

**Time Line for RFP NO. 2025-01**

**HARRISON COUNTY**

**DEPOSITORY & SUB-DEPOSITORY CONTRACT**

**Approve Specs: February 25, 2025**

**Publish: February 26, 2025**

**Release Bid Packets: February 27, 2025**

**Publish: March 5, 2025**

**Publish: March 12, 2025**

**RFP Due & Opened: March 19, 2025 @ 2pm**

**Award RFP: April 8, 2025**

# **RFP NO. 2025-01 DEPOSITORY BANK**

## **SELECTION TIMETABLE**

### **Depository Bids Advertised:**

- Wednesday, February 26, 2025
- Wednesday, March 05, 2025
- Wednesday, March 12, 2025

### **Specification/Bid Sheets Mailed or Delivered/Posted on Courthouse Door:**

- Tuesday, February 25, 2025

### **Opening of Bid Proposals/ Selection of County Depository**

- Tuesday, March 19, 2025

### **Award RFP**

- Tuesday, April 8, 2025

*Qualification of County Depository within fifteen (15) days of award*

**RFP NO. 2025-01**

**DEPOSITORY AND SUB-DEPOSITORY CONTRACT**

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**HARRISON COUNTY, TEXAS**

# RFP No. 2025-01

## Harrison County Depository and Sub-Depository Contract

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### Harrison County, Texas

#### PUBLIC NOTICE

The Harrison County Commissioner's Court will approve a contract for the **COUNTY DEPOSITORY AND SUB-DEPOSITORY** in the Commissioner's court meeting on Tuesday, April 8, 2025 at 9:00 A.M. Sealed proposals will be received by Darla Haynes, the Harrison County Purchasing Agent, at 200 West Houston Street, 1st Floor, Room 107, Marshall, TX 75670, February 27, 2025 until **Tuesday, March 19, 2025 at 2:00 P.M.** To obtain specifications or for further information, call the Harrison County Purchasing Department (903) 935-8412. All applicants must comply with all applicable State Statutes and as outlined in the specifications. Harrison County reserves the right to accept or reject in whole or in part any proposals received and to waive any irregularities or formalities in the best interest of Harrison County.

**Chad Sims**

**County Judge**

**Harrison County, Texas**

Insert in the Marshall News Messenger

- Wednesday, February 26, 2025
- Wednesday, March 5, 2025
- Wednesday, March 12, 2025

# RFP No. 2025-01

## Harrison County Depository and Sub-Depository Contract

### Harrison County, Texas

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#### Instructions to Vendors

- RFP NO. 2025-01 is for the **Harrison County Depository and Sub-Depository Contract**.
- The due date for submitting a proposal **is Tuesday, March 19, 2025 at 2:00 P.M.** *(late proposals will not be accepted.)*
- **Return your proposal to the Harrison County Purchasing Department, 200 West Houston Street, 1st Floor, Room 107 Marshall, Texas 75670 Attention: Darla Haynes, Harrison County Purchasing Agent.**
- Submit one (1) typed original, and three (3) copies along with (1) electronic copy of your proposal in a sealed, labeled envelope marked **Harrison County Depository and Sub-Depository Contract RFP NO. 2025-01**.
- Carefully read and follow all instructions, requirements and specifications.
- Fill out all required forms properly and completely.
- Submit all appropriate supplements and or samples with your proposal.
- Sign your proposal. *(Unsigned proposals will be disqualified.)*
- The period for acceptance of this proposal will be sixty (60) calendar days unless a different period is noted.

***Failure to follow these instructions could result in the rejection of your proposal.***

# Harrison County, Texas

## Standard Terms and Conditions

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**General requirements apply to all advertised requests for Sealed Proposals; however, these may be superseded, whole or in part, by the INSTRUCTIONS/TERMS OF CONTRACT.**

Proposals are solicited for furnishing the merchandise, supplies, services and or equipment set forth in this document. **By returning this proposal with the price(s) submitted, Vendors certify and agrees as follows:**

1. All delivery and freight charges are to be included, on the basis of deliveries being FOB destination, inside delivery, unless otherwise specified elsewhere in the proposal document.
2. If applicable, a packing list or other suitable documents shall accompany each shipment and shall show:
  - a. Name and address of Vendor
  - b. Name and address of receiving department
  - c. Harrison County purchase order number
  - d. Description of material shipped, including item numbers, quantity, number of containers and package number (if any).
3. Samples may be requested for testing by Harrison County. Any sample that fails testing shall be considered sufficient reason to reject the proposal.
4. Non-performance of the proposal requirements regarding specifications or non-compliance with terms of this contract shall be basis for termination of the contract by the County. Termination in whole or in part, by the County may be made at its option, without prejudice to any other remedy to which it may be entitled by law or in equity, or elsewhere under this contract, -by giving thirty (30) days written notice to the Vendor with the understanding that all work being performed under this Contract shall cease upon the date specified in such notice. The County shall not pay for work, equipment, services or supplies, which are unsatisfactory. The Vendor may be given reasonable opportunity prior to termination to correct any deficiency. This however shall in no way be construed as negating the basis for termination for non-performance.
5. Quantities indicated in the proposal are estimates based upon the best available information. The County reserves the right to increase or decrease the quantities by any amount deemed necessary to meet its needs without any adjustments in the proposal price.

6. Invoices shall be sent directly to the Departments placing order. Invoices must detail the materials/equipment delivered and must reference the Harrison County purchase order number. Payments are processed after the Purchasing Department has been notified that the material or equipment has been delivered in good condition and that no unauthorized substitutions have been made according to specifications.
7. Whenever an article or material is defined by describing a proprietary product or by using the name of the manufacturer, the term "OR EQUAL" if not inserted shall be implied unless otherwise indicated by "NO SUBSTITUTIONS". The specified article or material shall be understood as descriptive, not restrictive. In case the unit price of an item differs from the extended price for the quantity quoted, the unit price shall govern.
8. The Vendor shall be considered an independent contractor and not an agent, servant, employee, or representative of the County in the performance of the work. No term or provision, hereof, or act of the Vendor shall be construed as changing that status.
9. The Vendor shall defend, indemnify, and save whole and harmless the County and all its officers, agents and employees from and against all suits, actions, or claims of the character, name and description brought for or on account of any injuries or damages (including but not restricted to death) received or sustained by any person(s) or property on account of, arising out of, or in connection with the performance of the work, including without limiting the generality of the foregoing, any negligent act or omission of the Vendor in the execution or performance of the Contract.
10. The Vendor agrees, during the performance of the work, to comply with all applicable codes and ordinances of the appropriate City, County or State, as they may apply, and as these laws may now read or as they may hereafter be changed or amended.
11. The Vendor shall obtain from the appropriate City, County or State, the necessary permit(s) required by the ordinances of the City, County or State, for performance of the work.
12. The Vendor shall not sell, assign, transfer or convey this Contract in whole or in part, without the prior written consent of the County.
13. In case, any one or more, of the provisions, contained in this Contract, shall, for any reason, be held to be invalid, illegal, or unenforceable, in any respect, such invalidity, illegality or unenforceability shall not affect, any other provision, thereof and this Contract shall be considered as if such had never been contained herein.
14. The parties herein agree that this Contract shall be enforceable in Harrison County, Texas and if legal action is necessary to enforce it, exclusive venue shall lie in Harrison County, Texas.
15. This Contract shall be governed by and construed in accordance with the laws of the State of Texas and all applicable Federal Laws.

