

POLICY 705 INVESTMENTS

I. Objectives

Credit Risk - Funds of the District will be invested in accordance with this Policy 705 – Investments, M.S. 118A, and written administrative procedures. Investments will be made based on statutory constraints and subject to available designated staffing capabilities. The primary investment criteria in priority sequence are safety, liquidity, yield, and trust.

- A. Custodial Credit Risk - Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. To attain this objective only appropriate investment instruments will be purchased and insurance or collateral may be required to ensure the return of principal.
- B. Liquidity - The District's investment portfolio shall be structured in such manner as to provide sufficient liquidity to pay obligations as they come due.
- C. Interest Rate Risk - The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investments.
- D. Maintaining the Public's Trust - The Investment Officer shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the District, the Board or the School Treasurer.

II. Scope

This Policy 705 - Investments applies to activities of the District, including GASB 45 investments, with regard to investing the financial assets of all funds.

Policy Reviewed: 1/27/15

Policy Revised: 2/23/10

Policy 705 Adopted: 1/19/99 (formerly Policy 3900)

Policy Revised: 4/20/93

Legal References

Policy Adopted: 3/7/89 M.S. 118A

School Board

INDEPENDENT SCHOOL DISTRICT 279

Maple Grove, Minnesota