



## Cherokee County Auditor's Office

135. South Main St.  
Rusk, Texas 75785  
(903) 683-2717 | Phone  
(903) 683-2939 | Fax

# County Depository Bank Request for Proposals (RFP 2023-02)

### Information included and attached:

1. **Copy of Advertisement/Invitation placed in the Cherokeean Herald**
2. **Request for Proposal**
3. **Cherokee County Investment Policy**
4. **Letter of Intent to Provide Investment Services**

**Any additional information can be requested from Mr. Steven Daughety, County Auditor, or Mrs. Erin Curtis, County Treasurer.**

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**Notice of Intent to Select County Depository**

The Cherokee County Commissioners' Court will consider awarding a contract for the County Depository at the 9:00 A.M. meeting, Tuesday, April 11, 2023.

Specifications are available at the Auditor's Office in the Courthouse, Rusk, Texas, or by calling (903) 683-2717.

Sealed bids should be returned to the County Auditor's Office, 135 S. Main St., Rusk, Texas 75785 on or before 2:00 P.M., Thursday, March 30, 2023. Bids will be opened at that time and tabulated. Results will be furnished to the court for award as noted.

The Court reserves the right to reject any or all bids.

Steven Daughety  
County Auditor  
Cherokee County, Texas

Publish 3 times:  
February 22, 2023  
March 8, 2023  
March 15, 2023

Affidavit

## **REQUEST FOR PROPOSALS COUNTY DEPOSITORY BANK (RFP 2023-xx)**

**SCOPE:** It is the intent of this Request for Proposals to establish quotations for the Cherokee County Depository Contract. By returning the Bid Worksheet, the Bank acknowledges that it understands the Revised Civil Statutes of Texas (Article 2544 et. Seq. of the Revised Civil statutes of Texas, as revised by Local government Code, Chapter 116.000 through 116.155 passed by the 70<sup>th</sup> leg. 1987; Article 2547 a,b,c; and Article 2558a et. Seq.) that pertain to the managing and safekeeping of County funds and acknowledges that Bank will comply with those statutes. Proposals will be submitted all in accordance with Proposal Conditions, Specifications, and/or Special Provisions attached hereto.

**OPENING DATE: Thursday, March 30, 2023, 2:00 PM,** Cherokee County Juvenile Courtroom, 135 South Main Street, 3<sup>rd</sup> Floor, Rusk, Texas.

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**INSTRUCTIONS:**

The Cherokee County Auditor is now accepting formal proposals from banks within the geographical boundaries of Cherokee County, Texas, for designation as the Cherokee County Depository for a term of four years, beginning June 1, 2023, and ending May 31, 2027, or until a successor is qualified. The contract will commence upon formal award of a contract by the Cherokee County Commissioners' Court and the completion of the necessary qualification and bonding procedures as outlined in applicable State Law.

The depository contract shall involve the safekeeping and performance of banking services pertinent to county money, money collected and held by the Tax Assessor pending distribution, money deposited in the several "county funds" as required by the State of Texas statutes, and trust funds in possession of the County and District Clerks, as required under Sub-Chapter 116 and 117 Local Government Code.

To be eligible for consideration, one (1) original and two (2) copies of each proposal must be tendered in a securely sealed envelope which is legibly marked on its outside surface with the words: "**Cherokee County Depository Bank Proposal RFP 2023-02**", along with the name and address of the institution submitting the proposal/application. Each original proposal must be signed by an authorized representative of the offering institution. Proposals otherwise submitted will not be considered.

Proposals must be received in the office of the County Auditor on or before the time and date specified. Proposals received after time and date specified, whether delivered or mailed, will not be considered and will be returned unopened. In order to assure your proposal is fairly considered, it must be submitted in a properly sealed envelope, clearly marked on the outside lower left hand corner surface with the numbers "**2023-02.**" This includes overnight envelopes. Proposals marked otherwise may be opened prematurely.

**PLEASE MAIL or HAND DELIVER TO:**

**CHEROKEE COUNTY AUDITOR  
135 South Main St., 3<sup>rd</sup> Floor  
Rusk, Texas 75785**

No proposals will be considered in which the proposal, specifications, or any provisions have been modified. The Request for Proposal number, “**2023-02**”, shall appear on any technical data or information furnished by your firm with this proposal.

