



# Agenda of Regular Meeting September 20, 2021 5:30 PM Closed Session / 7:00 PM Open Session

A Regular Meeting of the Board of Trustees of Georgetown ISD is September 20, 2021, beginning at 5:30 PM in the GISD Hammerlun Center for Leadership & Learning Building at 507 E University Avenue. Immediately after opening, the Board of Trustees will convene in Closed Session and will return to Open Session following the completion of Closed Session. The Board will not reconvene in Open Session before 7:00 p.m.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. (See TASB Policy BEC Legal).

Prior to consideration of agenda subjects, the Board will hear public comments from any member of the public who has complied with District procedures for signing up to speak.

- I. Determination of Quorum, Call to Order, and Pledges of Allegiance
- II. Closed Session (authorized by TX Gov't Code Section 551.071, 551.074, 551.082, 551.0821)
  - A. Personnel: Consider Appointment, Employment, Evaluation, or Duties of Professional Employees
  - B. Discussion of the Purchase, Exchange, Lease, or Value of Real Property
- III. Recognitions
- IV. Presentations
  - A. GISD COVID-19 Updates 3  
Courtney Acosta
  - B. Virtual Learning Program Update (SB15) 4  
Terri Conrad
  - C. Academic Interventions Updates (HB4545) 5  
Terri Conrad
- V. Information Items
- VI. Superintendent's Report 6  
Dr. Fred Brent
  - A. District Updates
  - B. Events & Activities

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D. Consideration and Possible Action on Virtual Learning Resolution Terri Conrad	64
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A. Personnel: Consider Appointment, Employment, Evaluation, or Duties of Professional Employees	
B. Discussion of the Purchase, Exchange, Lease, or Value of Real Property	
XI. Adjourn	



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 12:01:40

- Consent Agenda
- Action Needed
- Information Only
- Recognition
- Presentation

**Presentation**

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**Name of Person Responsible:**

Courtney Acosta

**Department or Campus:**

Systems and Operations

**Title of Agenda Item:**

GISD COVID - 19 Updates

**Background Information:**

This presentation will provide an update to protocols related to COVID - 19 for the 21-22 school year.

**Attachments:**

**Superintendent's Recommendations:**

N/A



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/16/2021 17:06:08

- Consent Agenda
- Action Needed
- Information Only
- Recognition
- Presentation

**Presentation**

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**Name of Person Responsible:**

Terri Conrad

**Department or Campus:**

Learning & Design

**Title of Agenda Item:**

Virtual Learning Program (SB 15) Update

**Background Information:**

Information will be presented regarding SB15 and the possibility of a Virtual Learning program in GISD for 2021-2022.

**Attachments:**

**Superintendent's Recommendations:**

N/A



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 10:33:41

- Consent Agenda
- Action Needed
- Information Only
- Recognition
- Presentation

**Presentation**

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**Name of Person Responsible:**

Terri Conrad

**Department or Campus:**

Learning and Design

**Title of Agenda Item:**

Academic Interventions Updates (HB4545) Updates

**Background Information:**

Information will be presented regarding recently enacted HB4545 and its impact on academic interventions in GISD.

**Attachments:**

**Superintendent's Recommendations:**

N/A

# SUPERINTENDENT REPORT



**Vision:** Home of the most inspired students, served by the most empowered leaders.

**Mission:** Inspiring and empowering every learner to lead, grow, and serve.

WE BELIEVE PUBLIC EDUCATION IS THE FOUNDATION OF OUR COMMUNITY.

OUR ACTIONS SHOULD BE STUDENT-CENTERED. [relationships]

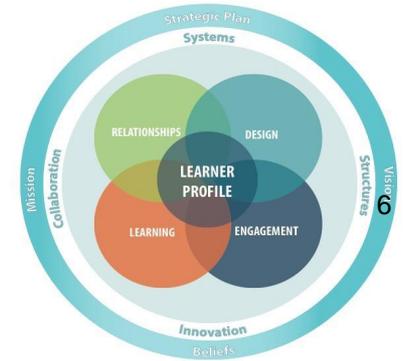
IT IS OUR RESPONSIBILITY TO PREPARE STUDENTS FOR THEIR FUTURE. [innovation]

DEVELOPING LEADERS IS VITAL TO OUR SUCCESS. [system + structure]

INSTRUCTION SHOULD BE DESIGNED BASED ON THE NEEDS OF THE LEARNERS. [learning]

COMMUNITY ENGAGEMENT ENHANCES EDUCATIONAL EXPERIENCES. [collaboration + engagement]

## STRATEGIC FRAMEWORK



# GEORGETOWN ISD **BOND** **2021**

- 5 propositions totaling \$381.6 million
- Learn more about what's proposed at [www.georgetownisdbond.org](http://www.georgetownisdbond.org)

7

Join us for a community presentation to learn more this Thursday, Sept. 23 at 6 pm. This session is virtual and you can find the link to join by visiting [www.georgetownisd.org/bond](http://www.georgetownisd.org/bond)

## Questions?

Send them to us at

[www.georgetownisd.org/LetsTalk](http://www.georgetownisd.org/LetsTalk)



GEORGETOWN ISD

Bond Questions

# IMPORTANT DATES

[www.georgetownisd.org/calendar](http://www.georgetownisd.org/calendar)

**September  
23, 28 +  
October 5, 6**

Parent Info  
Sessions on  
Standards-Based  
Report Cards

**September  
23**

Community Bond  
Presentation  
Virtual  
6 pm

**October  
8-11**

Fall Break  
District Facilities  
Closed

**October  
18**

Regular Meeting  
Board of Trustees  
7 pm

8



GEORGETOWN ISD

# BE INFORMED

[www.georgetownisd.org](http://www.georgetownisd.org)

District News

[www.georgetownisd.org/newsletter](http://www.georgetownisd.org/newsletter)

*Subscribe for District updates by selecting "GISD Communications"*



@GeorgetownISD

## Questions?

We can help. Send us your inquiries.

Submit a Let's Talk Dialogue



GEORGETOWN ISD



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:39:51

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Financial Reports

**Background Information:**

Reports showing activity and balances through August 31, 2021 for tax collections and General Fund, Food Service Fund and Debt Service Fund budgets.

**Attachments:**

<https://drive.google.com/open?id=1M5cD4MPwP5ZHqBtrr2y4L5XT4IOHppEp>

**Superintendent's Recommendations:**

Approval of the Financial Reports



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:41:16

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Budget Amendment No. 2

**Background Information:**

General Fund

The Budget Revision reflects insurance recovery checks in the amount of \$198,148 received as a result of storm damage to District buildings.

