

Billings School District 2

FINANCIAL MANAGEMENT

Independent Investment Accounts

The Board may authorize the establishment of independent investment accounts, separate and apart from those fund accounts maintained by the county treasurer. The Board may authorize the transfer of cash into an independent investment account from any budgeted or non-budgeted fund account. The business manager will establish a separate investment account tied directly to each fund from which transfers are made. The business manager will reallocate the principal and any interest earned to the fund account from which a transfer was made.

Before establishing an independent investment account, the District will enter into a written agreement with the county treasurer that is binding for a period of not less than five (5) years.

Under state law, the District may choose either

to establish and use an investment account as a non-spending account, returning sufficient funds to the county treasurer in time to pay all claims against an applicable fund; or

to establish a subsidiary checking account and to make expenditures from an investment account, provided that all transactions are accounted for and reported as required by applicable accounting principles and by the Board.

Legal References: § 20-9-235, MCA Authorization for school district investment account

Policy History:

First Reading: February 23, 2004 – Board of Trustees
Second Reading: May 5, 2004 – Business Committee
Third Reading: May 17, 2004 – Board of Trustees
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Reviewed on: December 17, 2018 – Board of Trustees