

FAIRFIELD AREA SCHOOL DISTRICT

INVESTMENT OF FUNDS

8450

8450.1

General

“The board of school directors in any school district of the first class, first class A, second, third or fourth class shall invest school district funds consistent with sound business practice.” [24 PS 4-440.1 (a)]

“The board of school directors shall provide for an investment program subject to restrictions contained in this act and in any other applicable statute and any rules and regulations adopted by the board.” [24 PS 4-440.1 (b)]

8450.2

Authorized Investments

“Authorized types of investments for school district funds shall be:

- (i) United States Treasury bills.
- (ii) Short-term obligations of the United States Government or its agencies or instrumentalities.
- (iii) Deposits in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund to the extent that such accounts are so insured, and, for any amounts above the insured maximum, provided that approved collateral as provided by law therefore shall be pledged by the depository.
- (iv) Obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or of any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.” [24 PS 4-440.1 (c)]

8450.3

Pooled and Collateralized Investments

“In making investments of funds, the board shall have authority:

- (i) To permit assets pledged as collateral under subsection (c)(iii), to be pooled in accordance with the act of August 6, 1971 (P.L. 281, No. 72), relating to pledges of assets to secure deposits of public funds.

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- (ii) To combine moneys from more than one fund under school district control for the purchase of a single investment, provided that each of the funds combined for the purpose shall be accounted for separately in all respects and that the earnings from the investment are separately and individually computed and recorded, and credited to the accounts from which the investment was purchased." [24 PS 4-440.1 (d)]

8450.4 Board Resolution

"Any such purchase or sale shall be made by the treasurer of the school district on a resolution adopted by the board of school directors." [24 PS 4-440.1 (e)]

8450.5 The Business Manager is authorized to maintain the District's current investment program with the Pennsylvania Local Government Insurance Trust (PLGIT) and the Pennsylvania School District Liquid Asset Fund (PSDLAF), including short fixed term certificate of deposit placements. Any additional investment options/programs are to be approved by the Board.