

## REVENUES FROM INVESTMENTS

A cash management and investment program is a critical component of sound fiscal management. When a cash balance occurs in any actual fund which is temporarily not needed, the balance will be invested temporarily as permitted by law to provide maximum yield of interest without undue risk to the principal. Interest revenues shall be credited to the respective fund which provided the investment funds.

The Assistant Superintendent/Business and Personnel and the Director of Business Services, in counsel with the Board of Education Treasurer, are authorized to administer this policy. A list of recommended public depositories will be submitted annually for Board approval. This list may include in-District as well as out-of-District financial institutions.

**Cross Reference:** Revenues from Investments 651-Rule

**Legal References:** Wisconsin State Statutes 34.05, 34.08, 66.04(2) and 67.11(2)

**Adoption Date:** February 25, 1991

**Review Date:** January 27, 2003

## REVENUES FROM INVESTMENTS

### Procedures

1. A cashflow projection shall be developed at the start of each fiscal year and reviewed periodically to insure adequate cash to meet the monthly needs of the District.
2. Arrangements will be made for the Department of Public Instruction to deposit State aids directly in the Local Government Investment Pool (LGIP) so as to maximize interest income by eliminating time lost via mail service.
3. Wire transfers will be utilized to move funds to and from the LGIP or other depositories whenever feasible so as to minimize lost time via mail service.
4. Investments in financial institutions other than the LGIP shall be at or below FDIC limits. Investments in high-grade commercial paper and securities issued by agencies of the Federal government shall be collateralized.
5. Balances in all checking accounts shall be held at the minimum necessary to cover the warrants issued.
6. Interest revenue generated from investment of funds from the General Fund, Building Fund, or the Debt Service Fund shall be credited to the respective fund. Interest revenue generated from the investment of non-expendable trust funds shall be credited to the respective trust.
7. Interest revenues from the investment of expendable trusts shall be credited to the Community Service Fund.
8. Expendable trusts which have had no activity for a period of thirty-six (36) months will be closed out and the balance transferred to the Community Services Fund. EXCEPTION: Funds left by graduate classes will be held six (6) years before closing them out.
9. When investing in anything other than the LGIP, competitive quotations will be obtained from at least three (3) other options.

**Adoption Date: February 25, 1991**

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