The budget amendment for the General Fund is shown by functional category and detailed on the attached summary page. The detailed transfers were requested by District staff to account for increases or decreases to expenditure categories as indicated.

The current budget column reflects the adopted budget; the increase/(decrease) column total reflects all of the increases or decreases to revenue/expenditure categories; and the amended budget column reflects the budget revision. Thus, ending unaudited fund



## BOARD AGENDA ITEM

balance is expected to be \$22.18 million by June 30, 2022.

### **Attachments:**

<https://drive.google.com/open?id=1Cf-aYEjtLIXiBOZX3zR5E2I6BSuWqkml>

### **Superintendent's Recommendations:**

Approval of Budget Amendment No. 2 for 2021-22.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:26:04

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Consideration and Approval of the Annual Investment Report for 2020-2021.

**Background Information:**

In accordance with Board Policy CDA (Local), a comprehensive report of the investment activity for the year is required to be presented to the Board annually.

**Attachments:**

[https://drive.google.com/open?id=1wSP75vMSwQRKh7HUwjeKwynq8yn\\_5xxr](https://drive.google.com/open?id=1wSP75vMSwQRKh7HUwjeKwynq8yn_5xxr)

**Superintendent's Recommendations:**

Approval of the Annual Investment Report for 2020-2021



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:27:24

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Resolution Adopting Authorized Broker/Dealer List

**Background Information:**

The Public Funds Investment Act requires the governing body, no less than annually, to review and adopt a list of qualified broker/dealers authorized to engage in investment transactions. The proposed 2021-22 list includes the same broker/dealers as the 2020-21 approved list.

**Attachments:**

[https://drive.google.com/open?id=1zAfY\\_0jrKSwcJgu7dDtBNr5tY59XGqDH](https://drive.google.com/open?id=1zAfY_0jrKSwcJgu7dDtBNr5tY59XGqDH)

**Superintendent's Recommendations:**

Approval of the Resolution Adopting Authorized Broker/Dealer List



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:28:40

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Approval for Interlocal Agreement with ESC Region 20, PACE Purchasing Cooperative

**Background Information:**

PACE Purchasing Cooperative is part of ESC Region 20, a nonprofit national governmental purchasing cooperative, that helps public agencies take advantage of public contracts. By becoming a member, the District will be able to take advantage of the buying power of the organization, streamline the buying process, while saving time and money.

**Attachments:**

<https://drive.google.com/open?id=177Ly-Vvh6UrywZgPDOwdgtpz7Q55WcxX>,  
<https://drive.google.com/open?id=1xfcM6MsAmY8tNrA59UL7zWmS0tJ6C5o4>



## BOARD AGENDA ITEM

### **Superintendent's Recommendations:**

Approval of Interlocal Agreement as presented

RESOLUTION

WHEREAS, it is the intent of Georgetown Independent School District  
(Name of Entity)  
to join and participate in the PACE Purchasing Cooperative, being organized and administered by the  
Education Service Center, Region 20.

WHEREAS, authority for this commitment is authorized by Article 791.011 Interlocal  
Cooperation Act as amended and would allow for substantial savings to be realized by volume  
purchasing of specific commodity items.

BE IT RESOLVED, that Georgetown Independent School District  
(Name of Entity)  
Board of Trustees hereby joins in and elects to participate in the PACE Purchasing Cooperative being  
organized and administered by the Education Service Center, Region 20 and recognizes that there will  
be no fee for participation.

BE IT FURTHER RESOLVED, that Georgetown Independent School District  
(Name of Entity)  
Board of Trustees hereby authorizes its Superintendent/CEO to execute such documents as are  
appropriate and necessary to implement the Entity's participation in said PACE Purchasing Cooperative.

We certify the foregoing is a true and correct copy of the resolution duly adopted by  
Georgetown Independent School District of Georgetown, Texas. In  
(Name of Entity) (City)  
witness thereof, I/we have hereunto set my/our hand(s) this \_\_\_\_\_ day of  
\_\_\_\_\_, 2021.

AUTHORIZED SIGNATURE: \_\_\_\_\_

NAME and TITLE: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_

NAME and TITLE: \_\_\_\_\_

# PACE PURCHASING COOPERATIVE

## INTERLOCAL AGREEMENT

Member Name: Georgetown ISD County District Number: \_\_\_\_\_

Education Service Center, Region 20 (Coop) and the above named agency (member) enter into the following cooperative service arrangement.

This agreement is effective \_\_\_\_\_ (date) and shall automatically renew unless either party gives ninety (90) days prior notice of non-renewal. This agreement may be terminated with or without cause by either party upon thirty (30) days written notice.

The Coop will:

- Handle bidding procedures
- Abide by all procurement laws in the State of Texas
- Enter proposals for tabulation and evaluation
- Arrange for an Award Committee to test, evaluate and award proposals
- Develop award information forms for member use
- Send award information to vendors
- Develop system for gathering evaluation information from members on vendor performance and product quality
- Provide comparison information with previous awards to evaluate effectiveness of proposals

The Member will:

- Designate a member employee to serve as a liaison with Coop
- Identify delivery location within Member on purchase orders
- Prepare purchase orders for items awarded on proposals
- Ensure timely payments to vendors who receive proposal awards
- Provide Coop with evaluation forms regarding vendor and product concerns
- Ensure a Resolution is properly executed if required

Authorization:

Education Service Center, Region 20 and the PACE Purchasing Cooperative executed a contract to provide cooperative purchasing services to government entities.

# PACE PURCHASING COOPERATIVE

## INTERLOCAL AGREEMENT

Member Name: Georgetown ISD County District Number: \_\_\_\_\_

**Please send a signed Interlocal Agreement to (or fax to 210-370-5776 or e-mail to [jim.metzger@esc20.net](mailto:jim.metzger@esc20.net)):**

Education Service Center, Region 20  
Attn: PACE Coop  
1314 Hines Ave  
San Antonio, TX 78208.

