

CHAPTER 11
DEPOSIT OF PUBLIC FUNDS BY STATE AGENCIES

781—11.1(12C) Scope. Iowa Code section 12C.1 grants authority to the treasurer of state to act as the public officer for depositing public funds of the state. Iowa Code chapter 12C also requires that all public funds of the state deposited in a financial institution be secured, either by a pledge of collateral by that financial institution or by the state sinking fund. These rules outline the requirements that state agencies shall follow to ensure that public funds of the state are secured as required by Iowa Code chapter 12C. [ARC 1217C, IAB 12/11/13, effective 1/15/14]

781—11.2(12C) Definitions. As used in this chapter:

“*Agency*” or “*state agency*” means a unit of state government, which can be an authority, board, commission, council, department, examining board, or independent agency as defined in Iowa Code section 7E.4, and includes the office of an elective constitutional or statutory officer, the general assembly and any office or unit under its administration, and the judicial branch.

“*Depository*” means a financial institution into which public funds are deposited under Iowa Code chapter 12C.

“*Financial institution*” means a corporation or limited liability company engaged in the business of banking and organized under the laws of this state, another state, or the United States, as well as a savings bank organized under the laws of another state or the United States. “Financial institution” also means a cooperative or a nonprofit association incorporated under Iowa Code chapter 533 or the federal Credit Union Act and that is insured by the National Credit Union Administration and includes an office of a credit union.

“*Public funds*” or “*public deposits*” means the moneys of the state deposited by or on behalf of a state agency. “Moneys of the state” includes moneys credited to a depository for the purpose of completing an electronic financial transaction created by the federal government, a business, a consumer, or any other public or private entity, and a transaction created pursuant to 2013 Iowa Acts, Senate File 396, section 23.

“*Treasurer*” means the treasurer of the state of Iowa and members of staff carrying out duties delegated by the treasurer.

[ARC 1217C, IAB 12/11/13, effective 1/15/14]

781—11.3(12C) Treasurer’s procedures for administering the depository process.

11.3(1) The treasurer shall enter into an agreement with one or more financial institutions located in the state to serve as a depository.

11.3(2) The treasurer shall specify which depositories may be used by state agencies and any third party hired by an agency to collect receipts and make deposits of public funds on the agency’s behalf.

11.3(3) The treasurer shall provide state agencies with the proper instructions for receiving electronic financial transactions at a depository.

11.3(4) The treasurer shall provide state agencies with instructions on creating cash receipt accounting documents reflecting the deposit of public funds into a depository.

11.3(5) Before an agency hires a third party to collect receipts and make deposits of public funds on the agency’s behalf, the treasurer shall review the collection process being considered by the agency and third party to ensure that public funds are being deposited directly into a depository.

[ARC 1217C, IAB 12/11/13, effective 1/15/14]

781—11.4(12C) State agency requirements for depositing public funds.

11.4(1) A state agency shall make deposits of public funds with the treasurer’s cashier or directly into an account owned by the treasurer at a depository located in the state.

11.4(2) A state agency shall notify the treasurer of the agency’s intent to use a third party to collect receipts and make deposits of public funds on the agency’s behalf to allow the treasurer to review the process to ensure that receipts of public funds are being deposited directly into a depository.

11.4(3) A state agency shall require any third party collecting public funds on the agency's behalf to make deposits directly into the depository and account specified by the treasurer.

11.4(4) A state agency shall comply with the treasurer's instructions on creating cash receipt accounting documents reflecting the deposit of public funds into a depository.

[ARC 1217C, IAB 12/11/13, effective 1/15/14]

These rules are intended to implement Iowa Code section 12C.1.

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