

## Policy Code: 8240 Investment Earnings

The board may deposit at interest or invest all or part of the cash balance of any fund. The school finance officer will manage investments subject to whatever restrictions and directions the board imposes. The finance officer will have the power to purchase, sell and exchange securities on behalf of the board of education. The finance officer will keep accurate investment accounts and records and will make reports to the board as requested. The investment program will be managed so that investments and deposits can be converted into cash when needed. The school district will pay all reasonable costs of administering the investment and deposit program as required.

### DEPOSIT OF MONIES

The finance officer will deposit monies pursuant to policy 8320 (Depositories). Investment deposits will be secured by deposit insurance, surety bonds or investment securities of such nature, in a sufficient amount to protect the school district or an individual school and in the manner prescribed by the Local Government Commission.

### SECURITIES

The finance officer may invest monies only in the classes of securities approved by the legislature in [G.S. 115C-443](#). The finance officer may buy, sell or trade investment securities by private negotiation, and the school district will pay all incidental costs of such transfer, if required. Registered securities acquired for investment may be released from registration and transferred by signature of the finance officer. The finance officer will hold in his/her custody and keep safe all securities and deposit certificates.

### CREDITING EARNED INTEREST

Interest earned on deposits and investments will be credited to the fund whose cash is deposited or invested. The cash of several funds may be combined for deposit or investment if not otherwise prohibited by law. When such joint deposits or investments are made, interest earned will be prorated and credited to the various funds on the basis of the amounts invested. Interest earned on the deposit or investment of bond funds will be deemed a part of the bond proceeds.

Legal References: [G.S. 115C-443](#), [-444](#)

Cross References: Depositories (policy 8320)

Adopted: 2/4/99

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**Chapel Hill-Carrboro Schools**