

NORTHERN PONCA HOUSING AUTHORITY

INVESTMENT POLICY

SECTION L-1 AUTHORITY

The Northern Ponca Housing Authority shall have the authority to invest such funds as are not required for immediate disbursement.

SECTION L-2 EVALUATION OF FUND AVAILABILITY

On at least a monthly basis, the Executive Director, Accountant, Treasurer shall determine the cash needs of the Housing Authority for the next 30 day period. The Executive Director and Treasurer shall also review the funds on hand in investments and account funds determining cash needs.

SECTION L-3. INVESTMENT PROCEDURES

In the event that funds in excess of the anticipated cash flow needs are available, the Executive Director is to invest the funds in an interest bearing or investments that meet HUD requirements.

In considering the type of investments, the following factors must be considered:

- a. Amount of funds available for investment.
- b. Anticipated need for fund availability.
- c. Available investment instruments.
- d. Yield of investment options.
- e. Liquidity of investment options.

Such investments shall be in institutions, which can guarantee the payment of funds by pledging and setting aside of Treasury investments that are exempt from Federal Income Taxes.

HUD approved investments are:

1. U.S. Treasury
2. U.S. Treasury Notes and Bonds
3. Federal Financing Bank (FFB)
4. Government National Mortgage Association (GNMA) Mortgage-Backed Securities (GNMA I and GNMA II)
5. GNMA Mortgage-Backed Securities Program Mortgage-Backed Bonds (MBS)
6. GNMA Participation Certificates
7. Maritime Administration Merchant Marine Bonds, Notes and Obligations
8. Small Business Administration (SBA), Small Business Investment Corporation (SBIC) Debentures
9. Tennessee Valley Authority (TVA) Power Bonds and Notes
10. Farm Credit Consolidated System-Wide Discount Notes
11. Federal Credit Banks Consolidated Bonds
12. Federal Land Bank Consolidated Bonds
13. Federal Home Loan Mortgage Corporation (FHLMC) Mortgage Participation Certificates (PC)
14. Federal National Mortgage Association (FNMA) Debentures
15. Federal National Mortgage Association (FNMA) Notes
16. Federal National Mortgage Association (FNMA) Short-Term Discount Notes
17. Federal National Mortgage Association (FNMA) Capital Debentures
18. Federal National Mortgage Association (FNMA) Convertible Capital Debentures
19. Student Loan Marketing Associations (SLMA) Obligations
20. Demand and Savings Deposits
21. Money-Market Deposit Accounts
22. Municipal Depository Funds
23. Super Now Accounts
24. Certificates of Deposits
25. Repurchase Agreements
26. Sweep Accounts

All investments shall be in the exclusive name of the Northern Ponca Housing Authority. The Executive Director shall securely maintain the investment documents or Accountant in such a location as required by HUD regulations. Accounting and budgeting of investment income shall be in compliance with the Native American Housing Assistance and Self-Determination Act of 1996 and the final regulations governing the aforementioned law.

07/2001