<b>Public Entity</b>	<b>Education Service Center, Region 20</b>
<b>BY:</b>	<b>BY:</b>
_____	_____
<b>Authorized Signature</b>	<b>Authorized Signature</b>
_____	_____
<b>Title</b>	<b>Purchasing Coordinator</b>
_____	_____
<b>Date</b>	<b>Date</b>
_____	_____
<b>Angie Marsh</b>	<b>Jim Metzger</b>
_____	_____
<b>Contact Person</b>	<b>Contact Person</b>
_____	_____
<b>Director of Purchasing</b>	<b>Purchasing Coordinator</b>
_____	_____
<b>Title of Contact Person</b>	<b>Title of Contact Person</b>
_____	_____
<b>507 E University Avenue</b>	<b>210-370-5204</b>
_____	_____
<b>Street Address</b>	<b>Phone Number</b>
_____	_____
<b>Georgetown, TX 78626</b>	<b>210-370-5776</b>
_____	_____
<b>City, State, Zip</b>	<b>Fax Number</b>
_____	_____
<b>512-943-5000 / 512-943-1896</b>	<b><a href="mailto:jim.metzger@esc20.net">jim.metzger@esc20.net</a></b>
_____	_____
<b>Phone/Fax Number</b>	<b>E-mail Address</b>
_____	_____
<b>marsha1@georgetownisd.org</b>	
_____	
<b>E-mail Address</b>	



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:29:57

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Resolution Adopting the Investment Strategy and Designation of Investment Officers

**Background Information:**

School district investments in the State of Texas are governed by Chapter 2256 of the Texas Government Code (Public Funds Investment Act). All investments made by the District shall comply with the Public Funds Investment Act and all federal, state, and local statutes and regulations. The Board of Trustees must review its investment policy and strategies on an annual basis.

We recommend no changes to the Board Policy CDA (Local).



## BOARD AGENDA ITEM

### **Attachments:**

<https://drive.google.com/open?id=1uZ4nfSOXWV4jDdaP7LvzboGXby8NKhdN>,  
[https://drive.google.com/open?id=1gpZ9jnFGBabxWgihIS\\_q92pfZ6aYJh\\_A](https://drive.google.com/open?id=1gpZ9jnFGBabxWgihIS_q92pfZ6aYJh_A)

### **Superintendent's Recommendations:**

Approval of the Resolution Adopting the Investment Strategy and Designation of Investment Officers



LEAD | GROW | SERVE

# Georgetown Independent School District Investment Strategy 2021-2022

## *Introduction*

Investments in the State of Texas are governed by Chapter 2256 of the Texas Government Code. All investments made by Georgetown ISD shall comply with the Public Funds Investment Act and all federal, state, and local statutes and regulations.

1. Investment policies should include the methods used to monitor the market price and include a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis.
2. The Board of Trustees must act upon an annual review of the District's investment policy and strategies.
3. Training requirements are required of the CFO and investment officers. Eight hours of training is required every two years.
4. A qualified representative of sellers of investments must review the District's investment policies.
5. Quarterly investment reports must be in accordance with generally accepted accounting principles and must include accrue interest.
6. A formal annual review of the quarterly reports by an independent auditor is necessary except for investments in pools, money market funds or depository bank investments.

## *Investment Policy and Strategy*

Georgetown ISD's investment policy requires focus on safety, liquidity and diversity. Investments are made in a manner that ensures the preservation of capital in the overall portfolio. The District's investments are sufficiently liquid to meet anticipated cash flow needs. Investments are diversified to reduce the risk of any one investment type. Internal controls exist to protect against losses of public funds arising from fraud, employee error, and misrepresentation by a third party.

Investment strategy is applied to each major fund type. Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives safety, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements. The Debt Service fund and Capital Projects funds have longer thresholds for investing due to the nature of the cash flow requirements. Investments for these funds may exceed one year provided legal limits are not exceeded.

For the 2020-2021 school year, the District's investment policy limited any investment to the 11 types stated in Board Policy CDA (Legal and Local):

1. Obligations of the United States or Texas or its agencies and instrumentalities and political subdivisions
2. Certificates of deposit
3. Fully collateralized repurchase agreements
4. Banker's acceptances from a bank with a rating not less than A1/P1
5. Commercial paper rated not less than A1/P1
6. Money market mutual funds rated AAA and maintaining a \$1 net asset value
7. A guaranteed investment contract as an investment vehicle for bond proceeds
8. Public funds investment pools
9. Federal Deposit Insurance Certificate-brokered certificate of deposit securities
10. Fully insured or collateralized interest bearing accounts
11. State or local government obligations rated A or above

Georgetown ISD investments during 2020-2021 school year were spread among three public funds investment pools (TexPool, TexPool Prime, Lone Star Investment Pool) and money market mutual funds.

Day to day investments are managed by the Director of Finance. The CFO oversees the investment function of the District and presents quarterly reports to the Board of Trustees. The CFO and Director of Finance shall maintain the appropriate training requirements.

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All investments made by a district shall comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules, or regulations. *Gov't Code 2256.026*

**Definitions**

Bond Proceeds	"Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by a district, and reserves and funds maintained by a district for debt service purposes.
Investment Pool	"Investment pool" means an entity created under the Texas Government Code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield.
Pooled Fund Group	"Pooled fund group" means an internally created fund of a district in which one or more institutional accounts of a district are invested.
Separately Invested Asset	"Separately invested asset" means an account or fund of a district that is not invested in a pooled fund group.  <i>Gov't Code 2256.002(1), (6), (9), (12)</i>
Pledged Revenue	"Pledged revenue" means money pledged to the payment of or as security for:  <ol style="list-style-type: none"><li>1. Bonds or other indebtedness issued by a district;</li><li>2. Obligations under a lease, installment sale, or other agreement of a district; or</li><li>3. Certificates of participation in a debt or obligation described by item 1 or 2.</li></ol> <i>Gov't Code 2256.0208(a)</i>
Repurchase Agreement	"Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations, described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement. <i>Gov't Code 2256.011(b)</i>
Hedging	"Hedging" means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering

into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

*Eligible Entity*

“Eligible entity” means a political subdivision that has:

1. A principal amount of at least \$250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and
2. Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

*Eligible Project*

“Eligible project” has the meaning assigned by Government Code 1371.001 (issuance of obligations for certain public improvements).

*Gov’t Code 2256.0207(a)*

Corporate Bond

“Corporate bond” means a senior secured debt obligation issued by a domestic business entity and rated not lower than “AA-” or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that, on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation, or is an unsecured debt obligation. *Gov’t Code 2256.0204(a)*

**Written Policies**

The board shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control. The investment policies must primarily emphasize safety of principal and liquidity and must address investment diversification, yield, and maturity and the quality and capability of investment management. The policies must include:

1. A list of the types of authorized investments in which the district’s funds may be invested;
2. The maximum allowable stated maturity of any individual investment owned by the district;
3. For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;

OTHER REVENUES  
INVESTMENTS

CDA  
(LEGAL)

4. Methods to monitor the market price of investments acquired with public funds;
5. A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
6. Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

*Gov't Code 2256.005(a), (b)*

Annual Review

The board shall review its investment policy and investment strategies not less than annually. The board shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. *Gov't Code 2256.005(e)*

Annual Audit

A district shall perform a compliance audit of management controls on investments and adherence to the district's established investment policies. The compliance audit shall be performed in conjunction with the annual financial audit. *Gov't Code 2256.005(m)*

