

# Board of Deposit

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- The Board of Deposit uses no GRF moneys.
- The Board of Deposit designates which financial institutions serve as public depositories.
- The Board of Deposit implements the Uniform Depository Act as it applies to the state.

## OVERVIEW

The State Board of Deposit was created in 1904 and operates under the authority of Ohio Revised Code Chapter 135, the Uniform Depository Act. The board's major functions are to designate financial institutions and banks to function as public depositories and to regulate the deposits of state money into these institutions. The board also approves bank service charges and confirms the designation and investment of interim moneys of the state.

The Board of Deposit uses no GRF moneys. The Board of Deposit Expenses Fund receives transfers of cash from the Interest Holding Distribution Fund (Fund 608) after certification of the board's expenses by the Director of Budget and Management. The board's funding is used to pay for banking charges and fees required for the operation of the state treasurer's regular bank account and two auxiliary accounts: the Consolidated Check Clearing Account and the Treasurer's Custodial Contingency Account.

The board is composed of three elected officials or designees of these officials: the Treasurer of State, the Auditor of State, and the Attorney General. The treasurer serves as the board's chairperson. The cashier of the state treasury serves as the secretary of the board.

Recommended funding for FY 2002 is \$838,000. This amount is \$41 less than FY 2001, or virtually unchanged. Recommended funding for FY 2003 is identical to that of FY2002.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Board of Deposit

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**Purpose** The Board of Deposit designates which financial institutions serve as public depositories and implements the Uniform Depository Act as it applies to the State.

The following table shows the line item that is used to fund this agency, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
4M2	974-601	Board of Deposit Expenses	\$838,000	\$838,000
<b>Total funding: BOARD OF DEPOSIT</b>			<b>\$838,000</b>	<b>\$838,000</b>

**Agency Description:** The Board of Deposit designates which financial institutions serve as public depositories and implements the Uniform Depository Act as it applies to the State. The board also approves bank service charges and confirms the designation and investment of interim moneys of the state.

**Funding Source:** The Board of Deposit Expenses Fund receives transfers of cash from the Interest Holding Distribution Fund (Fund 608) after certification of the board's expenses by the Director of Budget and Management.

**Line Items: 974-601**

**Implication of the Executive Recommendation:** The board's funding is used to pay for banking charges and fees required for the operation of the state treasurer's regular bank account and two auxiliary accounts: the Consolidated Check Clearing Account and the Treasurer's Custodial Contingency Account.

## PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

There are no permanent or temporary law provisions with fiscal effects on this agency.

**LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003**

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<b>Revised Estimated 2001</b>	<b>As Introduced 2002</b>	<b>House Sub Bill 2002</b>	<b>% Change Est. 2001 to House 2002</b>	<b>As Introduced 2003</b>	<b>House Sub Bill 2003</b>	<b>% Change House 2002 to House 2003</b>
<b>BDP Board of Deposit</b>									
4M2	974-601	Board of Deposit Expenses	\$838,041	\$ 838,000	\$ 838,000	0.0%	\$ 838,000	\$ 838,000	0.0%
<b>General Services Fund Group Total</b>			<b>\$ 838,041</b>	<b>\$ 838,000</b>	<b>\$ 838,000</b>	<b>0.0%</b>	<b>\$ 838,000</b>	<b>\$ 838,000</b>	<b>0.0%</b>
<b>Total All Budget Fund Groups</b>			<b>\$ 838,041</b>	<b>\$ 838,000</b>	<b>\$ 838,000</b>	<b>0.0%</b>	<b>\$ 838,000</b>	<b>\$ 838,000</b>	<b>0.0%</b>

## General Services Fund Group

### 4M2 974-601 Board of Deposit Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$423,672	\$520,498	\$402,283	\$838,041	<b>\$838,000</b>	<b>\$838,000</b>
	22.9%	-22.7%	108.3%	<b>0.0%</b>	<b>0.0%</b>

**Source:** GSF: transfers of cash from the Interest Holding Distribution Fund (Fund 608) (after certification of the board's expenses by the Director of Budget and Management)

**Legal Basis:** Established by Am. Sub. H.B. 152 of the 120th G.A.

**Purpose:** Funds are used to pay for banking charges and fees required for the operation of the state treasury accounts.

## As Introduced

## As Passed by the House

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Temporary Law Changes**Subject: Board of Deposit Expense Fund****Section: 42****ALI: 974-601**

Provides that after receiving certification of expenses by the Treasurer of State, the Director of Budget and Management shall transfer cash from the Investment Earning Redistribution Fund (Fund 608) to the Board of Deposit Expense Fund (Fund 4M2) to pay for banking charges and fees required for the operation of the State of Ohio Regular Account.

**Section: 40**

No change.