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| Policy Number and Title: | 200.305 Sii Ha Sin MAINTENANCE ENDOWMENT FUND INVESTMENT POLICY | | |
| Approval Authority: | Board of Regents | Date Effective: | August 24, 2004 |
| Responsible Office: | Accounting | Responsible Office Contact: | Vice President for Business and Finance |

1. POLICY STATEMENT/REASON FOR POLICY

The purpose of this policy is to establish an investment policy for the Sii Ha Sin Maintenance Endowment Fund which complies with the terms of the American Indian College Fund Sii Ha Sin Maintenance Endowment Agreement. The Board of Regents of the Bay Mills Community College intends that this policy complies with applicable federal law, and provides direction and guidance to the Fund's investment managers, as they may be designated from time to time.

2. ENTITIES AFFECTED BY THIS POLICY

Investment Managers, Board of Regents

3. WHO SHOULD READ THIS POLICY

Board of Regents and Investment Managers.

4. WEB SITE ADDRESS FOR THIS POLICY

-This policy can be found at:

<http://www.bmcc.edu/about-bmcc/governance-administration/college-policies>

5. FORMS/INSTRUCTIONS

No forms required.

6. HISTORY

-Amended: August 24, 2004

-Next Review Date: August 24, 2019

-BMCC reserves the right to revise policies at any time.

7. THE POLICY

BAY MILLS COMMUNITY COLLEGE SII HA SIN MAINTENANCE ENDOWMENT FUND INVESTMENT POLICY

I. Purpose

The purpose of this policy is to establish an investment policy for the Sii Ha Sin Maintenance Endowment Fund which complies with the terms of the American Indian College Fund Sii Ha Sin Maintenance Endowment Agreement. The Board of Regents of the Bay Mills Community College intends that this policy complies with applicable federal law, and provides direction and guidance to the Fund's investment managers, as they may be designated from time to time.

II. Goals

The primary goal of the Sii Ha Sin Maintenance Endowment Fund is to provide a stable income stream to support maintenance expenditures of the College while maintaining the corpus of the Fund. The secondary goal is to invest according to an investment strategy that will provide the highest possible return within the conservative parameters dictated by the primary goal.

III. Investment Objectives

- A. To invest the Fund's assets for the sole interest and benefit of the Bay Mills Community College.
- B. Investment objectives are primarily oriented toward income producing investments.
 - 1. Investment of the funds shall be confined to interest-bearing bank accounts, money-market funds, certificates of deposit, U.S. Treasury bills, and other short-term investments yielding reasonable rates of return which are fully insured.
 - 2. Create a "ladder of maturities" strategy to achieve the highest possible return while addressing the issue of liquidity and providing flexibility to invest at higher rates if interest rates rose.

IV. Restrictions

- A. All investments shall be held by Bay Mills Community College in the name of Bay Mills Community College.
- B. All bank deposits, including Certificates of Deposit, which exceed the Federal Deposit Insurance Corporation (FDIC) insurance limits shall be fully insured. Third party custodians or the Federal Reserve Bank may hold government securities as collateral for the benefit of the College.
- C. The investment portfolio shall be diversified to eliminate the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer or a specific class of securities.
- D. If the Bay Mills Community College permanently closes, the Sii Ha Sin Maintenance Endowment Fund corpus shall be returned to the American Indian College Fund.

V. Authority

The management of the investments of the Sii Ha Sin Maintenance Endowment Fund shall be the responsibility of the Controller, who acting with the President upon the advice of the investment manager shall make the investment decisions for the Fund.

VI. Spending Policies

The earnings from the Sii Ha Sin Maintenance Endowment Fund will be used to support maintenance expenditures at the College, which may include structural maintenance, mechanical and electrical maintenance, erosion control, plumbing and fixture maintenance, computer and other academic maintenance costs, general upkeep maintenance, utilities, and disbursement for catastrophic events not covered by insurance. Disbursements from the

Fund will not reduce the corpus on an annual basis. Earnings will be transferred from the Fund on a yearly basis at the beginning of the College's fiscal year.

VII. Performance Measurement

The College's portfolio performance will be reviewed on an annual basis to determine whether performance meets accepted industry benchmarks for each asset class.

We do hereby certify that the foregoing Sii Ha Sin Maintenance Endowment Fund Investment Policy was duly presented and adopted by a vote of _____ For, _____ Against, _____ Abstaining, _____ Absent; by a telephone vote of the Bay Mills Community College Board of Regents, taken August 25, 2004.

BAY MILLS COMMUNITY COLLEGE
BOARD OF REGENTS