

I. POLICY

It is Salt Lake Community College's policy to select banking services providers consistent with state statutes, administrative rules, and in the best interest of the College. The college shall establish procedures for selecting banking services providers and the authorization of college employees to develop these banking relationships and conduct banking-related transactions.

II. REFERENCES

- A. Utah State Money Management Act, U.C.A. §§ 51-7-1–24.
- B. Commercial Banking Services, Utah State Bd. of Regents r. 543.
- C. Rules of the Money Management Council, Utah Admin. Code r. 628.

III. DEFINITIONS

- A. Banking Services Provider: A financial institution that can provide required services for the college's financial and operational needs.
- B. College Funds: All money or funds, regardless of the source from which they are derived, that are owned, held or administered by the college.
- C. Imprest Bank Account: A fund established for a specific cash disbursement purpose and maintained at a predetermined dollar amount.
- D. Qualified Depository: A banking institution that is authorized to conduct business in the State of Utah, whose deposits are federally insured, and has been certified by the commissioner of the Utah Department of Financial Institutions and is certified as to meeting the Utah State Money Management Act requirements.

IV. PROCEDURES

- A. General
 - 1. All college funds must be deposited within three banking days of receipt in qualified depository bank accounts that are compliant with federal and state laws.
 - 2. The president and the board of trustees or vice president for Finance and Administration must approve the establishment of a banking services

account in the name of the college or using the college's federal identification number.

3. Only qualified depositories may be used for receiving college funds, administering checking and imprest bank accounts.
4. The vice president for Finance and Administration, or designee, shall be authorized to sign checks on college bank accounts and to sign agreements and documents pertaining to such accounts and other banking relations.
5. Designated authority shall be granted in writing and identified by name and position as authorized signatories on departmental and imprest bank accounts.
6. The college may use a single bank or multiple banks for its banking needs.
7. The bank shall be notified that the mailing address for all bank statements shall be Controller's Office, Salt Lake Community College.
8. In no instance shall any bank statement be requested to be mailed directly to a department or organization without being first mailed to and received by the Controller's Office.
9. The responsibility for reconciling monthly bank statements shall be delegated to an employee independent of all cash receipting and disbursing functions and fall under the oversight of the Controller's Office.
10. Every five years, at a minimum, the college shall conduct an internal evaluation of the banking services provider's competitiveness and ability to meet the college's needs.
11. The college may solicit new requests for proposals for banking services from banking service providers at any time.

B. New Accounts

1. College departments, clubs, and organizations are prohibited from establishing a banking account using the college name or taxpayer identification number.
2. College entities desiring to open a bank account must submit requests to the vice president for Finance and Administration.
3. The vice president for Finance and Administration will determine the need for establishing all bank accounts and will make a recommendation to the president for approval.

4. If approved, the office of the vice president for Finance and Administration or the Controller's Office will open the account.

C. Criteria for Selecting a Banking Services Provider

1. The primary criteria for bank selection and retention shall be:
 - a. It must qualify to receive public funds under the laws and rules of the State Money Management Act and the State Money Management Council.
 - b. It must provide the required banking and short-term investment services at a reasonable and competitive cost. Conversion costs associated with changing from one bank to another bank may be a factor in determining cost competitiveness.
 - c. It must maintain a local office and support staff readily accessible to the college with the capability of providing all normal commercial banking services.
 - d. Deposited funds must be held in Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA) insured accounts.
 - e. If daily account balances exceed the insurance limits, the banking services provider must be qualified to receive college funds that would be uninsured and registered with the Utah Department of Financial Institutions.
 - f. It must provide compatible electronic data reports and interface services for prompt reconciliation of all accounts and transactions.
 - g. It must provide short-term investment services including provision for:
 - (1) the transfer of funds on a delivery versus payment (DVP) basis for the purchase of securities and safekeeping of securities by a custodial bank or trust company;
 - (2) repurchase agreements on a daily basis with securities as pledged collateral or qualified money market funds as an investment vehicle to ensure investment of all college funds;
 - (3) assistance with the purchase and transfer of commercial paper, time certificates of deposit, bankers acceptances, and other money market investments;

- (4) the transfer of funds from one bank to another by wire transfer or other electronic transfers through the banking system;
 - (5) daily reports of account activity by electronic interface or other means;
 - (6) the issuance of savings bonds in connection with payroll withholdings;
 - (7) acting as a depository for federal withholding and payroll taxes;
 - (8) financial consultation; and
 - (9) active participation in federally insured student loan programs.
2. The bank shall be compensated on a fee basis for agreed upon services provided to the college.

Date of last cabinet review: August 19, 2019

The originator of this policy & procedure is the Controller's Office. Questions regarding this policy may be directed to the originator by calling 801-957-4084.