

DISTRICT INVESTMENTS

Whenever the District has funds (including operating funds, reserve funds and proceeds of obligations) that exceed those necessary to meet current expenses, the Board of Education shall authorize the Treasurer to invest such funds, in accordance with all applicable laws and regulations and in conformity with the guidelines established by this policy.

1. Objectives

The objectives of this investment policy are four-fold:

- a. Investments shall be made in a manner so as to safeguard the funds of the School District; and
- b. Bank deposits shall be made in a manner so as to safeguard the funds of the School District.
- c. Investments shall be sufficiently liquid so as to allow funds to be available as needed to meet the obligations of the School District.
- d. Funds shall be invested in such a way as to earn the maximum yield possible given the first three (3) investment objectives.

2. Authorization

The authority to deposit and invest funds is delegated to the Treasurer. These functions shall be performed in accordance with the applicable sections of the General Municipal Law and the Local Finance Law of the State of New York.

The Treasurer may invest funds in the following eligible investments:

- a. Obligations of the State of New York
- b. Obligations of the United States Government, or any obligations for which principal and interest are fully guaranteed by the united State Government.
- c. Time Deposit Accounts placed in a commercial bank authorized to do business in the State of New York, providing the account is collateralized as required by law. [Banking Law Section 237(2) prohibits a savings bank from accepting a deposit from a local government. This also applies to savings and loan associations.]
- d. Transaction accounts (demand deposits) both interest bearing and non-interest bearing that do not require notice of withdrawal placed in a commercial bank authorized to do business in the State of New York, providing the account is collateralized as required by law.
- e. Certificates of Deposits placed in a commercial bank authorized to do business in the State of New York providing the Certificates are collateralized as required by law.
- f. Municipal Cooperatives (i.e. class).

Implementation

Using the policy as a framework, regulations and procedures shall be developed which reflect:

- a. A list of authorized investments;
- b. Procedures including a signed agreement to insure the School district's financial interest in investments;
- c. Standards for written agreements consistent with legal requirements;
- d. Procedures for the monitoring, control, deposit, and retention of investments and collateral which shall be done at least once a month;
- e. Standards for security agreements and custodial agreements consistent with legal requirements;
- f. Standards for diversification of investments including diversification as to type of investments, and firms and banks with whom the School District transacts business; and
- g. Standards for qualification of investment agents which transact business with the School District including, at minimum, the Annual Report of the Trading Partner.

This policy shall be reviewed and re-adopted at least annually or whenever new investment legislation becomes law, as staff capabilities change, or whenever external or internal issue warrant modification.

APPROVED: BOARD OF EDUCATION July 7, 1992

REVISED: August 10, 1999
February 28, 2008