

**Subject: Investment of Local Funds**

1. Purpose .....	1
2. Policy .....	1
3. Responsibilities.....	2
4. Procedures .....	2
5. Definitions.....	2
6. References .....	2
7. Review Periodicity and Responsibility .....	2
8. Effective Date and Approval .....	2
9. Review and Revision History .....	3

**1. Purpose**

This policy addresses the investment of the college’s local funds that are deposited in accounts maintained and controlled by the college. It complies with the *Code of Virginia* ([§§ 2.2-4500 through 2.2-4516](#)) and with the policy of the Virginia Community College System ([VCCS Policy Manual](#) section 4.2.2.f).

**2. Policy**

Tidewater Community College shall invest its idle local funds in accordance with the following objectives:

- Return on Investment – The investment portfolio shall be designed with the objective of attaining the highest investment return consistent with the maximum preservation of principal;
- Liquidity – The investment portfolio shall be sufficiently liquid to enable the college to meet all operational requirements that might be reasonably anticipated; and
- Compliance – The investment portfolio shall be in compliance with all Virginia statutes governing the investment of public funds.

The funds must also be invested in compliance with generally accepted accounting principles and the Governmental Accounting Standards Board’s (GASB) reporting requirements.

The Commonwealth of Virginia, through the Department of the Treasury, offers public entities the opportunity to participate in the Local Government Investment

Pool (LGIP). The college's current banking contracts, as well as any investment contracts procured through a Request for Proposal (RFP) process, may be considered as investment options as long as the investment instruments meet the *Code of Virginia* and *VCCS Policy Manual* requirements. Tidewater Community College shall, at a minimum, invest in at least one of the funds previously identified in order to maximize returns.

### **3. Responsibilities**

The Tidewater Community College Board Finance & Facilities Committee members and the college's Vice President for Finance shall be responsible for insuring that TCC's local funds are invested in a manner consistent with this policy and in compliance with applicable policies and procedures of the Virginia Community College System and the Commonwealth of Virginia.

### **4. Procedures**

No procedures are associated with implementation of this policy.

### **5. Definitions**

**Local Government Investment Pool (LGIP).** A professionally managed diversified portfolio structured to meet the unique requirements of Virginia's "Investment of Public Funds" statutes.

### **6. References**

[Code of Virginia §§ 2.2-4500 through 2.2-4516](#)

[VCCS Policy Manual, Section 4 Finance and Administration](#)

[Commonwealth of Virginia Department of Treasury](#)

### **7. Review Periodicity and Responsibility**

The Vice President for Finance shall review this policy every three years on the anniversary of its approval and, if necessary, recommend revisions.

### **8. Effective Date and Approval**

This policy is effective upon its approval by the College Board on September 11, 2012.

Policy Approved:

Thomas H. Wilson  
Chair, College Board

## **9. Review and Revision History**

The initial version of this policy was approved September 14, 2005.

- Revision 1

Policy revised to include the requirement for review and revision, if necessary, every three years.

Approved September 19, 2006 by the College Board.

- Revision 2

This policy was reviewed by the College Board on September 8, 2009 without revision.

- Revision 3

Policy revised to include the option of using other investment vehicles in addition to LGIP, and to extend responsibility for investment decision-making to the College Board Finance & Facilities Committee members.

Approved September 11, 2012 by the College Board.