

# **RAPIDES PARISH LIBRARY INVESTMENT POLICY**

## **BOARD of CONTROL**

The duly appointed members of the Rapides Parish Library Board of Control are the fiscal body of the Library and thus are responsible for the finances of the Rapides Parish Library. The members serve without compensation.

## **MONTHLY MEETINGS**

The Rapides Parish Library Board of Control meets monthly on the 3<sup>rd</sup> Tuesday of the month (except July) to review financial statements, related documents and the investment practices of the Library.

## **FISCAL OFFICER**

The duly elected treasurer of the Rapides Parish Library Board of Control is the fiscal officer of the Library. The treasurer shall serve without compensation.

## **DEPOSITS**

Funds coming in from the branches shall be deposited at least bi-weekly. All other funds received by the Library shall be deposited in one or more designated depositories no later than the business day following the receipt and shall be deposited in the same form in which they were received.

## **OBJECTIVES**

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

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

## **INVESTMENTS**

The Library is authorized to invest Library funds in:

1. Deposit accounts issued or offered by a designated depository
2. Investments only in securities guaranteed by the U.S. government, or in FDIC or FSLIC insured institutions. Deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC or FSLIC coverage unless excess coverage is provided by the financial institution.

3. Authorized investments include and will primarily consist of: Certificates of Deposit, Treasury Bills and other securities guaranteed by the U.S. government and any other investments allowed under the laws of the State of Louisiana that will satisfy the investment objectives of the Rapides Parish Library Investment Policy.
4. Any and all investments and deposits that are in excess of FDIC or FSLIC coverage will be protected through the use of collateral pledges provided by the financial institution.

Investments made by the Library must have a stated maturity date of not more than two (2) years after the date of purchase or entry into a repurchase agreement. (IC-5-13-9-5.6)

### INTEREST EARNINGS

All interest derived from an investment by the Library shall be receipted to the fund of which they are a part.

### DEPOSITORIES

All public funds of the Library shall be deposited in the designated depositories located in the territorial limits of the Rapides Parish Library.

### INVESTMENT CASH MANAGEMENT

The Rapides Parish Library will not purchase securities on margin nor will it open a securities margin account for the investment of Library funds.

Whenever investments are made in a certificate of deposit, the investing officer will obtain quotes of the specific rates for the term of the CD. The quotes will be recorded in a memorandum and retained as a public record. The deposit will be placed with the designated depository quoting the highest rate of interest for the selected period. If two or more depositories tie for the highest quote, the deposit may be placed in any or all of the depositories quoting the highest rate at the investing officer's discretion.

In October of each even numbered year, the Library shall solicit bids from authorized depositories for the purpose of acting as the Fiscal Agent of the Library. The depository with the most favorable quote (including interest rate, fees charged and other costs associated with the account) will be selected. The term of the Fiscal Agent will be for a period of two years.

### ELECTRONIC TRANSFER of LIBRARY FUNDS

The following types of transactions may be conducted by electronic transfer between financial institutions in order to expedite the transfer of funds as well as maximize interest earnings:

1. Payroll for library employees
2. All investment transfers for certificates of deposit and savings accounts authorized by the fiscal officer of the Library

Adopted by Rapides Parish Board of Control, April 17, 2007

Ratified existing, February 15, 2011

Revised February 18, 2014

Ratified existing January 17, 2017

Ratified existing January 21, 2020