



RFA-2019-906

**REQUEST FOR APPLICATIONS FROM BANKS SEEKING
TO BE DESIGNATED AS**

Depository for County Public Funds
(Local Government Code Chapter 116)

Depository for Certain Trust Funds and Court Registry Funds
(Local Government Code Chapter 117)

**APPLICATIONS DUE TUESDAY, MAY 7, 2019
2:00pm**

Gregg County Purchasing Office
101 East Methvin Street, Suite 205
Longview, Texas 75601

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- ✓ Exhibit 1 through Exhibit 9
- ✓ Evaluation and Required Compliance Checklist (**located in a separate file**)
- ✓ Applicant References
- ✓ Certification of Eligibility
- ✓ Application 1 Signature Form
- ✓ Conflict of Interest Form

Exhibit A: Standard Terms and Conditions (**in separate document file**)

Exhibit B: Adopted Gregg County Investment Policy (**in separate document file**)

Exhibit C: Advertisement and Public Notice Page 28

This Table of Contents is intended as an aid to applicants and not as a comprehensive listing of the package. Applicants are responsible for reading the entire application package and complying with all specifications.

Gregg County RFA 2019-906 Information/Instructions

Gregg County is soliciting applications from banks seeking to be designated as the Depository for County Public Funds (Local Government Code Chapter 116); and Depository for Certain Trust Funds and Court Registry Funds (Local Government Code Chapter 117)

Submit (3) complete originals and (3) copies, typed or legibly printed of your application. NO elaborate binding or binders. *FACSIMILE TRANSMITTALS WILL NOT BE ACCEPTED.*

**COMPLETED BANK DEPOSITORY APPLICATIONS
MUST BE RECEIVED IN THE
GREGG COUNTY PURCHASING DEPARTMENT
AT 101 East Methvin Street, Suite 205
Longview, Texas 75601
ON OR BEFORE TUESDAY, MAY 07, 2019 AT 2:00P.M.**

Address your application submissions to Kelli Davis, Gregg County Purchasing Agent, 101 E. Methvin St., Suite 205, Longview TX 75601 in a sealed, labeled envelope, which is **legibly marked on the outside “Gregg County Depository Contract RFA No. 2019-906 Enclosed”**.

Each ORIGINAL application must be signed by an authorized representative of the offering institution. Applications otherwise submitted will not be considered.

All bank depository applications are due in the Gregg County Purchasing Department by the due date in sealed envelopes or boxes. All applications must be clearly marked with the RFA Number, the name of the bank submitting the application package, and date and time of opening on the outside of the envelope/box and/or Air Bill/Delivery Receipt. ORIGINAL bank depository application I must be clearly marked "ORIGINAL" and contain all original signatures.

Any application received after the date and hour set for application opening will not be accepted. Applicant will be notified and will advise Gregg County Purchasing as to the disposition by either pick up, return at Applicant’s expense, or destroyed with written authorization of the Applicant. If applications are sent by mail to the Gregg County Purchasing Department, the Applicant shall be responsible for actual delivery of the application package to the Gregg County Purchasing Department before the date and hour set for application opening. If mail is delayed either in the postal service or in the internal mail system of Gregg County beyond the date and hour set for the application opening, applications thus delayed will not be considered and will be disposed of as authorized, Applications must be received on or before May 07, 2019 2:00PM CST and will be opened at that time. Late applications will not be accepted and will be returned unopened.

Only the names of the Applicants will be read aloud during the public opening. The contents of the applications will remain confidential during the process of selection.

The Purchasing Agent will forward the copies of the applications to the Commissioners' Court for their review and consideration. All applications will be kept confidential until a formal award is made

Applications may be withdrawn at any time prior to the official opening. Alterations made before the formal opening time must be initialed by the offeror, thereby guaranteeing authenticity. Applications may not be amended, altered or withdrawn after the official opening, without the recommendation of the Purchasing Agent and the approval of the Commissioners' Court.

Applications must be accompanied by a certified check or cashier's check equal to one-half percent of the county's revenue for the preceding year or \$258,302.00 as a good-faith guarantee on the part of the applicant that if accepted as a county depository it will execute the bond or the security. If a bank is selected as a depository and does not provide the required bond or required security, the county shall, by law, retain the amount of the check as liquidated damages. An applicant's check will be returned immediately if that applicant is not selected. The selected applicant's good-faith guarantee check will be returned after their depository qualifies and deposits the required security. It is anticipated that said check will be returned within approximately thirty (30) days after the applicant is selected.

Gregg County reserves the right to accept or reject in part or in whole any applications submitted and to waive any technicalities for the best interest of Gregg County.

APPLICATION QUESTIONS/COMMUNICATIONS:

Applicants are prohibited from contacting or communicating in any means with any consultant, employee, manager or elected official of Gregg County concerning this Application process except for questions concerning the application process directed through Gregg County Auditor and the Gregg County Purchasing Agent by email to the below. Failure to comply with this guideline could result in disqualification from the Application process

Laurie Woloszyn, Gregg County Auditor: Laurie.woloszyn@co.gregg.tx.us
Kelli Davis, Gregg County Purchasing Agent: Kelli.davis@co.gregg.tx.us

The deadline for receipt of all questions is 12:00 (Noon), Longview, Texas time, Monday, April 29, 2019. After the question deadline, all questions and their responses will be posted on the website and available for download by interested parties.

