REQUEST FOR PROPOSALS # 164

Blinn College District invites qualified firms to submit Proposals for:

DEPOSITORY BANK SERVICES

Proposals will close on:

March 27, 2020 @ 2:00 PM CDT

Sealed Proposals must be submitted to the following location with the proposal # 164 in the lower left corner of the envelope.

*Faxed and e-mailed proposals will not be accepted.*

Mail Proposals to:  
Blinn College Purchasing  
902 College Avenue  
Brenham, Texas 77833

Deliver Proposals to:  
Blinn College Purchasing  
806 College Avenue – Old Main Room 207  
Brenham, Texas 77833

RFP# 164  
Depository Bank

Proposals that arrive after the closing date and time will be rejected. Proposals will be read aloud at the above referenced closing. All proposers are invited to attend the closing. Time/date stamp clock in the Purchasing Department shall be the official time of receipt. Responses received in the Purchasing Department after submission deadline shall be returned unopened and will be considered void and unacceptable. Mailing of a Proposal does not ensure that the Proposal will be delivered on time or delivered at all. The proposer (not the college mail system) is solely responsible for ensuring the proposal is received prior to the proposal opening. **Delivery at any other campus location or any other department is unacceptable.**

Blinn reserves the right to reject any and/or all Proposals, to award contracts as may appear advantageous to Blinn, and to waive all formalities in offering.

Ross Schroeder – Director of Purchasing
# CONTENTS

Purpose and Proposed Schedule .................................................................2

Section 1 Project Overview and Scope of Services .............................................3

Section 2 Bank Services Fee Schedule ..........................................................10

Section 3 Proposal Evaluations .....................................................................13

Section 4 Instructions to Proposers .................................................................15

- 1. General Instruction .............................................................................15
- 2. Preparation and Submittal Instructions ................................................15
- 3. Document Format and Content ........................................................16
- 4. Proposer Response ............................................................................17
  - Cover Letter .....................................................................................17
  - Table of Contents ............................................................................17
    - Tab 1: Firm’s Qualification/Experience .........................................18
    - Tab 2: Completeness of Proposal and agreement to points ..............19
    - Tab 3: Proposed Approach and Methodology .................................19
    - Tab 4: Past Performances and References ......................................20
    - Tab 5: Price Proposal ...................................................................21
    - Tab: 6: Firm’s Financial Status ..................................................22
    - Tab 7: Business Relationship Strength .........................................22
    - Tab 8: Convenience of Locations ................................................22
    - Tab 9: Required Attachments ....................................................22

Section 5 General Information .....................................................................23

Required Attachments ..................................................................................29

- Attachment No. 1 Contract Award Form (notarized) .............................29
- Attachment No. 2 Felony Conviction Notification ....................................30
- Attachment No. 3 Proposal Document ................................................31
- Attachment No. 4 Conflict of Interest (notarized) ....................................32
- Attachment No. 5 Certificate of Interested Parties (notarized) ...............33
- Attachment No. 6 Reference Sheet .....................................................35
- Attachment No. 7 Public Funds Investment Act ..................................36

Where to Address Questions ........................................................................60
PURPOSE
Blinn College, the Junior College District of Washington County, is soliciting sealed proposals from qualified banking institutions to provide primary bank depository services to be performed in accordance with the scope of services noted below. Qualified respondents are invited to submit a written response outlining their qualifications and experience to provide the services as described in the scope of services and accordance with the terms, conditions and requirements set forth in the Request for Proposal (RFP). The successful proposer will provide the scope of services in accordance with all applicable laws, regulations and professional standards.

The contract term for contract awarded resulting from this solicitation, if any, will be five (5) years with the option to renew for five (5) one-year terms. It is understood by submitting a proposal to Blinn College District, the document becomes part of an open record. Any request for your proposal through the open records act will be honored. Copies of your proposal will be supplied to the requesting party.

Open Records
It is understood by submitting a proposal to Blinn College District, the document becomes part of an open record. Any request for your proposal through the open records act will be honored. Copies of your proposal will be supplied to the requesting party.

PROPOSED SCHEDULE OF RFP PROCESS
The schedule below is to the best of the known events and hereby-considered preliminary:

<table>
<thead>
<tr>
<th>DATE</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/05/2020</td>
<td>Advertisement #1</td>
</tr>
<tr>
<td>03/12/2020</td>
<td>Advertisement #2</td>
</tr>
<tr>
<td>03/17/2020</td>
<td>Deadline for submission of questions regarding RFP. Questions must be in writing and received by 5:00 p.m. CST in order to be considered.</td>
</tr>
<tr>
<td>03/27/2020</td>
<td>Proposal packets due by 2:00 p.m. CST</td>
</tr>
<tr>
<td>04/21/2020</td>
<td>Recommendation of selected bank to District Board of Trustees</td>
</tr>
<tr>
<td></td>
<td>Participating firms may be notified of the selected firm via email.</td>
</tr>
</tbody>
</table>

Blinn College District is an Equal Opportunity/Affirmative Action Employer. All qualified applicants will receive consideration for employment without regard to race, color, sex, religion, national origin, age, disability, veteran’s status or any other legally protected status in employment.
SECTION 1 – PROJECT OVERVIEW AND SCOPE OF SERVICES

I. INTRODUCTION

The undersigned, a state or national banking corporation of which are insured by the Federal Deposit Insurance Corporation (FDIC), hereafter called the “Proposer” submits the following proposal for the privilege of serving as Depository for Blinn College, a Junior College District of Washington County, Texas, hereafter called “College” for a total term of ten (10) years: a five (5) year initial term, plus five (5) one-year optional renewals. The term will begin September 1, 2020.

The proposer will accept all funds or only certain funds to be designated by the College if more than one depository is selected. The College reserves the right to invest any and all of its funds in demand or interest-bearing time deposits as provided in the School Depository Act, and with the proposer’s full understanding that the college reserves the right to invest its funds from time to time as permitted by law. This reservation will include, but not limited to, the right of the College to invest its bond proceeds interest bearing time deposits with any state of national banking corporation located within the State of Texas offering to pay a higher effective interest rate than being paid by the proposer, unless the proposer elects to meet the effective interest rate offered by such other bank. The proposer will aid and assist the College in any permitted investment without charge.

II. ETHICAL STANDARDS

It is a violation of the laws of the State of Texas to interfere with the Competitive Proposal Process by exerting undue influence or offering gratuities of kickbacks to influence the outcome of competitive proposals. The College and the employees thereof strictly comply with and enforce the General Ethical Standard as set forth in subchapter B-Section 44.032, Texas Education Code, and Chapter 271, Texas Local Government Code.

III. SCOPE OF SERVICES

The proposer must disclose all fees charged to the College for keeping the College’s deposit records and accounts for the period covered by this proposal.

Account Activities: The College anticipates establishing the following accounts:

- General Depository
- Accounts Payable Disbursement
- Payroll Disbursement
- Web Depository
- Sweep and/or Money Market Account

The College reserves the right to open or close any number or type of accounts, as it deems necessary through the term of the Depository Services Contract. Any services not listed, but later requested by the College, will be charged for at a mutually agreed upon fee. Fees are to be fixed for the entire contract period. No additional setup fees or software fees will be charged if the Depository Bank mergers or is acquired by another bank.

The activity for January 2020 with balance information for these accounts tabulated in Exhibit 1 and Exhibit 2 and targeted on the Bank Services Fee Schedule. Actual balances and transaction activity could vary significantly.
Bank Services: The following services must be provided as described and/or be provided in an alternative form that results in essentially the same outcome or capability.

1. ONLINE BANKING SERVICES – The College requires online banking services accessible through the internet that at a minimum include:
   a. balance reporting
   b. inter and intra bank transfers
   c. initiation of ACD debits and credits
   d. wire transfers
   e. placement of stop payments on checks
   f. Additional capabilities must include the ability to reprint statements and export information to MS-Excel. The minimum balance reporting information must be for intra-day and previous business day and include at a minimum: ledger balance, collected balance, one-day float amount, two-day float amount, total credits, total debits, and detail debits and credits, and must allow transaction search capability. Historical information must be maintained online and accessible for a minimum of six months.

2. POSITIVE PAY AND ACCOUNT RECONCILIATION SERVICE - The College requires positive pay and full reconciliation on designated accounts from which checks are issued including Accounts Payable and Payroll clearing accounts. Positive pay files will be transmitted electronically. The College may approve and make pay/no pay decisions on any exception items.

3. ACH SERVICE - The College requires a robust ACH system with the capability to create ACH credits and debits for direct deposit of payroll and vendor payments.

4. ACH DEBIT BLOCKING - The College requires ACH debit blocking capabilities on its accounts, with the ability to selectively permit specified ACH debits on certain accounts and restrict all ACH debits from certain accounts.

5. WIRE TRANSFERS - The online banking system must provide for initiating wire transfers as a normal course of business. Wires may be one time wires or be set up as repetitive wires of varying amounts.

6. POST NO CHECKS – The College requires the fraud protection feature or service that prevents checks being presented for payment to be posted to the accounts from which checks are not issued.

7. FUNDS AVAILABILITY – The College requires, at a minimum, same day credit for all transactions submitted before 4:00 P.M., subject to the bank’s availability schedule.

8. EMPLOYEES CHECK CASHING – The College requires the bank to cash checks issued to employees and students (with proper identification) without service charges or fees to the employee, student, or the College, and without requiring the employee or student to open an account with the bank.

9. RETURNED CHECK REPROCESSING – The College requires deposited checks to be processed for collection at least twice before making non-paid checks available to the College for pick up. The College requires same day notification of all returned items.

10. ACCOUNT ANALYSIS – The College expects account analysis statements by individual account reflecting average ledger balance, average uncollection funds, average collected balance, reserve
requirement, average available balance, rate and amount of earnings credit, detail of services provided with quantities and unit fees for and total service delivered to the College on a monthly basis.

11. BANK STATEMENTS – The College requires that statements be rendered within five (5) working days after the close of the calendar month. Month cutoff of statements must occur on the last calendar day of each month. Accounts shall not be placed in dormant mode for inactivity. The statement shall include debits and credits made on the last day of the period and the detail items. Bank statements must be received on a monthly basis, even if there is no activity for the account. Checks and deposit slip images must be provided in a manner that the College can download or save to their internal storage systems.

12. PAYMENT FOR SERVICES – The College intends to pay for all services provided by debiting the College’s General Depository.

13. RESEARCH – The College requires that all research requests be responded to within three business days of the request.

