

INVESTMENT OF SCHOOL FUNDS

Tonkawa Board of Education believes that sound money management includes the proper investment of funds permitted by law, prudent management of public funds, availability of funds when needed, and reasonable investment returns.

The school district treasurer shall be required to satisfactorily complete an investment education program approved by the State Department of Education. Such programs will be designed to allow treasurers to make informed decisions of public funds regarding liquidity, diversification, safety of principal, yield, maturity, quality of the investment instrument, and capability of the investment management. The primary emphasis shall be on safety and liquidity of the investment funds. These funds are to be invested with a financial institution as defined in state school law.

The treasurer shall, to the extent practicable, use competitive bids/quotes when purchasing direct obligations of the United States government or other obligations of the United States government, its agencies or instrumentalities.

The school district treasurer shall be authorized by annual resolution by the Board of Education of Tonkawa School District to invest the full amount of the investment account in the following:

1. Direct obligations of the United States government to the payment of which the full faith and credit of the United States government or State of Oklahoma is pledged.
2. Certificates of deposit of banks when such certificates of deposits are secured by acceptable collateral for the deposit of public monies.
3. Savings accounts or saving certificates to the extent that such accounts or certificates are fully insured by the United States government.
4. Repurchase agreements that have underlying collateral including obligations of the United States government, its agencies and instrumentalities, or the State of Oklahoma.
5. County, municipal or school district debt obligations for which an ad valorem tax may be levied.
6. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities.
7. Warrants, bonds or judgments of the school district.

8. Qualified pooled investment programs through an interlocal cooperative agreement formed pursuant to applicable law and to which the board of education has voted to be a member, the investments of which consist of those items specified in paragraphs 1 through 7 above, as well as obligations of the United States agencies and instrumentalities.
9. Any other investment that is authorized by law.

Interest income received from investment of such monies may be placed in the General Fund to be used for general operations, the Sinking Fund or the Building Fund or any other funds from which the investment was made. The income from such investments is to be placed in the funds as determined by the board of education.

The school district treasurer shall be authorized by annual resolution to invest funds at the highest possible rate of interest, with the primary emphasis on safety and liquidity.

The school district treasurer shall also be authorized by annual resolution to withdraw funds from the Investment Account as necessary to meet emergency requirements which cannot be covered by funds from the Operating Account, and to deposit cash received during this period in either the "Operating" or the "Investment" Account as deemed desirable after analysis of the cash requirements at the time such cash is received.

References: 70 O.S. Section 5-115
62 O.S. Section 348.1 (Sections 664 and 664.1, School Laws of Oklahoma)

Note: Policy required by HB 1251 (Section 5), 1999 Legislative Session