



TECHNICAL COLLEGE
OF THE LOWCOUNTRY

PROCEDURE: Investment
Number: 2.1.12.1

Responsibility: Administrative Services
Last Updated: November 1, 2023
Related Policy: 2.1.12 Investment

President

Purpose:

The purpose of this procedure is to establish guidelines for investing surplus funds.

Procedure:

1. The Vice President for Administrative Services is responsible for the investing of college funds.
2. All college funds are subject to these procedures.
3. All college funds, including minimum balances, will be invested in or collateralized with U.S. Government securities or its agencies' securities.
4. The College's investments will be categorized as one of the following:
 - a. Overnight: These funds are generally those monies that come in on a daily basis and are automatically invested daily to ensure that funds earn interest as soon as they are collected. These funds in general represent day-to-day operational needs of the College and must remain liquid.
 - b. Certificates of Deposits/Money Market Investments: These funds are generally funds that the College does not have an immediate need for and may have a designated purpose and can be obligated for an extended number of days. However, these funds will not be invested more than one year at a time.
5. Investment Strategy:
 - a. To assure liquidity, the College will maintain a minimum of 20 days of its operations requirements in overnight investment, plus known designated expenditures in the next 30-day period. The formula for computing the 20-day requirement is:

$$\frac{(\text{Budget} - \text{Auxiliaries}) \times 20 \text{ days}}{365}$$

- b. All funds above the 20-day special expenditure requirement are subject to be invested in collateralized certificate of deposits or U.S. Government securities or other securities as permitted under the SC Code of Laws. The mix of maturity dates will be based on projected future cash need and interest rate differentials.
6. Reporting and Evaluation:
- a. The Vice President of Administrative Services is responsible for review of all investment activities on a quarterly basis and reporting activities to the TCL Commission.
 - b. A detailed review of the investment program and an evaluation of investment policies and procedures will be completed by the Administrative Services Division annually.