

POLICY 3240
INVESTMENTS

The Board of Education supports and authorizes a safe and sound investment program. Such a program is viewed as a critical ingredient of sound fiscal management. The Board authorizes an investment program for the purpose of gaining additional revenues to support the educational program of the District. All funds not required for the immediate needs of the District are available for investment and shall be deposited in authorized depositories. The objectives with respect to the investment of all funds, in order of priority, are (1) Safety of principal, (2) diversification, and (3) yield.

LEGAL REF.: Wisconsin Statutes

Sections 66.0603 [Investments]

120.12(1) [Board duty; designation of depositories for district funds]

120.16(5) [Interest derived from district funds paid to district treasury]

CROSS REF.: 3110 Annual Operating Budget

3121 Financial Accounting

3310 Depository of Funds

3321 Student Activity Funds

ADMINISTRATIVE REGULATIONS: None

APPROVED: August 24, 1999

REVISED: May 22, 2001

July 23, 2002

October 28, 2003

December 18, 2007

March 23, 2010

September 25, 2012

RULE 3240
INVESTMENTS

1. All District investments will be made in compliance with Wisconsin state law with those institutions registered to do business in the State of Wisconsin. Authorized investment instruments categories are:
 - a. Certificates of Deposit
 - b. Federal government bonds and securities guaranteed as to principal and interest by the federal government
 - c. Federal government agency bonds and securities
 - d. Repurchase agreements that are collateralized by federal government bonds and securities, or federal government agency bonds and securities. If the market value of the bonds or securities fall below the repurchase price, additional collateral must be provided
 - e. Commercial securities of the highest or second highest rating
 - f. State of Wisconsin Local Government Investment Pool
 - g. Wisconsin School District Liquid Asset Fund
2. The District shall diversify its investments by category and institution. With the exception of government and agency securities, guaranteed investment contracts, and insured certificates of deposit, no more than 50 percent of the District's total investment portfolio; i.e., 1.a.-g., shall be invested in a single category and no more than 33 percent may be with one issuer within a category. No more than \$500,000 of uninsured certificates of deposit shall be invested in any single financial institution at a time.
3. The District's working capital funds will be maintained in School Board approved public depositories and shall not exceed 20% of the District's cash, except for state aid payments that may be maintained in a working depository on a temporary basis, until the appropriate investment vehicle is determined.
4. All District debt service funds will be made in compliance with Wisconsin state law. Authorized investment instruments are:
 - a. Direct obligations of the federal government
 - b. State of Wisconsin Local Government Investment Pool
5. Investments that are not part of the District's operating, debt service and capital project funds that are placed outside of the District's approved public depositories and not listed in number 1 above (except for 1.e. above) may only be considered if it meets the following criteria. The Securities must be reviewed by an independent Financial Advisor experienced with such securities who will not receive compensation based on the District purchasing the proposed investment. The Advisor will evaluate the risk of the investment, review all documents relating to the investment and ensure that the investment meets the intent of this policy prior to being presented to the Board of Education for approval.

Delegation of Authority

The Board authorizes the Superintendent of Schools and the Chief Financial Officer to manage all activities associated with the investment program in such manner as to accomplish the objectives of Board policy and these guidelines. This responsibility includes an annual review, assessment and reporting of the District's investment program in September following the end of the previous fiscal year, including the rate of return on investments, as well as recommendations for changes to this policy.

The Chief Financial Officer is further authorized to execute, in the Board's name, any and all documents relating to the investment program in a timely manner.

Reporting

The Chief Financial Officers/designee, shall maintain a detailed list of all investments. A written report of the status of all investments shall be made quarterly to the Board.