



## Ohio Administrative Code Rule 113-40-05 Collateral sufficiency.

Effective: August 10, 2023

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(A) In calculating the collateral percentage required at a bank account level, OPCS will require the greater of the following two calculations:

- (1) The public unit (PU) negotiated collateral requirement plus the cushion collateral requirement; or
- (2) The reduced collateral floor requirement plus any bank monitoring collateral requirement, any economic monitoring requirement, and any cushion collateral requirement.

(B) In calculating collateral sufficiency, the treasurer of state will:

(1) Use existing market pricing available through a reputable source to determine the collateral valuation to calculate the collateral sufficiency.

(a) The treasurer will share the source of market pricing upon request.

(b) A financial institution (FI) may challenge this collateral valuation, but the treasurer shall make the final determination.

(2) Conduct a daily review of collateral sufficiency based upon the collateral requirement calculation and the collateral valuation.

(a) A FI may challenge this collateral sufficiency, but the treasurer shall make the final determination.

(b) A FI will be notified by the treasurer of any collateral deficiencies, and will be responsible to address the deficiencies in accordance with the operating policies.

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