



**Edward Hynes Charter School**

**Board Meeting**

**Agenda**

**December 6, 2021**

**HYNES CHARTER SCHOOL CORPORATION  
BOARD MEETING**

Monday, December 6, 2021 at 5:00 PM  
Edward Hynes Charter School  
990 Harrison Avenue  
New Orleans, Louisiana 70124

**AGENDA**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
  - a. October 11, 2021 – Board Meeting

**STANDING ITEMS**

1. Opportunity for public comment
2. Facilities Report
3. CEO's Report
4. Legal Report
  - a. Close nominations and hold elections for the 2021 – 2022 Board of Directors
5. Financial Report
  - a. Discussion of financial statements, including budget to actual comparison
  - b. Adopt a policy that addresses Title 28; Education; Part CXXXIX. Bulletin 126-Charter Schools; Chapter 25. Charter School Fiscal Responsibilities; §2511. Cash Management and Investment.
6. HR Report
7. Friends of Hynes Report

## **BOARD BUSINESS**

### **1. Old business**

- a. Establish a reserve study

### **2. New business**

- a. Approve the Hynes Charter School – Lakeview PTO Men’s Committee’s request to host a fundraising corn hole tournament event on the school campus to include food, alcoholic beverage consumption, and an auction and/or raffle with the understanding that the following conditions are met; security for the event, proof of insurance, and beverages served by holders of a “ServSafe” card. Special event permits issued by the City of New Orleans and the Louisiana Commissioner of Alcohol and Tobacco Control and approval from NOPS, as necessary. The corn hole tournament will be held on December 11, 2021, from 12:00 PM – 4:00 PM. This “Getting Along Together” tournament event is intended to restart camaraderie and help prepare for other Spring fundraising events.
- b. Approve the Hynes Charter School – Parkview’s request to host a Holiday Party on the school campus to include food, alcoholic beverage consumption, and an auction and/or raffle with the understanding that the following conditions are met; security for the event, proof of insurance, and beverages served by holders of a “ServSafe” card. Special event permits issued by the City of New Orleans and the Louisiana Commissioner of Alcohol and Tobacco Control and approval from NOPS, as necessary. The holiday party will be held on December 17, 2021, from 7:00 PM – 11:00 PM.
- c. Approve the Hynes Charter School – Lakeview PTO’s request to host a fundraising fair event on the school campus to include food, alcoholic beverage consumption, and an auction and/or raffle with the understanding that the following conditions are met; security for the event, proof of insurance, and beverages served by holders of a “ServSafe” card. Special event permits issued by the City of New Orleans and the Louisiana Commissioner of Alcohol and Tobacco Control and approval from NOPS, as necessary. The fair will be held on March 26, 2022.
- d. Approve the Hynes Charter School – UNO PTO’s request to host a fundraising gala event on the Hynes Charter School – Lakeview campus to include food, alcoholic beverage consumption, and an auction and/or raffle with the understanding that the following conditions are met; security for the event, proof of insurance, and beverages served by holders of a “ServSafe” card. Special event permits issued by the City of New Orleans and the Louisiana Commissioner of Alcohol and Tobacco Control and approval from NOPS, as necessary. The gala will be held on April 9, 2022.
- e. Move to Executive Session to evaluate professional competence of the CEO

### **3. Adjournment**



**Edward Hynes Charter School**

**Board Meeting**

**Minutes**

**October 11, 2021**



**Edward Hynes Charter School  
990 Harrison Avenue  
New Orleans, Louisiana 70124**

**Board of Directors Meeting  
Monday, October 11, 2021**

**Board Members Present:** Bill Chauvin, Helene Derbigny, Jan Janz, Alvin C. Miester III, Barbara Richard, Kris Scairono; Cassandra Youmans @ 5:12 pm

**Board Members Absent:** None.

**Others Present:** Elizabeth Bagert, Anne Kramer, Leon Mathes, Shawn Persick

Alvin C. Miester III, Board President, called the meeting to order at 5:06 pm and proceeded with the agenda.

1. **Approval of agenda.** Bill Chauvin made a motion to modify and amend the October 11, 2021 meeting agenda: add new business item, "Evaluate three proposals for a new HVAC compressor at Hynes-Lakeview". Jan Janz seconded the motion. With no public comment, the motion carried by a roll call vote of board members present.

Barbara Richard made a motion to approve the October 11, 2021 agenda as amended. Kris Scairono seconded the motion. With no public comment, the motion carried by a unanimous vote of board members present.