14. BANK ERRORS – Bank errors resulting in lost interest to the College must be reimbursed by the bank to the College.

15. INVESTMENT ACCOUNT – Proposers must provide a description of the bank’s best “hard dollar” interest earning option. If a sweep option is proposed, proposers must confirm its compliance with the Local Government Code Chapter 2256, the “Public Funds Investment Act” (PFIA), and the College’s Investment Policy.

16. AUDIT CONFIRMATIONS – Successful proposer must provide account balance audit confirmations to the College’s audit firm annually at no charge.

17. BALANCE ASSESSMENT – Proposer must state how the FDIC Insurance Assessment on balances will be treated.

   Fees to be waived
   Fees to be partially waived
   Fees to be passed in full to the College

18. RESERVE REQUIREMENT – Proposer must indicate whether a reserve requirement on balances used in calculating earnings credit is required.

**Services That May be Considered**

BANK PROVIDED ATM – The College is considering one or more ATMs installed for employee, student, and public use on one or more of the campuses.

Personal checking/saving accounts offered to employees and students.

**Collateral Requirements:**

1. COLLATERALIZATION – The successful proposer shall pledge collateral to satisfy the requirements of the Public Funds Collateral Act, Chapter 2257, Texas Government Code, and the College’s Investment Policy. Ledger balance shall determine the total balance level. The successful proposer shall pledge collateral equal to or in excess of the required level of 102% on a same day basis. Irrevocable Federal Home loan Bank (FHLB) letters of credit are acceptable as pledged collateral.
2. **COLLATERAL AMOUNT** – The maximum ledger balances could exceed $20,000,000 in the aggregate at certain times. Historically, the average balances are less than $15,000,000 and could be as low as $5,000,000. Proposer must clearly explain any collateral limitations or fees. The College reserves the right to maximize or minimize bank balances regardless of historical patterns. The successful proposer must monitor the collateral adequacy on a daily basis and provide additional collateral to secure balances as required.

3. **CUSTODY/SAFEKEEPING** – The pledge securities shall be held in safekeeping at an independent custodian acceptable to both the College and the successful proposer. The original copy of pledge receipts shall be filed with the College’s Controller. Proposer must provide the name of the proposed independent custodian as well as any related fees.

4. **COLLATERAL REPORT** - The successful proposer and the Custodial bank shall provide the College a monthly pledged securities report or additional reports at any time requested by the College. The report must describe the total pledged securities by:

   - Name
   - Type/description
   - CUSIP
   - Par Value
   - Current Face Value
   - Market Value
   - Maturity Date
   - Rating by Moody’s or Standard and Poor’s

**Investment Activities:**

The Public Funds Investment Act, in conjunction with the College’s Investment Policy, shall govern the College’s investment activity and the successful proposer shall be required to provide services within the constraints of both. Proposers must complete the attached PFIA Certification that acknowledges that they have reviewed the College’s Investment Policy.

1. **DIRECT INVESTMENT ALTERNATIVE** – The College’s direct investment activities may take place in any and all the College accounts. The College shall have the right, at its sole discretion, to direct investment of its funds. The successful proposer shall be required to provide clearing and safekeeping services for the College’s investment activity. Interest earnings on interest bearing accounts shall be credited monthly regardless of the amount, with no minimum amount restriction. The Investment Policy outlines the College’s options for investing. The Investment Policy is subject to annual review and revision by the College’s Board of Trustees.

2. **CERTIFICATES OF DEPOSIT** – Certificates of Deposit ("CDs") purchased for the College shall be non-negotiable and shall be registered in the name of the College. The CDs must be fully insured by the FDIC or collateralized in accordance with the RFP requirements. Proof of collateral must be supplied to the College prior to CD settlement. Extension of CDs – The successful proposer agrees to honor and continue any CD made during the term of any agreement resulting from this RFP that will mature after the expiration date of such agreement at the same rate established at the time of placement.
**Overdraft Provisions:**

1. **NET OVERDRAFT DEFINED** – The College does not intend to have a net overdraft position occur during the term of the agreement. A net overdraft shall be defined as a negative balance in the College’s account collectively, not by individual account.

2. **NOTIFICATION** – In the event a check or checks shall be presented for payment where there are insufficient funds in the College’s collective accounts, the successful proposer agrees to promptly notify the College’s CFO or Designee, by telephone or other means, of the overdraft condition, and to provide the College a period not exceeding one business day to respond and rectify the condition.

**Other Stipulations:**

1. **REGULATION NOTIFICATIONS** - The successful proposer shall notify the College in writing within thirty (30) days of any changes in federal or state regulations, or laws that would affect any agreement resulting from the RFP.

2. **WIRE TRANSFERS** – Notification of incoming and outgoing wire transfers shall be made by email to the College’s Controller or Designee within one hour of the transaction.

3. **RIGHT TO CANCEL UNDER FEDERAL OR STATE LAW RULINGS** – In the event it would be ruled illegal under the provisions of any federal or state laws or regulations for the successful proposer to comply with the requirements of this RFP or any resulting agreement, then the College expressly reserves the right and privilege to cancel the agreement and to re-solicit proposals.

4. **ACCESS TO BANK RECORDS** – The successful proposer’s records relating the College’s accounts shall be open for review during normal business hours by designated College staff members or appointed independent auditors.

5. **RIGHT TO OPEN AND MAINTAIN OTHER ACCOUNTS** – The College reserves the right to open and maintain one or more demand accounts at financial institutions not affiliated with the successful proposer.

6. **BANK DEPOSITORY SERVICES AGREEMENT** - The College requires that the successful proposer execute a Bank Depository Services Agreement.

7. **RIGHT TO TERMINATE** – The College expressly reserves the right to terminate any agreement resulting from this RFP with or without cause at any time by providing ninety (90) days written notice to the successful proposer to close its accounts.

8. **TERMS FIXED** – All fees, rates, and conditions shall be fixed for the entire term, including any and all extensions.

9. **ONE RELATIONSHIP OFFICER** – The College requests one relationship manager to coordinate the successful proposer’s efforts and remain responsible for facilitating all College/Proposer interaction.

<table>
<thead>
<tr>
<th>Description</th>
<th>Name</th>
<th>Title</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship Officer</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Miscellaneous:

1. **SEMI-ANNUAL MEETING** – The College may require a review meeting at least once every six months to evaluate the working relationship between the College and the successful proposer. The objective shall be to address problems and to seek solutions as well as keeping abreast of changes, new services, or new requirements.

2. **FORMAL AGREEMENT REQUIRED** - The final appointment of the successful proposer shall be subject to approval by the Blinn College District Board of Trustees. The successful proposer shall be required to enter into an agreement that incorporates all of the requirements of proposer’s official response to this RFP, along with the accompanying related schedules, and materials as required by this RFP. Required attachments include: Collateral custodial agreement and PFIA investment provider certification.

*Balance of page intentionally left blank*
This proposal is being submitted to Blinn College District by the following person duly authorized to act on behalf of this proposer:

Name of Financial Institution:  

FDIC Certificate #

Address of Financial Institution:

Telephone #

Email Address:

Officer Name & Title (printed)

Officer Signature _____________________________________________________________

Signature indicates respondent accepts the specifications, terms and conditions of this RFP and that proposer is not delinquent on any payment due the College or involved in any lawsuit against Blinn College District.

Date:

Balance of page intentionally left blank
1. **Instructions**  
Proposer must complete this section in its entirety, and may supplement this section with additional pages as to provide the College with a more detailed breakdown, backup and/or options of related cost associated with the services being solicited in this solicitation.

2. **Estimated Earnings (Credits)**

**Estimated Earnings (Credits) per Month**

<table>
<thead>
<tr>
<th></th>
<th>Average Balance</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depository</td>
<td>$ 3,000,000</td>
<td></td>
</tr>
<tr>
<td>Depository/Sweep</td>
<td>$ 5,000,000</td>
<td></td>
</tr>
<tr>
<td>Depository/Sweep</td>
<td>$ 10,000,000</td>
<td></td>
</tr>
<tr>
<td>Checking</td>
<td>$ 800,000</td>
<td></td>
</tr>
</tbody>
</table>

3. **Fee Schedule**

**Note:** Please include UNIT PRICE for each listed item, even if no ACTIVITY is listed. Also, highlight changes to item descriptions or measurement units in written and electronic responses.
<table>
<thead>
<tr>
<th>Service</th>
<th>Number of Units</th>
<th>Unit Price</th>
<th>Service Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Service Charge -Five Accounts</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debits Posted</td>
<td>677</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credits Posted</td>
<td>599</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Debits</td>
<td>196</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Credits</td>
<td>635</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rolled Coin Vault Deposited</td>
<td>181</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Vault Deposit Fee</td>
<td>46</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wire Transfer Fee</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Origination Service</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Items Transmitted</td>
<td>2011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Returns-Check Deposit Chargebacks</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stop Pay</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Pay Services - Two Disbursement Accounts</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Pay Exceptions</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACH Debit Blocking Services - Five Accounts</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Management Fee</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Safekeeping Monthly Maintenance -Five Accounts</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Positive Pay Reconciliation Fee - Two Disbursements</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please list additional services and fees not noted above:
4. Price Proposal Signature

The information in this RFP is to be utilized solely for preparing the proposal response to this RFP and does not constitute a commitment by Blinn College District to procure any product or service in any volume.

Name: __________________________________________

Title: __________________________________________

Date: __________________________________________

Signature ______________________________________

Balance of page intentionally left blank
SECTION 3 – PROPOSAL EVALUATIONS

1. Evaluation Criteria
An Evaluation Committee will review all proposals to determine which proposers have qualified for consideration according to the criteria stated herein. The Committee’s evaluations will be based on all available information, including qualification statements, subsequent interviews, if necessary, reports, discussions, reference checks, and other appropriate checks.

