

4106	Cash Management/Investment Policy
Approval Date:	September 2015
Category:	Fiscal Management
Governance Accountability:	Board of Directors, Leadership
Audience:	Employees, Board of Directors

Pine Lake Preparatory's Board of Directors authorizes the Chief Financial Officer to effectively manage Pine Lake Preparatory's financial assets and to invest all funds not needed immediately as per North Carolina G.S. 115C-443. The investment program will be managed so that investments and deposits can be converted into cash when needed.

Pine Lake Preparatory funds shall be invested in accordance with North Carolina statutes and in a manner designed to balance the following objectives:

1. To ensure the safety of all Pine Lake Preparatory's financial assets. Pine Lake Preparatory will not enter into investment transactions which will expose itself to an undue credit risk of an issuer or a broker/dealer.
2. To ensure that adequate funds are available at all times to promptly pay all of Pine Lake Preparatory's financial obligations. Investment transactions will occur after taking into account the liquidity needs of Pine Lake Preparatory.
3. To earn the maximum return possible on the funds available for investment while complying with state statutes.

Pine Lake Preparatory will diversify the use of investment instruments in the investment portfolio to avoid incurring unreasonable risks inherent in overinvesting in specific instruments, individual financial institutions, or maturities. At all times, Pine Lake Preparatory's portfolio will include investments in accordance with North Carolina statutes. Pine Lake Preparatory's Board of Directors will receive a quarterly reporting of investments, and all investments will be clearly identified in Financial Statements

Per North Carolina G.S. 115C-443(c), moneys may be invested in the following classes of securities, and no others:

1. *Obligations of the United States of America.*
2. *Obligations of any agency or instrumentality of the United States of America if the payment of interest and principal of such obligations is fully guaranteed by the United States of America.*
3. *Obligations of the State of North Carolina.*

4. *Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the Secretary of the Local Government Commission may impose.*
5. *Shares of any savings and loan association organized under the laws of this State and shares of any federal savings and loan association having its principal office in this State, to the extent that the investment in such shares is fully insured by the United States of America or an agency thereof or by any mutual deposit guaranty association authorized by the Commissioner of Insurance of North Carolina to do business in North Carolina pursuant to Article 7A of Chapter 54 of the General Statutes.*
6. *Obligations maturing no later than 18 months after the date of purchase of the Federal Intermediate Credit Banks, the Federal Home Loan Banks, Fannie Mae, the Banks for Cooperative, and the Federal Land Banks.*
7. *Any form of investment allowed by law to the State Treasurer.*
8. *Any form of investment allowed by G.S. 159-130 to local governments and public authorities.*

Legal Reference: G.S. 115C-411, 115C-433, 115C-444(b)