



BOARD OF SCHOOL TRUSTEES

KELLER INDEPENDENT SCHOOL DISTRICT

9E. Action

Date: May 14, 2009

SUBJECT: AWARD OF BIENNIUM BANK DEPOSITORY CONTRACT BID

BOARD GOAL: All systems in the Keller Independent School District will be effective, efficient and accountable in support of the district's mission.

FISCAL NOTE: Budgeted in General Fund

Background Information:

- Section 45.205 of the Texas Education Code requires that depository contract(s) for each Independent School District (ISD) be renewed every two years. The next two-year period for Keller ISD is September 1, 2009 through August 31, 2011. Section 45.205(c) states "The contract term and any extension must coincide with the school district's fiscal year."
- Depository contracts are to remain in force for a term of two years and until its successor is selected and has qualified, in accordance with Section 45.205(a).
- As stated in Section 45.205(b), "a school district and the district's depository bank may agree to extend a depository contract for two additional two-year terms."
- To ensure sufficient time for review prior to the beginning of the district's biennium, a school district's depository contract(s) ... must be received by the Division of Financial Audits no later than June 15, 2009. No payments will be made to any district subsequent to either July 1, 2009 or September 1, 2009, that has not submitted an acceptable contract(s).

Administrative Considerations:

- The District sent out bid requests to all banks in the boundary of the District as required by law. The bids were sent to seventeen (17) banks and four (4) responses were received.
- The bid contains language for a two-year renewal of the bid at the end of this biennium contract as prescribed by the Texas Education Code. The renewal can only extend the contract one time for an additional two-year period. The exercise of this option at the end of this two-year contract period requires Board approval.
- The contract and legal review will be provided by the Texas Education Agency.

- As demonstrated through the bid analysis Bank of America represents the best value for the district. Bank of America is our current depository.

Communication Deployment:

- Board Meeting Minutes

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The administration recommends the Board of Trustees approve the 2009-2011 Biennium Depository Contract with Bank of America.

Respectfully submitted,

Kent V. Morrison, III
Chief Financial Officer