Proposals will be evaluated using the following criteria:

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Available Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm's Qualification/Experience and Qualifications of personnel/Team</td>
<td>20</td>
</tr>
<tr>
<td>Proposed Approach, Methodology, and Branch Locations</td>
<td>25</td>
</tr>
<tr>
<td>Past Performance and References</td>
<td>20</td>
</tr>
<tr>
<td>Price Proposal</td>
<td>35</td>
</tr>
<tr>
<td><strong>Total Points</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Submission Criteria:**

1. Firm’s Qualification/Experience and Qualifications of Personnel and Team; Tab 1
2. Completeness of proposal and agreement to points outlined in the RFP, Tab 2
3. Proposed Approach and Methodology; Tab 3
4. Past Performances and References; Tab 4
5. Price Proposal and Earnings Credit (Interest) calculation on compensating balances; Tab 5
6. Firm’s Financial Status; Tab 6
7. Business Relationship Strength; Tab 7
8. Convenience of locations; Tab 8
9. Required Attachments; Tab 9

2. Eligibility for Award
In order for a proposer to be eligible to be awarded the contract, the proposal must be responsive to the solicitation and Blinn College District must be able to determine that the proposer is responsible and has the resources and capacity to perform the resulting contract satisfactorily. Responsive proposals are those that comply with all material aspects of the solicitation, conform to the solicitation documents, and meet the requirements set forth in this solicitation. **Proposals, which do not comply with all the terms and conditions of this solicitation, will be rejected as non-responsive.**
a. Responsible proposers, at a minimum, must meet the following requirements:
   i. Have adequate financial resources, or the ability to obtain such resources as required during
      the performance of any resulting contract;
   ii. Be able to comply with the required performance schedule, taking into consideration all
        existing business commitments;
   iii. Have a satisfactory record of past performance;
   iv. Have necessary personnel and management capability to perform any resulting contract;
   v. Be qualified as an established firm regularly engaged in the type of business necessary to
      fulfill the contract requirements;
   vi. Certify that the firm is not delinquent in any tax owed the State of Texas under Chapter 171,
       Tax Code; and is not delinquent in taxes owed to Blinn College District signing and
       submitting the proposal is so certifying to such non-delinquency; and
   vii. Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

B. Proposer(s) may be requested to submit additional written evidence verifying that the firm meets
the minimum requirements described above and as necessary, to perform the requirements of the
solicitation and be determined a responsible proposer. Failure to provide any requested additional
information may result in the proposer being declared non-responsive and the proposal being
rejected.

C. A person is not eligible to be considered for award of this solicitation or any resulting contract or
   to be a subcontractor of the proposer or prime contractor if the person assisted in the development
   of this solicitation or any part of this solicitation or if the person participated in a project related to
   this solicitation when such participation would give the person special knowledge that would give
   that person or a prime contractor an unfair advantage over other proposers.

D. A person or proposer shall not be eligible to be considered for this solicitation if the person or
   proposer engaged in or attempted to engage in prohibited communications as described in Section
   5.17 - Prohibited Communications and Political Contributions.

E. Only individual firms or lawfully formed business organizations may apply (This does not
   preclude a respondent from using subcontractors or contractors.) Blinn College District will
   contract only with the individual firm or formal organization that submits a response to this RFP.
Section 4 – Instructions to Proposers

1. General Instructions
   a. Proposers should carefully read the information contained herein and submit a complete response to all requirements and questions as directed.

   b. Proposals and any other information submitted by Proposers in response to this Request for Proposal (RFP) shall become the property of Blinn College District.

   c. Blinn College District will not provide compensation to Proposers for any expenses incurred by the Proposer(s) for proposal preparation or for any demonstrations that may be made, unless otherwise expressly stated. Proposers submit proposals at their own risk and expense.

   d. Proposals, which are qualified with conditional clauses, or alterations, or items, not called for in the RFP documents, or irregularities of any kind are subject to disqualification by Blinn College District, at its option.

   e. Each proposal should be prepared simply and economically, providing a straightforward, concise description of your firm's ability to meet the requirements of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements, and an understanding of the College’s needs.

   f. Blinn College District Board of Trustees make no guarantee that an award will be made as a result of this RFP, and reserves the right to accept or reject any or all proposals, waive any formalities or minor technical inconsistencies, or delete any item/requirements from this RFP or resulting Agreement when deemed to be in the College’s best interest. Representations made within the proposal will be binding on responding firms. Blinn College District will not be bound to act by any previous communication or proposal submitted by the firms other than this RFP.

   g. Firms wishing to submit a “No-Response” are requested to return the first page of the Contact Award Form (ref. Attachment No. 1). The returned form should indicate your company's name and include the words “No-Response” in the right-hand column.

   h. Failure to comply with the requirements contained in this Request for Proposal may result in the rejection of your proposal.

2. Preparation and Submittal Instructions
All Attachments noted are to be completed and submitted with Proposal, Attachments 1, 4 and 5 must be signed and notarized.

3. Document Format and Content
   a. Proposal must be signed by Proposer’s company official(s) authorized to commit such proposals. Failure to sign and return these forms will subject your proposal to disqualification.

   b. Responses to this RFP must include a response to the proposal requirements set forth in the Scope of Services, above.

   c. Proposals must be typed on letter-size (8-1/2” x 11”) paper. Blinn College District requests that proposals be submitted in a binder. Preprinted material should be referenced in the proposal and included as labeled attachments. Sections should be divided by tabs for ease of reference. An electronic copy of the proposal must be provided in an Adobe Acrobat (.pdf) format.

   d. Table of Contents: Include with the proposal a Table of Contents that includes page number references. The Table of Contents should be in sufficient detail to facilitate easy reference of the sections of the proposal as well as separate attachments (which should be included in the main Table of Contents). Supplemental information and attachments included by your firm (i.e., not required) should be clearly identified in the Table of Contents and provided as a separate section.

   e. Pagination: All pages of the proposal should be numbered sequentially in Arabic numerals (1, 2, 3, etc.) Attachments should be numbered or referenced separately.

   f. Number of Copies: Submit one (1) original printed and one (1) electronic copy of your Proposal including all required Blinn College District Forms and documents. An original (manual) signature must appear on the original printed copy and must be reflected in the original electronic copy. The electronic copies should be in non-editable .PDF format and should include the entire submission, including an individual separate file containing your price proposal. The front cover of the binder containing your response should be clearly marked with the Project Name and Number.

A. Proposals must be submitted and received in the Blinn College District Purchasing Department on or before the time and date specified in the Solicitation Schedule.
B. The envelope containing a proposal shall be addressed as follows:

i. Name, Address and Telephone Number of Proposer;

ii. Project Description/Title; Project Number; and Proposal Due Date/Time.

C. Late proposals properly identified will be returned to Proposer unopened. Late proposals will not be considered under any circumstances.

D. Telephone, Facsimile (“FAX”) or electronic (email) proposals are not acceptable when in response to this Request for Proposal.

4. Proposer Response

General: Your Technical Proposal should clearly define (i) your Firm’s total capacity and capabilities, (ii) your qualifications to perform the work, (iii) your ability to perform the services outlined in the Scope of Services, (iv) your understanding of Blinn College District, and (v) what differentiates you from your competitors. At a minimum, your Technical Proposal shall include the following:

a. Cover letter

The cover letter shall not exceed 1 page in length, summarizing key points in the proposal and shall briefly furnish background information about your firm, including date of founding, legal form (sole proprietorship, partnership, corporation/state of incorporation), number and location of offices, location of company headquarters/main office, total number of employees’ company-wide and total number of employees in the State of Texas, and principal lines of business. Certify that the firm is legally permitted or licensed to conduct business in the State of Texas for the services offered.

Only individual firms or lawfully formed business organizations may apply (This does not preclude a respondent from using consultants.) Blinn College District will contract only with the individual firm or formal organization that submits a response to this RFP.

b. Table of Contents
Immediately following the cover letter and introduction, include a complete table of contents for material included in the response documents.

c. Tab 1: Firm’s Qualification/Experience and Qualifications of Personnel and Team

i. Qualifications & Experience of the Firm: This section should illustrate the reputation of proposer and quality of service. Provide a brief description of your firm, including the total number of supporting personnel related to providing the services of the type and kind required in this RFP.

   1. Provide firm’s principal(s) and staff commitment in providing the services required in this solicitation.
   2. Provide firm’s overall ability in providing the services required in this solicitation.
   3. Demonstrate firm’s understanding, knowledge and experience of the solicitation requirements.
   4. Provide examples of your firm civic activities including awards and recognitions.

ii. Provide a detailed list where your firm has provided bank services of the type and kind required in this RFP for each phase/task during the past 3 years including but not limited to public and private organizations including: state agencies, state institutions of higher education, cities, counties, school districts, junior colleges, or other special authorities and districts.

   Blinn College District may verify all information furnished. As a minimum, include the following per project experience:

   1. Name and location of organization
   2. Brief project description describing your experience and work performed
   3. Organization’s CFO or contact Name, title, and current phone number.
   4. Provide documented experience in providing the types of services described herein especially related to community or junior college experience or higher education facilities experience and with regard to accomplishment of past engagements involving services of the type and kind required in this RFP.

   This section should also discuss the proposed designated staff of the responding firm (key personnel) committed to Blinn College District and providing the services described in this solicitation.

iii. Key Personnel: Identify key personnel that would be assigned to the College and that will provide the services described in the Scope of Services for each phase/task. Include an organizational chart, which
identifies key personnel and their particular roles in furnishing the services required under this RFP. Describe how the team will be organized to deliver the services defined in this RFP.

iv. Provide brief resumes (not more than one (1) page) for each key personnel. The resumes must clearly specify the number of years the personnel has been providing the type of services as described in this RFP.

Please include the following:

1. A brief description of their unique qualifications, experience and education as it pertains to services of the type and kind required in this RFP.
2. Availability and commitment of the respondent, its principal(s) and assigned professionals to undertake the services described in this RFP.
3. Personnel’s job functions, role, percent of time to be assigned to this account and physical office location.
4. Designate the individual, who is authorized to sign and enter into any resulting contract.
5. Provide a list of similar accounts where they have provided services of the type and kind required in this solicitation and include detailed description of their particular role in the account and length of time on the account.

d. **Tab 2 – Completeness of Proposal and agreement to Points Outlined**

   This section should address the firm’s ability to provide the scope of services detailed in Section 1. Please provide response for each service listed. If the service cannot be provided as described, provide an alternative form that results in essentially the same outcome or capability.

e. **Tab 3 – Proposed Approach & Methodology**

   This section should describe and discuss your proposed approach and methodology in providing the services of the type and kind required in this RFP. By reading the proposed approach and methodology overview, Blinn College District must be able to gain a comfortable grasp and clear understanding of the level of services to be provided and the methods proposed by the firm to provide them. A detailed explanation shall be included to understand how the services comply with the requirements of this RFP.

   i. Proposer shall respond to all requirements and questions noted in Section 1.
ii. Provide a detailed implementation plan with projected start and end dates of completion for each task of each phase/task from delivery of service to the College. List any required Blinn College District resources or expectations needed in order to meet the proposed timeline.

iii. Proposer must provide an approach and methodology overview, which consists of a concise and detailed description of the requested services proposed in response to this RFP and the ability to perform and provide the required and requested services.

iv. Blinn College District intends that each proposer provide a detailed and comprehensive description of all services that the proposer will provide if it enters into a contract pursuant to the RFP.

v. Quality: Please identify the key metrics you propose to use to measure your performance in delivering services of the type and kind required in this RFP to the College. Your response should indicate the frequency of the measurement, how it will be used to continually improve performance, and how this information will be shared with the College. Your response should include how do you measure and monitor quality of work, ensure delivery is met, and how problems are tracked, escalated (if required) both internally and with the customer.

