

Authorization to Invest District Funds

Pursuant to Government code, Section 2256.005(f), Investment Officer, the Board of Trustees by resolution authorizes and designates the investment officers listed within the resolution as officers for the district. The designated positions are listed below:

Chief Financial Officer

Director of Budget and Finance

Director of Accounting

Authorization of Securities Dealers

Pursuant to Government Code, Sec. 2256.025, Selection of Broker, the Board of Trustees authorizes the following securities dealers to engage in investment transactions with the District.

BOK Financial

Texas Class

Logic

Lonestar Investment Pool

TexPool

Authorization of Investment Training

Pursuant to Government Code, Sec. 2256.008, Investment Training, the Board of Trustees authorize the following independent entities to provide investment training for

the District:

Texas Association of School Business Officials (TASBO)

Government Finance Officers Association (GFOA)

Government Treasures Organization of Texas (GTOT)

University of North Texas (UNT)

Hilltop Securities

North Central Texas Council of Governments

Investment Strategy and Objective

Investment Strategy

As an integral part of the investment policy, the board shall adopt a separate written investment strategy for each of the funds or group of funds under the board's control. Each investment strategy must describe the investment objectives for the specific fund using the following priorities in order of importance:

1. **Safety:** Preservation and safety of principal – Skill and judgement shall be exercised in order that no individual or group of transactions undertaken would jeopardize the capital sum of the overall portfolio
2. **Suitability:** Understanding the suitability of the investment to the financial requirements of the entity- The investment officer shall exhibit prudence and discretion in the selection and management of securities
3. **Liquidity:** Maintain sufficient liquidity to provide adequate and timely funds
4. **Marketability:** Marketability of the investment if the need arises to liquidate the investment prior to maturity – investments of the district shall be of a readily marketable type of security instrument
5. **Diversification:** Diversification of the investment portfolio – Diversify investments as to maturity, instruments, and financial institutions where permitted by law
6. **Yield:** Attain a competitive rate of return while providing necessary protection of principal consistent with District operating requirements as determined by the Board

Investment Objectives

Local Maintenance Objective

- Local Maintenance Funds shall be invested in such a manner that they meet the

daily liquidity needs of the District

Local Special Revenue Objective

- Local Special Revenue Funds shall be invested in such a manner that they provide the necessary liquidity to meet the cash flow requirements of the District's special projects as approved by the Board of Trustees

Debt Service Objective

- Debt Service Funds shall be invested in such a manner that they provide the necessary liquidity to meet the bond payments in accordance with the provisions in the bond documents on the District debt

Capital Projects Fund Objective

- Capital Projects Funds shall be invested in such a manner that they provide the necessary liquidity to meet the cash flow requirements of the District's construction and renovation projects

Internal Service Funds Objective

- Internal Service Funds shall be invested in such a manner that they meet the daily liquidity needs of the District

Food Service Fund Objective

- Food Service Funds shall be invested in such a manner that they provide the necessary liquidity to meet the cash flow requirements of the District's food service operations

Agency Fund Objective

- Agency Funds shall be invested in such a manner that they provide the necessary liquidity to meet the cash flow requirements of the District