**Section 740.310 Investment Policy**

*The Treasurer shall develop, publish, and implement an investment policy covering the management of funds in the Public Treasurers' Investment Pool. The policy shall be published each year as part of the audit of IPTIP by the Auditor General, which shall be distributed to all participants. The Treasurer shall notify all IPTIP participants in writing, and the Treasurer shall publish in at least one newspaper of general circulation in both Springfield and Chicago, any changes to a previously published investment policy at least 30 calendar days before implementing the policy. Any such investment policy adopted by the Treasurer shall be reviewed, and updated if necessary, within 90 days following the installation of a new Treasurer.* [15 ILCS 505/17]

a) The investment policy is a written statement describing the investment objectives, permissible investments, pool oversight and due diligence, and risk management practices and should be designed to:

1) describe the Treasurer's investment objectives;

2) state permissible investments;

3) describe the process of evaluating pool performance compared to applicable performance benchmarks and standards;

4) ensure that risks taken are prudent, properly managed and adequately compensated compared to applicable performance benchmarks and standards; and

5) ensure that an effective risk management process is in place to monitor the risk levels of the pool.

b) Permissible Investments – The pool's permissible investments may include, but are not limited to:

1) short-term investments (i.e., money market funds rated AAA); and

2) fixed income investments (i.e., government agency bonds, corporate bonds, and supranational bonds).

c) No participant may, directly or indirectly, cause the investment of any monies to an account to be made to any investment option other than one currently offered to all the participants.