ADDENDUMS:

All documents relating to this application/including but not limited to, the RFA document, questions and their responses, addenda and special notices will be posted under the RFA number on the Gregg County website and available for download by interested parties. No documents will be faxed or emailed after the initial Notice of Intent prior to award. **It is the Applicant's sole responsibility to review this site and retrieve all related documents prior to the Application due date.**

All Application Response Forms and questionnaires must be fully completed and included in your response. Detailed specifications have been provided, and any deviations or exceptions must be

referenced on the designated response forms that have been provided. Unless deviations are specifically stated herein, benefits will be provided according to the specifications at no additional charge.

This RFA is issued in compliance with County Purchasing Act, Section 262.030 and Local Government Code 116 and 117. Negotiations may be conducted with responsible Applicant(s) who submit Applications determined to be reasonably susceptible of being selected for award.

CONFIDENTIALITY:

Any material that is to be considered confidential in nature must be clearly marked as such and may be treated as confidential to the extent allowable in the Texas Public Information Act. Trade secrets or confidential information **MUST** be placed in a separate envelope marked **“CONFIDENTIAL INFORMATION”** and EACH PAGE must be marked **“CONFIDENTIAL INFORMATION.”** Gregg County will make every effort to protect these papers from public disclosure as outlined in Texas Local Government Code, Section 262.030(c) and Texas Government Code, Section 552.305.

The Texas Public Information Act gives the public the right to request access to government information, subject to certain narrow exceptions. Gregg County is an entity subject to this Act. Therefore, please be advised that your company's declaration that certain information submitted in response to an Application is "confidential" will not be treated as such if Gregg County receives a request for a copy of the Application. Gregg County will of course make every effort to inform your company of such a request and to provide you with an opportunity to object to the release of any proprietary information per the procedure outlined in Texas Government Code Section 552.305. Notice to your company under Section 552.305 may be sent via either certified mail or e-mail using the contact information provided by you on the signature form. Please be advised that Gregg County cannot and will not make an agreement to withhold information from the public contrary to Gregg County's responsibilities under the Act.

AUDIT CLAUSE

The applicant must agree that Gregg County will, until the expiration of twelve (12) months after final payment under this agreement, have access to and the right to examine at reasonable times any directly pertinent books, documents, papers and records (hard copy, as well as computer generated data) of the applicant involving those transactions related to this solicitation. Applicant must agree that Gregg County will have access during normal working hours to all necessary facilities, staff and work space in order to conduct audits. Gregg County will provide the applicant with reasonable advance notice of intended audits. The applicant must provide records within ten (10) business days or a mutually agreed upon timeline.

Gregg County is requesting sealed applications to contract for Depository Services for Gregg County, Texas. Gregg County reserves the right to accept or reject any or all of the applications received and/or purchase from any State contract and/or inter-local agreements as deemed in the best interest of Gregg County.

Gregg County reserves the right to invest funds pursuant to Local Government Code, VTCA §116.112 and/or in accordance with the current duly adopted ***Gregg County Investment Policy***, without penalty of any form under the terms of this depository contract.

The Commissioners' Court has the statutory authority to require a depository to execute a new security bond whenever the Court considers it advisable or considers it necessary for the protection of the County. Local Government Code VTCA §116 contains many provisions which give the Commissioners' Court

similar statutory authority over county depositories. This proposed application and any depository contract awarded expressly includes all applicable provisions of Chapter 116 and applicants are advised to seek the advice of legal counsel in this regard prior to submitting a signed application or negotiating a contract with Gregg County Texas.

CONTRACT TERMS

Applicant(s) selected will be awarded a contract after written approval from the Gregg County Commissioners Court as allowed by Section 116.021(a) and Section 117.021(a). At Gregg County's option and approval by the Applicant, the contract may be renewed for an additional two (2) year term, as further explained in Renewal Options.

RENEWAL OPTIONS

Gregg County reserves the right to exercise an option to renew the contract of the Applicant for an additional two (2) year term, provided such option is stipulated in the Special Conditions and agreed upon by both parties. Any renewal options must be in writing agreed to by both parties and approved by the Gregg County Commissioners Court.

CRIMINAL BACKGROUND CHECKS

A. If this contract requires that awarded applicant personnel access Gregg County Data (either on-site or remotely) or access secure areas of Gregg County Facilities, then Vendor personnel may be required to undergo a Criminal Background Check. Criminal Background Checks will be paid for by Gregg County.

1. Applicant must provide information, including, but not limited to, Employee Name, date of birth, and driver's license number for each individual required to pass a Criminal Background Check.
2. Award of a contract could be affected by applicant's refusal to agree to these terms.
3. Failure of the awarded applicant to supply personnel who pass a Criminal Background Check could affect the award of the contract or could result in termination of the contract.
4. The Criminal Background Check applies to the individual and not the Company.
5. Passing status must be maintained by awarded applicant (s) personnel for duration of the contract.

INFORMATION TECHNOLOGY HOSTED OR CLOUD SOLUTION

The following is only applicable when Vendor is providing Information Technology hosted or cloud solution:

1. Confidentiality, Integrity, Availability (CIA) Vendor shall protect the Confidentiality, Integrity, and Availability (CIA) of all Gregg County Data ensuring extra levels of security. All Gregg County information must remain private and permit redaction of protected information before publication. Audit trails cannot be altered.
2. Breach Notification Vendor agrees that upon discovery of unauthorized access to Gregg County Data, Vendor shall immediately notify Gregg County both orally and in writing. In no event shall the notification be made more than twenty four (24) hours after Vendor knows or reasonably suspect unauthorized access has or may have occurred. In the event of a suspected unauthorized Access, Vendor agrees to reasonably coordinate with Gregg County to investigate the occurrence.
3. Data All Gregg County data will remain in the 48 contiguous United States at all times.
4. Right to Audit Gregg County reserves the right to audit Vendor datacenters which house Gregg County Data or receive SSAE 16 SOC Type II audits from a reputable security advisory service firm (e.g. EY, Deloitte, KPMG, PWC, Coalfire, etc.).

