MANAGEMENT OF OPERATING FUNDS

Objectives: The objectives of the Library's investment policy are to adequately safeguard funds, to minimize risk, to ensure that cash is available when required, to ensure a competitive rate of return, and to conform to all applicable federal, state and other legal requirements.

Summary: In accordance with this policy, the Treasurer is authorized to invest and/or deposit all funds, including proceeds of obligations and reserve funds, in time-deposit accounts, certificates of deposit, and short-term government securities, subject to any investment regulations approved by the Board of Trustees. Diversification of investments and deposits is encouraged.

Internal Controls: The Director and the Treasurer are responsible for establishing and maintaining and internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, are recorded properly, and are managed in compliance with applicable laws and regulations.

Authorized Investments: Public funds may be invested in the following vehicles (this excludes the Wadsworth Library Endowment Fund):

1. Savings Accounts or Money Market Accounts of designated banks;
2. Certificates of Deposit issued by a bank or trust company located in and authorized to do business in New York State;
3. Demand Deposit Accounts in a bank or trust company located in and authorized to do business in New York State;
4. Obligations of New York state and Obligations of the United States Government (U.S. Treasury Bills and Notes), provided the principal and interest of any such obligations are guaranteed by the United States Government.

Designation of a Custodial Bank: The Board will designate a commercial bank or trust company authorized to do business in the State of New York to act as Custodial Bank of the Library's Public funds.

Selection of Financial Institutions: The financial strength of institutions will be of extreme importance in making investment decisions. The Treasurer will periodically monitor, not less than annually, the financial strength, credit-worthiness, and experience of all institutions through which the Library's investments are made. Investments in time deposits and certificates of deposits are to be made only with the commercial banks or trust companies approved by the Board.

Operations, Auditing, Reporting:

1. The Treasurer will authorize the purchase and sale of all securities and execute contracts for investments and deposits on behalf of the Library. Oral instructions

concerning the purchase or sale of securities will be confirmed in writing.
2. Investments and investment proceedings are subject to audit.
3. Reports of investment purchases and sales will be made no later than the second Board meeting following each transaction.

Responsibility for Upholding
BOARD OF TRUSTEES

Adopted March 8, 2012 by Board of Trustees
Revised April 9, 2015 by Board of Trustees
Reviewed by Board of Trustees on July 12, 2018
Revised May 8, 2025 by Board of Trustees