

Berne Public Library

Category: Financial

Policy Title: Investment Policy

Application: Director and Library Board

Statement of Purpose:

This investment policy applies to all monies and other financial resources available for investment on Berne Public Library's behalf. The primary objectives of Berne Public Library's investment activities are, in priority order:

1. conform with all applicable federal, state and other legal requirements;
2. adequately safeguard principal;
3. provide sufficient liquidity to meet all library operating requirements; and,
4. obtain a reasonable rate of return.

Policy:

Delegation of Authority The Board of Trustees' responsibility for administration of the investment program may be delegated to the President and the Board Treasurer, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability. Policy will be reviewed and approved by the Board annually.

Prudence All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in Berne Public Library to operate effectively. Investments shall be made with judgment and care, under prevailing circumstances, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs; not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived. All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or impair their ability to make impartial investment decisions. **Permitted Investments** As authorized by General Municipal Law §11 (Appendix B), Berne Public Library authorizes the President and the Treasurer to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

1. special time deposit accounts
2. certificates of deposit
3. obligations of the United States of America Internal Controls.

All monies collected by any officer or employee of Berne Public Library shall be deposited within thirty (30) days of receipt; a record of such deposit shall be conveyed to the Treasurer. The President is responsible for supervising an

internal control structure to provide assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition. The Treasurer will provide monthly reports.

Designation of Depositories Funds received by the Library shall be deposited in one or more depository banks duly designated by the Board. Said designation shall be made at the Board's organizational meeting, but may be changed by subsequent vote of the Board. Said depository or depositories shall be located and authorized to do business in New York. Any such depository so designated shall fully collateralize all deposits as provided by law and by this policy.

Collateralizing of Deposits In accordance with the provisions of General Municipal Law §10 (Appendix A), all deposits of Berne Public Library, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, shall be secured by a pledge of "eligible securities" with an aggregate "market value" as provided by General Municipal Law §10, equal to the aggregate amount of deposits from the categories designated in Section F of General Municipal Law §10.

Responsibility: President and Treasurer

Original: 07/09/2021

Revised: 04/11/2024