A proposal that is in the possession of the County Auditor may be withdrawn by the firm's representative, in person (with proper identification) or by written request up to the time of the proposal opening. Proposals may not be withdrawn after the proposal opening. Proposals may be altered by email, letter or fax transmission bearing the signature or name of the person authorized for submitting the proposal, provided it is received prior to the time and date of opening. Any alteration should not reveal the proposal price, but should indicate the addition, subtraction, or other change in the proposal.

The formal opening will begin at 2:00 PM. Late bids will not be accepted and will be returned to the bidder unopened. The bid opening is open to the public.

Proposals shall be tabulated by the County Auditor and County Treasurer following the opening. Copies will be forwarded to members of the Commissioners' Court of Cherokee County for review and consideration. In compliance with state law, formal selection of depository bank is expected to be an agenda item at the next regularly scheduled meeting of the Commissioners' Court, set for 9:00 a.m., Tuesday, April 11, 2023 in the County Courtroom.

The County of Cherokee is a political subdivision of the State of Texas and, as such, is exempt from usual sales taxes.

The Commissioners' Court of Cherokee County reserves the right to reject any and all proposals, to accept in whole or part, to waive any informalities in the proposals received, to accept proposals separately or combine proposals as it shall deem to be in the best interest of Cherokee County.

Proposals are solicited for furnishing merchandise, supplies, services, and/or equipment and imply no obligation on the part of Cherokee County.

The failure to comply with the terms of this proposal will subject any contract to revocation.

Questions concerning the proposal process, specifications, acceptance, and approval of proposals, should be directed to:

**STEVEN DAUGHETY**  
**CHEROKEE COUNTY AUDITOR**  
**135 South Main St. 3<sup>rd</sup> Floor**  
**Rusk, Texas 75785**  
**(903) 683-2717**  
**coauditor@cocherokee.org**

**Request for Proposals (RFP 2023-02)  
Bid/Proposal  
Depository Contract  
Cherokee County, Texas**

**PLEASE NOTE: Any change (addition, deletion, or alteration) to these specifications will automatically disqualify the bid.**

These depository contract specifications provide for three types of financial relationships: Managing Bank, Participating Bank, and Investment Broker. The Managing Bank will be designated to handle banking services including, but not limited to, the establishment of demand checking accounts. Participating Banks will be authorized to hold secured time deposits in accordance with the provisions of law. Investment Brokers will be authorized to sell to the County government securities that are in accordance with the laws of the State of Texas.

**AWARDING OF CONTRACT:** Cherokee County will award the Bank Contract based on the following criteria:

- Reputation of bidder and quality of services
- Ability to perform and provide the required and requested services
- Cost of banking services
- Completeness of bid and agreements to points outlined in the Depository Bid Sheet
- Funds availability to secure balances
- Interest rates paid on interest bearing accounts, time deposits, and investments
- Earnings credit on average available account balances
- Financial strength and stability
- Convenience of location
- No fee for early withdrawal

**THE MANAGING BANK**

In reply to the published notice of the Commissioners’ Court of Cherokee County (hereinafter referred to as “County”), the undersigned bank (hereinafter referred to as “Bidder”) submits the following bid for the Managing Bank depository contract for the County of Burnet for a term of four years, beginning June 1, 2023, and ending May 31, 2027, or until a successor is qualified.

The depository thus selected will be the depository for county funds, selected trust funds of the County and District Clerks of Cherokee County, money collected and held by the Tax Assessor/Collector pending distribution, and all general and special funds of every nature which the County may tender for deposit during the four-year term.

**Statement of Capital: Surplus and Condition**

Each proposal must include a statement of paid up capital stock and permanent surplus and a statement of the financial condition of the institution at the current date.

