



MERCER COUNTY SCHOOLS

Bid Documents
BANK DEPOSITORY SERVICES

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REQUEST FOR PROPOSALS

Mercer County Schools

530 Perryville Street, Harrodsburg, KY 40330

P: (859) 733-7000 • F: (859) 733-7004

BANK DEPOSITORY SERVICES

The Board of Education of Mercer County, Kentucky (hereinafter called The Board) will receive sealed bids for items and/or services listed herein. You are invited to submit a sealed bid, subject to terms and conditions of this invitation to bid. Please read all instructions and specifications carefully. **Failure to comply with these instructions shall disqualify your bid.**

DELIVERY OF BID

Bids can be mailed or delivered in a sealed envelope marked “**BANK DEPOSITORY RFP RESPONSE**”, in the lower left-hand corner, to:

Mercer County Board of Education
ATTN: Amber Minor

530 Perryville Street
Harrodsburg, KY 40330

Bids may also be emailed to: amber.minor@mercer.kyschools.us, with “**BANK DEPOSITORY RFP RESPONSE**” in the subject line.

PERIOD OF CONTRACT

The period of the contract will begin on July 1, 2026, and end on June 30, 2027.

The agreement may be extended annually for up to two (2) additional annual renewals if agreed upon by both parties with renewal to be assumed unless notice is provided from the Depository. In the event the Depository does not wish to extend the contract for an additional year, notice must be given by certified mail to the school district’s Chief Financial Officer, no later than 120 days prior to the ending date of the contract. Renewal may contain agreed upon adjustments for market conditions. Depository will agree to keep accounts open with the same terms beyond the end of the contract period, perhaps even 180 days or more, to allow for outstanding checks to be paid and to allow time for change to a subsequent Depository. The Board may terminate the agreement at any time for any reason.

TIME OF BID OPENING

Bids will be opened on Thursday, March 5, 2026 at 10:00 am EST.

All bids must be received by the time and date designated in this invitation. None will be considered thereafter. **Failure to have bid submitted prior to the bid opening date, will automatically disqualify your bid.** The Board cannot assume the responsibility for any delay as a result of failure of the mails to deliver proposals on time.

LOCATION OF BID OPENING

Bids will be opened at the Mercer County Board of Education, located at 530 Perryville Street, Harrodsburg, KY 40330.

BID AWARD

Bid will be awarded at the regular board meeting held in March 2026.

Contract(s) may be awarded to any bidder(s), meeting all specifications and conditions, and are subject to all other provisions of this invitation to bid. Contracts may be awarded on an item, group or total basis; whichever is deemed to be in the best interest of The Board.

For any clarification relative to this bid, email all questions to: amber.minor@mercer.kyschools.us

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AWARDING OF CONTRACT

Contracts may be awarded to the lowest responsible and responsive bidder meeting all specifications and conditions, and subject to all other provisions of this request for proposals. The Board has the right to reject any and all bids if it is deemed in the best interest of the district.

FIRM RATES

Rates are to remain firm for the period of the contract.

WORKING TOGETHER

It is appreciated when financial institutions make an extra effort to be helpful corporate citizens and partners in the community by doing their best to provide depository services at the best possible terms to the local Board of Education. The Mercer County Board of Education has had such help from financial institutions in the past, and hopes to have similar help in the future. Thank you for your interest in providing depository services to Mercer County Schools.

PURPOSE

This request for proposals is for the selection of a bank depository for Board of Education funds. The Board will use electronic transaction processes, to efficiently conduct district business, so the district's Depository (Bank) will be expected to facilitate authorized transactions and exchange account information securely using electronic means as well as more traditional methods.

CONTRACT PERIOD

The contract is for the period beginning July 1, 2026, and ending June 30, 2027. The agreement may be extended annually for up to two (2) additional annual renewals if agreed upon by both parties. With renewal to be assumed unless notice is provided from the Depository. In the event the Depository does not wish to extend the contract for an additional year, notice must be given by certified mail to the school district's Chief Financial Officer, no later than 120 days prior to the ending date of the contract. Renewal may contain agreed upon adjustments for market conditions. Depository will agree to keep accounts open with the same terms beyond the end of the contract period, perhaps even 180 days or more, to allow for outstanding checks to be paid and to allow time for change to a subsequent Depository. The Board may terminate the agreement at any time for any reason.

ACCOUNTS

A list of funds and estimated annual volume is included. The Depository will agree to provide additional accounts as the school district may request. The district currently has four (4) regular accounts and a separate construction account, which gains higher interest. The district may determine it is advantageous to have additional accounts as needed.

LOCATION

The convenience of the locations and number of branch offices in relationship to the location of the district administrative offices and of the individual schools shall be considered an important factor in evaluation of proposals. The maximum distance between any district school and a branch bank may not exceed ten (10) miles. The depository must be located, or have a branch located, within Mercer County.

For purposes of scoring the RFP, each of the schools, plus The Board and District Food Services Office, a total of six (6) locations, having a bank or bank branch within five (5) miles results in three additional points, for a maximum total of 18 points.

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COMPUTER/INTERNET ACCESS AND PROCESSING

Depository agrees to provide, if selected, internet access to all district accounts to the Board Treasurer and full or limited access to other District employees as the Board Treasurer may determine is needed. The internet access provided will include current and prior month transaction information for each account; supporting documentation including front and back images of cleared checks; numbered deposit ticket information; the ability to process tax payments and stop-payment requests on-line; and other requirements as listed in the Demand Deposit Requirements included within this Request for Proposals document.

The Mercer County Board of Education currently processes employee pay primarily by direct deposit into employee bank accounts. Direct deposit is normally 100% participation, but occasional alternative payment by check will be required as a no-charge method to pay employees without a bank account or closed account. Depository agrees to provide the District with a counter check in the event an employee's pay is returned. Counter check must be written to the name of the employee and given to the District for distribution.