vi. Customer Satisfaction: How do you measure and monitor customer satisfaction; describe the method used, frequency, and how results are reported.

vii. Capabilities and Capacity: Proposer shall clearly define its in-house capability and capacity to perform the work identified in the Scope of Services of this RFP. Your response must describe the various technologies, tools, methods, and technical expertise that you will provide to the College and/or that will be used in the delivery of the services and how that will be of benefit in the delivery of services to the College.

f. Tab 4 - Past Performance and References

This section should establish the ability of the respondent to satisfactorily perform the required work.

i. Provide contact information for the list of accounts noted in Tab 1 above, the College may verify all information furnished. The list of accounts should include accounts that demonstrate the ability to perform and provide the required and requested services in the RFP.
ii. Describe lessons learned from previous clients for services of the type and kind required in this RFP that were not successful and what steps your firm has taken to effectively identify and mitigate from recurring.

iii. Demonstrate the capability and successful past performance of the firm with respect to producing high quality services, maintaining good working relations for services of the required in this RFP.

iv. Provide letters of recommendations from other public junior or community colleges or higher education clients or other relevant references listing recently completed engagements for the services of the type and kind required in this RFP.

g. **Tab 5 – Price Proposal and Earnings Credit**

The Proposer/Contractor shall furnish all resources and services necessary and required to provide the services of the type and kind required in this RFP, in accordance with the Scope of Services, and the governing terms and conditions for the proposed price(s) listed in Section 2 – Price Proposal.

i. Please include a description of any discount offered to the College and an outline of any other fees or charges.

ii. Please provide the following:

(a) Cost of services;
(b) Funds availability
(c) Interest paid on interest bearing accounts and deposits
(d) Earnings credit calculation on compensating balance and transition cost retention and transition offers and incentives.

iii. For the purposes of this RFP, Blinn College District will review the overall rate structure to evaluate its reasonableness for the anticipated work. Failure to fully disclose any fees or cost and to comply with the requirements herein may be cause for the College to reject, as non-compliant, a proposal from further consideration.
h. **Tab 6 - Firm’s Financial Status**

i. This section should demonstrate financial strength and stability of institution. Please provide a statement from the president, owner or financial officer on company letterhead certifying that the company is in good financial standing and current in payment of all taxes and fees including but not limited to state franchise fees. Please submit the two most recent audited annual financial reports.

i. **Tab 7 – Business Relationship Strength**

“Business Relationship Strength” for the purpose of this RFP shall mean the definition and commitment of the respondent towards a mutually successful “relationship” between the selected contractor and Blinn College District for the duration of the contract. Respondent’s Statement of Qualification must include their definition, proposal and commitment to forge, foster and maintain a mutually successful “relationship” with Blinn College District. At a minimum, your response must include:

i. your definition of a mutually successful “relationship” between your firm and Blinn College District; and

ii. your firm’s commitment to a mutually successful “relationship” in the form of at least three, and not more than five, specific, obtainable criteria, activities, agreements or requirements that shall, at the discretion of the College, become features of the awarded contract and shall guide the College-Contractor relationship for the duration of the contract

j. **Tab 8 – Convenience of Locations**

Blinn College District consists of five campuses. The largest three are in Brenham and Bryan. Please describe the firm’s locations and ability to provide bank depository services to the Brenham and Bryan campuses.

k. **Tab 9 – Required Attachments**

This section shall include all Attachments noted, all forms shall be completed, signed and submitted with Proposal and completeness of proposal and agreement to points outlined in the RFP.

Attachments 1, 4 and 5 must be signed and notarized.
Section 5 – General Information

PROPOSERS ARE CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1. Overview
Blinn College District or (“College”) is seeking proposals from qualified firms in accordance with the Scope of Services noted above. Qualified respondents are invited to submit a written response outlining your qualifications and willingness to provide the services as described in the Scope of Services, and in accordance with the terms, conditions and requirements set forth in the Request for Proposal (RFP). The successful proposer will provide the scope of services in accordance with all applicable laws, regulations and professional standards.

The Blinn College District Board of Trustees reserve the right to make single, multiple or no award for the services described herein and as deemed in its own best interests.

Blinn College District reserves the right to reject any or all proposals or to accept any proposals it considers most favorable to the College, or to waive irregularities in the Request for Proposal (RFP) and submittal process. The College further reserves the right to reject all proposals or submittals and terminate the solicitation process or seek new proposals when such procedure is reasonably in the best interest of the College.

This RFP solicitation does not in any way obligate the College to award a contract or pay any expense or cost incurred in the review and submission of proposals responding to this RFP.

All applicable attachments contained in the RFP shall be completed. Failure to do so may result in the firm’s proposal or submittal being declared non-responsive to the solicitation requirements. Information provided in response to the RFP is subject to the Texas Public Information Act and may be subject to public disclosure.

By submitting its proposal in response to this RFP, respondent accepts the evaluation process and acknowledges and accepts that determination of “most-qualified” and “best valued” firm(s) will require subjective judgments by the Evaluation Committee.

Any exceptions taken to the terms of the RFP must be specific, and the respondent must indicate clearly what alternative is being offered to allow the College a meaningful opportunity to evaluate and rank proposals and implications of the exception (if any).

Where exceptions are taken, the College shall determine the acceptability of the proposed exceptions. The College may accept or reject the exceptions. Where exceptions are rejected, the College may insist that the respondent furnish the services described herein or negotiate an acceptable alternative.

All exceptions shall be referenced by utilizing the corresponding Section, paragraph and page number in this RFP. However, the College is under no obligation to accept any exceptions. Respondent shall be deemed to have accepted all terms and conditions to which no exceptions have been taken.

The RFP provides information necessary to prepare and submit proposals or responses for
consideration by the College based on the listed criteria. The College may request additional clarification and oral interviews solely on the written responses to this request for proposals.

2. **Award / Contract Approval**
   
   This Procurement, any award under this procurement, and the resulting contract, if any, is subject to approval by the Blinn College District Board of Trustees. This solicitation is a request for proposals and neither this solicitation nor the response or proposal from any prospective proposer shall create a contractual relationship that would bind the College until such time as both the College and the selected proposer sign a legally binding contract, which includes, without limitation, the terms required by the College as set forth in the Scope of Work/Services and this RFP.

3. **Blinn College District Contact**

   Any questions or concerns regarding this Request for Qualification shall be directed only to the Director of Purchasing listed on the cover page. Blinn College District specifically requests that proposer restrict all contact and questions regarding this RFP to the Director of Purchasing. The Director of Purchasing must receive all questions or concerns no later than the date and time listed in the Solicitation Schedule.

4. **Inquiries and Interpretations**

   Responses to inquiries, which directly affect an interpretation or change to this RFP, will be issued in writing by addendum (amendment) and all addenda will be posted on the Blinn College Purchasing Website at [www.blinn.edu.purchasing](http://www.blinn.edu.purchasing). All such addenda issued by the College prior to the time that proposals are received shall be considered part of the RFP, and the Proposer shall be required to consider and acknowledge receipt of such in their proposal. Only those official College replies to inquiries, which are made by formal written addenda, shall be binding. Oral and other interpretations or clarification will be without legal effect. Proposer must acknowledge receipt of all addenda in Attachment No. 1 of this RFP (Contract Award Form).

5. **Commitment**

   Proposer understands and agrees that this RFP and any resulting Agreement is issued predicated on anticipated requirements for the materials or services described herein and that the College has made no representation, guarantee or commitment with respect to any specific quantity of or dollar value to be furnished under any resulting Agreement. Further Proposer recognizes and understands that any cost borne by the Proposer, which arises from Proposer’s performance under any resulting agreement, shall be at the sole risk and responsibility of Proposer.

6. **Obligation and Waivers**

   **THIS RFP IS A SOLICITATION FOR PROPOSAL AND IS NOT A CONTRACT OR AN OFFER TO CONTRACT.**

   A PROPERLY COMPLETED VENDOR APPLICATION IS REQUIRED AND IS A CONDITION OF CONTRACT AWARD.

   **THIS REQUEST FOR PROPOSAL DOES NOT OBLIGATE THE COLLEGE TO AWARD A CONTRACT OR PAY ANY COSTS INCURRED BY THE PROPOSER IN THE PREPARATION AND SUBMITTAL OF A PROPOSAL.**
Blinn College District, in its sole discretion, reserves the right to accept any proposal and/or reject any and all proposals or a part of a proposal, without reason or cause, submitted in response to this solicitation.

Blinn College District reserves the right to reject any non-responsive or conditional proposal. Blinn College District reserves the right to waive any informalities, irregularities and/or technicalities in this solicitation, the proposal documents and/or proposals received or submitted.

By submitting a proposal, proposer agrees to waive any claim it has, or may have, against Blinn College District and its Trustees or agents arising out of or in connection with (1) the administration, evaluation or recommendations of any proposal; (2) any requirements under the solicitation, proposal package, or related documents; (3) the rejection of any proposal or any part of any proposal; and/or (4) the award of a contract, if any.

Blinn College District reserves the right to withdraw this solicitation at any time for any reason; remove any scope component for any reason and to issue such clarifications, modifications and/or amendments as deemed appropriate.

Blinn College District reserves the right to negotiate terms and conditions including scope, staffing levels, and fees with the highest ranked responder. If agreement cannot be reached with the highest ranked responder, the College reserves the right to negotiate with the next highest ranked responder and so on until agreement is reached. When an agreement is reached, Blinn College District will submit its recommendations to the Board of Trustees for approval and award of the contract.

Blinn College District is an equal opportunity/educational institution, which does not discriminate on the basis of race, color, religion, national origin, gender, age, disability, sexual orientation, or veteran status.

7. Contract Award

Award of a contract, if awarded, will be made to the proposer who (a) submits a responsive proposal; (b) is a responsible proposer; and (c) offers the best value to the College, price and other factors considered.

A responsive proposal and a responsible proposer are those that meet the requirements of and are as described in this solicitation. Blinn College District may award a contract, based on initial proposals received, without discussion of such proposals. Accordingly, each initial proposal should be submitted on the most favorable terms from a price and technical standpoint, which the proposer can submit to the College. Except as otherwise may be set forth in this solicitation, the College reserves the right to waive any informalities, non-material errors, technicalities, or irregularities in the proposal documents submitted and consider the proposal for award.
8. **Postponement of Proposals Due Date/Time:**

Notwithstanding the date/time for receipt of proposals established in this solicitation, the date and time established herein for receiving proposals may be postponed solely at Blinn College District’s discretion.

