

705 INVESTMENTS

I. PURPOSE

The purpose of this policy is to establish guidelines for the investment of school district funds.

II. GENERAL STATEMENT OF POLICY

The policy of this school district is to comply with all state laws investment program shall be operated in conformance with federal, state and other legal requirements relating to investments and to guarantee that investments meet certain primary criteria.

III. SCOPE

This policy applies to all investments of the surplus funds of the school district, regardless of the fund accounts in which they are maintained, unless certain investments are specifically exempted by the school board through formal action.

A. Pooling of Funds

~~Except for cash in certain restricted and special funds, the Crosby Ironton school district will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepts accounting principles. This paragraph does not refer to local government investment pools, but refers to the pooling of funds within a single governmental entity.~~

IV. GENERAL AUTHORITY; OBJECTIVES

- A. The funds of the school district shall be deposited or invested in accordance with this policy, Minn. Stat. Chapter 118A and any other applicable law or written administrative procedures.
- B. The primary objectives, in priority order, of investment activities shall be safety, liquidity and yield: criteria for the investment of the funds of the school district, in priority order, are as follows:
 - 1. Safety and Security. Safety of principal is the foremost objective of the investment program first priority. The investments of the school district shall be undertaken in a manner that seeks to ensure the preservation of the capital

in the overall investment portfolio. The objective will be to mitigate credit risk and interest rate risk

~~2. Credit Risk The Crosby Ironton school district will minimize credit risk, which is the risk of loss due to the failure of the security insurer or backer, by:~~

- ~~• Limiting investments to the types of securities listed in Section VII of this Investment Policy~~
- ~~• Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the school district will do business in accordance with Section V~~
- ~~• Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.~~

~~3. Interest Rate Risk~~

~~The Crosby Ironton School District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:~~

- ~~• Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity~~
- ~~• Investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).~~

42. Liquidity. The investment portfolio shall remain sufficiently liquid to meet operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short term funds. The funds shall be invested to assure that funds are available to meet immediate payment requirements, including payroll, accounts payable and debt service.

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53. Return and Yield. The investments shall be managed in a manner to attain a market rate of return through various economic and budgetary cycles, while preserving and protecting the capital in the investment portfolio and taking into account constraints on risk and cash flow requirements.

~~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. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:~~

- ~~• A security with declining credit may be sold early to minimize loss of principal.~~
- ~~• A security swap would improve the quality, yield, or target duration in the portfolio.~~
- ~~• Liquidity needs of the portfolio require that the security be sold.~~

~~6. Local Considerations. Where possible, funds may be invested for the betterment of the local economy or that of local entities within the State. The school district may accept a proposal from an eligible institution which provides for a reduced rate of interest provided that such institution documents the use of deposited funds for community development projects.~~

V. DELEGATION OF AUTHORITY

A. The Business Manager of the school district is designated as the investment officer of the school district and is responsible for investment decisions and activities under the direction of the school board. The investment officer shall operate the school district's investment program consistent with this policy. The investment officer may delegate certain duties to a designee or designees but shall remain responsible for the operation of the program.

B. All officials and employees that are a part of the investment process shall act professionally and responsibly as custodians of the public trust and shall refrain from personal business activity that could conflict with the investment program or which could reasonably cause others to question the process and integrity of the investment program. The investment officer shall avoid any transaction that could impair public confidence in the school district.

VI. STANDARDS OF CARE CONDUCT

1. Prudence

~~The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.~~

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

— *2. Ethics and Conflicts of Interest*

Officers and employees 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 officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the school district.

— *3. Delegation of Authority*

Authority to manage the investment program is granted to the business manager hereinafter referred to as investment officer. Responsibility for the operation of the investment program is hereby delegated to the investment officer, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

The standard of conduct regarding school district investments to be applied by the investment officer shall be the "prudent person standard." Under this standard, the investment officer shall exercise that degree of judgment and care, under the circumstances then prevailing, that persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, investing not for speculation and considering the probable safety of their capital as well as the probable investment return to be derived from their assets. The prudent person standard shall be applied in the context of managing the overall investment portfolio of the school district. The investment officer, acting in accordance with this policy and exercising due diligence, judgment, and care commensurate with the risk, shall not be held personally responsible for a specific security's performance or for market price changes. Deviations from expectations shall be reported in a timely manner and appropriate actions shall be taken to control adverse developments.

VII. MONITORING AND ADJUSTING INVESTMENTS

The investment officer shall routinely monitor existing investments and the contents of the school district's investment portfolio, the available markets, and the relative value of competing investment instruments.

