

Lewis Center for Educational Research

BP 3430: Investing

Adopted: September 12, 2011

Revised:

All or part the organization's funds not required for the immediate necessities of the organization, may be invested as allowed by law for public funds. (Education Code [41015](#); Government Code [16430](#), [53601-53609](#), [53635](#))

The Board of Directors recognizes that the organization's Financial Officer has fiduciary responsibility for any funds invested outside and is subject to prudent investor standards for investment decisions. As such, he/she shall act with care, skill, prudence and diligence under the prevailing circumstances, including but not limited to the general economic conditions and the anticipated needs of the organization. The investment objectives shall be to first safeguard the principal of the funds, then to meet the organization's liquidity needs and, third, to achieve a return on the funds. (Government Code [53600.3](#), [53600.5](#))

(cf. [9270](#) - Conflict of Interest)

In order to enhance investment return, the organization's goal 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 organization funds.

(cf. [3460](#) - Financial Reports and Accountability)

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 money

[17581.5](#) Mandates contingent upon state funding

[27000.3](#) Fiduciary for deposits in county treasury

[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

Management Resources:

CSBA PUBLICATIONS

Maximizing School Board Governance: Fiscal Accountability, 2005

School Finance CD-ROM, 2005

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION PUBLICATIONS

Local Agency Investment Guidelines, 2002, rev. 2004

WEB SITES

California State Treasurer's Office, California Debt and Investment Advisory
Commission: <http://www.treasurer.ca.gov/cdiac>