
**Allan Hancock Joint Community College District
Board Policy
Chapter 6 – Business and Fiscal Affairs**

BP 6320 INVESTMENTS

The Superintendent/President is responsible for ensuring that the funds of the District that are invested are not required for the immediate needs of the District. Investments shall be in accordance with law, including Government Code Sections 53600 et seq.

The Superintendent/President shall ensure that funds are invested in a manner which will provide the maximum security of principal invested, with secondary emphasis on achieving the highest yield while meeting the cash flow needs and conforming to all applicable state statutes governing the investment of public funds.

Investments shall be made based on the following criteria:

- The preservation of principal shall be of primary importance.
- The investment program must remain sufficiently flexible to permit the District to meet all operating requirements.
- Transactions should be avoided that might impair public confidence.

References: Government Code Sections 53600 et seq.

Adopted: 5/17/05

Revised: 2/14/17

Allan Hancock Joint Community College District
Administrative Procedure
Chapter 6 – Business and Fiscal Affairs

AP 6320 INVESTMENTS

The Superintendent/President is responsible for investing the funds of the District that are not required for the immediate needs of the District. Funds so invested shall follow the investment policy approved by the Board of Trustees in accordance with the Government Code Sections cited below and the following:

- Funds that are not required for the immediate needs of the District shall be prudently invested in order to earn a return on such investment.
- The preservation of principal is of primary importance. Each transaction shall seek to ensure that capital losses are avoided, whether from securities or erosion of market value.
- The investment program remains sufficiently flexible to enable the District to meet all operating requirements that may be reasonably anticipated in any fund. After preservation of principal, liquidity is the objective.
- In managing District investments, District officials avoid any transactions that might impair public confidence.
- Investments are made with precision and care, considering the probable safety of the capital as well as the probable income to be derived. (See Government Code Section 53600.6 regarding solvency and creditworthiness.)

District funds maintained by the county treasurer that are not required for the immediate needs of the district may be invested as follows:

- **County Treasurer's Investment Pool.** Investment of District funds may be delegated to the county treasurer. In accordance with county procedures, District funds may be pooled with other local agencies and invested by the County Treasurer in accordance with the investment guidelines specified by Government Code Section 53635 and investment policies adopted by the County Board of Supervisors.
- **State's Local Agency Investment Fund** (Government Code Sections 16429.1-16429.3). District funds not required for immediate needs of the District may be remitted to the State Local Agency Investment Fund (LAIF) for the purpose of

investment (Government Code Section 16429.1). District funds deposited with the LAIF are invested by the State Treasurer in securities prescribed by Government Code Section 16430, or the Surplus Money Investment Fund and as determined by the Local Investment Advisory Board (Government Code Section 16429.2).

- **Other Investments.** Other investments as permitted by Government Code Sections 53600 et seq., and in particular Government Code Sections 53601, 53601.8, 53635,* and 53635.8 may be made by the Superintendent/President subject to prior approval of the Board of Trustees.

Government Code Sections 53601, 53601.8, 53635, and 53635.8 permit many very specific investments.

References: Government Code Sections 53600 et seq.

Approved: 2/19/85

Revised: 1/10/17

(Replaces Administrative Procedure 8060.01)