Gregg County RFA 2019-906

DEPOSITORY FOR COUNTY PUBLIC FUNDS

Gregg County Texas is now accepting formal Bank Depository Applications from banks within the geographical boundaries of Gregg County, Texas for designation as the County Depository for a four (4) year term commencing upon formal award of a contract by the Gregg County Commissioners' Court and completion of the necessary qualification and bonding procedures under the Texas State law.

Pursuant to §116.021(b) this contract will allow negotiations of new interest rate and financial terms under the contract that will take effect during the contract and contract renewal period:

- (1) The new financial terms do not increase the prices to the county by more than ten percent (10%); and
- (2) The county has the option to choose to use the initial variable interest rate option or to change to the new fixed or variable interest rate options proposed by the bank.

The depository contract shall involve the safekeeping and performance of banking services pertinent to county money, money collected and held by the Tax Assessor pending distribution, money deposited in various "County funds" as required by Texas State statutes and trust funds in possession of the County and District Clerks, under Local Government Code, VTCA, pursuant to §116 and 117 as provided herein.

I. BACKGROUND FOR BANK DEPOSITORIES

1. As described in the Local Government Code, Gregg County must seek applications from banks seeking to provide banking services.
2. B. The specific references governing these services are:
 - Local Government Code Chapter 116. 2.
 - Local Government Code Chapter 117. 3.
 - Government Code Chapter 2256 (where applicable).
 - Government Code Chapter 2257.
3. The text of these governing statutes may be obtained at <http://www.statutes.legis.state.tx.us/>.

II. STATUTORY PARAMETERS

Texas Local Government Code Section 116.024 sets forth the requirements a county must follow in selecting financial institutions seeking to become the County Depository. This section also governs many of the daily operational aspects of the relationship. Government Code 2257 also governs the requirements of securing public funds. The selection of Depository for Certain Court Registry funds pursuant to Local Government Code Chapter 117 is included in this solicitation. It is likely that the same financial institution will be named for each of the three (3) separate contracts; however this is not required by the statutes.

III. GEOGRAPHIC LOCATIONS

1. A significant portion of the County's operations are conducted in Longview's downtown area in the Gregg County Courthouse 101 E Methvin Street.
2. Additionally, there are four (4) primary locations or substations outside of the downtown area that use the County Depository: Availability of deposits services at least once per day, on each business day at the following main county locations:
 - a) Courthouse, 101 E. Methvin St., Longview TX 75601

- b) Greggton Substation, 3211-C W. Marshall, Longview TX 75605
 - c) Kilgore Substation, 1102 Kilgore St., Kilgore TX 75662
 - d) Kilgore Bldg, 622 E Kay Street, Kilgore, TX 75662
 - e) Gladewater Tax, 519 E Broadway, Gladewater, TX 75647
3. The ability of the financial institution to provide easy access to the majority of these locations is a key factor in the evaluation of the ability of the institution to meet the County's needs.
 4. **The county depository must be located at a banking institution in the County of Gregg, the State of Texas in the United States of America.**

IV. SPECIFICATIONS & REQUIREMENTS

1. The county depository must be located at a banking institution in the County of Gregg, the State of Texas in the United States of America.
2. Applications must be accompanied by a certified check or cashier's check equal to one-half percent of the county's revenue for the preceding year or **\$258,302**. Pursuant to Local Government Code, VTCA §116.023 (c), the certified check or cashier's check that accompanies an application is a good-faith guarantee on the part of the applicant that if accepted as a county depository it will execute the bond or the security, pursuant to the Local Government Code, VTCA §116. If a bank is selected as a depository and does not provide the required bond or required security, the county shall, by law, retain the amount of the check as liquidated damages. An applicant's check will be returned immediately if that applicant is not selected. The selected applicant's good-faith guarantee check will be returned after their depository qualifies and deposits the required security. It is anticipated that said check will be returned within approximately thirty (30) days after the applicant is selected.
3. Within fifteen (15) days of selection of a bank as the county depository, the bank must comply with either Section 1 or 2 of the Local Government Code, VTCA, §116.051 whichever is applicable. Pledged securities shall be placed in a second bank for safekeeping providing Gregg County with safekeeping receipts. Request for substitution of collateral securities shall be executed in compliance with Local Government Code, VTCA, §116.082.
4. Applicants shall furnish the account holder or the County Auditor a statement of the balance in each account; together with total checks cleared and total checks held against each account, in numeric order, as of the end of each month, plus the capability of electronic bank reconciliation. Applicants must reconcile any differences in account balances within thirty (30) days following written notification of such imbalances by the Auditor. Further, the applicant must furnish the County Auditor a monthly or upon request an account analysis report of all Gregg County bank accounts.

V. GENERAL SERVICES

Services required center on two (2) primary functions:

1. General checking accounts and related information access.
2. Cash management services, including securities safekeeping.

VI. SPECIFIC SERVICES REQUIRED

(Not every account will need services below):

Gregg County has the following scheduling requirements, which must be met by the selected applicant.

1. Account Statements f/any other offices available no later than 5 business days from end of month.
2. Account Analysis mailed on or before the 15th of ea. month
3. Balance Reporting Information-Once per week or as requested
4. Out-going wire transfer release-Release by close of fed wire
5. In-coming wire notification on any account-Confirm by phone by 2PM w/hard copy to follow by next business day
6. Stop Payments-In place six months unless renewed
7. Collateral Safekeeping Receipts-When pledged
8. Transaction report of all collateral securities-monthly and as requested
9. Applicant shall provide all County Agencies with deposit slips manufactured for the tenure of the depository contract.

