



Biloxi Public Schools

Business Office

PO Box 168 Biloxi, MS 39533 (228)374-1810 • Fax (228)436-5114

Elton J. Bienvenue, CPA

March 28, 2023

To Whom It May Concern:

Attached hereto are the specifications or terms to be considered by the Board of Trustees of the Biloxi Public School District in the selection of a depository or depositories for the Biloxi Public School District funds.

Please submit your bid no later than 1:00 P.M. on Monday, April 17, 2023 to:

Shane L. Switzer, Director of Business
Biloxi Public School District
160 St. Peters Avenue
P. O. Box 168
Biloxi, Mississippi 39533

Outside of sealed envelope must be clearly marked "BID ON DEPOSITORY 2023-2026".

Electronic bids may be submitted at www.centralbidding.com. For any questions regarding the electronic bidding process, please call Central Bidding at 225-810-4814. Electronic submission of bids is not required.

Sincerely,

Elton J. Bienvenue, CPA
Assistant Director of Business

encl.

Sealed and electronic bids will be received by the Biloxi Public School District, Biloxi, Mississippi, until Monday, April 17, 2023, at 1:00 P.M., at the Central Office, 160 St. Peters Avenue, P. O. Box 168, Biloxi, Mississippi, 39533 for the following:

THE PRIVILEGE OF KEEPING THE BILOXI PUBLIC SCHOOL DISTRICT FUNDS, OR ANY PART THEREOF, IN ACCORDANCE WITH PROVISIONS OF SECTIONS 37-7-333, 27-105-305, AND 27-105-315 OF THE MISSISSIPPI CODE OF 1972, AS AMENDED. SAID DEPOSITORY SERVICE TO BE FOR A PERIOD OF THREE YEARS FROM JULY 1, 2023, THROUGH JUNE 30, 2026, OR UNTIL NEW ARRANGEMENTS SHALL BE MADE ACCORDING TO LAW.

The sealed bids shall designate the kind of security, as authorized by law, that the financial institutions propose to give as security for the keeping of the funds and shall provide evidence that the institution meets the requirements of Section 27-105-315, Mississippi Code, 1972. Each bank agrees to execute a Collateral Security Agreement and a Custodial Agreement with the District in the form recommended by the State Auditor and the Mississippi Bankers Association for the purpose of complying with Section 1823(e) of FIRREA as necessary to insure that the District will possess a preferred claim to pledged securities in the event of default by the depository bank.

SPECIFICATIONS OR TERMS TO BE CONSIDERED BY THE BOARD:

The Biloxi Public School District currently uses a “lead bank” with other banks participating. The school district chose one bank to handle the day-to-day transactions for all accounts as the lead bank.

The Biloxi Public School District plans to either use a sweep account program so that it may get a better interest rate on checking accounts or use a “lead bank” with other banks participating. The school district plans to continue to use one bank to handle the day-to-day transactions for all accounts, whether the bank is the only bank used or is the lead bank. Therefore, Option 1 is to be completed using the sweep account approach and Option 2 is to be completed in case the Board of Trustees decides to use a lead bank approach. The District reserves the right to re-bid if market conditions warrant such action prior to the end of the three-year term. The District will only consider banks with a physical location within the city limits of Biloxi, MS.

ALL BANKS ARE ENCOURAGED TO SUBMIT A BID WITH THE REQUIRED INFORMATION SO THAT THEY CAN BE AWARDED ‘DEPOSITORY’ STATUS. This status allows all of these banks to participate in bids on certificates of deposit. If the interest rate rises above the amount being received by the District during the year, the District reserves the right to receive quotes on other types of investments.