16. Proposals may be withdrawn any time prior to the official opening. Alterations made before opening time must be initialed by Vendor guaranteeing authenticity. Proposals may not be amended, altered or withdrawn after the official opening, except upon the explicit recommendation of the Purchasing Agent and the formal approval of the Commissioners Court.
17. This Contract embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.
18. Funding Clause - Harrison County intends to make all payments required to be made under this Agreement. However, in the event, through no action initiated by the End User, its legislative body does not appropriate funds for the continuation of this agreement for any fiscal year after the current fiscal year and it has no funds to continue this Agreement from other sources, this Agreement may be terminated. To effect the termination of this Agreement, Harrison County shall, thirty days prior to the beginning of the fiscal year for which its legislative body does not appropriate funds, send written notice stating that funds have not been appropriated for the next fiscal year. The Vendor will submit a final invoice and coordinate with the Purchasing Agent to remove all property belonging to said Vendor as soon as possible. The final invoice will be verified and approved by the Purchasing Agent. Thereupon, Harrison County will be released from its obligation to make all further payments.
19. Insurance Requirements - In the event that "Insurance Requirements" have been specified in the proposal documents, Harrison County, Texas may require the following insurance coverages:
- a. Workers' Compensation insurance with \$500,000.00 Employer Liability limits under Coverage B (no deductible)
  - b. General Liability insurance with limits of \$1,000,000.00 per occurrence/aggregate, including products and completed operations coverage
  - c. Auto liability limits \$1,000,000.00
  - d. County named as "*additional insured*" not "*additional named insured*"
  - e. Deductible shall be \$5,000.00 or less on each of the above listed coverage.

The Vendor must provide a certificate of insurance conforming to the above listed requirements or a statement from their insurance carrier certifying that the required coverages shall be obtained by the Vendor within ten (10) days of formal award of a contract. In cases where a certification letter from an insurance carrier is attached to the proposal in lieu of an insurance certificate, any formal award of a contract shall be contingent upon



required coverages being put into force prior to any performance of any duties outlined in the contract.

20. Harrison County is exempt from federal excise and state sales taxes, ad valorem taxes and personal property taxes; therefore, tax must not be included in proposals tendered.

Proposal prices offered must be complete and all-inclusive. Harrison County will not pay additional taxes, surcharges or other fees not included in proposal prices.

21. Harrison County expressly reserves the right to accept or reject in part or in whole any proposals submitted, and to waive any technicalities or formalities, considered to be in the best interest of Harrison County.

22. Bonds may be required in accordance with State Statutes and as outlined in the specifications.

#### VENDORS OWING TAXES

Pursuant to TX Local Government Code 262.0276, Harrison County Commissioners Court has adopted a policy, which requires that vendors' taxes be current as of the date bid/Sealed Proposals are due. Bidders with delinquent taxes on the due date will not be eligible for award. Whether or not a vendor's taxes are delinquent will be determined by an independent review of the Tax Office records. Vendors who believe a delinquency is reflected in error must contact the Tax Office to correct any errors or discrepancies prior to submitting their proposal in order to ensure that their proposal will be considered. Prior to submitting a proposal, vendors are encouraged to visit the Tax Office, set up a portfolio of their accounts and make their own initial determination of the status of their tax accounts. Furthermore, if, during the performance of this contract, a vendor's taxes become delinquent, Harrison County reserves the right to provide notice to the Auditor or Treasurer pursuant to Texas Local Government Code §154.045. This policy is effective for all proposals due on or after February 14, 2005.

## RFP NO. 2025-01

## Depository and Sub-Depository Contract Harrison County, Texas

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### INSTRUCTIONS/TERMS OF CONTRACT

#### 1.0 - Scope

**1.1** - Harrison County is now accepting formal proposals from banks within the geographical boundaries of Harrison County, Texas for designation as the County Depository and Sub-Depository for a four (4) year period commencing June 8, 2025, with formal award of a contract by the Harrison County Commissioner's Court on April 08, 2025, and completion of the necessary qualification and bonding procedures as outlined in applicable State Law. Pursuant to §116.021(b) this contract will allow negotiations of new interest rate and financial

terms of the contract that will take effect during the final two (2) years of a four (4) year contract if:

(1) The new financial terms do not increase the prices to the county by more than ten (10) percent; and

(2) The county has the option to choose to use the initial variable interest rate option or to change to the new fixed or variable interest rate options proposed by the bank.

**1.2** - The depository and sub-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 State of Texas statutes, and trust funds in possession of the County and District Clerks, Local Government Code, VTCA, pursuant to §116 and 117.

**1.3** - To be eligible for consideration, please submit one (1) original and three (3) copies along with (1) electronic copy of your proposal in a sealed envelope, which is legibly marked on the outside "**Harrison County Depository and Sub-Depository Contract RFP No. 2025-01**". An authorized representative of the offering institution must sign the original proposal. **Proposals otherwise submitted will not be considered.**

**1.4** - Sealed proposals will be received and opened on Tuesday, March 19, 2025, at 2:00 P.M., in the office of the Purchasing Agent, Harrison County Courthouse, 200 West Houston Street, 1st Floor, Room 107 St., Marshall, Texas, 75670. Late proposals will not be accepted and shall be returned unopened. The opening of the proposals is open to the public but the proposals will remain confidential during the process of selection. Only the names of the respondents will be read aloud during the opening.

**1.5** - Proposals may be withdrawn at any time prior to the official opening. Alterations made before opening time must be initialed by offeror guaranteeing authenticity. Proposals may not be amended, altered, or withdrawn after the official opening, without the recommendation of the Purchasing Agent and the approval of the Commissioner's Court, in compliance with applicable statutes.

**1.6** - Following the opening, the proposals will be reviewed and summarized then forwarded to Commissioner's Court for consideration. Harrison County reserves the right to select evaluation methods deemed most appropriate. Each proposal will be evaluated on a case-by-case basis, regardless of any previous evaluation method. All proposals will be kept confidential until a formal award is made. It is expected that a proposal award should be made at the April 8, 2025, Commissioner's Court meeting.

## **2.0 - Proposal Requirements**

**2.1** - Applicants desiring to be a county depository or sub-depository must be a banking institution located in the County of Harrison in the State of Texas.

**2.2** - Each proposal for the county depository must be accompanied by a certified check or cashier's check for at least \$249,347.27 payable to Harrison County Judge, Chad Sims (one-half percent of the county's revenue for the preceding year). Pursuant to Local Government Code, VTCA §116.023 (c), the certified or cashier's check that accompanies an application is a good-faith guarantee on the part of the applicant that if accepted as a county depository it will execute the bond required under such Chapter 116. If a bank is selected as a depository and does not provide the bond, the county shall retain the amount of the check as liquidated damages, and the county judge shall re-advertise for applications, if necessary, to obtain a depository for the county. An applicant's check will be returned immediately if that applicant is not selected. The selected applicant's good-faith guarantee check will be returned after their depository qualifies and deposits the required security. It is anticipated that said check will be returned within approximately thirty (30) days after the applicant is selected.

