

Fiscal – Investment Policy

Application

This policy applies to trustees in making decisions regarding current or prospective investment assets. All investment assets, either purchased directly or received as a gift, are subject to this policy. Taxpayers and patrons are affected through this policy in the safeguarding of principal and delivery of assets to fund library goals.

Statement of Purpose

This policy serves to guide trustees in conforming to legal requirements, safeguarding investment principal, providing liquidity and receiving a reasonable return rate for all investment activities. As a publicly funded organization, the library is bound by Section 11 of the General Municipal Law of New York State. Further, Section 39 of that same law requires the Board of Trustees to adopt policies concerning investments.

Policy

The Community Library Board of Trustees is authorized by NYS to invest money temporarily as long as principal and interest from those investments are available to meet the expenditures that the funds are originally obtained for. Permitted investment options include time deposit accounts or certificates of deposit issued by a bank located and authorized to do business in NYS. Investments must not exceed amounts covered by insurance through the FDIC. Obligations such as bonds and notes may also be issued using library funds provided they include payment of principal and interest with a guarantee from either the US federal government, the State of New York or a local government in NY.

Principal and interest must be available in time to meet the expenditures for the purposes for which the funds were provided. If investment proceeds are used to reinvest in future obligations, that secondary obligation must be payable, in any event, within two years of the date of purchase.

We received the contents of our FAM account prior to the development of this policy as gift(s). The Finance Committee will hold this account until it needs to be liquidated.

Responsibility

The Finance Committee of the Board of Trustees is responsible for determining the appropriateness of investment vehicles as well as submitting investment plans to the Board for approval at an open, public meeting. The Finance Committee will provide written authorization of investment actions to the custodial bank in effect and will also request written confirmation of actions from same. The Library Director or a designee holds responsibility for providing documents related to the policy to concerned parties. The Library Director is responsible for training and supporting personnel regarding this policy.

Approved Date: 3/14/2019

Reviewed:

Revised: 12/8/2022