Depository will be expected to process payroll transfers and transactions through the Automated Clearing House (ACH) system and serve as the District's Tax Depository. Direct deposit pay lists must be available after the payroll has been sent for ACH transfer.

Depository agrees to provide electronic check reconciliation compatible with the District's accounting software (currently MUNIS).

Depository is encouraged to provide fraud prevention, such as a system sometimes called "positive pay" where check information is forwarded to the Depository at the time checks are printed. Check information is available to the bank before the checks are distributed, making it possible for the bank to refuse to pay a check that has been altered.

COLLATERALIZATION

This request for proposal package contains a sample copy of the Bond of Depository that must be sent to the Department of Education, Division of Finance once The Board selects a Depository. Each financial institution submitting a proposal must, at a minimum, be in compliance with the conditions of the Bond of Depository as required in KRS 160.570 and provide the collateral protection required by the Kentucky Department of Education (KDE) Division of Finance. The escrow agent must file safekeeping receipts with the local Board of Education as evidence that collateral has been pledged in accordance with the provision of the Bond executed by the depository institution. Additionally, state law requires that the board of directors of the financial institution take official action guaranteeing collateralization and that proof of such action in the form of a copy of the board's official minutes shall be furnished to the district before any depository agreement is signed. The amount of collateral required is to be set by The Board annually based upon the recommendation by the KDE Division of Finance. Collateral must meet state and local Board requirements and be at least 103% of the amount of total deposits of all district accounts, whichever is greater.

The Depository shall offer Insured Cash Sweep as an option to The Board.

INTEREST PAID ON ACCOUNTS

Interest to be paid to the District will be used as a factor in the determination of the financial institution to be chosen as the District's Depository. Each proposal will include a proposed interest to be paid – to be stated as the rate difference, in basis points (hundredths of one percent), above or below the Federal Funds High rate (+/- XY basis points). Once the depository is selected, the calculation of monthly interest on the average daily balance will be based on the Federal Funds High rate as published by Federal Reserve Bank of New York on its website

<http://www.newyorkfed.org/markets/omo/dmm/historical/fedfunds/index.cfm>) on the fourth Thursday of the prior

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month. In the event Thursday is a holiday the previous business day shall be considered the Thursday Rate. The rate will be calculated and credited monthly, consistent with the interest rate calculation. Depository is to notify the District Treasurer of current monthly rate to be paid at the time of the delivery of the prior month's bank statements. Depository must agree to pay a minimum rate of 1.00% (100 basis points) any time the calculation falls below 1.00%.

For purposes of scoring each RFP, any compensating balance requirement will be considered as a decrease in the interest rate addition or an additional subtraction from the Target Federal Funds High rate proposed by the financial institution of ten (10) basis points (one-tenth of one percent) for every one million dollars (\$1,000,000) of compensating balance required. Only one bank account, if any, will have the compensating balance requirement. The Board Treasurer will indicate the account against which any compensating balance adjustment will apply.

BORROWING AND INVESTMENTS

The Depository will notify the Board Treasurer or the Chief Financial Officer of a shortage of a balance in any account so that deposits can be made to promptly cover the shortage. There will be no charge for insufficient funds when any shortage is properly covered.

The Depository shall extend credit to The Board on legally drawn notes of The Board in anticipation of taxes pursuant to KRS 160.540. The Depository agrees to provide credit on a short-term basis at an annual rate not more than two (2%) percent (200 basis points) above the rate of interest paid on deposits, and at a rate not to exceed six (6%) percent. The Board reserves the right to negotiate terms and is not limited to borrowing from the selected Depository. The Board has not borrowed against a line of credit for at least the past ten years.

The Depository shall assist the Board in the sale of United States Treasury securities or other short-term investments in order to improve the District's financial liquidity. The Board Treasurer may invest any excess funds in any legal manner in the interest of the district.

The Board reserves the right to transfer funds between depositories to maximize the rate of return on investments.

ASSURANCES

Depositories and banking services provided The Board must be in compliance with all federal and state banking laws. Federal Excise tax or Kentucky sales or use taxes are not applicable to any purchase made for use of the Board of Education. Proposals should not include any such taxes. Exemption certificates shall be furnished as required. The depository selected by the Board must be a member, in good standing, of the Federal Deposit Insurance Corporation.

If awarded the contract, the financial institution agrees to protect, defend and save harmless The Board from any suits or demands for payment that may be brought against it for the use of any copyrighted material or any patented material, process, article or device that may enter into the work or services related to the contract. Further, the successful financial institution agrees to indemnify and save harmless the Board of Education from suits or actions of every nature and description brought against it for, or on account of any injuries or damages received or sustained by any party or parties by or for any of the acts of the Depository, its servants or agents.

Samples, if any, must be furnished free of expense to The Board, and if not destroyed or consumed in testing or evaluating or required in connection with the award, shall, upon request, be returned at the financial institution's expense. Right is reserved to mutilate or destroy any samples if considered necessary for testing purposes.

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The banking services required by the district are stated in this proposal document. All eligible financial institutions must indicate their response to the requested services. A legally authorized representative with the authority to bind the firm to the contract must sign the proposal of the financial institution. The depository with the successful RFP agrees to abide by the terms found in this RFP, including terms for interest rate to be paid and compensating balance.

The depository must be able to provide services necessary for the efficient operation of the schools. Depository agrees to negotiate with The Board to allow The Board to take advantage of any new type of service(s) or new banking procedure(s) that may become available and permissible for Boards of Education.

EXPENSE AND OTHER

The financial institution may add additional information other than required in the request for proposal form, but this additional information will not be considered in the evaluation of the proposal. The method for calculating the interest to be paid on Board funds is included in the bid package.