9. **Prohibited Communications and Political Contributions Related to this Solicitation:**

Except as provided in exceptions below, political contributions and the following communications regarding this solicitation or any other invitation for bids, requests for proposal, requests for qualifications, or other solicitation are prohibited:

1. Between a potential vendor, subcontractor to vendor, service provider, respondent, Offeror, lobbyist or consultant and any Trustee;
2. Between any Trustee and any member of a selection or evaluation committee; and
3. Between any Trustee and administrator or employee.

The communications prohibition shall be imposed from the day the solicitation is first advertised through thirty (30) days after the contract is executed by the Chancellor or his/her designee, or when a determination is made that the contract will not be awarded. During this period, no Blinn College District Trustee and no vendor shall communicate in any way concerning any pending Solicitation involving the Vendor, subject to the penalties stated herein.

In the event the Board refers the recommendation back to the staff for reconsideration, the communication prohibition shall be re-imposed.

The communications prohibition shall not apply to the following:

1. Duly noted pre-bid or pre-proposal conferences.
2. Communications with the Blinn College District General Counsel.
3. Emergency contracts.
4. Presentations made to the Board during any duly-noticed public meeting.
5. Unless otherwise prohibited in the solicitation documents, any written communications between any parties, provided that the originator shall immediately file a copy of any written communication with the Board Services Office. The Board Services Office shall make copies available to any person upon request.
6. Nothing contained herein shall prohibit any person or entity from publicly addressing the Board during any duly-noticed public meeting, in accordance with applicable Board policies, regarding action on the contract.

Any potential vendor, subcontractor vendor, service provider, proposer, offeror, lobbyist or consultant who engages or attempts to engage in prohibited communications shall not be eligible for the award of any resulting contract under this solicitation. Any other direct or indirect actions taken to unduly influence competitive purposes, to circumvent equal consideration for competitive proposers, or to disregard ethical and legal trade practices will disqualify proposers, vendors, service providers, lobbyist, consultants, and contractors from consideration for participation in this current order and contract.

10. **Drug Policy:**

Blinn College District is a drug-free workforce and workplace. The manufacture, sale, distribution, dispensation, possession or use of illegal drugs (except legally prescribed medications under physician’s prescription and in the original container) or alcohol by vendors or contractors while on Blinn College District’s premises is strictly prohibited.

11. **Taxes:**
Blinn College District is tax exempt as a governmental subdivision of the State of Texas under Section 501C (3) of the Internal Revenue Code. Limited Sales Tax Number: 1-74-1709152-1. No proposal shall include any costs for taxes to be assessed against the College. The Contractor shall be responsible for paying all applicable taxes and fees, including but not limited to, excise tax, state and local income tax, payroll and withholding taxes for Contractor Employees. The contract shall hold Blinn College District harmless for all claims arising from payment of such taxes and fees.

12. **Texas Public Information Act:**

Blinn College District considers all information, documentation and other materials requested to be submitted in response to this solicitation to be of a non-confidential and/or non-proprietary nature, and therefore, shall be subject to public disclosure under the Texas Public Information Act (Texas Government Code, Chapter 552.001, et seq.) (“The Act”) after a contract if any, is awarded. If the proposer considers any information submitted in response to this request for proposal to be confidential under law or constitute trade secrets or other protected information, the proposer must identify such materials in the proposal response. Notwithstanding the foregoing, the identification of such materials would not be construed or require the College to act in contravention of its obligation to comply with the Act and the proposer releases College from any liability or responsibility for maintaining the confidentiality of such documents.

13. **Conflict of Interest:**

If a firm, proposer, contractor, or other person responding to this solicitation knows of any material personal interest, direct or indirect, that any member, official, or employee of Blinn College District would have in any contract resulting from this solicitation, the firm must disclose this information to Blinn College District. Persons submitting a proposal or response to this solicitation must comply with all applicable laws, ordinances, and regulations of the State of Texas Government Code, including, without limitation, Chapter 171 and 176 of the Local Government Code. The person /proposer submitting a response to this solicitation must complete (as applicable), sign and submit Attachment No. 4, Conflict of Interest Questionnaire Form, and Attachment No. 5, Financial Interest and Potential Conflict of Interests with the proposal package. The College expects the selected contractor to comply with Chapter 176 of the Local Government Code and that failure to comply will be grounds for termination of the contract.

Note: Attachment No. 4 and Attachment No. 5 shall be completed signed and returned to Blinn College District. Enter N/A in those areas on the Attachments that are not applicable to your company. Failure to complete, sign and notarize (if applicable) these Attachments may render your proposal non-responsive.

14. **Ethics Conduct:**

Any direct or indirect actions taken to unduly influence competitive purposes, to circumvent equal consideration for competitive proposers, or to disregard ethical and legal trade practices will disqualify vendors and contractors from current and future consideration for participation in the College’s orders and contracts.

15. **No Third Party Rights:**

This Contract is made for the sole benefit of Blinn College District and the Contractor and their respective successors and permitted assigns. Nothing in this Contract shall create or be deemed to
create a relationship between the Parties to this Contract and any third person, including a relationship in the nature of a third party beneficiary or fiduciary.

16. **Withdrawal or Modification:**

   No proposal may be changed, amended, modified by telegram or otherwise, after the same has been submitted or filed in response to this solicitation, except for obvious errors in extension. However, a proposal may be withdrawn and resubmitted any time prior to the time set for receipt of proposals. No proposal may be withdrawn after the submittal deadline without approval by Blinn College District, which shall be based on Respondent’s submittal, in writing, of a reason acceptable to the College.

17. **Validity Period:**

   Proposals are to be valid for Blinn College District’s acceptance for a minimum of 60 days from the submittal deadline date to allow time for evaluation, selection, and any unforeseen delays. Proposals, if accepted, shall remain valid for the life of the Agreement.

18. **Submission Waiver:**

   By submitting a response to this Solicitation, the Offeror or respondent agrees to waive any claim it has or may have against Blinn College District and its trustees, employees or agents arising out of or in connection with (1) the Administration, evaluation or recommendation of any offer or response; (2) any requirements under the solicitation, the solicitation or response package or related documents; (3) the rejection of any offer or any response or any part of any offer or response; and/or (4) the award of a contract, if any.

19. **Indemnification:**

   Contractor shall indemnify, pay for the defense of, and hold harmless the College and its officers, agents and employees of and from any and all liabilities, claims, debts, damages, demands, suits, actions and causes of actions of whatsoever kind, nature or sort which may be incurred by reason of Contractor’s negligence, recklessness, or willful acts and/or omission in rendering any services hereunder. Contractor shall assume full responsibility for payments of federal, state and local taxes or contributions imposed or required under the social security, Workers’ Compensation or income tax law, or any disability or unemployment law, or retirement contribution of any sort whatever, concerning Contractor or any employee and shall further indemnify, pay for the defense of, and hold harmless the College of and from any such payment or liability arising out of or in any manner connected with Contractor’s performance under this Agreement.
ATTACHMENT NO. 1
CONTRACT AWARD FORM
BLINN COLLEGE DISTRICT PROJECT NO. RFP 164

BANK DEPOSITORY SERVICES

Name of Bidder/Contractor: ___________________________________________________
Federal Employer Identification Number: _________________________________________
Address: __________________________________________________________________
Telephone: ________________________________________________________________
Fax: ______________________________________________________________________
E-mail: ___________________________________________________________________

In compliance with the requirements of this Request for Proposal for providing Bank Depository Service, the undersigned hereby proposes to furnish all necessary resources required to perform the services in accordance with the Technical Proposal and Price Form dated ______________________ and as mutually agreed upon by subsequent negotiations, if any.

The undersigned certifies that he/she has read, understands, and agrees to be bound by the requirements and terms and conditions and any and all amendments issued by Blinn College District and made a part of this solicitation as set forth or referenced in this solicitation. The undersigned further certifies that he/she is legally authorized to make the statements and representations in its response to this solicitation and that said statements and representations are true and accurate to the best of his/her knowledge. The undersigned understands and agrees that when evaluating bids and making an award decision, Blinn College District relies on the truth and accuracy of the statements and representations presented in the bid response. Accordingly, Blinn College District has the right to suspend or debar the undersigned from its procurement process and/or terminate any contract award that may have resulted from this solicitation if Blinn College District determines that any statements or representations made were not true and accurate.

Signed By: ______________________________ Name: ______________________________
Title: ______________________________
State of: ______________________________
Sworn to and subscribed before me at ______________________________ ___________________
(City) (State)
this _________________________ day of _________________________, 2020.
Notary Public of the State of: ______________________________
ATTACHMENT NO. TWO
FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1, Section 44,034, Notification of Criminal History, Subsection (a), states a person or business entity that enters into a contract with a College must give advance notice to the College if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony.

(I) (We), the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

COMPANY NAME: ________________________________________________

AUTHORIZED PRINTED NAME: ________________________________

Title: __________________________________________________________

Check the appropriate box and sign the form.

☐ My firm is a publicly-held corporation, therefore, this reporting requirement is not applicable.

AUTHORIZED SIGNATURE:

☐ My firm is not owned nor operated by anyone who has been convicted of a felony.

AUTHORIZED SIGNATURE:

☐ My firm is owned or operated by the following individual(s) who has/have been convicted of a felony.

Name of Felony: ________________________________

Details of Conviction(s) __________________________________________

________________________________________________________________

________________________________________________________________

________________________________________________________________

________________________________________________________________

________________________________________________________________

________________________________________________________________

________________________________________________________________

AUTHORIZE SIGNATURE:
ATTACHMENT NO. 3
PROPOSAL DOCUMENT

BY SIGNING THIS PROPOSAL DOCUMENT, VENDOR AFFIRMS THEY HAVE READ THE TERMS AND CONDITION, SPECIAL TERMS AND CONDITIONS AND THAT THEY UNDERSTAND AND AGREE WITH THE TERMS AND CONDITIONS.

_____________________________________
Company Name

_____________________________________
Company Address

_____________________________________
City, State, Zip

_____________________________________
Phone Number / Fax Number

_____________________________________
Authorized Representative Printed Name

_____________________________________
Authorized Representative Signature
ATTACHMENT NO. 4
CONFLICT OF INTEREST

CONFlict OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.
This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.003(a)1(a) with a local governmental entity and the vendor meets requirements under Section 176.003(a).

As law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.003(a 1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

1. Name of vendor who has a business relationship with local governmental entity.

2. Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3. Name of local government officer about whom the information is being disclosed.

4. Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes  ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes  ☐ No

5. Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6. Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7. Signature of vendor doing business with the governmental entity

Date

Form provided by Texas Ethics Commission  www.ethics.state.tx.us Revised 11/30/2015
The Texas Government Code §2252.908, and the rules issued by the Texas Ethics Commission found in Title 1, Sections 46.1, 46.3 and 46.5 of the Texas Administrative Code, require a business entity to submit a completed Form 1295 to the College before the College may enter into a contract with that business entity.

Form 1295 must be completed online. In Box 3 of the form, provide the solicitation number, contract number or contract name. The form is available from the Texas Ethics Commission by accessing the following web address:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

Print your completed Form 1295 showing the Certification Number and Date Filed in the Certification of Filing box at the upper right corner. Sign Form 1295 in front of a notary and submit it with your response to this solicitation.

The following definitions found in the statute and Texas Ethics Commission rules may be helpful in completing Form 1295.

“Business entity” includes an entity through which business is conducted with a governmental entity or state agency, regardless of whether the entity is a for-profit or nonprofit entity. The term does not include a governmental entity or state agency.

“Controlling interest” means: (1) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent; (2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or (3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers.

“Interested party” means: (1) a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts; or (2) a person who actively participates in facilitating a contract or negotiating the terms of a contract with a governmental entity or state agency, including a broker, intermediary, adviser, or attorney for the business entity.

“Intermediary”, for purposes of this rule, means a person who actively participates in the facilitation of the contract or negotiating the contract, including a broker, adviser, attorney, or representative of or agent for the business entity who:

1. receives compensation from the business entity for the person’s participation;
2. communicates directly with the governmental entity or state agency on behalf of the business entity regarding the contract; and
3. is not an employee of the business entity.
CERTIFICATE OF INTERESTED PARTIES

Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

4 Name of Interested Party | City, State, Country (place of business) | Nature of Interest (check applicable)
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Controlling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intermediary</td>
</tr>
</tbody>
</table>

5 Check only if there is no interested Party.
**ATTACHMENT NO. 6**
**REFERENCE SHEET**

**PLEASE TYPE OR ATTACH YOUR REFERENCE LIST HERE:** (Remember to include any educational entities you have done business with)

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Contact Person</th>
<th>E-mail Address</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ATTACHMENT NO. 7
PFIA CERTIFICATION FORM

TEXAS PUBLIC FUNDS INVESTMENT ACT
CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of Blinn College District (the “Investor”) and (the “Business Organization”) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the “Act”) in connection with investing transactions conducted between the Investor and the Business Organization. The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Act and

2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and

3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude imprudent transactions conducted between the Business Organization and the Investor that are not authorized by the Investor’s Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Investor’s entire investment portfolio or requires an interpretation of subjective investment standards.

4. The Business Organization will rely upon instructions from only the persons designated as Investment Officers as stated in the Investor’s Investment Policy approved by ordinance or resolution of the Governing Body.

Signed this day of __________________ , 2020.

[Name of Organization: ________________________________]

[Address: ________________________________]

[State, Zip: ________________________________]

[Telephone number: ________________________________]

______________________________

Signature of Qualified Representative

[Name (printed) ________________________________ Title: ________________________________]
Blinn College District Investments

All investments made by investing entities, including college districts, shall comply with the Public Funds Investment Act, Government Code Chapter 2256, Subchapter A, and all federal, state, and local statutes, rules, or regulations. Gov’t Code 2256.026

1. Written Policies

The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds under its control. The investment policies must be written; primarily emphasize safety of principal and liquidity; and address investment diversification, yield, and maturity and the quality and capability of investment management; and include:

A list of the types of authorized investments in which the investing entity’s funds may be invested;
The maximum allowable stated maturity of any individual investment owned by the entity;
For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;
Methods to monitor the market price of investments acquired with public funds;
A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

Gov’t Code 2256.005(b)

Annual Review

The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. Education Code 51.0032; Gov’t Code 2256.005(e)

Investment Strategies

As an integral part of the investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

Understanding of the suitability of the investment to the financial requirements of the entity;
Preservation and safety of principal;
Liquidity;
Marketability of the investment if the need arises to liquidate the investment before maturity;
Diversification of the investment portfolio; and
Yield.

Gov’t Code 2256.005(d)
Investment Officer

Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of Government Code Chapter 2256. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains the ultimate responsibility as fiduciaries of the assets of the investing entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity. Gov’t Code 2256.005(f)

Government Code Chapter 2256 does not prohibit an investing entity or investment officer from using the entity’s employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer’s duties under Government Code Chapter 2256. Gov’t Code 2256.003(c)

1. Investment Training

Board Members

Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under the Public Funds Investment Act within six months after taking office or assuming duties. The Coordinating Board shall provide the training under Government Code 2256.007. The training must include education in:

- Investment controls;
- Security risks;
- Strategy risks;
- Market risks;
- Diversification of investment portfolio; and
- Compliance with the Public Funds Investment Act.

The investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from any independent source approved by the governing body of the state agency. The investment officer shall prepare a report on the Public Funds Investment Act and deliver it to the governing body of the state agency no later than the 180th day after the last day of each regular session of the legislature. Gov’t Code 2256.007

Other College Officials

The treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

Attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least ten hours of instruction relating to the
treasurer's or officer's responsibilities under Government Code Chapter 2256, Subchapter A within 12 months after taking office or assuming duties; and

Attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than ten hours of instruction relating to investment responsibilities under Chapter 2256, Subchapter A from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

The training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with Government Code Chapter 2256.

Gov't Code 2256.008(a), (c)

Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives in order of priority:

Preservation and safety of principal;
Liquidity; and
Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

The investment of all funds, or funds under the entity’s control over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and

Whether the investment decision was consistent with the written investment policy of the entity.

Gov’t Code 2256.006

Personal Interest

An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573, to an individual seeking to sell an investment to the investment officer’s entity shall file a statement disclosing that relationship. A required statement must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns $5,000 or more of the fair market value of the business organization;

Funds received by the investment officer from the business organization exceed ten percent of the investment officer’s gross income for the previous year; or

The investment officer has acquired from the business organization during the previous year investments with a book value of $2,500 or more for the personal account of the investment officer.

Gov’t Code 2256.005(i)

Quarterly Reports
Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the entity on the date of the report;
2. Be prepared jointly by all investment officers of the entity;
3. Be signed by each investment officer of the entity;
4. Contain a summary statement for each pooled fund group (i.e., each internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested) that states the:
   a. Beginning market value for the reporting period;
   b. Ending market value for the period; and
   c. Fully accrued interest for the reporting period;
5. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
6. State the maturity date of each separately invested asset that has a maturity date;
7. State the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and
8. State the compliance of the investment portfolio of the state agency or local government as it relates to the investment strategy expressed in the agency’s or local government’s investment policy and relevant provisions of Government Code Chapter 2256.

If the entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officer under Government Code Chapter 2256 shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Education Code 51.0032; Gov’t Code 2256.001(9), .023

1. Selection of Broker

The governing body of an entity subject to Government Code Chapter 2256, Subchapter A or a designated investment committee, shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity. Gov’t Code 2256.025

2. Authorized Investments

Each governing body of a local government or a state agency may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with investment policies approved by the governing body and according to the standard of care set out in this policy. The governing body of an investing entity may specify in its investment policy that any investment authorized by Government Code Chapter 2256 is not suitable. Investments may be made directly by the governing body or by a nonprofit corporation acting on behalf of the governing body or an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

In the exercise of these powers, the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with
the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made for such purpose may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of an investing entity by order, ordinance, or resolution.

Gov’t Code 2256.003(a)–(b), .005(j)

Obligations

Except as provided below, the following are authorized investments under the Public Funds Investment Act:

Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

Direct obligations of this state or its agencies and instrumentalities;

Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;

Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

Bonds issued, assumed, or guaranteed by the state of Israel;

Interest-bearing banking deposits that are guaranteed or insured by:

The FDIC or its successor; or

The National Credit Union Share Insurance Fund or its successor; and

Interest-bearing banking deposits other than those described by item 7 if:

a. The funds invested in the banking deposits are invested through a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Government Code 2256.025 or a depository institution with a main office or branch office in this state that the investing entity selects;

The selected broker or depository institution arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account;

The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and

The investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account the selected depository institution, an entity described by Government Code 2257.041(d), or a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

Gov’t Code 2256.009(a)

The following investments are not authorized:

Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

Collateralized mortgage obligations that have a stated final maturity date of greater than ten years.

Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Gov’t Code 2256.009(b)

Certificates of Deposit and Share Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;

Secured by obligations described by Government Code 2256.009(a) above, including mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage-backed securities of the nature described by Section 2256.009(b); or

Secured in accordance with Government Code Chapter 2257 or in any other manner and amount provided by law for the deposits of the investing entity.

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under Government Code 2256.010:

The funds are invested by an investing entity through a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Government Code 2256.025, or a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;

The broker or depository institution selected by the investing entity arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;

The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and

The investing entity appoints the depository institution selected by the investing entity under paragraph a above or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Gov’t Code 2256.010(a)–(b)

The investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. Gov’t Code 2256.005(c)

Repurchase Agreements

A fully collateralized repurchase agreement is an authorized investment under the Public Funds Investment Act if the repurchase agreement:

Has a defined termination date;
Is secured by a combination of cash and obligations of the United States or its agencies and instrumentalities;

Requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity’s name, and deposited with the entity or a third party selected and approved by the entity; and

Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) applies to the execution of a repurchase agreement by an investing entity.

A "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Government Code 2256.009(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

Gov’t Code 2256.011

Securities Lending Program

A securities lending program is an authorized investment if:

The value of securities loaned must not be less than 100 percent collateralized, including accrued income, and the loan must allow for termination at any time;

The loan must be secured by:

Pledged securities described by Government Code 2256.009;

Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or

Cash invested in accordance with Government Code 2256.009, 2256.013, 2256.014, or 2256.016;

The terms of the loan require that the securities being held as collateral be pledged to the investing entity, held in the investing entity’s name, and deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity; and

The loan must be placed through a primary government securities dealer, as defined by 5 C.F.R. 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

Gov’t Code 2256.0115

Banker’s Acceptance

A banker’s acceptance is an authorized investment if the banker’s acceptance:

Has a stated maturity of 270 days or fewer from the date of issuance;

Will be, in accordance with its terms, liquidated in full at maturity;

Is eligible for collateral for borrowing from a Federal Reserve Bank; and
Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

*Gov't Code 2256.012*

Commercial Paper

Commercial paper is an authorized investment if the commercial paper:

- Has a stated maturity of 270 days or fewer from the date of issuance; and
- Is rated not less than A1-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, or by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

*Gov't Code 2256.013*

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

- Is registered with and regulated by the Securities and Exchange Commission;
- Provides the investing entity with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and
- Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

A no-load mutual fund is an authorized investment if the mutual fund:

- Is registered with the Securities and Exchange Commission;
- Has an average weighted maturity of less than two years; and
- Either has a duration of one year or more and is invested exclusively in obligations approved by Government Code Chapter 2256, Subchapter A, regarding authorized investments (Public Funds Investment Act) or has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

Investments in no-load money market mutual funds shall be limited to the percentages authorized by Government Code 2256.014(c). In addition, the investing entity may not invest any portion of bond proceeds, reserves, and funds held for debt service, in no-load mutual funds.

