



Staff Analysis and Report to the Board

Board Meeting/Work Session Date: January 8, 2019

Senior Lead: Claire Hertz, Deputy Superintendent of Business and Operations

SUBJECT: Amendment of Cash Management policy 8.20.010-P Second Reading

I. BACKGROUND

The current policy requires that the policy be adopted every year. Instead, staff proposes that the policy be amended whenever the Board decides it needs to be amended and that staff provide a quarterly update on the District's investment portfolio.

II. RELATED POLICIES/BEST PRACTICES

III. ANALYSIS OF SITUATION

If not amended, the Board will have to readopt an existing policy every year even if it doesn't change and/or the District investment portfolio will be required to be reported on less frequently.

IV. FISCAL IMPACT

None.

V. COMMUNITY ENGAGEMENT (IF APPLICABLE)

The policy amendment was posted on the District website and was discussed at the November 29, 2018, public meeting of the Policy & Governance Committee. It had a First Reading at the December 11, 2018, Board meeting. No public comment has been received.

VI. TIMELINE FOR IMPLEMENTATION/EVALUATION

VII. BOA

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I. Scope and Pooling of Funds

This cash management policy applies to all cash activities and funds under the control of Multnomah County School District No. 1J (the District). This policy applies to the investment of operating funds, capital funds including bond proceeds, and bond reserve funds held by Portland Public Schools. This policy excludes petty cash activities.

The average size of the District's investment portfolio approximates \$175,000,000, with an approximate seasonal high and low of \$325,000,000 and \$30,000,000 respectively. Average ranges do not include proceeds of General Long Term Obligation Bonds, notes etc., if any

II. General Objectives

It is the District's policy to invest public funds not required for immediate

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III. Standards of Care

1. Prudence

The standard of prudence to be

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Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate activities of subordinate officials.

IV. Safekeeping and Custody

1. Authorized Financial Dealers and Institutions

A list will be maintained of approved financial institutions authorized to provide investment and safekeeping services. In addition, a list will also be maintained of approved

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1. Accounting Method

The District shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting. These accounting principles

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4. Pooling of Funds
Except for cash in

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5. ~~Securities Lending and Reverse Repurchase Agreements~~

The District shall not lend securities nor directly participate in a securities lending or reverse repurchase program.

6. ~~Bids and Offers~~

Before any security purchase or sale is initiated, the Investment Officer shall determine the appropriateness of seeking competitive bids or offers. Information about current market interest rate levels can be obtained from various sources, including

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XII. Policy Adoption and Re-Adoption

This investment policy shall be reviewed on an annual basis by the Investment Officer, who shall submit the policy and proposed revision to the OSTF as required. The policy and any revisions shall be presented annually to the Portland Public Schools Board of Education, which will review and approve the investment policy, and any revisions, annually.

History: Amended 01/12/2016; 3/2018

Legal References:

OR Chapters 244, 294 and 295



BOARD POLICY CASH MANAGEMENT

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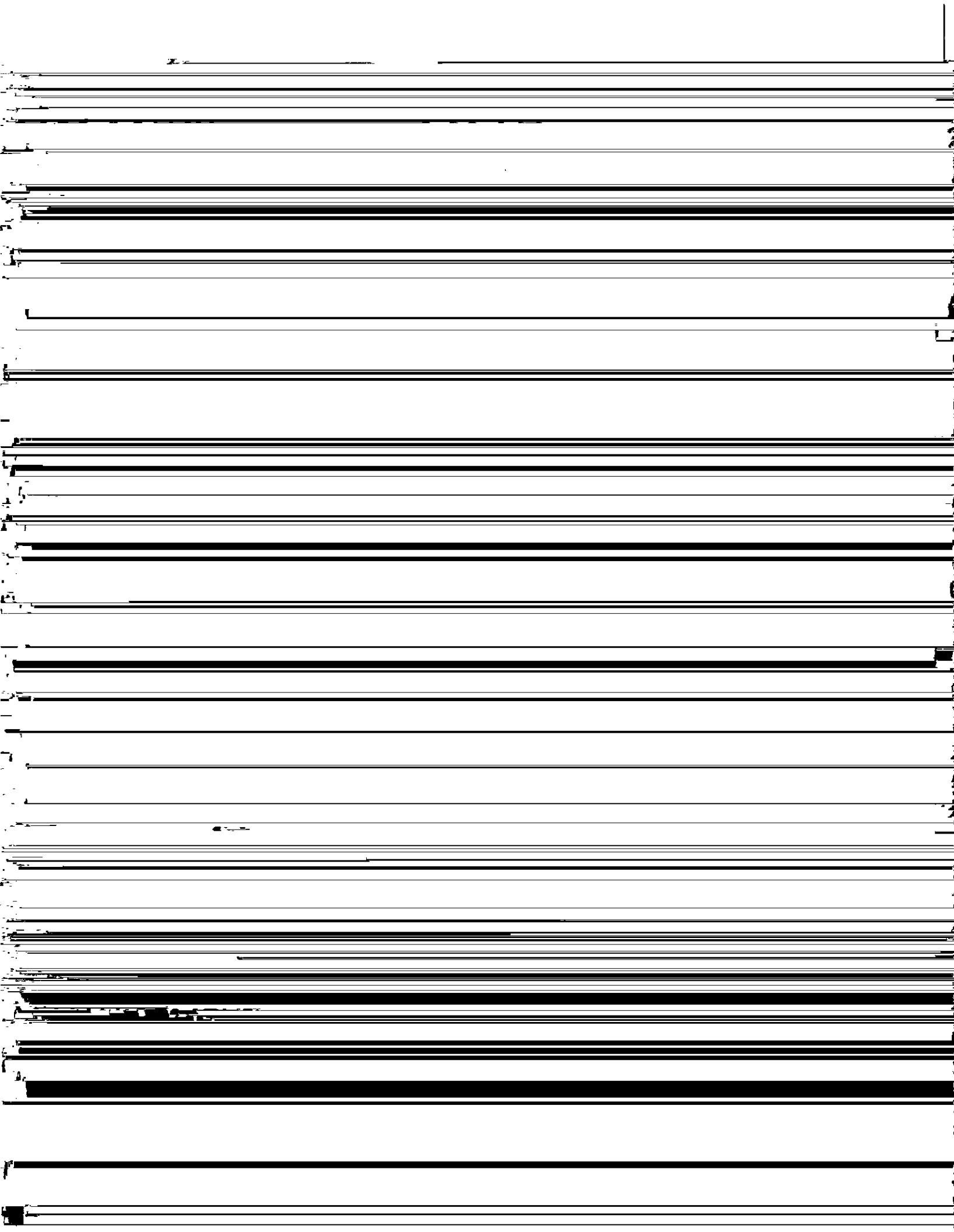


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[REDACTED]





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In order to achieve issuer diversification, this policy sets limits on the maximum holdings

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In addition, the following maturity limits are designed to ensure liquidity in the portfolio:

Length of Maturity	Minimum % of Total Portfolio
Under 30 days	10%
Under 90 days	25%
Under 365 days	75%
Under 18 months	100%



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All payments shall be made when approved and due, but not before they are due. Cash discounts will be analyzed to determine the cost/benefit of payment terms in relation to



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