



MEMORANDUM

To: Dr. Lynda Villaneuva

From: Jacob Atkin, VP of Finance/CFO
Renea Woodruff, Controller

Date: May 14, 2025

Subject: Depository Contract Recommendation

The College recently issued a Request for Proposal (RFP) for banking services. JPMorgan Chase Bank (Chase Bank) was the sole respondent to this RFP.

Upon review by Finance and the third-party treasury services consultant, Linda Patterson, the proposal from Chase Bank was found to meet all of our operational and financial needs and requirements. Given that no other financial institutions submitted proposals, and that Chase Bank offers a cost-effective proposal, we recommend continuing with Chase Bank as our banking partner.

Under the new banking contract, we plan to implement a few enhancements, including check printing services and shifting to a sweep structure with a fee-based payment methodology for the accounts held at Chase Bank. These additions are designed to improve both the security and financial operations of the college.

The check printing services will provide security enhancements for both the College and its stakeholders. It will streamline payment processing, reduce manual handling of checks, and help prevent fraud through secure, automated check issuance.

Transitioning to a sweep structure and fee-based payment model will offer greater transparency, making it easier to monitor and manage banking expenses. Under this structure, the bank will charge the college directly for each service, eliminating the need for compensating balances. By maintaining funds in an interest-bearing money market account, the College is projected to earn approximately \$64,900 in annual interest earnings, based on the current rate of 4.25%. After accounting for estimated annual banking fees of \$28,400, the College would realize a net benefit of approximately \$36,500.

We are seeking the Board's approval to move forward with finalizing an agreement with JPMorgan Chase Bank under the proposed terms.

Please let us know if you require any further questions.