

# Rejection of RFP for Depository Services Contract

March 10, 2015

## SUMMARY:

This item requests that the single proposal submitted by Independent Bank be rejected.

## BOARD GOAL:

**VI. Growth, Change & Fiscal Responsibility...In pursuit of excellence, the district will:** demonstrates effective and efficient management of district resources.

## PREVIOUS BOARD ACTION:

Approved proposal submitted by Northstar Bank for depository services from July 1, 2013 through June 30, 2015 on May 28, 2013.

## BACKGROUND INFORMATION:

According to Texas Education Code, subchapter G, School District Depositories, a bank may serve as the district's depository for a period of two years, with the possibility of extending the contract for two additional two year periods provided that the terms of the contract are not modified. The District was notified by Northstar Bank in January 2015 that they did not want to extend the current contract as written. Therefore, the District was required to send out a Request for Proposal (RFP) in order to secure a bank to serve as the depository for the District. The current depository contract expires on June 30, 2015.

## SIGNIFICANT ISSUES:

One bank submitted a proposal, Independent Bank. It was determined that a single proposal does not create competition.

## FISCAL IMPLICATIONS:

None

## BENEFIT OF ACTION:

Rejection will allow the district to send out a second RFP for Depository Services.

## PROCEDURAL AND REPORTING IMPLICATIONS:

None

## PUBLIC COMMENT RECEIVED:

None

## ALTERNATIVES:

None

## OTHER COMMENTS:

None

## SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the proposal submitted by Independent Bank be rejected.

## STAFF PERSONS RESPONSIBLE:

Julie J. Simpson, Accounting Supervisor

Debbie Monschke, Assistant Superintendent of Administrative Services

## ATTACHMENT:

None

## APPROVAL:

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Assistant Superintendent: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_