

Chillicothe & Ross County Public Library

Investment Policy

October 9, 1996

This document in conjunction with the Ohio Revised Code, as amended, will govern the investment activities of the Chillicothe & Ross County Public Library. It will be reviewed periodically for compliance and to assure the flexibility necessary to effectively manage the monies of the Chillicothe & Ross County Public Library.

Policy Statement and Scope of Policy

It is the policy of the Chillicothe & Ross County Public Library to invest public funds in a manner which will guarantee the maximum security of those funds. Meeting the cash flow demands of the Chillicothe & Ross County Public Library and the highest investment return while conforming to the Ohio Revised Code, are also of primary importance.

This investment policy applies to all interim funds of the Chillicothe & Ross County Public Library.

Investment Objectives

The primary objectives of the investment activities of the Chillicothe & Ross County Public Library shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of the library shall be undertaken in a manner that ensures the preservation of capital in the overall portfolio. At no time will the safety of the portfolio's principal be impaired or jeopardized. Safety is defined as the certainty of receiving full par value plus accrued interest, at the securities legal final maturity.
2. Liquidity: The library's investment portfolio will remain sufficiently liquid to enable the library to meet all operating requirements. Portfolio liquidity is defined as the ability to sell a security on a short notice near the par value of the security.
3. Return on Investments: The library's investment portfolio shall be structured with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the library's investment risk constraints and the cash flow characteristics of the portfolio.

Delegation of Authority

Management responsibility for the investment program is hereby delegated to the Clerk-Treasurer, who shall be responsible for the implementation of the investment program and the establishment of investment procedures consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Clerk-Treasurer.

Ethics and Conflicts of Interest

Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Authorized Financial Institutions and Brokers/Dealers

No public deposit shall be made except in qualified public depositories as established in Chapter 135 of the Ohio Revised Code.

Authorized Investments

The Chillicothe & Ross County Public Library is authorized to invest interim funds of the library as described in the Ohio Revised Code.

Maximum Maturities

To the extent possible, the library will attempt to match its investments with the anticipated cash flow requirements. The Clerk-Treasurer will not invest in securities exceeding 5 years in maturity.

Internal Control, and Compliance

The Clerk-Treasurer shall establish an annual review process of investment policies and procedures. This review will include an audit every 2 years conducted by the Auditor of State, as well as internal review for compliance with all investment policies and procedures.