



BOARD OF SCHOOL TRUSTEES
KELLER INDEPENDENT SCHOOL DISTRICT

3B. Action

Date: June 13, 2005

SUBJECT: APPROVAL OF TWO-YEAR DEPOSITORY CONTRACT EXTENSION

BOARD GOAL: Budget and Finance

FISCAL NOTE: Depository for School Funds to be Received During the 2005-2007 Biennium

Background Information:

- In May of 2003 bids were received from local banks for the purpose of becoming the Keller ISD depository for school funds for the 2003-2005 biennium that began September 1, 2003. Five banks responded. After an analysis of the bid results, Bank of America was awarded the contract.
- The current Depository Contract with Bank of America expires August 31, 2005.
- Section 45.201 of the Texas Education Code, allows districts to extend the contract for one additional two-year term.

Administrative Considerations:

- Bank of America has provided excellent service as the District Depository.
- Changing the district depository is a significant undertaking in both cost and time. Some of the costs of change include new check stock, deposit forms, and bank endorsement stamps. The investment in time to learn new office procedures is significant for both the office and campus personnel.
- The Texas Education Agency Division of Financial Audits must receive the completed Resolution to extend the current contract no later than June 15, 2005 or the September payment may be delayed.

+++++

The administration recommends that the Board of Trustees approve the two-year depository contract with Bank of America.

Respectfully submitted,

Kent V. Morrison III
Assistant Superintendent of Finance