### Cash Management

### Cash Management and Investments (5.08.10)

**PURPOSE**

The purpose of this policy is to describe the cash management and investment policy of the University.

**POLICY**

University funds are managed and invested in accordance with Tennessee Board of Regents Policy 4:01:01:10. Based on liquidity requirements, the University will determine the amount of funds available for investment and place those funds in mediums expected to pay the highest rate of return for the period of time for which they will be invested. Funds other than endowments may be invested only in obligations of the United States or its agencies which are backed by the full faith and credit of United States, repurchase agreements for United States securities, certificates of deposit in banks and savings and loan associations, bankers’ acceptances, commercial paper, money market mutual funds, and the State of Tennessee Local Government Investment Pool (LGIP). Investments of endowments in equity securities must be limited to funds from private gifts or other sources external to the institution and endowment investments must be prudently diversified. The Tennessee State University Foundation invests its funds in accordance with the policies of its Board of Directors.

Semi-annually, the Vice President and the Associate Vice President for Business and Finance will meet with the Account Manager from the investment firm to discuss the current investments and the Manager's recommended investment strategy.

**REFERENCES**

TBR Policy 4:01:01:10 Deposit and Investment of Funds
5.08.04 Wire Transfers