

**SHORT TERM INVESTMENT MANAGEMENT POLICY**  
***Western Oregon University Foundation Non-Endowed Funds***  
***Adopted – October 2011***  
***Revised – February 2014***

**PURPOSE**

The purpose of this policy is to establish sound short-term investment management practices that will ensure efficient utilization of cash in a manner consistent with the overall strategic goals of the WOU Foundation. This policy will ensure adequate liquidity is available at all times to meet the needs of the Foundation, while ensuring that funds not necessary for short-term liquidity purposes may be invested with an appropriate time horizon to enhance the total return of the non-endowed funds. It will also provide direction regarding the banking arrangements it maintains at local financial institutions and the allocation for non-endowed funds of the WOU Foundation. Non-endowed funds include all unrestricted or temporarily restricted monies owned by the WOU Foundation. Permanently restricted, or endowed, funds are managed according to the foundations Endowment Investment Policy Statement.

**GENERAL GUIDELINES**

All activity and balances in the foundations financial accounts shall be monitored by the WOU Foundation Business Operations and Finance Director in order to assess the cash necessary to meet daily obligations and ensure adequate funds are available.

Efficient short-term investment 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.
- Financial Risk management – monitoring and assisting in the control of the Foundation's exposure to interest rates 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, such as forthcoming program expenditures and scholarship awards.

**ALLOCATION AND REBALANCING**

The WOU Foundation will maintain amounts necessary to meet projected needs, at local financial institutions for operational liquidity with amounts in excess thereof being invested. Non-endowed funds may be reviewed quarterly by the Finance and Planned Giving Committee for operational liquidity and potential investment in short or intermediate term investments.

**LOCAL BANKING ARRANGEMENTS**

In support of strengthening partnerships with local financial institutions and building confidence in our community, the WOU Foundation will deposit funds primarily required for operational liquidity at local financial institutions.

Non-endowed funds in excess of primary operational liquidity may be invested in various short and intermediate investments at multiple local financial institutions at the discretion of the Foundation

Business Operations and Finance Director and will be monitored quarterly by the Finance & Planned Giving Committee.

Asset Allocation Guidelines:

Asset Class	Target	Range
Cash & Equivalents	10%	0%-50%
Fixed Income	60%	30%-90%
US Equities	15%	0%-25%
International Equities	10%	0%-15%
Alternatives	5%	0%-10%