



College of The Albemarle Policy

Policy Number: 6.2.7

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Title: Official Depositories and Investments

Related Policy and Procedures:

Division of Responsibility: Business and Administrative Services

I. DEFINITIONS

- A. **Cash Balance** – Amount equal to all moneys received into institutional funds minus all expenses and withdrawals from those accounts in an Official Depository of the College as approved by the Board.
- B. **Official Depository** – One or more banks, savings and loan associations or trust companies in North Carolina as approved by the Board.

II. SELECTION OF DEPOSITORY

A. Deposits

The Board shall designate one or more Official Depositories for the College's use. The College may deposit at interest all or part of the College's Cash Balance of any fund in an Official Depository. Moneys may be deposited at interest in any Official Depository in the form of such deposit accounts as may be approved for county governments. In addition, moneys may be deposited in the form of such deposit accounts as provided for a local government or public authority. Public moneys may also be deposited in Official Depositories in Negotiable Order of Withdrawal accounts where permitted by applicable federal or state regulations.

B. Deposit Security

The amount of funds on deposit in an Official Depository or deposited at interest shall be secured by deposit insurance, surety bonds, letters of credit issued by a Federal Home Loan Bank, or investment securities of such nature, in a sufficient amount to protect the College on account of deposit of funds made therein, and in such manner, as may be prescribed by rule or regulation of the Local Government Commission. When deposits are secured, no public officer or employee may be held liable for any losses sustained by the College because of the default or insolvency of the depository. No security is required for the protection of funds remitted to and received by a bank, savings and loan association, or trust company acting as fiscal agent for the payment of principal and interest on bonds or notes, when the funds are remitted no more than sixty (60) days prior to the maturity date.



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III. INVESTMENTS

The College's investment objective is to realize the highest earnings possible on invested cash and maintain liquidity. The president or their designee will invest all monies not immediately needed for disbursement with the North Carolina State Treasurer's liquid assets fund, to earn interest on these funds. Investing these funds into the stock or bond market is prohibited.

Legal Reference: N.C.G.S. §§ 115D-58.7; 159-31(b).

June 13, 2023	June 13, 2023	N/A
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Date Approved by Board of Trustees	Date of Last Review	Date of Last Revision