

Coos Bay School District 9

Code: **DFA**
Adopted: 5/11/87
Readopted: 3/02/10
Orig. Code(s): DFA

Investment of Funds

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This investment policy shall apply to all investment activities of Coos Bay School District for all funds that are accounted for in the annual budget.

Objectives

Preservation of capital is the primary objective in managing the district's excess funds. District investments shall be diversified with regard to type of security and institution to the greatest extent possible.

Second to preservation of capital is to provide sufficient liquidity to meet the district's reasonably anticipated cash requirements.

A third objective shall be to attain a market rate of return on the investment portfolio.

Delegation of Authority

The finance director is designated as investment officer and is responsible for investment decisions and activities, under the direction of the superintendent. The finance director shall develop and maintain written administrative procedures for the operation of the investment program consistent with this policy.

Prudence

The standard of prudence to be used by the investment officer in the context of managing the overall portfolio shall be the prudent investor rule, which states, "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."

The investment officer and staff, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these derivations are reported as soon as practical and that appropriate action is taken to control adverse developments.

Safekeeping and Collateralization

All securities purchased from a financial institution shall be secured through dealer-bank safekeeping. The purchase or sale of securities shall be subject to the provisions of Oregon Law. Payment shall not be made

for the purchase of securities until title is received and securities may not be delivered upon their sale prior to receipt of payment: However, the primary banking services provider may serve as intermediary while transactions are being processed.

The investment officer will ensure that a Certificate of Participation has been issued by the institution to cover outstanding deposits exceeding FDIC coverage. The extent of collateralization must comply with Oregon Law.

Qualified Institutions

Investments made shall be placed with a "qualified financial institution", with an office located within Oregon. "Qualified Financial Institution", for the purposes of this policy, is defined as a financial institution that is located in the State of Oregon, is licensed to do a banking business, and not required to maintain a reserved deposit of collateral having a value not less than 110 percent of its public fund deposits.

Investments made with the Investment Pool (LGIP) are allowed up to the maximum as provided in Oregon Law.

END OF POLICY

Legal Reference(s):

[ORS 294.033](#)

[ORS 294.035](#)

[ORS 294.125](#)

[ORS 294.135](#)

[ORS 294.145](#)

[ORS 294.155](#)