

# **EXHIBIT A**

## **Wheeling Township Schools**

### **TREASURY INTERGOVERNMENTAL AGREEMENT**

Prospect Heights School District 23

Arlington Heights School District 25

River Trails School District 26

Township High School District 214

Northwest Suburban Special Education Organization District 805

## TREASURY BACKGROUND INFORMATION

- ▶ On July 1, 1996, the office of the Wheeling Township School Treasurer was abolished and Township High School District 214 assumed the treasury operations for District 21, District 23, District 25, District 26, District 214 and N.S.S.E.O.
- ▶ Each District must appoint a treasurer at their respective location and obtain a surety bond for each appointed treasurer at the expense of each District.
- ▶ District 214 provides treasury services for each District at no charge; however any vendor costs incurred by each District will be paid by that District.
- ▶ Each District will comply with District 214 operational procedures.
- ▶ A Treasury Advisory Board shall be established to ensure communication, monitor procedures, and recommend policies which support the effective operation of the District 214 Program.

## **DISTRICT 214 TREASURY OPERATIONAL PROCEDURES**

### **Deposit of Funds**

- ▶ District 214 provides an efficient system for the deposit of funds for each District.
- ▶ District 214 notifies each District of the receipt and distribution of local, state and federal funds. (D214 Senior Accountant provides R/E Tax information to Districts when distributions are sent, 2x month Comptroller provides report on State/Federal Funding received in Illinois Funds - information is compiled by D214 Accounting Asst and reviewed by Comptroller)

### **Disbursement of Funds**

- ▶ The treasurer of each District signs respective payroll and accounts payable checks. District 214 performs the role of assistant treasurer to each District.
- ▶ District 214 processes stop payments, wire transfers, ACH, and electronic fund transfers at the request of each District. (D214 Senior Accountant processes all with review by Comptroller)

### **Financial Records**

- ▶ District 214 prepares a monthly Treasurer's Report that includes the current investment portfolio. (Prepared by Comptroller)
- ▶ District 214 prepares a monthly general ledger for each District, by fund, including receipts, disbursements and beginning and ending balances. (Prepared by Comptroller)

District 214 reconciles the treasury's bank statements on a monthly basis. (See bank schematic with notes on bank reconciliations).

- ▶ Each District reconciles their ending fund balances to the Treasurer's ending fund balances on a monthly basis. (Before completing Treasurer report, send G/L's to Districts for review).
- ▶ Each District is responsible for monitoring their respective district's cash flow and appropriate funding needs and is required to notify District 214 prior to funding deficiencies with a funding remedy.

## **Investment of Funds**

- ▶ District 214 invests each District's pooled funds. (Use PMA Cash Flow and Investment program as a guide for investment bids for Operating funds).
- ▶ All investments shall conform to the Public Funds Investment Act (30 ILCS 235)
- ▶ Investment Objectives:
  - Safety of Principal
  - Liquidity
  - Return on Investments
  - Maintaining the Public's Trust
- ▶ Investment Instruments:

Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued by the United States of America, its agencies and allowable instrumentalities

  - Interest bearing savings accounts, interest bearing certificates of deposit or interest-bearing time posits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act
  - Certificates of deposit with federally insured institutions that are collateralized or insured at levels acceptable to the District in excess of the \$250,000 provided by the Federal Deposit Insurance Corporation coverage limit
  - Collateralized repurchase agreements which conform to requirements stated in paragraph 2(g) or 2(h) of the Public Funds Investment Act
  - Obligations of Corporations meeting all the following requirements:
    - a) The corporation must be organized in USA
    - b) The corporation's assets must exceed \$500,000,000
    - c) The obligations at the time of purchase must be rated within the three highest classifications by at least two standard rating services

- d) Obligations of corporations maturing not later than 270 days from the date of purchase must not exceed 33% of total investments
  - e) Obligations maturing more than 270 days but not more than 3 years from the date of purchase must not exceed 33% of total investments
  - f) The total investment in any one corporation cannot exceed 10% of corporation's outstanding obligations
  - g) The total investment in anyone corporation cannot exceed 5% of total investments at the time of purchase
- Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in the first bullet point of this subsection and to agreements to repurchase such obligations.
  - Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state. The bonds shall be rated at the time of purchase within the four highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.
  - The Illinois Public Treasurer's Investment Pool
  - The Illinois School District Liquid Asset Fund

► Diversification

- Diversification strategies shall be determined and revised periodically by the School Treasurer.
- Treasurer may modify diversification based on volatility of market and current economic conditions.

► Collateralization

- Deposits in excess of FDIC insurable limits must be secured by collateral or private insurance to protect public deposits in a single financial institution if it were to default.
- Safekeeping by a third party is required for all collateral.
- Eligible collateral also includes Federal Home Loan Bank (FHLB) letters of credit.

▶ Performance Standards

- The investment of Operating funds will be designed to obtain a market average yield during budgetary and economic cycles, taking into account investment risk constraints and cash flow needs.
- Reserve monies which may be invested with longer maturities shall be benchmarked against the Bloomberg 1-5 Year Government Index. Reserve monies will be invested to obtain a rate of return exceeding the benchmark during budgetary and economic cycles, taking into account investment risk constraints and cash flow needs.

▶ Sustainable Investing

- Pursuant to the Public Fund Investment Act (30 ILCS 235/1 et seq.), Wheeling Township Schools will consider material, relevant, and decision-useful sustainability factors, within the bounds of financial and fiduciary prudence, in evaluating investment decisions.

▶ Management of Program

- The Treasurer and Assistant Treasurer are authorized to purchase and sell investments, authorize wire transfers, authorize release of pledged collateral, and to execute any documents required under this procedure, including the following documents:

Wire Transfer Agreement

Depository Agreement

Safekeeping Agreement Custody

Agreement

Investment Advisory Agreement

**Debt Services**

- ▶ Each District maintains their own debt service schedules (As well as Comptroller).
- ▶ District 214 makes debt service payments as scheduled for each District.

**Annual Statement of Affairs**

- ▶ District 214 solicits required information from each District and notifies each District of appropriate publication and filing dates as required by law. Each District is responsible to prepare and forward District 214 their completed Annual Statement of Affairs for publication purposes. (Comptroller sends to newspaper for publication).
- ▶ Each District electronically files their Annual Statement of Affairs with the Illinois State Board of Education by the appropriate filing date and will notify District 214 when filing is completed.

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The Wheeling Township Intergovernmental Agreement was revised **November**, **2024**. This agreement shall be reviewed at least every three years. This agreement may be amended at any time by the majority agreement of District 214, the Elementary Districts and N.S.S.E.O.