2. **Approval of minutes.** Jan Janz made a motion to waive the reading of and to approve the September 20, 2021 board meeting minutes. Helene Derbigny seconded the motion. With no public comment, the motion carried by a unanimous vote of board members present.
3. **Public comment.** None.

4. **Facilities update.** Earl Cager – see attachment.
5. **CEO's report.** Anne Kramer and Shawn Persick on behalf of Michelle Douglas – see attachment.
6. **Legal committee report.** None.
7. **Financial report.** Leon Mathes – see attachment.
  - a. Discussion of the following:
    - i. Bourgeois Bennett presented the 2020-2021 financial audit – Paul Pechon and Drew Chapman
8. **HR report.** None.
9. **Friends of Hynes Report.**
  - a. Bill Chauvin stated that the Friends of Hynes Board will meet after the HCSC's Board of Directors meeting to review and potentially approve the UNO lease.
10. **Old business.** None.
11. **New business.**
  - a. Barbara Richard made a motion to approve the ChillCo, Inc. proposal to replace the chiller at the Hynes-Lakeview campus. Cassandra Youmans seconded the motion. With no public comment, the motion carried by a unanimous vote of board members present.

With no further business to discuss, a motion to adjourn was made by Kris Scairono, seconded by Barbara Richard, and passed unanimously by a vote of board members present. The meeting was adjourned at 5:56 pm.



**Edward Hynes Charter School**

**Board Meeting**

**Reporting Documents**

**December 6, 2021**

**Edward Hynes Charter School  
Facilities Report  
December 6, 2021**

**Hynes-Lakeview**

- All three quotes for the compressor replacement are in. However, NOLA PS requested that we bring in Chiller Specialties a 3<sup>rd</sup> party vendor that specialize in chillers. We received their report on last week, which we are currently working through with our contracted HVAC vendor.

**Hynes-UNO**

- No updates.

**Hynes-Parkview**

- NOLA PS window replacement project is still forthcoming. All windows were ordered a month or two ago. According to NOLA PS the manufacture is behind schedule on fabrication of the new windows.



**Edward Hynes Charter School  
CEO's Report  
December 6, 2021**

**Students & Academic**

1. The School Performance Score for Hynes-LV was released last week, and score would be the equivalent of an A if letter grades were named.
2. The end of the second quarter is December 17, 2021.
3. First quarter report cards will be prepared and distributed January 13, 2022.
4. Enrollment remains stable.
5. Enroll NOLA is open until January 26, 2022.
6. The Achieve Plans (SWIPs) for three campuses have been substantially approved by LDOE.

**Faculty, Staff, and Administration**

1. We are striving to align processes and procedures across the three campuses based upon the five core elements of Hynes Schools.
2. The Strong Schools Strategic Planning is well underway.
3. Hynes was selected by the LDOE (Louisiana Department of Education) to participate in the Strong Schools program partnered with the School Leadership Center. This is a strategic planning process. This comes as a wonderful time in our growth as our network officers are adjusting to expanded roles and responsibilities.
4. Evaluation systems are open for teaching and non-teaching staff.
5. Hynes administrators are participant in the NSNO Trauma-Informed Equity Hub.
6. We have two vacancies for teaching positons that we are hoping to fill.

**Family and Community Involvement**

1. Second quarter PTO meetings are being held in December. We are hoping to bring back in-person events in the second semester.
2. The Solutions Teams are working to connect classroom goals and expectations with family support.
3. The second round of School Tours are scheduled later this week.

**Operations and Facilities**

1. Hynes hosted vaccination events during the Thanksgiving break at Hynes-PV and Hynes-LV.
2. Hynes continues to host weekly, optional COVID-19 testing on all three campuses.
3. NOLAPS is conducting our annual review at all three campuses.



Edward Hynes Charter School  
990 Harrison Avenue  
New Orleans, Louisiana 70124  
(504) 324-7160

December 6, 2021

To the Board of Directors of  
Hynes Charter School Corporation  
990 Harrison Avenue  
New Orleans, Louisiana

Attached you will find the financial statements as of October 31, 2021. The financial statements include Statement of Financial Position, Statement of Activities and Changes in Net Assets, Statement of Cash Flows and Selected Information for Hynes Charter School Corporation.

Please let me hear your questions or comments.