Investment  
Strategies

As an integral part of the investment policy, the board shall adopt a separate written investment strategy for each of the funds or group of funds under the board's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the district;
2. Preservation and safety of principal;
3. Liquidity;
4. Marketability of the investment if the need arises to liquidate the investment before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

*Gov't Code 2256.005(d)*

Investment Officer

A district shall designate by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer(s) to be responsible for the investment of its funds consistent

with the investment policy adopted by the board. If the board has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the contracting board's district. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the board retains the ultimate responsibility as fiduciaries of the assets of the district. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the district. Authority granted to a person to invest the district's funds is effective until rescinded by the district or until termination of the person's employment by a district, or for an investment management firm, until the expiration of the contract with the district. *Gov't Code 2256.005(f)*

A district or investment officer may use the district's employees or the services of a contractor of the district to aid the investment officer in the execution of the officer's duties under Government Code, Chapter 2256. *Gov't Code 2256.003(c)*

Investment Training Investment training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act. *Gov't Code 2256.008(c)*

*Initial* Within 12 months after taking office or assuming duties, the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend at least one training session from an independent source approved by the board or a designated investment committee advising the investment officer. This initial training must contain at least ten hours of instruction relating to their respective responsibilities under the Public Funds Investment Act. *Gov't Code 2256.008(a)*

*Ongoing* The treasurer, or the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend an investment training session not less than once in a two-year period that begins on the first day of the district's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the board or by a designated investment committee advising the investment officer. *Gov't Code 2256.008(a-1)*

Exception The ongoing training requirement does not apply to the treasurer, chief financial officer, or investment officer of a district if:

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1. The district does not invest district funds or only deposits those funds in interest-bearing deposit accounts or certificates of deposit as authorized by Government Code 2256.010; and
2. The treasurer, chief financial officer, or investment officer annually submits to the agency a sworn affidavit identifying the applicable criteria under item 1 that apply to the district.

*Gov't Code 2256.008(g)*

Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives, in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

1. The investment of all funds, or funds under the district's control, over which the officer had responsibility rather than the prudence of a single investment; and
2. Whether the investment decision was consistent with the district's written investment policy.

*Gov't Code 2256.006*

*Personal Interest*

A district investment officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the district shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573 (nepotism prohibition), to an individual seeking to sell an investment to the investment officer's district shall file a statement disclosing that relationship. A required statement must be filed with the board and with the Texas Ethics Commission. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

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1. The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the investment officer from the business organization exceed ten percent of the investment officer's gross income for the previous year; or
3. The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

*Gov't Code 2256.005(i)*

*Quarterly Reports*

Not less than quarterly, the investment officer shall prepare and submit to the board a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the board and the superintendent within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the district on the date of the report;
2. Be prepared jointly and signed by all district investment officers;
3. Contain a summary statement of each pooled fund group that states the:
  - a. Beginning market value for the reporting period;
  - b. Ending market value for the period; and
  - c. Fully accrued interest for the reporting period;
4. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
5. State the maturity date of each separately invested asset that has a maturity date;
6. State the account or fund or pooled group fund in the district for which each individual investment was acquired; and
7. State the compliance of the investment portfolio of the district as it relates to the investment strategy expressed in the district's investment policy and relevant provisions of the Public Funds Investment Act.

If a district invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the board by that auditor.

*Gov't Code 2256.023*

**Selection of Broker**

The board or the designated investment committee shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with a district.

*Gov't Code 2256.025*

**Bond Proceeds**

The investment officer of a district may invest bond proceeds or pledged revenue only to the extent permitted by the Public Funds Investment Act, in accordance with:

1. Statutory provisions governing the debt issuance or the agreement, as applicable; and
2. The district's investment policy regarding the debt issuance or the agreement, as applicable.

*Gov't Code 2256.0208(b)*

**Authorized Investments**

A board may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with its adopted investment policies and according to the standard of care set out in this policy. *Gov't Code 2256.003(a)*

In the exercise of these powers, the board may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under this authority may not be for a term longer than two years. A renewal or extension of the contract must be made by the board by order, ordinance, or resolution. *Gov't Code 2256.003(b)*

The board may specify in its investment policy that any authorized investment is not suitable. *Gov't Code 2256.005(j)*

Obligations of  
Governmental  
Entities

The following are authorized investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

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2. Direct obligations of this state or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Bonds issued, assumed, or guaranteed by the state of Israel;
7. Interest-bearing banking deposits that are guaranteed or insured by the FDIC or its successor, or the National Credit Union Share Insurance Fund or its successor; and
8. Interest-bearing banking deposits other than those described at item 7 above if:
  - a. The funds are invested through a broker with a main office or a branch office in this state that the district selects from a list the board or designated investment committee of the district adopts as required at Selection of Broker above or a depository institution with a main office or a branch office in this state and that the district selects;
  - b. The broker or depository institution selected as described above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the district's account;
  - c. The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
  - d. The district appoints as the district's custodian of the banking deposits issued for the district's account the de-

pository institution selected as described above, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating under Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

*Gov't Code 2256.009(a)*

*Unauthorized  
Obligations*

The following investments are not authorized:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

*Gov't Code 2256.009(b)*

Certificates of  
Deposit and Share  
Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

1. Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;
2. Secured by obligations described at Obligations of Governmental Entities, above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities described at Unauthorized Obligations, above; or
3. Secured in accordance with Government Code Chapter 2257 (Public Funds Collateral Act) or in any other manner and amount provided by law for the deposits of the district.

*Gov't Code 2256.010(a)*

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment:

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1. The funds are invested by the district through a broker that has its main office or a branch office in this state and is selected from a list adopted by the district as required at Selection of Broker, above or a depository institution that has its main office or a branch office in this state and that is selected by the district;
2. The broker or depository institution selected by the district arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the district;
3. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. The district appoints the depository institution selected by the district, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the district with respect to the certificates of deposit issued for the account of the district.

*Gov't Code 2256.010(b)*

The district's investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. *Gov't Code 2256.005(c)*

Repurchase  
Agreements

A fully collateralized repurchase agreement is an authorized investment if it:

1. Has a defined termination date;
2. Is secured by a combination of cash and obligations described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds);
3. Requires the securities being purchased by the district or cash held by the district to be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or a third party selected and approved by the district; and
4. Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

The term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by a district under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a repurchase agreement by a district.

