

Douglas Education Service District

Code: **DFA**
Adopted: 2/17/11
Readopted: 10/16/14
Orig. Code(s): 10175

Investment of Funds

At certain times during the course of the fiscal year, there may be available funds that are in excess of immediate operational needs of the DESD. Excess funds shall be invested in accordance with applicable Oregon Revised Statutes and the directives of the Board.

Authority

The Board delegates to the chief financial officer, the responsibility of investment portfolio manager. The portfolio manager shall be responsible for investment decisions and activities with regard to DESD funds. The superintendent shall adopt written administrative rules for the operation of the investment program, consistent with Board policies and directives.

Objectives

There are three principles that shall guide the portfolio manager in implementation of this policy:

1. The primary objective of investment activities is the preservation of capital and the protection of investment principal. In investing public funds, the DESD will not assume unreasonable investment risk to obtain investment income. In all investment activities, the portfolio manager will follow 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";
2. Adequate liquidity to meet daily funds needs for payment of DESD operating requirements which might be reasonably anticipated shall be the second objective of the portfolio manager;
3. The third objective of the portfolio manager will be optimization of investment earnings consistent with adherence to the objectives outlined above.

Reporting Requirements

The portfolio manager shall prepare monthly reports for management purposes. Additionally, the Board will be provided quarterly reports which will include information such as: dealer name, type of investment, issue date, maturity date, rate of interest and principal invested as well as any further data or narrative explaining the basis of the investment decision. As soon as practical after the end of the fiscal year, a comprehensive annual report on the investment program and investment activity shall be presented to the Board. The annual report shall include a summary of administrative accomplishments, the overall trend of the economy and interest rates and other pertinent data.

END OF POLICY

Legal Reference(s):

[ORS 294.033](#)
[ORS 294.035](#)

[ORS 294.125](#)
[ORS 294.135](#)

[ORS 294.145](#)
[ORS 294.155](#)