

<p>4. Delegation of Responsibility SC 440.1</p> <p>SC 440.1 72 P.S. Sec. 3836 et seq</p> <p>Treasurer's Report</p>	<p>Concentration of credit risk - the risk associated with the consolidation of investments in a single pool, institution, or instrument.</p> <p>Credit risk - the risk of loss of principal due to the failure of the security issue or backer of the issue.</p> <p>Custodial credit risk - the risk of loss associated with consolidation of investments with a single institution where the district may rely on the institution to hold investments on behalf of the district or through collateral action when the instruments are not in the district name.</p> <p>Foreign currency risk - the risk associated with investment in foreign currency that is subject to market fluctuation and associated currency conversion.</p> <p>Interest rate risk - the risk that the market value of securities will fall due to changes in general interest rates.</p> <p>Investment program - the specifically enumerated and Governing Body-approved School District Investment Resolution.</p> <p>The SRC shall delegate to a designated individual the responsibility to manage the district's investment program, in accordance with written, SRC-approved rules and procedures for operation of the investment program.</p> <p>An annual review of the investment program shall be prepared by the designated individual, based upon the anticipated cash flow of all district funds, i.e. general, capital reserve, bond, etc. The annual review of the investment program shall be submitted to the SRC no later than sixty (60) days after adoption of the annual budget.</p> <p>The designated individual responsible for investments shall report monthly to the SRC the following:</p> <ol style="list-style-type: none"> 1. Amount of funds invested. 2. Interest earned and received that month. 3. Types and amounts of each investment and the interest rate on each. 4. Names of the institutions where investments are placed. 5. Current market value of the funds invested.
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<p>5. Guidelines SC 440.1 53 Pa. C.S.A. Sec. 8001 et seq Bond Resolutions</p> <p>SC 440.1</p> <p>65 Pa. C.S.A. Sec. 1101 et seq</p>	<p>6. Collateralization of deposits exceeding insurance limits.</p> <p>7. Other information required by the SRC.</p> <p>The SRC directs the Superintendent or designee to establish administrative procedures that will ensure compliance with this policy, including a disclosure form for designated individuals involved in the investment process and/or required written statements for advisors and bidders.</p> <p>Investments permitted by this policy are those defined in law, which are collateralized in accordance with applicable laws.</p> <p>All securities shall be purchased in the name of the school district, and custody of the securities shall be specified within the district's investment program.</p> <p>All investment advisors or bidders shall verify in writing that they have received a copy of this SRC policy. Such written statement shall indicate that they have read and understand this policy and all applicable laws related to school district investments, along with their intent to comply fully with these requirements.</p> <p>The district shall require all investment advisors/bidders to submit annually any or all of the following, as appropriate:</p> <ol style="list-style-type: none"> 1. Audited financial statements. 2. Proof of Registration under federal law (SEC or Investment Advisors Act or Municipal Securities Rulemaking Board (MSRB)). 3. Proof of state registration. 4. Rating from a recognized rating agency. <p><u>Disclosure</u></p> <p>Designated officers and employees involved in the district's investment process shall disclose annually any personal business activity that could conflict with the proper execution and management of the investment program or could impair their ability to make impartial decisions.</p>
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<p>SC 440.1 72 P.S. Sec. 3836 et seq</p>	<p>4. For purposes of interest rate disclosure in the annual financial report, the method of determining interest rate risk shall be based on weighted average maturity.</p> <p><u>Protection Of Bank Balances In Excess Of FDIC Limits</u></p> <p>When district cash is deposited in an authorized depository, if the cash balance exceeds the insurance limits, district funds shall be collateralized pursuant to law.</p> <p>The collateral shall be limited to investments authorized by law.</p> <p>It shall be the responsibility of the Chief Financial Officer or designee to verify with the depository the value of the instrument(s) based on the instrument being “marked to market.”</p> <p>Verification of the value of the collateral instrument(s) shall be performed as applicable.</p> <p>Following a review of valuation, the Chief Financial Officer or designee may request an additional review by the district’s financial or investment advisors, and shall require additional collateral if the existing collateral has declined in value and exposes the district to potential loss of principal. The SRC shall be advised of the status of the valuation review and any additional collateral at the first meeting following the review.</p> <p>References:</p> <p>School Code – 24 P.S. Sec. 218, 440.1, 621, 622, 623, 696</p> <p>Home Rule Charter – 12-306</p> <p>Local Government Unit Debt Act – 53 Pa. C.S.A. Sec. 8001 et seq.</p> <p>Refunding Escrows – 53 Pa. C.S.A. Sec. 8250(b)</p> <p>Public Officials and Employee Ethics Act – 65 Pa. C.S.A. Sec. 1101 et seq.</p> <p>Security of Public Deposits – 72 P.S. Sec. 3836 et seq.</p> <p>Dodd-Frank Act – Pub. L. 111-203</p> <p>Investment Companies, Title 17, Code of Federal Regulations – 17 CFR Part 270</p>
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Governmental Accounting Standards Board, Statement No. 40

School Reform Commission Policy – 619, 623

Interest Rate Management Plan, ISDA

School District Investment Resolution