

KIUC POLICY NO. 9
INVESTMENT OF GENERAL FUNDS

PURPOSE OF POLICY:

This policy describes the guidance of the Board of Directors to the KIUC staff and Chief Financial Officer (CFO) with regard to the investment of KIUC's cash or other general funds.

POLICY CONTENT:

The Rural Utilities Service (RUS) policies have long provided parameters for co-op investment of general funds. Approved investments include RUS ('cushion of credit,') National Rural Utilities Cooperative Finance Corporation (CFC), CoBank, certain Treasury securities and bank deposits (FDIC insured).

The KIUC Board of Directors wants our invested cash to achieve maximum returns consistent with prudent and fiscally conservative instruments in our investments.

The KIUC Board of Directors recognizes the KIUC CFO and staff have the cash management responsibilities and will supervise investment and allocation of general funds using sound business and investment practices. The Board expects short and long-term investments of KIUC general funds in the following fixed- income fiscally conservative instruments:

- A. RUS Cushion of Credit
- B. CFC Daily Fund, Select Notes, Commercial Paper and Medium-term Notes
- C. CoBank Cash Investment Service certificates
- D. U.S. Treasury short-term securities
- E. Bank accounts (FDIC insured)
- F. Money market accounts and money market funds

The Board of Directors shall be notified should the CFO and/or staff need to invest cash using a different instrument than those listed.

From time to time it may be in the best interest of KIUC to employ our cash for debt repayment. If this utilization of cash is employed, the CFO is to notify the Board of Directors prior to execution.

The Board requests information on all KIUC investments be reported monthly to the Finance & Audit Committee.

Adopted on this 22nd day of November, 2022.



Calvin Murashige (Nov 30, 2022 12:34 HST)

Calvin Murashige
Secretary

Revised: 11/22/2022
Reviewed: 01/29/2019
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