All Applicants must offer the following services and/or materials as an integral part of the depository contract:

1. Temporary overdrafts for individual or combined accounts
2. Insufficient funds and stop payment orders
3. Cashier's Checks
4. All Charges and/or credits must be posted to accounts by close of business on the next day
5. All corrections of entry or balance errors must be posted to the account by close of business on the next day
6. Quarterly fees owed to the Depository or Interest earned by the County, as indicated by the account analysis shall be billed or remitted.
7. In the event of an emergency, disaster or any catastrophic occurrence, the County Depository shall appoint a liaison to work in conjunction with the County to receive and accept unsolicited funds on behalf of Gregg County.
8. The bank must have a secure on-line banking system with full capabilities, including the ability to add dollar limits for each user. Not the least of which would be a fully functional and secure access system.
9. Provide direct deposit services of payroll checks for Gregg County employees.
10. Provide daily electronic fund transfer ("EFT") and/or automatic clearinghouse ("ACH") files transfer capability FOR ALL COUNTY AGENCIES.
11. Contact Person – The bank will specify an officer of the bank who will be responsible for all inquiries, request for services and the administration of the Gregg County accounts.
12. Stop Payments – The bank will be required to process stop payments on verbal instructions from the County Auditor or account holder with a follow-up of written confirmation or the authorized representative for those accounts under the control of Department Heads or Elected Officials. On-line stop payment processing for specific accounts.
13. Stale Dated Checks – The bank will not honor stale dated checks on any Gregg County account which have not been endorsed by the County as acceptable after the (60) sixty day limit.
14. The ability to electronically access account balances and transaction information daily on a personal computer from a secure website.

15. Contain, at a minimum, the ability to assign dual approvals for the release of funds and other critical tasks.
16. Multi-factor authentication through the use of unique tokens (or other identity verification means) for each user and verification of terminals accessing the system are considered vital.
17. The ability to program user access for each bank account and controlled by each department. The bank must be able to provide the Auditor with a list of entitlements on each bank account.
18. Allow system administrators to: add/remove users, add/remove entitlements, reset passwords, and deactivate/reactivate users in the banking online software.
19. The ability for the bank to securely return copies of ACH files, preferably through Ipswitch, for comparative analysis.
20. Allow County Auditor to view all accounts in the bank depository.
21. The ability to run reports, customize reports, save and download reports (i.e., Excel, PDF).
22. Ability to prevent check fraud by prior authorization of issued checks ("positive pay" with name). For accounts with low volume hand written checks, the ability to use reverse positive pay.
23. The bank must be able to provide a secure on-line system to process ACH vendor payments and payroll related accounts.
24. Wire transfer capability using the internet with dual control security features.
25. Electronic transmission for daily activity of debits, and credits including identifier codes available with the monthly bank reconciliations.
26. Transmission of deposit files (i.e., ACH files), both incoming and outgoing must be over secure networks with encryption (e.g., vendor payments and payroll).
27. Cancelled checks returned as an electronic image of both sides for selected accounts.
28. Service charges for monthly service included in a monthly analysis format for each account, and on a group summary basis.
29. Competitive rate of return on deposit balances for interest bearing accounts. Please describe the method used to determine the interest rate.
30. Ability to restrict electronic withdrawals by Automated Clearing House (ACH) debit block.
31. Zero balance accounts.
32. Controlled disbursements account.
33. Securities safekeeping services to include: (1) Safekeeping, (2) Daily transaction reporting, and (3) Month end portfolio reporting to include market value for all securities held.
34. Lock box operation with Gregg County mailing address.
35. Ability for price break for deposits encoded with MICR line by County lock box operation.
36. The bank must provide sufficient detail on statements and on-line such that the origin may be clearly identified. Examples would be check number, credit card type, originator of a wire transfer.
37. The bank must accept and verify deposits electronically up until 7:00 p.m.
38. The bank must be able to validate and deposit bank issued checks.
39. Post No-Check Accounts.
40. Vault Services.

VII. EXAMPLES OF OPTIONAL SERVICES

1. Free check printing for County accounts.
2. Free deposit slips and bank deposit bags.
3. Ability to use virtual remit remote deposit capture for checks.
4. Free or reduced rate group banking privileges for all County employees.
5. Reduced consumer loan rates for County employees.
6. Enhanced deposit interest rate for County employees.
7. Free on-line access and bill paying service for County employees

VIII. SPECIFIC SERVICES REQUIRED - COUNTY OR DISTRICT CLERK TRUST FUNDS

(Not every account will need services below)

1. Local Government Code Section 117.023 governs the selection and operations of the financial institution for these deposits. These deposits consist of three (3) types of accounts, for both the County Clerk and the District Clerk. The account types are:
 - a. Un-invested Deposits.
 - b. Deposits invested pursuant to District or County Court orders and generally governed by Chapter 42 of the Texas Property Code.
2. Annual “1099” and “time deposit” statements for each individual invested deposit should be delivered no later than fifteen (15) days after the end of the calendar year.
 - a. These investments by District Clerk should be delivered in account number order.
 - b. These investments by the County Clerk should be delivered in account number order.
3. Time deposit statements should include the interest earned during the year and the balance at the calendar year end.
4. Interim Statements are expected quarterly by the 5th day of the next month.
5. Provision governing interest earnings on invested deposits waiving any early withdrawal penalty.
6. Provisions allowing recurring and/or periodic additional deposits to existing invested deposits.
7. Provisions allowing recurring and/or periodic disbursements from existing invested deposits without penalty.
8. Competitive rate of return to be determined by application with a minimum of fifteen (15) basis points over the banks guaranteed set rates at the time of deposit. A comprehensive description of the method used to determine the interest rate for the invested accounts will be expected, including any relationship to independent indexes.
9. The ability to restrict electronic withdrawals by ACH debit block.
10. The Clerks require the ability (at least annually upon request by the Clerk) to have the interest rate on all custodial accounts re-set to current market rates, if the current rate is greater than the stated rate on the account. There shall not be a maximum rate of interest.
11. Each Clerk desires the ability to ensure a reasonable rate of return is earned on funds held as custodians for parties to cases during the entire time period such funds are on deposit. Within the limits imposed by Section 117.053 (c) of the Local Government Code, the Clerks seek secure investment options that continuously maximize the rate of return while minimizing the administrative effort on the Clerks’ staff. Gregg County seeks innovative solutions to this objective. Such solutions might include time deposit with rate re-set options, pooled funds for

