

DISTRICT INVESTMENTS

I. PURPOSE

To provide prudent and systematic guidance for investment activities allowed by the Shelby County Board of Education.

II. SCOPE

This policy applies to all District financial assets available for investment excluding GASB 45 and Local Pension funds.

III. POLICY STATEMENT

The Shelby County Board of Education recognizes the importance of having a sound investment program that provides guidance for consistent, informed decision-making regarding investment activities. To this end, the Board authorizes the Superintendent to develop an investment program to support the educational and operational needs of the District. The program shall comply with all applicable federal, state and local statutes and regulations; Board policies; and Shelby County Trustee guidelines.

A. STANDARDS

District investments shall be made with sound judgment and at a minimum meet the following standards.

1. Safety – investments shall be made in a manner that ensures the protection and preservation of investment principal.
2. Liquidity – investments shall be made in a manner to secure the highest investment return while managing liquidity requirements of debt service and other financial obligations of District.
3. Return on investment – investments shall be made in a manner that maximizes returns considering aforementioned standards, applicable state and local restrictions, and reasonable levels of risk.

B. DELEGATION OF AUTHORITY

Authority and responsibility for the management and operation of the investment program, including but not limited to investment and liquidation of District funds is given to the Superintendent.

C. PROGRAM REVIEW

The Superintendent or his/her designee shall review the investment program on an annual basis. The Superintendent, on an annual basis, shall prepare and submit to the Board a written report on all invested funds.

D. CONFLICT OF INTEREST

Investment decisions shall be solely in the best interests of Shelby County Schools and employees shall avoid any conflict or appearance of conflict between their personal interests and the interests of the District in accordance with policy 4003 Conflict of Interest.

IV. RESPONSIBILITY

A. The Superintendent or his/her designee is responsible for the investment of District funds and for determining if this policy is followed.

Legal References:

1. TCA 5-8-301
2. TCA 9-1-118
3. TCA 45-2-620

Cross References:

1. 4003 Conflict of Interest