
Board of Education

ACTION

TITLE: Consider Adopting Resolution to Manage the District's Bank OZK Account

DATE: August 23, 2018

RESPONSIBLE ADMINISTRATOR: Charles Warren
Chief Financial Officer

BACKGROUND/CONSIDERATIONS:

The Administration created an account called the Construction Bond Fund (CBF) with Bank OZK Trust and Wealth Management Division (Bank OZK) to provide for the safekeeping and investment of the most recent bond proceeds. Additionally, the District entered into the "Investment Management Agency Agreement" with Bank OZK. The agreement allows the Administration to manage investments within the CBF.

The Administration desires to transfer funds from the CBF to the District's checking account as funds are needed to pay for construction projects in the future. While the individual release of these funds from the CBF to the District's checking account is considered a transfer of funds, it could technically be considered a disbursement of funds, requiring approval from the School Board Disbursing Officer (SBDO).

As multiple construction projects begin in earnest, the release of funds could be needed weekly. Rather than requiring the SBDO to approve of releases weekly, the attached resolution allows me, as district treasurer, to "transfer" or "disburse" the funds as needed. The District would utilize internal controls currently in place instead of collecting direct approval from the SBDO for each release of funds. District treasurers from Bentonville and Rogers received similar authorization from their respective school boards for this type of investment account.

RECOMMENDATION:

The Administration recommends the Board adopt the *Resolution to Manage the District's Bank OZK Account* allowing the district treasurer to release funds as needed for construction project payments.

If the Board agrees, the motion would read: ***move to adopt the Resolution to Manage the District's Bank OZK Account.***