



STATE OF TENNESSEE TREASURY DEPARTMENT
COLLATERAL POOL BOARD
P.O. Box 198785
NASHVILLE, TN 37219-8785



ANNUAL REPORTING REQUIREMENT

The primary objective of collateralizing public deposits is to protect public funds. The Collateral Pool provides additional protection for public deposits in that financial institutions participating in the Pool are liable for any public deposits not covered by FDIC or collateral in the event of a default or insolvency of a Pool participant. Thus, a second objective is to reduce the potential risk for losses that financial institutions in the Pool could suffer if a defaulting institution failed to collateralize public deposits at the appropriate level.

Accordingly, the Collateral Pool Board has adopted the following annual reporting requirements:

- (1) Each financial institution in the Pool shall certify that their financial institution has the systems and controls in place to ensure that public deposits are properly identified and reported.
- (2) An independent auditor (internal or external) for each financial institution shall certify that they have examined and tested the institution's system and procedures that identify and report public deposits and found them effective, with any deficiencies noted in the audit report.

The attached reports should be completed and returned to our office by March 31 of each year.

Please return completed reports to:

Mailing Address:
State of Tennessee
Treasury Department
Collateral Pool Board
P.O. Box 198785
Nashville, TN 37219-8785

Overnight Delivery Address:
State of Tennessee
Treasury Department
Collateral Pool Board
500 Deaderick Street
11th Floor Andrew Jackson Building
Nashville, TN 37219-8785

If you have any questions, please feel free to contact the Collateral Pool staff at (615) 532-1168.

To be filed on time, this report must be received in the office of the Collateral Pool Board by March 31st.

ANNUAL MANAGEMENT CERTIFICATION

Annual management certification that systems and controls are in place to ensure that public deposits are properly identified and reported.

1. Financial Institution _____
2. Authorized Signatory (print or type) _____
3. Phone Number _____

Complete the answers to questions 4 through 8 in the space provided or you may attach a separate response.

4. Briefly describe the systems and procedures that are established to ensure that public deposits are properly identified.

5. Briefly describe the systems and procedures that are established to ensure that public deposits are properly reported each month to the Collateral Pool Board.

6. Describe weaknesses, if any, that may exist which would prevent a public deposit from being properly identified as a public deposit. What actions are being taken to eliminate this problem(s)?

7. Describe weaknesses, if any, that may exist which would prevent a public deposit from being reported on the monthly depository report to the Collateral Pool Board. What actions are being taken to eliminate this problem(s)?

8. Describe any improvements or enhancements made to your systems or procedures during the previous calendar year relative to the identification and reporting of public deposits.

9. State the amount of public deposits held as of December 31 \$ _____

10. **Certification**

I hereby certify that systems and controls are in place to ensure that public deposits are properly identified and reported. Further, I hereby certify that the information contained on this form is true and correct to the best of my knowledge.

Signature

Position

Date

The certification must be signed by a senior official who is responsible for the systems and controls relative to the reporting requirement of the Collateral Pool.

ANNUAL CERTIFICATION BY INDEPENDENT AUDITORS

Annual certification by independent auditors that systems and procedures have been examined and tested which identify and report public deposits.

1. Financial Institution _____

2. Authorized Signatory (print or type) _____

3. Position Title of Signatory _____

4. Firm's Name & Address _____

5. Phone Number _____

6. Briefly describe the process you or your firm utilized to examine and test the institution's systems and procedures that identify and report public deposits.

7. When was the examination and testing performed (time frame)?

8. Briefly describe any deficiencies that exist which would cause the institution to not properly identify and report public deposits.

9. **Certification**

I hereby certify that we have examined and tested the institution's systems and procedures that identify and report public deposits and found them effective, with any deficiencies noted herein. Further, I hereby certify that the information contained in this report is true and correct to the best of my knowledge.

Signature

Position

Date

This report should be signed by an independent internal or external auditor. An internal auditor cannot be considered independent for purposes of this report if the internal auditor also has management duties and responsibilities.