Depository agrees to provide assistance to The Board in collecting bad (NSF or other) checks, including working with the district Treasurer, Finance Office staff, and with the district's agent for collection of unpaid checks; and, if requested, processing bad checks a second time after an appropriate waiting period.

Depository agrees to provide assistance and cooperation with The Board's audit firm. Depository agrees to complete a Bond of Depository as required by the Kentucky Department of Education.

PROCEDURES

1. Sealed proposals, subject to the specifications and terms herein, must be delivered to:
Mercer County Board of Education, 530 Perryville Street, Harrodsburg, Kentucky 40330 or emailed to Amber Minor at amber.minor@mercer.kyschools.us, by 10:00 a.m. Thursday, March 5, 2026.

Proposals must be received by the date and time stated to be considered. The summary form(s) provided must be completed properly and will be used to compare proposals. The Board reserves the right to negotiate further, or to enter into competitive negotiations. Submission for final Board approval of the successful proposal is scheduled for the March 2026 regular Board meeting.
2. All proposals must be signed by an officer or agent of the financial institution authorized to bind the financial institution to an agreement with The Board.
3. All paper bids are to be sealed in a plain envelope clearly marked: "**BANK DEPOSITORY RFP RESPONSE**". All emailed bids should have "**BANK DEPOSITORY RFP RESPONSE**" in the subject line.
4. Any substitutions or departure from the descriptions of this Request for Proposals for Bank Depository Services, including the Demand Deposit Requirements, in the proposal submitted must be clearly noted and described; otherwise, it shall be understood the bank intends to supply the services and items specifically mentioned in this Request for Proposals for Bank Depository Services.
5. The bank shall provide the name, title, address and phone number of their representative for contract questions, if any, and the name, title, address and phone number of the bank representative for servicing the bank contract, if awarded.

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6. The proposals will not be opened publicly.
7. The Board shall make the final decision regarding the awarding of the contract. The results of all proposals shall be recorded in the official minutes of the Board. The Board reserves the right to accept or reject any or all proposals for any reason.
8. 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 its interest.
9. All proposals shall be effective for sixty (60) days from date of opening and no proposal may be withdrawn prior to that time.
10. A change in Depository creates costs not easily identified. If two or more proposals result in a tie, and if the current Depository is among the financial institutions in the tie, the Board Treasurer may, if they are so inclined, to recommend, and The Board may approve, continuation of the current Depository as the Depository for the upcoming contract period. If the current Depository is not among the tie, The Board may decide based on other criteria or methods available to it.
11. Any proposal received after the announced time and date of the opening, will not be considered and will be returned unopened.

OTHER CONDITIONS

All blanks and information requested are to be completed on the bid forms in order to qualify your bid. The Board reserves the right to make multiple awards to two or more companies if it is in the best interest of The Board. Do not bid any special groupings other than those listed herein. The awarded contractor(s) shall be responsible to provide The Board a current W-9 with the RFP response.

DEMAND DEPOSIT REQUIREMENTS

The depository shall provide without additional charge:

- Services for the Board Revenue Account, Board Disbursements Account, Payroll Clearing Account, Food Services Collections Account, and other accounts, if any, that may be authorized by the Treasurer or by The Board.
- Account reconciliation data at least monthly for all accounts. Checks or electronic images, both front and back, of all cleared checks recorded. This information shall be provided by account and sorted in numerical order.
- A hard copy report (bank statements, etc.) of each month's transactions by the fifth working day following the close of each calendar month.
- The monthly statements are to include:
 - Average Daily Ledger Balance
 - Average Daily Collected Balance
- Account transaction information of each month's transactions that can be downloaded into District's accounting software and available no later than the fifth working day following the close of each calendar month.
- Software necessary to allow the district on-line inquiry to account transaction information, to include the ability to download check number, check amount, and clearing date for all cleared checks; deposit ticket number, deposit amount and deposit date for all deposits; and to download details of all other transactions.
- On-site training for the district's finance and operations staff prior to conversion in the use of bank products and services. The training should be adequate to allow the staff to become sufficiently proficient in the use of the

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product or products to accomplish required operations. Training to be available on a remedial basis and to train new staff.

- Technical support of the depository's products on an ongoing basis.
- Direct Deposit of payroll for school district employees through the Automated Clearing House (ACH) system. Detailed information of payroll ACH to include payee, bank routing and account number and amount must be available to print or digitally store after the fact, must be available.
- Counter checks will be issued in the event a school district employee's account is closed and Direct Deposit cannot be delivered. Counter check will be written to the employee but delivered to the District for hand delivery.
- Counter checks at the request of the Treasurer of the Board of Education.
- The Personal Computer based software necessary for transmitting the direct deposit information. This software must be compatible with the district's software.
- Credit capabilities for the transmittal of deposits for federal and state payroll taxes.
- Same day wire transfers to and from other banks.
- The ability to transfer funds between district accounts via secure internet access.
- A copy of the financial institution's availability schedule or an explanation of check clearing procedures, including the cut-off time for daily business (the time after which transactions are posted to the next business day).
- Deposit lock bags and canvas or other suitable bags for regular deposits, night or other after-hours deposits, and for the collection of coins from vending machines; boxes and rollers for coins and access to night deposit facilities.
- The Board Revenue Account will earn interest on the average daily balance less the entire compensating balance required by the bank for service of all of the district's accounts. Interest earned shall be the rate as described in the RFP/bid. No compensating balance shall apply to school activity accounts or other district accounts unless expressly agreed in advance and in writing by the Treasurer.
- Assistance to the District with the collection of bad checks by running the checks through a second time after an appropriate waiting period, and/or coordination with the district designated collection agency.
- Ability to process checks numbered with 7 digits (check numbers are in the millions); if unable to do so, indicate largest check numbers (number of digits) that can be processed.
- Sub account reporting as needed, for example, school food service accounts.
- An officer of the depositor familiar with operations to serve as the District's primary contact for problem resolution.
- An employee of the depositor familiar with operations to serve as the District's primary contact for daily transactions and general information. May be the same person as the officer of the depositor serving as contact for problem resolution.
- Assistance and cooperation with the District's independent and other auditors, as authorized.
- Proximity to Central Office and schools.
- All forms needed for transaction processing including checks, deposit slips, and numbered direct deposit advices. Forms must meet District approval.
- MICR toner. Toner must meet District approval.

