KEAN UNIVERSITY

CENTRALIZED CASH MANAGEMENT AND INVESTMENT POLICY
(“The Investment Policy)

I. Purpose

The purpose this Investment Policy is to establish guidelines related to the investment objectives for the Kean University (the “University”) investment accounts. These investment accounts are for cash not needed for immediate operational expenses. Pooled funds not otherwise needed to meet the daily operational cash flow for the University can be invested in a conservative manner to earn a maximum income, yet still maintain sufficient liquidity to meet fluctuations in the flow of funds from revenues, tuition payments, and state appropriations. In addition, through cash flow forecasting, the University may determine that they have accumulated excess cash above the amount needed to cover their daily operational and periodic working capital cash flow needs. The accumulated pool of assets that is not intended for operating or working capital needs could be characterized as strategic cash. The strategic cash will be used for longer term liquidity needs beyond 1 year. Given the longer time horizon and lower liquidity needs, this cash pool could be invested in a broader set of investment opportunities,

The investment portfolio is not intended to be used for speculative purposes.

II. Definitions

Certificates of Deposit (CD)
A certificate of deposit is a promissory note issued by a bank. It is a time deposit that restricts holders from withdrawing funds on demand. Although it is still possible to withdraw the money, this action will often incur a penalty. A CD bears a maturity date, a specified fixed interest rate and can be issued in any denomination. CDs are generally issued by commercial banks and are insured by the FDIC. The term of a CD generally ranges from one month to five years.

Money Market Mutual Fund
An investment company or investment trust, which is registered with the Securities and Exchange Commission under the “Investment Company Act of 1940,” 15 U.S.C. 80a-1 et seq. and is 2a-7 compliant.

Local Government Investment Pool
An investment pool:

a) which is managed in accordance with 17 C.F.R. 270.2a-7;

b) which is rated in the highest category by a nationally recognized statistical rating organization;
c) which is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities;
d) which is in compliance with rules adopted pursuant to the "Administrative Procedure Act," P.L. 1969, c.410 (c.52:14B-1 et seq.) by the Local Finance Board of the Division of Local Government Services in the Department of Community Affairs, which rules shall provide for disclosure and reporting requirements, and other provisions deemed necessary by the Local Finance Board to provide for the safety, liquidity, and yield of the investments'
e) which does not permit investments in instruments that are subject to high price volatility with changing market conditions; cannot reasonably be expected at the time of interest rate adjustment to have a market value that approximates their par value or utilize an index that does not support a stable net asset value; and
f) which purchases and redeems investments directly from the issuer, government money market mutual fund, or the State of New Jersey Cash Management Fund, or through the use of a national or State bank located within this State, or through a broker-dealer which at the time of purchase or redemption has been registered continuously for a period of at least two years pursuant to section 9 of P.L. 1967 c.9 (C.49:3-56) and has at least $25 million in capital stock or equivalent capitalization if not a corporation, surplus reserves for contingencies and undivided profits, or through a securities dealer who makes primary markets in U.S. Government securities and reports daily to the Federal Reserve Bank of New York its position in borrowing on such U.S. Government securities.

Money Market Instruments
Money market instruments are short term investments, usually with a maturity of less than one year. Generally they have a high degree of safety.

Repurchase Agreements
Repurchase Agreements are where two simultaneous transactions occur with one party purchasing securities from a second party and the second party agrees to repurchase at a certain price at an agreed upon rate of return.

State of New Jersey Cash Management Fund
The Division of Investment, Department of the Treasury, State of New Jersey (the "Division") manages and invests certain assets of various funds, divisions, agencies and employees of the State of New Jersey in various groups of funds such as the Cash Management Fund. The State of New Jersey Cash Management Fund (the "Fund") is available on a voluntary basis for investment by the State and certain "Other-than-State" participants. "Other-than-State" participants include counties, municipalities and school districts, and the agencies or authorities created by any of these entities, including the University. The Fund is considered to be an investment trust fund as defined in Governmental Accounting Standards Board (GASB) Statement No. 34. The operations of this Fund are governed by the provisions of State Investment Council Regulations for the purpose of determining authorized investments for the Fund. The Fund is not a legally separate entity within

the State of New Jersey; however, the assets managed by the Division are included in the financial statements of the State.

