

Grinnell Public Library District

Investment Policy:

This document will govern the investment activities of the Grinnell Public Library District (GPLD). It is the policy of GPLD 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.

Investment Objectives

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

1. 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.
2. Liquidity – The Library's investment portfolio will remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably anticipated.
3. Return on Investments (Yield) – The Library's investments should generate the highest available return without sacrificing the first two objectives outlined above.

Delegation of Authority

Management responsibility for GPLD's investment program is hereby delegated to the Vice President of Finance, with the help of the Director and Board of Trustees Finance Committee. The Vice President of Finance 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 Vice President of Finance.

Authorized and Suitable Investments

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

1. 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.
2. Demand deposit accounts (such as checking accounts) established with local financial institutions.
3. Certificates of Deposit (CDs) issued by local financial institutions.

Maturity of Investments

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

Reporting

The Vice President of Finance 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

GPLD's Investment Policy shall be adopted by resolution of the Library's Board of Trustees. This policy is determined by the Grinnell Public Library Board of Trustees and is subject to periodic review and/or revision at the discretion of the board.

Adopted by the Grinnell Public Library Board of Trustees on October 21, 2020.