**Bank Information:**

Amount of paid-up Capital Stock \$ \_\_\_\_\_

**Permanent Surplus** \$ \_\_\_\_\_

Total Stockholders’ Equity as of \_\_\_\_\_ \$ \_\_\_\_\_

(date)

### **Banking Services**

Each proposal must offer the following services/materials as an integral part of the depository contract:

- a. Checks and deposit slips manufactured to county specifications
- b. Safety deposit boxes
- c. Temporary overdrafts for individual and combined accounts
- d. Services for demand accounts
- e. Statement of accounts
- f. Banks statements on or before the 10th of each month
- g. Bonded courier service to pick up deposits at the courthouse once daily on business days, if offering institution is located more than three (3) blocks from the courthouse
- h. Cashier's checks
- i. Deposit stamps
- j. Prompt documentation (within 48 hours) of all charges and/or credits to accounts in instances whenever documentation did not otherwise accompany statements
- k. Prompt (within 48 hours) correction of entry of balance errors, with notice of such being provided to the county; and
- l. Courier service between Jacksonville and the Courthouse. This may be done by the bank's regular courier service that delivers bank records between Jacksonville and Rusk.

### **Special Terms and Conditions**

Bidder will comply with all the provisions of Chapter 116, "Depositories for County Public Funds", Local Government Code, Vernon's Texas Codes Annotated.

In accordance with Sub-Chapter 116.023, Local Government Code, proposals must be accompanied by certified check or cashier's check in the amount representing one-half (½) of one percent (1%) of Cherokee County's revenue for the preceding fiscal year (2021-2022) as a guarantee of good faith on the part of the offeror that if the proposal should be accepted, the successful offeror will enter into a bond or pledge of collateral, and upon the failure of the offeror that will be selected to comply with the guarantee, the amount of such certified or cashier's check shall go to the county as liquidated damages. The amount that represents one-half (½) of one percent (1%) of Cherokee County's revenue for the preceding fiscal year (2021-2022) is **\$221,000.00**. The check(s) of the unsuccessful offeror(s) will be returned upon formal selection of a depository.

The depository selected shall, within 15 calendar days after having been selected, comply with either section 1 or 2, Sub-chapter 116.051, Local Government Code. The security shall be in the form of approved securities pledged to the County of Cherokee in an amount sufficient to cover the total amount of funds on deposit by the County. Pledged securities shall be placed in correspondent or third-party banks for safekeeping, not branch banks. The bank shall deliver to the County either the securities pledged or safekeeping (trust) receipts for them, properly marked to show the pledge. Request for substitution of collateral securities shall be executed in compliance with Sub-chapter 116.083, Local Government Code.

For informational purposes, the largest month-ending balance of cash and investments reported by the County Auditor in FY 2022 for Cherokee County was \$31,358,867.56 in July 2022. As of November 30, 2022, total cash and investments reported by the County Auditor for Cherokee County totaled \$34,090,053.89.

Pledged collateral, under provision public funds collateral act (Sec 2257, Govt code) must be sufficient at all times during the contract period to cover total county deposits (including both demand and time). The County will require a routine monthly report showing all pledged securities and their current market value. The depository bank is responsible for notifying the County of any deficiency in pledged collateral on a daily basis. County reserves the right to alter from time to time the required amount of securities to be sufficiently so pledged. Bidder shall have the right and privilege of substituting securities upon giving the County 21 days prior notice and obtaining the approval of the Commissioners' Court, provided the total amount of securities deposited is adequate as provided herein. When the county funds shall be reduced below the amount of securities pledged, the Commissioners' Court shall permit the release of such excess.

Cherokee County reserves the right to invest funds as prescribed by Sub-chapter 116.112, Local Government Code, and/or in accordance with the current duly adopted Cherokee County Investment Policy without penalty of any form under the terms of this depository agreement. A copy of current Cherokee County Investment Policy is attached for bidders' reference.

The successful offeror shall not sell, assign, transfer or convey this contract in whole or in part, without the prior written consent of the Commissioners' Court of Cherokee County.

The contract arising as a result of the solicitation for formal proposals shall be enforceable in Cherokee County, Texas and if legal action is necessary to enforce it, exclusive venue shall lie in Cherokee County.

Selected depository shall become operative within a sixty (60) day period after April 11, 2023, and shall be and constitute such depository in accordance with the law, up to and including sixty (60) days after the expiration of the new depository. For the purposes of this request for proposals, the anticipated operative date of the new depository contract is June 1, 2023.

The Cherokee County Commissioners' Court hereby expressly reserves the right to accept the bid offering the most favorable terms and conditions for the handling of such funds and shall have the right to reject any and/or all bids, as provided by law.

Cherokee County hereby expressly reserves the right to cancel this agreement, for cause, and to re-advertise for proposals upon 30 days written notice to the contracted institution.

