

DEPOSITORY OF FUNDS
(Seven-Director District)

Depositories may be selected annually or the school district and depository may enter into a one- to five-year contract agreement for the deposit of the district's money or funds. The School Board, in each year in which depositories are to be selected, shall receive sealed proposals from banking institutions in the county or in adjoining counties which desire to be selected as depositories of the moneys and funds of the school district.

For the purpose of letting the fund, the Board shall divide the funds into not less than two (2) nor more than ten (10) equal parts. Each bidder may bid for any number of the parts, but the bid for each part shall be separate.

At least 20 days before the date selected by the School Board for acceptance of bids, the Board secretary shall publish, in some newspaper of general circulation in the county, notice that bids will be received. The notice will state the date, place and time of the meeting where bids are to be opened and the number of years for which a depository will be selected for each part of the fund; this may be any term between one (1) and five (5) years inclusive, next ensuing the date of the bid.

Bidders shall deliver to the secretary of the Board, on or before the date selected for the acceptance of bids, a sealed bid, stating the rate of interest or method by which the interest will be determined for the advertised term.

Each bidder shall also submit a check in favor of the school district as a guaranty of good faith that if any of its bids are accepted, it will deposit the security required by law. The check shall be drawn on some solvent banking institution in the county or adjoining county, duly certified and for no less than \$2,500.

On the date selected for the acceptance of bids, and at the place and time advertised for the bid-opening meeting, the Board or designee shall publicly open the bids, and cause each bid to be verbally read and documented, after discussion and clarification of bids with the financial institutions. The Board secretary may not directly or indirectly disclose the amount of the bid before this meeting.

After discussion and clarification of the bids at the bid-opening meeting -- or, if the public bid opening is not also a meeting of the Board, then at the next meeting of the Board -- the Board shall cause each bid to be entered upon the records of the Board and shall select from among the bidders those bids which will be accepted and notify each of those bidders so selected. If there is no qualifying bid for a part, the Board may select a depository for that part without further advertisement or bidding.

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The secretary shall return to respective banking institutions certified checks accompanying the rejected bids and, upon approval of the security required by law, return the certified checks accompanying the accepted bids to the respective banking institutions from which they were received.

The Board will then enter into a contract or agreement with the selected depository for the deposit of each part of the district's moneys or funds for the advertised one- to five-year term. Such a contract or agreement may be terminated by the mutual consent of both parties at any time. As the contract or agreement concerning each part of the district's funds expires or is terminated, the successive depository for that part will be chosen by bid per this procedure.

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Note: The reader is encouraged to review policies and/or forms for related information in this administrative area.

Implemented: 08/11/2003

Cole County R-I School District, Russellville, Missouri