**Request for Proposal**

**Depository and Banking Services**

The Gallia-Vinton Educational Service Center (ESC) invites qualified local financial institutions to submit proposals to be designated a public depository for the providing of basic banking services within the specifications of the ESC Governing Board. Proposal forms may be obtained by request at the Office of the Treasurer, Gallia-Vinton Educational Service Center, P.O. Box 178, Rio Grande, OH 45674 or by calling (740) 245-0593. Written proposals must be received by **12 Noon on November 7, 2016** at which time the bids will be opened. Deliver bids to the Office of the Treasurer, Room 131, Wood Hall, 60 Ridge Avenue, Rio Grande, OH 45674 on the University of Rio Grande campus. Applications are to be sealed, endorsed across the seal, and state **Application for Deposit of Public Monies.**

The estimated aggregate maximum amount of public funds subject to the control of said Board of Education to be awarded and be on deposit as active is One Million Five Hundred Thousand ($1,500,000) dollars. The probable maximum amount of active deposits of public monies subject to deposit therein at any time during the period of designation will be Five Million ($5,000,000) dollars.

The designation of depository for the period January 1, 2017 to December 31, 2021 shall be made at the regular Governing Board meeting on November 9, 2016.

**NAME OF INSTITUTION:**

**ADDRESS:**

**CONDITIONS AND TERMS FOR DEPOSITORY AGREEMENT WITH THE**

**GALLIA-VINTON EDUCATIONAL SERVICE CENTER FOR A FIVE-YEAR PERIOD**

**BEGINNING JANUARY 1, 2017**

**V. SERVICE REQUIRED**

The following services are desired. Consider each account of the district on an individual basis. Please note acceptance or rejection of service item. Those items that the district wishes to receive without charge are indicated by the word “free.”

YES NO CHARGE

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) “returned check items”

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) “stop payment items”

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) deposit tickets

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) wire transfer service

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) safe deposit box

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) Internet banking and ACD files (including direct deposit)

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) photo copy of cancelled checks in numerical order

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ (FREE) monthly statement by the 3rd of the following month

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ The two accounts (general and payroll) be interest bearing

accounts with no minimum balance and a guaranteed interest rate.

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ Interest calculated on a 365-day basis including the entire account

 daily balance.

\_\_\_\_ \_\_\_ \_\_\_\_\_\_\_\_ Notification if daily deposits are incorrect or different than

deposit tickets.

**BANKING SERVICE PROPOSAL**

**Instructions**

The **Gallia-Vinton Educational Service Center** (the “ESC”) is soliciting **SEALED bid proposals** from financial institutions (the “bank”) that maintain an office in Ohio and has one or more branch banking facilities located within the limits of the school district or counties of school district. The bank should possess the capability and expertise to provide the desired depository and various banking services for the ESC’s operations consistency and delivered at the lowest cost, while maintaining progressive technology. However, the ESC is in no way obligated to award the banking services based on price.

* Proposals will be accepted in the Treasurer’s Office at Gallia-Vinton ESC, Room 131, Wood Hall, 60 Ridge Avenue, P.O. Box 178, Rio Grande, OH 45674 on the University of Rio Grande campus, no later than **12 Noon on November 7, 2016** at which time the bids will be opened. Please submit on blank letterhead with an authorized signature.
* All proposals submitted will be evaluated by the Treasurer’s office and a recommendation made at the November 9, 2016 Governing Board meeting.
* The award for banking services and depository agreements with the Gallia-Vinton ESC will be for the **five-year period** January 1, 2017 through December 31, 2021.
* Please contact Dr. Denise Shockley, Superintendent, or Mr. Jay Carter, Treasurer, at (740) 245-0593 with any questions.
1. **Each proposal should include at least the following:**
2. The signed Application for Deposit of Public Moneys, the Memorandum of Agreement for Deposit of Public Funds, and your proposal for the services per the following instructions.
3. The method of determining interest rates on interest bearing checking accounts, money markets, and/or overnight repurchased agreement sweep accounts. Please provide an 18-month historical rate analysis for each. Be sure to indicate when and how interest rates may change.
4. Bank rating information as rated by a nationally recognized agency such as Moody’s or S&P.
5. A statement that the bank acknowledges that they are qualified to provide banking services in the State of Ohio, and the institution is in full compliance with requirements of Ohio Revised Code, Section 135.
6. Each proposer must submit copies of annual financial reports for the past two (2) years.
7. **Terms and Conditions**

The ESC reserves the right to reject any and all proposals, to waive any irregularities or informalities in any proposal or in the proposal procedures, and to accept or reject any item or combination of items. The award will be the proposer whose proposal the ESC considers most advantageous taking into consideration all aspects of the proposer’s response, including the net cost to the ESC.

The criteria for evaluation of proposals will be: 1) legal and other qualifications have been met by the proposer, 2) completeness of proposal, 3) financial strength and capacity of the financial institution, 4) availability of services (both basic and optional) within this RFP, and 5) least total cost to the school district as well as greatest earning incentive.

