

Your district may extend a depository contract for an additional two-year term only if:

the district did not file an extension in the three previous bienniums (for example, an extension filed in 2015 through 2017, in 2017 through 2019, and in 2019 through 2021).

The extension form is available on the TEA Depository Contracts for School Districts web page.

B. Selection of Depository

This section summarizes statutory provisions related to selecting a depository or depositories. (Reference: TEC, §§45.206–45.209)

At least 60 days before your district's current depository contract expires, the district must choose whether to select a depository through competitive bidding or through requests for proposals.

If your district chooses to use competitive bidding, it must, at least 30 days before the termination of the current depository contract, mail to each bank located in the district, and, if desired, to other banks, a notice stating the time and place in which bid applications will be received for selecting a depository or depositories (Reference: TEC, §45.206[a-1]). At least two banks must receive bid notices in every case. A bank is considered to be within a district if it conducts business at or through a branch in the district.

If your district chooses to use req4(i)-(1)(7)(i)-61(25)(4) Tc30Ed-01(30)75 UFn]Hw4(379)E-0.313Tp 03(

depository services for the district, the board may award the contract by either of the following methods:

1. determining by lot which of the banks submitting the tying bids or proposals will receive the contract or
2. awarding a contract to each of the banks submitting the tying bids or proposals. (Reference: TEC, §45.207)

In determining the highest and best bid or the highest-ranked proposal, or in the event of tie bids or proposals, the highest and best tying bids or proposals, the board of trustees must consider:

- the interest rate bid or proposed on time deposits;
- the charges for keeping district accounts, records, and reports and furnishing checks;
- and
- the bank's ability to provide the necessary services and perform the duties as school district depository.

The board should consider any other matters that in the judgment of the board would be in the best interest of the district. The board has the right to reject any and all bids or proposals.

Your district may select one or, in the event of tie bids or proposals, more than one depository. Each bank selected must make and enter into a depository contract setting forth the duties and responsibilities of the depository.

The TEC, §45.207(b) requires all funds received by a district from or through the TEA to be deposited, at the district's option, in one depository bank or invested in a public funds investment pool created under the Texas Government Code, Chapter 791, to be designated by the district.

Because of this requirement, if your district selects more than one depository, it may deposit funds received from or through the TEA in only one of them.

C. TEA-Required Documents and Procedures

As stated in on page one, a school district is no longer required to submit its Depository Contract for Funds of Independent School Districts and its Texas Surety Bond form, if applicable, to TEA. However, all remaining depository contract rules are still in effect and if a school district makes changes to its direct deposit account, the district still must electronically submit a Direct Deposit Authorization form to TEA.

All financial reports made by or for school districts or by their officers, agents, or employees, to the commissioner or to the TEA must be made on TEA-prescribed forms (Reference: TEC, §44.009[a]).

The TEA provides school districts with the forms required for requesting bids or proposals, pledging surety bonds, and executing depository contracts on the Depository Contracts for School Districts web page (Reference: TEC, §45.206).

Following is a list of the documents that your district must complete :

- one completed and signed (signatures from school board president, bank

officer, and notary) Depository Contract for Funds form
one vendor Direct Deposit Authorization form, if applicable
one completed and signed Texas School Depository Surety Bond Form, if
applicable

The Depository Contract Data Sheet is no longer S1pc 0c7v08739 0 Tdi0an7(or)-17(y[6 0.261 0 Td|d0 Tw 5

Article V: Fill in the

secured with the depository from day to day during the term of the depository contract.

The TEC, §45.208, authorizes the following types and forms of securities:

Surety Bond: The TEC, §45.208(a), requires a school

(e) Agreements against interests of Corporation

(1) In general

No

“(4) marketability of the investment if the need arises to liquidate the investment before maturity;

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J. FDIC Insurance Coverage and Amount of Securities