

## **POLICY 2.55: INVESTMENT OF FUNDS**

The treasurer serves as the college's chief investment officer and has the authority to determine the base mix of investments for liquidity, safety, yield, diversification and marketability. The treasurer, or designee, is responsible for maintaining adequate cash balances to pay current obligations and for determining when funds are temporarily available for investment to accrue interest to the college. When it's been determined that funds are available for investment, the following criteria must be met:

1. The various forms of investment are reviewed to determine the highest yield.
2. In-district, FDIC-insured financial institutions are designated as depositories and are given priority to provide investment options.
3. Out-of-district, FDIC-insured financial institutions can be used when in-district institutions are unavailable or when the rate of return to the college exceeds that offered by in-district institutions.
4. Financial institutions used must collateralize all deposits in excess of FDIC limits to 100% of market value and collateral held by a third-party custodian.
5. Using prudence as a guiding principle, all college deposits and investments will be fully protected from risk of loss and comply with all applicable statutes and regulations.
6. The treasurer, or designee, has no real or perceived conflict of interest with any financial institution the college is currently using or may use in the future.

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