**2.3** - Pursuant to Texas law, within fifteen (15) days after a bank is selected as the county depository or sub-depository, the bank must comply with either Section 1 or 2 of Local Government Code, VTCA, §116.051, whichever is applicable. Pledged securities shall be placed in a second bank for safekeeping, providing Harrison County safekeeping receipts. Requests for substitution of collateral securities shall be executed in compliance with Local Government Code, VTCA, §116.082.

**2.4** - The successful depository applicant shall provide Harrison County with a payroll direct deposit program for county officers and employees. The direct deposit program must not require our employees to have bank accounts at the depository bank.

**2.5** - The successful depository and sub-depository applicant shall furnish the County Treasurer and the County Auditor a statement of the balance in each account; together with total checks cleared and total checks held against each account, in numeric order, as of the end of each month, plus the capability of electronic bank reconciliation. The successful depository and sub-depository applicant must reconcile any differences in account balances within thirty (30) days following written notification of such imbalances by the County Treasurer or the County Auditor. Further, the successful depository applicant must furnish the County Treasurer a weekly, or upon request, an account analysis report of all Harrison County bank accounts.

**2.6** - Harrison County is to be placed at no expense in connection with the supervision or substitution of the said securities pledged, or the handling of surety bonds. Said securities shall

be placed for safekeeping with an independent third party financial institution or Federal Reserve Bank in Texas, which shall provide the County Treasurer with safekeeping receipts for all transactions. Surety Bonds approved by the Commissioner's Court shall be handled and filed pursuant to Local Government Code, VTCA:

**2.61 - §116.082 Substitution of Securities:**

(a) - After reasonable notice to the commissioners' court, a depository is entitled to substitute one type of security for another or replace particular securities with others of the same type if the substituting or replacing security meets the requirements of law and is approved by the commissioner's court.

(b) - The county judge shall execute the necessary instruments to transfer to the depository or its order a lien withdrawn from real property for which another security is substituted.

(c) - The commissioners' court may direct the manner in which securities pledged in place of personal or surety bonds are to be deposited.

**2.62 - §116.083 Release of Excess Security:** If the securities pledged by a depository to secure county funds exceed the amount required under this chapter, the commissioner's court shall permit the release of the excess.

**2.63 §116.084 Inadequate Security:** If for any reason the county funds on deposit with the county depository exceed the amount of security pledged, the depository shall immediately pledge additional security with the commissioner's court.

**2.7 - Contact Person -** Bank will specify an officer of the Bank who will be responsible for attending to inquiries, requests for services, and daily activities regarding the managing of Harrison County accounts.

**2.8 - Stop Payments -** The Bank will be required to process stop payments on verbal instructions from the County Treasurer and/or County Auditor with follow-up written confirmation.

**2.9 - Stale Dated Checks -**The Bank will agree to not honor stale dated checks on Harrison County accounts, which are not endorsed by the County as acceptable after the one hundred eighty- (180) day limit.

**2.10 -** Each proposal for county depository and sub-depository must be accompanied by a statement showing the financial condition of the bank on the date of the proposal. Such statement must include the amount of the bank's paid-up capital stock and the amount of the bank's permanent surplus. Applicant must provide this information in the form of a separate

document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

**EXHIBIT ONE (1)**  
**STATEMENT SHOWING FINANCIAL CONDITION OF BANK**  
**AS OF FEBRUARY 1, 2025**

**2.11** - A detailed collateral-to-deposit transaction/activity report issued by the depository bank is required at least once a week and more often if requested by Harrison County. In addition, a detailed collateral transaction/activity report issued by the financial institution with actual custody of pledged securities is required at least once a week or more often if requested by Harrison County. The above-referenced reports shall contain security descriptions, par value/current face and current market value. To compensate for increases or decreases in County deposits and fluctuation of market value of pledged collateral, the minimum market value of collateral will be 105% of County deposits. A sample of each of the above-referenced reports must accompany each proposal. These sample reports must be submitted as a separate document, signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

**EXHIBIT TWO (2)**  
**A SAMPLE OF COLLATERAL-TO-DEPOSIT REPORT AND**  
**SAMPLE COLLATERAL TRANSACTION/ ACTIVITY REPORT**

**2.12** - Monthly account analysis reports will be provided for each account and on a total account basis. The account analysis will contain, at a minimum, the following:

- Daily average ledger balance
- Daily average float
- Average collected balance
- Reserve requirements
- Price levels for each activity
- Monthly volumes by type
- Earnings allowance

Applicant must provide a sample account analysis report listing all items and service charges which are included in the account analysis process, submitted as a separate document, signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

### **SAMPLE ACCOUNT ANALYSIS**

#### **EXHIBIT THREE (3)**

**2.13** - Address and explain (with examples if necessary) by what method Monthly Collateral Handling Fees (if any) are calculated. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

#### **EXHIBIT FOUR (4)**

### **CALCULATION OF MONTHLY COLLATERAL HANDLING FEES**

**2.14** - Address and explain (with examples if necessary) by what method Monthly Earnings Credits are calculated. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

#### **EXHIBIT FIVE (5)**

### **CALCULATION OF MONTHLY EARNINGS CREDITS**

**2.15** - Address and explain (with examples if necessary) the process by which demand accounts are swept to an overnight investment vehicle backed by U.S. Treasury obligations. Supply an 18-month history of rates earned. As disbursements are made a reverse transaction is made from the investment account to the demand account, with the interest earnings reported on an individual account basis. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

#### **EXHIBIT SIX (6)**

### **EXHIBIT OF SWEEP OPTION**

**2.16** - Address and explain (with examples if necessary) any services applicant can offer in addition to those specifically requested in this proposal that might benefit Harrison County.

Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

**EXHIBIT SEVEN (7)**

**ADDITIONAL SERVICES OFFERED**

**2.17** - Supply an 18-month history on a one (1) year Certificate of Deposit. Applicant must provide this information in the form of a separate document signed and dated by an authorized representative of the bank, with a cover sheet labeled as follows:

**EXHIBIT EIGHT (8)**

**CD RATES FOR THE LAST EIGHTEEN (18) MONTHS**

**2.18**- The successful depository and sub-depository bank shall provide Harrison County with deposit slips manufactured to the county's specifications for the tenure of the depository agreement.

**2.19** - Each proposal must offer the following services and/or materials as an integral part of the depository and sub- depository contract.