VIII. INTERNAL CONTROLS

The investment officer shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed by the school board and shall be annually reviewed for compliance by the school district's independent auditors. The internal controls shall be designed to prevent and control losses of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions by officers, employees, or others. The internal controls may include, but shall not be limited to, provisions relating to controlling collusion, separating functions, separating transaction authority from accounting and record keeping, custodial safekeeping, avoiding bearer form securities, clearly delegating authority to applicable staff members, limiting securities losses and remedial action, confirming telephone transactions in writing, supervising and controlling employee actions, minimizing the number of authorized investment officials, and documenting transactions and strategies.

IX. PERMISSIBLE INVESTMENT INSTRUMENTS

The school district may invest its available funds in those instruments specified in Minn. Stat. §§ 118A.04 and 118A.05, as these sections may be amended from time to time, or any other law governing the investment of school district funds. The assets of an other postemployment benefits (OPEB) trust or trust account established pursuant to Minn. Stat. § 471.6175 to pay postemployment benefits to employees or officers after their termination of service, with a trust administrator other than the Public Employees Retirement Association, may be invested in instruments authorized under Minn. Stat. Ch. 118A or § 356A.06, Subd. 7. Investment of funds in an OPEB trust account under Minn. Stat. § 356A.06, Subd. 7, as well as the overall asset allocation strategy for OPEB investments, shall be governed by an OPEB Investment Policy Statement (IPS) developed between the investment officer, as designed herein, and the trust administrator.

X. PORTFOLIO DIVERSIFICATION; MATURITIES

A. Limitations on instruments, diversification, and maturity scheduling shall depend on whether the funds being invested are considered short-term or long-term funds. All funds shall normally be considered short-term except those reserved for building construction projects or specific future projects and any unreserved funds used to provide financial-related managerial flexibility for future fiscal years.

B. The school district shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

1. The investment officer shall prepare and present a table to the school board for review and approval. The table shall specify the maximum percentage of the school district's investment portfolio that may be

invested in a single type of investment instrument, such as U.S. Treasury Obligations, certificates of deposit, repurchase agreements, banker's acceptances, commercial paper, etc. The approved table shall be attached as an exhibit to this policy and shall be incorporated herein by reference.

2. The investment officer shall prepare and present to the school board for its review and approval a recommendation as to the maximum percentage of the total investment portfolio that may be held in any one depository. The approved recommendation shall be attached as an exhibit or part of an exhibit to this policy and shall be incorporated herein by reference.
3. Investment maturities shall be scheduled to coincide with projected school district cash flow needs, taking into account large routine or scheduled expenditures, as well as anticipated receipt dates of anticipated revenues. Maturities for short-term and long-term investments shall be timed according to anticipated need. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets and a specific maturity sector. The maturities selected shall provide for stability of income and reasonable liquidity.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

Before the school district invests any surplus funds in a specific investment instrument, a competitive bid or quotation process shall be utilized. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations or bids shall be requested for instruments which meet the maturity requirement. If no specific maturity is required, a market trend analysis, which includes a yield curve, will normally be used to determine which maturities would be most advantageous. Quotations or bids shall be requested for various options with regard to term and instrument. The school district will accept the quotation or bid which provides the highest rate of return within the maturity required and within the limits of this policy. Generally all quotations or bids will be computed on a consistent basis, i.e., a 360-day or a 365-day yield. Records will be kept of the quotations or bids received, the quotations or bids accepted, and a brief explanation of the decision that was made regarding the investment. If the school district contracts with an investment advisor, bids are not required in those circumstances specified in the contract with the advisor.

XII. AUTHORIZED FINANCIAL QUALIFIED INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

~~1. Authorized Financial Institutions, Depositories, and Broker/Dealers~~

~~A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation). These may include "primary" dealers or~~

~~regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).~~

~~All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:~~

- ~~• Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines~~
- ~~• Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties)~~
- ~~• Proof of state registration~~
- ~~• Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)~~
- ~~• Certification of having read and understood and agreeing to comply with the [entity's] investment policy.~~
- ~~• Evidence of adequate insurance coverage.~~

~~An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the investment officer.~~

~~2. *Minority and Community Financial Institutions*~~

~~From time to time, the investment officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, a waiver to certain parts of the criteria under Paragraph 1 may be granted. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state or local law. These types of investment purchases should be approved by the appropriate legislative or governing body in advance.~~

A. The school district shall maintain a list of the financial institutions that are approved for investment purposes.

B. Prior to completing an initial transaction with a broker, the school district shall provide to the broker a written statement of investment restrictions which shall include a provision that all future investments are to be made in accordance with Minnesota statutes governing the investment of public funds. The broker must annually acknowledge receipt of the statement of investment restrictions and agree to handle the school district's account in accordance with these restrictions. The school district may not enter into a transaction with a broker until the broker has provided this annual written agreement to the school district. The notification form to be used shall be that prepared by the State Auditor. A copy of this investment policy, including any amendments thereto, shall be provided to each such broker.

