

## CASH MANAGEMENT POLICY

### **Purpose**

To establish sound cash management practices to ensure efficient utilization of cash in a manner consistent with the overall strategic goals of the University.

*(In this context, cash would be defined as coins, currency, checks, money orders, credit and debit card payments, and ACH payments.)*

### **General Guidelines**

- All activity and balances in the primary accounts shall be monitored by the Treasurer's Office to assess the cash necessary to meet daily obligations and ensure adequate funds are available.
  
- The Office of the Treasurer is responsible for the movement of funds between bank accounts maintained by the University. This includes, but is not limited to:
  - Initiating all wire transfer of funds for general business purposes of the University. *(See also 'Wire Transfer Policy'.)*
  - Establishing the daily cash position of the University.
  - Appropriately funding disbursement accounts for University obligations.
  - Moving depository funds for investment purposes of the University.
  
- Efficient cash management strategies, techniques, and procedures shall be used to increase the productivity of cash flows while achieving the following objectives:
  - Liquidity – maintaining the ability to pay obligations when they become due.
  - Cash Optimization – establishing systems and procedures that help minimize investment in non-earning cash resources while providing adequate liquidity.
  - Financing – obtaining both short- and long-term borrowed funds in a timely manner at an acceptable cost.
  - Financial Risk Management - monitoring and assisting in the control of the University's exposure to interest rates, foreign exchange, and other financial risks.
  - Coordination - ensuring that cash management goals are communicated and integrated with the strategic objectives and policy decisions of other areas of the University that have an impact on cash flows.