

BETHLEHEM PUBLIC LIBRARY

INVESTMENT POLICY

Policy adopted by the Board of Trustees October 14, 1997

Policy revised December 12, 2005

Policy revised February 10, 2014

Scope

This investment policy applies to all monies and other financial resources available for investment on Bethlehem Public Library's own behalf.

Objectives

The primary objectives of Bethlehem 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.

Delegation of Authority

The Board of Trustees' responsibility for administration of the investment program is delegated to the Director and the Business Manager, who shall solicit advice from the Board Treasurer, and 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.

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 Bethlehem Public Library to operate effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence 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.

Internal Controls

All monies collected by any officer or employee of Bethlehem Public Library shall be deposited within seven days of receipt; a record of such deposit shall be conveyed to the Business Manager.

The Director is responsible for supervising an internal control structure to provide assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition.

Designation of Depositories

The banks and trust companies authorized for the deposit of monies up to the maximum amounts are:

Depository Name: TD Bank
Maximum Amount: \$10 million

Collateralizing of Deposits

In accordance with the provisions of General Municipal Law §10, all deposits of Bethlehem 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 GML §10, equal to the aggregate amount of deposits from the categories designated in Section F of GML §10.

Permitted Investments

As authorized by General Municipal Law §11, Bethlehem Public Library authorizes the Director and the Business Manager 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