
Investment Policy

POLICY STATEMENT

Second Reading by the District Governing Board July 8, 2003

Objectives

The purpose of this policy is to guide the investment of temporarily available cash, in the custody of the Yavapai County Community College District (the “District”). It is the objective of this policy to ensure that all available balances are prudently invested in compliance with the applicable state statutes, governing board policies and internal regulations.

General Principles

The four primary objectives of this Investment Policy are, in order of priority:

1. Safety of Invested Principal;
2. Maximum Invested Balances;
3. Appropriate Liquidity; and
4. Maximum Total Rate of Return

An appropriate balance of these four objectives shall be maintained.

Responsibility and Authority

This policy shall govern all investment activities of the District. Any situation not covered by this Policy shall be the responsibility of the Vice President for Finance & Facilities.

The Vice President or designee is authorized and responsible for the investment of all available balances in conformance with the policy. Such authority may be delegated to the Controller.

The Controller is responsible for the management of the District’s cash position, including the tracking of receipts, disbursements and balances.

The Vice President or designee shall review this Policy and the District investments practices annually, or as needed, and recommend any appropriate modifications to the District Governing Board.

Cash Management

Available cash balances should be invested whenever possible.

Banking activities should be consolidated to the extent reasonable to facilitate the investment of available cash balances.

Receipts and disbursements from all accounts should be tracked systematically to develop cash flow information that can be used for projections.

Investment Maturities

Available balances should be invested to meet expected cash flow requirements, based on reasonable projections, if held to maturity or in pooled funds with withdrawal flexibility to meet liquidity requirements.

Permitted Investments

Permitted investment securities, for operating purposes, should be those securities permitted by the applicable statutes.

- Investment of available cash balances should be invested through the State Treasurer or Yavapai County Treasurer in the LGIP (Local Government Investment Pool) or LGIPGOV (Local Government Investment Pool – Government), or similar pooled investments that comply with investments permitted by applicable statutes and meet liquidity requirements.
- Direct investment of cash balances in individual securities is not warranted by the magnitude of cash balances or the size of the District's finance staff, and is therefore not permitted.
- Direct investment of bond or note proceeds requires specific approval from the District Governing Board, upon recommendation from the District's financial advisor. Permitted investment securities for bond and note proceeds should be those securities permitted by the applicable Board Resolution governing the issuance of the bonds or notes.

POLICY HISTORY

Adopted 7/8/2003

Renumbered from 5.22 to 7.8 on 9/27/2016

Renumbered from 7.8 to 7.08 on 5/04/2018
