

LA PLATA ELECTRIC ASSOCIATION, INC.  
DURANGO, COLORADO

**Board of Directors Policy**

Subject: <b>Investment of General Funds</b>			Policy No: <b>207</b>
Original Issue: 7/15/92	Last Revised: 9/21/11	Last Reviewed: 9/21/11	Page 1 of 1

I. OBJECTIVE

To establish a policy governing the prudent investment and use of general funds.

II. POLICY

- A. General funds not required for immediate use shall be invested so as to return the highest practical rate of interest. Funds may be invested in securities of the United States Government, in securities of institutions insured or guaranteed by the United States Government, or in certain uninsured paper, notes, and bonds as may be designated from time to time by the RUS Administrator. Funds may be invested in the National Rural Utilities Cooperative Finance Corporation (CFC), and CoBank. Investments may also be made in area banks and savings and loan associations.
- B. Short term cash shall be in investments which are readily convertible into cash without loss.
- C. After provisions have been made for short term cash needs, remaining funds may be invested in longer term securities.
- D. Subject to Board approval, investments may be made in stocks of corporations in which LPEA has a financial interest.

III. RESPONSIBILITIES

The Chief Executive Officer is responsible for administration of this policy.

September 21, 2011  
Date

  
Secretary