East Georgia State College
INVESTMENT POLICY

East Georgia State College is required by the Board of Regents Policy 7.5.2 to establish an investment policy that advocates sound and prudent judgement in the management of investment assets consistent with the fiduciary responsibility of the College.

Policy

• Investment Committee
The investment committee exists to review investment activity and earnings. The investment committee is comprised of:
  o President
  o Vice President for Business Affairs
  o Vice President for Institutional Advancement
The investment committee meets no less than annually to review investment performance, review earnings allocation recommendation for the next academic year, set the level of spending for the endowment, ensure that earnings, gains/losses and/or distributions are booked in a timely manner, determine the best investment options for the College, and recommend any necessary changes to this Investment Policy.

East Georgia State College has elected to participate in the Pooled Investment Funds Program using SunTrust bank as its investment manager according to the University System of Georgia Business Procedures Manual Section 9.2.2. The College participates in the Short Term Fund for cash. The characteristics and investment objectives of the pooled fund that the College uses are detailed below.

Short Term Fund

The Short Term investment fund provides a current return and stability of principal while affording a means of overnight liquidity for projected cash needs. The investment maturities in this fund will range between daily and two (2) years.

• Investment Objectives
  o Preservation of Principle.
  o Providing a competitive return on the short term funds of the USG participants, while providing for periodic cash needs.
  o Overall characteristic of the portfolio shall be of U.S. treasury and agency quality, and holdings shall be well diversified as to issuer and maturity.
  o Liquidity needs generally will be met through maturities, portfolio structure, and interest income.

• General Investment Guidelines
  o Investments shall be in conformity with donor intent, Regents policy and applicable federal and state laws.
  o Investment manager is authorized to make investment changes as deemed necessary and in accordance with the objectives and guidelines set forth by the Board of Regents Business Procedures Manual on a discretionary basis.
  o Investment manager will meet as necessary, but at least once a year, with the BOR to review investment strategies and investment objectives.
Investment manager shall prepare investment performance results on a quarterly basis. Results will be compared against the Money Net All Taxable Index and the Georgia Funds (LGIP Pool).

**Spending Plan**

The Short Term Fund used for cash requires no minimum investment, and funds can be invested or withdrawn according to need. For endowment funds where the donor has not provided specific instructions, investment return of the College’s endowment funds is predicated on the total return concept. Annual payouts from the College’s endowment funds are based on a spending policy which limits spending to 4% to 6% of the endowments principal’s market value as of the previous fiscal year end. In the event that earnings do not meet expectations, distributions will be suspended when the balance falls below 110% of the historic dollar value or 90% of the previous fiscal year end balance, whichever is greater.