

## **Investments**

School district funds in excess of current needs are 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 will 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. 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;
- Qualified investment pool, including, but not limited to, Iowa Schools Joint Investment Trust Program (ISJIT);,
- Certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions; and
- Obligations of the United States government, its agencies and instrumentalities

It is the responsibility of the treasurer to oversee the investment portfolio in compliance with this policy and the law.

The treasurer is responsible for reporting to and reviewing with the board at its regular meetings the investment 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 treasurer is responsible for working with the secretary to coordinate the financial records, the financial reports, the cash flow needs, and the investment portfolio of the district.

If the board requests it, it shall be the responsibility of the treasurer to bring a contract with an outside person to invest district funds, to advise on investments, to direct investments, to act in a fiduciary capacity or to perform other investment services to the board for review and approval. The board treasurer shall also provide the board with information about and verification of the outside person's fiduciary bond. Contracts with outside persons shall include a clause requiring the outside person to notify the district within thirty (30) days of any material weakness in

internal structure or regulatory orders or sanctions against the outside person regarding the services being provided to the district and to provide the documents necessary for the performance of the investment portion of the district audit. The compensation of the outside persons shall not be based upon the performance of the investment portfolio.

The superintendent is responsible for delivering a copy of this policy to the school district's depositories, auditor and outside persons doing investment business with the school district.

It will also be the responsibility of the superintendent, in conjunction with the treasurer, 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.

Approved: January 18, 1999

Reviewed: September 29, 2015