

## INVESTMENTS

The objectives of the district's investment policy are to safeguard district funds and to minimize risk, to ensure that investments mature when cash is required to finance operations and to ensure a competitive rate of return. In accordance with this policy, the Treasurer or his/her designee is authorized to invest and/or deposit all funds, including proceeds of obligations and reserve funds, in time-deposit accounts, certificates of deposit, short-term government securities, repurchase agreements or other investment instruments permitted by law, subject to the investment regulations approved by the Board of Education.

To the extent feasible, investments and deposits shall be made in and through local or regional financial institutions. Concentration of investments in a single financial institution should be avoided. Diversification of investments and deposits is encouraged.

The order of priorities for so investing school district monies shall be as follows:

Safety: Funds must not be lost to the school district.

Liquidity: Appropriate amounts must be available for each payroll, debt service, and abstract date. No investment shall mature later than the date the invested funds are anticipated to be needed and, in no case, more than two (2) years from date of purchase.

Yield: The highest market interest rate available (other conditions being equal) is to be solicited.

### *Prudence of Investments*

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the district to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program which could impair their ability to make impartial investment decisions.

This policy will be annually reviewed by the Board and may be amended from time to time in accordance with the provisions of section 39 of the General Municipal Law.

Ref: Education Law §§1604-a; 1709(8); 1723-a; 2131; 3651; 3652  
Local Finance Law §165.00  
General Municipal Law §§6-d; 6-j; 6-1 to 6-n; 10; 11; 39

Note: Prior policy, Policy Manual, 3290(a), revised

\*Section 39 of the General Municipal Law requires Boards of Education to adopt a comprehensive investment policy which will set forth both the district's general operative policy as well as instruction to its administrators and staff regarding the investing, monitoring, and reporting of the district's funds.