

AP 6320 Investments

References:

Government Code Section 53600 et seq.

The CEO is responsible for investing the funds of the District that are not required for the immediate needs of the District. Funds so invested shall follow the investment policy approved by the Governing Board in accordance with the Government Code Sections cited above and the following:

- Funds that are not required for the immediate needs of the District shall be prudently invested in order to earn a return on such investment.
- The preservation of principal is of primary importance. Each transaction shall seek to ensure that capital losses are avoided, whether from securities or erosion of market value.
- The investment program should remain sufficiently flexible to enable the District to meet all operating requirements that may be reasonably anticipated in any fund. After preservation of principal, liquidity is the objective.
- In managing District investments, District officials should avoid any transactions that might impair public confidence.
- Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived. (See Government Code Section 53600.6 regarding solvency and creditworthiness.)

Since the Santa Clarita Community College District is fiscally dependent, its funds are maintained by the Los Angeles County Office of Education (LACOE). Through LACOE, District funds not required for the immediate needs of the District are invested in the Los Angeles County Treasurer's Investment Pool. In accordance with county procedures, District funds may be pooled with other local agencies and invested by the County Treasurer in accordance with the investment guidelines specified by Government Code Section 53635 and investment policies adopted by the County Board of Supervisors.

With Board of Trustees approval, District funds not required for the immediate needs of the District may also be invested as follows:

- State's Local Agency Investment Fund (Government Code Sections 16429.1-16429.3). District funds not required for immediate needs of the District may be remitted to the State Local Agency Investment Fund (LAIF) for the purpose of

investment (Government Code Section 16429.1). District funds deposited with the LAIF shall be invested by the State Treasurer in securities prescribed by Government Code Section 16430, or the Surplus Money Investment Fund and as determined by the Local Investment Advisory Board (Government Code Section 16429.2).

- Other Investments – Other investments as permitted by Government Code Section 53600 et seq., and in particular Government Code Sections 53601, 53601.8, 53635, and 53635.8 may be made by the Chief Business Officer subject to prior approval of the Governing Board.

Reviewed by the Board of Trustees: 4/10/19

Next Review Date: Spring, 2025