CHAPTER 115D

ARTICLE 4A - BUDGETING, ACCOUNTING, AND FISCAL MANAGEMENT

N.C.G.S. § 115D-58.6.

Investment of idle cash.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2013-305, s. 2 — fifth act in the lineage	21 September 2026, 01:59 UTC	c6ee89f074a2121377e9d420 - 40956ff7228b950a03feaf64 - 9dec038a434a379b

§ 115D-58.6(a) Definitions. - As used in this section, the following definitions apply:

(1) Cash balance. - The amount equal to all moneys received into institutional fund accounts minus all expenses and withdrawals from those accounts in an official depository of the institution as designated by the local board of trustees consistent with G.S. 115D-58.7.

(2) Official depository. - One or more banks, savings and loan associations, or trust companies in North Carolina that a community college board of trustees has designated consistent with G.S. 115D-58.7.

§ 115D-58.6(a1) Deposits. - The institution may deposit at interest all or part of the cash balance of any fund in an official depository of the institution. Moneys may be deposited at interest in any official depository of the institution in the form of such deposit accounts as may be approved for county governments. In addition, moneys may be deposited in the form of such deposit accounts as provided for a local government or public authority in G.S. 159-30(b1). Investment deposits shall be secured as provided in G.S. 159-31(b).

§ 115D-58.6(b) through (d) Repealed by Session Laws 2011-145, s. 8.20(a), effective July 1, 2011.

§ 115D-58.6(d1) Investments. - The institution may invest all or part of the cash balance of any fund in an official depository of the institution. The institution shall manage investments subject to whatever restrictions and directions the board of trustees may impose. The institution shall have the power to purchase, sell, and exchange securities on behalf of the board of trustees. The investment program shall be so managed that investments and deposits can be converted into cash when needed.

(1) Moneys shall be invested only in the form of investments pursuant to G.S. 159-30(c) to county governments or in any form of investment established or managed by an investment advisor who is registered and in good standing with either the Securities and Exchange Commission or the North Carolina Secretary of State, Securities Division, and is a member of the Securities Investor Protection Corporation. Money in endowment funds may be invested pursuant to G.S. 147-69.2. Provided, however, the institution may elect to deposit at interest any local funds with the State Treasurer for investment as special trust funds pursuant to the provisions of G.S. 147-69.3, and the interest thereon shall accrue to the institution as local funds.

(2) The investment securities listed in G.S. 159-30(c) may be bought, sold, and traded by private negotiation, and the institutions may pay all incidental costs thereof and all reasonable costs of administering the investment and deposit program from local funds. The institution shall be responsible for their safekeeping and for keeping accurate investment accounts and records.

§ 115D-58.6(e) Interest earned on deposits and investments shall be credited to the fund whose cash is deposited or invested. Cash of several funds may be combined for deposit or investment if not otherwise prohibited by law; and when such joint deposits or investments are made, interest earned shall be prorated and credited to the various funds on the basis of the amounts thereof invested, figured according to an average periodic balance or some other sound accounting principle. Interest earned on the deposit or investment of bond funds shall be deemed a part of the bond proceeds.

§ 115D-58.6(f) Registered securities acquired for investment may be released from registration and transferred by signature of the official designated by the board of trustees.

§ 115D-58.6(g) The board of trustees shall appoint an Investment Committee which shall consist of a minimum of three people who have sufficient financial background to review and evaluate investment options. These individuals should have experience in institutional or retail investment management with knowledge of fixed income and public equities. This committee shall make recommendations to the Board on those investment options, as well as monitor the performance of investments once made.

§ 115D-58.6(h)

The board of trustees shall discharge their duties with respect to the management and investment of college funds as follows:

(1) Investment decisions shall be solely in the interest of the college and the students, faculty, and staff of the college.

(2) The investments shall be for the exclusive purpose of providing an adequate return to the college.

(3) Investments shall be made with the care, skill, and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an activity of like character and purpose.

(4) Investment decisions shall be made impartially, taking into account the best interest of the college, with special attention to conflicts of interest or potential conflicts of interest.

(5) Investments shall incur only costs that are appropriate and reasonable.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
5 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

TICK HEIGHT = ACTS IN THAT YEAR   DASHED = RECODIFICATION, NOT AMENDMENT

№	YEAR	ACT	CHARACTER
01	1981	c. 157, s. 1	ENACTED
02	1981	c. 612, s. 1	AMENDED
03	2005	S.L. 2005-394, s. 3	AMENDED
04	2011	S.L. 2011-145, s. 8.20(a)	AMENDED
05	2013	S.L. 2013-305, s. 2	AMENDED

APPARATUS II
6 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 115D-58.7	(a)(1)	*"local board of trustees consistent with"*
G.S. 159-30(b1)	(a1)	*"local government or public authority in"*
G.S. 159-31(b)	(a1)	*"shall be secured as provided in"*
G.S. 159-30(c)	(d1)(1)	*"the form of investments pursuant to"*
G.S. 147-69.2	(d1)(1)	*"funds may be invested pursuant to"*
G.S. 147-69.3	(d1)(1)	*"funds pursuant to the provisions of"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 115D-58.6 (2013).

PINPOINT

N.C. Gen. Stat. § 115D-58.6(a) (2013).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1981, c. 157, s. 1; c. 612, s. 1; 2005-394, s. 3; 2011-145, s. 8.20(a); 2013-305, s. 2.)

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