

DFE Investment of Funds

DFE

The investment of school district monies shall be the responsibility of the superintendent, business manager, and/or the district treasurer.

Any monies not immediately required for the purposes for which the monies were collected or received may be invested as provided by current statute.

Posting Securities

All investments of district monies shall be secured to 100% of the amount of district monies by F.D.I.C. coverage, a pledge of direct federal obligations, or direct guaranteed federal agency deposits in accordance with requirements of state law. Exceptions to the required posting of securities shall be only as provided by law and with approval of the board.

All offerings of monies for investment shall state the amount to be invested and the maturity date of each investment.

All banks and savings and loan associations (hereafter "financial institution(s)") with main or branch offices located within the district and the county or counties in which part of the district is located shall be given an opportunity to respond to requests for proposals on monies offered for investment. All responses shall be directed to the superintendent and shall be specified on the basis of simple interest.

Distribution of monies for investment shall be as follows:

The treasurer or other person designated by the board shall inform each eligible financial institution of the total amount of money to be invested on a specified date and the maturity date of the investment. Each financial

institution responding shall submit a single proposal of the rate of interest it would pay on all or part of the funds to be invested.

Monies shall be invested with the financial institution offering the highest interest rate in such amount as the financial institution will accept, and any remaining amounts shall be invested with the financial institution(s) offering the next highest interest rates in such amounts as it will accept until all funds offered for investment are invested. No financial institution shall be eligible to receive any funds in the same offering at a rate lower than its proposal rate.

No proposal less than the most recently determined investment rate as defined in K.S.A. 12-1675a shall be accepted unless otherwise authorized by K.S.A. 12-1675. No funds will be invested for maturities of more than two years.

Any monies not otherwise invested in eligible financial institutions located in the district due to their inability, for whatever reason, to accept the funds, shall be invested in secured deposits in financial institutions which have offices located in counties in which a part of the school district is located.

Any monies not invested in financial institutions in the district or located in counties in which a part of the school district is located may be invested as authorized by Kansas law.

Monies available for reinvestment as a result of maturities may be reinvested with the financial institution holding such monies provided the financial institution agrees to pay the same or higher rate as that offered by the highest proposal at the time the requests for proposals were accepted.

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In the event of identical high proposals, the allocation of monies to be invested between the financial institutions offering the high proposals shall be at the discretion of the superintendent.

The treasurer shall record the following information: the date of each request for proposal; the name of each financial institution notified; the name of the officer notified; the proposal; the amount of monies the financial institution is willing to accept at the rate proposed.

To be eligible to receive invested funds or deposits from the district, any otherwise eligible financial institution shall have on file in the office of the district treasurer a letter requesting its inclusion in any request for proposal and providing proper assurance of compliance with requirements of applicable laws and board policy relating to maintenance of proper security and assurance of its membership in good standing consistent with current federal regulations. The superintendent shall report monthly to the board on the district's investments.

Approved: 7/01; 7/06; 8/22

KASB recommendation 6/06; 4/07; 6/18; 12/19; 6/20