

**BLUE WATER MIDDLE COLLEGE ACADEMY  
BOARD POLICY  
BANKING AND INVESTMENT**

The operational accounts and funds available for investment will be administered based on the Banking and Investment policy adopted by the Blue Water Middle College Academy (Academy) Board of Trustees.

All cash or investments held or controlled by the Academy must be in accordance with the Michigan Revised School Code, Act 451 380.622, 380.1221, 380.1222 and 380.1223. Additionally, funds related to the issuance of debt where indentures are in place different than the stated Michigan School Code Acts, the terms of the indentures would prevail. In the event the Academy would receive funds which could have statutory investment requirements other than the Michigan School Code Acts, the laws set forth governing those funds would be followed.

The Banking and Investment Policy, as adopted by the Board of Trustees, designates the Chief Administrative Official and the Academy Business Manager to invest Academy funds in accordance with this policy and all laws governing the investment of these funds. It is the directive of the Board of Trustees that all investment decisions be based on the following priorities: safety, liquidity and yield. The availability of funds for investment will be determined by a regularly conducted cash flow analysis. Preference for investments should be given to financial institutions within St. Clair County, provided all criteria within this policy are met. The administration will present an investment report to the Board of Trustees not less than twice annually.

Operational accounts will be maintained with one or more financial institutions within St. Clair County. A qualified financial institution must be a commercial or savings bank. The bank must be able to provide deposit insurance to the maximum limits as provided by the FDIC and be a “well capitalized” bank as defined by the FDIC having a tier one capital ratio of greater than 10%. Annually the Chief Administrative Official and Academy Business Manager must present to the Board of Trustees for approval a list of all depository institutions within St. Clair County that qualify in accordance with this policy. The Chief Administrative Official and the Academy Business Manager will, as needed, select one or more banks for depository relationships and services of operational accounts that have been previously approved by the Board of Trustees. Selection criteria will be based on the effectiveness of a financial institution to deliver services required by the Academy in an effective and efficient manner. Criteria will include, but not be limited to, the ability of the institution to provide security, e.g., fraud prevention, efficient data processing systems, electronic and internet banking services, and all costs and interest rates applied to each account type.