INVESTMENT OF CASH FLOW FUNDS

District funds in excess of those immediately needed shall be invested in appropriate interest-bearing securities. No equity (stock) investments, corporate bonds, or related securities are allowed.

All investments shall be of funds under the control of the Superintendent of Business Operations who shall be responsible for the stewardship of public funds, distributing investments, and minimizing investment risk for the District by using the following investment protocols.

- Safety of Principle- Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. To attain this objective, only appropriate investment instruments will be purchased, and insurance or collateral will be required to ensure the return of principle.

- Liquidity- The District's investment portfolio shall be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due.

- Return on Investment- The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investments.

- Maintaining the Public's Trust- The Superintendent of Business Operations shall seek to act responsibly as custodian of the public trust and shall avoid any transaction that might impair public confidence in the District, the Executive Committee, and the Board. All investment activity will be reported to the Board of Education on a regular basis.

The Superintendent of Business Operations will provide the Board a monthly report of all cash accounts documenting the previous months balance and all variances between the bank balance and the book balance.

LEGAL REF:

CROSS REF:

APPROVED: March 2008

REVIEWED: