

Delegated Authority for Managing Institutional Trust Funds

I. Authority

N.C. Gen. Stat. § 116-36.1 (G.S. 116-36.1) authorizes the Board of Governors of the University of North Carolina to adopt uniform policies and procedures applicable to the deposit, investment and administration of institutional trust funds and to delegate such authority through the President to the constituent institutions.

II. Delegation to the President and Chancellor

A. The Board of Governors delegates authority to the President of the University of North Carolina, to deposit, invest and administer institutional trust funds consistent with G.S. 116-36.1.

B. Upon request by the Chancellor of a constituent institution, the President may delegate authority to the Chancellor of a constituent institution, to deposit, invest and administer institutional trust funds consistent with G.S. 116-36.1.

III. Constituent Institution Eligibility for Delegated Authority

The Vice President for Finance, in consultation with General Counsel, shall establish the process by which a constituent institution may request delegated authority consistent with G.S. 116-36.1. The minimum criteria a constituent institution must meet to receive authorization from the President shall be:

1. The constituent institution has performed a written, comprehensive self-assessment that demonstrates it has the administrative, technical, financial and support resources necessary to properly carry out the delegated authority.

2. The chancellor has certified in writing that the constituent institution has the administrative, technical, financial and support resources necessary to properly carry out the delegated authority.

3. The constituent institution has appropriate and sufficient technical and professional staff with demonstrated capability in the development, evaluation and execution of cash management and investment operations and an associated understanding of the risk and return attributes of its investment strategies and underlying investments.

4. An assessment team, assembled and led by the Vice President for Finance, in consultation with the General Counsel, has reviewed the constituent institution's self-assessment, has, if necessary, performed an on-site capabilities appraisal that confirms the institution's self-assessment, and has recommended delegation to the President.

IV. Revocation of Delegation to the Constituent Institution

For good cause and consistent with G.S. 116-36.1, the President may revoke or suspend the authority of a constituent institution or take other remedial action as the President deems necessary and appropriate, pending a review of any reported noncompliance with this policy and the associated regulations. The Vice President for Finance, in consultation with the General Counsel, shall establish the process by which such reports shall be investigated and for the implementation of any revocation or suspension. Once authority has been revoked pursuant to this policy, all institutional trust funds shall be deposited with the North Carolina State Treasurer.