Regards,

Leon Mathes  
Chief Financial Officer  
Hynes Charter School Corporation

**Hynes Charter School Corporation**  
**Statement of Financial Position**  
**As of October 31, 2021**

**ASSETS**

**Current Assets**

Cash and cash equivalents		\$ 5,741,547	A
Grants and other receivables:			
NOLAPS / LADOE /Federal / ERATE	\$ 359,444		B
Other receivables	27,974		C
Total grants and other receivables		387,419	
Prepaid expenses		277,894	D
<b>Total Current Assets</b>		<b>6,406,860</b>	

**Other Assets**

Deposits	17,400		E
<b>Total Other Assets</b>		<b>17,400</b>	

**Fixed Assets**

Leasehold improvements	\$ 7,530		F
Equipment	\$ 63,548		G
Total Fixed Assets		71,076	
Accumulated depreciation		(49,155)	H
<b>Total Fixed Assets, net</b>		<b>21,921</b>	I

<b>TOTAL ASSETS</b>		<b>\$ 6,446,182</b>	J
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**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts payable NOLAPS	\$ 154,600		K
Other Accounts payable	197,765		L
Accrued payroll liabilities	622,927		M
Deferred Revenues from SAF	4,933		M
<b>Total Current Liabilities</b>		<b>\$ 980,225</b>	

**Net Assets**

Net assets, beginning of this fiscal year	5,665,761		
Current year increase (decrease) in net assets	(199,803)		
<b>Net Assets, end of this period</b>		<b>5,465,957</b>	N

<b>TOTAL LIABILITIES AND NET ASSETS</b>		<b>\$ 6,446,182</b>	O
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**Hynes Charter School Corporation Network Office**  
**Statement of Activities and Changes in Net Assets**

	<b>For the Four Months Ended October 31, 2021</b>			<b>Annual</b>
	<b>Actuals</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>
<b><u>Revenues and Other Support</u></b>				
State and Local MFP	-	-	-	-
Federal Grants	-	-	-	100,000
State Grants	-	-	-	-
Other Grants	-	-	-	-
Donations	-	-	-	-
Other income	-	-	-	-
<b>Total Revenues and Other Support</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b><u>Expenses</u></b>				
Employee Salaries	245,853	269,600	23,747	952,000
Employee Benefits	54,631	101,666	47,035	359,000
Administrative fee	-	-	-	-
Advertising	-	-	-	-
Depreciation Expense	-	-	-	-
Disposal services	-	-	-	-
Dues and fees	20,775	10,000	(10,775)	50,000
CMO Charge	(466,666)	(466,668)	(2)	(1,400,000)
Equipment rental	625	-	(625)	-
Food Service Management	-	-	-	-
Information technology services	988	-	(988)	-
Insurance	-	-	-	-
Materials and supplies	9,237	5,000	(4,237)	21,000
Miscellaneous expense	-	-	-	-
LEA (additional services)	-	-	-	-
Professional Development	289	-	(289)	-
Professional services	34,439	10,000	(24,439)	50,000
Repairs and maintenance	-	-	-	-
Textbooks	-	-	-	-
Transportation	-	-	-	-
Travel	2,255	10,000	7,745	50,000
Utilities	-	-	-	-
<b>Total Expenses</b>	<b>\$ (97,574)</b>	<b>\$ (60,402)</b>	<b>\$ 37,172</b>	<b>\$ 82,000</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 97,574</b>	<b>\$ 60,402</b>	<b>\$ 37,172</b>	<b>\$ 18,000</b>