- a. Temporary overdrafts for individual or combined accounts
- b. Insufficient funds and stop payment orders
- c. Services for demand accounts
- d. Statements of accounts (paper)
- e. Bank statements on or before the 5th of each month
- f. Cashier's checks
- g. Deposit stamps
- h. By close of next day, all charges and/or credits to accounts must be posted
- i. By close of next business day, all corrections of entry or balance errors, must be posted to account
- j. Quarterly fees owed to the Depository or interest earned by the County, as indicated by account analysis, shall be billed or remitted
- k. Internet access

**2.20** - Harrison County has the following scheduling requirements, which must be met by the selected applicant.

Service	Required Schedule	Applicant agrees to schedule? (circle answer)	
1a. Account Statements	Treasurer/ Weekly	YES	NO

1b. Account Statements	All Other Officers – Available no later than five (5) working days from end of month	YES	NO
2. Account Analysis	Mailed on or before the 15 <sup>th</sup> of each month	YES	NO
3. Balance Reporting Information	Once per week or as requested	YES	NO
4. Out-going wire transfer release	Release by close of fed wire	YES	NO
5. In-coming wire notification on any account	Confirm by telephone by 2PM with the hard copy to follow on the next business day	YES	NO
6. Stop Payments	In place six months unless renewed	YES	NO
7. Collateral Safekeeping Receipts	When pledged.	YES	NO
8. Transaction reports of all collateral securities	Monthly and as requested	YES	NO
9. Electronic Internet Access	Daily	YES	NO
10. Remote Deposit	Daily	YES	NO
11. Positive Pay	Daily	YES	NO

### **3.0 - Special Terms and Conditions**

**3.1** - Harrison County reserves the right to invest funds pursuant to, Local Government Code, VTCA, §116.112, and/or in accordance with the current duly adopted Harrison County Investment Policy, without penalty of any form under terms of this depository agreement. A copy of the current Harrison County Investment Policy is attached for the vendor's reference and is identified as such.

**3.2** - The successful offeror shall not sell, assign, transfer or convey this contract in whole or in part, without the prior written consent of the Commissioner's Court of Harrison County.



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

**3.4** - Selected depository and sub-depository shall become operative sixteen (16) days after notice of award of contract 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.

**3.5** - The Harrison County Commissioner's Court hereby expressly reserves the right to accept the proposal offering the most favorable terms and conditions for handling of such funds and shall have the right to reject any and all proposals, as provided by law.

**3.6** - Harrison County hereby expressly reserves the right to cancel this agreement, for cause, and to re-advertise for proposals upon thirty-(30) day's written notice to the contracted institution.

**3.7** - Terms, conditions and requirements expressed in this proposal shall, upon formal award by the Commissioner's Court of Harrison County, constitute the substance of the agreement between the parties and the terms, conditions and requirements expressed herein embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters herein, and except as otherwise provided herein cannot be modified without written agreement of the parties.

## **4.0 – Information**

**4.1** - Please direct questions regarding the proposal specifications and the types of bank accounts, etc. in writing to Darla Haynes, Harrison County Purchasing Agent by fax at 903-935-4807 or sent by email to darlah@co.harrison.tx.us. Inquiries should make reference to specific section numbers of this RFP.

**4.2** - To assist interested parties in preparing proposals for the bank depository a schedule of recent Harrison County account activity is attached hereto, labeled "Recent Harrison County Account Activity". To assist interested parties in preparing proposals for the bank sub-depository a schedule of recent activity is attached hereto, labeled "Recent Harrison County Sub-Depository Account Activity".

**4.3** - The Commissioner's Court has the statutory authority to require a depository to execute a new bond (security) whenever the Commissioner's Court considers it advisable or considers it necessary for the protection of the county. Local Government Code, §116, contains many provisions, which give the Commissioner's Court similar statutory authority over county depositories. This proposal and any depository contract(s) awarded expressly include all

applicable provisions of Chapter 116, and applicants are advised to seek the advice of legal counsel in this regard prior to submitting a signed proposal or negotiating a contract with Harrison County, Texas.

**4.4 - Evaluation Process:** Proposals will be evaluated, in part, based on the following criteria:

Collateral Handling Fees	5 pts
Financial Stability of Bank	15 pts
Availability of SWEEP option for investment purposes and/or interest bearing demand accounts	10 pts
Cost of banking service fees and earnings potential interest	25 pts
Credit Card Service and Fees	5 pts
Ability to meet scheduling requirements	5 pts
Any additional services offered	2 pts
Payroll direct deposit services	15 pts
Internet Access	6 pts
Previous service relationship with the County	10 pts
Convenience of locations	2 pts
<b>Total</b>	<b>100 pts</b>

**4.5 -** The Commissioners’ Court pursuant to Texas law has the discretion to determine the type of security it requires as collateral for the funds to be deposited by the county with the county depository. The Harrison County Commissioner's' Court will select acceptable collateral for Harrison County Funds from the following instruments:

- U.S. Treasury Bills
- U.S. Treasury Notes
- U.S. Treasury Bonds
- Federal Farm Credit Bank Agencies
- Federal Home Loan Bank Agencies
- Student Loan Marketing Association Agencies

- Obligations issued by governmental entities of the State of Texas. By way of illustration, and not limitation, the governmental entities include independent school districts, incorporated cities, certain road districts, and water and air pollution control districts, incorporated cities, certain road districts, and water and air pollution control districts, as well as junior college revenue bonds, having an investment rating of not less than "A" (by Standard & Poor's) or its equivalent.

**"Recent Harrison County Account Activity"**

**HARRISON COUNTY OFFICE OF TREASURER**

**200 W HOUSTON ST. STE 331**

**MARSHALL, TX 75670-4028**

**GROUP SUMMARY ANALYSIS**

**January 2025**

Date Prepared 02/07/2025

RFP NO. 2025 - 01

Days in statement cycle 31

Average Daily Ledger Balance: 23,595,632.23

Less Average Daily Float: 904,494.05

Average Daily Collected Balance: 22,691,138.18

Less Required Reserves: 2,269,113.65

Average Net Collected Balance: 20,422,024.53

Earning on: 20,422,024.53 4,336.04

Service	Activity	Unit Price	Activity Charge	Required Balances
Monthly Account Maintenance	35	5.0000	175.00	
Debits Posted	647	.1000	64.70	
Credits Posted	263	.1500	39.45	
On US Items Deposited	850	.0500	42.50	
Transit Items Deposited	9439	.0600	566.34	
Charge Bank Charges	8	5.0	40.0	
Remote Deposit Capture Fee	1	30.0	30.0	
RDC Scanner Location Fee	1	125.00	125.00	
Total Services And Required Balances:			1,082.99	
Current Month Net Excess:			3,253.05	
Net Excess:			<u>3,253.05</u>	

