

District funds in excess of those maintained in demand deposits or savings accounts for near-term operating purposes shall be properly and prudently invested in accordance with provisions of this policy and as authorized by law.

The primary objectives of the District's standard investment activities, in priority order, shall be:

1. Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to preserve the amount of principal within the District's overall investment portfolio.
2. Liquidity – The District's investment portfolio shall remain sufficiently liquid to meet all operating requirements that might be reasonably anticipated.
3. Return on Investments – The District's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary cycles, to an extent commensurate with the District's investment risk constraints and the cash flow characteristics of its portfolio.

Subject to any limitations imposed by law with respect to particular funds, the the following investment vehicles are authorized for any District funds that are determined to be in excess of those needed to meet near-term operating needs:

1. Time deposits in the District's Board-designated official public depositories or through a redepositing plan. Investments in time deposits shall also meet the following criteria:
  - a. The invested funds shall be protected under the limits established by applicable state or federal insurance/coverage programs or under bonding or other security that may be given by a financial institution for particular deposits.
  - b. No time deposit having a time to maturity in excess of two (2) years shall be made without specific Board approval.
2. Deposits into the local government pooled-investment fund, provided that the Board has given any additional approvals (if any) that the pooled-investment fund rules may require for specific deposits.

Investments of District funds in excess of those needed to meet near-term operating needs may be made in other vehicles (1) pursuant to a documented investment plan that has been presented to and approved by the Board and that remains operative, or (2) as otherwise approved by the Board.

The Board may also (1) separately approve and establish a trust for one or more lawful purposes and establish standards for the investment and reinvestment of the funds held in such a trust; and (2) receive and accept gifts and grants, and in the absence of any limiting restrictions placed by the donor or grantor, invest or direct the investment of the same in accordance with the law applicable to trust investments until the gift or grant is otherwise used.

Unless otherwise required by law or designated by the Board for any specific funds/investments, earnings on the investment of District funds are revenue that shall be credited to the accounting fund to which the invested principal was assigned.

The Director of Finance and Operations has primary administrative responsibility for the management and monitoring of this District's investments under and in compliance with this policy. The Director of Finance and Operations, in periodic consultation with any professional financial advisor(s) that have been contracted by the District, shall monitor the status of the District's investment portfolio on a regular basis, periodically provide status updates to the Board, and submit any recommendations for modifications to the District's investment practices.

Nothing in this policy is intended to diminish the Board's authority and discretion to formally delegate investment authority to certain third parties in compliance with the delegation requirements established under state law.

#### **Legal References:**

##### **Wisconsin Statutes**

<a href="#">Section 25.50</a>	[local government pooled investment fund]
<a href="#">Section 34.05</a>	[designation of public depositories]
<a href="#">Section 34.08</a>	[payment for losses of public depository]
<a href="#">Section 66.0603</a>	[investments, generally; delegation of investment authority]
<a href="#">Section 118.27</a>	[investments of gifts or grants in the role of trustee]
<a href="#">Section 120.12(7)</a>	[school board duty to designate public depositories for district funds]
<a href="#">Section 881.01</a>	[Uniform Prudent Investor Act; applicable to limited funds held in a properly structured trust]

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