*Gov't Code 2256.011*

Securities Lending  
Program

A securities lending program is an authorized investment if:

1. The value of securities loaned is not less than 100 percent collateralized, including accrued income;
2. A loan allows for termination at any time;
3. A loan is secured by:
  - a. Pledged securities described at Obligations of Governmental Entities, above;
  - b. Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state, and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
  - c. Cash invested in accordance with Government Code 2256.009 (obligations of governmental entities), 2256.013 (commercial paper), 2256.014 (mutual funds), or 2256.016 (investment pools);
4. The terms of a loan require that the securities being held as collateral be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or with a third party selected by or approved by the district; and
5. A loan is placed through a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

*Gov't Code 2256.0115*

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Banker's  
Acceptances

A banker's acceptance is an authorized investment if it:

1. Has a stated maturity of 270 days or fewer from the date of issuance;
2. Will be, in accordance with its terms, liquidated in full at maturity;
3. Is eligible for collateral for borrowing from a Federal Reserve Bank; and
4. Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least on nationally recognized credit rating agency.

*Gov't Code 2256.012*

Commercial Paper

Commercial paper is an authorized investment if it has a stated maturity of 365 days or fewer from the date of issuance; and is rated not less than A-1 or P-1 or an equivalent rating by at least:

1. Two nationally recognized credit rating agencies; or
2. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States law or any state.

*Gov't Code 2256.013*

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

1. Is registered with and regulated by the Securities and Exchange Commission;
2. Provides the district with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and
3. Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

*Gov't Code 2256.014(a)*

In addition to the no-load money market mutual fund authorized above, a no-load mutual fund is an authorized investment if it:

1. Is registered with the Securities and Exchange Commission;
2. Has an average weighted maturity of less than two years; and
3. Either has a duration of:
  - a. One year or more and is invested exclusively in obligations approved by the Public Funds Investment Act, or
  - b. Less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

*Gov't Code 2256.014(b)*

*Limitations*

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Government Code 2256.014(b);
2. Invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Government Code 2256.014(b); or
3. Invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Government Code 2256.014(a) or (b) in an amount that exceeds ten percent of the total assets of the mutual fund.

*Gov't Code 2256.014(c)*

Guaranteed  
Investment  
Contracts

A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

1. Has a defined termination date;
2. Is secured by obligations described at Obligations of Governmental Entities, above, excluding those obligations described at Unauthorized Obligations, in an amount at least equal to the amount of bond proceeds invested under the contract; and
3. Is pledged to the district and deposited with the district or with a third party selected and approved by the district.

Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

1. The board must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;
2. The district must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
3. The district must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
4. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
5. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a guaranteed investment contract by a district.

*Gov't Code 2256.015*

Investment Pools

A district may invest its funds or funds under its control through an eligible investment pool if the board by rule, order, ordinance, or resolution, as appropriate, authorizes the investment in the particular pool. *Gov't Code 2256.016, .019*

To be eligible to receive funds from and invest funds on behalf of a district, an investment pool must furnish to the investment officer or other authorized representative of the district an offering circular or other similar disclosure instrument that contains the information specified in Government Code 2256.016(b). To maintain eligibility, an investment pool must furnish to the investment officer or other authorized representative investment transaction confirmations and a monthly report that contains the information specified in Government Code 2256.016(c). A district by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds. *Gov't Code 2256.016(b)-(d)*

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Corporate Bonds

A district that qualifies as an issuer as defined by Government Code 1371.001 [see CCF], may purchase, sell, and invest its funds and funds under its control in corporate bonds (as defined above) that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or
2. Invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

A district subject to these provisions may purchase, sell, and invest its funds and funds under its control in corporate bonds if the board:

1. Amends its investment policy to authorize corporate bonds as an eligible investment;
2. Adopts procedures to provide for monitoring rating changes in corporate bonds acquired with public funds and liquidating the investment in corporate bonds; and
3. Identifies the funds eligible to be invested in corporate bonds.

The district investment officer, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

1. Issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or
2. Changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

*Gov't Code 2256.0204*

Hedging  
Transactions

The board of an eligible entity (as defined above) shall establish the entity's policy regarding hedging transactions. An eligible entity may enter into hedging transactions, including hedging contracts,

and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

An eligible entity may:

1. Pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.
2. Credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

An eligible entity's cost of or payment under a hedging contract or agreement may be considered an operation and maintenance expense, an acquisition expense, or construction expense of the eligible entity; or a project cost of an eligible project.

*Gov't Code 2256.0206*

Prohibited  
Investments

Except as provided by Government Code 2270 (prohibited investments), a district is not required to liquidate investments that were authorized investments at the time of purchase. *Gov't Code 2256.017*

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**Note:** As an "investing entity" under Government Code 2270.0001(7)(A), a district must comply with Chapter 2270, including reporting requirements, regarding prohibited investments in scrutinized companies listed by the comptroller in accordance with Government Code 2270.0201.

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Loss of Required  
Rating

An investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. A district shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. *Gov't Code 2256.021*

**Sellers of  
Investments**

A written copy of the investment policy shall be presented to any business organization (as defined below) offering to engage in an investment transaction with a district. The qualified representative of the business organization offering to engage in an investment transaction with a district shall execute a written instrument in a form acceptable to the district and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the district investment policy; and
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the district and the organization that are not authorized by the district's investment policy, except to the extent that this authorization:
  - a. Is dependent on an analysis of the makeup of the district's entire portfolio;
  - b. Requires an interpretation of subjective investment standards; or
  - c. Relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The investment officer of a district may not acquire or otherwise obtain any authorized investment described in the district's investment policy from a business organization that has not delivered to the district the instrument required above.

*Gov't Code 2256.005(k)-(l)*

Nothing in this section relieves the district of the responsibility for monitoring investments made by the district to determine that they are in compliance with the investment policy.

Business  
Organization

For purposes of the provisions at Sellers of Investments above, "business organization" means an investment pool or investment management firm under contract with a district to invest or manage the district's investment portfolio that has accepted authority granted by the district under the contract to exercise investment discretion in regard to the district's funds.

*Gov't Code 2256.005(k)*

**Donations**

A gift, devise, or bequest made to a district to provide college scholarships for district graduates may be invested by the board as provided in Property Code 117.004 (Uniform Prudent Investor Act),

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unless otherwise specifically provided by the terms of the gift, devise, or bequest. *Education Code 45.107*

Investments donated to a district for a particular purpose or under terms of use specified by the donor are not subject to the requirements of the Public Funds Investment Act. *Gov't Code 2256.004(b)*

**Electronic Funds  
Transfer**

A district may use electronic means to transfer or invest all funds collected or controlled by the district. *Gov't Code 2256.051*

The administration of District funds and the investment of those funds shall be handled as the highest public trust. Investments shall be made in a manner that shall provide the maximum security of principal with both liquidity and diversification limitations in order to meet the daily cash flow needs of the District.

