

BUSINESS SERVICES

FINANCIAL RECORDS/ACCOUNTING

FINANCIAL REPORTING

REPORTING DISTRICT INVESTMENTS

Education Code Section 41015 authorizes the governing board of a school district which has funds in a special reserve fund of the district or any surplus moneys not required for the immediate necessities of the district to invest any or any part of the funds in any of the investments specified in Sections 16430 or 53601 of the Government Code.

A. Investment Objectives

The Board of Trustees is primarily concerned with the preservation of the principal balances of all district funds. Therefore, the board establishes the objectives of district investments with the following priority:

1. Safeguarding of investment principal
2. Maintain sufficient liquidity within the portfolio to meet daily cash requirements
3. Maximize returns on the portfolio consistent with these objectives

Prior to the investment of any District funds, the governing board must find and determine that the funds to be invested are not required for the immediate necessities of the District.

B. Management Responsibility

The Board of Trustees of the Corona-Norco Unified School District delegates the management of the District's Investment Policy to the Superintendent. The Superintendent may delegate to the Assistant Superintendent of Business the authority to establish written procedures for the operation of the investment plan consistent with this Investment Policy. No person may engage in investment activities except as provided under the terms of this policy and the written procedures developed by the Superintendent or designee.

The Superintendent, or designee, may invest, as permitted by law and this policy, all or part of the surplus moneys of the district not required for immediate district use. Investment of district funds shall be limited to the following specific investments:

1. The Riverside County Investment Pool
2. FDIC Insured or Collateralized Bank Accounts
3. The Local Agency Investment Fund
4. United States Treasury Bills
5. Prime Commercial paper having an “AA” rating or better
6. Certificates of Deposit

Investments other than those stated above may be made only with specific authorization of the Board.

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.

#### C. Reporting

Government Code Section 53646 establishes the criteria for reporting of district investments. In accordance with law, the superintendent or designee shall annually provide to the Board and any district oversight committee a statement of the district’s investment policy. This policy shall be reviewed at a public meeting.

The Superintendent shall also provide the Board with quarterly reports, which will include, at a minimum:

1. The state of compliance of the portfolio to the statement of investment policy, and/or an explanation of the extent the portfolio is not in compliance.
2. A statement denoting the ability of the District to meet its pool expenditure requirements for the next six months.
3. The type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments, and moneys held by the District.

This report of portfolio activity shall be presented no later than 45 days after the end of the calendar quarter.

Legal References: Education Codes 41001,41002.5, 41015  
Government Codes 16430, 53601, 53646

Approved: June 3, 1997 (position title corrected 1/03)