**Hynes Charter School Corporation UNO**  
**Statement of Activities and Changes in Net Assets**

	<b>For the Four Months Ended October 31, 2021</b>			<b>Annual</b>
	<b>Actuals</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>
<b><u>Revenues and Other Support</u></b>				
State and Local MFP	922,142	892,668	29,474 A	2,678,000
Federal Grants	56,693	137,750	(81,057) B	551,000
State Grants	-	-	-	-
Other Grants	3,000	-	3,000	-
Donations	1,128	28,332	(27,204) C	85,000
Other income	56,443	-	56,443 D	-
<b>Total Revenues and Other Support</b>	<b>\$ 1,039,406</b>	<b>\$ 1,058,750</b>	<b>\$ (19,344)</b>	<b>\$ 3,314,000</b>
<b><u>Expenses</u></b>				
Employee Salaries	458,481	447,104	(11,377)	1,702,000
Employee Benefits	118,934	169,437	50,503 E	645,000
Administrative fee	12,930	17,332	4,402	52,000
Advertising	-	-	-	-
Depreciation Expense	1,216	1,332	116	4,000
Disposal services	2,441	2,000	(441)	6,000
Dues and fees	801	3,332	2,531	10,000
CMO Charge	98,333	98,332	(1)	295,000
Equipment rental	1,736	2,000	264	6,000
Food Service Management	-	1,500	1,500	5,000
Information technology services	36,056	17,000	(19,056)	51,000
Insurance	22,050	7,332	(14,718)	22,000
Materials and supplies	192,229	49,000	(143,229) F	147,000
LEA (additional services)	11,660	11,668	8	35,000
Professional Development	15,900	8,000	(7,900)	24,000
Professional services	35,428	43,332	7,904	130,000
Repairs and maintenance	17,457	18,000	543	54,000
Textbooks	35,050	96,000	60,950 F	96,000
Transportation	9,725	23,332	13,607	70,000
Travel	-	7,668	7,668	23,000
Utilities	32,197	40,000	7,803	120,000
<b>Total Expenses</b>	<b>\$ 1,102,624</b>	<b>\$ 1,063,701</b>	<b>\$ (38,923)</b>	<b>\$ 3,497,000</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (63,218)</b>	<b>\$ (4,951)</b>	<b>\$ (58,267)</b>	<b>\$ (183,000)</b>

**Hynes Charter School Corporation Lakeview**  
**Statement of Activities and Changes in Net Assets**

	<b>For the Four Months Ended October 31, 2021</b>			<b>Annual</b>
	<b>Actuals</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>
<b><u>Revenues and Other Support</u></b>				
State and Local MFP	2,237,785	2,165,333	72,452	A 6,496,000
Federal Grants	53,880	233,250	(179,370)	B 933,000
State Grants	-	-	-	
Other Grants	10,500	-	10,500	-
Donations	10,993	56,250	(45,257)	C 225,000
Other income	155,564	13,333	142,231	D 40,000
<b>Total Revenues and Other Support</b>	<b>\$ 2,468,722</b>	<b>\$ 2,468,167</b>	<b>\$ 555</b>	<b>\$ 7,694,000</b>
<b><u>Expenses</u></b>				
Employee Salaries	1,049,022	1,050,000	978	3,961,000
Employee Benefits	536,533	374,299	(162,234)	E 1,412,000
Administrative fee	43,308	44,332	1,024	133,000
Advertising	-	-	-	-
Depreciation Expense	3,167	3,332	165	10,000
Disposal services	3,567	4,668	1,101	14,000
Dues and fees	5,201	10,668	5,467	32,000
CMO Charge	225,333	225,332	(1)	676,000
Equipment rental	7,186	6,332	(854)	19,000
Food Service Management	-	4,200	4,200	14,000
Information technology services	119,113	71,668	(47,445)	F 215,000
Insurance	57,465	65,000	7,535	195,000
Materials and supplies	100,008	54,668	(45,340)	G 164,000
LEA (additional services)	60,340	60,333	(7)	181,000
Professional Development	3,280	12,668	9,388	38,000
Professional services	18,941	37,668	18,727	113,000
Repairs and maintenance	67,155	61,332	(5,823)	184,000
Textbooks	6,150	61,000	54,850	F 61,000
Transportation	9,724	19,444	9,720	70,000
Travel	-	12,000	12,000	36,000
Utilities	108,874	68,800	(40,074)	H 200,000
<b>Total Expenses</b>	<b>\$ 2,424,367</b>	<b>\$ 2,247,745</b>	<b>\$ (176,622)</b>	<b>\$ 7,728,000</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ 44,355</b>	<b>\$ 220,422</b>	<b>\$ (176,067)</b>	<b>\$ (34,000)</b>

