

113-40-02

**Requirements for a Financial Institution.****(A) All financial institutions participating in OPCP shall:**

- (1) Transmit files to OPCS, including, but not limited to, up to three files every day the Federal Reserve is open for business;**
- (2) Pledge sufficient collateral when uninsured public deposits are received:**
  - (a) The treasurer of state will estimate the Federal Deposit Insurance Corporation insurance, which may deviate from actual Federal Deposit Insurance Corporation insurance.**
  - (b) A financial institution must address collateral deficiencies in accordance with the operating policies.**
- (3) Pledge eligible collateral with a qualified trustee to secure public deposits:**
  - (a) The trustee shall identify and hold collateral pledged to the treasurer of state for the benefit of public units with deposits in the respective financial institution.**
  - (b) The trustee shall hold all collateral pledged to the treasurer of state in one or more identifiable pooled collateral accounts for each financial institution, as specified by the treasurer of state.**
  - (c) A financial institution will pledge collateral to the treasurer of state with a trustee as required, and the trustee will inform the treasurer of state of all new pledges.**
    - (i) The treasurer of state will not accept any statement, communication, or notice from a financial institution as evidence of pledged collateral.**
    - (ii) The treasurer of state will only update OPCS records on receipt of documentation submitted by the trustee.**
- (4) Submit a collateral release request to the treasurer of state in order to have pledged collateral released by the trustee:**
  - (a) A trustee will only release collateral on the instruction of the treasurer of state, and will not accept requests directly from a financial institution.**
  - (b) Acceptance or denial of a release of collateral request will occur as determined by the treasurer of state.**
- (5) Not pledge, combine, cross-collateralize, or aggregate pledged collateral in one pool in OPCP for either another pool in OPCP or for the benefit of any other**

party:

- (6) Monitor pledged collateral and submit a collateral release request to the treasurer of state in advance of the maturity date of the pledged collateral;
- (7) Be subject to ongoing monitoring for compliance of collateral sufficiency requirements and file submission requirements;
  - (a) If the treasurer of state determines a financial institution is not in compliance with the operating policies, collateral sufficiency requirements, or file submission requirements, then the treasurer of state may impose a cushion collateral requirement.
  - (b) Upon entrance into OPCS, the cushion collateral requirement will have a default value of zero.
- (8) Report any public unit negotiated collateral requirement at an account level.

Effective:

Five Year Review (FYR) Dates:

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Certification

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Date

Promulgated Under: 119.03  
Statutory Authority: 135.182  
Rule Amplifies: 135.18, 135.182