



**AP 6320 Investments**

References: Government Code §16429.1 – 16429.3; §22940; §53600 et seq

Approved: October 2013

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Last Reviewed:

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The Vice President for Administration is responsible for investing the funds of the District that are not required for the immediate needs of the District. Funds to be invested shall follow the investment policy approved by the Butte-Glenn Community College District Board of Trustees (Board) in accordance with the Government Code sections cited in this Administrative Procedure 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 should remain 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 should avoid any transactions that might impair public confidence.
- Investments should be made with precision and care considering the probable safety of the capital as well as the probable income to be derived. (See Government Code §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 §53635 and investment policies by the County Board of Supervisors.
- State's Local Agency Investment Fund (Government Code §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 §16429.1.) District funds deposited with the LAIF shall be invested by the State Treasurer in securities prescribed by Government Code §16430, or the Surplus Money Investment Fund and as determined by the Local Investment Advisory Board. (Government Code §16429.2.)

- Other Investments. Other investments as permitted by Government Code §53600 et seq., and in particular Government Code §53601 and 53635, may be made by the Vice President for Administration subject to prior approval of the Board of Trustees.
- California Employers' Retiree Benefit Trust Program (CERBT). District funds maintained for postemployment benefits other than pension benefits may be invested through the California Employers' Retiree Benefit Trust Program (CERBT) operated by CalPERS. Government Code §22940 established a prefunding plan for health care coverage. The CalPERS board has sole and exclusive control and power over the administration and investment of the plan. The District will select one of the available asset allocation strategies provided by the CERBT.