

## **CHAPTER 10**

### **10.6 INVESTMENTS**

#### **10.6.1 State Sinking Fund (Revised 05/09/95)**

If a county board accumulates the permanent improvement fund for more than two years, the proceeds of the fund shall be transmitted to the state sinking fund commission on or before the first day of December of the year in which the second successive levy for the fund is laid. Amounts subsequently accruing to the fund as of July first of each year shall be transmitted to the state sinking fund commission on or before December first ensuing.

The state sinking fund commission shall keep a separate account for the fund of the county and shall invest the proceeds in any obligations authorized for the investment of the state worker's compensation fund. The proceeds of the fund may be withdrawn by the county board of education as authorized by this article upon sixty days' notice in writing to the state sinking fund commission.

(West Virginia Code, Chapter 18, Article 9B, Section 16)

#### **10.6.2 Treasurer's Investment Policy and Procedures (Revised 05/09/95)**

To follow the Treasurer's Resolution context as adopted by the Marshall County Board of Education, meeting in regular session on the 9th day of April, 1974, and West Virginia Code 18-9-6, i.e. "if it be deemed that sufficient funds are on hand in any account at any one time which may be more than are normally required for the payment of incurred expenses, such funds in the amount so deemed available may be invested by the treasurer of the county board with the state sinking fund commission, or in guaranteed certificates of deposit issued by the depository or bank, or other guaranteed investments such as treasury bills, treasury notes, or certificates of deposit issued by either the United States Government or a banking institution in which federal or state guarantees are applicable. Interest earned in such investments is to be credited to the fund from which the monies were originally available".

Notwithstanding any other provision of this Code, when it appears to any of the various county boards of education that funds on deposit in its demand deposit account exceed the current requirements or demands, and it further be determined by the treasurer for such county board of education that the available interest rate offered by an acceptable depository in such treasurer's county be less than the interest rate, net of administrative fees, offered it through the state board of investments, the county board of education treasurer may, with the approval in writing of

each county board of education whose funds are involved, make such funds available to the state board of investments for investment. Any county board of education treasurer may enter into an agreement with any state agency from which they receive funds to allow such funds to be transferred to their investment account with the state board of investments. (West Virginia Code, 18-9-6a) Refer also to 1.3.4

The following procedure is recommended for implementing the above policy:

1. All investments, with the exception of "short term" agreements with the demand depository shall be by a firm bidding process to insure the Board the best market rate of interest available. However, if unscheduled deposits should occur, verbal bids may be deemed acceptable, but must be followed by a confirming letter.
2. Tabulation of bids and bid documents shall be retained by the Treasurer in order to maintain three (3) full fiscal years of records plus the current fiscal year.
3. A monthly investment report shall be provided by the Treasurer to the Board indicating the date of investment, principal amount, maturity date, interest rate, and the amount of interest to be earned at maturity.
4. The transferring of cash to an investment status shall be by the Treasurer's submission of a voucher, with his/her manual signature, to the Secretary of the Board for his/her manual signature of approval. The original of the voucher is to be maintained in the same manner as all vouchers or invoices to support the disbursement of funds. This voucher shall show the date of investment, payee, principal amount, maturity date, and interest rate.