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CRITERIA FOR EVALUATION

The bid will be evaluated on criteria to include:

- Net income earned on Board accounts;
- Proximity to schools or other easy access to bank depository;
- Provision of equipment to facilitate bank transactions;
- A rating of monthly reports to be offered and their availability by or prior to the fifth business day;
- Opportunity for CD's and Investments;
- Compensating Balance requirement to offset costs;
- A rating of the computer and communication hardware and software and compatibility and ease of use with District computer and communication hardware and software; and,
- Capacity to meet or exceed other Demand Deposit Requirements.

ESTIMATED BANK ACTIVITY AT MERCER COUNTY SCHOOLS

Annual estimated for July 2026 through June 2027:

- Revenue estimated: \$ 45 – 60 million;
- Disbursements including payroll estimated: \$ 35 – 50 million;
- Account balances for all accounts usually total between \$5 million and \$20 million;
- Central Office Accounts Payable checks: approximately 2,500 – 3,500 checks per year, ACH payments of approximately 100+ per year;
- Payroll: About 1,500 checks (many are employee benefit vendors) and direct deposit of employee pay of around 12,000 payments over 24 pay dates per year; and,
- Food Services Collections Account – account to receive Food Service payments at school approximately \$35,000- \$75,000.

BOND OF DEPOSITORY FOR PUBLIC SCHOOL FUNDS

103% of current daily balances as they may fluctuate throughout the life of the Bond of Depository and as long as the district has deposit balances with the depository. Collateral must be as described in KRS 41.240. Bond and collateral must comply with state requirements.

ELECTRONIC BANK RECONCILIATION

The MUNIS Check Reconciliation programs can import an ASCII file to automatically clear MUNIS generated checks. The layout of the information in the file is flexible, though specific fields must exist with the following requirements:

Field Name	Comment
Bank Acct Number	Alpha/Numeric account with no blanks
Check Number	Pad with leading zeros
Date	Must be in the format MMDDYY with NO spaces
Amount	Pad with leading zeros, no decimal point

Filler between fields can be whatever the bank wants since MUNIS does not use it.

Only MUNIS generated checks should appear in this file (e.g. no deposits or other transactions/checks). Each check exists as a separate record in the ASCII file.

Please check with the district for different media/formats. Process usually done over the internet.

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ELECTRONIC BANK RECONCILIATION FILE DESCRIPTION

- The File Must be ASCII
- Record Length – Doesn't Matter
- Blocking Must be Unblocked
- Areas between fields may have anything – not used by MUNIS
- Fields:
 - Account# can be any length, but can have no spaces
 - Check Number – Must be 10 Pos, Rt Just, Zero Filled
 - Check Date – Must be in MMDDYY, No spaces
 - Amount – 10 Pos, Rt Just, Zero Filled, Implied Decimal

LIST OF MERCER COUNTY SCHOOLS LOCATIONS:

Mercer County Senior High School
1124 Moberly Road
Harrodsburg, KY 40330

Kenneth D. King Middle School
937 Moberly Road
Harrodsburg, KY 40330

Mercer County Intermediate School
1101 Moberly Road
Harrodsburg, KY 40330

Mercer County Elementary School
741 Tapp Road
Harrodsburg, KY 40330

Mercer County Board of Education
Mercer Central/Day Treatment
530 Perryville Street
Harrodsburg, KY 40330

Mercer County Food Services and Technology Office
961 Moberly Road
Harrodsburg, KY 40330

KRS 45A.455 CONFLICT OF INTEREST – GRATUITIES AND KICKBACKS

1. It shall be breach of ethical standards for any employee with procurement authority to participate directly in any proceeding or application; request for ruling or other determination; claim or controversy; or other particular matter pertaining to any contract, or subcontract, and any solicitation or proposal therefor, in which to his knowledge:
 - a. He or any member of his immediate family has a financial interest therein; or
 - b. A business or organization in which he or any member of his, or employee, is a party; or
 - c. Any other person, business, or organization with whom he or any member of his immediate family is negotiating or has an arrangement concerning prospective employment is a party. Direct or indirect participation shall include but not be limited to involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity.
2. It shall be a breach of ethical standards for any person to offer, give, or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment, in connection with any decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling or other determination, claim or controversy, or other particular matter, pertaining to any contract or subcontract and any solicitation or proposal thereof.
3. It is a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of subcontract or order.
4. The prohibition against conflicts of interest and gratuities and kickbacks shall be conspicuously set forth in every local public agency written contract and solicitation thereof.
5. It shall be a breach of ethical standards for any public employee or former employee knowingly to use confidential information for his actual or anticipated personal gain, or the actual or anticipated personal gain of any other person.

KRS 45A.990 PENALTIES

1. Any employee or any official of The Board of Education of Mercer County, Kentucky, elective, or appointive, who shall take, receive, or offer to take or receive, either directly or indirectly, any rebate, percentage of contract, money, or other things of value, as an inducement or intended inducement, in the procurement of business, or the giving of business, for, or to, or from, any person, partnership, firm, or corporation, offering, bidding for, or in open market seeking to make sales to The Board of Education of Mercer County, Kentucky shall be deemed guilty of a **Class C felony**.
2. Every person, firm, or corporation offering to make, or pay, or give, any rebate, percentage of contract, money or any other thing of value, as an inducement or intended inducement, in the procurement of business, or the giving of business, to any employee or to any official of The Board of Education of Mercer County, Kentucky, elective or appointive, in his efforts to bid for, or offer for sale, or to seek in the open market, shall be deemed guilty of a **Class C felony**.

