

Office of the Superintendent of Schools  
MONTGOMERY COUNTY PUBLIC SCHOOLS  
Rockville, Maryland

October 23, 2019

MEMORANDUM

To: Members of the Board of Education

From: Jack R. Smith, Superintendent of Schools

Subject: Additional Return on Funds for the Centralized Investment Fund  
(FMC-09-16-19-09)

**Question**

Ms. Dixon would like to have the Office of the Chief Financial Officer look into Certificated of Deposit (CD's) that would provide a higher rate of return on funds in the centralized investment fund or other ways to increase the interest earned.

**Response**

Following the discussion regarding the Centralized Investment Fund, by the members of the Fiscal Management Committee at the meeting on September 16, 2019, the Centralized Investment Committee convened. Committee members discussed identifying additional ways to increase the interest earned for the Centralized Investment Fund.

The discussion brought forward numerous suggestions. Two topics for consideration included investing a portion of the funds in either Certificates of Deposits or the Maryland Local Government Investment Pool fund. A meeting with Sandy Spring Bank representatives (the bank that holds the funding for the Centralized Investment Fund) is planned for the end of October 2019 to discuss and review alternative ways to increase the interest earned. The suggestions will be shared with the members of the Fiscal Management Committee at the March 2, 2020, meeting.

If you have questions, please contact Ms. Nicola Diamond, chief financial officer, at 240-740-3160.

JRS:ND:tpk

Copy to:

Dr. McKnight	Dr. Johnson
Dr. Navarro	Ms. Diamond
Dr. Statham	Mr. Turner
Dr. Zuckerman	Mr. Klausing
Mr. Civin	Ms. Webb