which each sub account is revalued daily or any other solutions meeting the requirements stated or any other option meeting these requirements.

12. Checks written on an account should include a copy of the court order releasing the funds.
13. Wire transfers into Clerks' accounts must be approved in advance by the respective Clerk.
14. Wire transfers out of these accounts must not be allowed without the express approval of the Clerk AND the County Auditor.

IX. COLLATERAL AND SAFEKEEPING

The Commissioners' Court may determine the type of security required as collateral for funds to be deposited by the County in the County depository. The Court will select acceptable collateral for the County funds from the following instruments:

- a) FDIC Insurance;
- b) Obligations of the United States or its agencies and instrumentalities
- c) Obligations issued by governmental entities of the State of Texas, by way of illustration, and not limitation, the governmental entities include independent school districts, incorporated cities, certain road district, having an investment rating of not less than "A" (by Standard & Poors) or its equivalent.

The following must be included when figuring the amount collateralized:

- a) All account deposits of Gregg County and its' entities
 - b) All C.D.'s purchased with Gregg County funds
1. The Gregg County Investment Officer shall insure that all county funds are fully collateralized or insured consistent with federal and state law.
 2. Gregg County is to be placed at no expense in connection with the supervision or substitution of the said securities pledged. Said securities shall be placed for safekeeping with an independent third party financial institution in Texas, which shall provide the County Auditor with safekeeping receipts for all transactions. Securities approved by the Commissioner's Court shall be handled and filed pursuant to Local Government Code, VTCA§116.082(a)(b)(c)§116.083 and §116.084.
 3. Receipts for release or substitution of collateral of securities shall be in writing and subject to approval of the County Judge due to timing constraints, but must be followed up by approval of the Commissioners' Court.
 4. INADEQUATE SECURITY. If for any reason the county funds on deposit with the county depository exceed the amount of security pledged, the depository shall immediately pledge additional security with the commissioner's court. Requests for additional collateral (pledge) may be requested by the Investment Officer due to the timing constraints, but must be followed up by approval of the Commissioners' Court.

X. SAFEKEEPING

1. All purchased securities shall be held in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank.
2. All certificates of deposit, insured by the FDIC, purchased outside the Depository Bank shall be held in safekeeping by either the County or a County account in a third party financial institution.
3. All pledged securities by the Depository Bank shall be held in safekeeping by the County, or a County account in a third party financial institution, or with a Federal Reserve Bank

XI. ADDITIONAL REQUIREMENTS

1. Each application must be accompanied by a statement showing the financial condition of the bank on the date of the application. The statement MUST include the amount of the bank's paid-up capital stock and the amount of the bank's permanent surplus in the form of a separate document signed and dated by an authorized representative of the bank with a cover sheet that is labeled as follows: **“Exhibit 2 Statement Showing Financial Condition of Bank as of March, 2019” or the most recent available.**
2. A detailed collateral-to-deposit transaction activity report issued by the depository bank is required at least once a week and more often if requested by Gregg County. In addition, a detailed collateral transaction activity report issued by the financial institution with actual custody of pledged securities is required at least once a month or more often if requested by Gregg County. The above-referenced reports shall contain security descriptions, par value/current face and current market value. To compensate for increases or decreases in County deposits and fluctuation of market value of pledged collateral, the minimum market value of collateral will be 105% of County deposits. A sample of each of the above-referenced reports must accompany each application. These sample reports must be submitted as a separate document, signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 3 A Sample of Collateral-to-Deposit Report and A Sample Collateral Transaction Activity Report”.**
3. Monthly account analysis reports will be provided for each account and on a total account basis. The account analysis will contain, at a minimum, the following:
 - a) daily average ledger balance
 - b) daily average float
 - c) average collected balance
 - d) reserve requirements
 - e) price levels for each activity
 - f) monthly volumes by type
 - g) earnings allowance
4. Please provide a sample account analysis report listing all items and service charges which are included in the account analysis process, submitted as a separate document, signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 4 Sample Account Analysis Report”**
5. Please provide an explanation, with examples if necessary by what method Monthly Collateral Handling Fees, if any, are calculated. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 5 Calculation of Monthly Collateral Handling Fees”.**
6. Please provide an explanation, with examples if necessary by what method Monthly Earnings Credits are calculated. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 6 Calculation of Monthly Earnings Credits”.**
7. Please provide an explanation, with examples of a Sweep Option, if necessary, the process by which demand accounts are swept to an overnight investment vehicle backed by U.S.

Treasury obligations. Supply an 18-month history of rates earned. As disbursements are made, a reverse transaction is made from the investment account to the demand account, with the interest earnings reported on an individual account basis. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 7 An Example of a SWEEP Option”**.