**"Recent Harrison County Sub-Depository Account Activity"**

**HARRISON COUNTY CLERK**

**PO BOX 1365**

**MARSHALL, TX 75671**

**INDIVIDUAL SUMMARY ANALYSIS**

**JANUARY 2025**

Date Prepared 02/07/2025

Days in Statement Cycle 31

RFP NO. 2025 - 01

Average Daily Ledger Balance: 56,843.41

Less Average Daily Float: 310.29

Average Daily Collected Balance: 56,533.12

Less Required Reserves – 10%: 5,653.31

Average Net Collected Balance: 50,879.81

Earning on: 50,879.81

AT .250000% 10.80

Service	Activity	Unit Price	Activity Charge	Required Balances
Monthly Account Maintenance	1	5.0000	5.00	23,548.39
Debits Posted	3	.1000	.30	1,412.90
Credits Posted	22	.1500	3.30	15,541.94
On US Items Deposited	15	.0500	.75	3,532.26
Transit Items Deposited	203	.0600	12.18	57,363.87
***Special Instructions***	1	.0000	.00	
<b>Total Services and Required Balances:</b>			<b>21.53</b>	<b>101,399.36</b>
<b>Current Month Net Loss:</b>			<b>-10.73</b>	<b>50,534.83</b>
<b>Current Net Loss:</b>			<b>-10.73</b>	

*If this account is grouped with other accounts the service charge calculations are linked together*

## Formal RFP

### Harrison County Depository Contract RFP NO. 2025-01

Having read and understood the instructions, terms and conditions and requirements, we propose the following service charges for the following services ***{NOTE: the expected monthly volume figures are estimates only. It is understood that Harrison County's actual volume may be higher or lower without change in unit price or monthly charges for such services.***

Type of Service	Expected Monthly Volume	Unit Price	Monthly Charge	Included in Acct. Analysis
-----------------	-------------------------	------------	----------------	----------------------------

Account Maintenance	35	\$	\$	Yes/ No
Weekly Statements	1	\$	\$	Yes/ No
Checks (Debits Posted)	647	\$	\$	Yes/ No
Deposits (Credits Posted)	263	\$	\$	Yes/ No
NSF Items	1	\$	\$	Yes/ No
Teller Deposit Processing	2,891	\$	\$	Yes/ No
Night Depository	1	\$	\$	Yes/ No
Remote Deposit Capture Fee	1	\$	\$	Yes/ No
RDC Scanner Location Fee	1	\$	\$	Yes/ No
Encoding	13,000	\$	\$	Yes/ No
Return Items	15	\$	\$	Yes/ No
Deposited Items Rejected	20	\$	\$	Yes/ No
Overdraft Fee	0	\$	\$	Yes/ No
Bill Straps	10	\$	\$	Yes/ No
Coin Rolls	4	\$	\$	Yes/ No
Stop Payments	4	\$	\$	Yes/ No
Check sort w/o Acct. Rec.	0	\$	\$	Yes/ No
Settle Purch./ Sale Gov't	1	\$	\$	Yes/ No
Wire Transfer Debits	3	\$	\$	Yes/ No
Incoming Fed Wire	3	\$	\$	Yes/ No
Investment Transaction Fee	2	\$	\$	Yes/ No
Credit Card Machine/ Swipers	35	\$	\$	Yes/ No
Online Banking Charges		\$	\$	Yes/ No
Cost of Deposit Slips		\$	\$	Yes/ No
Cost of Check Orders		\$	\$	Yes/ No

Ledger Charges omitted above: \_\_\_\_\_

What bank charges/ fees will NOT be handled through compensating balances? \_\_\_\_\_

**OTHER PROPOSED CHARGES AND INTEREST**

Reserve Requirement Rate assessed: \_\_\_\_\_%

How is the FDIC Insurance assessed? \_\_\_\_\_

Interest Credit/ Payment on Demand Balances:

- a) Money Market basis used: \_\_\_\_\_
- b) Formula used: \_\_\_\_\_
- c) Calculated on collected or investable? \_\_\_\_\_
- d) Actual Rates for: January 2024 through February 2025

January 2024	
February 2024	
March 2024	
April 2024	
May 2024	
June 2024	
July 2024	
August 2024	
September 2024	
October 2024	
November 2024	
December 2024	
January 2025	
February 2025	

Charge(s) on Overdrafts	Ledger Balance	Collected
Current rate or fee		
Charge per acct. or aggregate only		
Charge daily or monthly		

**Interest Rates and Certificates of Deposit**

- a. Proposal for CD Interest Rate (for investment purpose): \_\_\_\_\_
- b. Proposal for Trust Fund CD Interest Rate (County & District Clerk Funds): \_\_\_\_\_

**Deposit Credit – Same day ledger credit for deposited items will be granted according to the following schedule:**

- a. Encoded items – received up to: \_\_\_\_\_ PM
- b. Un-encoded items – received up to: \_\_\_\_\_ PM

**Non-Recurring Charges:**

- a. Locking Depository Bags: \$ \_\_\_\_\_

**Agreement to Terms, Conditions:** By the signature of our authorized representative on this proposal form, we agree to any and all terms and conditions expressed in the proposal documents, RFP No. 2025-01 Harrison County Depository and Sub-Depository Contract, and further agree to any provisions of applicable law which may, incidentally, not be fully expressed or referenced in the proposal documents.

**Required Attachments:**

Exhibit 1 – Financial Statement

Exhibit 2 – Collateral to deposit report & collateral transaction/ activity report

Exhibit 3 – Sample account analysis

Exhibit 4 – Monthly Collateral Handling Fees

Exhibit 5 – Calculation/ monthly earning credits

Exhibit 6 – Sweep option example

Exhibit 7 – Additional services offered

Exhibit 8 – CD Rates for last 18 months

Good Faith Guarantee Check - \$249,347.27

Bank Name: \_\_\_\_\_

Bank Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Email: \_\_\_\_\_ Tax I.D: \_\_\_\_\_

Print Name: \_\_\_\_\_ Print Title: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_



**RFP NO. 2025-01**

**Depository and Sub-Depository Contract Harrison County, Texas**

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**“NO PROPOSAL”**

**DO NOT RETURN THIS PAGE IF YOU ARE SUBMITTING A PROPOSAL!**

If you are returning this page, you **MUST** write "NO PROPOSAL" on the outside of the return envelope.

WE THE UNDERSIGNED:

\_\_\_\_\_ : **DECLINE** to submit a proposal for RFP No. 2025-01 Harrison County Depository and Sub-Depository Contract.

\_\_\_\_\_ : Request that you **KEEP** our company on the Harrison County Vendor list for future consideration.

\_\_\_\_\_ : Request that you **UPDATE** our information in the Harrison County Vendor list files.

\_\_\_\_\_ : Request that you **ADD** my company to the Harrison County Vendor list.

\_\_\_\_\_ : Request that you **REMOVE** my company from the Harrison County Vendor list.

