

Resolution Authorizing Closing of JPMorgan Chase Bank Account

May 22, 2012

SUMMARY:

This item requests approval of authority to close the Denton ISD Unlimited Tax Building Bonds account at JPMorgan Chase Bank.

BOARD GOAL:

VI. Growth, Change & Fiscal Responsibility... In pursuit of excellence, the district will: demonstrate effective and efficient management of district resources.

PREVIOUS BOARD ACTION:

None

BACKGROUND INFORMATION:

Denton ISD has an account at JPMorgan Chase Bank titled Unlimited Tax Building Bonds. This account has been inactive for more than three years. A notice was received from JPMorgan Chase Bank in March 2012 stating that the balance would be transferred to the state of Texas as abandoned property. Upon inquiry of JPMorgan Chase Bank staff, the account originated as part of a bond issue dating back to 1973. There is no signature card on file for this account. Mr. Leroy Grawunder, Denton ISD bond attorney, was consulted on the issue and after reviewing records related to the District's bond issues from 1972, 1973, and 1975 suggested that the 1973 bond surplus could be used to pay debt service on the District's bonds.

SIGNIFICANT ISSUES:

A resolution duly adopted by the Denton ISD Board of Trustees authorizing the closing of the JPMorgan Chase Bank account and transferring the balance of \$1,248.28 to the current Denton ISD Debt Service Account is required for closing the account. Due to the fact that there is not a signature card on file for this account, Board approval is requested.

FISCAL IMPLICATIONS:

Account balance will be used for appropriate expenditures rather than sitting idle in a bank account.

BENEFIT OF ACTION:

Dormant bank account will not be sent to the State of Texas as unclaimed property and will be used for appropriate debt service expenditures.

PROCEDURAL AND REPORTING IMPLICATIONS:

The District will provide JPMorgan Chase Bank with the approved resolution to close the bank account since there is no signature card on file. Denton ISD must provide a copy of the Board secretary's ID.

ALTERNATIVES:

No alternative actions are proposed.

SUPERINTENDENT'S RECOMMENDATION:

Recommend approval of the resolution to close the JPMorgan Chase Bank account and transfer the balance of the account to the District's Debt Service Account.

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Executive Director of Administrative Services
Julie Simpson, Accounting Supervisor

ATTACHMENT:

Resolution

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____