8. Please provide an explanation, with examples if necessary of any services applicant can offer in addition to those specifically requested in this RFA that might benefit Gregg County. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 8 Additional Services Offered”**.
9. Supply an 18 month history on a one (1) year Certificate of Deposit and Interest Earning Demand Accounts. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows: **“Exhibit 9 CD Rates and Demand Account Rates for the Last Eighteen (18) Months. Additionally please state the current interest rates offered on these two types of accounts and an application for the County and District Clerk Individual Registry Funds.**
10. The completed and signed Evaluation and Compliance Checklist must be included with the application submission.
11. The successful applicant shall begin the operation and administration of the county depository sixty (60) days after notice of award and shall maintain such depository in accordance with the law up to and including sixty (60) days after the expiration of the current contract and award of a new depository contract.
12. The Commissioners’ Court has the statutory authority to require a depository to execute a new security bond whenever the Court considers it advisable or considers it necessary for the protection of the County. Local Government Code VTCA §116 contains many provisions which give the Commissioners’ Court similar statutory authority over county depositories. This proposed application and any depository contract awarded expressly includes all applicable provisions of Chapter 116 and applicants are advised to seek the advice of legal counsel in this regard prior to submitting a signed application or negotiating a contract with Gregg County Texas.
13. Within fifteen (15) days of selection of a bank as the county depository, the bank must comply with either Section 1 or 2 of the Local Government Code, VTCA, §116.051 whichever is applicable. Pledged securities shall be placed in a second bank for safekeeping providing Gregg County with safekeeping receipts. Request for substitution of collateral securities shall be executed in compliance with Local Government Code, VTCA, §116.082.
14. Provide direct deposit services of payroll checks for Gregg County employees that do not require employees to have a bank account at the depository bank.
15. Provide daily electronic fund transfer (“EFT”) and/or automatic clearinghouse (“ACH”) files transfer capability FOR ALL COUNTY AGENCIES.
16. Applicants shall furnish the County Auditor—a statement of the balance in each account; together with total checks cleared and total checks held against each account, in numeric order, as of the end of each month, plus the capability of electronic bank reconciliation.

Applicants must reconcile any differences in account balances within thirty (30) days following written notification of such imbalances by the County Clerk or Auditor. Further, the applicant must furnish the County Clerk a monthly or upon request an account analysis report of all Gregg County bank accounts.

17. The completed and signed Evaluation and Compliance Checklist must be included with the application submission.
18. The successful applicant shall begin the operation and administration of the county depository sixty (60) days after notice of award and shall maintain such depository in accordance with the law up to and including sixty (60) days after the expiration of the current contract and award of a new depository contract.

XII. STATISTICAL INFORMATION

The County's operation, excluding the Tax Office, is fairly routine in its daily operation. There are no real significant volume differences from month to month.

XIII. COUNTY

1. The County currently maintains approximately forty (40) bank accounts for the various departments and elected County offices. In addition, the County holds funds in trust AND as Court Registry funds for the District and County Clerks.
2. The December, 2018 average daily ledger balance for the operating accounts was \$8,222,547. The December, 2018 average daily ledger balance for the District Clerk and County Clerk Registry funds was \$621,729 and \$422,534 respectively. Outside of the high ad valorem collection times referred to below under the Tax Assessor-Collector, these numbers represent the levels of collateral/security that will be required for our accounts. It shall be the responsibility of the bank to ensure that on a daily basis the value of the collateral exceeds 105% of that day's beginning ledger balance of County funds. Collateral must be held at a mutually agreeable third party financial institution (such as a federal reserve bank) subject to a fully executed tri-party collateral agreement. Furthermore Gregg County expects high quality collateral at least half of which are classified as "full faith and credit" direct instruments of the United States with a maturity not longer than five (5) years from the date of the pledge. The balance can be composed of U.S. government agency securities with a maturity not longer than five (5) years from the date of the pledge.
3. ****Be advised currently Gregg County may hold funds in trust and may temporarily require higher collateral than average. This combined with the high collection time for ad valorem taxes may create a short term need for high collateral. In 2018, the highest amount of total collateral necessary for all funds was \$42,322,846 on November 5th, although for a minimum number of days.**
4. Be advised that any release or substitution of collateral must be approved by the Commissioners Court and this process can take up to one (1) week from notice.

XIV. TAX ASSESSOR-COLLECTOR:

1. The Tax Assessor-Collector on the other hand has one (1) significant period where volumes are significantly higher than the rest of the year. This significant period is November 1 to February 15. On a daily basis, as few as 160 checks will be deposited, but it could be as many as 2400 checks during the peak season.

2. The Gregg County Tax Assessor–Collector collects taxes for the County and virtually every other entity levying ad valorem taxes in Gregg County. The combined total levy amount for all of these entities approaches \$140 million, the majority received between November to February. The cyclical aspect of property tax billing and payments creates significant challenges for the Tax Assessor–Collector and the depository bank. The highest daily deposit from the Tax Office for property tax collections in 2018 was on November 5th and totaled \$14,806,096. Collateral during this period will be much higher than the average.
3. The Tax Office accepts payments by cash, check, debit card, credit card, ACH, wire among others. Payments may be made in person, over the telephone, and on the internet. The Tax Assessor–Collector currently maintains twelve (12) bank accounts.

Exhibit 1 presents statistical information reported by the current depository bank for activity on approximately forty (40) bank accounts for December, 2018. This information is provided to illustrate the general level of activity from County accounts; however, there is no guarantee of activity at these levels during the term of the contract contemplated as a result of this process

Gregg County RFA 2019-906

DEPOSITORY FOR COUNTY PUBLIC FUNDS

APPLICATION EVALUATION CRITERIA

The county will conduct a comprehensive, fair and impartial evaluation of all applications received in response to this RFA. Each application will be analyzed to determine the overall responsiveness and qualification under the RFA.

