

Title of Manual: Mid-South Substance Abuse Commission Policy and Procedures			Page 1 of 1	
			History	
Policy Number: F006	Subject/Title: Investment Policy		Last Approved:	5/2009
			Last Reviewed:	11/2009
Issued By: Executive Director	Approved By: Board of Directors Date: 11/23/2009	Scope: Administration	Effective:	12/01/2009

1. POLICY

Mid-South shall invest its monies in a manner which will ensure the preservation of principal while providing the highest investment return with maximum security, meeting daily cash flow requirements, and conforming to all state statutes governing the investment of public funds.

Mid-South will consider only conservative instruments when investing agency funds. A prudent level of risk will be appropriate in order to achieve an acceptable rate of return. Desired risk levels are not to exceed 0% depreciation in corpus in any given year.

2. PURPOSE

The investment objective is to maximize the rate of return on investments while preserving and protecting the original capital asset. The portfolio shall have sufficient liquidity allowing for conversion to cash for operational needs within a twenty (24) hour period.

3. INVESTMENT AND MANAGEMENT OF FUNDS

Guidelines:

- 3.1. Funds will be deposited or invested within local financial services offering the most advantageous investments.
- 3.2. Interest bearing sweep checking accounts will service cash balances maintained in local banks for ongoing operational expenses.
- 3.3. Either interest bearing money market instruments/corporate bonds/U.S. Government treasuries and agency securities or certificates of deposit will be utilized for investment purposes. If certificates of deposits are utilized, they will be invested for no more than 6 month intervals, however longer intervals may be used with Board approval.
- 3.4. Investments shall be secured by the Federal Deposit Insurance Corporation (FDIC) to the maximum level.
- 3.5. Investments shall be secured with more than one financial institution if FDIC is at a maximum level an institution.

4. DELEGATION AND POLICY REVIEW

Financial oversight and supervisory authority has been delegated by the Mid-South Board of Directors to the Finance Manager under the supervision of the Executive Director.

References:
None