

IROQUOIS SCHOOL DISTRICT

Investment of District Funds Policy

(Adopted: 02/20/2001)

PURPOSE:

It shall be the policy of the Board to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments.

The primary objectives of investment activities, in priority order, shall be:

Safety - Safety of principal shall be of highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.

Liquidity - Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operation's anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.

Yield - Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

SC 440.1
621

AUTHORITY:

All investments of the school district made by an officer and/or employee of the district shall require Board approval in accordance with this policy.

SC 440.1

The designated individual responsible for investments shall report monthly to the Board the following:

1. Amount of funds invested.
2. Interest earned to date.
3. Types and amounts of each investment and the interest earned on each.
4. Names of the institutions where investments are placed.
5. Current market value of the funds invested.

The Board directs the Superintendent to have developed written procedures that will ensure compliance with the intent of this policy. Such procedures shall include a disclosure form for individuals involved in the investment process and/or required written statements for advisors and bidders.

GUIDELINES:

Investments permitted by this policy are those defined in Section 440.1, PA School Code, as amended.

Sec. 440.1

All securities shall be purchased in the name of the school district. All investment advisors or bidders shall verify in writing that they have received a copy of this I policy along with the provisions of the PA School.

Such written statement shall indicate that they have read and understand these provisions, along with their intent to comply fully with these requirements.

ETHICS:

Officers and employees involved in the district's investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

65 P.S.
401 et al

FINANCIAL DISCLOSURE:

Officers and employees involved with the district's investment process shall provide an annual financial disclosure statement indicating their personal representatives and investment institutions. Such disclosure shall be reviewed annually by the district's independent auditor and shall be considered confidential information.

AUDIT:

The Board directs that all investment records be subject to annual audit by the district's independent auditors.

The audit shall include but not be limited to independent verification of amounts and records of all transactions, as deemed necessary by the independent auditors.

It shall be the responsibility of the investment advisor and/or bidder to maintain necessary documents to permit independent audit of the district's investments.