XIII. SAFEKEEPING AND CUSTODY COLLATERALIZATION

~~1. *Delivery vs. Payment*~~

~~All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release~~

of funds.

~~2.—*Safekeeping*~~

~~Securities will be held by an independent third-party custodian selected by the entity as evidenced by safekeeping receipts in the school district's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).~~

~~3.—*Internal Controls*~~

~~The investment officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the school district are protected from loss, theft or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.~~

~~The internal controls structure shall address the following points:~~

- ~~• Control of collusion~~
- ~~• Separation of transaction authority from accounting and recordkeeping~~
- ~~• Custodial safekeeping~~
- ~~• Avoidance of physical delivery securities~~
- ~~• Clear delegation of authority to subordinate staff members~~
- ~~• Written confirmation of transactions for investments and wire transfers~~
- ~~• Dual authorizations of wire transfers~~
- ~~• Development of a wire transfer agreement with the lead bank and third-party custodian~~

~~Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the school district's annual independent audit.~~

A. All investment securities purchased by the school district shall be held in third-party safekeeping by an institution designated as custodial agent. The custodial agent may be any Federal Reserve Bank, any bank authorized under the laws of the United States or any state to exercise corporate trust powers, a primary reporting dealer in United States Government securities to the Federal Reserve Bank of New York, or a securities broker-dealer defined in Minn. Stat. § 118A.06. The institution or dealer shall issue a safekeeping receipt to the school district listing the specific instrument, the name of the issuer, the name in which the security is held, the rate, the maturity, serial numbers and other distinguishing marks, and other pertinent information.

B. Deposit-type securities shall be collateralized as required by Minn. Stat. § 118A.03 for any amount exceeding FDIC, SAIF, BIF, FCUA, or other federal deposit coverage.

- C. Repurchase agreements shall be secured by the physical delivery or transfer against payment of the collateral securities to a third party or custodial agent for safekeeping. The school district may accept a safekeeping receipt instead of requiring physical delivery or third-party safekeeping of collateral on overnight repurchase agreements of less than \$1,000,000.

VII. ~~SUITABLE AND AUTHORIZED INVESTMENTS~~

1. ~~Investment Types~~

~~Consistent with the GFOA Policy Statement on State and Local Laws Concerning Investment Practices, the following investments will be permitted by this policy and are those defined by state and local law where applicable:~~

- ~~• U.S. Treasury obligations which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available;~~
- ~~• U.S. government agency and instrumentality obligations that have a liquid market with a readily determinable market value;~~
- ~~• Canadian government obligations (payable in local currency);~~
- ~~• Certificates of deposit and other evidences of deposit at financial institutions;~~
- ~~• Bankers' acceptances;~~
- ~~• Commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency;~~
- ~~• Investment grade obligations of state, provincial and local governments and public authorities;~~
- ~~• Repurchase agreements whose underlying purchased securities consist of the aforementioned instruments;~~
- ~~• Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and~~
- ~~• Local government investment pools either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation.~~

~~Investment in derivatives of the above instruments shall require authorization by the appropriate governing authority.~~

2. ~~Collateralization~~

~~Where allowed by state law and in accordance with the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.~~

3. ~~Repurchase Agreements~~

~~Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements.~~

VIII. ~~INVESTMENT PARAMETERS~~

~~1. *Diversification*~~

~~It is the policy of the school district to diversify its investment portfolios. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets in all school district funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised periodically by the investment committee/investment officer for all funds except for the employee retirement fund.~~

~~In establishing specific diversification strategies, the following general policies and constraints shall apply: Portfolio maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity.~~

~~—————For cash management funds:~~

- ~~• Liquidity shall be assured through practices ensuring that the next disbursement date and payroll date are covered through maturing investments or marketable U.S. Treasury bills.~~
- ~~• Positions in securities having potential default risk (e.g., commercial paper) shall be limited in size so that in case of default, the portfolio's annual investment income will exceed a loss on a single issuer's securities.~~
- ~~• Risks of market price volatility shall be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.~~
- ~~• The investment committee/investment officer shall establish strategies and guidelines for the percentage of the total portfolio that may be invested in securities other than repurchase agreements, Treasury bills or collateralized certificates of deposit. The committee shall conduct a quarterly review of these guidelines and evaluate the probability of market and default risk in various investment sectors as part of its considerations.~~

~~2. *Maximum Maturities*~~

~~To the extent possible, the school district shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the school district will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances. The school district shall adopt weighted average maturity limitations (which often range from 90 days to 3 years), consistent with the investment objectives.~~

~~Reserve funds and other funds with longer term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the legislative body~~

~~Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.~~

3.—Competitive Bids

The investment officer shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.

