

# **BURRELL COLLEGE OF OSTEOPATHIC MEDICINE**

## **STANDARD OPERATING PROCEDURES**

<b>Investment of Funds</b>		<b>SOP #: FIN.012.03</b>
Effective Date	4/3/15	
Last Revision/Review	11/17/21, 4/28/23, 5/31/24	

### **1. Purpose**

To ensure that funds are invested in a responsible and prudent manner, and in full compliance with all requirements related to debt indentures, governmental requirements and external agreements to which the College may be subject from time to time.

### **2. Related Policy/Authority**

Policy B3011 Fiscal Management

### **3. Faculty/Staff Responsibilities**

The Board of Trustees has delegated to the President, and the President has delegated to the Vice President of Administration/Chief Financial Officer, investment and cash management authority within the scope of this policy.

This policy applies to all cash funds which may be held by BCOM at any time, both unrestricted and restricted to certain purposes. As of the date of this policy as revised, there are two external agreements which address investment restrictions of certain restricted cash funds: the Loan Agreement dated July 1, 2018 between the College and the Public Finance Authority, and the related Indenture of Trust dated July 1, 2018 between the Public Finance Authority and the Debt Trustee [Section 1.1, definition of Authorized Investments].

The Controller is responsible for oversight of the short-term investment of cash equivalent funds within operating accounts, as outlined by cash procedures.

The Vice President of Administration/CFO is responsible for the investment of other funds, subject to the approval of the President.

All investments will be in compliance with this procedure.

### **4. Definitions/Abbreviations**

None

### **5. Procedural Steps**

All College funds will be invested in a manner appropriate to their purpose. Restricted funds will be invested in a manner fully compliant with documented restrictions in the agreements referenced above. In compliance with the referenced Loan Agreement, the Trustee will manage the investment of all restricted debt funds in compliance with the terms of that Agreement.

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All other funds will be invested in the general permitted investments documented below. The term of investment of funds will coincide with the cash budget analysis updated on a rolling monthly basis by the Controller, for the review and approval of the Chief Financial Officer. Investment of unrestricted funds must be approved by either the President or the Chief Financial Officer, who will be designated as joint signatories on all cash and investment accounts.

### **General Permitted Investments**

1. Negotiable certificates of deposit in a commercial bank having combined capital and surplus of at least \$10,000,000,000;
2. Obligations of or guaranteed by the United States government or a money market fund whose investments are made strictly in obligations issued or guaranteed by the full faith and credit of the United States government;
3. Investment grade debt obligations; or
4. Money market funds substantially all of the assets of which consist of cash and securities and other obligations of the types presented under points (1) through (3) above.

### **6. Reports/Charts/Forms/Attachments/Cross References**

N/A

### **7. Maintenance**

Office of the Controller; updated whenever an external reporting requirement is added or changed.

### **8. Signature**

Approved by	5.31.2024
VP Administration/CFO	Date

### **9. Distribution List**

Internal/External

### **10. Revision History**

Revision Date	Subsection #	Summary of Changes	New/Cancellation/Replacement Procedure? (if applicable)	Approval Date
11.17.2021	5	Removed information about four party account agreement.		12.1.2021
4.28.23		Clarified scope of external authority		4.28.23
5.31.24	2	Updated policy name		6.4.2024