**Hynes Charter School Corporation Parkview**  
**Statement of Activities and Changes in Net Assets**

	<b>For the Four Months Ended October 31, 2021</b>			<b>Annual</b>
	<b>Actuals</b>	<b>Budget</b>	<b>Variance</b>	<b>Budget</b>
<b><u>Revenues and Other Support</u></b>				
State and Local MFP	1,347,064	1,395,000	(47,936) A	4,185,000
Federal Grants	-	410,500	(410,500) B	1,642,000
State Grants	-	-	-	-
Other Grants	-	-	-	-
Donations	129,500	141,668	(12,168) C	425,000
Other income	15,620	-	15,620	-
<b>Total Revenues and Other Support</b>	<b>\$ 1,492,184</b>	<b>\$ 1,947,168</b>	<b>\$ (454,984)</b>	<b>\$ 6,252,000</b>
<b><u>Expenses</u></b>				
Employee Salaries	740,035	714,000	(26,035)	2,840,000
Employee Benefits	249,605	260,459	10,854	1,036,000
Administrative fee	23,288	27,000	3,712	81,000
Advertising	-	-	-	-
Depreciation Expense	-	-	-	-
Disposal services	2,816	4,668	1,852	14,000
Dues and fees	434	1,332	898	4,000
CMO Charge	143,000	143,000	-	429,000
Equipment rental	2,719	3,332	613	10,000
Food Service Management	-	2,700	2,700	9,000
Information technology services	50,565	79,668	29,103	239,000
Insurance	30,924	58,332	27,408	175,000
Materials and supplies	179,546	88,668	(90,878) D	266,000
LEA (additional services)	66,600	66,668	68	200,000
Professional Development	-	5,332	5,332	16,000
Professional services	44,764	54,000	9,236	162,000
Repairs and maintenance	105,653	91,000	(14,653)	273,000
Textbooks	10,372	18,668	8,296 D	56,000
Transportation	54,000	108,332	54,332	325,000
Travel	-	5,332	5,332	16,000
Utilities	66,377	43,332	(23,045)	130,000
<b>Total Expenses</b>	<b>\$ 1,770,698</b>	<b>\$ 1,775,823</b>	<b>\$ 5,125</b>	<b>\$ 6,281,000</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (278,514)</b>	<b>\$ 171,345</b>	<b>\$ (449,859)</b>	<b>\$ (29,000)</b>

**Hynes Charter School Corporation**  
**Statement of Cash Flows**  
**For the Four Months Ended October 31, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES**

Change in net assets	(199,803)
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*Adjustments to reconcile change in net assets to  
net cash provided by (used) in operating activities:*

Depreciation	4,383
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Changes in operating assets:

Grants and other receivables	290,209
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Prepaid expenses	179,424
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Deposit	-
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Changes in operating liabilities:

Accounts payable	256,999
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Accrued payroll liabilities	(442,923)
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Deferred Revenues from SAF	(113,127)
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<b>Net cash provided by (used in) operating activities</b>	<b>(24,838)</b>
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**CASH FLOW FROM INVESTING ACTIVITIES**

Fixed Assets Purchased	-
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<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(24,838)</b>
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Cash and cash equivalents - Beginning of the year	5,766,384
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<b>CASH AND CASH EQUIVALENTS - End of this period</b>	<b>\$ 5,741,547</b>
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Hynes Charter School Corporation

Selected Information

December 6, 2021

Substantially all disclosures required by accounting principles generally accepted in the United States of America are not included in the attached October 2021 financial statements (Statement of Financial Position, Statement of Activities and Changes in Net Assets, Statement of Cash Flows).

The Student Activity Fund and Friends of Hynes are included in the attached October 2021 financial statements.

The Net Assets for the period ended October 31, 2021 include \$47,708 of restricted funds related to the Project Lead the Way (PLTW) grant, the New Schools for New Orleans (NSNO) grant for Coghill planning and NSNO IQI grants for instructional quality.

## **CASH MANAGEMENT AND INVESTMENTS**

The Chief Executive Officer or Chief Financial Officer, in accordance with BESE Bulletin 126 and with prior approval of the Hynes Charter School Corporation Board, may deposit and invest any funds that belong to Hynes Charter School Corporation in any bank or credit union that is insured by the Federal Deposit Insurance Corporation (FDIC) or by the National Credit Union Administration (NCUA).

Adherence to the adopted policy shall be reviewed and measured as part of the annual independent audit of the financial statements. The audit shall note if the charter operator holds any unsecured cash as of the end of the fiscal year, as well as the amount.

### **OBJECTIVES**

The primary investment objective of Hynes Charter School Corporation shall be to ensure that the current and future expenditure obligations are adequately funded in a cost-effective manner. The goal of this cash management and investment policy is to protect public funds by minimizing the amount of unsecured funds to the extent practical.

Preservation of capital and the realization of sufficient total return to ensure the ongoing financial integrity of the funds are essential. Preservation of capital encompasses two goals: (1) Managing the risk of loss of principal for the fund, and (2) Managing the erosion of principal value through inflation.