Option 1: (Sweep Account)

1. Interest Rate.
After considering all of the items listed in **2 – 8 of Option 2**, each bank interested in bidding on the sweep account program should consider the following and offer a **firm, “net” bid that represents the actual interest rate that will be paid to the school district on all accounts.**
2. The sweep account must be done in the background, not affecting any individual bank account balances so that bank statements can be reconciled without the sweep transactions. All bank accounts must be kept separate from each other.
3. Banks will be required to provide the **actual** check images (both front and back) with the bank statement and make them available for viewing through online banking.
4. Bank statements will be required to reflect activity through the last working day of each month. Deposit corrections should be sent to the District within two working days. All inquiries, problems, and corrections should be directed to District revenue bookkeeper.
5. Banks will not charge separately for services such as stop payments, deposit books, stamps, internet services, transfers, or other charges.
6. Banks will be required to provide to the District, if that bank is selected as the lead bank, such items as new counter checks, deposit books, locking bank bags, and stamps. Bank will not charge separately for these items.
7. Banks will be required to provide computerized online access to all bank accounts.
8. The Biloxi Public School District has an established payroll direct deposit and vendor payment program. Banks interested in being considered for “lead bank” will be required to make monthly payroll available for use by employees on the last working day of month.
9. The institutions submitting bids must include in their sealed bid their most current Statement of Condition and State Depository Certificate. (Failure to provide Certificate will result in an invalid bid)
10. Banks will be required to list all bank branches available for depositing funds so that a determination can be made based on school locations.

The Biloxi Public School District **will not consider a bid** that charges separately for services (i.e., number of deposits, checks written, stop payments, etc.) under Option 1.

Total “Net” interest rate to be paid to the District after considering all charges.

Fixed Rate: _____ or Variable Rate Basis (i.e. 28-day T-Bill): _____

Current Rate: _____

Minimum Floor Rate: _____

Option 2: (Lead Bank)

1. Banks will be required to indicate a **firm, “net” bid that represents the actual interest rate that will be paid to the school district on all accounts.**
2. The lead bank transactions between banks must be done in the background, not affecting any individual bank account balances so that bank statements can be reconciled without the intra-bank transactions. All transfers shall be made on a daily basis. All bank accounts must be kept separate from each other.
3. Banks will be required to provide the **actual** check images (both front and back) with the bank statement and make them available for viewing through online banking.
4. Bank statements will be required to reflect activity through the last working day of each month. Deposit corrections should be sent to the District within two working days. All inquiries, problems, and corrections should be directed to District revenue bookkeeper.
5. Banks will not charge separately for services such as stop payments, deposit books, stamps, internet services, transfers, or other charges.
6. Banks will be required to provide to the District, if that bank is selected as the lead bank, such items as new counter checks, deposit books, locking bank bags, and stamps. Bank will not charge separately for these items.
7. Banks will be required to provide computerized online access to all bank accounts.
8. The Biloxi Public School District has an established payroll direct deposit and vendor payment program. Banks interested in being considered for “lead bank” will be required to make monthly payroll available for use by employees on the last working day of month.
9. The institutions submitting bids must include in their sealed bid their most current statement of condition and State Depository Certificate. (Failure to provide Certificate will result in an invalid bid)
10. Banks will be required to list all bank branches available for depositing funds so that a determination can be made based on school locations.

The Biloxi Public School District **will not consider a bid** that charges separately for services (i.e., number of deposits, checks written, stop payments, etc.) under Option 2. Please note that the “lead bank” will be given at least a 50% share of the funds.

Total “Net” interest rate to be paid to the District after considering all charges including lead bank transactions.

Fixed Rate: _____ or Variable Rate Basis (i.e. 28-day T-Bill): _____

Current Rate: _____

Minimum Floor Rate: _____

Depository Interest

Please also indicate if you would be interested in being approved as a depository so that you can participate in bidding on certificates of deposit. This is an option for those banks not being awarded the handling of the sweep accounts or not wishing to be a participating bank under the “lead bank” approach.

(YES / NO) We would be interested in serving as a depository.

The selection of depository or depositories will be considered at a meeting of the School Board on April 18, 2023.

The Board of Trustees reserves the right to reject any and all bids and to waive any informalities.