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Adopted: 3-4-18

711 COLLATERAL REQUIREMENTS FOR DEPOSITORIES

I. PURPOSE

The purpose of this policy is to set forth the requirements applicable to depositories when funds on deposit exceed the available federal deposit insurance.

II. GENERAL STATEMENT OF POLICY

It is the policy of The Studio School to fully comply with state law regarding collateral at depositories.

III. DESIGNATION AND DELEGATION OF AUTHORITY

- A. When the funds of The Studio School on deposit exceed the available federal deposit insurance of the depository at the close of the depository's business day, the Board Treasurer and/or Chair shall require the depository to furnish collateral security or a corporate surety bond executed by a company authorized to do business in the state.
- B. The Board Treasurer and/or Chair may also allow the other forms of collateral authorized by Minn. Stat. §118A.03 subd. 2.
- C. The Board Treasurer and/or Chair shall also ensure that the total amount of the collateral and the assignment documents required in Minn. Stat. §118A.03 subds. 3 and 4 are adhered to.
- D. The Board Treasurer and/or Chair shall also ensure that the collateral is kept in a place of safekeeping in compliance with the requirements of Minn. Stat. §118A.03 subd. 7 and shall approve of the place of safekeeping.

Legal References:

Minn. Stat. § 124E.16 (Charter Schools – Reports)

Minn. Stat. § 118A.03 (Collateral Required)