

Revenues from Investments/Use of Surplus Funds

The Board of Education recognizes the importance of prudent and profitable investment of district moneys and its responsibility in overseeing this part of the district's financial program.

This policy shall apply to the investment of all financial assets and all funds of the district over which the Board exercises financial control. In order to effectively make use of the district's cash resources, all moneys shall be pooled into one investment account and accounted for separately. The investment income derived from this account shall be distributed to the various district funds as directed by the Board of Education in accordance with state law.

All district funds allocated to a specific use but temporarily not needed shall be invested by the treasurer, assistant treasurer or other administrator appointed by the Board in accordance with state law and in a manner designed to accomplish the following objectives:

1. ensure the safety of funds
2. ensure that adequate funds are available at all times to meet the financial obligations of the district when due
3. ensure a market rate of return on the funds available for investment throughout the budget cycle
4. ensure that all funds are deposited and invested in accordance with state law

The intent of the district is to support financial institutions located within district boundaries. Investments in institutions located outside of the district will be made when competitive rates or lack of collateral available from local financial institutions make this decision in the best interest of the district or when investment timing requires investment alternatives and short-term yields not conveniently available in the district. If the district is contemplating any investment or deposit outside of the state, the Board shall be notified. The Board shall seek legal advice prior to any such investment or deposit.

The Board shall be kept informed of investments and yields through regular monthly reports. These reports shall be formatted in a manner that allows the Board to evaluate the success of its investment practices in light of its stated objectives.

Adoption Date: November 18, 2014

LEGAL REFS.: C.R.S. 11-10.5-101 *et seq.*

C.R.S. 11-47-101 et seq.

C.R.S. 22-45-103 (bond redemption fund trustee or escrow requirement)

C.R.S. 24-75-601 et seq.

C.R.S. 24-75-701 et seq.

CROSS REFS.: DA, Fiscal Management Goals/Priority Objectives

DG, Banking Services

*NOTE: This policy has been adapted from the sample appearing in the CDE
Financial Policies and Procedures Handbook.*

[Revised June 2004]