

NONINSTRUCTIONAL OPERATIONS AND BUSINESS SERVICES

Series 700

POLICY TITLE INVESTMENTS

No. 704.3

School District funds in excess of current needs shall be invested in compliance with this policy. The goals of the School District's investment portfolio in order of priority are:

- To provide safety of the principal;
- to maintain the necessary liquidity to match expected liabilities; and
- to obtain a reasonable rate of return.

In making investments, the School District shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use to meet the goals of the investment program.

School District funds are monies of the school district, including operating funds. "Operating funds" of the school district are funds which are reasonably expected to be used during a current budget year or within fifteen months of receipt. When investing operating funds, the investments must mature within three hundred and ninety-seven days or less. If, during the current budget year an amount of public funds will exceed operating funds by at least thirty-three percent, the amount of public funds that exceed operating funds by greater than thirty-three percent may be invested in certificates of deposit at federally insured depository institutions which mature within sixty-three months or less, in accordance with state and federal laws. When investing funds other than operating funds, the investments must mature according to the need for the funds.

The Board authorizes the treasurer to invest funds in excess of current needs in the following investments:

- Interest bearing savings, money market, and checking accounts at the school district's authorized depositories;
- Iowa Schools Joint Investment Trust Program (ISJIT);
- The Education Liquidity Fund;
- Obligations of the United States government, its agencies and instrumentalities;
- Certificates of deposit and other evidences of deposit at federally insured depository institutions.

It shall be the responsibility of the Treasurer to oversee the investment portfolio in compliance with this policy and the law.

The Treasurer shall be responsible for reporting to and reviewing with the Board at its regular meetings the investments portfolio's performance, transaction activity and current investments including the percent of the investment portfolio by type of investment and by issuer and maturities. The report will also include trend lines by month over the last year and year-to-year trend lines regarding the performance of the investment portfolio. It will also be the responsibility of the treasurer to obtain the information necessary to ensure that the investments and the outside persons doing business with the school district meet the requirements outlined in this policy.

It shall be the responsibility of the Chief Financial Officer, to deliver a copy of this policy to the School District's depositories, auditor and outside persons doing business with the School District.

It shall also be the responsibility of the Chief Financial Officer, to develop a system of investment practices and internal controls over the investment practices. The investment practices shall be designed to prevent losses, to document the officers' and employees' responsibility for elements of the investment process and address the capability of the management.

Legal Reference: Iowa Code §§ 11.2, .6; 12.62; 12B.10; 10A; 12C; 22.1, .14; 28E.2; 257; 279.29; 283A; 285; 502.701; 633.123

Cross Reference: 206.4 Treasurer
704 Revenue

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