



# SAN DIEGO COMMUNITY COLLEGE DISTRICT

CITY COLLEGE • MESA COLLEGE • MIRAMAR COLLEGE • COLLEGE OF CONTINUING EDUCATION

## Administrative Procedure

### Chapter 6 – Business and Financial Services

#### AP 6320 INVESTMENTS

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The Executive Business Officer or designee is responsible for investing the funds of the district that are not required for the immediate needs of the District. Funds so invested shall follow the investment policy approved by the Governing Board in accordance with the Government Code Sections cited below and the following:

#### Investment Policy

- 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 Section 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 Section 53635 and investment policies adopted by the County Board of Supervisors.
- State's Local Agency Investment Fund (Government Code Sections 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 Section 16429.1). District funds deposited with the LAIF shall be invested by the State Treasurer in securities prescribed by Government Code Section 16430, or the Surplus Money Investment Fund and as determined by the Local Investment Advisory Board (Government Code Section 16429.2).
- Other Investments - Other investments as permitted by Government Code Sections 53600 et seq., and in particular Government Code Sections 53601, 53601.8, 53635, and 53635.8 may be made by *the Executive Business Officer* subject to prior approval of the Governing Board. (**NOTE:** Government Code Sections 53601,

*53601.8, 53605, and 53635.8 permit many very specific investments. Questions should be referred to financial advisors or legal counsel.)*

The Executive Business Officer shall submit to the Board annually the County of San Diego's Investment Policy based on the District's participation in the San Diego County Investment Pool. In addition, the Executive Business Officer shall submit quarterly a report of investments in accordance with California Government Code 53646, which include investments with the County of San Diego, the Joint Powers Authority (JPA) for Retiree Health Benefits, Proposition 39 bond revenue, and other external investments.

The Executive Business Officer, as directed by Education Code § 76063 and subject to SDCCD governing Board action, Associated Student funds may be deposited or invested in one or more of the following ways:

- Deposits in trust accounts at the County Treasury.
- Investment certificates or withdrawable shares in state-chartered savings and loan associations.
- Purchase of securities authorized for investment by Government Code § 16430.
- Funds that are exempt from federal income tax pursuant to IRS Code § 501(c) (3) that are open exclusively to non-profit colleges, universities, and independent schools.
- Investment certificates or withdrawable shares in federal or state credit unions, if the credit union is doing business in the state and have their accounts insured by the National Credit Union Administration, and if any money so invested or deposited in certificates, shares or accounts is fully covered by insurance.

**References:** Education Code Sections §;76063 & 53600  
California Government Code 53646 & 16430; 16429.1-16429.3

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**Date Approved:** September 22, 2009

**Revised:** November 13, 2023

*(Supersedes AP 6320.1)*