens to be used in conjunction with the user ID and password during the electronic banking login process if necessary for internet banking. The bank shall provide fraud prevention tools to include alerts regarding changes in account and/or routing numbers for the same payee from a previous direct deposit file. This could be provided through ACH Alert.

- 18. COURIER SERVICE**– The primary depository shall make available a courier service for deposit pick up at the Central Board Office at no cost with deposit pickups scheduled daily or as needed.
- 19. CREDIT CARDS**– The primary depository shall provide credit cards to chosen individuals at no cost.
- 20. CHECKS/SUPPLIES**– The primary depository is responsible for providing, at no charge to the Board or schools (see #10 above), all reasonable items needed to transact banking business. These items include, but are not limited to, checks, direct deposit advices, deposit tickets, boxes for rolled coins, safe deposit box (for the Board only), locking bank bags, canvas bags for collection of money from events, etc. ***Checks/Direct Deposit Advices:*** The Board shall have exclusive control over the vendor selected to provide checks and direct deposit advices, provided the requirements of the Federal Reserve System are met. The Board may utilize any and all security features available for its check stock. The primary depository agrees to reimburse the Board for the cost of having its checks and direct deposit advices printed. With the approval of the Board, the primary depository may furnish these checks and direct deposit advices, rather than reimburse the Board for cost incurred. The Boards’ method of issuing checks to employees and to vendors is subject to change.
- 21. ACCOUNTING SOFTWARE CHANGES**– The primary depository shall reimburse the Board or schools for any fees associated with accounting software updates related to changing banks.
- 22. TRANSMITTALS**– The primary depository shall be capable of accepting an electronic data transmission of direct deposit credits, and shall be able to transmit to the Federal Reserve, credit unions, other banking institutions, etc. The primary depository shall provide the Board with software needed to accomplish the electronic data transmission. This software shall be compatible with the Board’s software and shall permit verification of accuracy of account information. The primary depository shall also provide an electronic data file for check clearing that is compatible with MUNIS (Enterprise ERP). Verification of receipt and posting of the bi-monthly direct deposit payroll file is required.
- 23. DIRECT DEPOSIT**– Direct deposit is offered by the Anderson County Board of Education. The primary depository shall provide this service free of charge to the school district. The Depository agrees to provide fee-free checking accounts to Board employees to facilitate direct deposit of payroll.
- 24. AUDIT ASSISTANCE**– The primary depository shall provide assistance and cooperation with the Board’s audit firm. Including but not limited to completing audit confirmations and requests at no charge.
- 25. SERVICE CHARGES**– This depository agreement shall not include any charges for servicing any and all accounts of the Board or charges for any other banking service such as stop payments, cashier’s checks, overdraft charges, interim bank statements, checks returned for insufficient funds, electronic transfers, wire transfers, courier service, electronic data file for check clearing (ASCII file of debits), etc.
- 26. CONTACT PERSON**– The primary depository shall appoint one employee of the bank to be responsible to the Board’s Treasurer for compliance with the terms of the adopted proposal and to make sure all transactions of the Board are handled promptly and efficiently.
- 27. TRANSITION**– In the event the bank is not designated by the Board as its primary depository in the future, the bank shall continue to pay interest at the rate established by this proposal document on any funds remaining in any accounts at that financial institution until all outstanding checks have cleared the bank. In addition, the primary depository agrees to assist the Board in its transition to a new depository, should the need arise.
- 28. TAXES NOT APPLICABLE**– Federal excise taxes or Kentucky sales and use taxes are not applicable to any purchase made for use of the Board. Proposals should not include any such taxes. Purchase exemption certificates will be furnished as required.

**29. NON-DISCRIMINATION**— The Anderson County Public School System 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, and Section 504.

**30. CONFLICTS OF INTEREST**— KRS 45A.455 prohibits conflicts of interest, gratuities or kickbacks to employees of the Board of Education in connection with contracts for supplies or services whether such gratuities or kickbacks are direct or indirect. KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities or kickbacks to employees that are designed to secure a public contract for supplies or services.

**31. FEDERAL AND STATE LAWS**— Depositories and banking services provided for the Board must be in compliance with all federal and state banking laws.

