

**DANVILLE-CENTER TOWNSHIP
PUBLIC LIBRARY**

Investment Policy

Purpose:

This policy applies to the investing of all Library funds. In order to safeguard the Library's funds there needs to be controls in place that meet statutory requirements by Indiana law and the expectations of the Danville Public Library Board of Directors.

Policy:

From time to time excess cash funds are determined by the Treasurer to be available for investing. The Treasurer will receive the Board of Directors' approval for investing the excess funds in certificates of deposits issued from designated depository institutions in the Library's county as allowed by law. The Treasurer will recommend the amount and time period of the investment and will invest the funds in the institution offering the best rate of return.

Procedure:

- 1) Treasurer reviews cash requirements and determines the amount of excess cash available for investing,
- 2) Treasurer determines the time frame available for investing,
- 3) Treasurer receives the Board's approval for investing the determined amount of funds for the determined time period, not to exceed two years, in the local financial institution offering the best rate of return,
- 4) Treasurer purchases the certificate of deposit and oversees the safekeeping of the investment instrument until the investment matures,
- 5) Treasurer redeems the certificate of deposit at maturity and deposits the funds invested and the interest received into the Library's Operating Cash bank account,
- 6) Treasurer maintains a record of all investments made in accordance with the requirements of the State Board of Accounts,
- 7) Annually, after the first Monday and on or before the last day of January, the Treasurer will submit an Investment Report to the Library Board of Finance.

Revised
January, 2006