

## **Executive Summary**

### **Banking Services Agreement**

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#### **Summary of Explanation and Background**

This is the final one (1) year renewal period under the Banking Services contract with Bank of America. Exercising this final one (1) year renewal completes the six (6) year contract term, which is the typical contract duration for banking services.

Changing banks is a major, complex undertaking and involves multiple applications, processes, testing, compliance, and security of data. It would also require programming changes to the District's financial systems, general ledger, accounts payable, payroll, and cash management, just to name a few. It would also affect multiple vendors, for example: US Bank, trustee for debt service; Wells Fargo, safekeeping (for investments); and Bank of America, Purchasing Cards: and other external financial vendors. In all, there is a degree of programming, file formatting, configuration, and testing that would need to take place to ensure a successful implementation.

Staff recommends the final renewal of said Banking Services agreement. Prior to the expiration of this contract on June 1, 2015, staff will immediately proceed with the planning and execution of an RFP.

This final one (1) year renewal will ensure that all banking functions performed under this contract, with the District's depository, remain operational and plan for an orderly transition, should a different banker be selected through the impending RFP.

This Agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.