### **DEPOSITORY BANK**

Selection of the depository bank with which funds are deposited shall be a stock-owned federally insured depository institution organized under the laws of this state or of any other state of the United States, or under the laws of the United States, as may be selected by the depositing authority.

The Charter School CEO shall obtain approval from the Hynes Board of the depository bank subject to the following conditions:

1. A financial institution that is domiciled or having a branch office located in the parish where our charter school is located,
2. A financial institution that secures deposits up the amounts insured by the Federal Deposit Insurance Corporation (FDIC) or by the National Credit Union Administration (NCUA).
3. A financial institution that has a "High Capital Ratio" that meets or exceeds the current minimum standards set by the United States Federal Reserve.

4. The most recent quarterly Federal Institutions Examination Council's (FFIEC) "Uniform Bank Performance Report" of the financial institution being considered.
5. Deposits must be collateralized by financial instruments issued by the United States.

#### DAILY DEPOSIT

Deposits shall be made in the name of the depositing authority as authorized by the Board of Elementary and Secondary Education (BESE) that has custody and control over all the charter school's disbursements. Deposits should also be deposited daily whenever possible.

#### INVESTMENT OPTIONS

The Hynes Charter School Board is authorized to invest such monies, which it determines to be available, in only those investments identified in La. Rev. Stat. Ann. §33:2955 some of which are identified below:

1. Direct U.S. Treasury obligations, the principal and interest of which are fully guaranteed by the U.S. Government.
2. Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies and provided such obligations are backed by the full faith and credit of the U.S., including U.S. Export Import Bank, Farmers Home Administration, Federal Financing Bank, Federal Housing Administration Debentures, General Services Administration, Government National Mortgage Association (guaranteed mortgage-backed bonds and guaranteed pass-through obligations), U.S. Maritime Administration (guaranteed Title XI financing), and U.S. Department of Housing and Urban Development.
3. Bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by U.S. Government instrumentalities which are federally sponsored, including Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Student Loan Marketing Association, and Resolution Funding Corporation.
4. Direct security repurchase agreements of any federal bank entry only securities enumerated in paragraphs (1) through (3) above. *Direct security repurchase agreement* means an agreement under which the political subdivision buys, holds for a specified time, and then sells back those securities and obligations enumerated in paragraphs (1) through (3).

5. Time certificates of deposit of state banks organized under the laws of Louisiana, or national banks having their principal offices in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks, or share accounts and share certificates accounts of federally or state chartered credit unions issuing time certificate of deposit; provided that the rate of interest paid for time certificates of deposit shall be not less than fifty basis points below the prevailing market rate on direct obligations of the U.S. Treasury with a similar length of maturity.
6. Mutual or trust fund institutions which are registered with the Securities and Exchange Commission under the Securities Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the U.S. government or its agencies. Investment of funds in each mutual or trust fund institutions shall be limited to 25% of the monies considered available for investment as provided by La. Rev. Stat. Ann. §33:2955.
7. *Guaranteed Investment Contracts* as described in La. Rev. Stat. Ann. §33:2955.
8. The *Louisiana Asset Management Pool (LAMP)*.

#### ADDITIONAL RESTRICTIONS FOR NON-COLLATERALIZED DEPOSITS

If it is not possible to collateralized 100% of the funds on deposit in excess of the Federal Deposit Insurance Corporation (FDIC) or by the National Credit Union Administration (NCUA), the Charter School CEO is permitted to

- Deposit funds with additional FDIC/NCUA insured banks
- Purchasing Certificate of Deposit with other banking institutions.
- Certificate of Deposits laddering.

#### INTEREST EARNINGS

The interest earned on any such investment shall be credited to the fund from which the investment was acquired, or it may be applied to the payment of the principal and interest of the outstanding bonded indebtedness of that fund.

#### PROHIBITED TRANSACTIONS

The following arrangements are expressly prohibited:

1. Any transactions not specifically authorized by this policy.

2. The purchase of securities on margin.
3. Direct purchases of single family or commercial mortgages.
4. Purchases of foreign bonds.
5. Collateralized mortgage obligations that have been stripped into interest only or principal only obligations.
6. Inverse floaters, or structured notes. For purposes of this section, *structured notes* shall mean securities of U.S. Government agencies, instrumentalities, or government-sponsored enterprises which have been restructured, modified, and/or reissued by private entities.

Ref: La. Rev. Stat. Ann. §§17:99, 33:2955, 39:1211-1235; Board minutes, 1-5-89, 9-7-00.