

FUNDS MANAGEMENT/INVESTING

When the Board of Education, due to unforeseen contingencies in the current account, receipt of State aid, funds in advance of construction, etc., is holding cash balances, such funds shall be invested at interest. Funds of the Board may be invested as specified by statute, code and applicable case law.

Available school funds shall be legally invested to earn interest. Safety of the principal shall be considered before the high rate of interest return. Only investments deemed safe according to law shall be considered. Interest or other earnings on investments shall be credited to the specific fund as designated by State law.

The Board requires that the Business Administrator/Board Secretary report to the Board annually the amount of funds investments, the types and amounts of each investment and the interest earned on each, and the transactions occurring since the last report.

The Treasurer of School Monies shall include in the monthly report to the Board all cash in all accounts on deposit as well as all investment assets of the Board.

Studies shall be made as to the advisability and legal implication of paying off and indebtedness before maturity. All outstanding debt shall be refinanced if a 3% or more net present value savings can be achieved.

<u>Legal References:</u>	<u>N.J.S.A.</u> 17:9-41	Definitions of security for deposit
	<u>N.J.S.A.</u> 18A:17-34	Receipt and deposit of moneys
	<u>N.J.S.A.</u> 18A:20-37	Securities
	<u>N.J.S.A.</u> 18A:24-47	Payment to treasurer (proceeds of bonds)
	<u>N.J.S.A.</u> 52:18A-90.1	Common trust fund
	<u>N.J.S.A.</u> 52-18A-90.4	State cash management fund.
	P.L. 2007, c53	School district Accountability

<u>Cross References:</u>	*3100	Budget Planning, preparation and Adoption
	*3280	Gifts, Grants and Bequests
	3571	Financial Reports

*Indicates policy is included in the Critical Policy Reference Manual.

Key Words

Investment, Funds Management, Treasurer of School Moneys

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