United States Treasury Securities
A United States Treasury security is a government debt issued by the United States Department of the Treasury through the Bureau of the Public Debt. Treasury securities are the debt financing instruments of the United States Federal government, and they are often referred to simply as Treasuries. There are four types of marketable treasury securities: Treasury bills, Treasury notes, Treasury bonds, and Treasury Inflation Protected Securities (TIPS). There are several types of non-marketable treasury securities including State and Local Government Series (SLGS), Government Account Series debt issued to government-managed trust funds, and savings bonds. All of the marketable Treasury securities are very liquid and are heavily traded on the secondary market. The non-marketable securities (such as savings bonds) are issued to subscribers and cannot be transferred through market sales.

Municipal Obligations
"Public authority" means any state or any political subdivision thereof, any authority, department, district, or commission, or any agency or instrumentality of any of the foregoing, or any agency or instrumentality of the Federal government, or a commission or other public body created by an Act of Congress or pursuant to a compact between any two or more states.

"Public authority revenue obligations" means any bonds or other interest-bearing obligations of a public authority, the principal and interest of which are by their terms payable from a specified revenue source.

"State and municipal general obligations" shall mean debt obligations of any state or any municipal or political subdivision thereof that are backed by the full faith and credit of the obligor.

Collateralized Notes (MBS/CMO/ABS)
"Collateralized notes and mortgages" mean securities fully collateralized by mortgage-backed securities, credit card receivables, automobile loans, home equity loans, bank loans, or other forms of receivables originated in the United States.

III. Investment Objectives for Working Capital Cash

Working Capital (1 and 12 months) is used on a less frequent basis for periodic payments that do not require same-daily liquidity.

Safety of Capital
Preservation of capital is regarded as the highest priority in the handling of University investments. All other investment objectives are secondary to the safety of capital. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from security defaults or erosion of market value.

It is assumed that all investments will be suitable to be held to maturity. However, sale prior to maturity is warranted in some cases. For example, investments may be sold if the quality of an investment deteriorates or if the need to change the maturity structure of the portfolio arises.

Maintenance of Adequate Liquidity
The investment portfolio must be structured in such a manner that will provide sufficient liquidity to pay obligations such as normal operating expenses and debt service payments as they become due. These investments could be converted to cash prior to their maturities should the need for cash arise.

Return on Investments
The University seeks to optimize its income within the constraints of safety and liquidity. The portfolio strives to provide a stable return consistent with the investment policy. The cash portfolio rate of return will be compared with a weighted average of the returns of broad indices representing the maturity structure of the portfolio. These indices include but are not limited to the Merrill Lynch Global Bond Indices and the U.S. Treasuries Index.

IV. Delegation of Authority

The Investment Policy is prepared pursuant to the provisions of N.J.S.A. 18A:3B-6g, "To invest and reinvest the funds of the institution…," in order to set forth the basis for the Deposits ("Deposits") and Investments ("Investments") of certain public funds of the University pending the use of such for intended purposes.

By resolution, the University's Board of Trustees delegated investment authority to the President or his/her designee (the "Designated Official"). The Investment Policy is established to provide guidance in the management of the University's investment accounts in order to insure compliance with the laws of the State of New Jersey. The President or his/her Designated Official is accorded full discretion, within policy limits, to select individual investments and to diversify the portfolio by applying their own judgments concerning relative investment values.

V. Prudence and Ethical Standards

The standard to be used by the President or the Designated Official shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. Persons performing the investment functions, acting in accordance with written policies and procedures, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations and appropriate recommendations to control adverse developments are reported in a timely fashion.

The "prudent person" standard is understood to mean:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

VI. Implementation of the Investment Policy

The President or his/her designee is authorized to execute all transactions for the investment portfolio.

