



ADMINISTRATIVE PROCEDURE

SCHOOL BANK ACCOUNTS: OPENING OF NEW ACCOUNTS AND CHANGING SIGNATURES

4180
Procedure No.

January 22, 2016
Date

- I. **PURPOSE:** To establish procedures and guidelines for the opening of new school bank accounts and the changing of signatories on existing school bank accounts.
- II. **BACKGROUND:** Financial Institutions require the completion of official documents when customers open accounts or change signatories on existing accounts. The procedures prescribed below provide guidance and standardization on the completion and proper authentication of such documents.
- III. **PROCEDURES:**
 - A. The documents required to open an account or change signatories on an account may differ from bank to bank. A bank will, at a minimum, require completion of a form called a “Signature Card”, which is signed by the individuals with check signing authority and authenticated by an officer of the school system, typically the Assistant Treasurer. In addition, one of the following is required:
 1. “Banking and Borrowing Resolution” which should be authenticated by an officer of the school system.
 2. Official letter from the school system giving the individual authorization to open the account. Some banks may require a form called the “Incumbency Certificate.” This form certifies the names and titles of individuals holding positions having check signing authority and is also signed by an officer of the school system.
 - B. When opening an account or changing signatories on an existing account, the forms required by the school’s bank must be completed and forwarded to the Treasury Operations Office, Room 113, Sasscer Administration Building. Scanned copies for review will also be accepted. The completed forms must be accompanied with a photocopy of the driver’s license of each individual that will have check signing authority. The Assistant Treasurer will authenticate documents. A copy of all documents will remain on file in the Treasury Operations Office. The original and a copy will be returned to the school. The school will forward the original to the bank and maintain a copy in the school’s records.
 - C. Three individuals should be designated as check signers on the account and are listed on the bank “Signature Card”. The two standard check signers should be the school Principal and Bookkeeper/Secretary. The third alternate check signer must be a Vice Principal or other school administrator.



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- D. All bank accounts must be in the name of the Board of Education and the school, not in the name of a school employee, school club, booster group, or any other individual. For example, name of bank account should read: **Board of Education of Prince George’s County – School Name**. The Federal Tax Identification number of the school system is 52-6000992. The account type should read, “Public Fund”.

Booster Groups are allowed to open bank accounts, but neither the name of the school nor the school system’s Federal tax identification number can be referenced on these accounts.

- E. Refer to section 4.2 in the Accounting Procedures Manual for School Activity Funds for other requirements for opening new accounts.
- F. Questions and requests for assistance may be directed to the Assistant Treasurer at 301-952-6074.

IV. **RELATED PROCEDURES:** None.

V. **MAINTENANCE AND UPDATE OF THESE PROCEDURES:** These procedures originate with the Treasury Operations Office and will be reviewed and updated as needed.

VI. **CANCELLATIONS AND SUPERSEDURES:** This Administrative Procedure cancels and supersedes Administrative Procedure 4180, dated July 1, 2013.

VII. **EFFECTIVE DATE:** January 22, 2016

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