



October 21, 2016

The Honorable Mary Jo White, Chair  
U.S. Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549

**Re:** Local Government Investment Pool Voluntary Guidelines

Dear Chair White:

Please find enclosed your requested copy of *Voluntary Guidelines for the Management of Stable Net Asset Value (NAV) Local Government Investment Pools (LGIPs)*. These guidelines were prepared as a joint effort between the National Association of State Treasurers (NAST) and the National Association of State Auditors, Comptrollers and Treasurers (NASACT). NAST and NASACT represent both elected and appointed government officials who have the responsibility of overall management of state finances, including investment of state and local government funds.

Both organizations share a common goal of promoting safe, effective and efficient management of public funds, including those invested in LGIPs. The primary objectives of a stable NAV LGIP are principal preservation and liquidity. Participants may utilize a stable NAV LGIP as both a cash management and investment vehicle. Therefore, an LGIP should be carefully managed in a manner to protect principal and maintain sufficient liquidity while adhering to both prudent investment and sound administrative practices.

The eighteen components of the Voluntary Guidelines address risk management and governance issues. While some LGIPs may be prohibited from fully adopting all sections of the suggested guidelines, we believe they will assist public fund officials in managing investment pools in a manner that provides state and local government participants with safe and liquid investment options. NAST and NASACT are pleased to provide these guidelines to you as another example of our ongoing initiatives designed to safeguard public funds. Should you have any questions about the LGIP guidelines, or if we can be of further assistance, please contact us.

Respectfully,

David H. Lillard, Jr.  
NASACT President  
State Treasurer, Tennessee

James McIntire  
NAST Past President  
State Treasurer, Washington