GENERAL BID INSTRUCTIONS AND CONDITIONS (PLEASE READ CAREFULLY)

A. **ACCEPTANCE OF BIDS:** The Board reserves the right to accept any bid, to reject any or all bids, to waive any irregularities or informalities in bids received where such acceptance, rejection or waiver is considered to be in its best interest. The Board also reserves the right to reject any bid where evidence or information submitted by the bidder does not provide satisfactory proof that the bidder is qualified to carry out the details of the contract.

B. **BID DOCUMENTS:** Bid forms are provided with this "Invitation to Bid". All proposals shall be submitted on the "Bid Form".

C. **SPECIFICATIONS:** Specifications are attached and are part of this proposal. All materials or services furnished must be in conformity with the specifications and will be subject to inspection and approval by the Finance Department. The right is reserved to reject and return at the risk and expense of the supplier, any item that may be defective or fail to comply with these specifications.

It is important that each person submitting a bid follow carefully the specifications detailed herein. The bidder is instructed to complete all blanks and spaces where information concerning any items is requested. Only items meeting the requirements are to be quoted on the regular bid form.

The Board reserves the right to waive compliance of any material or services with any particular specification where such waiver is considered to be in its best interest, including but not limited to cases where such waiver is necessary due to technical errors or inconsistencies in the preparation of such specifications.

D. **KENTUCKY MODEL PROCUREMENT CODE (KRS CHAPTER 45A):** The Kentucky Model Procurement Code (KRS 45A), adopted by the Board, shall be deemed incorporated by reference in these specifications as though fully quoted herein. In the event of any conflict between this invitation to bid and the Kentucky Model Procurement Code Regulations, the Kentucky Model Procurement Code Regulations shall control.

E. **PERFORMANCE BOND:** The Board reserves the right to determine the ability of any bidder to perform the work and any bidder shall, upon request, furnish such information as may be necessary to determine such ability, including performance bond, if requested.

F. **FORCE MAJEURE:** Except to the obligation to make payment, any delay in or failure of performance by either party to this contract shall not constitute a default under this contract nor give rise to any claim for damage, cost, or expense if and to the extent such delay or failure is caused by an act of God, flood, fire, earthquake or explosion, war, invasion, hostilities, terrorist threats or acts, riot or other civil unrest, government order or law, actions, embargoes or blockades, national or regional emergency, or similar event beyond the control of the delayed or non-performing party. Notwithstanding the foregoing, a party that is delayed in or prevented from performing for any reason shall promptly notify the other party in writing of the reason for the non-performance and the anticipated extent of any delay or non-performance and shall take diligent steps to minimize the adverse impact of the delay or non-performance.

G. **PENALTIES:** In case of default by the vendor, The Board may procure the articles or services from other sources and may deduct from any unpaid balance due the vendor the amount of the excess cost so paid, and the price paid shall be considered the prevailing market price at the time such purchase is made.

H. **TAXES:** The Federal Excise Tax and the Kentucky Sales and Use Tax are not to be imposed as The Board will furnish the successful bidder with proper tax exemption certificates upon request.

I. **BRAND NAMES:** The brand or trade name, manufacturer's name, and/or catalog number must be listed in the column provided. If bidder fails to indicate brand or trade name, where requested, the item and bid may be disqualified.

J. **I.R.S. W-9 FORM:** All Awarded Bidders as a result of this Invitation to Bid shall submit a completed IRS W-9 Form with their bid packet, if applicable.

K. **PRODUCT EVALUATION:** Items will be disqualified that do not meet specifications or the accepted equal. If a product is purchased and it is later established that said product fails to comply with these specifications and conditions, the item will be rejected and returned to the supplier at the supplier's expense. No item shall be considered satisfactory that does not conform to our usual accepted methods, use, application, storage, handling and delivery. The decision concerning the satisfactory use and performance of any item on this bid shall be that of the Educational and Business Staff of The Board.

L. **NON-DISCRIMINATION:** During the performance of this Contract, the Seller agrees as follows:

- a. The Seller shall not discriminate against any employee, applicant or subcontractor because of age, color, creed, handicap condition, marital or parental status, nation origin, race, sex, veteran status or political opinion or affiliation. The Seller shall take affirmative action to ensure that applicants are employed without regard to their age, color, creed, handicap condition, marital or parental status, national origin, race, sex, veteran status, or political opinion or affiliation. Such action shall include, although not limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Seller agrees to post in a conspicuous place notices setting forth the provisions of the Equal Opportunity clause.

- b. The Seller shall in all solicitations and/or advertisements for employees placed by or on behalf of the Seller state that all qualified applications shall receive consideration for employment with regard to age, color, creed, handicap condition, marital or parental status, national origin, race, sex, veteran status or political opinion or affiliation.
- c. The Seller shall cause any subcontractor engaged to perform any services required by this contract to include this Equal Opportunity clause in all solicitations, advertisements and employment practices it shall perform.

M. **DELIVERY:** The Contractor agrees to furnish and deliver the items within the terms of the contract.

- a. All costs for delivery, including drayage and freight, and for the packaging of said articles are to be borne by the bidder, and must be included in your bid prices.
- b. If during the period of the contract, it is necessary that the Purchasing Agent place toll or long-distance telephone calls in connection therewith (for complaints, adjustment, shortages, failures to deliver, etc.) it is understood that the vendor will bear the charge of expense for all such calls.