Terms, conditions and requirements expressed in this request for proposals shall, upon formal award by the Commissioners' Court of Cherokee County, constitute the substance of the agreement between the parties and terms, conditions and requirements expressed herein embodies the complete agreements of the parties hereto, superseding all oral written previous and contemporary agreements between the parties and relating to matters herein, and except as otherwise provided herein, cannot be modified without written consent of the parties.

### **Information**

Please direct questions regarding these specifications or procedures for proposal information to Mr. Steven Daughety, County Auditor at (903) 683-2717. Please direct questions regarding types of bank accounts, CD's, etc. to Mrs. Erin Curtis, County Treasurer at (903) 683-4935

**Form of Proposal**  
**Cherokee County Depository Contract Bid**

*Having read and understood the attached instructions, terms and conditions and requirements, we submit the following proposals:*

**Interest Rates:** The lawful rate of interest that we, the offeror, will pay for the term of the depository contract on the following types of deposits is as follows:

a. Time deposits/Fixed Rates for:

Type of Instrument (s): \_\_\_\_\_

Minimum Amount: \_\_\_\_\_

Number of Days

14 through 29: \_\_\_\_\_%

30 through 59: \_\_\_\_\_%

60 through 89: \_\_\_\_\_%

90 and Over: \_\_\_\_\_%

- Certificates of Deposit or other such instruments which may be legally obtained by Cherokee County.

b. Time deposits/Variable Rates for:

Type of Instrument (s): \_\_\_\_\_

Minimum Amount: \_\_\_\_\_

Number of Days

14 through 29: \_\_\_\_\_%

30 through 59: \_\_\_\_\_%

60 through 89: \_\_\_\_\_%

90 and Over: \_\_\_\_\_%

- Certificates of Deposit or other such instruments which may be legally obtained by Cherokee County.

c. Loans may be made to the County at the rate of \_\_\_\_\_% annually to cover current operating expenses and will be repaid during the counties fiscal year during which the debt was incurred.

d. Interest paid on interest bearing checking and court registry/trust accounts:  
\_\_\_\_\_% Computed on the average daily basis



**Banking Services:**

The services/materials detailed under the proposal requirements will be provided as an integral part of the depository contract.

	Unit Cost
a. Account Maintenance	_____
b. Debits Paid	_____
c. Credits Posted	_____
d. Safe Deposit Boxes	_____
e. Deposit Bags	_____
f. Cashier Checks	_____
g. Money Orders	_____
h. Wire Transfer Debits	_____
i. Wire Transfer Credits	_____
j. ACH Transfers	_____
k. Stop Pays	_____
l. Return Deposits	_____
m. Checks & Deposit Slips	_____
n. Deposit Stamps	_____
o. Other	_____

**Statement of Capitol/Surplus and Condition:**

A statement of paid-up capital stock and permanent surplus and a statement of the financial condition of the institution at the current date are attached.

**Guarantee of Good Faith:**

A certified or cashier's check in the amount of \$221,000.00, representing one-half (½) of one percent (1%) of Cherokee County's budgeted revenue for the fiscal year 2022-2023, is attached to this proposal, as a guarantee of good faith on the part of the offeror that if the proposal should be accepted, the successful offeror will enter into a bond or pledge of collateral, and upon the failure of the offeror to comply with the guarantee, the amount of such certified or cashier's check shall go to the county as liquefied damages.

**Pledged Securities:**

If selected as the Cherokee County depository, we shall within 15 calendar days after having been selected, comply with either section 1 or 2, Sub-chapter 116.051, Local Government Code, whichever is applicable. Pledged securities shall be placed in a second bank for safekeeping, providing Cherokee County safekeeping receipts. Request for substitution of collateral securities shall be executed in compliance with Sub-chapter 116.083, Local Government Code.

Pertaining to Article 115.001 of the Local Government Code, The County Auditor shall have continual access to examine and investigate the correctness of the books, accounts, and records of all Officers of the County, including all bank accounts containing County funds.

**Agreement to Terms:**

By the signature of our authorized representative on this proposal form, we agree to any and all terms and conditions expressed in the attached request for proposals, and further agree to any provisions of applicable law which may, incidentally, not be fully expressed or referenced in the request proposal.

