

INVESTMENT POLICY

PURPOSE

It is the policy of Edison State Community College to invest public funds in a manner which will provide the highest investment return with the maximum security and safety while meeting daily cash flow demands and conforming to Ohio Revised Code, Chapter 135 and all other applicable statutes governing the investment of public funds by Edison Community College. The authority to conduct the purchase and sale of investments is limited to those individuals specifically designated by the Board of Trustees, the President, or the Chief Financial Officer of Edison State Community College

POLICY STATEMENT

This Investment Policy applies to all financial assets of Edison State Community College, including State and Federal funds held by it. This Policy does not apply to funds held by the Edison Foundation.

Prudence

Investments shall be made under the industry standard “Prudent Investor Rule” which states “Investments shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Objectives

The primary objectives of the College’s investment activities shall be:

- Safety of principal
- Liquidity to meet operating requirements
- Return on Investment attaining a market rate of return taking into account cash flow characteristics

Ethics and Conflict of Interest

Designated College employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the College investment program, or which could impair the ability to make impartial investment decisions. Employees and investment consultants shall disclose any material financial interest in financial institutions and any large personal financial or investment position that could be related to, or affected by, the performance of the College’s portfolio. All employees, officers and investment consultants to the College shall subordinate their personal investment transactions to those of the College, particularly with regard to the timing of the purchases and sales.

Authorized Financial Dealers and Institutions

The College shall maintain a list of approved financial institutions and securities dealers with whom the College will transact investment activities.

Authorized Investments

The College is empowered by the State of Ohio statute to invest in the following types of securities per Ohio Revised Code, Section 3354.10(B) and Section 135.45:

- Certificates of Deposit, savings accounts and deposit accounts with federally insured financial institutions.
- United States treasury bills, bonds, notes, or any other obligations or securities issued by the United States Treasury or any other obligation guaranteed as to the principal and interest by the United States.
- Securities issues directly by federal agencies or instrumentalities.
- Bonds or other obligations of the State of Ohio.
- The State Treasury Asset Reserve of Ohio (“STAR Ohio”).
- All of the above must be limited to a final maturity of no more than five years.

Internal Controls

A current inventory of all investments shall be maintained including the following:

- Description of security
- Cost
- Purchase, sale and maturity dates
- Effective yields

Investment Policy Approval

The investment policy shall be adopted by the Board of Trustees (Treasurer) of the College. The policy shall be reviewed on an annual basis as part of the College’s annual budget review and any modifications made thereto must be approved by the Board (Treasurer).

PERSONS AFFECTED

All Edison State Community College stakeholders.

ATTACHMENT: Policy 3358-6-09

Effective Date: _____

Board of Trustees, Chair _____

Date: _____

**TO BE COMPLETED BY ENTITIES CONDUCTING INVESTMENT BUSINESS WITH EDISON
COMMUNITY COLLEGE**

The undersigned hereby certifies that it has ready, understands and will accept and abide by this Investment Policy and the relevant provisions of the Revised Code in its dealings with Edison State Community College.

Signature

Date

Print Name of Authorized Individual

Print Name of Institution or Firm