

BUSINESS**Investing****Business and Noninstructional Operations**

The Superintendent or designee may invest as permitted by law all or part of the special reserve fund of the district or any surplus monies not required for immediate district operations. Such investments shall be limited to securities specified in Government Code Sections 16430, 53601, and 53635.

The Board of Trustees recognizes that the Superintendent or designee has fiduciary responsibility and is subject to prudent investor standards for all investment decisions. As such, district investments must be made with skill, prudence, and diligence, with the primary objective of safeguarding the principal of the funds and with the secondary objective of meeting the district's liquidity needs. In order to enhance investment return, the district's third investment objective shall be to generate an investment yield that attains or exceeds a market-average rate of return through economic cycles.

The Board recognizes the importance of overseeing investments made with district funds, including investments by the county treasurer. The Board President shall participate with Board presidents of all school districts and community college districts in the county to select a representative to the county treasury oversight committee. The Superintendent or designee shall maintain ongoing communication with this representative and shall keep the Board well informed about the policies that guide the investment of these funds.

The Superintendent or designee shall annually provide to the Board and any oversight committee a statement of the district's investment policy. At a public meeting, the Board shall review this policy and discuss any changes to be made. In accordance with law and administrative regulations, the Superintendent or designee shall also provide the Board quarterly reports with specified components, including a statement of how the district portfolio compares with the district's investment policy. (Government Code Section 53646)

Legal Reference:	<u>EDUCATION CODE</u>
	41001 Deposit of Money in County Treasury
	41002 General Fund Deposits and Exceptions
	41002.5 Deposit of Certain Funds in Insured Institutions
	42003 Funds Received From Rental of Real Property
	41015 Authorization of and Limitation on Investment of District Funds
	41017 Deposit of Miscellaneous Receipts
	41018 Disposition of Money Received
	42840-42843 Special Reserve Fund

GOVERNMENT CODE

16430 Eligible Securities for Investment of Surplus Monies
27130-27137 County Treasury Oversight Committees
53600-53609 Investment of Surplus
53630-53684 Deposit of Funds, Especially
53635 Local Agency Funds; Deposit or Investment
53646 Treasurer Reports and Statements of Investment Policy
53852.5 Investment Term for Funds Designated for Repayment
of Notes
53859.02 Borrowing by Local Agency

CIVIL CODE

2261-1162 Obligations of Trustees; Investments

Policy Adopted: December 17, 1996