

## **Business and Non-Instructional Operations**

### **Investment of Funds**

The Orange Board of Education, or Superintendent/ his or her designee, shall deposit or invest any funds which are not needed immediately for the operation of the regional school system in any manner permitted school districts in C.G.S. [7-399](#) et seq - Municipal Finance.

Any income derived from such deposits or investments shall be credited to General Fund Revenues.

### **Long Term**

The Orange Board shall approve and maintain an investment policy asset allocation plan for its non-certified pension. The Orange Board shall receive quarterly reports on the performance of its investments.

This policy shall be reviewed periodically by the Board's Finance Committee and the Board.

### **Capital and Nonrecurring Expenses**

The Orange Board, by a majority vote of its members, may create a “reserve fund for capital and nonrecurring expenditures.” The aggregate amount of annual and supplemental appropriations by the District to such fund shall not exceed one percent of the annual District budget for such fiscal year. Annual appropriations to such fund shall be included in the share of net expenses to be paid by each member town. Supplemental appropriations to such fund may be made from estimated fiscal year end surplus in operating funds. Interest and investment earnings received with respect to amounts held in the fund shall be credited to such fund. The Board shall annually submit a complete and detailed report of the condition of such fund to the member towns. Upon the recommendation and approval by the Board of Education, any part or the whole of such fund may be used for capital and nonrecurring expenditures, but such use shall be restricted to the financing of all or part of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of any specific item of equipment. Upon the approval of any such expenditure an appropriation shall be set up, plainly designated for the project or acquisition for which it has been authorized, and such unexpended appropriation may be continued until such project or acquisition is completed. Any unexpended portion of such appropriation remaining after such completion shall revert to said fund. If any authorized appropriation is set up pursuant to C.G.S. [10-51](#), as amended, and through unforeseen circumstances the completion of the project or acquisition for which such appropriation has been designated is impossible to attain the Board, by a majority vote of its members, may terminate such appropriation which then shall no longer be in effect. Such fund may be discontinued, after the recommendation and approval by the Board, and any amounts held in the fund shall be transferred to the District's general fund.

The Orange Board, by a majority vote of its members, may create a reserve fund for accrued liabilities for employee sick leave and severance benefits. Such fund shall be termed “reserve fund for employee sick leave and severance benefits.” The aggregate amount of annual and supplemental appropriations by the District to such fund in any one fiscal year shall not exceed the actuarially recommended contribution from the annual District budget for such fiscal year. No payments shall be made to the fund which will cause the amount of such fund to exceed the accrued liability for such employee benefits as determined by the District's annual financial statements, except for the addition of interest and investment earnings with respect to amounts held in the fund. Annual appropriations to such fund shall be included in the share of net expenses to be paid by each member town. Supplemental appropriations to such fund may be made from estimated fiscal year end surplus in operating funds. Interest and investment earnings received with respect to amounts held in the fund shall be credited to such fund. The Board shall annually submit a complete and detailed report of the condition of such fund to the member towns. Upon the approval of the Board, by a majority vote of its members, any part or the whole of such fund may be used for the payment of employee sick leave and severance benefits without further appropriation. Such fund may be discontinued, after recommendation and approval by the Board, and any amounts held in the fund shall be transferred to the District's general fund.

Legal Reference: Connecticut General Statutes

[7-40](#) Investment of funds.

[10-51](#) Fiscal year. Budget. Payments by member town; adjustments to payments. Investment of funds. Temporary borrowing. (as amended by PA 06-192.)

PA 06-192 An Act Concerning Minor Revisions to the Education Statutes

Policy adopted: May 13, 2013