

## **CASH MANAGEMENT POLICY**

Cash investments provide the lowest level of investment risk of any asset class and provide a commensurately low level of expected investment return. As such, allocations to cash investments are to be minimized so that investment returns are not sacrificed. Allocations to cash should be only those amounts necessary to meet the various plans' current benefit payments, operating expenses and other appropriate expenses incurred.

Unless specifically approved otherwise by the Nebraska Investment Council, investment of cash equivalents must be made either through the custodian's short term investment fund products and/or cash sweep vehicles. These products must provide the prudent levels of liquidity and investment quality consistent with the preservation of principal.

The State Investment Officer is responsible for monitoring the plans' cash allocations and the products in which assets are held to ensure compliance with this Policy.

Approved January 25, 2005