

Cash Management Plan

The following Plan constitutes the Cash Management and Investment policy of the Lumberton Township Public Schools (herein referred to as the District).

I. Cash Management and Investment Objectives

The objectives are:

1. Preservation of capital.
2. Adequate safekeeping of assets.
3. Maintenance of liquidity to meet operating needs, claims settlements and dividends.
4. Investment of assets in accordance with State and Federal Laws and Regulations.
5. Accurate and timely reporting of interest earnings.
6. Stability in the value of the District's economic surplus.

II. Permissible Investments

- A. Investments shall be limited by the express authority of Title 18A, Education N.J.S.A. 18A:20-37 and except as otherwise specifically provided for herein, the Designated Official is hereby authorized to invest the public funds covered by this Plan, to the extent not otherwise held in Deposits, in the following Permitted Investments:
1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
 2. Government money market mutual funds;
 3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
 4. Bonds or other obligations of the School Board or bonds or other obligations of school districts of which the School Board is a part or within which the school district is located;
 5. Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by School Boards;
 6. Local government investment pools;
 7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
 8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:9-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

III. Authorized Depositories

The banks and financial institutions are designated as official depositories for the Deposit of all public funds including any certificates of Deposit which are not otherwise invested in Permitted Investments as provided at the district’s annual reorganization meeting approved depositories.

IV. Authority for Investment Management

The Business Administrator of the Lumberton Township Public Schools is hereby authorized and directed to deposit and/or invest the funds referred to in the Plan. All depositories are directed to visit the district website at www.lumberton.k12.nj.us for a written copy of this plan.

V. Audit

The plan, and all matters pertaining to the implementation of it, shall be subject to the District’s annual audit. The District reserves the right to audit more frequently.

VI. Cash Flow Projections

Projections are prepared annually as required by applicable laws and regulations.

VII. Cash Management

All monies shall be deposited within a reasonable time.

The Business Administrator or designee shall minimize the possibility of idle cash accumulating in accounts by assuring that all amounts in excess of negotiated compensating balances are kept in interest bearing accounts or promptly credited into the investment portfolio.

XI. Authorized Signatories and Verification

- A. All general fund checks require two (2) signatures. Those being any two of the following positions:
 - 1. Business Administrator
 - 2. Board President
 - 3. Superintendent

- B. The “Designated Official” is authorized to effect electronic fund transfers to district accounts. Verification is required by any one (1) of the following positions:
 - 1. Business Administrator
 - 2. Accounting Specialist
 - 3. Payroll/Benefits Clerk

- C. The Administrator's staff designee(s) is granted limited electronic fund transfer authority from the District's general fund accounts exclusive to the various district’s account to effect settlement.