- An investment manager hired by the University must be a Registered Investment Advisor as defined by the Securities and Exchange Commission under the Investment Advisor's Act of 1940 and be properly registered to provide investment advisory services in New Jersey.
- The investment manager must have five (5) years of experience in providing fixed income management services in an investment advisor capacity.
- The investment manager must be independent of any securities brokerage firm and any relationship between the investment manager and a securities brokerage firm must be fully disclosed.
- The investment manager must act with a fiduciary responsibility and obligation to the University's objectives and interested and will act solely on the University's behalf.

If an investment falls out of compliance within this investment policy, the investment manager must notify the University within 48 hours with a recommendation to bring the portfolio back into compliance. The University may choose to exempt any individual investment from compliance to prevent realizing a loss from the sale of a security.

VII. Designation of Depositories and Assessment and Depository Criteria

The following banks and financial institutions as set forth in Schedule A are hereby designated as official depositories for the deposit of all University funds referred to in the Investment Policy. All banks and financial institutions listed in Schedule A must adhere to and abide by the assessment and depository criteria established by the Federal Deposit Insurance Corporation and the New Jersey Department of Banking and Insurance as set forth in Schedule B.

VIII. Authorized Investment Instruments for Working Capital Cash Portfolio

The Designated Official is hereby authorized to invest the public funds covered by this Investment Policy in any of the following permitted investments:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Money market mutual funds;
3. Certificates of deposit and other evidences of deposit at financial institutions;

4. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress;
5. Local government investment pools;
6. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281, (C.52:18A – 90.4); or
7. Agreements for the repurchase of fully collateralized securities if:
    1. The underlying securities are U.S. Government Securities;
    2. The custody of collateral is transferred to a third party;
    3. The maturity of the agreement is not more than 30 days;
    4. The underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9 – 41); and
    5. A master repurchase agreement providing for the custody and security of collateral is executed.
8. Municipal Bonds, both taxable and tax-exempt; Obligations issued or guaranteed by any state, territory or possession of the United States, political subdivision, public authority, agency board, instrumentality, or other unit of local government of any U.S. state or territory.
9. Commercial Paper (CP) including Asset-Backed Commercial paper (ABCP);
10. Asset-Backed Securities (ABS); N.J.S.A.§17:16-19.1 Definitions Collateralized Notes
11. U.S. Federal Agency Mortgage-Backed Securities (MBS, CMOs and CMBS); N.J.S.A.§17:16-19.1 Definitions Collateralized Notes
12. Corporate Obligations issued by U.S. domestic corporations and U.S. dollar denominated issues of foreign corporations.
13. Short Duration Fixed Income Funds that invest primarily in the acceptable investments above

IX. Investment Parameters for Working Capital Cash Portfolio

Credit Quality

At time of purchase, securities must have a minimum rating as indicated below or the equivalent by at least two Nationally Recognized Statistical Rating Organizations (NRSROs) even if carrying lower ratings by other NRSROs. For taxable and tax-free municipal securities the obligor must be rated in the rating category listed below by at least one NRSRO. For pre-refunded municipal obligations without a rating, the government rating will apply.

Minimum Short-Term Rating	A-2/P-2/F2
Minimum Long-Term Rating	Baa2/BBB/BBB
Minimum Asset-Backed Securities rating*	A/A2

*The portfolio may be invested up to 30% in securities which carry short-term ratings of A-2/P-2/F2 and long-term ratings of Baa2/BBB/BBB.

