

Joseph T. Simpson Public Library
Investment Policy
Adopted January 10, 2017
Revised November 24, 2020
Revised April 23, 2024

Policy

It is the policy of the Joseph T. Simpson Public Library (here in known as the Library) to invest funds in a manner which will provide the highest return with the maximum security while meeting cash flow demands and conforming to applicable laws and regulations governing the investment of funds.

Objectives

The overall investment objectives of the Library is to maximize the return on invested assets while minimizing risk and expenses. This is done through prudent investing and planning, as well as through the maintenance of a diversified portfolio.

Authority

The management of the Library's investment program is delegated to the Finance Committee of the Board of Trustees who 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 procedures established by the Finance Committee.

Authorized and Suitable Investment

The Finance Committee is authorized to invest library funds as delineated below:

- a. U.S. Treasury Bills and Notes
- b. Time deposit accounts - certificates of deposit (CD's) issued by financial institutions with a local presence
- c. Demand deposit accounts (checking or money market accounts) established at financial institutions with a local presence
- d. Investment Account - Investment firm or manager(s) retained by the Library via Request for Proposal process. Eligible funds with funding levels, level of risk, risk tolerance and investment vehicles will be set and reviewed as needed by the Finance Committee.
- e. Endowment (upon approval after annual audit, at direction of the Board).

The Finance Committee will evaluate all information at the time of investments (rate, length of required investment, financial institutions strength) and make the best possible choice for the Library in accordance with the objectives.

Reporting

The Treasurer shall review and present to the Finance Committee at each committee meeting investment reports which clearly provide information on the portfolio including types of investment, depository institutions, principal balances, rates of return and dates of maturity.

The Library's Investment Policy shall be adopted by resolution of the Board of Trustees. It shall be reviewed in the three-year policy review cycle or as needed. Any modifications made thereto must be approved by the Board of Trustees.