1.0 PURPOSE

1.1 NSCC’s core funding is provided from Government and students. The timing of payments allows NSCC to invest surplus funds in short-term investment instruments.

1.2 The overall investment objective is to maximize earnings on operational funds by seeking the highest return on “conservative” fixed-rate investments. Because these are operational funds, liquidity must be maintained and the principal value of the investment cannot be compromised.

2.0 SCOPE

2.1 This policy applies to the short-term investment of NSCC’s surplus operational funds.

3.0 DEFINITIONS

None

4.0 POLICY

4.1 INVESTMENT MIX
NSCC surplus funds can be invested in any of the following instruments for up to one year, with the approval of the Vice President, College Services and CFO.

   a. Provincial Notes
   b. Banker’s Acceptance
   c. Term Deposits
   d. Guaranteed Investment Certificates
   e. Treasury Bills

4.2 Surplus funds will be invested in short-term fixed-rate instruments only when deemed reasonable by the Administration. When the rates are fluctuating greatly or when cash requirements are unpredictable, the surplus funds should remain in the general bank account. Furthermore, surplus funds will not be invested when the interest rate for the bank is greater than the 30-day fixed rate for the above listed investments.