Mattoon Public Library

Approved 4/10

INVESTMENT OF PUBLIC FUNDS

PURPOSE. The purpose of this policy statement is to outline the responsibilities, general objectives, and specific guidelines for management of public funds by the Mattoon Public Library.

RESPONSIBILITIES. All investment policies and procedures of the Mattoon Public Library will be in accordance with Illinois law. The authority of the Library Board of Library Trustees to control and invest public funds is defined in the Illinois Public Funds Investment Act, and the investments permitted are described therein. Administration and execution of these policies are the responsibility of the Treasurer, and, by designation, the Library Director acting under the authority of the Library Board of Library Trustees. Investments, fund balances, and the status of such accounts will be reported at each regularly scheduled meeting of the Library Board.

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

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

GUIDELINES. The following guidelines should be used to meet the general investment objectives:

A) Safety

1. Investments will be made 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.
2. Authorized investments include and will primarily consist of: Certificates of Deposit, Treasury Bills and other securities guaranteed by the U.S. Government, participation in the State of Illinois Public Treasurer's Investment Pool, and any other investments allowed under State law that satisfy the investment objectives of the library district.

B) Maintenance of sufficient liquidity to meet current obligations. In general, investments should be managed to meet liquidity needs for the current month plus one month (based on forecasted needs).

C) Return on investment

Within the constraints on Illinois law and this investment policy, every effort should be made to maximize return on investments made. All available funds will be placed in investments or kept in interest bearing deposit accounts at all times.

D) Simplicity of management

The time required by library administrative staff to manage investments shall be kept to a minimum.