Please give us your reason(s) for not submitting a proposal:

---

---

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

Email: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

**INVESTMENT POLICY  
FOR THE  
COUNTY OF HARRISON  
MARSHALL, TEXAS**

**TABLE OF CONTENTS**

<b>1.0 – INVESTMENT SCOPE</b>	<b>PAGE #</b>
1.01 GENERAL STATEMENT	4
1.02 LEGAL AUTHORITY TO INVEST	4
1.03 FUNDS INCLUDED	4
1.04 FUNDS INVESTED WITH AUTHORIZED INVESTMENT POOLS	5
<b>2.0 – INVESTMENT STRATEGY</b>	
2.01 HARRISON COUNTY FUNDS TO BE INVESTED	5

### **3.0 – INVESTMENT OBJECTIVES**

3.01 GENERAL STATEMENT	5
3.02 SAFETY	6
3.03 LIQUIDITY	6
3.04 DIVERSIFICATION	6
3.05 YIELD	6
3.06 MATURITY	6
3.07 SALE OF SECURITIES BEFORE MATURITY	6
3.08 QUALITY & CAPABILITY OF INVESTMENT MANAGEMENT	7

### **4.0 – INVESTMENT RESPONSIBILITY & CONTROL**

4.01 – COUNTY’S INVESTMENT DELEGATE	7
4.02 – STANDARD OF CARE	7
4.03 – LIABILITY OF COUNTY TREASURER	7
4.04 – ACCOUNTING AND AUDIT CONTROL	8
4.05 – ANNUAL AUDIT & PERFORMANCE EVALUATION	8

### **5.0 – INVESTMENT REPORTING**

5.01 – QUARTERLY REPORTING	8
----------------------------	---

### **6.0 – INVESTMENT INSTITUTION**

6.01 – INVESTMENT INSTITUTIONS DEFINED	9
6.02 – QUALIFICATIONS FOR APPROVAL OF BROKER/ DEALERS	9

### **7.0 – INVESTMENT INSTRUMENTS**

7.01 – AUTHORIZED INVESTMENTS	10
7.02 – AUTHORIZED INVESTMENT WITH DEPOSITORY BANK	12
7.03 – PROHIBITED INVESTMENTS	12

### **8.0 – INVESTMENT PROCEDURES**

8.01 – CONFIRMATION OF TRADE	12
8.02 – DELIVERY VERSUS PAYMENT	12
8.03 – ELECTRONIC FUNDS TRANSFER	12
8.04 – SAFEKEEPING OF PURCHASED SECURITIES	12

8.05 – MONITORING MARKET VALUE	13
<b>9.0 – COLLATERAL AND SAFEKEEPING</b>	
9.01 – COLLATERAL OR INSURANCE	13
9.02 – SAFEKEEPING	13
<b>10.0 – INVESTMENT POLICY REVIEW AND AMENDMENT</b>	
10.01 – REVIEW PROCEDURE	13
10.02 – CHANGES TO THE INVESTMENT POLICY	13

**EXHIBITS**

**1.0 - INVESTMENT SCOPE**

**1.01 - GENERAL STATEMENT** - It is the policy of Harrison County, Texas ("County") that the administration of its funds and the investment of those funds shall be handled as its highest public trust. Investments shall be made in a manner which will provide the maximum security of the principal invested through limitations and diversification while meeting the daily cash flow needs of the County and conforming to all applicable statutes governing the investment of public funds. The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the County to be in complete compliance with applicable law and the Texas Public Funds Investment Act. The earnings from the investments

will be used in a manner that best serves the public trust and interests of the County. By Commissioners' Court approval, this policy will replace any prior investment policy of Harrison County.

**1.02 - LEGAL AUTHORITY TO INVEST** - The County Treasurer is designated as the Investment Officer of the County and is responsible for the implementation of investment management decisions and activities. The County Treasurer, acting with the County Auditor and County Judge, shall comprise the Investment Committee of the County, and shall jointly determine and direct the specific investment actions of the County. The decisions of the Committee shall be implemented by the Investment Officer; should the Investment Committee be unable to agree as to the best investment decision, then the same shall be submitted to the Commissioners' Court for resolution.

The Investment Officer shall develop and maintain administrative procedures for the operation of the investment program which are consistent with this investment policy. Procedures should include references to: competitive bidding on purchases and sales of investments, safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking services contracts.

It is the County's policy to provide training required by the Act and periodic training in investments for the Investment Officer through courses and seminars offered by professional organizations and associations.

**1.03 - FUNDS INCLUDED** - All funds belonging to Harrison County that are under the care and control of the County Treasurer shall be considered under the scope of this policy. This policy excludes Other Post-Employment Benefits (OPEB) managed by Public Agency Retirement Services (PARS) and Harrison County Industrial Development Authority, INC (HCIDA).

**1.04 - FUNDS INVESTED WITH AUTHORIZED INVESTMENT POOLS** - There will be attached a list of investment pools that are authorized by the Commissioners' Court for use by the Investment Officer. If there is a conflict between the investment policy of Harrison County and the investment policy of an authorized pool, the policy of the pool shall supersede that of the County, so long as that policy is in compliance with the Public Funds Investment Act.

## **2.0 - INVESTMENT STRATEGY**

**2.01** - Harrison County Cash Funds to be invested, but not limited to, are as follows: (PLEASE SEE EXHIBIT-A FOR A LIST OF FUNDS)

In accordance with the Public Funds Investment Act 2256.005 (d), a written investment strategy shall be developed for each of the funds under the county's control. The following strategy will apply for each of the funds listed in EXHIBIT-A:

(1) Each fund under the control of the County Treasurer will be swept from the fund's depository Bank Account to its individual investment account in a Public Funds Investment Pool.

(2) While at the investment pool, each fund is invested until money is needed to cover the fund's expenses. Money is available daily from the Pool.

(3) If money is not needed by a fund to cover expenses based on liquidity needs determined by the County Treasurer the money may be invested in other investment tools as directed by this policy.

(4) The stated final maturity of any one investment, outside a Public Funds Investment Pool, made by the County Treasurer shall be three years or less. (2256.005 (b) (4) (B))

### **3.0 - INVESTMENT OBJECTIVES**

**3.01 - GENERAL STATEMENT:** Funds of Harrison County will be invested in accordance with the federal and state laws and the investment policy of Harrison County. The County will invest according to investment strategies for each fund as they are adopted by Commissioners' Court order in accordance with Sec. 2256.005(d).

**3.02 - SAFETY:** Harrison County is concerned about the return of its principal, therefore, safety of principal is a primary objective in any investment transaction. [Sec. 2256.005 (b) (2)].

**3.03 - LIQUIDITY:** The County investment portfolio must be structured in a manner which will provide the liquidity necessary to pay obligations as they become due. [Sec. 2256.005 (b) (2)]

**3.04 - DIVERSIFICATION:** The policy of Harrison County, except when investing with the Depository Bank, Investment Pools, U.S. Treasury Bills/Bonds/Notes, or in U.S. Agencies, will be to diversify its investment portfolio when investing in:

(1) Certificates of Deposit of other banks, savings banks, and state or federal credit unions domiciled in Texas; (2) Repurchase Agreements; (3) Commercial Paper; and (4) other investment instruments provided for by law.

The County's portfolio shall be diversified to eliminate the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer or a specific class of investments. Investments of the County shall always be selected that provide for stability of income and reasonable liquidity. [Sec. 2256.005 (b) (3)]

**3.05 - YIELD:** Consistent with federal and state law and the County's depository contract, it will be the objective of the County Treasurer to earn the maximum interest rate allowed within the constraints of safety and liquidity.