Diversification and Maturity Parameters

Sector Type	Sector Max[6] (%)	Issuer Max (%)[1]	Maximum Maturity
US Treasury	100%	N/A	3 Yrs 3 mos
Federal Agency	50%	N/A	3 Yrs 3 mos
Agency MBS and CMO's	50%		3 Yrs 3 mos (WAL)[2]
Corporate Notes	80%[3]	5%[3]	3 Yrs 3 mos
Commercial Paper	50%	5%[3]	397 days
Negotiable CDs	50%	5%	397 days
Repurchase Agreements	10%	5%	30 days
Money Market Funds[4]	100%	25%	N/A
NJ Cash Management Fund	50%	N/A	N/A
Muni's(tax-exempt and taxable)	25%	5%	5 Yrs
Asset-backed securities/	30%	5%	3 Yrs 3 mos (WAL)[2]
Short Duration Fixed Income Funds[5]	100%	N/A	N/A
[1]At time of purchase			
[2]WAL(weighted average life) used in lieu of final stated maturity. At time of purchase.			
[3] Up to 30% of the portfolio may be invested in corporate bonds and commercial paper combined which carry short-term ratings of A-2/P-2/F-2 and long-term ratings of BBB/Baa2/BBB. Securities in this rating category are limited up to 5% per issuer at time of purchase.			
[4]2a-7 compliant money market funds only			
[5]Up to 15% of any Fixed Income Fund(s) may be invested in sub-investment grade securities.			
[6] Sector Max references maximum allocation of the total investment portfolio			

- limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury and U.S. Federal Agency securities);
- limiting investment in securities that have higher credit risks;
- reinvesting in securities with varying maturities; and
- continuously investing a portion of the portfolio in readily available funds such as demand deposit accounts, local government investment pools, money market funds, or overnight

repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Maximum Maturities
To the fullest extent possible, the University shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the University will not directly invest in securities maturing more than three (3) years and three (3) months from the date of purchase. The University shall adopt weighted average life (WAL) limitations consistent with the investment objectives. WAL for any individual security shall be compliant at time of purchase.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or demand deposit accounts to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Benchmark
The Working Capital Cash portfolio shall be benchmarked to the Bloomberg U.S. Corporate 0-3 year index.

X. Investment Guidelines for Strategic Cash Portfolio

The strategic cash is excess funds that will be used for longer term liquidity needs (beyond 1 year). Given the longer time horizon lower liquidity needs, this cash could be invested in a broader set of investment opportunities.

<u>Investment Objective:</u>

The primary objective of the strategic cash portfolio is to provide an appropriate total return, subject to the risk considerations and other portfolio constraints outlined below. To meet the goals of the fund, the portfolio should earn over a 5-year horizon a return above cash rates commensurate with the volatility.

<u>Liquidity:</u>

It is expected that significant portions of the strategic cash portfolio could be withdrawn annually. The portfolio shall be invested in asset classes for which a readily tradeable market exists.

<u>Asset Allocation:</u>

The following broad asset classes are acceptable for inclusion and shall be bounded by the following ranges:

Asset Class	Lower Bound	Upper Bound
Global equities	0%	40%
Investment grade bonds	0%	20%

High yield bonds	0%	20%
Emerging market bonds	0%	15%
Sovereign bonds	0%	80%
Inflation-linked bonds	0%	20%
Commodities	0%	20%
Alternative risk premium	0%	25%

It is understood that market movements could cause the portfolio's asset mix to fall outside of these ranges. The portfolio shall be rebalanced monthly or upon any significant contribution to, or distribution from, the fund.

As the managers views on future performance of asset classes change, the manager is permitted to make tactical adjustments to asset allocation, subject to the minimum and maximum allocations set forth in the table of ranges above.

Each assets class within a Strategic cash portfolio will serve a purpose in achieving the following objectives:

1) Growth of investment principal through exposure to economic growth:
- Global equities
- High yield bonds
- Investment grade bonds
- Emerging market bonds

2) Protect investment principal through declines in economic growth:
- Developed country sovereign bonds
- Investment grade bonds

3) Protect investment principal from increases in inflation
- Inflation-linked bonds
- Commodities

4) Diversifying returns from non-macroeconomic return sources
- Alternative risk premium

<u>RESTRICTIONS & LIMITATIONS</u>

The strategic cash portfolio should be well diversified across macroeconomic risks of growth, rates and inflation. It should also be diversified across asset class, geography, and security.

1. Restricted Transactions: all investments must have a readily ascertainable market value, and must be readily marketable.