1. **Scope of Banking Services**

The Gallia-Vinton ESC currently has two accounts held by the Ohio Valley Banking Company. These accounts are General Operating Account and Payroll Account.

1. Collateralization of Account Balances:
All ESC funds on deposit much be collateralized per the Ohio Revised Code.
2. Description of Active Accounts:

*General Operating Account:* Full account reconciliation, Information Reporting, ACH, Wire Transfer, and Overnight Investment Sweep services are used on this account.

All disbursements, except as otherwise noted, are made through this account. Currently, checks are prepared on a weekly basis and are written by computer. Checks must bear the facsimile or actual signature of the Treasurer. This account receives the majority of revenue of the school district. Deposits to this account are cash items, checks and wire transfers. Deposits average 20 per month. Checks written on this account will be approximately 300 per month. The average monthly balance in this account is $1,700,000.

*Payroll Account:* All school district employees are paid through this account on a bi-weekly basis (26 times a year). Employees are paid on Friday, unless such day is a holiday, when checks are released and deposit is made on or before the preceding business day or last day school is in session. Checks are written by computer and must bear the facsimile or actual signature of the treasurer. Payroll averages 25 checks per pay period. Monthly direct deposits from this account can be in excess of 700.

*Sweep Account:* This account is used for nightly investments linked to the General Operating Account and the Payroll Account.

1. Required Services: The following requirements must be met at all times by the depository in order to maintain the depository in good standing.
	1. Safekeeping of Certificates of Deposit, if awarded.
	2. Designation of bank personnel who will be available to answer questions pertaining to transactions or problems.
	3. A third party, who is not a part of the depository’s organization, with preference given to the appropriate Federal Reserve Bank, must hold all collateral and any securities purchased under a repurchase agreement. Also, safekeeping receipts for pledged collateral and repurchase agreement securities from the third party must be provided.
	4. **Quarterly report on pledged collateral.**
	5. Provide monthly checking account statements and related documentation within three business days after the end of the month or provide online access to statements, with cancelled checks in sequential order or an alternative method of imaged checks. (Cost proposal should indicate the proposed cancelled check reporting method.) Such statements will have a period end date that is the same as the last business day of the month.
	6. Provide an internet access to accounts for electronic retrieval of daily information such as account balances, detailed activity, cleared checks, etc. It must also allow the ESC to execute electronic wire transfers, ACH transactions, stop pays, and intra-account transfers. Please be certain to detail the pricing methodology used for online services, i.e., per user, per log on, per account, per module, per field of data, per transaction, etc.
	7. Have the ability for electronic reconciliation of checks.
	8. Availability to pool cash balances in excess of compensating balance in an overnight instrument (sweep) account or other investment alternative.
	9. Ability to provide terminals and receipts for electronic transmissions of MasterCard and Visa transactions.
	10. Automatically reclear any items returned for insufficient or uncollected funds.
	11. Other desired services to be provided at no charge are as follows:
		* Pre-printed 2-part NCR deposit tickets
		* Waiver of non-sufficient funds fees
2. **Overnight Investments**

Describe the best options for overnight investment of available funds. Based on the prior 6-month history, the average collected balance of the investable overnight funds is approximately $300,000. However, there are no assurances that this same level of funds will continue into the future.

The following will be required of the overnight investment vehicle entered into as part of this proposal:

* 1. All securities pledged as collateral will be consisted with the Ohio Revised Code.
	2. Transaction Advice for each transaction will be provided to the ESC with the following information:
1. Date
2. Amount of purchase or sale
3. Beginning and ending balance in the accounts
4. Interest rate earned that day
5. Amount of interest
6. Account charged or deposited to
	1. Interest will be paid daily and deposited to the Operating Account.

If any depository wishes to propose an alternative to the use of the overnight investment vehicle as described above, those alternatives will be closely examined. Therefore, it is important that the methods of operation, as well as the rates of return of any proposed alternatives be clearly stated in the proposal.

1. **New Services**

If the ESC develops a need for additional accounts during the life of the agreement, the new accounts or services should be provided with the same conditions as those of existing accounts.

If the ESC develops a need for additional services during the life of the agreement, the new services will be provided within the conditions and additional costs listed in the proposal. The ESC and the bank will negotiate any service not referenced in the proposal in good faith.

If the Federal Reserve or other regulatory bodies provide for the establishment of new account or other regulations, which are favorable to the ESC, the depository is expected to provide the ESC information and costs of such services or requirements. Unfavorable changes must be negotiated with the ESC.

1. **Service Required Form**

Enclosed Form F must be completed and returned with the application. If a proposer cannot meet a service requirement, then the term “No Proposal” should be entered on the proposal form for that specific requirement. In the case of a “No Proposal” remark, the proposer may offer an alternative equivalent service. It is required that the proposal be completed in its entirety.

NOTE: All applications must be delivered in a sealed envelope, endorsed across the seal, and state **Application for Deposit of Public Monies.** The proposer’s name and address are to be stated on the front of the envelope.

All submitted proposals and information included therein or attached thereto will become public record upon their delivery to the Treasurer.