**ANDERSON COUNTY BOARD OF EDUCATION  
1160 BYPASS NORTH  
LAWRENCEBURG, KY 40342**

**OFFICIAL PROPOSAL FORM  
FOR  
PRIMARY DEPOSITORY FOR ANDERSON COUNTY BOARD OF EDUCATION**

***THE ANDERSON COUNTY BOARD OF EDUCATION RESERVES THE RIGHT TO NEGOTIATE ANY OR ALL OF  
THE TERMS OF SUBMITTED PROPOSALS FROM BANKS.***

**Interest Rate**

In accordance with the terms of the General Conditions and Specifications, all accounts of the Anderson County Board of Education shall be serviced without charge. The bank agrees that no minimum balance shall be required at any time and the bank shall factor any and all expenses of servicing the Board's accounts into the interest rate shown below. Interest shall be paid on all deposits maintained by the Anderson County Board of Education, starting on the date of deposit. Interest shall be calculated compared to the Federal Funds daily rate. The rate + or – the basis points stated below will be paid on the daily balance. Interest shall compound daily.

Plus (+) \_\_\_\_\_basis points

Minus (--) \_\_\_\_\_basis points

(Note: Complete only one line above)

Banking institution guarantees that the rate will not fall below: \_\_\_\_\_

The Board of Education will select the best evaluated proposal. Also, if the highest proposal is not more than two (2) basis points above the current primary depository rate (for the period of July 1, 2023 – June 30, 2024), the Board reserves the right to award this bid to the current primary depository.

**Note:**

**Please submit Official Proposal Form in an envelope marked "Do Not Open – Bank Proposal Enclosed -- Reference #DEPOS-2025"**

**Locations**

The following is a listing of the financial institution’s Anderson County branch offices and ATM locations:

Branch Office Location	ATM Location

**Collateral**

**A. Execution of Bond of Depository and Collateral**

A Bond of Depository for Public School Funds will be executed by the primary depository and collateral deposited in escrow to secure said bond as hereafter set out. This Bond includes a pledge of collateral in the amount of the required penal sum of 103% of current daily balances. The Bond of Depository covers Anderson County Board of Education funds in an amount that will later be determined. It will be effective July 1, 2024 for the full term of this agreement, subject to approval of the Kentucky Department of Education (“KDE”). The amount of the Bond may fluctuate from year to year. In the event the Board of Education’s funds on deposit, including certificates of deposit, exceed the Bond of Depository amount, the primary depository shall pledge additional collateral for any such excess funds on deposit with a fair market value equal to the excess amount.

**B. Types of Collateral**

All collateral pledged by the primary depository selected shall have a fair market value equal to at least 103% of all deposits (including all investment instruments) of the Board of Education and shall consist of U.S. Government Bonds, Kentucky School Revenue Bonds, and/or Federal Government Agency Obligations. Repurchase Agreements for either class of collateral are unacceptable security. The collateral represents the total amount required to cover all funds, including investments and construction funds. At no time shall the collateral be reduced or substituted without prior approval of the Board of Education. Such approval shall not be granted without the execution of a new bond, which shall have prior approval by KDE.

### **C. Safekeeping Receipts**

The primary depository shall execute a safekeeping receipt for collateral, which shall include an endorsement as follows (the form of the endorsement on the safekeeping receipt may be amended so as to modify the endorsement in any manner required by the rules and regulations of the Federal Reserve, provided that the collateral pledged for safekeeping in connection with the bond of depository is deposited in a federal reserve bank.):

*“The securities described herein have been pledged as collateral to funds on deposit in \_\_\_\_\_(city), \_\_\_\_\_(county), Kentucky to the credit of the Anderson County Board of Education of Lawrenceburg, Kentucky under terms of a depository agreement. These securities may not be withdrawn or substituted except with the written consent of the Anderson County Board of Education. The original of this receipt has been delivered to the Anderson County Board of Education of Lawrenceburg, Kentucky.”*

### **Length of Agreement**

The quotations and undertakings offered herein will be valid from July 1, 2024 to June 30, 2025 and, at the option of the Board of Education, and with the primary depository’s consent, may be extended for additional one (1) year periods as stipulated in General Conditions and Specifications.

