

**Russellville Independent School District
355 S. Summer St
Russellville, Kentucky 42276**

- - - Invitation to Quote - - -

Reference number: **DEPOS-2025**

Title: **Primary Depository**

Date quote information released: **April 17, 2025**

Closing time of quotes: **May 12, 2025** **11:00 a.m.**

General Conditions and Specifications

1. **CONTACTS**—Information pertaining to any item or condition in this invitation may be obtained by communicating with Matthew Davenport, Chief Financial Officer/Treasurer, at the address shown above or by telephone at (270) 726-8405.
2. **DURATION OF AGREEMENT**—The intent of this invitation is to receive quotes from any local financial institution (“bank”) to serve as a depository for the Russellville Independent Board of Education (“Board”). The duration of the agreement shall be from **July 1, 2025 to June 30, 2027. The agreement shall renew automatically for one year periods thereafter unless one party to this agreement elects to terminate it and gives written notice sixty (60) days prior to the scheduled expiration date. The Board may negotiate a higher rate during the extension periods.** The Board will officially appoint one (1) primary depository.
3. **ACCEPTABLE BANKS**—The Board hereby limits the banks that are acceptable for submitting a quote for “primary depository” to commercial banks or savings and loan associations that have an office in Russellville, 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. **QUOTE FORM**—Any bank that submits a quote shall submit the attached “Official Quote Form”. No quote will be considered unless the Official Quote Form has been completed, signed, and submitted.
5. **QUOTE SUBMITTAL**—The original, completed copy of this quote is to be received no later than the closing time indicated above. The quote may be hand delivered on the date of the opening, provided it is presented no later than the closing time indicated above.
6. **QUOTE OPENING**—A representative of the bank may be present at the opening of quotes 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 quotes from banks.
7. **SIGNATURE**—An officer or member of the quoting bank, authorized to legally bind the bank, must sign the Official Quote Form.
8. **QUOTE ISSUES**—The Board reserves the right to waive defects and informalities in quotes, to reject any or all quotes, or to accept any quote as may be deemed to be in its best interest.
9. **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 Quote Form.

10. **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.
11. **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 borrowing and is not limited to borrowing funds from the primary depository.
12. **STATEMENTS**—Monthly statements of all accounts, along with cancelled 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 1st 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.
13. **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).
14. **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.
15. **CREDIT CARDS**—The primary depository shall provide credit cards to chosen individuals at no cost.
16. **CHECKS/SUPPLIES**—The primary depository is responsible for providing, at no charge to the Board or schools 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.
17. **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).
18. **COLLECTION OF RETURNED CHECKS**—The primary depository shall provide assistance to the Board in collecting bad checks by processing the checks a second time after an appropriate waiting period.
19. **DIRECT DEPOSIT**—Direct deposit is offered by the Russellville Independent School District. The primary depository shall provide this service free of charge to the school district.
20. **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.
21. **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.

22. **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 quote 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.
23. **TAXES NOT APPLICABLE**—Federal excise taxes or Kentucky sales and use taxes are not applicable to any purchase made for use of the Board. Quotes should not include any such taxes. Purchase exemption certificates will be furnished as required.
24. **NON-DISCRIMINATION**—The Russellville Independent School District 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.
25. **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.

**Russellville Independent School District
355 S. Summer St.
Russellville, Kentucky 42276**

**OFFICIAL QUOTE FORM
FOR
PRIMARY DEPOSITORY FOR RUSSELLVILLE INDEPENDENT SCHOOL
DISTRICT**

***THE RUSSELLVILLE INDEPENDENT SCHOOL DISTRICT RESERVES THE RIGHT TO NEGOTIATE
ANY OR ALL OF THE TERMS OF SUBMITTED QUOTES FROM BANKS.***

Interest Rate

In accordance with the terms of the General Conditions and Specifications, all accounts of the Russellville Independent School District 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 Russellville Independent School District, 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

Operating Account _____

Minus (--) _____ basis points

CD Account _____

(Note: Complete *only one line above*)

Market Account _____

Banking institution guarantees that the rate will not fall below: _____

The Board of Education will select the best evaluated bid. Also, if the high quote is not more than two (2) basis points above the current primary depository rate (for the period of July 1, 2025 – June 30, 2027), the Board reserves the right to award this bid to the current primary depository.

Note:

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

Locations

The following is a listing of the financial institution’s branch offices and ATM locations that are available in Russellville, Kentucky:

<u>Branch Office Location</u>	<u>ATM Location</u>
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Special Conditions or Consideration

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 Russellville Independent School District funds in an amount that will later be determined. It will be effective July 1, 2025 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 Russellville Independent School District of Russellville, Kentucky under terms of a depository agreement. These securities may not be withdrawn or substituted except with the written consent of the Russellville Independent School District. The original of this receipt has been delivered to the Russellville Independent School District Board of Education of Russellville, Kentucky.”

Length of Agreement

The quotations and undertakings offered herein will be valid from July 1, 2025 to June 30, 2027 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):*

Type of Financial Institution

We have read and understand the General Conditions and Specifications and the Official Quote 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 Russellville Independent School District, and to pay out any funds on order of the Board as provided by law. We hereby offer our quote to the Russellville Independent School District 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 Russellville Independent School District, and to pay out any funds on order of the Board as provided by law. We hereby offer our quote to the Russellville Independent School District 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 4 th day):	\$6,091,332
Property Tax revenue collected by the Sheriff (largest months: November/December):	\$2,600,000
Utility Tax (2 deposits per month)	\$550,000
Revenue in Lieu of Taxes from the State of KY (one per month)	\$21,000
Food Service Federal Reimbursement (one per month)	\$930,000

MONTHLY BANK BALANCE (does not include individual school accounts)

March 2024	\$9,682,318
April 2024	\$9,357,203
May 2024	\$9,680,993
June 2024	\$8,419,232
July 2024	\$7,956,629
August 2024	\$6,252,501
September 2024	\$5,998,132
October 2024	\$5,921,036
November 2024	\$7,139,949
December 2024	\$6,898,362
January 2025	\$6,372,171
February 2025	\$6,039,350

CHECKS (yearly averages)

Payroll:

Checks	600
Direct Deposit Advices	5500 (No Print out direct deposit advices are available through eStub)

Accounts Payable:

Checks	1,600
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Russellville Independent School District

Stevenson Elementary School
1000 N. Main St
Russellville, KY 42276

Russellville Middle School
1101 W. 9th Street
Russellville, KY 42276

Russellville High School
1101 W. 9th Street
Russellville, KY 42276