

# HORTONVILLE AREA SCHOOL DISTRICT

**Title:** Depository of Funds

**Date Adopted:** 2/28/94

**Policy No.** 10011

**Date Revised:** 4/26/04

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**Policy Statement:**

The Board shall annually designate one or more financial institutions as the official depositories for school district funds. The Board may designate other depositories during the course of the year, should it be necessary.

**Rationale:**

To safeguard the funds of the District.

**Scope:** District-wide

**Responsibility:** District Administrator and Director of Business Services

**Implementation:**

The Board shall designate to the District Administrator and Director of Business Services the authority to move or transfer money in or out of the District's bank accounts, or to invest money, in order to maintain the business of the school district.

All responsible attempts should be made to limit investment up to \$500,000, or the current amount insured by state and federal laws, in any one local financial institution. However, the Board realizes that at times the amount in any one of the approved local depositories, may exceed \$500,000, for up to twenty days, due to the following factors:

1. A large deposit was receipted into the District's general checking account, such as tax revenue or state aid.
2. A large amount of cash on hand may be needed in the general checking account for cash flow purposes, to meet payroll and accounts payable expenses.
3. At times it may be more practical and/or advantageous for the District to invest more than \$500,000 in a given depository which may exceed the \$500,000 limit. Some of the reasons for this action include: a substantially higher interest rate may be earned, other investments in that depository may mature relatively soon, a substantial amount of the funds may soon be used, or several of the designated school depositories already have a high level of invested District money, or in the case of the Local Government Pooled Investment all investments are as fully insured as possible.

In the event that any one of the local depositories will have an amount which is materially greater than \$500,000 on deposit for more than twenty days (for reasons other than as specified above), the Board Treasurer will be apprised of the situation.

In order to safeguard the investments of the District, the Board directs the Director of Business Services to obtain an independent financial report on the approved depositories, on a biennial basis.

**Associated Information:** Wisconsin State Statutes 25.50, 66.0603, 67.11(2)

President \_\_\_\_\_ Date \_\_\_\_\_

Clerk \_\_\_\_\_ Date \_\_\_\_\_