

DeWitt Community Library

Investment Policy

I. Policy Statement and Scope

This document will govern the investment activities of the DeWitt Community Library (the Library). It is the policy of the Library to invest public funds in a manner which will provide the highest return with the maximum security while meeting cash flow demands. All investments will conform to all applicable laws and regulations governing the investment of public funds.

II. Investment Objectives

The primary objectives, in priority order, of the Library's financial investments are:

- **Safety of Principal** – Safety of principal is the foremost objective of the investment program. All investments shall be undertaken in a manner that seeks first to preserve capital and second to fulfill other investment objectives.
- **Liquidity** – The Library's investment portfolio will remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably anticipated.
- **Return on Investments (Yield)** – The Library's investments should generate the highest available return without sacrificing the first two objectives outlined above.

III. Delegation of Authority

Management responsibility for the Library's investment program is hereby delegated to the Treasurer, who is the Library's chief fiscal officer. The Treasurer shall be responsible for the implementation of the investment program and the establishment of investment procedures consistent with this Policy. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the DCLA Finance Committee as approved by the Board of Trustees.

IV. Authorized and Suitable Investments

The following investments are deemed to be suitable for inclusion in the Library's investment program. The Treasurer is authorized to invest Library funds in only those investments specifically delineated below.

- **U.S. Treasury Bills and Notes** for which the full faith and credit of the U.S. Government is pledged for the repayment of principal and interest. Bills are short term (one year or less) obligations issued and sold at a discount. Notes have fixed coupon rates with original maturities of between one and five years.

- Demand deposit accounts (such as checking accounts) established with local financial institutions.
- Certificates of Deposit (CDs) issued by FDIC insured financial institutions.

V. Maturity of Investments

No investment shall have a maturity date of more than five years from its date of purchase by the Library. To the extent possible and prudent, the Library will attempt to match its investment maturities with anticipated cash flow requirements.

VI. Reporting

The Treasurer shall provide to the Library's Board of Trustees monthly investment reports which clearly provide the following information regarding the investment portfolio: types of investment, depository institutions, principal balances, rates of return and maturities.

Investment Policy Adoption

The Library's Investment Policy shall be adopted by resolution of the Library's Board of Trustees. The Policy shall be reviewed no less than annually by the Board of Trustees and any modifications made thereto must be approved by the Library's Board of Trustees.

Adopted: February 13, 2014