This investment policy applies to all financial assets of the District.

**Investment Authority**

The chief financial officer and director of budget and finance or other person designated by Board resolution shall serve as the investment officer(s) of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures. A registered investment adviser may be contracted to assist in the investment process.

**Investment Strategy**

The strategy for commingled funds shall be to ensure that cash flows are matched with adequate liquidity. This objective may be accomplished by purchasing high credit quality, short-term securities in a ladder structure, and using constant dollar investment pools and other liquid alternatives for liquidity.

The maximum dollar weighted average maturity for the total District portfolio shall be 360 days. The maximum stated maturity of any specific investment shall not exceed two years.

Investments of the following fund categories shall be consistent with this policy and in accordance with the strategies defined below.

**Operating Funds**

Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives safety, investment liquidity, diversification, and maturities matched to meet anticipated cash flow requirements. A reasonable liquidity buffer shall be maintained for unexpected liabilities.

**Custodial Funds**

Investment strategies for custodial funds shall have as their primary objectives safety, investment liquidity, diversification, and maturities matched to meet anticipated cash flow requirements.

**Debt Service Funds**

Investment strategies for debt service funds shall have as their objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. No future investments may be made until successive debt service payments are funded.

**Capital Projects**

Investment strategies for capital project funds shall be structured to timely meet capital project obligations. If the District has funds from bond proceeds, the funds shall be invested in accordance with provisions in the policy and in the bond documents.

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All Other Funds

Investment strategies for all other funds shall have as their primary objectives safety, investment liquidity, diversification and maturities matched to meet anticipated cash flow requirements.

**Authorized  
Investments**

From those investments authorized by law and described further in the Act and the District's CDA(LEGAL) policy, the Board shall permit investment of District funds, including bond proceeds and pledged revenue to the extent allowed by law, in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, the U.S. Government, its agencies and instrumentalities not to exceed two years to stated maturity and excluding mortgage-backed securities. In bond funds, the stated maturity of these securities shall be matched to specific planned liabilities and not extend in maturity beyond the expenditure schedule of the bond funds invested.
2. Fully insured or collateralized certificates of deposit and share certificates with any bank or credit union in Texas under the terms of a written depository agreement, collateralized in accordance with this policy and not to exceed two years to stated maturity.
3. Fully collateralized repurchase agreements as defined by the Act with banks doing business in Texas or primary dealers, not to exceed 90 days to maturity, with 102 percent collateral held by a third party, and under the terms of an executed master repurchase agreement. Flex repurchase agreements may be used for bond proceeds, matched to the expenditure schedule and transacted under an executed Bond Market Master Agreement, not to exceed the expenditure schedule of proceeds.
4. Prime domestic banker's acceptances from a bank with a short-term rating not less than A1/P1 or equivalent, not to exceed six months to maturity.
5. Commercial paper rated no less than A1/P1 or its equivalent by two nationally recognized rating agencies, not to exceed three months to stated maturity.
6. AAA-rated, SEC-registered money market mutual funds, which strive to maintain a \$1 net asset value.
7. A guaranteed investment contract for use as an investment vehicle for bond proceeds, meeting the criteria and eligibility requirements of the Act.

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8. Constant-dollar, local government investment pools as defined by the Act.
9. Federal Deposit Insurance Corporation (FDIC)-brokered certificate of deposit securities from a bank in any state, delivered-versus-payment to the District's safekeeping agent, not to exceed one year to maturity. Before purchase, the investment officer(s) must verify the FDIC status of the bank with the FDIC to ensure coverage.
10. Fully insured or collateralized interest bearing accounts in any bank in Texas.
11. State and local government obligations of any state rated A or above by two nationally recognized rating agencies.

The District may enter into a securities lending program with a bank in Texas or a primary dealer as defined by the Federal Reserve.

**Investment Objectives**

The main goal of the investment program is to ensure its safety and maximize financial returns within current market conditions in accordance with this policy. The investment officer(s) or adviser shall monitor financial market indicators, study financial trends, and utilize available educational tools in order to maintain appropriate investment managerial expertise. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio. No investment transactions shall be undertaken that jeopardize the capital position of the overall portfolio.

**Liquidity**

The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements and shall adhere to the investment strategy approved annually by the Board.

**Diversification**

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

**Yield**

The benchmark for the District's portfolio shall be the one-year U.S. Treasury Bill from the comparable period, designated for its comparability to the expected average cash flow pattern and maximum weighted average maturity of the portfolio. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies.

**Collateralization**

All cash, collateral, and investments of the District shall be held by an independent third party with whom the District has a current safekeeping/custodial agreement. The District shall retain clearly marked receipts providing proof of the District's ownership.

OTHER REVENUES  
INVESTMENTS

CDA  
(LOCAL)

Time and Demand  
Bank Deposits  
Pledged Collateral

Collateralization shall be required on all bank time and demand deposits over the applicable FDIC insurance coverage. All securities pledged to the District for these deposits shall be held by an independent third-party institution outside the holding company of the pledging bank.

In order to anticipate market changes and provide a level of additional security for all funds, the market value of the collateral shall be maintained at 102 percent of total principal and accrued interest or 110 percent for mortgage-backed securities. The depository shall be responsible for monitoring and maintaining the collateral and margins daily. The custodian shall provide monthly reports to the District detailing the collateral.

Collateral shall be pledged under the terms of a written depository agreement executed under the terms of the Financial Institutions Resource and Recovery Enforcement (FIRREA). (If the custodian is the Federal Reserve, the District shall execute as an alternate an FRB Pledgee Agreement of Circular 7 form.) The agreement shall be approved by resolution of the bank's board or loan committee.

Acceptable collateral shall include only obligations of the U.S. Government, its agencies and instrumentalities, including mortgage backed securities passing the bank test and excluding letters of credit, and municipal securities rated A or better by two nationally recognized rating agencies. A monthly report of collateral shall be provided directly from the custodian.

Repurchase  
Agreements Owned  
Collateral

Collateral under a repurchase agreement shall be owned by the District. It shall be held by an independent third-party safekeeping agent approved by the District under an executed Master Repurchase Agreement. Collateral with a market value totaling 102 percent of the principal and accrued interest shall be required, and the counter-party shall be responsible for the monitoring and maintaining of collateral and margins daily.

**Sellers of  
Investments**

Prior to handling investments on behalf of the District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. [See Sellers of Investments, CDA(LEGAL)]

Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA).

**Authorized Financial  
Brokers / Dealers  
and Institutions**

In order to get the best return on its investments, the District may solicit bids in writing, by telephone, or electronically, or by a combination of these methods.