*Gov't Code 2256.014*

Guaranteed Investment Contracts

A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

- Has a defined termination date;
- Is secured by obligations described by Government Code 2256.009(a)(1), excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract; and
- Is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.
1. Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

The governing body of the entity must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;

The entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

The entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;

The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and

The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) applies to the execution of a guaranteed investment contract by an investing entity.

Gov’t Code 2256.015

Investment Pools

A public funds investment pool is an authorized investment if it meets the requirements of Government Code 2256.016 and 2256.019, including that the governing body of the entity authorizes the investment in the particular pool by rule, order, ordinance, or resolution, as appropriate. Gov’t Code 2256.016, .019

Hedging Transactions

A hedging transaction is an authorized investment if an eligible entity meets the requirements of Government Code 2256.0206.

"Eligible entity" means a political subdivision, including a college district, that has:

A principal amount of at least $250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and

Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

Gov’t Code 2256.0206

Funds from Mineral Rights

The governing board of a public junior college district may invest funds received by the district from a lease or contract for the management and development of land owned by the district and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Property Code Title 9, Subtitle B (Texas Trust Code).

Funds invested by the governing board of a public junior college district under this section shall be segregated and accounted for separately from other funds of the district.
Gov't Code 2256.0206

Change in Law

Except as provided by Government Code Chapter 2270, an entity is not required to liquidate investments that were authorized investments at the time of purchase. Gov't Code 2256.017

Loss of Required Rating

An investment that requires a minimum rating under Government Code Chapter 2256 does not qualify as an authorized investment during the period the investment does not have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. Gov't Code 2256.021

1. Investment of Debt Service Funds

A school district, including a junior college district, may enter into a contract with a term not to exceed seven years to purchase investments with the proceeds of taxes levied or to be levied by the district for the purpose of paying debt service on bonds issued by the district.

A contract under this section may provide for the purchase of investments at a stated yield or yields.

Before entering a contract under this section, a school district must solicit and receive bids from at least three separate providers. The district must accept the qualifying bid that provides for the highest yield investments over the term of the contract.

A contract under this section may provide only for the purchase of an obligation described by Government Code 2256.009(a)(1), other than an obligation described by Government Code 2256.009(b).

Education Code 45.112

2. General Deposits

The governing board of each institution of higher education may invest the funds received as general deposits authorized by Education Code 54.502 in the manner provided under either Education Code 51.003 or 51.0031. Education Code 54.5022

3. Sellers of Investments

A written copy of the investment policy shall be presented to any business organization offering to engage in an investment transaction with an investing entity. For purposes of Government Code 2256.005, “business organization” means an investment pool or an investment management firm under contract with an investing entity to invest or manage the entity’s investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity's funds. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

Received and reviewed the investment policy of the entity; and

Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity’s policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity’s entire portfolio, requires an interpretation of subjective investment standards, or relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.
The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a business organization that has not delivered to the entity the instrument described above.

Gov’t Code 2256.005(k)–(l)

1. **Donations**

Government Code Chapter 2256, Subchapter A does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor. Gov’t Code 2256.004(b)

2. **Electronic Funds Transfer**

Any local government, including a college district, may use electronic means to transfer or invest all funds collected or controlled by the local government. Gov’t Code 2256.051

3. **Private Auditor**

Notwithstanding any other law, a state agency, including a college district, shall employ a private auditor if authorized by the legislative audit committee either on the committee’s initiative or on request of the governing body of the agency. Gov’t Code 2256.052

All investments made by investing entities, including college districts, shall comply with the Public Funds Investment Act, Government Code Chapter 2256, Subchapter A, and all federal, state, and local statutes, rules, or regulations. Gov’t Code 2256.026

The governing body of an investing entity shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds under its control. The investment policies must be written; primarily emphasize safety of principal and liquidity; and address investment diversification, yield, and maturity and the quality and capability of investment management; and include:

1. A list of the types of authorized investments in which the investing entity’s funds may be invested;
2. The maximum allowable stated maturity of any individual investment owned by the entity;
3. For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;
4. Methods to monitor the market price of investments acquired with public funds;
5. A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
6. Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

ANNUAL REVIEW

The governing body of an investing entity shall review its investment policy and investment strategies not less than annually. The governing body shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. Education Code 51.0032; Gov’t Code 2256.005(e)
As an integral part of the investment policy, the governing body shall adopt a separate written investment strategy for each of the funds or group of funds under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the entity;
2. Preservation and safety of principal;
3. Liquidity;
4. Marketability of the investment if the need arises to liquidate the investment before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

Gov't Code 2256.005(d)

Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer to be responsible for the investment of its funds consistent with the investment policy adopted by the entity. If the governing body of an investing entity has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the first investing entity for purposes of Government Code Chapter 2256. Authority granted to a person to invest an entity's funds is effective until rescinded by the investing entity, until the expiration of the officer's term or the termination of the person's employment by the investing entity, or if an investment management firm, until the expiration of the contract with the investing entity. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the governing body of the investing entity retains the ultimate responsibility as fiduciaries of the assets of the investing entity. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity. Gov't Code 2256.005(f)

Government Code Chapter 2256 does not prohibit an investing entity or investment officer from using the entity's employees or the services of a contractor of the entity to aid the investment officer in the execution of the officer's duties under Government Code Chapter 2256. Gov't Code 2256.003(c)

Each member of the governing board of a state agency and its investment officer shall attend at least one training session relating to the person's responsibilities under the Public Funds Investment Act within six months after taking office or assuming duties. The Coordinating Board shall provide the training under Government Code 2256.007. The training must include education in:

1. Investment controls;
2. Security risks;
3. Strategy risks;
4. Market risks;
5. Diversification of investment portfolio; and
6. Compliance with the Public Funds Investment Act.

The investment officer shall attend a training session not less than once each state fiscal biennium and may receive training from any independent source approved by the governing body of the state agency. The
investment officer shall prepare a report on the Public Funds Investment Act and deliver it to the governing body of the state agency no later than the 180th day after the last day of each regular session of the legislature.

Gov’t Code 2256.007

OTHER COLLEGE OFFICIALS

The treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:

1. Attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least ten hours of instruction relating to the treasurer's or officer’s responsibilities under Government Code Chapter 2256, Subchapter A within 12 months after taking office or assuming duties; and

2. Attend an investment training session not less than once in a two-year period that begins on the first day of that local government's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than ten hours of instruction relating to investment responsibilities under Chapter 2256, Subchapter A from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government.

The training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with Government Code Chapter 2256.

Gov’t Code 2256.008(a), (c)

STANDARD OF CARE

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

1. The investment of all funds, or funds under the entity’s control over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and

2. Whether the investment decision was consistent with the written investment policy of the entity.

Gov’t Code 2256.006

Personal Interest

An investment officer of an entity who has a personal business relationship with a business organization offering to engage in an investment transaction with the entity shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573, to an individual seeking to sell an investment to the investment officer’s entity shall file a statement disclosing that relationship. A required statement must be filed with the Texas Ethics Commission and the governing body of the entity. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

1. The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns $5,000 or more of the fair market value of the business organization;

2. Funds received by the investment officer from the business organization exceed ten percent of the investment officer’s gross income for the previous year; or
3. The investment officer has acquired from the business organization during the previous year investments with a book value of $2,500 or more for the personal account of the investment officer.

**Gov't Code 2256.005(i)**

Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the entity on the date of the report;
2. Be prepared jointly by all investment officers of the entity;
3. Be signed by each investment officer of the entity;
4. Contain a summary statement for each pooled fund group (i.e., each internally created fund of an investing entity in which one or more institutional accounts of the investing entity are invested) that states the:
   a. Beginning market value for the reporting period;
   b. Ending market value for the period; and
   c. Fully accrued interest for the reporting period;
5. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
6. State the maturity date of each separately invested asset that has a maturity date;
7. State the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and
8. State the compliance of the investment portfolio of the state agency or local government as it relates to the investment strategy expressed in the agency's or local government's investment policy and relevant provisions of Government Code Chapter 2256.

If the entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officer under Government Code Chapter 2256 shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

**Education Code 51.0032; Gov't Code 2256.001(9), .023**

The governing body of an entity subject to Government Code Chapter 2256, Subchapter A or a designated investment committee, shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity. **Gov't Code 2256.025**

Authorized Investments

Each governing body of a local government or a state agency may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with investment policies approved by the governing body and according to the standard of care set out in this policy. The governing body of an investing entity may specify in its investment policy that any investment authorized by Government Code Chapter 2256 is not suitable. Investments may be made directly by the governing body or by a nonprofit corporation acting on behalf of the governing body or an investment pool acting on behalf of two or more local governments, state agencies, or a combination of those entities.

In the exercise of these powers, the governing body of an investing entity may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15
U.S.C. Section 80b-1 et seq., or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made for such purpose may not be for a term longer than two years. A renewal or extension of the contract must be made by the governing body of an investing entity by order, ordinance, or resolution.

Gov't Code 2256.003(a–(b), .005(j)

OBLIGATIONS Except as provided below, the following are authorized investments under the Public Funds Investment Act:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

2. Direct obligations of this state or its agencies and instrumentalities;

3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;

5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

6. Bonds issued, assumed, or guaranteed by the state of Israel;

7. Interest-bearing banking deposits that are guaranteed or insured by:
   a. The FDIC or its successor; or
   b. The National Credit Union Share Insurance Fund or its successor; and

8. Interest-bearing banking deposits other than those described by item 7 if:
   a. The funds invested in the banking deposits are invested through a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Government Code 2256.025 or a depository institution with a main office or branch office in this state that the investing entity selects;
   b. The selected broker or depository institution arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account;
   c. The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
   d. The investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account the selected depository institution, an entity described by Government Code 2257.041(d), or a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

Gov't Code 2256.009(a)
The following investments are not authorized:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years.

4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Gov't Code 2256.009(b)

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

1. Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;

2. Secured by obligations described by Government Code 2256.009(a) above, including mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage-backed securities of the nature described by Section 2256.009(b); or

3. Secured in accordance with Government Code Chapter 2257 or in any other manner and amount provided by law for the deposits of the investing entity.

