

OPEN SESSION

AGENDA ITEM

50-3 OCTOBER 2018

DATE: October 19, 2018

TO: **Members, Board of Trustees**

FROM: John Adams, Chief Financial Officer

SUBJECT: **Financial Resolution to Update Authorized Bank Account Signatories**

EXECUTIVE SUMMARY

The Board of Trustees periodically adopts a resolution identifying the State Bar's various bank accounts and delegating authority to certain State Bar employees to initiate cash transfers, sign checks, and buy and sell securities. This resolution must be amended to remove authorized signers who are retired or terminated and add new signatories for business continuity.

BACKGROUND

The State Bar maintains ten commercial accounts and lock boxes with Wells Fargo Bank: one general account in San Francisco; one special account for payroll; one petty cash account in Los Angeles; (one commercial account; one lock box account for licensee fees); one lock box account for Admissions; one lock box account for funds received for the Legal Services Trust Fund; and three lock box accounts for fees received for Legal Specialization. To accommodate the Los Angeles office acquisition and the tenant improvement project in the San Francisco office, the State Bar also maintains a commercial account with Bank of America for debt servicing. Investment accounts are maintained primarily with Wells Fargo Bank, Fidelity Investments, and the Local Agency Investment Fund (LAIF) in the State Treasury.

Those authorized to sign are the Executive Director, Chief Administrative Officer, Chief Financial Officer, Finance Director, Controller, Finance Manager, Director of General Services, and Director of Human Resources or their successors in the office. Any of these persons may authorize investment transactions; sign withdrawal orders; transfer orders and checks; and order the deposit or withdrawal of monies in (LAIF) except that:

- a) Checks of \$75,000 or more require the manual signature of any two of the authorized persons.
- b) Checks less than \$75,000 drawn on a general commercial account may be signed using a check-signing machine utilizing a signature plate engraved with the name of the Executive Director.
- c) Transfer of funds from one State Bar bank account to another State Bar account requires approval by any two of the authorized persons.

- d) Wire transfers out to non-State Bar bank accounts or to another State Bar account requires approval by any two of the authorized persons.

Those authorized to sign checks drawn on the Los Angeles commercial account are the Chief Administrative Officer, Chief Programs Officer, Program Manager, State Bar Court and Program Manager, Admissions, except that:

- a) Checks for less than \$3,000 drawn on the Los Angeles office commercial account require only one signature of any of the above authorized persons.
- b) Any single check of \$3,000 or more requires the signature of any two of the authorized persons.

DISCUSSION

None

FISCAL/PERSONNEL IMPACT

None

RULE AMENDMENTS

None

BOARD BOOK IMPACT

None

STRATEGIC PLAN GOALS & OBJECTIVES 2017-2022

Goal 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

BOARD RECOMMENDATIONS

Should the Board concur, it would adopt the following authorizing the foregoing persons to act as herein above described.

RESOLVED, that authority heretofore granted to persons to sign transfer orders and checks upon the various State Bar accounts and to have access to any State Bar safe deposit box is hereby resolved; and it is

FURTHER RESOLVED, that each bank in which the State Bar maintains an account or safe deposit box shall be furnished a copy of this resolution and be notified that the authority to purchase and sell securities, sign withdrawal orders, transfer orders and checks, to order the deposit or withdrawal of monies in the Local Agency

Investment Fund, and authorize transfer of funds from one State Bar account to another State Bar account is delegated as follows:

- Executive Director
- Chief Administrative Officer
- Chief Financial Officer
- Finance Manager/Director
- Controller
- Director of General Services
- Director of Human Resources

For checks drawn on a commercial account:

- a) Any single check of \$75,000 or more requires the manual signature of any two of the authorized persons.
- b) Any single check less than \$75,000 may be processed through a check signing machine utilizing a signature plate engraved with the name of the Executive Director.
- c) Transfer of funds from one State Bar bank account to another State Bar account may be approved by any two of the authorized persons.
- d) Wire transfers to non-State Bar accounts must be processed on-line and require approval of any two of the authorized persons. Manual wire transfers, requested in person at a bank branch are prohibited.

Authority is hereby granted to any two of the above persons to open cash accounts for the State Bar of California at securities brokerage firms and to place orders in such accounts to purchase and sell securities.

Transfer of funds from one State Bar account to another State Bar account, whether requested by telephone, internet, fax, orally or in writing requires the signature of any two of the authorized persons.

In addition, for checks drawn on the Los Angeles commercial account

- a) Any single check less than \$3,000 requires the signature of one of the following:
 - Chief Administrative Officer
 - Chief Programs Officer
 - Director of Human Resources
 - Program Manager, State Bar Court
 - Program Manager, Admissions
- b) Any single check of \$3,000 or more requires the signature of any two of the above listed persons.

ATTACHMENT(S) LIST

A. Financial Resolution

Attachment A

Financial Resolution

RESOLVED, that authority heretofore granted to persons to sign transfer orders and checks upon various State Bar accounts and to have access to any State Bar safe deposit box is hereby revoked; and it is

FURTHER RESOLVED, that each bank in which the State Bar maintains an account or safe deposit box shall be furnished a copy of this resolution and be notified that the Executive Director, Chief Administrative Officer, Chief Financial Officer, Director of General Services and Director of Human Resources or their successors in the office, who are now so authorized to purchase and sell securities, sign withdrawal orders, transfer orders and checks to order the deposit or withdrawal of monies in the Local Agency Investment Fund, and authorize transfer of funds from one State Bar account to another State Bar account are as follows:

Leah Wilson, Executive Director

Steve Mazer, Chief Administrative Officer

John Adams, Chief Financial Officer

David Wolf, Finance Manager

Mayte Diaz, Director of General Services

Signatures required for various transactions are:

For checks drawn on a commercial account

- a) Any single check of \$75,000 or more requires the manual signature of any two of the authorized persons.

- b) Any single check less than \$75,000 may be processed through a check signing machine utilizing a signature plate engraved with the name of the Executive Director.
- c) Transfer of funds from one State Bar bank account to another State Bar account may be approved by any two of the authorized persons.
- d) Wire transfers to non-State Bar accounts must be processed on-line and require approval of any two of the authorized persons. Manual wire transfers, requested in person at a bank branch, are prohibited.

In addition, for checks drawn on the Los Angeles commercial account:

- a) Any single check less than \$3,000 requires the signature of one of the following:

Steve Mazer, Chief Administrative Officer

Donna Hershkowitz, Chief Programs Officer

Tammy Campbell, Program Manager II, Admissions

Michelle Cramton, Program Manager II, State Bar Court

- b) Any single check of \$3,000 or more requires the signature of any two of the above listed persons.

I hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Trustees at the meeting held on October 19, 2018 in San Francisco, CA.

Leah Wilson, Executive Director
Date: October 19, 2018