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Name & Address of Proposing Institution

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Signature of Authorized Representative

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Printed Name

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Title

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Date

## **PARTICIPATING BANKS**

County funds may be invested in time deposits (non-negotiable certificates of deposit) issued by commercial banks in the State of Texas for which the banks have pledged collateral in accordance with Chapter 116, "Depositories for County Public Funds," Local Government Code, Vernon's Texas Codes Annotated, and Art. 842a-2, "Public Funds Investment Act," Vernon's Annotated Civil Statutes.

After determining its investment requirements, the County may solicit time deposit rates from Participating Banks (plus Managing Bank). Time deposits will be placed with the Participating Bank (or Managing Bank) offering the highest rate. Funds in the amount of the deposit, plus the interest earned, will be wired back to the Managing Bank on the maturity date of the time deposit.

Collateral in the form of approved pledged securities equal to the amount of County time deposits must be provided by Participating Banks. Securities shall be held in correspondent or third-party banks not in branch banks.

If a bank wishes to become a Participating Bank, a Letter of Intent must be submitted and approved. (Letter of Intent is provided as Attachment #2)

## **INVESTMENT BROKERS**

County funds may be invested in numerous instruments as authorized in Chapter 116, "Depositories for County Public Funds," Local Government Code, Vernon's Texas Codes Annotated, and Art. 842a-2, "Public Funds Investments Act," Vernon's Annotated Civil Statutes.

After determining its investment requirements, the County may solicit investment rates from Investment Brokers (plus the Managing Bank). These investments will be placed with the firm offering the highest rate. Funds in the amount of the purchase, plus the interest earned, will be wired back to the Managing Bank on the maturity date of the investment instrument.

If an investment firm wishes to be a broker for the County, a Letter of Intent must be submitted and approved. (Letter of Intent is provided as Attachment #1)

## **Cherokee County Investment Policy**

This investment policy, when reviewed and adopted by the Cherokee County Commissioners' Court, will replace the adopted Investment Policy dated January 9th, 1995.

This investment policy satisfies the statutory requirements of the Public Funds Investment Act. (Government Code, Chapter 2256). A copy of the most recent version of the Public Funds Investment Act is attached hereto and incorporated by reference.

This investment policy applies to the investment activities of the County of Cherokee, Rusk, Texas. This policy serves to satisfy the statutory requirements of Local Government Code 116.112 and Government Code Chapter 2256 to define and adopt a formal investment policy. This policy will be reviewed and adopted by Commissioners' Court Order at least annually according to Section 2256.005 (e).

This investment policy applies to all financial assets of all funds of the County of Cherokee, Rusk, Texas, at the present time and any funds to be created in the future. Any funds held in custody by the County Treasurer shall be administered in accordance with the provisions of these policies, unless expressly prohibited by law or unless it is in contravention of any depository contract between Cherokee County and any depository bank.

### **Commissioners' Court Order**

It being the desire of the County Commissioners' Court of Cherokee County, Texas to establish a sound investment policy which will provide for maximum investment return from funds belonging to the County, the following INVESTMENT POLICY is adopted:

The Investment Objectives of the Commissioners' Court are:

1. To comply with the laws of the State of Texas as defined in Article 847a-2, Vernon's Texas Civil Statutes, known as the "PUBLIC FUNDS INVESTMENT ACT OF 1987" concerning the investment of County Funds;
2. To insure that sufficient funds are available to meet immediate and short-term needs for the operation of this County;
3. To provide for diversification in the types of investment, the amount of money invested and length of time of investments.
4. To ensure the safety of County funds and to avoid speculative investing;
5. To earn maximum interest rate allowed through prudent and legal investment of County funds consistent with the current Bank Depository Contract.

