

CHAPTER I

SHORT-TERM LOCAL INVESTMENT POOL

Section 1. Purpose.

The purpose of these rules is to set forth procedures to be followed by the State Treasurer for the operation of a short-term local investment pool, pursuant to the provisions of Wyoming Statute 9-1-416.

Section 2. Authority.

The State Treasurer, pursuant to W.S. 9-1-416, adopts the following rules for the operation of a short-term local investment pool.

Section 3. Definitions.

(a) "Designated Time" means the time before which each Participant must provide notice of a Transaction in order for that Transaction to be posted the following day.

(b) "Electronic Transfer" is a wire transfer or an Automated Clearing House transfer.

(c) "Pool Administrator" is the Wyoming State Treasurer.

(d) "Pool Participant" or "Participant" shall be any county, municipality, school district, or any other local governmental entity.

(e) "Short-Term Investment Pool" or "Pool" is a common fund with short-term redemption options maintained by the Pool Administrator consisting of deposits from Participants.

(f) "Transaction" is a deposit or a withdrawal.

(g) "Undivided Interest" is a proportionate share of all assets of the Pool taken together as a whole and not separated out into parts.

Section 4. Form of Investment.

(a) The Pool shall have separated accounts maintained for each Pool Participant, but all monies will be co-mingled for investment purposes.

(b) All Participants shall have an undivided interest in the Pool. No Participant shall have a claim on any specific asset of the Pool but shall have an undivided interest based on the proportion of that Participant's cash balance as a percentage of the total cash balance of the Pool.

(c) No separate investments shall be made for any Participant.

(d) Separate accounts shall be maintained for each Participant.

(e) Participant funds shall only be invested in the Pool and will not be co-mingled with State funds or any other pooled funds.

Section 5. Income Distribution.

(a) All income earned by the Pool-minus Fees as provided in Section 11 of these Rules will be distributed to Participants.

(b) Income will be calculated on each Participant's average daily cash balance in the Pool.

(c) Interest will be calculated and credited to the principal of each account by the fifteenth day of the following month. Each Participant will have the benefit of daily compounding of interest regardless of the date in which Participant's account balance is adjusted and reported.

Section 6. Transaction Amount.

(a) The Pool Administrator may set a minimum and maximum transaction size for deposit to or withdrawal from the Pool-based on the total Pool size and other situational conditions and shall notify all Participants of any set minimum or maximum transaction size.

Section 7. Transactions.

(a) All deposits may be made by check, warrant, or Electronic Transfer, but third-party checks will not be accepted.

(i) Deposits are credited to the Participant after receipt by the Pool Administrator and on the day funds are available for investment.

(ii) Withdrawals made by Electronic Transfer will be available on the effective date of the transfer.

(b) All costs of Electronic Transfers shall be borne by the Participant.

(c) For Electronic Transfers, each Participant shall provide complete instructions for withdrawals and deposits. Upon request, the Pool Administrator shall supply to the Participant complete Electronic Transfer instructions for deposits to the Pool.

(d) The Pool Administrator shall set the Designated Time which shall be applicable to all Participants and notify each Participant in writing of the Designated Time.

Section 8. Notice of Transaction.

(a) Pool Participants shall provide notice of any deposit or withdrawal to the Pool Administrator prior to the Designated Time. Notices shall be made in writing.

Section 9. Reporting Requirements.

- (a) Pool Participants shall have an electronic means of confirming Transactions.
- (b) The Pool Administrator shall report cash balances monthly.
- (c) The Pool Administrator shall provide an interest earnings statement monthly.
- (d) The Pool Administrator shall respond to all Participant audit confirmations.

Section 10. Risk.

- (a) Pool Participants acknowledge that there is risk associated with investing in the Pool. The Pool does not have a guaranteed rate of return, and Participants expose their investments to market losses as well as gains. All market risks associated with the Pool are assumed by the Participant.
- (b) Nothing in these Rules shall be construed to require the State of Wyoming to reimburse Pool Participants for any losses that may occur on investments.

Section 11. Fees.

- (a) The Pool Administrator shall charge Pool Participants for the investment, banking, and administrative fees which the Pool Administrator has incurred in providing the Short Term Investment Pool.
- (b) The Fees shall not exceed the direct costs incurred by the Pool Administrator.