

75 Calhoun Street
Charleston, SC 29401

**OFFICE OF THE SUPERINTENDENT
BOARD AGENDA ITEM**

TO: Audit & Finance Committee

FROM: Michael L. Bobby

DATE: April 3, 2012

SUBJECT: School Bank Account Information

RECOMMENDATION:

The material is submitted for: Action Information
 Open Executive

Respectfully submitted:

Nancy J. McGinley, Ed.D
Superintendent of Schools

Michael L. Bobby
Chief of Finance, Operations &
Human Resources

N/A

William Lewis, Chief Operating Officer

Cindy Bohn Coats, Chair
Chair, Audit & Finance Committee

Item voted on and
recommended for Board
A&F Committee on _____

Elizabeth Moffly
Chair, Policy Committee

Item voted on and recommended
for Board approval by the
Policy Committee on _____

Chief Financial & Operations Officer
April 3, 2012

TOPIC: School Bank Accounts

BACKGROUND: CCSD had approximately \$12 million in receipts and disbursements of student activity funds in 2010 and a year-end closing bank balance of \$3 million. In September of 2011, there was a meeting with several principals to discuss the idea of centralizing school bank accounts. Historically, Principals selected these banks for a variety of reasons, ranging from proximity, convenience and previous relationships with bankers. At the September meeting, the concern was that this banking set-up might not be in the best interest of the District and further follow-up and analysis was needed. This meeting is the result of this follow-up.

DISCUSSION: In the attachment, there is a summary of current status and the pros and cons with a centralized bank for all schools. Additionally, for those banks that incur service charges and fees, there is an excel spreadsheet that details exactly how much these charges are.

RECOMMENDATION: At this time, we do not recommend centralizing school bank accounts; however, there are several cost savings recommendations that could be implemented, which are detailed in the attachment.

FUNDING SOURCE/COST: N/A

FUTURE FISCAL IMPACT: If the recommendations are implemented, those schools that are assessed fees and service charges could see a reduction of these charges

DATA SOURCES: School bank statements, and conversations with bankers

PREPARED BY: Yvonne T. Marshall

REVIEWED BY LEGAL SERVICES

Not Applicable

REVIEWED BY PROCUREMENT SERVICES

Not Applicable