

SANILAC COUNTY COMMUNITY MENTAL HEALTH AUTHORITY

ADMINISTRATIVE POLICY

NUMBER: BA062

NAME: INVESTMENTS

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| INITIAL APPROVAL DATE: | 04/27/1999 | BY: Audit Committee |
| (LAST) REVISION DATE: | 04/27/1999 | BY: Audit Committee |
| (LAST) REVIEW DATE: | 02/15/2024 | BY: Policy Committee |
| DISCONTINUED DATE: | NA | REPLACED BY: NA |

I. **PURPOSE**

II. **APPLICATION**

Populations: **NONE**
Programs: **Direct - NONE**
Contracted – NONE

III. **POLICY**

It is the policy of Sanilac County Community Mental Health Authority to invest public funds in a manner which will ensure the preservation of principal while providing the highest investment return with maximum security, meeting the daily cash flow requirements of the Authority and conforming to all state statutes governing the investment of public funds.

IV. **DEFINITIONS**

V. **SCOPE**

This investment policy applies to all financial assets of the Authority. These funds are accounted for in the monthly financial reports of Sanilac County Community Mental Health Authority.

VI. **OBJECTIVE**

The primary objectives, in priority order, of the Authority's investment activities shall be:

1. **Safety:** Safety of principal is the foremost objective in the investment of the Authority's funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio.
2. **Liquidity:** The investments shall remain sufficiently liquid to enable the CFO to meet all operating requirements that might be reasonably anticipated.
3. **Return of Investments:** Investments will be made with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and cash flow.

VII. DELEGATION OF AUTHORITY

Management responsibility for the investment policy is hereby delegated to the Authority's Investment Committee as required by the State. The Investment Committee shall be composed of the CFO as chairperson, the CEO and the elected Auditor of the Board.

VIII. AUTHORIZED INVESTMENTS

- A. The Sanilac County Community Mental Health Authority CFO is authorized to invest funds in certificates of deposit in one or more banks within the State or any investment permitted by State statute, which is Act No. 20 of the Michigan Public Acts of 1943, as amended, (MCL 129.91) or federal law or regulation within the limits set therein.
- B. The CFO is authorized to enter into and execute on behalf of the Authority any contracts with any bank or trust company for the safekeeping or third party custodianship of any of the Authority's securities as well as any contracts or repurchase agreements with any corporation for the purchase of any such securities which will be the subject of such safekeeping or third party custodianship arrangements, on such terms and conditions as the CFO shall require.

IX. REPORTING

The CFO shall provide at least an annual report to the Board that provides a clear picture of the status and types of investments. This report shall be prepared in a manner that will allow the Board to ascertain whether investment activities during the reporting period have conformed to the investment policy.