

PROPOSED REVISIONS

Note: This local policy has been revised in accordance with the District's [innovation plan](#).¹

**Selecting a
Depository**

In accordance with the District's innovation plan, the District shall be exempt from the state laws requiring the use of a bidding process for selecting depository banking services and from the state law requiring that a contract be for a term of no more than two years and limiting the extension of a contract to no more than three additional two-year terms.

Also, in accordance with the District's innovation plan, the District shall be exempt from the state law that prohibits selecting a depository that is not insured by the Federal Deposit Insurance Corporation.

The Superintendent or designee shall have the authority to determine the method of selecting a depository in accordance with BDAE(LEGAL).

Allowable Collateral

In accordance with the District's innovation plan, the District shall be exempt from the state law requiring a bank depository to provide a bond or pledged securities to secure deposits of public funds.

~~Eligible securities for collateralization of deposits are those defined as "eligible securities" by the Public Funds Collateral Act.~~

**Monitoring
Collateral Adequacy**

~~The District shall require monthly reports with market values of pledged securities from all financial institutions with which the District has collateralized deposits. The investment officers shall monitor adequacy of collateralization levels to verify market values and total collateral positions.~~

**Release of Pledged
Securities**

~~The investment officer or designee shall approve in writing the release or substitution of any securities pledged to the District that are being held by any organization.~~

¹ Innovation Plan: <https://www.ectorcountyisd.org/>