XIV. REPORTING REQUIREMENTS

1.—Methods

The investment officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. This management summary will be prepared in a manner which will allow the school district to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the entity's chief administrative officer, the legislative body, the investment committee and any pool participants. The report will include the following:

- Listing of individual securities held at the end of the reporting period.
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one year duration that are not intended to be held until maturity in accordance with Governmental Accounting Standards Board (GASB) requirements.
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investment by maturity date.
- Percentage of the total portfolio which each type of investment represents.

2.—Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken, and the benchmarks shall have a similar weighted average maturity as the portfolio.

3.—Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark to Market Practices for State and Local Government Investment Portfolios and Investment Pools." In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

- A. The investment officer shall generate daily and monthly transaction reports for

management purposes. In addition, the school board shall be provided a monthly report that shall include data on investment instruments being held as well as any narrative necessary for clarification.

B. The investment officer shall prepare and submit to the school board a quarterly investment report that summarizes recent market conditions, economic developments, and anticipated investment conditions. The report shall summarize the investment strategies employed in the most recent quarter and describe the investment portfolio in terms of investment securities, maturities, risk characteristics, and other features. The report shall summarize changes in investment instruments and asset allocation strategy approved by the investment officer for an OPEB trust in the most recent quarter. The report shall explain the quarter's total investment return and compare the return with budgetary expectations. The report shall include an appendix that discloses all transactions during the past quarter. Each quarterly report shall indicate any areas of policy concern and suggested or planned revisions of investment strategies. Copies of the report shall be provided to the school district's auditor.

C. Within ninety (90) days after the end of each fiscal year of the school district, the investment officer shall prepare and submit to the school board a comprehensive annual report on the investment program and investment activity of the school district for that fiscal year. The annual report shall include 12-month and separate quarterly comparisons of return and shall suggest revisions and improvements that might be made in the investment program.

D. If necessary, the investment officer shall establish systems and procedures to comply with applicable federal laws and regulations governing the investment of bond proceeds and funds in a debt service account for a bond issue. The record keeping system shall be reviewed annually by the independent auditor or by another party contracted or designated to review investments for arbitrage rebate or penalty calculation purposes.

~~X. POLICY CONSIDERATIONS~~

~~1. Exemption~~

~~Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.~~

~~2. Amendments~~

~~This policy shall be reviewed on an annual basis. Any changes must be approved by the investment officer and any other appropriate authority, as well as the individuals charged with maintaining internal controls.~~

~~XI. APPROVAL OF INVESTMENT POLICY~~

~~The investment policy shall be formally approved and adopted by the governing body of the school district and reviewed annually.~~

XV. DEPOSITORIES

The school board shall annually designate one or more official depositories for school district funds. The treasurer or the chief financial officer of the school district may also exercise the power of the school board to designate a depository. The school board shall be provided notice of any such designation by its next regular meeting. The school district and the depository shall each comply with the provisions of Minn. Stat. § 118A.03 and any other applicable law, including any provisions relating to designation of a depository, qualifying institutions, depository bonds, and approval, deposit, assignment, substitution, addition, and withdrawal of collateral.

XVI. ELECTRONIC FUNDS TRANSFER OF FUNDS FOR INVESTMENT

The school district may make electronic fund transfers for investments of excess funds upon compliance with Minn. Stat. § 471.38.

Legal References: Minn. Stat. § 118A.01 (Public Funds; Depositories and Investments)
Minn. Stat. § 118A.02 (Authorization for Deposit and Investment)
Minn. Stat. § 118A.03 (Depositories and Collateral)
Minn. Stat. § 118A.04 (Investments)
Minn. Stat. § 118A.05 (Contracts and Agreements)
Minn. Stat. § 118A.06 (Delivery and Safekeeping)
Minn. Stat. § 356A.06, Subd. 7 (Authorized Investment Securities)
Minn. Stat. § 471.38 (Claims)
Minn. Stat. § 471.6175 (Trust for Postemployment Benefits)

Cross References: Policy 703 (Annual Audit)
MSBA Service Manual, Chapter 7, Education Funding
Minnesota Legal Compliance Audit Guide Prepared by the Office of the State Auditor
~~GFOA Recommended Policies~~