## TYPES OF INVESTMENTS

As provided in the PUBLIC FUNDS INVESTMENT ACT OF 1987, the following investment of County funds are allowed:

- \*\* OBLIGATIONS OF THE UNITED STATES, ITS AGENCIES AND INSTRUMENTALITIES;
- \*\* DIRECT OBLIGATIONS OF THE STATE OF TEXAS OR ITS AGENCIES;
- \*\* OTHER OBLIGATIONS INSURED AND SECURED BY THE STATE OF TEXAS AND THE UNITED STATES;
- \*\* OBLIGATIONS OF OTHER GOVERNMENTAL UNITS WITH AT LEAST AN "A" RATING.
- \*\* BANK CERTIFICATES OF DEPOSIT THAT ARE GUARANTEED;
- \*\* PRIME DOMESTIC BANKER'S ACCEPTANCES;
- \*\* COMMERCIAL PAPER (UNDER CERTAIN CONDITIONS)
- \*\* FULLY COLLATERIZED REPURCHASE AGREEMENTS (UNDER CERTAIN CONDITIONS)
- \*\* PUBLIC FUNDS INVESTMENT POOLS.
- \*\* BOND PROCEEDS MAY BE INVESTED IN COMMON TRUST FUNDS (UNDER CERTAIN CONDITIONS)

In order to insure timely investment of County funds to obtain maximum interest benefit, the following investments may be made by the investment officer without prior Commissioners' Court approval:

- \*\* COURT APPROVED PUBLIC INVESTMENT POOLS.
- \*\* OBLIGATIONS OF THE UNITED STATES, ITS AGENCIES AND INSTRUMENTALITIES THAT ARE FULLY GUARANTEED.
- \*\* DIRECT OBLIGATIONS OF THE STATE OF TEXAS OR ITS AGENCIES THAT ARE FULLY GUARANTEED.
- \*\* OTHER OBLIGATIONS INSURED AND SECURED BY THE STATE OF TEXAS OR UNITED STATES GOVERNMENT.
- \*\* BANK CERTIFICATES OF DEPOSIT THAT ARE GUARANTEED.

All other types of investments allowed under the PUBLIC FUNDS INVESTMENT ACT OF 1987 must have prior approval of the Commissioners' Court before the investment may be made by the designated Investment Officer.

The County shall require delivery of all securities or shall have these securities held in the County's name by an independent third party prior to payment being made by the County for investment.

## **INVESTING INSTITUTIONS**

The County shall invest funds with any or all of the following institutions or groups consistent with Federal and State law and the current Bank Depository Contract:

- \*\* TEXPOOL, TEXSTAR OR OTHER COURT APPROVED PUBLIC INVESTMENT POOLS.
- \*\* COUNTY DEPOSITORY BANK
- \*\* OTHER STATE OR FEDERALLY CHARTERED BANKS
- \*\* FULLY INSURED SAVINGS AND LOAN ASSOCIATIONS
- \*\* MAJOR BROKERAGE HOUSES

## **INVESTMENT COLLATERAL**

All invested County funds will be fully collateralized or insured consistent with Federal and State law and the current Bank Depository Contract, without exception.

All securities pledged as collateral shall be deposited in trust with the Federal Reserve Bank or an independent investment institution under an appropriate legal contract. The amount of securities so pledged shall be determined by their market value.

Public Investment Pools shall meet all reporting and information conditions as provided for in the Public Funds Investment Act before the County funds are invested with them.

## **DESIGNATION OF RESPONSIBILITIES**

It shall be the responsibility of the County Auditor to determine the amount of funds which are available for investment and the types of investments which will yield maximum income to the County.

The County Auditor shall determine the length of time for which the investment shall be made.

It shall be the responsibility of the County Auditor to:

1. Determine the amount of funds which are available for investment.
2. The types of investments which will yield maximum income to the County.
3. The length of time for which investments shall be made.
4. Insure that sufficient funds are available to meet immediate and short-term needs for the operation of the County.
5. Make recommendations to the Commissioners' Court concerning investments which require prior approval from the Court before investments are made.
6. Provide to the Commissioners' Court a monthly report of invested County funds showing type of investment, length of investment, amount of investment, and interest to be received from investments.

It shall be the responsibility of the County Treasurer to:

1. Make the actual purchase of the investments upon written authority of the County Auditor.
2. Make re-investments upon written approval of the County Auditor.
3. Receive and provide for the safekeeping of all pledged securities as collateral for invested funds.
4. Provide monthly reports to County Auditor and County Commissioners' Court of all pledged securities held in possession of County Treasurer.

ORDER OF THE COMMISSIONERS' COURT

THIS INVESTMENT POLICY IS ADOPTED DURING THE REGULAR MEETING OF THE CHEROKEE COUNTY COMMISSIONERS' COURT OF THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023, AND BECOMES A PART OF THE OFFICIAL MINUTES OF THE COUNTY COMMISSIONERS' COURT.