The evaluation will be made in accordance with Texas Local Government Code § 116.024. **SELECTION OF DEPOSITORIES AND SUBDEPOSITORIES.** In the event all banks submitting applications agree to all required elements indicated on the respective checklists, the selection will be based substantially on the pricing information, funds availability furnished by the banks, ability to meet technological requirements, prior performance with the County, location, experience and the best interest of the County. In instances where all required elements are not offered, the evaluation of the application will attempt to quantify the value of the missing services for the final evaluation.

Gregg County Commissioners reserve the right to award this contract, not necessarily to the applicant with the highest commission, but to the applicant(s) who demonstrate the best ability to fulfill the requirements of the RFA.

Gregg County reserves the right to waive any inconsistencies and to make award in the best interest of Gregg County. Applications may be deemed non-responsive, among other reasons, for any of the following specific reasons:

1. Applications containing any inconsistencies.
2. Unbalanced value of any items.

Applicants may be disqualified and their applications not considered, among other reasons, for any of the following specific reasons:

1. Reason for believing collusion exists among the Applicants.
2. Reasonable grounds for believing that any Applicant is interested in more than one application/proposal for the work contemplated.
3. The Applicant being interested in any litigation against Gregg County.
4. The Applicant being in arrears on any existing contract or having defaulted on a previous contract.
5. Lack of competency as revealed by a financial statement, experience and equipment, questionnaires, etc.
6. Uncompleted work that in the judgment of Gregg County will prevent or hinder the prompt completion of additional work, if awarded.
7. Applicants shall not owe delinquent property tax in Gregg County.

MINIMUM INSURANCE REQUIREMENTS:

A. Vendor shall take out, pay for and maintain at all times during the prosecution of the work under the contract, the following forms of insurance, in carriers acceptable to and approved by Gregg County.

1. Commercial General Liability:

a. \$1,000,000 per occurrence/\$2,000,000 aggregate

B. Gregg County reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverage and their limits when deemed necessary and prudent by Gregg County based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Vendor.

C. Required Provisions:

1. Proof of Carriage of Insurance – All Certificates of Insurance will be required in duplicate and filed with the Gregg County Purchasing Agent and the Budget and Risk Management Department at 100 East Weatherford Street, Suite 305, Fort Worth, Texas 76196 prior to work commencing.

2. All Certificates shall provide Gregg County with an unconditional thirty (30) day written notice in case of cancellation or any major change.

3. As to all applicable coverage, policies shall name Gregg County and its officers, employees, and elected representatives as an additional insured.

4. All copies of the Certificates of Insurance shall reference the project name and Application/Proposal number for which the insurance is being supplied.

REQUIRED APPLICATION FORMS

Exhibit 1

Selected Volumes Submittal Form

Please submit any fees or charges for the following:

Type of Service	Estimated Monthly Volume	Unit Price	Monthly Charge	Included in Acct. Analysis
Account Maintenance	40 +	\$	\$	Y N
Checks (Debits Posted)	2,400-2,800	\$	\$	Y N
Deposits (Credits Posted)	300-500	\$	\$	Y N
NSF Items	25-50	\$	\$	Y N
Teller Deposit Processing	150-200	\$	\$	Y N
Night Depository	4	\$	\$	Y N
Encoding	13,500-18,500	\$	\$	Y N
Return Items	15-20	\$	\$	Y N
Deposited Items Rejected	50-75	\$	\$	Y N
Overdraft Fee	1	\$	\$	Y N
Bill Straps		\$	\$	Y N
Coin Rolls		\$	\$	Y N
Stop Payments	5 - 10	\$	\$	Y N
Settle Purchase/Sale-Government	5 - 8	\$	\$	Y N
Wire Transfer Debits	15	\$	\$	Y N
Interest Expense		\$	\$	Y N
Collateral Fee (See Exhibit 4)		\$	\$	Y N
Investment Transaction Fees		\$	\$	Y N
ACH File Transfer Fees	52	\$	\$	Y N
Charge f/deposit stamps & slips		\$	\$	Y N
Direct Deposit	1250	\$	\$	Y N
Price ANY OTHER services not listed above.		\$	\$	Y N

Please attach a complete fee schedule.

Please list any ledger charges which were omitted above. _____

Please list any charges/fees that will NOT be handled through compensating balances.

Reserve Requirement Rate ____ (%)

Deposit Credit

Same day ledger credit for deposited items will be granted according to the following schedule:

Encoded items can be received up to _____ P.M. (CST)

Un-encoded items can be received up to _____ P.M. (CST)

Non-reoccurring Charges for locking depository bags \$ _____

Please provide **in Exhibit (9)** Interest Rate Earnings Offered For each of the following:

- Demand Accounts earning interest
- CD's (for investment purposes)
- Clerk Registry Trust Funds

Please explain how interest will be calculated on each of the three above type accounts?

