



Paris City Schools

310 West 7th Street, Paris, KY 40361
Phone 859-987-2160 Fax 859-987-6749
"Reimagining School"



RFP Title: Depository Investment
Date proposal information released: May 11, 2023
Closing time of proposals: May 31, 2023 at 3:00 p.m.
Department: Paris City Schools Board of Education Finance Department
Fund: General Fund

General Conditions and Specifications

1. The Director of Finance, per Paris City Schools Board of Education Board Policy 04.6, shall invest funds that are temporarily in excess of operating needs.
 - a. Amount of Excess Funds to be Invested: **\$10,000,000**
 - b. Length of Time for Investment: **1-3 years layered to be due every 3-6 months**
2. Information pertaining to any item or condition in this invitation may be obtained by communicating with Mira Beth Muth, Director of Finance for the Paris City Schools Board of Education, Phone (859) 987-2160, extension 1106 or email: mirabeth.muth@paris.kyschools.us
3. This request is being considered as a "price quote" rather than a bid since it is for professional services. Please consider all statements as such.
4. The intent of this invitation is to receive quotes from financial institutions to serve as an investment depository for the Paris City Schools Board of Education.
5. The proposals will be reviewed by Mira Beth Muth, Director of Finance for the Paris City Schools Board of Education, after the date and time indicated above and presented to the Paris City Schools Board of Education at a subsequent Board meeting. No proposals will be accepted after the date and time listed above.

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6. A copy of the completed proposal is to be submitted in a sealed envelope, to the address above, ATTN: Mira Beth Muth, clearly designating the above RFP Title. The proposal must be received no later than the closing time indicated above.
7. All proposals shall be effective from the date of opening for a period of ninety (90) days, and no proposal may be withdrawn prior to that time.
8. All proposals shall be structured to meet one (1) or more of the following:
 - a. Obligations of the United States and of its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian.
 - b. Obligations and contracts for future delivery or purchase of obligations backed by the full faith and credit of the United States or a United States government agency.
 - c. Obligations of any corporation of the United States government.
 - d. Certificates of deposit issued by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, including surety bonds, by any obligations permitted by [KRS 41.240\(4\)](#).
 - e. Uncollateralized certifications of deposit issued by any bank or savings and loan institution rated in one (1) of the three (3) highest categories by a nationally recognized rating agency.
 - f. Bankers' acceptances for banks rated in one (1) of the three (3) highest categories by a nationally recognized rating agency.

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- g. Commercial paper rated in the highest category by a nationally recognized rating agency.
 - h. Bonds or certificates of indebtedness of this state and of its agencies and instrumentalities.
 - i. Securities issued by a state or local government or any instrumentality of agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency.
 - j. Shares of mutual funds, as permitted by law.¹
9. The Paris City Schools Board of Education shall not purchase any investment on a margin basis or through the use of any similar leveraging technique. In addition, the amount of money the Paris City Schools Board of Education invests at any time in one (1) or more of the category's options 5, 6, 7, and 9 listed above shall not exceed twenty percent (20%) of the total amount of money invested.
10. The primary objectives of investment activities, in priority order, shall be:
- a. *Legality* - All investments shall be made in accordance with applicable legal requirements.
 - b. *Safety* - The Director of Finance shall consider safety of principal, along with reduction of credit and interest rate risk, in making investment decisions.
 - c. *Liquidity* - Investments shall remain sufficiently liquid to meet reasonably anticipated operating requirements. To promote this objective, the Director of Finance shall develop a fiscal year anticipated cash flow projection schedule.
 - d. *Yield* - The Director of Finance shall select investments or recommend investments with the objective of attaining the maximum rate of return.
11. The financial institution shall sign a Bond of "Depository" for Public School Funds, providing collateral for this undertaking with pledged obligations guaranteed in the principal sum of 103% of the current daily balances deposited in escrow.

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12. The Paris City Schools Board of Education reserves the right to negotiate any or all terms of submitted quotes from financial institutions.
13. The Paris City Schools Board of Education reserves the right to waive defects and informalities in proposals, to reject any or all proposals, or to accept any proposal as may be deemed to its interest, and to award by item, combination of items or lot.
14. The investment depository shall appoint one employee from the financial institution to be the person responsible to the Paris City Schools Board of Education Director of Finance for compliance with the terms of the adopted proposal and to make sure all transactions of the Paris City Schools Board of Education are handled promptly and efficiently.
15. Monthly statements of all accounts are to be furnished to the Paris City Schools Board of Education by the investment depository within three banking days following the close of each month.
16. The Paris City Schools Board of Education does not discriminate on the basis of race, color, national origin, age, religion, creed, marital status, sex, or handicap in employment, educational programs, or activities as set forth in Title IX, Title VI, and Section 504.
17. KRS 45A.455 prohibits conflicts of interest, gratuities or kickbacks to employees of the Paris City Schools Board of Education in connection with contracts for supplies or services whether such gratuities or kickbacks are direct or indirect, KRS 45A.990 provides severe penalties for violations of the laws relating to gratuities at kickbacks to employees which are designed to secure a public contract for supplies or services.

REFERENCES:

[¹KRS 66.480](#)
[KRS 160.570](#)
[KRS 41.240](#)
[KRS 160.431](#)
[702 KAR 003:090](#)

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