**3.06 - MATURITY:** Portfolio maturity will be staggered, if market conditions are favorable, in a way to achieve the highest return of interest but at the same time provide for the necessary liquidity to meet the County's cash needs. The maximum allowable stated final maturity of any individual investment owned by the County will be five years. [Sec. 2256.005 (b) (4) (B)]

**3.07 - SALE OF SECURITIES BEFORE MATURITY:** The Harrison County Treasurer may, with the concurrence of the County Judge and County Auditor, sell securities before maturity if:

- (1) Market conditions present an opportunity for the County to benefit from sale:
- (2) Funds are urgently needed to meet unforeseen expenses, even if there is a loss of interest and/or principal due to the sale: and
- (3) A security has lost its minimum required rating as an authorized investment. [Sec. 2256.021]

**3.08 - QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT:** It is the County's policy to provide training required by the Public Funds Investment Act, Sec. 2256.008, and periodic training in investments for the County Treasurer through courses and seminars offered by professional organizations and associations. This will insure the quality and capability of the County Treasurer in making investment decisions. The County Treasurer, unless instructed otherwise, will receive training under 2256.008

(a) (1) & (2) through courses offered by the County Treasurers' Association of Texas, Texas Association of Counties, and the association's Certified Investment Academy (CIA) program, and the National Association of County Treasurers and Finance Officers (NACTFO).

#### **4.0 - INVESTMENT RESPONSIBILITY AND CONTROL**

**4.01 - COUNTY'S INVESTMENT DELEGATE:** In accordance with Sec. 116.112 (a), Local Government Code, Chapter 2256, Sec. 2256.005 (f), and Commissioners Court Order, the County Treasurer, under the direction of the Harrison County Commissioners Court, may invest the funds of Harrison County that are not required immediately to pay obligations.

**4.02 - STANDARD OF CARE:** In accordance with Government Code 2256.006, investments shall be made with judgment and care, under the prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the persons 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 investment objectives, in order of priority:

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

**4.03 - LIABILITY OF COUNTY TREASURER:** The County Treasurer is not responsible for any loss of the county funds through the failure or negligence of a depository. Sec. 113.005 Local Government Code does not release the Treasurer from responsibility for a loss resulting from the official misconduct or negligence of the Treasurer, including a misappropriation of the funds, or from responsibility for funds until a depository is selected and the funds are deposited.

**4.04 - ACCOUNTING AND AUDIT CONTROL:** The Harrison County Treasurer will establish liaison with the Harrison County Auditor in preparing necessary investment forms that may be prescribed by the County Auditor to provide for accounting and auditing controls.

**4.05 - ANNUAL AUDIT AND PERFORMANCE EVALUATION:** It is the policy of the Harrison County Commissioners Court to have a yearly audit of all County funds by an outside auditing firm. Harrison County, in conjunction with its annual audit, shall perform a compliance audit of management controls on investments and adherence to the County's established investment policies. [Government Code 2256.005 (m) and Sections 2256.023 (d) if applicable]

## **5.0 - INVESTMENT REPORTING**

**5.01 - MONTHLY REPORT:** In accordance with Government Code 2256.023, not less than quarterly, the County Treasurer shall prepare and submit to the Commissioners Court a written report of investment transactions for all funds for the preceding reporting period within a reasonable time after the end of the period. The report must:

- (1) Describe in detail the investment position of Harrison County on the date of the report;
- (2) Be prepared by the County Treasurer of Harrison County;
- (3) Be signed by the County Treasurer of Harrison County;
- (4) Contain a summary statement of each pooled fund group that state the:
  - (A) Beginning market value for the reporting period;
  - (B) Additions and changes to the market value during the period;

(C) Ending market value for the period; and

(D) Full accrued interest for the reporting period;

(5) State the book value and market value of each separately invested asset at the beginning and 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 County for which each individual investment was acquired; and

(8) State the compliance of the investment portfolio of the County as it relates to:

(A) The investment strategy expressed in Harrison County's investment policy;

(B) Relevant provisions of this chapter.

## **6.0 - INVESTMENT INSTITUTIONS**

**6.01 INVESTMENT INSTITUTIONS DEFINED:** The Harrison County Treasurer shall invest county funds with any or all of the following institutions or groups consistent with federal and state law, Chapter 2256 Texas Government Code, and the current Depository Bank Contract:

(1) Depository bank;

(2) The Capital Markets Division of the Depository Bank;

(3) Other state or national banks domiciled in Texas that are insured by FDIC or its successor;

(4) Savings banks domiciled in Texas that are insured by FDIC or its successor;

(5) State or federal credit unions domiciled in Texas that are insured by National Credit Union Share Insurance Fund or its successor;

(6) Public funds investment pools, currently Texpool, MBIA Texas Class, TexStar, Lone Star, Logic, Texas TERM; and

(7) "Primary Dealers" of U.S. Government securities. (SEE EXHIBIT-B FOR PRIMARY DEALERS LIST)

**6.02 - QUALIFICATIONS FOR APPROVAL OF BROKER/DEALERS:** In accordance with 2256.005 (k), a written copy of this investment policy shall be presented to any person seeking to sell Harrison County an authorized investment. The registered principal of the business organization seeking to sell an authorized investment shall execute a written instrument substantially to the effect that the registered principal has:

(1) - Received and thoroughly reviewed the investment policy of Harrison County; and

(2) - Acknowledged that the organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between Harrison County and the organization.

The County Treasurer must comply with Sections 2256.005 (k) & (l) before obtaining an authorized investment.

## **7.0 - INVESTMENT INSTRUMENTS**

**7.01 AUTHORIZED INVESTMENTS:** The Harrison County Treasurer shall use any or all of the following authorized investment instruments consistent with governing law (Chapter 2256 Local Government Code):

(1) Authorized investments: Obligations of, or Guaranteed by Government Entities as follows:

(A) Obligations of the United State or its agencies and instrumentalities;

(B) Direct obligations of this state or its agencies and. instrumentalities;

(C) 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;

(D) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities; and

(E) Obligations of states, agency, 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.

(2) Certificates of deposit and share certificates if issued by a state or national bank domiciled in this state, a savings bank domiciled in this state or a state or federal credit union domiciled in this state and is:

(A) Guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;

(B) Secured by obligations that are described by Section 2256.009 (a) of the Public Funds Investment Act, 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) of the Public Funds Investment Act; or

(C) Secured in any other manner and amount provided by law for deposits of the county.

(3) A fully collateralized repurchase agreement, as defined in the Public Funds Investment Act, if it:

(A) Has a defined termination date

(B) Is secured by obligations described by Section 2256.009 (a) (I) of the Public Funds Investment Act; and

(C) Requires the securities being purchased by the county to be pledged to the county, held in the county's name, and deposited at the time the investment is made with the County or with a third party selected and approved by the county; and

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

Notwithstanding any law, the term of any reverse security repurchased agreement may not exceed 90 days after the date the reverse security repurchased agreement is delivered.

Money received by a county under the terms of a reverse security repurchased 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 repurchased agreement.

(4) Banker's acceptance if it:

(A) Has stated maturity of 270 days or fewer from the date of its issuance;

(B) Will be, in accordance with its term, liquidated in full maturity;

(C) is eligible for collateral for borrowing from a Federal Reserve Bank; and

(D) 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 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.

