

## **Investment Restrictions for Funds 19, 23, 31, and 51 May 2006**

In an effort to encourage more effective utilization of funds 19, 23, 31, and 51 for their intended use, no portion of these funds will be invested in the Investment Pool. Until these funds are spent, they will remain invested in claim on cash and continue to earn the claim on cash interest rate (currently 3%). Funds 19, 23, 31, and 51 currently invested in the Investment Pool will be liquidated on June 1, 2006.

Exceptions to this investment restriction require approval from Regulatory Accounting. For example, 19, 23, or 51 funds being raised over a long period of time for a specific purpose, and that will be spent for that purpose when the fund-raising goal has been achieved, may qualify as an exception. It is important to note when an exception is granted, no disbursements may be made from the fund until the specific goal has been achieved.

Colleges and departments may convert funds 19, 23, and 51 to quasi-endowments that can be invested in the Investment Pool. Because it is the administration's position that quasi-endowments rarely transfer back to un-endowed funds, this option should only be considered if the transfer is intended to be permanent. Colleges and departments may also choose to reinvest surplus fund 31 amounts back to principal.