

BOARD OF REGENTS  
BRIEFING PAPER  
*Handbook Revision, Checking Accounts*

**BACKGROUND & POLICY CONTEXT OF ISSUE:**

Under current Board policy, the Chancellor is authorized to establish imprest zero balance checking accounts and to designate signature authority for all such NSHE accounts at the same bank as the Board of Regents' general account (Title 4, Chapter 10, Section 26). An imprest zero balance checking account is one which maintains a balance of zero by transferring funds to or from a master account in an amount only large enough to cover amounts debited from the account or to sweep funds credited to the account.

The bank for the Board of Regents' general account is Bank of America. Recently, Bank of America closed multiple branch locations in rural Nevada, including Elko, Ely, Fallon, Fernley, Mineral County, and Winnemucca. In order to serve students – such as those without bank accounts who need to cash a refund check from Great Basin College – and to have a local bank to serve immediate banking needs for Great Basin College, its campuses and other NSHE institutions impacted by the closures, a policy change is recommended to authorize the Chancellor to utilize alternative banks to establish imprest zero balance checking accounts when the same bank as the Board's general account does not have local branches to serve the institution.

**SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

Amend *Title 4, Chapter 10, Section 26* of the *Handbook* to provide that in areas where a local branch office of the bank used for the Board of Regents' general account is not available, the Chancellor on behalf of the institutions may establish imprest zero balance checking accounts with alternative banks, as necessary, until the time such branch offices are available. (See attached policy proposal.)

**IMPETUS (WHY NOW?):**

This revision is requested by System staff in coordination with Great Basin College to address the needs of GBC and its students in rural Nevada who will no longer have access to branch locations of Bank of America for certain banking needs.

**BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- The policy revision is necessary to ensure that students and GBC have adequate access to banking services in rural Nevada following Bank of America's closure of certain rural branches.
- Without the option to establish these accounts at alternate banks, students would need to travel or possibly pay fees to cash checks issued by GBC.

**POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

None have been presented at this time.

**ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Retain existing policy.

**COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Amends Current Board Policy: *Title 4, Chapter 10, Section 26*
- Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
- Other: \_\_\_\_\_
- Fiscal Impact: Yes \_\_\_\_\_ No  \_\_\_\_\_
- Explain: \_\_\_\_\_

**POLICY PROPOSAL**  
**TITLE 4, CHAPTER 10, SECTION 26**

Imprest Zero Balance Checking Accounts – Alternative Banks

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

**Section 26. Establishment of Checking Accounts**

The chancellor is authorized to establish imprest zero balance checking accounts and to designate signature authority for all such NSHE accounts at the same bank as the Board of Regents' general account. *In areas where a local branch office of the bank used for the Board of Regents' general account is not available, the Chancellor, on behalf of the institutions and in consultation with the Chair of the Board's Investment and Facilities Committee, may establish imprest zero balance checking accounts with alternative banks, as necessary, until the time such branch offices are available.*