

ALPHA PARK PUBLIC LIBRARY DISTRICT POLICIES

Investment of Public Funds Policy

PURPOSE. The purpose of this policy statement is to outline the responsibilities, general objectives, and specific guidelines for management of public funds by the Alpha Park Public Library.

RESPONSIBILITIES. All investment policies and procedures of the Alpha Park Public Library will be in accordance with Illinois law. The authority of the Library Board of Trustees to control and invest public funds is defined in the Illinois Public Funds Investment Act, and the investments permitted are described therein. Administration and execution of these policies are the responsibility of the Treasurer, and, by designation, the Library Director acting under the authority of the Library Board of Library Trustees. Investments, fund balances, liquidity, and the status of such accounts will be reported quarterly at the January, April, July, and October regularly scheduled meetings of the Library Board.

OBJECTIVES. In selecting financial institutions and investment instruments to be used, the following general objectives should be considered:

- Safety
- Maintenance of sufficient liquidity to meet current obligations
- Return on investment
- Simplicity of management

GUIDELINES. The following guidelines should be used to meet the general investment objectives:

A) Safety

1. Investments will be made only in securities guaranteed by the U.S. government, or in FDIC or FSLIC insured institutions. Generally, deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC or FSLIC coverage. If deposit accounts are in excess of FDIC insurance, these accounts will be fully collateralized by the financial institution.
2. Authorized investments include and will primarily consist of: Certificates of Deposit, Treasury Bills and other securities guaranteed by the U.S. Government, participation in the State of Illinois Public Treasurer's Investment Pool, and any other investments allowed under State law that satisfy the investment objectives of the library district.

B) Maintenance of sufficient liquidity to meet current obligations

In general, investments should be managed to meet liquidity needs for the current month plus at least two months (based on forecasted needs).

C) Return on investment

Within the constraints on Illinois law and this investment policy, every effort should be made to maximize return on investments made. All available funds will be placed in investments or kept in interest bearing deposit accounts at all times. Interest from particular funds will be reinvested in those funds, until such time as the Board of Trustees may decide to invest interest in some other manner.

D) Simplicity of management

The time required by library administrative staff to manage investments shall be kept to a minimum.

Revised and adopted by the Alpha Park Public Library Board of Trustees, October 15, 2012.

Revised and adopted by the Alpha Park Public Library Board of Trustees, February 17, 2015.

“Maintenance of sufficient liquidity” changed to “two months” upon verbal instruction of the Board President and revised by the Library Director on 6/24/15.

Revised and adopted by the Alpha Park Public Library Board of Trustees, November 16, 2015.