Procedure: 9-40 **Effective: July 2, 2001**

Owner: Treasury Operations **Latest Revision: October 27, 2008**

Internal Investment Program Procedures

Scope

This procedure describes how organizations may invest certain surplus funds into the University's Internal Investment Program.

Program Operation

Organizations wishing to invest certain surplus funds should follow the steps outlined below. The University will pay interest to departments based on the daily average balance of invested funds over a quarter. Treasury Operations, through the University's Internal Bank, will set the rate of return, based on market rates.

Treasury Operations is responsible for ensuring that this procedure is necessary, reflects actual practice, and supports University policy.

Procedure Steps [Top]

University departments may:

1. Invest in any of the pools by making a journal entry into the Integrated System General Ledger, debiting the appropriate object code based on the table below, using the default organization value (99999). This transaction recognizes the investment assets balance in the appropriate departmental project and creates an offset balance in the Internal Investment Program project.

Pool	Object Code	Minimum Average Balance	Minimum Term
I	1215	$10,000	1 year
II	1216	$500,000	2 years

2. Divest from the Internal Investment Program by making a journal entry debiting Investments/Pool using the default organization value (99999) and crediting Investment/Pool using the department's organization code. This effectively transfers the money back into the department project.

Related Information:

Creating and Managing Quasi-Endowment Accounts
Establishment and Maintenance of University Bank & Financial Institution Accounts

Supercedes: Financial and Administrative Procedure 9-40 - Imputed Interest Program.