

**POLICY
BOARD OF TRUSTEES
MAYLAND COMMUNITY COLLEGE**

Title: CASH MANAGEMENT

Type: FISCAL

POLICY NO: 2.003

Policy Adopted : June 12, 1995

EFFECTIVE DATE: November 19, 2012

AMENDED DATE: 07-14-97; 11-19-12

C. Ronald Kates

Chairman

AUTHORITY: N.C.G.S. 115D-58. 3-4, 6-9

The purpose of this policy is to establish rules and regulations regarding the selection of depository, cash disbursements, collection and investment of institutional funds.

Section I. Selection of Depository

The Board of Trustees shall designate a financial institution as an official depository with which the College shall contract for banking services. The financial institution selected for the banking services shall receive the college's account for a period of five years. Request for Proposals will be received in sufficient time so that the contract period will begin on July 1.

The Board further directs the President to develop and implement administrative procedures regarding the selection of a financial institution for banking services. These procedures are to allow interested banking institutions with the opportunity to submit proposals for banking services for the College.

Section II. Collections/Receivables

The Board of Trustees directs the President to develop and implement administrative procedures regarding collections that will ensure that:

1. Receivables are collected and daily deposits made in a cost-effective manner.
2. Collections are converted into available funds as rapidly as possible.
3. Surplus cash is identified on a daily basis and moved into income-generating investments.
4. Receivables data is updated quickly and accurately.

The Board further authorizes the President; Vice President, Administrative Services; and Director of Financial Services of Mayland Community College to draw down funds from the United States Department of Education.

Section III. Disbursements

The Board of Trustees directs the President to develop and implement administrative procedures regarding the disbursement of all funds of the College that will ensure that:

1. The College maintains funds in interest-bearing accounts for the longest appropriate period of time, allowing Mayland to maximize earning potential.
2. All invoices are paid on or before the due date to take advantage of discounts and to avoid penalties for late payment.
3. The cost of issuing and processing disbursements are kept at a minimum.
4. Satisfactory records of payments are maintained for audit purposes.

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The Board further authorizes the President; Vice President, Administrative Services; and Director of Financial Services to sign checks drawn on all funds of the College.

Section IV. Investment of Idle Cash

Mayland may deposit at interest or invest all or part of the cash balance of any fund in an official depository of the College as designated by the Board of Trustees. The Board further authorizes that management of the investments be made by the Vice President, Administrative Services and Director of Financial Services, pursuant to G.S. 115D-58.6.