**Additional Banking Services:** *(use this section and additional pages, if needed, to describe other banking services):*

### **Designated Employee**

\_\_\_\_\_ shall be the bank’s employee who will be responsible for compliance with the terms of this depository agreement.

**Type of Financial Institution**

We have read and understand the General Conditions and Specifications and the Official Proposal Form for Board of Education accounts and agree to comply with all said stipulations should we be selected as the Board's depository. Our institution is a: *(place an "X" beside the following description that applies)*

\_\_\_\_\_ **Commercial Bank** and is a member of the Federal Deposit Insurance Corporation and, as such, we propose to accept and hold in SECURED CUSTODY funds belonging to the Anderson County Board of Education, and to pay out any funds on order of the Board as provided by law. We hereby offer our proposal to the Anderson County Board of Education under terms and conditions as above specified.

\_\_\_\_\_ **Savings and Loan Association** and is insured by the Federal Government and as such we propose to accept and hold in SECURED CUSTODY funds belonging to the Anderson County Board of Education, and to pay out any funds on order of the Board as provided by law. We hereby offer our proposal to the Anderson County Board of Education under terms and conditions as above specified.

**Bank Name** \_\_\_\_\_ **Date** \_\_\_\_\_

**Signature** \_\_\_\_\_ **Title** \_\_\_\_\_

**Name** \_\_\_\_\_ **(print)**

**Address** \_\_\_\_\_  
\_\_\_\_\_

**Telephone** \_\_\_\_\_



**DISTRICT INFORMATION**

**MAJOR RECEIPTS (annual estimates)**

SEEK deposit from the Kentucky State Treasurer (one per month, electronically around the 5<sup>th</sup> day):

\$11,800,000

Property Tax revenue collected by the Sheriff (largest months: October/November/December): \$10,500,000

Utilities tax revenue from State of Kentucky (one per month): \$1,250,000

Food Service Federal Reimbursement (one per month): \$2,220,000

<b>MONTHLY BANK BALANCE</b> (does not include individual school or construction accounts)	<b>SCHOOL ACCOUNTS AVERAGE MONTHLY BALANCE</b> (April 2023 to March 2024)
April 2023 \$9,998,844	Anderson County High \$319,024
May 2023 \$9,280,725	Anderson County Middle \$78,137
June 2023 \$8,909,327	Robert B Turner Elementary \$19,780
July 2023 \$9,414,506	Emma B Ward Elementary \$14,608
August 2023 \$9,160,373	Saffell Street Elementary \$15,555
September 2023 \$8,139,193	Sparrow Early Childhood Center \$15,619
October 2023 \$6,336,254	
November 2023 \$11,851,901	
December 2023 \$11,211,940	
January 2024 \$11,950,723	
February 2024 \$10,200,818	
March 2024 \$8,918,714	

**MAJOR EXPENDITURES (monthly estimate)**

Accounts Payable: \$500,000

Payroll: \$2,000,000

**CHECKS (yearly estimated average)**

Payroll:

Checks 200

Direct Deposit Advices 12,600 (direct deposit advices are normally emailed)

Accounts Payable:

Checks 5,000

**ANDERSON COUNTY SCHOOLS**

Anderson County High School  
1 Bearcat Drive  
Lawrenceburg, KY 40342  
Phone: 502-839-5118

Emma B. Ward Elementary  
1150 By-Pass North  
Lawrenceburg, KY 40342  
Phone: 502-839-4236

Saffell Street Elementary  
210 Saffell Street  
Lawrenceburg, KY 40342  
Phone: 502-839-3565

Anderson County Middle School  
1 Mustang Trail  
Lawrenceburg, Ky 40342  
Phone: 502-839-9261

Robert B. Turner Elementary  
1411 Fox Creek Road  
Lawrenceburg, KY 40342  
Phone: 502-839-2500

Sparrow Early Childhood Center  
1154 N. Bypass  
Lawrenceburg, KY 40342  
Phone - 502-839-2504