

POLICY 04-03 INVESTMENT POLICY (Approved 11-22-94)

PURPOSE:

The purpose of this policy is to establish investment policies and guidelines for the investment management of available funds for Wayne Community College. The college is to safeguard funds and produce maximum yields from funds in the College's budget within established guidelines and performance criteria.

PROCEDURE:

Funds Available for Investment

Due to the restriction placed on the college by the North Carolina State Treasurer and the United States Department of Education, Wayne Community College has a minimal amount of cash which is not committed to current operations. All state funds are required by specific statute (GS 147.77) to be on deposit with the State Treasurer. Construction funds and special fund projects must be on a reimbursement basis. Federal funds for applicable projects must be requested when needed (i.e. funds that will be disbursed within the next 3 working days). Funding for WIA projects must be obtained on a reimbursement basis. County Capital funds are obtained on a reimbursement basis while County Current fund allotments are received on a periodic basis.

Consequently, the only funds which are available for investment for any period of time greater than one month include but may not be limited to the following:

- I. Current Unrestricted Funds
 - A. Unexpended County Allotments
 - B. Unbudgeted County Fund Balance
 - C. Overhead Receipts

- II. Unrestricted Proprietary Funds
 - A. Bookstore
 - B. Student Activity Fees
 - C. Print Shop

- III. Plant Funds
 - A. Unbudgeted Capital Outlay (Plant) Fund Balance

- IV. Endowment Funds

Investment Discretion

The Board of Trustees of Wayne Community College has ultimate fiduciary responsibility for the college. Investment discretion is granted to the President and to the Chief Financial Officer within the guidelines and criteria of this policy.

Investment Authorization

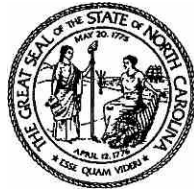
Cash available for investment will be invested pursuant to GS 159.30, GS 159.31, GS 147.69.2 and GS 147-69.3 as outlined in the Community College Laws of North Carolina 115 D-58.6 Investment of idle cash.

Criteria for Investment Performance Measures

In investing the funds which the College has available, four criteria are established for investment performance. These are listed in priority order.

1. Compliance with regulations governing State, Local, and Federal funds.
2. Security of funds.
3. Liquidity of funds.
4. Yield of funds.

The Finance Committee of the Board of Trustees will be provided with an annual report detailing investment actions and performance of investments.



RECEIVED

AUG 22, 2001

State of North Carolina
Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

August 20, 2001

MEMORANDUM: CC01-24

TO: Kenneth R. Ritt
Vice President for Educational Support Services

FROM: Don F. Waugh
Assistant State Controller

DFW

SUBJECT: Cash Management Plan

Pursuant to G.S. 147-86.10, we have reviewed the draft cash management plan submitted by Wayne Community College. We believe this draft plan meets the criteria established by the existing statewide cash management plan and it is therefore approved by the Office of the State Controller (OSC). However, once you have your Board's approval, you need to furnish us with a final, Board approved cash management plan. Any Board changes to this draft plan will require OSC approval. Subsequently, should the State Auditor, or an independent auditor, find that this plan is not sufficient, any changes should be incorporated and a revised copy furnished to OSC for approval. We appreciate your efforts to be in compliance with the statewide cash management plan and look forward to working with you in the future.

If this office can be of any further assistance, or if you have any questions, please contact Melody Tart at 919-981-5486.

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