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under Government Code 2256.010:

1. The funds are invested by an investing entity through a broker that has its main office or a branch office in this state and is selected from a list adopted by the investing entity as required by Government Code 2256.025, or a depository institution that has its main office or a branch office in this state and that is selected by the investing entity;

2. The broker or depository institution selected by the investing entity arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;

3. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and

4. The investing entity appoints the depository institution selected by the investing entity under paragraph a above or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Gov't Code 2256.010(a)–(b)

The investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. Gov't Code 2256.005(c)

REPURCHASE AGREEMENTS

A fully collateralized repurchase agreement is an authorized investment under the Public Funds Investment Act if the repurchase agreement:

1. Has a defined termination date;
2. Is secured by a combination of cash and obligations of the United States or its agencies and instrumentalities;
3. Requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity’s name, and deposited with the entity or a third party selected and approved by the entity; and
4. Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) applies to the execution of a repurchase agreement by an investing entity.

A "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations described by Government Code 2256.009(a)(1), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

Gov't Code 2256.011
SECURITIES LENDING PROGRAM
A securities lending program is an authorized investment if:
1. The value of securities loaned must not be less than 100 percent collateralized, including accrued income, and the loan must allow for termination at any time;
2. The loan must be secured by:
   a. Pledged securities described by Government Code 2256.009;
   b. Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
   c. Cash invested in accordance with Government Code 2256.009, 2256.013, 2256.014, or 2256.016;
3. The terms of the loan require that the securities being held as collateral be pledged to the investing entity, held in the investing entity’s name, and deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity; and
4. The loan must be placed through a primary government securities dealer, as defined by 5 C.F.R. 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

Gov't Code 2256.0115
BANKER’S ACCEPTANCE
A banker’s acceptance is an authorized investment if the banker’s acceptance:
1. Has a stated maturity of 270 days or fewer from the date of issuance;
2. Will be, in accordance with its terms, liquidated in full at maturity;
3. Is eligible for collateral for borrowing from a Federal Reserve Bank; and

4. Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Gov't Code 2256.012
Commercial paper is an authorized investment if the commercial paper:

1. Has a stated maturity of 270 days or fewer from the date of issuance; and

2. Is rated not less than A1-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, or by one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

Gov't Code 2256.013
A no-load money market mutual fund is an authorized investment if the mutual fund:

1. Is registered with and regulated by the Securities and Exchange Commission;

2. Provides the investing entity with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and

3. Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

A no-load mutual fund is an authorized investment if the mutual fund:

1. Is registered with the Securities and Exchange Commission;

2. Has an average weighted maturity of less than two years; and

3. Either has a duration of one year or more and is invested exclusively in obligations approved by Government Code Chapter 2256, Subchapter A, regarding authorized investments (Public Funds Investment Act) or has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

Investments in no-load money market mutual funds shall be limited to the percentages authorized by Government Code 2256.014(c). In addition, the investing entity may not invest any portion of bond proceeds, reserves, and funds held for debt service, in no-load mutual funds.

Gov't Code 2256.014
A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

1. Has a defined termination date;

2. Is secured by obligations described by Government Code 2256.009(a)(1), excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract; and

3. Is pledged to the entity and deposited with the entity or with a third party selected and approved by the entity.
Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

1. The governing body of the entity must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;

2. The entity must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;

3. The entity must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;

4. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and

5. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) applies to the execution of a guaranteed investment contract by an investing entity.

**Gov't Code 2256.015**

INVESTMENT POOLS

A public funds investment pool is an authorized investment if it meets the requirements of Government Code 2256.016 and 2256.019, including that the governing body of the entity authorizes the investment in the particular pool by rule, order, ordinance, or resolution, as appropriate. *Gov't Code 2256.016, .019*

HEDGING TRANSACTIONS

A hedging transaction is an authorized investment if an eligible entity meets the requirements of Government Code 2256.0206.

"Eligible entity" means a political subdivision, including a college district, that has:

1. A principal amount of at least $250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and

2. Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

**Gov't Code 2256.0206**

FUNDS FROM MINERAL RIGHTS

The governing board of a public junior college district may invest funds received by the district from a lease or contract for the management and development of land owned by the district and leased for oil, gas, or other mineral development in any investment authorized to be made by a trustee under Property Code Title 9, Subtitle B (Texas Trust Code).

Funds invested by the governing board of a public junior college district under this section shall be segregated and accounted for separately from other funds of the district.

**Gov't Code 2256.0206**

Except as provided by Government Code Chapter 2270, an entity is not required to liquidate investments that were authorized investments at the time of purchase. *Gov't Code 2256.017*
An investment that requires a minimum rating under Government Code Chapter 2256 does not qualify as an authorized investment during the period the investment does not have the minimum rating. An entity shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. **Gov’t Code 2256.021**

A school district, including a junior college district, may enter into a contract with a term not to exceed seven years to purchase investments with the proceeds of taxes levied or to be levied by the district for the purpose of paying debt service on bonds issued by the district. A contract under this section may provide for the purchase of investments at a stated yield or yields. Before entering a contract under this section, a school district must solicit and receive bids from at least three separate providers. The district must accept the qualifying bid that provides for the highest yield investments over the term of the contract. A contract under this section may provide only for the purchase of an obligation described by Government Code 2256.009(a)(1), other than an obligation described by Government Code 2256.009(b).

**Education Code 45.112**

The governing board of each institution of higher education may invest the funds received as general deposits authorized by Education Code 54.502 in the manner provided under either Education Code 51.003 or 51.0031. **Education Code 54.5022**

A written copy of the investment policy shall be presented to any business organization offering to engage in an investment transaction with an investing entity. For purposes of Government Code 2256.005, “business organization” means an investment pool or an investment management firm under contract with an investing entity to invest or manage the entity’s investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity’s funds. The qualified representative of the business organization offering to engage in an investment transaction with an investing entity shall execute a written instrument in a form acceptable to the investing entity and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the investment policy of the entity; and
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity’s policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity’s entire portfolio, requires an interpretation of subjective investment standards, or relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a business organization that has not delivered to the entity the instrument described above. **Gov’t Code 2256.005(k)–(l)**

Government Code Chapter 2256, Subchapter A does not apply to an investment donated to an investing entity for a particular purpose or under terms of use specified by the donor. **Gov’t Code 2256.004(b)**
### ELECTRONIC FUNDS TRANSFER
Any local government, including a college district, may use electronic means to transfer or invest all funds collected or controlled by the local government. \textit{Gov’t Code 2256.051}

Notwithstanding any other law, a state agency, including a college district, shall employ a private auditor if authorized by the legislative audit committee either on the committee’s initiative or on request of the governing body of the agency. \textit{Gov’t Code 2256.052}

The Chancellor or designee shall serve as the investment officer of the College District and shall invest College District funds in accordance with the College District’s Board-approved written investment policy and generally accepted accounting procedures. All investment transactions except investment pool funds and mutual funds shall be settled on a delivery versus payment basis.

### APPROVED INVESTMENT INSTRUMENTS
From those investments authorized by law and described further in CAK(LEGAL) under Authorized Investments, the Board shall permit investment of College District funds in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010.
5. Banker’s acceptances as permitted by Government Code 2256.012.
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014.
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015.

### SAFETY
The primary goal of the investment program is to ensure safety of principal, to maintain liquidity, and to maximize financial returns within current market conditions in accordance with this policy. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

### INVESTMENT MANAGEMENT
In accordance with Government Code 2256.005(b)(3), the quality and capability of investment management for College District funds shall be in accordance with the standard of care, investment training, and other requirements set forth in Government Code Chapter 2256.

### LIQUIDITY AND MATURITY
Any internally created pool fund group of the College District shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by the College District shall not exceed three years from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits.

The College District’s investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.
| **DIVERSITY** | The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer. |
| **MONITORING MARKET PRICES** | The investment officer shall monitor the investment portfolio and shall keep the Board informed of significant changes in the market value of the College District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisers, and representatives/advisers of investment pools or money market funds. Monitoring shall be done at least quarterly, as required by law, and more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment. |
| **MONITORING RATING CHANGES** | In accordance with Government Code 2256.005(b), the investment officer shall develop a procedure to monitor changes in investment ratings and to liquidate investments that do not maintain satisfactory ratings. |
| **FUNDS / STRATEGIES** | Investments of the following fund categories shall be consistent with this policy and in accordance with the applicable strategy defined below. All strategies described below for the investment of a particular fund should be based on an understanding of the suitability of an investment to the financial requirements of the College District and consider preservation and safety of principal, liquidity, marketability of an investment if the need arises to liquidate before maturity, diversification of the investment portfolio, and yield. |
| **OPERATING FUNDS** | Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. |
| **AGENCY FUNDS** | Investment strategies for agency funds shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. |
| **DEBT SERVICE FUNDS** | Investment strategies for debt service funds shall have as their primary objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded. |
| **CAPITAL PROJECT FUNDS** | Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded. |
| **ENDOWMENT FUNDS** | As permitted by Texas Education Code 51.0031(a), the College District may use donations, gifts, and trusts to establish an endowment fund. Investment strategies for endowment funds shall be managed under a “prudent person” standard. The investment officer or designee shall utilize the reasonable care, skill, and caution that a prudent investor would exercise, in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund, rather than a single investment. |
| **SAFEKEEPING AND CUSTODY** | The College District shall retain clearly marked receipts providing proof of the College District’s ownership. The College District may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with College District funds by the investment pool. |
| **SELLERS OF INVESTMENTS** | Prior to handling investments on behalf of the College District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. |
Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC), and be in good standing with the Financial Industry Regulatory Authority (FINRA).

In order to get the best return on its investments, the College District may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.

To reduce exposure to changes in interest rates that could adversely affect the value of investments, the College District shall use final and weighted-average-maturity limits and diversification.

The College District shall monitor interest rate risk using weighted average maturity and specific identification.

A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the College District. Controls deemed most important shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by the College District’s independent auditing firm.

In addition to the quarterly report required by law and signed by the College District’s investment officer, a comprehensive report on the investment program and activity shall be presented annually to the Board.

The Board shall review this investment policy and investment strategies not less than annually and shall document its review in writing, which shall include whether any changes were made to either the investment policy or investment strategies.

In conjunction with the annual financial audit, the College District shall perform a compliance audit of management controls on investments and adherence to the College District’s established investment policies.
WHERE TO ADDRESS QUESTIONS

Proposal questions should be referred to:

**Ross Schroeder, Director of Purchasing**
Blinn College
902 College Ave
Brenham, TX 77833
(979) 830 4118
e-mail: ross.schroeder@blinn.ed