**Request for Proposal Notice**

**for Depository Services by**

**REGION 17 EDUCATION SERVICE CENTER**

**1111 W Loop 289, Lubbock, TX 79416**

Region 17 Education Service Center (ESC) is soliciting proposals from banks to serve as a depository to assist with the banking functions for funds of the ESC.

**Introduction**

In accordance with the Texas Education Code (TEC), Chapter 45, Subchapter G, School ESC Depositories, the Board of Trustees of the ESC will select a depository through soliciting proposals for a depository services contract for a term of two years beginning September 1, 2025 and ending August 31, 2027 or until a successor depository is selected, qualified, and agrees to a depository agreement based on either fees or compensating balances.

The ESC and the depository may agree to extend this contract for three additional two-year terms in accordance with the TEC, §45.205. This section requires that the contract and any extension of this contract coincide with the ESC’s fiscal year. If the ESC changes its fiscal year, the term of the contract may be shortened or extended no more than one year by mutual agreement to coincide, provided that this contract remains in effect until its successor is selected and has been qualified. If the parties cannot agree, the ESC has the option to change the term of this contract.

The legal provisions providing for naming a depository of the ESC are set forth in the TEC, Subchapter G, School District Depositories, §§45.201 through 45.209. Investments by the ESC are governed by the Texas Government Code (TGC), Chapter 2256, Public Funds Investment. Securities pledged as collateral to secure ESC deposits are governed by the TGC, Chapter 2257, Collateral for Public Funds.

**Proposal Conference**

A Proposal conference will not be held. Bank representation is not required for submitting a proposal; however, the submission of a proposal will be prima facie evidence that the proposer has full knowledge of the detailed requirements as outlined in this proposal notice.

**Bank Questions**

Questions regarding this proposal request, or the services requested, will be accepted in written or email form only, at the address below **on or before 3:00 pm on Wednesday, May 21, 2025.** Responses to all material questions submitted will be posted to the ESC Website ([www.esc17.net](http://www.esc17.net), under “About Region 17” and “Bids/Proposals/Required Postings”). All participating banks are expected to review this website for answers to any material questions and include those answers in your proposal. Answers to material questions will be available on this website by **3:00 pm on Friday, May 23, 2025**.

**Proposal Submission**

To be eligible for consideration under this request, the bank must submit three (3) complete paper copies of each proposal **by 10:00 am CST or CDT on Friday, May 30, 2025** to the address below. The ESC will not accept proposals received after that time. Late submissions to the ESC address will be returned unopened.

The proposal must be submitted in a sealed envelope or packet marked “ESC17 Depository Services.” An accompanying transmittal letter must be signed by a person authorized to bind the institution, state that the proposal is valid for 180 days from the submission date and give full contact information regarding the proposal.

The proposals must be delivered by US mail, express mail, or in person to:

Kerry Wright, CFO

Region 17 Education Service Center

1111 W Loop 289

Lubbock, TX 79416

806-281-5845

kwright@esc17.net

All questions in the attached uniform proposal blank should be answered and provided to the ESC as the bank’s proposal.

The bank must attach a cashier's check in the sum of $500.00 payable to the ESC. If any portion of this contract is awarded to the bank, the check will be returned to the bank. If the bank fails to execute the contract in a reasonable time, the ESC will cash the check as liquidated damages. If the proposal is not accepted, the check will be returned to the bank immediately after contract award.

**This proposal is being provided electronically by the ESC on its website, www. esc17.net, under “About Region 17” and “Bids/Proposals/Required Postings”. All applicable forms related to this proposal are available on this website. The submitted proposal must be made in paper form only.**

**Evaluation Process**

*[NOTE: According to the TEC, §45.206(d), the ESC must state the selection criteria and select the proposal based on the ranking in relation to the stated selection criteria.]*

The ESC will use the following criteria to evaluate the proposal and award the contract:

30 % - Interest rate on time deposits and checking accounts.

25 % - Experience in providing depository services to other governmental entities within the geographic boundaries of the ESC – Please provide a list of all governmental entities/political subdivisions for which your bank is the current bank depository, such as but not limited to: school districts, hospital districts, counties, cities, water districts.

 20 % - Charges for keeping ESC accounts, records and reports and furnishing checks.

 10 % - Ability to meet up to $33,000,000 collateralization of ESC deposits.

10 % - Fraud detection/prevention – Please provide a description of your bank’s current and ongoing systems for fraud detection, prevention and liability recourse for the ESC.

5 % - Ability to render the necessary depository services. Services should include electronic/online services as well as local (Lubbock) services:

a). Ability to offer online services allowing ESC to make “real-time” inquiries regarding bank account status and balances.

b). Ability to make transfers between accounts within the bank and with other financial institutions.

 100 % -Total

Failure to provide all of the requested information will result in proposal disqualification. The ESC reserves the right to reject any or all proposals and to accept the proposal the ESC considers most advantageous. If any portion or provision of this proposal and any contract between the depository and ESC entered into is invalid, the remainder, at the option of the ESC, must remain in full force and effect and not be affected. Acceptance of the proposal will be based on the total package of services offered by the bank.

**Legislative Change**

Changes in the law that may be enacted by the Texas Legislature, in session, could alter the scope of requirements as stated in this document. The proposal should conform to all statutes in effect at the time of proposal opening.

**Schedule for Selection Process**

The ESC will make every effort to adhere to the following schedule:

05/07/2025 Release of Request for Proposal (RFP)

05/21/2025 Deadline for questions concerning the RFP or services requested

05/23/2025 Responses given to any questions provided to all known interested banks

05/30/2025 Deadline for proposal submission

06/17/2025 ESC Board award of contract

09/01/2025 Contract commencement

**Other Requirements**

The following requirements must be met:

1. The bank selected as the depository will notify the ESC in writing within 10 days of any changes in federal or state regulations or laws that would affect the depository agreement.

2. The depository'srecords relating to the ESC's accounts must be open to review by the ESC, its independent auditors, and the Texas Education Agency.

3. The ESC reserves the right to pay for depository services by targeted balances or by fees.

4. The ESC reserves the right to exclude direct payroll deposit service from the depository contract if the bank does not offer direct payroll deposit service.

**ESC Rights**

The ESC reserves the right to:

* waive any defect, irregularity, or informality in the proposal or proposal procedures;
* reject any and all proposals;
* accept any proposal or portion thereof most advantageous to the ESC;
* request additional information or require a meeting with bank representatives for clarification;
* cancel, revise, or reissue this request for proposal or any portions of it,
* negotiate any conditions;
* retain all other provisions even if any provision of the proposal is determined invalid;
* modify deadlines; and
* select any proposal considered to be in its best interest as determined by the ESC.

Please review the PDF document titled Attachment B Bank Activity Analysis for detailed explanation of current bank account structure. This document can be found on the ESC website, [www.esc17.net](http://www.esc17.net) under “About Region 17” and “Bids/Proposals/Required Postings”.