2. Equities: Domestic common and convertible preferred stocks and ADR's should be listed on a major U.S. stock exchange or traded in the over-the-counter market with the

requirement that such stocks have adequate market liquidity relative to the size of the investment. International equity investments are expected to trade on developed exchanges without liquidity or marketability restrictions. It is recognized that investments in emerging markets may have liquidity and marketability constraints. Equity investments shall be diversified across geographies. The following limits are placed on the investment within the equity asset class.

- Investments in any single country, except for the U.S, shall be limited to 50%.
- Investments in the Emerging Markets shall be limited to 40%.
- Investments in non-Large Cap equity shall be limited to 30%.

3. Fixed Income: In general, fixed income securities are to be composed of obligations issued or guaranteed by the developed sovereign governments or their agencies, state and local governments, or debt issued by corporations. Securitized credit securities may be utilized including asset-backed securities, mortgage-backed securities and , commercial mortgage-backed securities and other securitized assets.

    - Within the Sovereign Bond asset class, holdings are limited to investment grade obligations of developed countries, or their agencies, and state and local governments.
    - Within the Investment Grade corporate asset class, holdings of BBB-rated securities shall be limited to 30%.
    - Within the High Yield bond asset class, holdings shall have an average rating of B2 (Moody's) / B (Standard & Poors) or higher.
    - Within the Emerging Market Bond asset class, holdings of non-USD denominated debt are limited to 50%.

4. Concentration by Issuer: Investments in any one issuer shall be limited to 5% of the assets in each of the asset classes above (e.g. global equities, investment grade bonds, high yield bonds, etc) and/or 5% of the issuer's outstanding shares at the time of purchase. Securities issued or guaranteed by developed sovereign governments, their agencies or instrumentalities are not subject to this limitation.

5. Commingled Investments: Investments in commingled accounts, such as exchange traded funds (ETFs), mutual funds, private placement funds and other pooled vehicles are permitted provided that the investment guidelines and restrictions of the commingled account are in substantial conformance with these guidelines.

6. Derivative Instruments: Futures, forwards, swaps, options may be used to gain exposure, hedge, rebalance, and tactically tilt the portfolio.

<u>PERFORMANCE EVALUATION</u>

Investment returns shall be reported monthly and a complete performance report shall be issued quarterly.

XI. Safekeeping Custody Payment and Acknowledgment of Receipt of Investment Policy

To the extent that any Deposit or permitted Investment as identified in Section VIII of the Policy involves a document or security which is not physically held by Kean University, then such instrument or security shall be covered by a custodial agreement with an independent third party which shall be a bank or financial institution in the State of New Jersey. Such institution shall provide for the designation of such investments in the name of Kean University to assure that there is no unauthorized use of the funds or the permitted Investments or Deposits. Purchase of any permitted Investments that involve securities shall be executed by a "delivery versus payment" method to insure that such permitted Investments are either received by the University or by a third party custodian prior to or upon the release of University funds.

To ensure that all parties with whom the University deals either by way of Deposits or permitted Investments are aware of the authority and the limits set forth in this Investment Policy, all such parties shall be supplied with a copy of this Investment Policy and all such parties shall acknowledge the receipt of that Policy in writing, a copy shall be on file with the Designated Official.

XII. Reporting Requirements

A report of investment fund balances shall be submitted by the President or Designated Official to the University's Board of Trustees annually.

XIII. Approval and Term of Investment Policy

The Investment Policy shall be formally approved and adopted by the University's Board of Trustees and reviewed annually.

The effective date for the Investment Policy is October 1, 2025 to September 30, 2026. Attached to the Investment Policy as Schedule C is a resolution of the Board of Trustees approving this Policy for such period of time.

The Investment Policy may be amended from time to time. To the extent that any amendment is adopted by the Board of Trustees, the Designated Official is directed to supply copies of the amendments to all of the parties identified in Section X of the Policy who otherwise have received the copy of the originally approved Investment Policy, which amendment shall be acknowledged in writing in the same manner as the original Investment Policy was so acknowledged.

