

I. INTRODUCTION

III. PROCESS OVERVIEW

A. Implementation

The Senior Vice Chancellor (SVC) for Business and Financial Affairs, in consultation with the Chancellor and Associate Vice Chancellor Finance (AVCF), will develop operating procedures to ensure that the Policy's credit standards, liquidity, and yield objectives are met. Daily cash management activities will be overseen by the SVC for Business and Financial Affairs, the AVCF, and their staff.

The University's liquidity requirements are monitored monthly and will be assessed annually at the time of the completion of the ensuing year's operating and capital budget in connection with an annual review by the Finance & Budget and Investment Committees. The University will observe liquidity metrics utilized by credit rating agencies and Days Cash on Hand from other agencies such as the Education Advisory Board (EAB). *Currently the EAB recommends a "best practice" benchmark of a minimum of 90 Days Cash on Hand.*

B. Compliance and Oversight

The SVC for Business and Financial Affairs and the AVCF will ensure compliance at all times with the objectives of this Policy. At least annually, the Investment Committee of the Board of Trustees will review the performance, Permitted Investments, portfolio diversification, and duration of funds invested pursuant to this Policy. The Finance & Budget Committee of the Board of Trustees will review the University's liquidity requirements and the status of reserves in connection with its review and recommendation to the Board of Trustees of the annual Operating and Capital Budget.

IV. DEFINITIONS

A. "**Operating Funds**" see Section I.

B. "**Permitted Investments**" see Section II B.

Revision Effective Date	Purpose
10/15/2021	<i>Align policy with practice</i>