(5) Commercial paper is an authorized investment under this subchapter if the

Commercial paper:

(A) Has a stated maturity of 270 days or fewer from the date of its issuance; and

(B) Is rated not less than A-1 or P-1 or an equivalent rating by at least:

(a) Two nationally recognized credit rating agencies; or

(b) One nationally recognized credit rating agency and 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.

(6) A no-load money market mutual fund is authorized if it:

(A) Is registered with and regulated by the Securities and Exchange Commission;

(B) Has a dollar-weighted average stated maturity of 90 days or fewer; and

(C) Includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

(7) Eligible investment pools (as discussed in the Public Funds Investment Act, Sec. 2256.016-2256.019) if the Commissioners Court by resolution authorizes investment in the particular pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Public Funds Investment Act.

**7.02 - AUTHORIZED INVESTMENTS WITH DEPOSITORY BANK:** The Harrison County Treasurer may invest County funds with the Depository Bank as authorized by the Depository Contract.

**7.03 - PROHIBITED INVESTMENTS:** The Harrison County Treasurer has no authority to use any of the following investment instruments which are strictly prohibited by Sec. 2256.009(b):

(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 of greater than 10 years; and

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

## **8.0 - INVESTMENT PROCEDURES**

**8.01- CONFIRMATION OF TRADE:** A confirmation of trade will be provided by the broker/dealer to the Harrison County Treasurer for every purchase of an investment security.

The confirmation will become a part of the file that is maintained on every investment security.

**8.02 - DELIVERY VERSUS PAYMENT:** It will be the policy of the County that all Treasury, and Government Agencies' securities shall be purchased using the "delivery vs. payment" (DVP) method through the Federal Reserve System. By so doing, County funds are not released until the County has received through the Federal Reserve wire, the securities purchased.

**8.03 - ELECTRONIC FUNDS TRANSFER:** The County Treasurer may use electronic means to transfer or invest all funds collected or controlled by Harrison County. Any electronic funds transfers must require dual control to be processed. [Sec. 2256.05 I]

**8.04 - SAFEKEEPING OF PURCHASED SECURITIES:** All purchased securities shall be held in safekeeping by the County, or a County account in a third party financial institution, or with a Federal Reserve Bank. All certificates of deposit, insured by FDIC, purchased outside the Depository Bank shall be held in safekeeping by the County, or a County account in a third party financial institution, or with a Federal Reserve Bank.

**8.05 - MONITORING MARKET VALUE:** Harrison County, through its Treasurer, will use one or more of the following ways to monitor the market price of investments acquired with public funds when applicable:

- (1) The Wall Street Journal, or other financial data sources that provides the market value of investments;
- (2) Primary broker dealers;
- (3) Pricing services through the Depository Bank contract; and
- (4) Any other pricing services that complies with the Public Funds Investment Act.

## **9.0 - COLLATERAL AND SAFEKEEPING**

**9.01 - COLLATERAL OR INSURANCE:** The Harrison County Treasurer shall insure that all county funds are fully collateralized or insured consistent with federal and state laws (Chapter 2257 Public funds Collateral Act) and the current bank depository contract in one or more of the following manners:

- (1) Insured by FDIC or its successor;
- (2) Obligations of the United States or its agencies and instrumentalities; and
- (3) Other obligations under Sec. 2256.009 (a); but
- (4) None of the obligations stated in Sec. 2256.009 (b) shall be used as collateral.

**9.02 - SAFEKEEPING:** All pledged securities by the depository bank shall be held in safekeeping by the County, or a County account in a third party financial institution, or with the Federal Reserve Bank.

**10.0 INVESTMENT POLICY REVIEW AND AMENDMENT**

**10.01 REVIEW PROCEDURES:** The Harrison County Commissioners Court shall review its investment policy and investment strategies on an annual basis. [Sec. 2256.005 (e)]

**10.02 CHANGES TO THE INVESTMENT POLICY:** It shall be the duty of the County Treasurer to notify the Harrison County Commissioners Court of any significant changes in current investment methods and procedures prior to their implementation.

**EXHIBIT-A**

**HARRISON COUNTY FUNDS TO BE INVESTED**

100	General	490	County Grants
110	Jury	500	Records Management #50
120	Bail Bond	510	Records Management #51
130	Tax Dispute	511	County Clerk Archival
140	Road & Bridge	513	District Clerk Preservation
150	Bail Security Fund	550	Security
180	Emergency Operating Center	551	JP Security
220	Drug Forfeiture	610	Interest & Sinking
240	Airport Maintenance	700	Elevator
260	VIT	710	Permanent Improvement
300	Technology	720	Jail Construction
410	Law Library	740	Tobacco Settlement
440	CJAD Basic Supervision	880	Official's Agency
450	Juvenile Services	890	District Attorney Special
460	Juvenile Grants		

**EXHIBIT B**

## LIST OF AUTHORIZED BROKER/DEALERS

### Authorized to engage in Investment Transactions with Harrison County, Texas

#### **Arrowhead Financial Consultants**

2630 Fountain View Dr., Suite 370

Houston, TX 77057

713-334-7000 X 102

713-334-7001 (fax)

#### **Funds Management Group, Inc.**

5005 Woodway, Suite 313

Houston, TX 77056

800-683-3644

713-626-5742 (Fax)

fuhdsmgmt@att.net

#### **Wells Fargo Institutional Brokerage & Sales**

P. O. Box 2626

Waco, TX 76702-2626

254-754-7745

254-754-1079 (Fax)

#### **Montandon & Associates**

A private wealth advisory practice of Ameriprise Financial Services, LLC

10415 Morado Circle

Bldg. 2 Ste 100

Austin, Texas 78759-5698

#### **Texas Bank & Trust Wealth Management**

P. O. Box 2749

Longview, Texas 75606

903-295-4239



## List of Authorized Banks for Investments

### **Austin Bank**

1210 E. Pinecrest Dr.

Marshall, TX

903-935-2566

### **Vera Bank**

2203 Victory Dr.

Marshall, TX

903-935-6624

### **Community Bank**

101 Community Blvd.

Longview, TX

903-236-4596

### **Panola National Bank**

2203 Victory Dr.

Marshall, TX

903-938-4400

### **Southside Bank**

2001 Judson Rd.

Longview, TX

903-234-4250

### **Texana Bank**

### **Texas National Bank**

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Marshall, Texas

903-938-5400

### **Bancorp South**

501 S. Washington Ave.

Marshall, Texas

903-935-1331

### **Chase**

101 E. Austin St.

Marshall, Texas

903-938-7788

### **Guaranty Bank & Trust**

500 W. Main

Hallsville, Texas

903-660-2181

### **Regions Bank**

213 N. Fredonia St.

Longview, Texas

903-753-5511

### **Spring Hill State Bank**

3814 Gilmer Road

Longview, TX

903-295-0896

**Texas Bank & Trust**

715 East End. Blvd. South

Marshall, Texas

903-927-2040

**Woodforest National Bank**

1701 E. End Blvd. North

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