XIV. Downgrades and Additional Policy Exceptions

The investment manager must notify the client in a timely manner of downgrades of any holdings below their specified ratings criteria and provide their recommended action based on their credit review/analysis. All other policy exceptions must be communicated by the investment manager in a timely manner and must be approved by the client.

SCHEDULE A1

KEAN UNIVERSITY
CENTRALIZED CASH MANAGEMENT AND INVESTMENT POLICY

DESIGNATION OF AUTHORIZED DEPOSITORIES
AS OF NOVEMBER 2020

- Banco Popular
- Bank of America, N.A.
- Capital One Bank
- Citibank, N.A.
- Columbia Bank
- Connect One Bank (formerly known as Union Center National Bank)
- Enterprise National Bank
- First State Bank
- Haven Savings Bank
- HillTop Community Bank
- HSBC Bank, N.A.
- Hudson City Savings Bank
- Invest Financial Corporation
- Investors Bank
- JP Morgan Chase Bank, N.A.
- Kearny Federal Savings Bank
- Legacy Treasury Direct (U.S. Department of the Treasury)
- Lusitania Saving Bank, FSB
- Millennium BcpBank, N.A.
- New Jersey Cash Management Fund
- New York Community Bank
- Northfield Bank
- OceanFirst Bank
- Peapack-Gladstone Bank
- PNC Bank, N.A.
- RBS Citizens Bank
- Roselle Savings Bank
- RSI Bank
- Somerset Hills Bank
- Sovereign Bank
- Spencer Savings Bank, SLA
- TD Bank, N.A. The Bank of New York Mellon
- The Provident Bank
- Two River Community Bank
- Union County Savings Bank
- Unity Bank
- Valley National Bank
- Wells Fargo Bank

SCHEDULE B

KEAN UNIVERSITY
CENTRALIZED CASH MANAGEMENT AND INVESTMENT POLICY

ASSESSMENT AND DEPOSITORY CRITERIA

Federal Deposit Insurance Corporation

The Federal Deposit Insurance Corporation (FDIC) is an independent agency of the United States government that protects the funds depositors place in banks and savings associations. FDIC insurance is backed by the full faith and credit of the United States government.

FDIC insurance covers all deposit accounts, including checking and savings accounts, money market deposit account and certificates of deposit. FDIC insurance does not cover other financial products and services that banks may offer, such as stocks, bonds, mutual fund shares, life insurance policies, annuities or securities.

The standard insurance amount is $250,000 per depositor, per insured bank, for each account ownership category.

On February 8, 2006, the President signed The Federal Deposit Insurance Reform Act (the Reform Act) into law. The Reform Act merged the Bank Insurance Fund (BIF) and the Saving Association Insurance Fund (SAIF) into a new fund called the Deposit Insurance Fund (DIF). This change was made effective March 31, 2006.

On July 21, 2010, the President signed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) into law. Regarding the DIF balance, the Dodd-Frank Act provides the following:

- Establishes a minimum Designated Reserve Ratio (DRR) of 1.35 percent of estimated insured deposits or the comparable percentage of the new assessment base, average consolidated total assets minus average tangible equity.
- If the reserve ratio fall below 1.35 percent, or the FDIC projects that the reserve ratio will, within 6 months, fall below 1.35 percent, the FDIC generally must adopt a restoration plan that provides that the DIF will return to 1.35 percent within 8 years.
- Notwithstanding that 8 year requirement, however, the FDIC must take steps as necessary for the reserve ratio to reach 1.35 percent of estimated insured deposits by September 30, 2020.
- The FDIC must offset the effect on small institutions (less than $10 billion in assets) of the requirement that the reserve ratio reach 1.35 percent by September 30, 2020, rather than 1.15 percent by the end of 2016.
- If the reserve ratio exceeds 1.5 percent, the FDIC must dividend to DIF members the amount above the amount necessary to maintain the DIF at 1.5 percent, but the FDIC Board of Directors may, in its sole discretion, suspend or limit the declaration of payment of dividends.

