

Policy

INVESTMENTS

When the Little Silver Board of Education, due to unforeseen contingencies in the current account, receipt of State aid, funds in advance of construction, etc., is holding unencumbered cash balances, such funds shall be invested at interest.

All investments of the board may be invested in bonds or other obligations of the U.S., bonds of certain Federal agencies as specified by law, and public depositories located within the boundaries of the State of New Jersey provided such depositories secure public funds in accordance with State law.

Investment of board funds may be made by the school business administrator/board secretary on the approval of the board.

The custodian shall include in the monthly report to the board all cash in all accounts on deposit as well as all investment assets of the board.

Funds of the board may be withdrawn from approved public depositories or negotiable instruments owned by the board sold before maturity only with prior approval of the board.

The interest earned on investments shall be combined with the general revenues of the board.

Adopted: October 8, 2009
NJSBA Review/Update: April 2023
Readopted: August 24, 2023

Key Words

Surplus Funds, Investment

Legal References:	<u>N.J.S.A.</u> 17:9-41	Financial institutions
	<u>N.J.S.A.</u> 17:12B-241	Insured accounts eligible investment for trust and public funds, and savings banks and as security
	<u>N.J.S.A.</u> 18A:7F-7(b)	Appropriation by school district of undesignated fund balance; amounts allowable
	<u>N.J.S.A.</u> 18A:7F-43 et seq.	<u>School Funding Reform Act of 2008</u>
	<u>N.J.S.A.</u> 18A:7G-3	Definitions relative to construction, financing of public school facilities
	<u>N.J.S.A.</u> 18A:7G-4	Long-range facilities plans
	<u>N.J.S.A.</u> 18A:7G-31	Capital reserve accounts
	<u>N.J.S.A.</u> 18A:4-14	Uniform system of bookkeeping for school districts
	<u>N.J.S.A.</u> 18A:17-8	Secretary; collection of tuition and auditing of accounts
	<u>N.J.S.A.</u> 18A:17-34	Receipt and disposition of moneys
	<u>N.J.S.A.</u> 18A:17-35	Records of receipts and payments
	<u>N.J.S.A.</u> 18A:20-37	Purchase of certain types of securities; definitions
	<u>N.J.S.A.</u> 18A:21-2	Authorization; establishment of a capital reserve account
	<u>N.J.S.A.</u> 18A:21-3	Credits to capital reserve accounts

INVESTMENTS (continued)

<u>N.J.S.A.</u> 18A:22-8	Contents of budget; program budget system
<u>N.J.S.A.</u> 18A:22-8.2	Prohibited transfers
<u>N.J.S.A.</u> 18A:23-1	Audit when and how made
<u>N.J.A.C.</u> 6A:23A-8.5	Designation of general fund balances
<u>N.J.A.C.</u> 6A:23A-14.4	Establishment of other reserve accounts
<u>N.J.A.C.</u> 6A:23A-16.1 <u>et seq.</u>	Double entry bookkeeping and GAAP accounting in local school districts
<u>N.J.A.C.</u> 6A:26-2.1 et seq.	Educational facilities
See Particularly:	
<u>N.J.A.C.</u> 6A:26-3.7, -3.12, -4.2, -4.4	

Handbook 2R2 – Financial Accounting for Local and State School Systems

Possible

<u>Cross References:</u> *3100	Budget planning, preparation and adoption
*3326	Payment for goods and services
*3400	Accounts
*3450	Money in school buildings
*3451	Petty cash funds
*3453	School activity funds
*3570	District records and reports
*3571.4	Audit

*Indicates policy is included in the Critical Policy Reference Manual.