Georgia State University Policy

5.10.11 Operating Funds--Collateralization (21-00-11.6)

Policy Summary

Funds belonging to the State of Georgia cannot be placed in a depository paying interest longer than ten (10) days without the depository providing a surety bond to the State.

Full Policy Text

Funds belonging to the State of Georgia cannot be placed in a depository paying interest longer than ten (10) days without the depository providing a surety bond to the State. In lieu of a surety bond, the depository may pledge as collateral one or more of the following securities enumerated in the Georgia Code Section 50-17-59.

In accordance with Georgia Code 50-17-53, the University is authorized to exempt demand deposits from the collateral requirements.

Administration of Policy

Mandating Authority:
Board of Regents Business Procedures Manual

Responsible Office(s):
Comptroller's Office, 400B Sparks Hall, 3-3070

Responsible Executive(s):

Policy History

Approving Body: Board of Regents

Rationale or Purpose

None given.

Additional Information

The securities enumerated in the Georgia Code Section 50-17-59 are as follows: 1. Bonds, bills,
certificates of indebtedness, notes, or other direct obligations of the United States or of the State of Georgia 2. Bonds, bills, certificates of indebtedness, notes, or other direct obligations of the counties or municipalities of the State of Georgia 3. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose 4. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia 5. Bonds, bills, certificates of indebtedness, notes, or other direct obligations of subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest, or debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association 6. Guarantee or insurance of accounts provided by the Federal Deposit Insurance Corporation

**Additional Helpful Resources**