- For at least five years, the FDIC must make available to the public the reserve ratio and the DRR using both estimated insured deposits and the new assessment base.

Source: The Federal Deposit Insurance Corporation

New Jersey Department of Banking and Insurance
The New Jersey Department of Banking and Insurance, Division of Banking, regulates state-chartered banks, savings banks, savings and loan institutions, and credit unions, and may take enforcement action against these institutions in the event any violations of banking law or regulations are found. The Division of Banking has no jurisdiction with respect to federally-chartered financial institutions. Federally-chartered financial institutions are regulated by various federal agencies depending on the banking classification of the financial institution.

The Division of Banking maintains a listing of financial institutions with offices in New Jersey, including addresses, phone numbers, holding company names (where applicable), and links to the institution and primary regulator web sites. The Division also provides current updates with regard to enforcement activity, including bank closings, through their web page.

In order to become a state-chartered commercial bank or savings bank in New Jersey, all applicants must meet the requirements set forth in ***NJAC* 3:1-2.2 et seq.** and ***NJSA* 17.9A-1 et seq.**

***NJAC* 3:1-2.2a Requires a Certificate of Incorporation**

1. Feasibility study/Three (3) year deposit projections
2. Three (3) year pro forma balance sheet and income statement showing projected breakeven
3. Interagency biographical financial data (See FDIC form) ***and*** Police checks (@ $18.00) for all incorporators, directors and officers (should be a bank check, attorney or consultant check made payable to the "Division of State Police-SBI")
4. Filing fee $15,000, non-refundable
5. Indicia of title
6. Copy of application to be filed with the FDIC, if the applicant has applied for a charter that includes the authority to accept deposits. When the final application is filed with the FDIC a copy shall be simultaneously transmitted to the Department.
7. Director code of conduct
8. Affiliated person application, if necessary
9. Business plan (See Interagency charter application)
10. Fingerprint cards if **not** FDIC insured

***NJAC* 3:1-2.5 Notice/publication**

2.7 Objectors, if applicable

2.18 For the first three (3) years after issuance of the certificate of authority, the depository shall maintain a tier I capital to asset ratio, as ratio is defined in 12 CFR 325.2(k), that is at least 8% of the bank's total assets. They must also maintain a fully funded reserve.

2.19a Minimum Capital Requirements

- Commercial or Savings bank minimum capital $6,000,000 (par value $2.00 minimum)
- Limited Purpose Trust Company minimum capital $2,000,000 ($2.00 par value minimum)
- Failed bank minimum capital $5,000,000 or 6% of deposits.

2.19b Incorporators subscribe for 25% of stock
2.19d No individual subscribe for in excess of 24.9% of stock
2.19e No company subscribe for in excess of 24.9% of stock, unless holding company

Certificate of incorporation must include the following.

For a Commercial Bank:

***NJSA* 17:9A-3A**	Seven (7) or more persons to incorporate a commercial bank
17:9A-4C	Surplus has to equal 20% of capital stock
17:9A-5	Reserve for organization expense 5% of capital stock
17:9A-6A	Capital stock has to have a ***minimum*** $2.00 par value

For a Savings Bank:

***NJSA* 17:9A-7**	Nine (9) or more persons to incorporate a savings bank
17:9A-8.3	Needs a surplus and reserve for organization expense of 20% and 5%, respectively, of capital stock. Capital stock has to have a ***minimum*** $2.00 par value

Source: New Jersey Department of Banking and Insurance

SCHEDULE C

KEAN UNIVERSITY
UNION, NEW JERSEY

RESOLUTION ADOPTING A UNIVERSITY CENTRALIZED CASH MANAGEMENT AND INVESTMENT POLICY FOR INVESTMENT PURPOSES

WHEREAS: N.J.S.A. 18A:3B–6g states that the governing board of each public institution of higher education shall have the general power and duty "to invest and reinvest the funds of the institution;" and

WHEREAS: The Office of Financial Services at Kean University is responsible for the management of the University's cash and investment portfolios; and