N. **SAMPLES AND/OR DESCRIPTIVE LITERATURE:** Samples may be required to assist in making decisions for awarding of contracts. The samples must be furnished by the time and date specified for bid opening. Failure to furnish samples may disqualify any bid.

- a. Samples shall be representative of items on which the bid is submitted and will be checked as deemed necessary by The Board for compliance with specifications outlined herein. Samples are to be properly marked for identification and they must indicate the supplier's name and the corresponding item number as shown in the invitation to bid. Samples are to be mailed or delivered to the Chief Financial Officer, 530 Perryville Street, Harrodsburg, KY 40330.
- b. If samples are required, and they are not claimed, the samples will become the property of The Board.
- c. All samples are to be furnished without cost to The Board with the right reserved to mutilate, consume or destroy such samples if considered necessary for testing purposes.

O. **DESCRIPTIVE LITERATURE AND/OR MANUFACTURER'S SPECIFICATIONS:** The Board reserves the right to waive any discrepancies or inconsistencies between the submitted manufacturer's descriptive literature and/or specifications and the requirements of this invitation to bid, if: (1) the bidder actually submits a sample which conforms to all material requirements of this invitation to bid; or (2) the bidder certifies to The Board that the bidder can actually supply products which conform to all material requirements of this invitation to bid.

- a. NOTE: Descriptive literature and/or manufacturer's specifications should not be submitted unless expressly requested.

P. **K.O.S.H.A STANDARDS AND HAZARD COMMUNICATION STANDARD 1910.1200:** If applicable, all materials and services must meet or exceed K.O.S.H.A. (Kentucky Occupations & Safety Health Act) Standards, and must comply with the Hazard Communications Standard 190.1200 of the Occupational Safety & Health Administration.

Q. **OR EQUAL CLAUSE:** Whenever, in any of the contract documents, an article, materials or equipment are described by use of a proprietary product or by using the name of a manufacturer or vendor, the term "or equal", if not inserted, is implied.

- a. The use of a specific article or manufacturer's name shall be construed as an indication of the type of equipment, design, general construction, quality and finish. Such use shall not be construed as limiting or excluding any manufacturer's product of comparable quality, design and efficiency.

R. **BIDS:** Businesses that fail to respond to invitations for bid or notices of availability on two (2) consecutive procurements of similar items may be removed from the applicable bidder mailing list.

- a. The Finance Department will make tabulations and each qualified bidder may request to be mailed a formal tabulation after The Board has taken official action. The Board of Education meetings are held monthly. Bidders are requested not to call the district for a tabulation of the bids.
- b. Any bids received after scheduled time of opening will not be opened.
- c. No bid can be corrected or altered or signed after being opened. The Board shall not be responsible for errors or omissions on the part of bidders in the creation of their bids. Any bids received unsigned shall be rejected.
- d. All regular bids must be submitted in accordance with specifications on the bid form supplied with this invitation. The submission of a bid on the bid form certifies that the product meets any and all specifications except as noted on such form.

S. **PRICES:** All prices quoted by the various bidders must be firm for a maximum period of sixty (60) days to allow acceptance by The Board. If awarded the contract, the prices shall then be firm for the time period that is indicated under "Period of Contract".

- a. All prices and quotations must be in ink or typewritten. No pencil figures will be permitted. Mistakes are to be crossed out with correction inserted adjacent thereto and initialed by person signing the bid. Corrections made with correction fluid are to be initialed.
- b. Quote on each item separately. Prices must be stated in units specified herein.
- c. Bids that have clerical errors or irregularities are subject to correction only with concurrence with the Purchasing Agent. Unit prices should be listed, extended, and totaled. Should errors exist in the extended price, the unit price will prevail.

T. **SUBSTITUTIONS:** If during the period of the contract, a vendor finds it necessary to make substitutions, they must obtain prior approval from the Finance Department.

U. **REQUIREMENTS:**

- a. All deliveries must be complete within thirty (30) days from receipt of purchase order unless otherwise stated in the bid specifications and conditions. The vendor must furnish invoices as follows:

- b. One (1) copy to the Finance Department.
- c. No more than one (1) back order or partial delivery may be allowed on these items, unless otherwise stated herein. Ship complete within sixty (60) days or cancel.
- d. All deliveries must be made to the location indicated at the time of purchase and signed for by a responsible district employee.
- e. All invoices must show purchase order number, date of delivery, name of location and a list of items delivered by item name.

V. **OTHER CONDITIONS:** All blanks and information requested are to be completed on the Bid Form in order to qualify your bid.

- a. The Board reserves the right to make multiple awards to two or more companies on the same item where more than one standard of quality is desired.
- b. Do not bid any special groupings other than those listed herein.

W. **HOLD HARMLESS:** Vendor agrees to indemnify and save The Mercer County School District harmless from claims for death or injury to Vendor's personnel arising while such personnel are on premises owned or controlled by The Mercer County School District in connection with the performance of this order, and Vendor shall maintain Worker's Compensation Insurance and Employees Liability Insurance in the minimum amount of one hundred thousand (\$100,000) dollars (unless otherwise specified within contract) covering all such personnel while on Mercer County School's premises.

X. **CRIMINAL HISTORY VERIFICATION:** The successful bidder certifies that a criminal history background check has been performed on all employees that may come into contact with Mercer County Schools Students. Please note that any employees with the following offenses will not be permitted to have any contact with our students: Sex-related offense convictions; Convictions against minors; Felony offense convictions against persons or property; Alcohol violation convictions within two (2) years from date of check, and no more than two (2) such offense convictions in total; Drug related offense convictions; Deadly weapon-related offense convictions; A pattern of irresponsible behavior, based upon the background check.