**Internal Controls**

Internal controls shall be established and documented in writing and shall be designed to protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District. Controls shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of all transactions.
6. Documentation of transactions.

These controls shall be reviewed by the District's independent auditing firm.

**Monitoring FDIC Status**

The investment officer(s) shall monitor on no less than a weekly basis, the status and ownership of all banks issuing brokered certificates of deposits owned by the District based on information from the FDIC. If any bank has been acquired or merged with another bank in which brokered certificates of deposits are owned by the District, the investment officer or adviser shall immediately liquidate any brokered certificates of deposits security that place the District above the FDIC insurance level.

**Competitive Transactions**

All investments shall be purchased or sold on a competitive basis with bids or offers from three authorized brokers/dealers for the best yield and maturity. Offers of new issue agencies need not be competitively bid but must be compared to comparable maturity securities on the secondary market.

**Monitoring Credit Ratings**

The investment officer or investment adviser shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by policy, the investment officer or adviser shall notify the Board of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available at the next meeting after the loss of the required rating.

**Delivery Versus Payment Settlement**

All security transactions, including collateral for repurchase agreements, shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by an independent third-party custodian designated by the District and evidenced by original safekeeping receipts.

## *Recommendations*

1. We recommend no changes to the District's investment policies CDA (Local).
2. We recommend the following staff members to serve as investment officers:
  - Scott Tipton, Chief Financial Officer
  - Carol Malcik, Director of Finance
3. Government Code, Chapter 2256 requires investment officers to receive instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the Board or a designated investment committee advising the investment officer, as provided for in the District's investment policy. We recommend the following providers for investment training:
  - Texas Association of School Administrators (TASA)
  - Texas Association of School Boards (TASB)
  - Texas Association of School Business Officials (TASBO) and its local affiliates
  - Texas Society of Certified Public Accountants and its approved providers
  - Regional Education Service Centers including Region XIII
  - Government Treasurers' Organization of Texas
  - TexPool Academy
  - University of North Texas Center for Public Management
4. We recommend approval of the 2020-2021 Annual Investment Report.

**RESOLUTION**

**INVESTMENT STRATEGY AND INVESTMENT OFFICERS**

**WHEREAS**, Government Code Chapter 2256, commonly referred to as the Public Funds Investment Act requires the Georgetown Independent School District (“Georgetown ISD”) to adopt by resolution a written investment policy regarding the investment of its funds and funds under its control, and to review, not less than annually, its investment policy and investment strategy and adopt an instrument stating that it has reviewed the investment policy and investment strategy, and record any changes made to either the investment policy or investment strategy, and

**WHEREAS**, the Public Funds Investment Act requires the Georgetown ISD to designate by resolution one or more officers or employees to be responsible for the investment of its funds consistent with the investment policy and investment strategy.

**NOW THEREFORE BE IT RESOLVED:**

**THAT** the Board of Trustees of Georgetown ISD has reviewed the District’s investment policies (Board Policy CDA Legal and Local) and the Investment Strategy;

**AND THAT** Georgetown ISD designates individuals who hold the following positions as investment officers responsible for the investment of District funds:

- Chief Financial Officer
- Director of Finance

The above Resolution is adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Board President

\_\_\_\_\_  
Board Secretary



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/3/2021 15:49:48

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Carmen Domel

**Department or Campus:**

Superintendent's Office

**Title of Agenda Item:**

Board Meeting Minutes

**Background Information:**

Minutes are attached for review.

**Attachments:**

<https://drive.google.com/open?id=1IbX1DnQU4RR34J8QrpKhOj1ZzHEssuiy>

**Superintendent's Recommendations:**

Approval of board meeting minutes as presented.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/13/2021 16:31:41

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

David Biesheuvel

**Department or Campus:**

Construction & Development

**Title of Agenda Item:**

Change Order #1 - Construct GISD Practice Golf Putting Green

**Background Information:**

The project to construct a GISD practice golf putting green at Georgetown HS using 2015 and 2018 bond savings is complete and all costs have been reconciled. A total of \$49,668.92 was not spent and will be returned to the general bond funds for future use, as approved. Change Order #1 is needed to deduct these unspent funds from the originally approved contract resulting in a final contract amount of \$173,955.08.

**Attachments:**

<https://drive.google.com/open?id=1iCwxWf7Ov3JQscOxYAF6YxAq4cLgEYM1>



## BOARD AGENDA ITEM

### **Superintendent's Recommendations:**

Approve Change Order #1 to the contract to construct a GISD practice golf putting green.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/13/2021 16:37:10

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

David Biesheuvel

**Department or Campus:**

Construction & Development

**Title of Agenda Item:**

Change Order #1 - Enclose Wagner MS Library Clerestory

**Background Information:**

The project to enclose the clerestory at the Wagner MS library entrance using 2015 & 2018 bond savings is complete and all costs have been reconciled. A total of \$21,503.05 was not spent and will be returned to the general bond funds for future use, as approved. Change Order #1 is needed to deduct these unspent funds from the originally approved contract resulting in a final contract amount of \$78,310.95.

**Attachments:**

<https://drive.google.com/open?id=1NH3OWd2AsJfBtc43RBQ7la3dJ9XMe650>



## BOARD AGENDA ITEM

### **Superintendent's Recommendations:**

Approve Change Order #1 to the contract to enclose the clerestory at the Wagner MS library entrance



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 12:11:32

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Courtney Acosta

**Department or Campus:**

Systems and Operations

**Title of Agenda Item:**

Williamson County 4-H Resolution

**Background Information:**

Annually, the Board is presented with the Resolution from the Office of Williamson County allowing the county Extension agents to act as adjust staff members in order to count student participating in 4-H Extension activities "in attendance" for Foundational School Program purposes. The resolution will be presented to the Board for consideration.

**Attachments:**

[https://drive.google.com/open?id=1GsfPprD5icYeM8m0LbP-rgbNyMiF\\_mP1](https://drive.google.com/open?id=1GsfPprD5icYeM8m0LbP-rgbNyMiF_mP1)

**Superintendent's Recommendations:**

To approve the Williamson County 4-H Resolution as presented.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/16/2021 12:03:51

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Consent Agenda**

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**Name of Person Responsible:**

Lisa Napper

**Department or Campus:**

Human Resources

**Title of Agenda Item:**

Class Size Waivers

**Background Information:**

Texas Education Code (TEC) 25.112 requires a school district to file for a class size waiver if any classrooms in grades Prekindergarten through 4th grade exceed a 22:1 ratio. The school district must submit a compliance plan to the school board for approval, then submit the plan along with a waiver request to the Texas Education Agency. The compliance plan for the four campuses affected by this waiver request is attached.

