

Operational Services

Investments of School District Funds

In accordance with the Illinois Public Funds Investment Act, 30 ILCS 235/0/01 *et seq.* (the "Act"), the School District shall maintain a set of procedures for the investment of School District funds that includes the following elements:

1. A listing of authorized investments.
2. The standard of care that must be maintained by the persons investing the public funds.
3. Investment and diversification guidelines that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio.
4. Guidelines regarding collateral requirements, if any, for the deposit of public funds in a financial institution made pursuant to the Act, and, if applicable, guidelines for contractual arrangements for the custody and safekeeping of that collateral
5. A system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the district.
6. Performance measures that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the school district's investment portfolio.
7. Appropriate periodic review of the investment portfolio, its effectiveness in meeting the school district's needs for safety, liquidity, rate of return, and diversification, and its general performance.
8. At least quarterly written reports of investment activities by the Treasurer for submission to the Board of Education and the Superintendent, including information regarding securities in the portfolio by class or type, book value, income earned, and market value as of the report date.

9. A procedure for the selection of investment advisors, money managers, and financial institutions.
10. A policy regarding ethics and conflicts of interest.

Collateral Requirements

All amounts deposited or invested with financial institutions in excess of any insurance limited shall be collateralized in accordance with the Public Funds Investment Act, 30 ILCS 235. The superintendent or designee shall keep the Board informed of collateral agreements.

The Treasurer of the School District shall establish and submit such procedures for the Board's approval and shall periodically review and propose needed amendments thereto. Such procedures and this policy shall be kept available at all times for public review at the School District's administrative offices.

LEGAL REF: Illinois Public Funds Investment Act, 30 ILCS 235/0/01 *et seq.*

Adopted: December 9, 1999
Revised: January 23, 2003
Revised: November 17, 2010

