

DATE: March 3, 2015
TO: Board of Trustees
FROM: Darrel Robertson, Superintendent of Schools
SUBJECT: One Year Extension of Principal Banker
ORIGINATOR: Candace Cole, Acting Director, Financial Services
RESOURCE STAFF: John Griswold, Madonna Proulx
REFERENCE: [Policy CO.BP – Fiscal Oversight and Accountability](#)

ISSUE

Edmonton Public School Board, as per Board Policy CO.BP- Fiscal Oversight and Accountability, is required to request proposals for the appointment of the District's principal banker every five years. The current five year term ends August 31, 2015.

The District is currently in the process of re-engineering its' business processes and financial systems (EBIZ). This is significant work that will be completed over the next ten months. Switching principal bankers while this work is being completed puts the EBIZ project at significant risk of not meeting the targeted implementation date of October 2015.

RECOMMENDATION

- 1. That the requirement for re-tendering the principal banker every five years be extended to six years as a one-time exception, and**
- 2. That the Bank of Nova Scotia be appointed as the principal banker of the Edmonton School District No. 7 for the fiscal year September 1, 2015 to August 31, 2016.**

BACKGROUND

The Bank of Nova Scotia was appointed to a new five-year term in 2010. Board Policy CO.BP – Fiscal Oversight and Accountability requires the Board to appoint the principal banker every five years and to request proposals from financial institutions at intervals not exceeding five years. The five-year term will end on August 31, 2015. The Bank of Nova Scotia has satisfactorily met the requirements as our principal banker during the five-year term.

The District is currently in the process of re-engineering its' business processes and financial systems. As such, the banking information (bank accounts, banking processes, and interfaces) will need to be constant over the next several months for the testing cycles of the new financial systems. If a new principal banker is incorporated in the next few months, there will be additional work to incorporate this change into the testing of the new system, and the timing will be such that it will negatively impact testing.

In addition, our Finance and Information Technology teams are currently focusing their efforts on implementing our new financial systems. If we were to switch principal bankers at this time, additional financial and human resources would need to be added to change our existing system that will be no longer be in place by October 2015.

The District has received a draft agreement from the Bank of Nova Scotia indicating that they would be able to accommodate a one-year extension with better terms and conditions that currently exist.

The Bank of Nova Scotia has been the District's principal banker for the past 30 years. They would be able to assist district staff through the changes to the financial systems.

RELATED FACTS

N/A

OPTIONS

N/A

CONSIDERATIONS & ANALYSIS

N/A

KEY POINTS

N/A

NEXT STEPS

- Review draft agreement to ensure conditions and terms are acceptable.
- Begin the request for proposal process for appointment of principal banker for September 1, 2016 – August 31, 2021

ATTACHMENTS & APPENDICES

N/A

CC : ja