

SUBJECT: Selection of Depository

The Depository of the District shall be a state or national bank located in the State of Texas whose deposits are insured by the Federal Deposit Insurance Corporation. Such depository or depositories shall be selected in accord with the Texas School Depository Act. (Section 23.74, Texas Education Code)

I. Bid Notices

At least 30 days prior to the termination of the current depository contract, the Board shall cause to be mailed to each bank in the District and, if desired, to other banks in the State of Texas a notice stating the time and place at which bid applications will be received for selection of a College depository or depositories. A uniform bid form shall be attached to said notice.

II. Selection Criteria

- A. If tie bids are received, and each tie bidder has bid to pay the District the maximum interest allowed by the Federal Reserve System and the FDIC and, in the Board's judgment, the bids are otherwise equal and two or more of the tie bidders have the facilities and ability to provide the needed services, the Board may award the contract (1) to either tie bidder; (2) to each tie bidder or to as many as the Board may select; or (3) by determining by lot which bidder shall receive the contract. (Section 23.78, Texas Education Code)
- B. All bids received in accordance with these provisions shall be considered by the Board at a regular or special meeting. In determining the best bid, the Board shall consider the interest rate bid on time deposits, the charge for keeping College District accounts, records, and reports; the ability of the bidder to render the necessary depository service and any other matter which the Board considers to be in the best interest of the College. (Section 23.78, Texas Education Code)
- C. The Board has the right to reject any and all bids. (Section 23.78, Texas Education Code)

III. Conditions of Depository

- A. Enter into a contract in accordance with the provisions of the School Depository Act. (Section 23.79, Texas Education Code)
- B. Serve for a period of two years and until its successor shall have been duly selected and qualified. (Section 23.78, Texas Education Code)
- C. Make satisfactory bond, unless the depository elects to deposit securities in lieu of bond. Said bond shall be payable to the College and shall be signed by the depository bank and by a surety company authorized to do business in the State. Securities pledged in lieu of bond may be acceptable at the Board's discretion at less than face value. (Section 23.79, Texas Education Code)
- D. Faithfully perform all duties and obligations devolving by law upon such depository and make payments from College funds upon order, duly entered, of the Boards. (Section 23.79, Texas Education Code)
- E. Faithfully keep and account for according to law, all College funds on deposit and pay over to the successor depository all balance remaining in College accounts. (Section 23.79, Texas Education Code)