APPLICANT REFERENCES

Please list three (3) references of current customers who can verify the quality of service your company provides. The County prefers customers of similar size and scope of work to this application. ***THIS FORM MUST BE RETURNED WITH YOUR APPLICATION SUBMISSION.***

REFERENCE ONE:

COMPANY NAME:
ADDRESS/CITY/STATE/ZIP:
CONTACT NAME/TITLE:
BUSINESS PHONE/FAX:
CONTRACT PERIOD: SCOPE OF WORK:

REFERENCE TWO:

COMPANY NAME:
ADDRESS/CITY/STATE/ZIP:
CONTACT NAME/TITLE:
BUSINESS PHONE/FAX:
CONTRACT PERIOD: SCOPE OF WORK:

REFERENCE THREE:

COMPANY NAME:
ADDRESS/CITY/STATE/ZIP:
CONTACT NAME/TITLE:
BUSINESS PHONE/FAX:
CONTRACT PERIOD: SCOPE OF WORK:

CERTIFICATION OF ELIGIBILITY

By submitting an application in response to this solicitation, the applicant certifies that at the time of submission, he/she is ***not*** on the Federal Government's list of suspended, ineligible, or debarred contractors.

In the event of placement on the list between the time of application submission and time of award, the applicant will notify the Gregg County Purchasing Agent. Failure to do so may result in terminating this contract for default.

Signature: _____ **Date:** _____

Printed Name: _____

RFA SIGNATURE FORM

The undersigned agrees this RFA becomes the property of Gregg County after the official opening.

The undersigned affirms they have familiarized themselves with the local conditions under which the work is to be performed; satisfied of the conditions of delivery, handling and storage of equipment and all other matters which may be incidental to the work, before submitting a application

The undersigned agrees, if this application is accepted, to furnish any and all items/services upon which prices are offered, at the price(s) and upon the terms and conditions contained in the Specifications. The period for acceptance of this application will be ninety (90) calendar days unless a different period is noted by the applicant.

The undersigned affirms that they are duly authorized to execute this contract, that this application has not been prepared in collusion with any other applicant, nor any employee of Gregg County, and that the contents of this application have not been communicated to any other applicant or to any employee of Gregg County prior to the official opening of this application process.

Applicant hereby assigns to county any and all claims for overcharges associated with this contract which arise under the antitrust laws of the United States, 15 USCA Section 1 et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. & Com. Code, Section 15.01, et seq.

The undersigned affirms that they have read and do understand the specifications and any attachments contained in this application package. ***Failure to sign and return this form will result in the rejection of the entire application.***

Signature _____ **X**

Company Name			
Address			
City/State/Zip Code			
Phone:	Office: Cell:	Fax: Email:	
Print Name			
Job Title			

To: Vendors of Gregg County, Texas
From: Kelli L. Davis, CPPB, Purchasing Agent
Re: ***Conflict of Interest Form (CIQ)***

Vendor;

Attached, please find link below to a Conflict of Interest Questionnaire. Please complete this form if you have a conflict of interest with any Gregg County Official, Employee, or Department. The questionnaire should reflect the name of the individual with whom the conflict of interest occurs. If you have any questions regarding compliance with Chapter 176 of the Texas Local Government Code, please consult your legal representative. Compliance is the responsibility of each individual, business, agent or representative who is subject to the law's filing requirements.

<http://www.ethics.state.tx.us/forms/CIQ.pdf>

Original completed forms should be filed with the County Clerk's Office and a copy sent to the Gregg County Purchasing Department either through application return, fax, or email. Please see contact information below.

Gregg County Clerk

Gregg County Courthouse
101 East Methvin, St. 200
Longview, Texas 75601
Ph; 903-236-8430

Gregg County Purchasing Department

Email: purchasing@co.gregg.tx.us
Ph: 903-237-2684
Fx: 903-237-2682

Applicable Law

Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of Gregg County (County Clerk) no later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Texas Local Government Code.

This form will need to be completed by the awarded Applicant only.

Certificate of Interested Parties (Form 1295)

In 2015, the Texas Legislature adopted House Bill 1295, which added Section 2252.908 of the Government Code. The law states that a government entity may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the government entity. The disclosure of interested parties will be submitted online via Form 1295 and must be submitted to the governmental entity prior to any signed contract and/or vote by the governing authority.

The Filing Process:

1. Prior to award by Commissioners Court, your firm will be required to log in to the Texas Ethics Commission, https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm and fill out the Electronic Filing Application.
2. Once submitted, the system will generate an electronic Form 1295 displaying a “Certificate Number.” Your firm must print, sign and notarize Form 1295.
3. **Within ten (10) business days** from notification of pending award by the Gregg County Purchasing Agent, the completed Form 1295 **must** be submitted to Gregg County.
4. Your firm will need to repeat this process and obtain a separate Form 1295 each time you enter into a new contract, renew a contract or make modification and/or amendments to a Gregg County contract.

Instructions and information are available at <https://www.ethics.state.tx.us/tec/1295-Info.htm> or you may call the Texas Ethics Commission at (512) 463-5800.

Exhibit C
Advertisement and Public Notice

April 08, 2019

To: *Longview News-Journal*

From: Kelli Davis, Purchasing Agent

To be inserted in the *Longview News-Journal* on the following dates:

Saturday, April 13, 2019

Saturday, April 20, 2019

Saturday, April 27, 2019

Saturday, May 04, 2019

PUBLIC NOTICE

The Gregg County Commissioner's Court will make a contract(s) for the COUNTY DEPOSITORY in the regular court meeting on Thursday, May 30, 2019 10:00AM sealed applications will be received by Kelli Davis, Gregg County Purchasing Agent, at 101 E. Methvin St., Suite 205, Longview, TX 75601, until Tuesday, May 07, 2019 at 2:00PM. To obtain Application Packet please visit our website at: <http://www.co.gregg.tx.us> on the Purchasing Department Page or by calling (903) 237-2685. All candidates must comply with all applicable State statutes as outlined in the application. Gregg County reserves the right to accept or reject in whole or in part any applications received and to waive any irregularities or formalities in the best interest of Gregg County.

Bill Stoudt

County Judge

Gregg County Texas