

**MEMORANDUM**

**To:** Banking Committee  
**From:** Board Office  
**Subject:** Modification of Institutional Banking Relationship  
**Date:** December 12, 2003

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**Recommended Action:**

Recommend the Board approve the requested University of Iowa temporary banking relationship with Bank of America.

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**Executive Summary:**

Iowa Code 2C.2 requires the Board of Regents to approve financial institutions that serve as depositories.

Regent Policy Manual 7.07(I) states that proposed changes to banking relationships shall be reviewed by the Banking Committee and approved by the Board. The University of Iowa is requesting Board approval to add the Bank of America -- Des Moines, to the list of financial institutions.

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**Background:**

Each Regent institution periodically reviews its banking relationship needs. Some banking relationships, such as primary relationships, are bid on a competitive basis. Other banking relationships are maintained and analyzed on an "as needed" basis.

The University of Iowa is requesting that Bank of America -- Des Moines be added to the list of approved financial institutions for purposes of establishing a temporary bank account domiciled in Iowa. Establishing a financial relationship with Bank of America will allow the University of Iowa to effectively carry out certain banking activities associated with the University of Iowa bowl game. The banks on the current list of approved financial institutions currently do not have a presence in the State of Florida. By establishing an account with the Bank of America, the University will be able to utilize a Bank of America location near the bowl activities to collect, deposit, and safeguard cash receipts.

The maximum account balance is estimated at under \$150,000. It is anticipated that the temporary cash concentration account would be operational for a period of three-four weeks and then be closed.