

Board of Trustees of the Nebraska State Colleges

Business and Finance

POLICY
NAME: Investments

POLICY
NUMBER: 6007

A. PURPOSE

To identify where and how the Colleges and System Office can invest funds.

B. DEFINITIONS

1. **Auxiliary System Trustee** – The Trustee designated by the Board to manage funds, including the investment of the funds, related to the Auxiliary System.
2. **OIP** – The Operating Investment Pool managed by the State Treasurer.
3. **Facilities Corporation Trustee** – Party designated to manage and invest funds related to Facilities Corporation bonds.

C. POLICY

1. **Investment Management**

The Colleges have State Funds, Cash Funds, Revolving Funds and Bond Funds that are to be invested by the responsible party.

1.1. State and Cash Funds

Investing of the Colleges' general and cash funds is the responsibility of the State Investment Officer.

1.2. Revolving Funds

Management of the assets of the Auxiliary System is delegated to the Revenue Bond Trustee appointed by the Board with the funds being invested in direct general obligations of the United States of America as outlined in the bond indentures.

- The Colleges or System Office may, in consultation with the Trustee, invest Auxiliary funds with the State Investment Officer.
- Auxiliary System reserve funds should be invested where they will garner the best return for the Colleges.

1.3. Bond Funds

A Trustee will be designated to manage all bond proceeds and refunding proceeds. The Trustee will invest the refunding proceeds in appropriate and approved state and local government series investment securities. Bond proceeds will be invested in general obligation bonds of the United States or with the State Investment Officer to maximize the investment return.

- The Colleges or System Office may, in consultation with the Auxiliary System Trustee, invest bond funds with the State Investment Officer.
- Bond funds should be invested where they will garner the best return for the Colleges

2. Local Bank Investments

The Colleges are authorized to deposit fifty thousand dollars (\$50,000), pursuant to Policy 6004, in local banks for operating needs and contingencies. Each College is responsible for formulating an investment plan to be followed by the financial institution holding those funds.

FORMS/APPENDICES:

None

SOURCE:

Legal Reference:	Neb. Rev. Stat. 72-1243	State investment officer; investment and reinvestment of funds; duties; council; analysis required; plan; contents.
	Neb. Rev. Stat. 85-316	State colleges; funds; contingencies; disbursements; travel expense.
	Section 3.14	State College Revenue Bond Resolutions

Policy Adopted: March 1994

Policy Revised: February 2006, September 2013, June 2022