

# South Dakota High School Rodeo Association Investment Policy

As a 501(c)3 not-for-profit association organized for charitable and educational purposes, the South Dakota High School Rodeo Association, Inc. needs to remain good stewards of the funds of the organization. To that end it establishes the following investment policy for funds entrusted into its care without specific investment instructions.

## OBJECTIVES

The Association's primary objectives when investing excess cash or idle funds:

- Preservation of principal
- Liquidity

The Association's President, Vice President and Treasurer will review the Association's cash flow requirements and determine the amount of daily and yearly liquidity required. Funds not required will be invested within the guidelines set forth below.

## INVESTMENT GUIDELINES

I. ***Permitted investments of idle funds.*** Idle funds, unrestricted cash and restricted cash that otherwise does not have specific investment provisions, must be maintained in:

- (1) Direct obligations of, or obligations guaranteed as to principal and interest by, the United States, which will mature at a time determined by The Executive Committee from the date of the investment; or
- (2) Repurchase agreements with federally insured institutions, with a maturity of seven days or less. The securities underlying the repurchase agreements must be direct obligations of, or obligations guaranteed as to principal and interest by, the United States. The securities must be maintained in a custodial account at a federally insured institution; or
- (3) Certificates of deposit with a maturity of such time determined and approved by The Executive Committee, issued by a federally insured institution; or
- (4) A deposit account in a federally insured institution; or
- (5) A checking account in a federally institution; or
- (6) A reasonable petty cash fund

**II. *Deposit of funds in any institution may not exceed the current federally insured limit for that institution.***

- (1) Exception: The association may make a temporary deposit in excess of the insured amount, in a transfer account established to facilitate the receipt and disbursement of funds or to hold funds necessary to honor commitments issued.

**Approved By**

SDHSRA Executive Committee at the direction of the Board of Directors to be approved at the 2024 SDHSRA Annual Meeting

**Approval Date**