

**SUBJECT: DISTRICT INVESTMENTS**

Whenever the Port Jervis City School District has funds (including operating funds, reserve funds and proceeds of obligations) that exceed those necessary to meet current expenses, the Board of Education shall authorize the Assistant Superintendent for Business to invest such funds in accordance with all applicable laws and regulations and in conformity with the guidelines established by this policy.

**Objectives**

The objectives of this investment policy are four-fold:

- a) Investments shall be made in a manner so as to safeguard the funds of the School District.
- b) Bank deposits shall be made in a manner so as to safeguard the funds of the School District.
- c) Investments shall be sufficiently liquid so as to allow funds to be available as needed to meet the obligations of the School District.
- d) Funds shall be invested in such a way as to earn the maximum yield possible given the first three (3) investment objectives.

**Authorization**

The authority to deposit and invest funds is delegated to the Assistant Superintendent for Business. These functions shall be performed in accordance with the applicable sections of the General Municipal Law and the Local Finance Law of the State of New York.

The Assistant Superintendent for Business may invest funds in the following eligible investments:

- a) Obligations of the State of New York.
- b) Obligations of the United States Government, or any obligations for which principal and interest are fully guaranteed by the United States Government.
- c) Time Deposit Accounts placed in a commercial bank authorized to do business in the State of New York, providing the account is collateralized as required by law. (Banking Law Section 237(2) prohibits a savings bank from accepting a deposit from a local government. This also applies to savings and loan associations.)
- d) Transaction accounts (demand deposits) both interest bearing and non-interest bearing that do not require notice of withdrawal placed in a commercial bank authorized to do business in the State of New York, providing the account is collateralized as required by law.
- e) Certificates of Deposits placed in a commercial bank authorized to do business in the State of New York providing the Certificates are collateralized as required by law.

(Continued)

**SUBJECT: DISTRICT INVESTMENTS (Cont'd.)**

1. Deposits in excess of the amount insured by the Federal Deposit Insurance Corporation will be secured in accordance with subdivision 3 of the General Municipal Law Section 10.
  2. The District may, in its discretion, authorize the bank designated for the deposit of District funds to arrange for the redeposit of such funds in one (1) or more banking institutions, for the account of the District, through a deposit placement that meets the conditions set forth in General Municipal Law Section 10(2)(a)(ii).
- f) Securities purchased pursuant to a Repurchase Agreement whereby one party purchases securities from a second party and the second party agrees to repurchase those same securities on a specific future date at an agreed rate of return (the interest rate).

**Implementation**

Using the policy as a framework, regulations and procedures shall be developed which reflect:

- a) A list of authorized investments;
- b) Procedures including a signed agreement to ensure the School District's financial interest in investments;
- c) Standards for written agreements consistent with legal requirements;
- d) Procedures for the monitoring, control, deposit and retention of investments and collateral which shall be done at least once a month;
- e) Standards for security agreements and custodial agreements consistent with legal requirements;
- f) Standards for diversification of investments including diversification as to type of investments, and firms and banks with whom the School District transacts business; and
- g) Standards for qualification of investment agents which transact business with the School District including, at minimum, the Annual Report of the Trading Partner.

This policy shall be reviewed and re-adopted at least annually or whenever new investment legislation becomes law, as staff capabilities change, or whenever external or internal issues warrant modification.

Education Law Sections 1604-a, 1723(a), 2503(1) and 3652  
General Municipal Law Sections 10 and 39  
Local Finance Law Section 165

Adopted: 09/01/15

Non-Instructional/Business  
Operations

**SUBJECT: OPERATION AND REPORTING OF DISTRICT INVESTMENTS**

The Business Administrator shall prepare an annual report of all TIME investments excluding NOW and like accounts which shall be for the past fiscal year. The report shall include the following information with respect to each of the investments:

- a) The trading partner;
- b) The type of investment;
- c) The investment date;
- d) The maturity date;
- e) The interest rate;
- f) The total interest earned on the investment;
- g) The amount of investment;
- h) The number of days invested.

The treasurer shall submit a copy of the ledger of collateral for each investing bank or trust company with the annual investment report.