MOTION BY: \_\_\_\_\_

SECONDED BY: \_\_\_\_\_

ENTERED IN THE OFFICIAL MINUTES OF THE CHEROKEE COUNTY COMMISSIONERS' COURT.

\_\_\_\_\_  
Chris Davis, County Judge

\_\_\_\_\_  
Steven Daughety, County Auditor

\_\_\_\_\_  
Kelly Traylor, Commissioner PCT, 1

\_\_\_\_\_  
Steven Norton, Commissioner PCT, 2

\_\_\_\_\_  
Patrick Reagan, Commissioner PCT, 3

\_\_\_\_\_  
Billy McCutcheon, Commissioner PCT, 4

FILED FOR RECORD this \_\_\_\_\_ day of February and recorded the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Laverne Lusk, County Clerk

**ATTACHMENT #1**

**LETTER OF INTENT TO PROVIDE INVESTMENT SERVICES  
AS MANAGING BANK OR PARTICIPATING BANK**

It is hereby agreed that the undersigned bank will provide investment services to Cherokee County if chosen by the Commissioners' Court of Cherokee County either as the Managing Bank or a Participating Bank for the period beginning June 1, 2023, and ending May 31, 2027, based upon our understanding of the following:

- 1) As either the Managing Bank or a Participating Bank, we are authorized to hold secured time deposits (non-negotiable certificates of deposit) of County funds. The amount of time deposits to be held at the Managing Bank or Participating Banks is to be determined by the County based upon the highest interest rate solicited from the respective banks by competitive quotes at the time of deposit.
- 2) In accordance with Chapter 116, "Depositories for County Public Funds," 1988 Local Government Code, Vernon's Texas Codes Annotated, collateral equal to the amount of all County time deposits will be pledged to Cherokee County. Collateral shall be in the form of approved security instruments. County shall retain the right to disapprove of any pledged security.

Securities shall be held in correspondent or third-party banks not in branch banks.

- 3) Bank will provide a routine monthly report showing current market values of all pledged securities and total monthly deposits.
- 4) The maximum maturity date of any time deposits or other interest-bearing instrument under the terms of this contract shall be May 31, 2027.

**DATE:** \_\_\_\_\_

**INSTITUTION:** \_\_\_\_\_

**SIGNED BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_



## **Submission of FORM 1295 – Texas Ethics Commission – Form on Next Page**

### Implementation of HB 1295

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million, or (3) is for services that would require a person to register as a lobbyist under Chapter 305 of the Government Code. The disclosure requirement applies to a contract entered into on or after January 1, 2016. The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law. The commission does not have any additional authority to enforce or interpret House Bill 1295.

### Filing Process

Starting on January 1, 2016, the commission made available on its website a new filing application that must be used to file Form 1295. A business entity must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the business entity must sign the printed copy of the form. The completed Form 1295 with the certification of filing must be filed with the governmental body or state agency with which the business entity is entering into the contract.

The governmental entity or state agency must notify the commission, using the commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the contract binds all parties to the contract. This process is known as acknowledging the certificate. The commission will post the acknowledged Form 1295 to its website within seven business days after receiving notice from the governmental entity or state agency. The posted acknowledged form does not contain the declaration of signature information provided by the business.

A certificate will stay in the pending state until it is acknowledged by the governmental agency. Only acknowledged certificates are posted to the commission's website.

Form 1295, Complete Instructions, and Login Information are available via the Texas Ethics Commission:

<https://www.ethics.state.tx.us/filinginfo/1295/#:~:text=Filing%20Process&text=An%20authorized%20agent%20of%20the,is%20entering%20into%20the%20contract>.

Awarded Vendors must visit the TEC website link above, enter the required information on Form 1295, and print a copy of the completed form. The form will include a certification of filing that will contain a unique certification number.

At the time of the award, Cherokee County will submit a request to the Awarded Vendor to both:

1. Submit Form 1295 online via the Texas Ethics Commission website link above.
2. Submit a printed copy of Form 1295, signed by an Authorized Agent of the awarded vendor with this bid.

