January 25, 1978

Mr. Walter C. Richardson
Sedgwick County Treasurer
Sedgwick County Courthouse
Wichita, Kansas 67203

Re: Counties--Investment of Idle Funds--Responsibility

Synopsis: The board of county commissioners is by statute responsible for the investment of idle funds of the county. In the exercise of the statutory home rule powers of the board, it may designate by resolution either the county treasurer or such other county officer as responsible therefor, and prescribe the duties of such officer for the implementation of the county investment program.

Dear Mr. Richardson:

You inquire whether the investment of idle funds of the county is a statutory responsibility of the county treasurer, or whether it is a responsibility which the board of county commissioners is empowered to exercise through an officer designated by the board therefor.

I have reviewed article 5, chapter 19, K.S.A. and the 1977 Supplement thereto, and I find no statutory provision which directs that the county treasurer is invested by statute with the responsibility for investing idle funds of the county. K.S.A. 1977 Supp. 19-506, e.g., states only in pertinent part thus:
"It shall be the duty of the county treasurer to receive all moneys belonging to the county, from whatsoever source they may be derived, and all other moneys which are by law directed to be paid to him or her. . . . All money received by him or her for the use of the county shall be paid out by him or her only on the orders of the board of county commissioners . . . ."

Under K.S.A. 1977 Supp. 12-1675, the investment of idle funds of the county is the responsibility of the board of county commissioners. That provision states in pertinent part thus:

"The governing body of any county . . . may invest any moneys which are not immediately required for the purposes for which the moneys were collected or received . . . ."

The board of county commissioners is the governing body of the county, and it is expressly authorized by statute to provide for the investment of idle funds of the county.

You suggest that if the board of county commissioners is authorized to handle the investment of idle funds, the "person should be required to post bond in case of losses, handle all records involved in such transactions, and the only information supplied from the County Treasurer's office would be the cash amount available for investment." K.S.A. 1977 Supp. 19-101a provides in pertinent part thus:

"(a) Counties are hereby empowered to transact all county business and perform such powers of local legislation and administration as they deem appropriate . . . ."

This constitutes a statutory grant of legislative power to the board of county commissioners to enable them to transact all county business which they deem appropriate. Clearly, the investment of idle funds is an appropriate matter of county business. In
discharging that responsibility, the board of county commissioners is clearly authorized to designate by resolution the person or persons who shall be responsible therefor, to prescribe their official duties and any bond which is required, and also prescribe the duties of any other officer of county government to provide assistance in the implementation of the county investment program. Such a resolution has the force and effect of law, and any county officer or employee who is vested with any responsibility or role in the investment program is required to perform those duties as part of the official responsibilities of his or her office or employment. If, for example, the board of county commissioners has in the exercise of their statutory powers as set out above designated your office as responsible for maintaining records of all certificates of deposit, balances, interest accrued and collected and other necessary records, those duties become, by virtue of that legislative action by the board, a part of your official duties. Similarly, of course, the board is free to designate any other county officer to assist or assume any of these responsibilities.

Yours truly,

CURT T. SCHNEIDER
Attorney General

CTS:JRM:kj