



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL

10300 TORRE AVENUE • CUPERTINO, CA 95014-3255

TELEPHONE: (408) 777-3220 www.cupertino.org

CITY COUNCIL STAFF REPORT

Meeting: June 6, 2017

Subject

Annual adoption of City Investment Policy

Recommended Action

Adopt resolution accepting the City Investment Policy

Description

The Audit Committee is recommending full implementation of the policy as revised and approved in its Audit Committee Meeting held May 1, 2017.

Discussion

The California Government Code requires a statement of investment policy to be reviewed and adopted by the City Council on at least an annual basis. This statement is intended to provide guidelines for the prudent investment of the City's temporary idle cash and outline the policies for maximizing the efficiency of the City's cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash.

In this year's annual review, the Audit Committee identified two revisions as shown in the attached, City of Cupertino Investment Policy MARKED. The first revision to the section "Safekeeping of Securities" is to start the inclusion of a list of holdings produced by the City's custodian to verify accuracy of the Treasurer's Investment Report between annual reviews by the external auditor.

The other change is to the section "Internal Control". This change provides more specificity on how the external auditor will produce its agreed-upon procedures and conduct its review of the investment policy, and aligns it with the attestation standards established by the American Institute of Certified Public Accountants.

Upon adoption of the Resolution Accepting the City Investment Policy, the final version (attached) will be effective immediately.

Prepared by: Lisa Taitano, Deputy City Treasurer
Reviewed by: Kristina Alfaro, City Treasurer
Approved by: David Brandt, City Manager
Attachment: Resolution Accepting the City Investment Policy
City of Cupertino Investment Policy MARKED
City of Cupertino Investment Policy Final