COVID-19 continues to add complexity to the class size determinations this year. We anticipate that class sizes will continue to fluctuate throughout the school year as the district continues to explore possible virtual learning options. Some waivers may only be needed temporarily as some students may choose virtual learning if offered. In addition, we are seeing an unprecedented shortage of qualified, certified teachers across our region and state, forcing districts to be creative in providing assistance in



## BOARD AGENDA ITEM

PreK-4 classes with enrollment over 22:1.

### **Attachments:**

[https://drive.google.com/open?id=15vB\\_L6VoZEB0iEyJ0NPMUqjM5iM0OU3q](https://drive.google.com/open?id=15vB_L6VoZEB0iEyJ0NPMUqjM5iM0OU3q)

### **Superintendent's Recommendations:**

Approve the recommendation to file the class size compliance plan and waiver application to the Texas Education Agency as presented.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/13/2021 10:05:46

- Consent Agenda
- Action Needed
- Information Only
- Recognition
- Presentation

**Action Needed**

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**Name of Person Responsible:**

Lisa Napper

**Department or Campus:**

Human Resources

**Title of Agenda Item:**

Professional Hires

**Background Information:**

This recommendation includes professional hires since the August 16, 2021 board meeting. Professional hires will be presented in closed session.

**Attachments:**

**Superintendent's Recommendations:**

Approve the recommendations for professional hires as presented.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/13/2021 10:19:33

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Action Needed**

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**Name of Person Responsible:**

Lisa Napper

**Department or Campus:**

Human Resources

**Title of Agenda Item:**

TASB Policy Update 117

**Background Information:**

Update 117 is a small policy update with only three local policies included. The update includes recommended policy changes regarding purchasing and facilities construction. Local policy recommendations address revisions to employee leaves and absences policy (DEC Local). Of the three local policies included in this update, a change is proposed to TASB's recommended DEC (Local) policy regarding the addition of proposed Bereavement Leave for employees. Other policies were updated to reflect legislation from the 86th Legislative Session and from revised Administrative Code rules that were not included in previous updates. This policy update was included in the August board meeting last month for information only.



## BOARD AGENDA ITEM

### **Attachments:**

<https://drive.google.com/open?id=1esCyRJA8oGHrF1QMrUOKaswkL16FTHO>,  
<https://drive.google.com/open?id=1rsW4yKVqrUdXM0lihhtRCZzv7oRxlagb>,  
<https://drive.google.com/open?id=1-3CSap9aDigZ6jpI34sj2ANgYbqvPCfz>,  
<https://drive.google.com/open?id=1DSqZtFWXN1onH-VfBQcUYtNvqFbzC7kO>

### **Superintendent's Recommendations:**

Approve TASB Policy Update 117 and changes to DEC (Local) as presented.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/15/2021 8:24:44

- Consent Agenda**
- Action Needed**
- Information Only**
- Recognition**
- Presentation**

**Action Needed**

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**Name of Person Responsible:**

Scott Tipton, CFO

**Department or Campus:**

Business Services

**Title of Agenda Item:**

Williamson Central Appraisal District Board of Directors Nominees

**Background Information:**

In odd numbered years, the Board of Trustees nominates and then votes on Board of Directors members for the Williamson Central Appraisal District. By October 15th, the Board of Trustees is required to pass a resolution to nominate prospective 2021 WCAD directors. By December 15th, the Board of Trustees must submit their votes for one or more of the nominees. Elected directors will take office on January 1, 2022.

In the fall of 2019, our Board of Trustees nominated Harry Gibbs, Rufus Honeycutt and Charles Chadwell.

To meet the current election cycle nomination deadline, the Board of Trustees will need to select its nominees at the September 20th board meeting. The voting will have taken place by the November board meeting.



## BOARD AGENDA ITEM

**Attachments:**

<https://drive.google.com/open?id=1R7IAbl3spEtNjKBohVUHiQtKh-QKyhqD>

**Superintendent's Recommendations:**

Adoption of the resolution to nominate Harry Gibbs and Lora Weber for the Williamson Central Appraisal District Board of Directors.



## BOARD AGENDA ITEM

**Board Meeting Date:**9/20/2021

**Submitted Date:** 9/16/2021 17:08:18

- Consent Agenda
- Action Needed
- Information Only
- Recognition
- Presentation

**Action Needed**

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**Name of Person Responsible:**

Terri Conrad

**Department or Campus:**

Learning & Design

**Title of Agenda Item:**

Consideration and Possible Action on Virtual Learning Resolution

**Background Information:**

Senate Bill 15 requires the Board of Trustees to pass a resolution in order to implement a virtual learning program in compliance with this statute in 2021-2022. The resolution will be presented for consideration.

**Attachments:**

**Superintendent's Recommendations:**

Recommend the adoption of the resolution as presented.

**RESOLUTION OF THE BOARD OF TRUSTEES OF GEORGETOWN  
INDEPENDENT SCHOOL DISTRICT CONCERNING LOCAL REMOTE LEARNING  
PROGRAM FOR THE 2021-22 SCHOOL YEAR**

Whereas, pursuant to Section 29.9091 of the Texas Education Code, a school district may operate a local remote learning program in accordance with the statutory requirements; and

Whereas, a district offering a local remote learning program may provide a virtual course through remote synchronous instruction, asynchronous instruction, or a combination of synchronous and asynchronous instruction; and

Whereas, proposed amendments to the Student Attendance Accounting Handbook provide that a board-approved local policy determines which instructional methods and attendance-taking methods the district will use; and

Whereas, pursuant to Section 25.092 of the Texas Education Code, a district may adopt a policy to exempt students from the minimum attendance requirements for class credit or a final grade for one or more courses offered under a remote learning program provided under Education Code 29.9091.

1. All the above paragraphs are incorporated into and made a part of this resolution.
2. The Board authorizes the District to operate a local remote learning program as permitted by law and employ remote asynchronous instruction, with attendance determined through a daily attendance measure as described in the District’s asynchronous instructional plan.
3. In accordance with the District of Innovation Plan and policy FEC(LOCAL), the District is exempt from the requirements of Section 25.092 of the Texas Education Code regarding minimum attendance for award or credit or a final grade, including attendance in courses provided through the local remote learning program.
4. This Resolution has the effect of board-adopted policy.
5. The authority granted by this Resolution shall apply for the 2021–22 school year, unless the Board takes further action.

Approved the \_\_\_ day of September, 2021.

By \_\_\_\_\_  
Board President  
Georgetown ISD

Attest:

By \_\_\_\_\_  
Board Secretary  
Georgetown ISD