# CERTIFICATE OF INTERESTED PARTIES

# FORM 1295

### OFFICE USE ONLY

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)	
		Controlling	Intermediary

**5 Check only if there is NO Interested Party.**

**6 UNSWORN DECLARATION**

My name is \_\_\_\_\_, and my date of birth is \_\_\_\_\_.

My address is \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in \_\_\_\_\_ County, State of \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
(month) (year)

\_\_\_\_\_  
 Signature of authorized agent of contracting business entity

**ADD ADDITIONAL PAGES AS NECESSARY**

# CONFLICT OF INTEREST QUESTIONNAIRE

# FORM CIQ

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 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By 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 176.006(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.

**OFFICE USE ONLY**

Date Received

**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.**

\_\_\_\_\_

Name of Officer

**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

## CONFLICT OF INTEREST QUESTIONNAIRE

### For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

**Local Government Code § 176.001(1-a):** "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

**Local Government Code § 176.003(a)(2)(A) and (B):**

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

\*\*\*

(2) the vendor:

- (A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that
  - (i) a contract between the local governmental entity and vendor has been executed;
  - or
  - (ii) the local governmental entity is considering entering into a contract with the vendor;
- (B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:
  - (i) a contract between the local governmental entity and vendor has been executed; or
  - (ii) the local governmental entity is considering entering into a contract with the vendor.

**Local Government Code § 176.006(a) and (a-1)**

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:
  - (A) begins discussions or negotiations to enter into a contract with the local governmental entity;
  - or
  - (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or
- (2) the date the vendor becomes aware:
  - (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
  - (B) that the vendor has given one or more gifts described by Subsection (a); or
  - (C) of a family relationship with a local government officer.

## Residence Certification/Tax Form

Pursuant to Texas Government Code §2252.001 *et seq.*, as amended, Cherokee County requests Resident Certification. §2252.001 *et seq.* of the Government Code provides some restrictions on the awarding of governmental contracts; pertinent provisions of §2252.001 are stated below:

- (3) "Nonresident bidder" refers to a person who is not a resident.
- (4) "Resident bidder" refers to a person whose principal place of business is in this state, including a contractor whose ultimate parent company or majority owner has its principal place of business in this state.

- I certify that \_\_\_\_\_ [company name] is a Resident Bidder of Texas as defined in Government Code §2252.001.
- I certify that \_\_\_\_\_ [company name] is a Nonresident Bidder as defined in Government Code §2252.001 and our principal place of business is \_\_\_\_\_, \_\_\_\_\_ (city and state).

Taxpayer Identification Number (T.I.N.):	
Company Name submitting bid/proposal:	
Mailing address:	
If you are an individual, list the names and addresses of any partnership of which you are a general partner:	

**Property:** List all taxable property owned by you or above partnerships in Cherokee County.

Cherokee County Tax Acct. No.*	Property address or location**

\* This is the property amount identification number assigned by the Cherokee County Appraisal District.  
 \*\* For real property, specify the property address or legal description. For business property, specify the address where the property is located. For example, office equipment will normally be at your office, but inventory may be stored as a warehouse or other location.

**Return Completed Form with Offer.**

## COMPLIANCE WITH FEDERAL AND STATE LAWS

### **Certification of Eligibility**

By submitting a RFP in response to this solicitation, the Respondent certifies that at the time of submission, they are not on the Federal Government's list of suspended, ineligible, or debarred entities. In the event of placement on list between the time of RFP submission and time of award, the Respondent will notify Cherokee County Auditor. Failure to do so may result in terminating this contract for default.

### **Verification No Boycott Israel**

As required by Chapter 2270, Government Code, the selected firm must verify that it does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

### **Foreign Terrorist Organizations**

Pursuant to Chapter 2252, Texas Government Code, the selected Firm must represent and certify that, at the time of execution of an Agreement neither the Firm, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

### **Disclosure of Interested Parties**

The law states that a governmental entity may not enter into certain contracts with a non-exempt business entity unless the business submits a disclosure of interested parties to the governmental entity. By submitting a RFP in response to this solicitation, the respondent agrees to comply with HB 1295, Government Code 2252.908. Respondent agrees to provide Cherokee County Auditor, and/or requesting department, the "Certificate of Interested Parties," Form 1295 as required, within ten (10) business days from notification of pending award, renewal, amended or extended contract.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_