Y. **GOVERNING LAW:** The validity, performance, construction, interpretation and effect of any/all purchases shall be governed by the laws of the State of Kentucky. The Mercer County School District operates within Kentucky Model Procurement Code Chapter 45A which applies to any/all purchases. The Mercer County School District and the Vendor shall agree to submit themselves to the exclusive jurisdiction of the courts located within Mercer County, Kentucky in connection with any cause of action arising from any/all purchases.

Z. **RECIPROCAL PREFERENCE:** In accordance with 200 KAR 5:400 - **ALL BIDDERS** must complete the attached "**REQUIRED AFFIDAVIT FOR BIDDERS, OFFERORS AND CONTRACTORS CLAIMING RESIDENT BIDDER STATUS**" and include this completed form with the bid submittal. If the non-resident bidder is from a state which gives a preference to its own resident bidders/vendors, but not to Kentucky vendors the Kentucky resident bidder gets a preference on the Kentucky bid opportunity equivalent to the preference given in the non-resident bidder's home state to that state's resident bidder.

AA. **LEGAL AND CONTRACTUAL REMEDIES:** Any actual or prospective bidder, offeror or contractor who is aggrieved in connection with the solicitation of an award of a contract may protest to the Chief Financial Officer or the Superintendent, as the case shall require. The protest shall be submitted in writing, within fourteen (14) days after such aggrieved person knows, or should have known, of the facts giving rise thereto. Either the Chief Financial Officer or the Superintendent, as the case may require, shall have the authority to settle and resolve a protest of any aggrieved bidder, offeror or contractor, actual or prospective, concerning the solicitation or award of a contract. The authority shall be exercised in accordance with these regulations and may be supplemented by regulations promulgated by the respective designee's office.

- a. If the protest is not resolved by mutual agreement, either the Chief Financial Officer or the Superintendent shall promptly issue a decision in writing. The decision shall state the reason for the action taken, and inform the protestant of its right to administrative review.
- b. A copy of the decision shall be mailed or otherwise furnished immediately to the protestant and any other party intervening. A decision shall be final and conclusive, unless modified pursuant to these regulations. In the event of a timely protest, The Board shall not proceed further with the solicitation or with the award of the contract until the Chief Financial Officer and the Superintendent enter into consultation, and thereafter make a written determination that the award of the contract, without delay, is necessary to protect the substantial interest of The Board. In addition to any other relief, when a protest is sustained and the protesting bidder or offeror should have been awarded the contract under the solicitation but is not, then the protesting bidder or offeror shall be entitled to the reasonable costs incurred in connection with the solicitation, including the bid preparation costs, other than attorney's fees or profit.
- c. The decision of the Superintendent or his designee shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent or clearly arbitrary and capricious or contrary to law.

BB. **LOBBYING:** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification pursuant to Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The following clause is suggested, but not mandatory.

CC. The Contractor will comply with the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) and the New Restrictions on Lobbying and has signed and attached to this agreement the Certificate Regarding Lobbying and, if applicable, the Disclosure of Lobbying Activities (Forms SF-LLL) and annually will sign and submit a certificate, if applicable, Form SF-LLL to the Mercer County School District.

DD. **CORRECTIVE ACTION REQUEST (C.A.R.):** When an incident occurs with a contracted vendor that the Mercer County School District deems unacceptable, the Mercer County School District may issue a Corrective Action Request (C.A.R.) to the vendor.

EE. The procedure is as follows:

- a. The Mercer County School District's Finance Department will issue a written C.A.R. to the vendor in question detailing the incident, problem, and/or issue(s) relating to the contract. This letter may be sent to vendor via certified mail.
- b. The vendor may have up to two (2) weeks from the date of issue to respond to Mercer County Schools in writing.
- c. The Mercer County Schools Finance Department will review the vendor's response, evaluate it, and determine whether or not the proposed solution is suitable to Mercer County Schools.
- d. Once the written response received from the vendor is deemed suitable by Mercer County Schools' Finance Department, Mercer County Schools will issue a C.A.R. - Response detailing the action proposed by the vendor and agreed upon by Mercer County Schools.
- e. If Mercer County Schools Finance Department does not receive a response from the vendor, the contract shall be dissolved and considered null and void. In addition, the Bidder may not bid on future contracts for three (3) years.
- f. If the written response received from the vendor is deemed unsuitable by Mercer County Schools Finance Department, Mercer County Schools will issue a C.A.R. - Response defining what action will be taken. Mercer County Schools may revoke the contract and refuse potential bids from the vendor until such a time is deemed suitable by Mercer County Schools.

FF. **CLEAN AIR/CLEAN WATER:** For contracts and sub-grants of amounts in excess of \$150,000, the contract must include a clause requiring the contractor to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387) and the contractor must agree to report all violations to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

- a. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 et seq. The Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.
- b. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251 et seq. The Contractor agrees to report each violation to the USDA and the appropriate EPA Regional Office.

GG. **SUSPENSION AND DEBARMENT:** Grantees, contractors, and subcontractors (at any level) that enter into covered transactions are required to verify that the entity (as well as its principals and affiliates) they propose to contract or subcontract with is not excluded or disqualified. They do this by (a) Checking the Excluded Parties List System, (b) Collecting a certification from that person, or (c) Adding a clause or condition to the contract or subcontract. This represents a change from prior practice in that certification is still acceptable but is no longer required.

HH. The Contractor understands that a contract award (see 2 CUR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension."

II. By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

- a. *The certification in this clause is a material representation of fact relied upon by The Mercer County School District. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to The Mercer County School District, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 2 CER 180 .220 while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.*

JJ. **BUY AMERICAN:** The Buy American provision was added to the National School Lunch Act (NSLA) by Section 104(d) of the William F. Goodling Child Nutrition Reauthorization Act of 1998 (Public Law 105-336). Section 12(n) to the NSLA (42 USC 1160(n)), requiring school food authorities (SFAs) to purchase, to the maximum extent practicable, domestic commodity or product.

