

BP 3430 Investing

Section 1. General.

The purpose of this investment policy is to provide guidelines for investment of funds deemed surplus to the General Operating Fund, Construction Funds, and Special Revenue Funds by the Business Manager. The Business Manager will endeavor to obtain a reasonable rate of return on the aforementioned funds. Security and safety of District Funds shall take priority over rate of return.

Section 2. Permissible Investments.

The Business Manager shall invest the District's funds through national banks in the following type of securities:

1. Bonds, notes or other obligations, direct or otherwise, of the United States;
2. Bonds, notes or other US Investment Grade Corporate obligations rated "A" or higher
 - a. Maximum allocation shall not exceed 60% of the portfolio
 - b. Maximum maturity of 5 years
3. Bonds and other evidence of indebtedness of the State of Alaska;
4. Savings Accounts, certificates of deposits, and repurchase agreements.

District funds will not be invested in securities other than those listed in (1) through (4) above without prior approval of the District Board.

Section 3. Authorizations of Investments.

All investments shall be authorized by the Business Manager and the Superintendent of Schools or Designee following "an official action of approval" by the Board of Education.

Section 4. Insurance.

The Business Manager and other authorized official(s) shall not deposit funds in any depository that is not a member of the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation (FSLIC), or similar insurance agencies of the financial institutions or collateralized up to the amount of account balance.

Section 5. Control of Funds.

Deposit shall be subject to withdrawal at any time upon demand of the Business Manager and authorized official(s). The Business Manager shall not use funds for speculation but shall invest funds in securities or obligations which will be consistent with the best interests of the District, considering first, the probable safety of the funds and secondly, the probable income to be earned. For the Investment Account, two signatures are required to authorize contributions, withdrawals or an Investment Policy Statement.

Section 6. Reporting of Investments.

The current investments will be reported to the Board as part of the Monthly Fiscal Report.