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Investment Policy

Volume: Finance

Responsible Office: Office of Controller

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Policy Statement

Georgia Health Sciences University is required by the Board of Regents to have an Investment Policy. The Policy and related [Investment Guidelines](#) are intended to promote sound and prudent judgment in the management of investment assets, consistent with the fiduciary responsibility of the institution.

Reason For Policy

This Policy outlines the goals and investment objectives of the investment assets administered by Georgia Health Sciences University. This Policy also assigns responsibilities to help ensure the accomplishment of the goals and objectives. This Policy will refer to Investment Guidelines which will govern the actual administration of investment assets. The Policy and Guidelines will describe various types of investments considered appropriate or GHSU's various pools of assets.

Entities Affected By This Policy

The Finance Division, including the SVP Finance, Controller, and Assistant Controllers will be involved in activities covered by this Policy.

Who Should Read This Policy

This Policy should be read by entities affected by this policy, members of the Investment Policy Committee and GHSU's President.

Contacts

Contact	Phone	E-mail/URL
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Related Documents

None

Definitions

- **Investment Advisor:** An outside institutional custodian/advisor for investment assets belonging to GHSU. Investment advisors may employ, or delegate to, Investment Managers who manage specific portfolios of investments.
- **Investment Assets:** Cash, marketable securities or shares and limited partnership interests of Funds containing cash, marketable securities, and interests in other Funds.
- **Idle Cash:** State appropriations, sponsored receipts, liquidated accounts receivable, auxiliary revenues, tuition revenues and other revenue items in GHSU's possession that will not be expended immediately, and that have the potential to produce short-term investment income.

- **Endowment:** Gifts of cash and securities to GHSU, made in the past, and currently invested for the perpetual benefit of GHSU. These assets are separate and distinct from similar gifts held by GHSU Foundation or Georgia Health Sciences University Foundation.
- **Early Retirement Plan (ERP):** A Board of Regents and Internal Revenue Service approved one-time plan instituted in year 2000 by GHSU and accepted by approximately 720 former employees.
- **Guidelines:** Provides the details of the Investment Policy. Guidelines could also be called “operating procedures”. Guidelines may contain contextual and historical information about GHSU designed to help a new employee or Committee member understand the practical application of the Investment Policy. Guidelines are likely to require revision more frequently than the Investment Policy.

Overview

This Policy and Investment Guidelines will be reviewed and revised periodically to ensure they adequately reflect changes related to GHSU and to the capital markets.

Investment Policy will be recommended to the President by an Investment Policy Committee consisting of:

- Senior Vice President for Finance (CFO), with primary responsibility for administering GHSU’s cash and investments
- Controller
- Senior Vice President and Provost
- Executive Vice President and Provost
- Others that may be appointed by the SVP for Finance or the President

The Investment Policy Committee will meet no less than once per year to:

- Review Investment performance.
- Review and recommend Investment Advisors to SVP Finance.
- Recommend to Cabinet any necessary changes to this Investment Policy.
- Revise Guidelines.

Responsibilities

The responsibilities each party has in connection with *Investments*, are:

Chief Financial Officer

- Act as prudent steward of the institution’s cash and investments.
- Form and maintain an Investment Policy Committee that will recommend and implement investment policy for GHSU, to include revising Guidelines as necessary.
- Identify types of financial assets and appropriate time horizons for each asset type.
- Develop investment goals, objectives, and performance measurement standards, which are consistent with the needs of the institution.
- Determine, with the advice of Investment Advisors, how the various pools of financial assets should be allocated.
- Communicate the investment goals, objectives and standards to any Investment Advisors that may be used by the institution; and promptly report to those Advisors how the various pools of financial assets should be allocated among various asset classes.

	<ul style="list-style-type: none"> • Review and evaluate the results of any Investment Advisors, in the context of established, conventional standards of performance. • Notify Investment Advisors of significant changes in cash flow, cash flow needs, changes in investment time horizon, and any matter that bears upon the proper investment management of GHSU's financial assets.
Investment Policy Committee	<ul style="list-style-type: none"> • Accepts authority from GHSU to recommend and implement Investment Policy for the institution, to include revising the Guidelines as necessary. • Accepts oversight responsibility for GHSU's cash and investments, for which the CFO has primary responsibility. • Recommends to CFO Investment Advisors based upon its perception of overall experience, measures of investment results, quality of periodic reporting, and costs; recognizing that these • standards may be more subjective than objective; and past performance is no guarantee of future performance.
Associate Vice President Finance/Controller	<ul style="list-style-type: none"> • Accepts authority from the Chief Financial Officer for administering and implementing the Investment Policy and Guidelines. • Recommends Investment Advisors and performance measurement standards to the Investment Policy Committee. • Serves as primary contact between GHSU and Investment Advisors. • Monitors GHSU's cash position for the purpose of maximizing short-term investment returns. • On a continuous basis, reports investment results to members of the Investment Policy Committee. • Makes recommendations to the Committee regarding any issue that may affect Investment Policy. • Remains continuously informed of the state of US and international financial markets through regular contact with Investment Advisors, financial periodicals, and other media sources. • Continuously reports interesting developments to members of the Investment Policy Committee. • Manage GHSU's Investments in a manner consistent with the objectives and constraints outlined in this Investment Policy and

Guidelines.

- Manage GHSU's Investments in accordance with Federal and State Laws.
- Manage GHSU's Investments in accordance with conventional prudence and all regulations and customs associated with professional financial fiduciaries.

Forms

None

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