- a. "Domestic Commodity or Product is defined as an agricultural commodity that is produced in the United States and a food product that is processed in the United States using substantial agricultural commodities that are produced in the United States.

KK. "Substantial" means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically.

LL. Products from Guam, American Samoa, Virgin Islands, Puerto Rico, and the Northern Mariana Islands are allowed under this provision as territories of the United States.

MM. The Buy American provision (7 CFR Part 210.21(d)) is one of the procurement standards SFAs must comply with when purchasing commercial food products served in the school meals programs.

NN. Buy American: Schools participating in the federal school meal programs are required to purchase domestic commodities and products for school meals to the maximum extent practicable. Domestic commodity or product means an agricultural commodity that is produced in the US and a food product that is processed in the US substantially (at least 51 percent) using agricultural commodities that are produced in the US.

OO. Federal regulations require that all foods purchased for Child Nutrition Program be of domestic origin to the maximum extent practicable. While rare, two (2) exceptions may exist when:

1. The product is not produced or manufactured in the US in sufficient, reasonable and available quantities of a satisfactory quality, such as bananas and pineapple; and
2. Competitive proposals reveal the cost of a domestic product is significantly higher than a non-domestic product.

PP. ALL products that are normally purchased by Distributor as non-domestic and proposed as part of this solicitation must be identified with the country of origin. Distributor shall outline their procedures to notify School when products are purchased as non-domestic. Any substitution of a non-domestic product for a domestic product (which was originally a part of the solicitation), must be approved, in writing, by the Food Service Director, prior to the delivery of the product to the School. Any non-domestic product delivered to the School, without the prior, written approval of the Food Service Director, will be rejected.

QQ. Distributor must affirm their willingness to assert their best and reasonable efforts to ensure compliance with this federal rule.

RR. **COST REIMBURSABLE CONTRACTS:** The school food authority must include the following provisions in all cost reimbursable contracts, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts.

- a. Allowable costs will be paid from the nonprofit school food service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority;
- b. The contractor must separately identify for each cost submitted for payment to the school food authority the amount of that cost that is allowable (can be paid from the nonprofit school food service account) and the amount that is unallowable (cannot be paid from the nonprofit school food service account);

SS. The contractor must exclude all unallowable costs from its billing documents and certify that only allowable costs are submitted for payment and records have been established that maintain the visibility of unallowable costs, including directly associated costs in a manner suitable for contract cost determination and verification;

- a. The contractor's determination of its allowable costs must be made in compliance with the applicable Departmental and Program regulations and Office of Management and Budget cost circulars;
- b. The contractor must identify the amount of each discount, rebate and other applicable credit on bills and invoices presented to the school food authority for payment and individually identify the amount as a discount, rebate, or in the case of other applicable credits, the nature of the credit. If approved by the State agency, the school food authority may permit the contractor to report this information on a less frequent basis than monthly, but no less frequently than annually;
- c. The contractor must identify the method by which it will report discounts, rebates and other applicable credits allocable to the contract that are not reported prior to conclusion of the contract; and
- d. The contractor must maintain documentation of costs and discounts, rebates and other applicable credits, and must furnish such documentation upon request to the school food authority, the State agency, or the Department.
- e. Prohibited expenditures. No expenditure may be made from the nonprofit school food service account for any cost resulting from a cost reimbursable contract that fails to include the requirements of this section, nor may any expenditure be made from the nonprofit school food service account that permits or results in the contractor receiving payments in excess of the contractor's actual, net allowable costs.

**THE MERCER COUNTY SCHOOL DISTRICT
BANK DEPOSITORY SERVICES
BID FORMS – Page 1 of 2**

Prices on bid must be valid for the duration of the "Period of Contract", or the bid will not be accepted. We, the undersigned, hereby agree to furnish to the Board of Education with the services as described as may be required during the year from date of contract in accordance with specifications and general conditions all of which form a part hereof.

VENDOR INFORMATION

Financial Institution Name: _____

Primary Contact/Title _____

Street Address _____

City _____ State _____ Zip _____

Telephone _____ E-Mail Address _____

INTEREST RATE PROPOSAL

Interest to be paid on qualifying District balances shall be stated relative to the Federal Funds High Rate.

Indicate one (1):

Above Federal Funds High Rate Below Federal Funds High Rate

Proposed Rate Adjustment: _____ basis points (+ / -)

Minimum Guaranteed Rate (must be at least 1.00%): _____ %

Compensating Balance Required? Yes No If yes, amount required: \$_____

BRANCH LOCATIONS

List all branch locations within Mercer County and their average distance (miles) from District locations.

**THE MERCER COUNTY SCHOOL DISTRICT
BANK DEPOSITORY SERVICES
BID FORMS – Page 2 of 2**

REQUIRED SERVICES CONFIRMATION

By initialing below, the bidder confirms the ability to provide the following services as described in the RFP:

Service	Initials
ACH Processing & Depository Services	
Online Banking & Electronic Reporting	
Electronic Check Reconciliation (MUNIS compatible)	
Remote Deposit Services	
Fraud Prevention (Positive Pay or equivalent)	
Night Depository & Deposit Bags	
On-site Training & Ongoing Technical Support	
Collateralization in Compliance with KRS & KDE	
All forms needed for transaction processing including checks, deposit slips, and numbered direct deposit advices	
MICR toner	

EXCEPTIONS OR CLARIFICATIONS

List any exceptions to the RFP requirements. If none, state "None."

CERTIFICATION & SIGNATURE

The undersigned certifies that they are authorized to bind the financial institution to this proposal and that all information submitted is true and accurate.

Authorized Signature: _____ Date: _____

Printed Name & Title: