

## INVESTMENT OF COLLEGE FUNDS

### REASONS FOR POLICY

To provide general guidelines regarding the investment of college funds that will facilitate achieving both the highest return and maximum security for the amount invested.

### INVESTMENT OBJECTIVES

The primary concern in investing College funds shall be the preservation and safety of the principal. Therefore, the College shall diversify its investments by security type, financial institution and maturity of securities in order to reduce portfolio and market risks.

To the extent that the principal is protected, the secondary concern regarding the college funds shall be the liquidity of the College's investments. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Finally, to the extent that principal is protected and there is liquidity, college funds shall be invested in a manner that yields the highest possible rate of return.

All investments related to college funds shall be undertaken in accordance with the provisions of this policy as well as federal and state law.

### PERMISSIBLE INVESTMENTS

College funds may be invested in the following securities:

1. Bonds, bills, or notes of the United States, or of an agency or instrumentality of the United States, or obligations of this State.
2. Negotiable certificates of deposit, savings accounts, or other interest-earning deposit accounts of a financial institution.

College funds shall only be deposited or invested in the State of New Jersey's Cash Management Fund; or a state bank, a national bank, or a savings bank which is located in the State of New Jersey, and certified by the NJ Department of Banking and Insurance for participation in the GUDPA (Governmental Unit Deposit Protection Act).

College investments with a particular financial institution shall not exceed 50% of the total funds available for investment purposes.

This policy applies to all financial assets of the college available for investing.

### REPORTING AND POLICY REVIEW

The President shall report to the Board each month on the current status of all invested college funds. This policy shall be reviewed by the Finance Committee of the Board of Trustees at the end of each fiscal year. Upon review of the policy, the Finance Committee shall make all necessary recommendations to the President regarding updates to the policy where the need arises.

Approved: Board of Trustees  
April 22, 1976

Revised: December 17, 1983  
March 18, 2004  
June 15, 2006