



## Ohio Administrative Code Rule 3358:5-1-33 Investment Policy.

Effective: August 10, 2019

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The purpose of the investment policy is to ensure the safety, liquidity and earnings potential while meeting the college's cash flow needs and providing a reasonable return on investment, while keeping risk low, within the constraints of this policy.

(A) Sections 3358.06, 3345.05, 3354.10, and 135.14 and other applicable provisions of the Revised Code will guide the college's investment policy and procedures.

(B) Authority to set policy for the college's investment activities falls on the board of trustees. The treasurer, with counsel of the board of trustee's finance and facilities committee, will be charged to maintain and update the college's policy on investing.

(C) This policy applies to all financial assets of the college, including state and federal funds held by it, to the extent allowable by state or federal guidelines. The treasurer and/or staff shall routinely monitor the contents of the college's investment holdings, the available markets and relative value of competing investments and adjust their holdings accordingly.

(D) The treasurer and/or staff will use prudence in the management of the college's investments. The college will exercise due diligence in making choices that keep the college's risk in investing low, while still providing a reasonable return on investment.

(E) Those involved in the investment process will refrain from activities that are or could be construed as a conflict of interest. The treasurer and/or staff involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the college's investments. They shall disclose any personal financial and investment positions that could be related to the performance of the investment portfolio.

(F) Acting in accordance with the investment policy relieves the treasurer and/or staff from personal liability for the negative effects of risk that are inherent in investing.



(G) Investment committee.

(1) Division (C) of section 3345.05 of the Revised Code requires the establishment of an investment committee. The board finance and facilities committee shall serve as the investment committee.

(2) Objectives - the primary objectives, in priority order, of the college's investment activities shall be:

(a) Safety: Safety of principal is the foremost objective of the investment program. Investments of the college shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

(b) Diversification: Diversification of assets and maturities is required in order to avoid potential losses on individual securities that may exceed the income generated from the remainder of the portfolio.

(c) Liquidity: The college's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements, which might be reasonably anticipated. An investment must be liquid within five years, per the Ohio Revised Code.

(d) Return on investment: The college's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account this investment policy and the cash flow characteristics of the portfolio.