**Cash Management Policy**

Approved by Standing Committee on 10/25/17

The Finance Committee recommends to the Standing Committee:

1. The Treasurer is authorized to open a Money Market Account in an initial amount which will leave a monthly starting balance set by the Finance Committee (currently $20,000, but subject to revision in the future) in the Eastern Bank Operating Account.
   1. At the beginning of each month, the Treasurer shall transfer funds between the Eastern Bank Operating Account and the Money Market Account in order to maintain the monthly starting balance in the Eastern Bank Operating Account.
   2. During the month, the Treasurer is responsible to transfer funds into the Eastern Bank Operating Account from the Money Market Account to insure the daily bank balance does not fall below an amount set by the Finance Committee (currently $10,000, but subject to revision in the future).
2. If approved by the Finance Committee, the Treasurer is authorized to invest an amount representing the Balance Fund from the Money Market Account into a Certificate of Deposit with a term not to exceed 26 months if an attractive interest rate can be found with an acceptable financial institution. Prior to the end of the Certificate of Deposit’s term the Finance Committee would decide the financial institution, amount, and term for any reinvestment, if any.
3. Furthermore, if the Treasurer another Money Market Account offering higher interest rates than the current account, the Finance Committee is authorized to transfer the current Money Market Account to the new Money Market Account with a higher rate.
4. Last, the Treasurer is authorized to open a Money Market Account at Blue Hills Bank initially (and replacement banks in the future) and a Certificate of Deposit in the future at a financial institution approved by the Finance Committee to implement these recommendations.