

CASH FLOW MANAGEMENT PROGRAM

Your Money Working Sooner and Longer

Gain a complete and accurate cash flow picture to put your money to work sooner and longer.

BENEFITS

- Provides the potential for optimized interest income.
- Helps achieve optimal pricing on investments through PMA's competitive bidding process.
- Increases efficiency of investment and cash flow process.
- Seeks to:
 - Keep assets invested 100% of the time.
 - Provide greater accuracy and timeliness in funding expenses.
 - Allow for increased precision in financial planning.
 - Become a valuable tool for cash flow borrowing needs.
 - Increase accuracy in cash balance projections, letting you invest confidently knowing your liquidity needs are covered.
- Provides continuity.
- Serves as a communication tool with your community.

Overview

Money management goes beyond picking investment products. We believe improving our clients' overall investment plan is the smartest way to impact and improve returns. At PMA, this process begins with a thorough understanding of our clients' cash flow and is carried out through PMA's Cash Flow Management Program, which analyzes large fields of data, draws reliable conclusions and capitalizes on the newfound insight.

PMA's Cash Flow Management Program gives Iowa schools and community colleges a complete and accurate picture of their cash flow so they can put their money to work sooner and longer.

The Power of a Good Plan

The result of PMA's comprehensive historical analysis of a client's financial statements is a daily cash flow plan. This plan maps out such items as payroll dates and amounts, debt schedules and state payments, to name a few. PMA then builds an optimized investment schedule that:

1. covers expenses
2. extends maturity lengths
3. captures the yield curve benefits of long-term investing

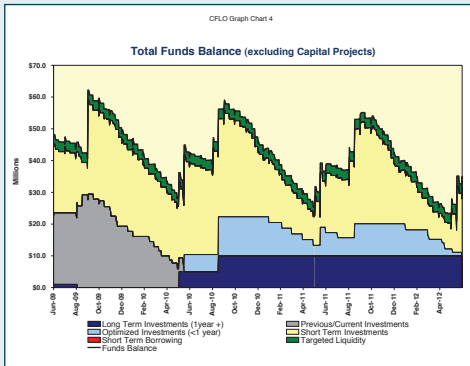
Added Value of Competitive Bidding

Not only does PMA put an Iowa school or community college's money to work for the long-term, its competitive bid program seeks to secure the best rate possible. This is accomplished by competitively bidding investments across our expansive network of banks and securities dealers on behalf of each Iowa school district and community college. A single call to PMA gives investors efficient access to a robust institutional network of financial institutions.

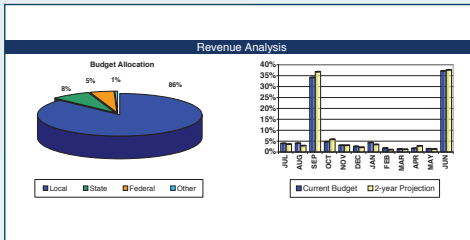
CASH FLOW MANAGEMENT PROGRAM

CASH FLOW ILLUSTRATIONS

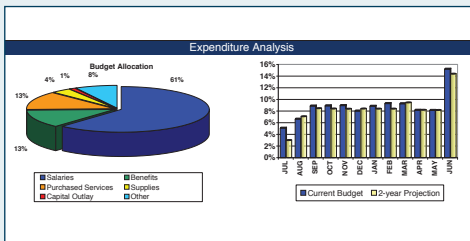
LONG-TERM INVESTMENT POTENTIAL



REVENUE ANALYSIS



EXPENDITURE ANALYSIS



PMA's Cash Flow Management Program gives finance officers the ability to steer things from the top while leaving the analysis and time consuming details to a professional portfolio advisor. This analysis is based on proprietary methods that review historical data, determine trends and project future needs.

1. HISTORICAL DATA ANALYSIS

PMA's detailed investigation of an Iowa school district or community college's historic cash flow data ultimately provides a complete and reliable picture from which investment decisions are based. This historical analysis includes:

- Reviewing three years of cash-based historical monthly data by fund.
- Determining trends.
- Isolating anomalies.
- Incorporating Iowa school district/community college-specific information (e.g. A/P cycle, payroll cycle, debt schedules, calendar, etc.) to help make the plan as accurate as possible.

2. DAILY CASH FLOW CONSTRUCTION

Once the historical data analysis has been performed, monthly revenue and expenditure (r/e) percentages are applied to your current fiscal year budget to project monthly r/e figures for the current and future years.

Cash Flow Schedule - June 2010										
Date	Day	Revenues			Expenditures			Maturities	Investments	Money Mkt Funds
		Local	State	Other	Payables	Payroll	Other			
										Opening Balance
1	Tue	\$7,600,000						\$1,500,000	\$26,500,000	\$5,290,730
7	Mon				\$2,280,290					\$3,010,440
14	Mon		\$89,514			\$5,095,964		\$5,000,000		\$3,003,991
15	Tue	\$16,000,000						\$1,100,000	\$14,800,000	\$5,303,991
21	Mon						\$2,297,419			\$3,006,572
24	Thu		\$80,969							\$3,087,541
29	Tue					\$1,698,655		\$1,700,000		\$3,088,887
30	Wed			\$401,894					\$500,000	\$2,990,781
Total		\$23,600,000	\$170,483	\$401,894	\$2,280,290	\$6,794,618	\$2,297,419	\$9,300,000	\$41,800,000	\$2,990,781

Finally, specific dates and amounts (e.g., accounts payable, debt schedules, sales tax receipts, property tax dates) are identified, placed on the calendar and included in the final daily cash flow plan.

3. INVESTMENT SCHEDULE CREATION

Once the cash flow plan has been constructed, PMA builds an investment schedule that optimizes your school district or community college's returns beginning with the next fiscal year. This investment schedule allows for efficient execution of investments and helps extend maturity lengths in order to capitalize on the longer end of the yield curve.

4. COMPETITIVE BIDDING

PMA's portfolio advisors work closely with Iowa school districts and community colleges to competitively bid investments across PMA's extensive network of over 1,000 financial institutions. This helps each Iowa school district and community college obtain competitive rates without the hassle of shopping around.



Integrity. Commitment. Performance.™

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