

SANTA ANA UNIFIED SCHOOL DISTRICT

BP 3430(a)

Business and Noninstructional Operations

Investing

The Superintendent or designee may invest as permitted by law all or part of the special reserve fund of the district or any surplus monies not required for immediate district operations. Such investments shall be limited to securities specified in Government Code 16430, 53601 and 53635.

The Governing Board recognizes that the Superintendent or designee has fiduciary responsibility and is subject to prudent investor standards for all investment decisions. As such, district investments must be made with skill, prudence and diligence, with the primary objective of safeguarding the principal of the funds and with the secondary objective of meeting the district's liquidity needs. In order to enhance investment return, the district's third investment objective shall be to generate an investment yield that attains or exceeds a market-average rate of return through economic cycles.

The Board recognizes the importance of overseeing investments made with district funds including investments by the county treasurer. The Superintendent or designee shall maintain ongoing communication with any county committees established for the purpose of overseeing county investments. In addition, the Superintendent or designee shall keep the Board informed about policies that guide the investment of these funds.

Since most District surplus funds are invested with the County Treasurer, the Superintendent or designee shall annually provide to the Board a statement of the county's investment policy. At a public meeting, the Board shall review this policy and discuss any changes to be made. If the Board decides not to invest surplus funds in the county treasury, the Superintendent or designee also shall provide the Board quarterly reports with specified components, including a statement of how the district portfolio compares with the district's investment policy. (Government Code 53646) (cf. 3020 - Fiscal Policy Team) (cf. 3460 - Financial Reports and Accountability) (cf. 9270 - Conflict of Interest)

(Legal Reference next page)

Legal Reference:

EDUCATION CODE

41001	Deposit of money in county treasury
41002	General fund deposits and exceptions
41002.5	Deposit of certain funds in insured institutions
41003	Funds received from rental of real property
41015	Authorization of and limitation investment of district funds
41017	Deposit of miscellaneous receipts
41018	Disposition of money received
42840-42843	Special reserve fund

GOVERNMENT CODE

16430	Eligible securities for investment of surplus moneys
27130-27137	County treasury oversight committees
53600-53609	Investment of surplus
53630-53686	Deposit of funds, especially:
53635	Local agency funds; deposit or investment
53646	Treasurer reports and statements of investment policy
53852.5	Investment term for funds designated for repayment of notes
53859.02	Borrowing by local agency

Adopted: 9-98

Santa Ana, CA