

Elting Memorial Library

Investment Policy

March 28, 2012

- I. **Policy.** The policy of the library is to invest public funds and private donations in a manner which will provide a reasonable investment return with the maximum security of principal while meeting cash flow demands and conforming to applicable laws and regulations governing the investment of public funds.
- II. **Objectives.** The primary objectives of the library's financial investments are to preserve and protect capital, meet the liquidity demands to enable the library to meet all operating requirements, which might be reasonably anticipated, and provide a reasonable yield on investments without sacrificing the first two objectives specified above.
- III. **Authority.** The duly elected Treasurer of the Elting Memorial Library Board of Trustees is delegated to manage the library's investment program, and implementation of the investment program and the establishment of investment procedures consistent with this policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the treasurer.
- IV. **Authorized and Suitable Investments.** The treasurer is authorized to invest library funds in only the investments specifically noted below:
 - a. U.S. Treasury Bills and Notes, where the full faith of the United States Government is pledged for repayment of principal and interest.
 - b. Bonds or other obligations of the State of New York.
 - c. Certificates of Deposit (CDs) issued by local financial institutions.
 - d. Demand deposit accounts (such as checking accounts) established by local financial institutions. These accounts must be FDIC insured.
- V. **Gifts of Stock.** When the library receives gifts of stock certificates, the treasurer will work with a local security firm so that the library has clear ownership. The stock will then be sold and the proceeds deposited into the appropriate account.
- VI. **Maturity of Investments.** No investment shall have a maturity date of more than five years from its date of purchase by the library. To the extent possible, prudent investment maturities will be matched with anticipated cash flow requirements.
- VII. **Reporting.** The treasurer shall provide quarterly including a succinct management summary that provides a clear picture of the status of the current investment portfolio. This summary shall include information on the portfolio including types of investments, depository institutions, principal balances, rates of return, and dates of maturity.

The Library's Investment Policy shall be adopted by resolution of the Board of Trustees. It shall be reviewed by the Board of Trustees annually.

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Dual Signature Policy

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A transaction for an amount at or above \$2500 requires the signatures of the President of the Board of Trustees and the Treasurer. In the absence of either officer, then the Library Director may co-sign on the operating account. Wait on all other accounts.