

SAU #15
INVESTMENT

The SAU #15 Board authorizes the School District Treasurer, working in conjunction with the Superintendent and his/her designee and pursuant to RSA 197:23-a, to invest the funds of the district subject to the following objectives and standards of care:

OBJECTIVES

The three objectives, in priority order, of investment activities shall be safety, liquidity, and yield.

1. Safety of Principal is the foremost objective in this policy. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital by mitigating credit and interest rate risk. This will be accomplished by limiting the type of the investments and institutions to those stipulated by statute and fully covered by FDIC insurance or collateral approved pursuant to applicable law.
2. Liquidity of the investment portfolio shall remain sufficient to meet all operating requirements that may be reasonably anticipated.
3. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

STANDARD OF CARE

1. **Prudence:** The standard of care to be used by the School District Treasurer and Superintendent or his/her designee involved in the investment process shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. They are directed to use the (GFOA) Recommended Practices and Policy Statements Related to Cash Management as a guide to the prudent investment of public funds.
2. **Ethics and Conflicts of Interest:** The School District Treasurer and Superintendent, or his/her designee involved in the investment process, shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and Investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall subordinate their personal investment transactions to those of the School District, particularly with regard to the timing of purchases and sales.

3. **Internal Controls:** All checks will be signed by the Treasurer (electronic signatures are acceptable), since the checks are signed electronically the Treasurer will be notified via email when payroll and accounts payable checks are ready to be issued. The Treasurer will reply with their approval to release the checks.

The Business Office staff will keep a running total of the cash in the checking account to verify that there is enough money to cover the disbursements for the district.

The Treasurer reconciles the checking account on a monthly basis. The Business Office staff reconciles the cash account and ensures that the cash account and the Treasurer's reconciliation agree.

The investment policy will be reviewed annually by the Board.

Adopted: November 16, 2016
Reviewed: February 14, 2018

Legal References:
RSA 197:23-a, Treasurer's Duties
RSA 383:22, Public Deposit Investment Pool