WHEREAS: The Office of Financial Services pursues the University's investment options in compliance with annually reviewed and approved University Centralized Cash Management and Investment Policy; now, therefore, be it

RESOLVED: That the Kean University Board of Trustees approves the Office of Financial Services' annual recommendations for a University Centralized Cash Management and Investment Policy; and be it further

RESOLVED: That the Kean University Board of Trustees hereby adopts the proposed Centralized Cash Management and Investment Policy effective October 1, 2025 to September 30, 2026, a copy of which is annexed hereto, incorporated herein and made a part of this Resolution; and be it further

RESOLVED: That the Kean University Board of Trustees authorizes the President, and/or his authorized designees to implement the provisions of the Centralized Cash Management and Investment Policy.

RESOLUTION ADOPTED: September 15, 2025

DULY CERTIFIED: September 15, 2025

Audrey M. Kelly
Executive Director to the Board of Trustees

Schedule D

Approved Funds:

Cash Tier (I, II, or III)	Fund Name	Investment Manager
Tier I	Government Money Market Fund	Allspring Global Investments
Tier II	Conservative Income Fund	Allspring Global Investments
Tier III	Ultra Short-Term Income Fund	Allspring Global Investments

Investment Manager Approach to ESG and Sustainability Investing

Allspring Global Investments philosophy, policies, and processes are built around delivering on client and community expectations in a responsible and sustainable way. Environmental, social, and governance (ESG) issues and other considerations that extend beyond traditional financial statement analysis have long been a component of how their portfolio management teams evaluate investment opportunities. They believe that integrating an analysis of ESG issues into the investment processes enhances their ability to manage risk more comprehensively and generate sustainable long-term returns for clients.

Allspring Global can see the world is changing rapidly —in part due to systemic trends such as climate change and the transition to a low carbon economy, widening income inequality, changing demographics, regulatory shifts, and rapid technological change. Applying an ESG and climate lens to investment analysis helps the investment manager evaluate these changes and their saliency to risk and return, especially on a forward-looking basis, as financial markets react.

The firm is committed to effective stewardship of the assets they manage on behalf of their clients. To them, good stewardship reflects responsible, active ownership. It encompasses both engaging with investee companies and voting proxies in a manner that they believe will maximize the long-term value of their investments, including a focus on important sustainability issues. As active owners and credit investors, the firm's stewardship efforts focus on achieving two outcomes:

- Improving corporate disclosures and transparency to benefit investment decision-making
- Driving improvement in corporate operating, financial, and sustainability performance to maximize long-term risk-adjusted returns for clients and provide value to other stakeholders more broadly

In simple terms, ESG integration is crucial to risk management and highlights important issues that may be mispriced. Combined with serving as responsible stewards of the assets Allspring manage, they believe ESG integration ultimately leads to better outcomes for their clients.

ESG Application for Fixed Income:

Allspring believe that ESG analysis helps improve their understanding of risk, and their analysts have long considered ESG issues as part of ex-ante fundamental credit research, especially governance issues and management quality. Allspring's Global Fixed Income Research (GFIR) team is at the heart of the fixed-income platform. Teams using credit research draw upon this resource to provide insight and analysis for a wide range of global issuers. The GFIR's rigorous, proprietary research incorporates a comprehensive analysis of quantitative and qualitative factors, including catalysts, drivers of change, ESG, and climate risk exposure and management of these risks through their in-house risk assessment framework, ESGiQ, and other processes.

Independent risk management:
As active managers, Allspring believes companies that perform poorly on material ESG issues demonstrate higher downside risk that is generally unrewarded in achieving long-term risk-adjusted returns. To empower their investment teams, Allspring Investment Analytics (IA) group incorporates ESG research and analysis into their independent risk management functions, providing proprietary tools and services that help portfolio managers more fully understand the ESG and climate risk profiles of investments.

Additional information on Allspring's approach to ESG and Sustainability can be found at [Sustainable Investing - Insights - Allspring Global Investments]