

**San Pasqual Band of Mission Indians**  
**San Pasqual Housing & Community Development**  
**Private Home Ownership Program Policies and Procedures Manual**

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**Investment Policy**

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**I. Purpose**

- A. The investment policy of the San Pasqual Department of Housing & Community Development (SPH&CD) shall provide for all parties associated with the housing programs of the SPH&CD a comprehensive statement of policy and actions which will be used as the criteria for governing the investments of the SPH&CD'S funds.

**II. Bank Accounts**

- A. All SPH&CD accounts with financial institutions shall be covered by a General Depository Agreement (form HUD 51999). The depository must be a financial institution whose deposits are insured by either the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA). An original HUD 51999 should be maintained by the SPH&CD and the financial institution.
- B. Banking services shall be arranged by selecting a bank through periodic competitive solicitations to assure the SPH&CD receives the banking services provided at the lowest cost. The solicitation in the form of a Request for Proposal (RFP) will permit the SPH&CD to evaluate the quality of services received as well as the price.

**III. Cash Management**

- A. The SPH&CD shall utilize a cash forecasting system to monitor the flow of cash through SPH&CD accounts and to identify funds not needed for the next 90 days. A cash budget for the fiscal year will be developed and updated monthly to reflect changes in receipts and expenditures. Funds identified as being in excess of current needs shall be invested in securities selected by the Executive Director (and approved by the Housing Committee).

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- B. The Executive Director shall be the designated administrator of the SPH&CD'S funds and shall be responsible for making timely investments. The SPH&CD shall establish and maintain an investment register to provide a complete record and description of the SPH&CD and sale of all securities. At a minimum, the investment register shall contain a recording of the investment instrument, date of SPH&CD, SPH&CD price, interest rate, and applicable date of sale or maturity.
- C. The Executive Director (or designee) shall prepare a monthly investment report for the Housing Committee. The report shall include a copy of the latest cash budget, a copy of the investment register, and a list of current bank account balances.

### **IV. Authorizations**

- A. All investment transactions shall require the signature of two authorized officials. The Housing Committee shall designate by board resolution the personnel authorized to make investment transactions.

### **V. Collateralization of Funds**

- A. The SPH&CD shall require all depositories to continuously and fully (100 percent) secure all deposits in excess of the \$100,000 insured by the Federal Government. The Executive Director shall be responsible for monitoring account balances to ensure excess funds are being collateralized promptly. The SPH&CD shall maintain evidence of collateralization in its files.

### **VI. Internal Controls**

- A. The SPH&CD shall implement the following internal controls to assist in controlling investments and preventing loss or misuse:
  - 1. Investment transactions shall be authorized by the SPH&CD governing board and documented in the board minutes.
  - 2. Investment documents shall be kept in a safe fire resistant locked file cabinet, safe deposit box, or other similarly secured location.

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3. Investments shall be maintained in a custodian or trust account.
4. Investments shall be in the name of the SPH&CD,
5. Investments shall be recorded in detail in an investment ledger.
6. A system shall be in place to insure that all interest earned is collected and credited to the appropriate SPH&CD records.

### **VII. Type of Investments**

The determination of the best or appropriate types and mixtures of investments is dependent on several factors. Factors to be considered are safety, yield, liquidity, maturity, amount, administrative cost and allow ability under laws and regulations.

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### INVESTMENT REGISTER

Investment Description: \_\_\_\_\_ SPH&CD Price: \_\_\_\_\_  
Certificate Number: \_\_\_\_\_ Maturity Date: \_\_\_\_\_  
SPH&CD \_\_\_\_\_ Date: \_\_\_\_\_ Par Value: \_\_\_\_\_  
SPH&CD \_\_\_\_\_ Settlement \_\_\_\_\_ Date: \_\_\_\_\_ Term: \_\_\_\_\_  
Sale/Transfer (S/T) Date: \_\_\_\_\_ S/T Amount: \_\_\_\_\_  
S/T Settlement Date: \_\_\_\_\_ Profit/(Loss): \_\_\_\_\_

Source of funds for SPH&CD:

Program	Account No.	Amount	Percent of Total
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Name and location of safekeeping organization:

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Interest rate: \_\_\_\_\_ Compounded: \_\_\_\_\_

Reinvested or Paid to IHA: \_\_\_\_\_

Date	Interest Earned	Date	Interest Earned
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____