

New York University

UNIVERSITY POLICIES

Title: Bank and Securities Account Policy
Supersedes: Policy dated December 1, 2007
Effective Date: September 1, 2013
Issuing Authority: Chief Financial Officer
Responsible Officer: Treasurer

Policy

It is the policy of New York University (the “University”) that appropriate internal controls and accepted best practices be utilized in establishing, maintaining, and conducting transactions in or through NYU Accounts.

Purpose of this Policy

NYU Accounts can create legally binding obligations and affect NYU’s financial control environment. The purpose of this policy is to promote the University’s internal control environment through specifying the persons who have the authority to establish, maintain, and conduct transactions in or through NYU Accounts and the procedures with respect to such grants of authority.

Scope of this Policy

This policy applies to any member of the University Community who seeks to establish, maintain, or conduct transactions in or through NYU Accounts. The Chief Financial Officer of the University (the “CFO”) may exempt University Affiliates and divisions from this policy where the CFO agrees it is appropriate, including that the CFO is satisfied that the policies and/or procedures governing NYU Accounts of any such University Affiliate or division are prudent. The University Affiliates and divisions shown on Exhibit I to this policy have been exempted from this policy by the CFO.

All NYU Accounts that were established under proper authority, not otherwise revoked, at the time of establishment will remain validly established and may continue to be maintained and transactions may continue to be conducted in or through them under such prior authority, unless the CFO or his or her designee determines that such NYU Accounts should no longer be maintained or that transactions may not continue to be conducted in or through them under such prior authority; provided, however, that existing delegations of authority relating to such accounts not otherwise revoked will be deemed revoked as of the effective date of this policy to the extent that they have not been exercised (e.g., if a person was delegated the authority to specify the signatories to a specific NYU account, any previously specified extant signatories remain authorized but new signatories cannot be

named under the existing delegation). All NYU Accounts established after the effective date of this policy must be made in accordance with this policy and existing delegations of authority relating to the opening of NYU Accounts that have not yet been opened will be deemed revoked as of the effective date of this policy. Notwithstanding the foregoing, the CFO may, by written delegation, continue in effect after the effective date of this policy any existing delegation relating to any foreign NYU Accounts. With respect to any NYU Account established prior to the effective date of this policy, the senior administrative or academic fiscal officer referred to in Section VI.A. responsible for such account (or at least one of the signatories of such NYU Account if no such officer is known by the signatories to be responsible for such account), must contact the Office of the Treasurer of the University (the “Treasurer”) promptly after the effective date of this policy to assure that the NYU Account is included on the master list of NYU Accounts maintained by the Office of the Treasurer and that the purpose of and terms relating to such NYU Account, and all authorized signatories for such NYU Account, are correctly shown.

Activities involving investment of the combined endowment fund are governed by the Combined Endowment Fund Investment Policy; activities involving investment of working capital are governed by the Working Capital Fund Investment Policy, and activities involving investment of pension funds are governed by the Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy. The applicable investment policy will govern to the extent there is any inconsistency between such investment policy and this policy. The Combined Endowment Fund Investment Policy, the Working Capital Fund Investment Policy and the Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy are on file in the office of the CFO.

Policy Definitions

As used in this policy, the following terms have the meanings specified below:

“**NYU**” means the University and all University Affiliates, and includes the schools, colleges, institutes, and other administrative units of the University, all University Affiliates, and the Global Network University sites, as such terms are defined in the Policy on Policies.

“**NYU Account**” means an account of any NYU entity or unit with a bank, brokerage firm, or other financial institution used to deposit, invest, transfer, exchange, save, or expend funds, securities, or other assets.

“**University Affiliate**” means each of those entities controlled, directly or indirectly, by the University through (a) ownership of more than 50% of the ownership interests in the entity or (b) the power to appoint or elect a majority of the entity’s governing body (*e.g.*, directors or trustees).

“**University Community**” means all NYU faculty, including visiting faculty; researchers, including persons participating in research at or under the auspices of NYU; employees; professional staff, including medical, dental, and nursing staff; volunteers; fellows, trainees, and post-doctoral appointees; students; and consultants, vendors, and contractors.

Procedures for Implementation

I. AUTHORITY TO ESTABLISH, MAINTAIN, AND CONDUCT TRANSACTIONS IN AN NYU ACCOUNT

Each of the President of the University (the “President”), The Executive Vice President of the University (“The Executive Vice President”), the CFO, and the Treasurer is authorized:

- A. to establish, maintain, and conduct transactions in or through NYU Accounts;
- B. to transact any and all business that any of them deems advisable for NYU with or through banks, brokerage firms, and other financial institutions;
- C. to make, execute, and deliver any and all written instruments or other documents necessary or proper to effectuate such operations, including affirming that any special resolution in form and content that the authorized person finds reasonable that is now or in the future required by a bank, brokerage firm, or other financial institution to establish or maintain an NYU Account (including with respect to the use of a facsimile signature of the President, The Executive Vice President, the CFO or the Treasurer for signing checks on such NYU Account) has been authorized by the University Board of Trustees; and
- D. to determine that any existing NYU Account should not be maintained and to take such action as is necessary or desirable to cause such NYU Account to be closed.

II. PROCEDURES FOR ESTABLISHING AN NYU ACCOUNT

Any person wishing to establish an NYU Account after the effective date of this policy must make such request to the Treasurer or his or her designee. The CFO or his or her designee must approve any such NYU Account.

A request to establish an NYU Account must include the following information:

- A. NYU Account name and address;
- B. description of the NYU Account purpose and the financial activity to be conducted;
- C. name of the financial institution and branch address for the NYU Account;
- D. financial requirements and characteristics of the NYU Account, including transaction fees, minimum balance requirements and whether the NYU Account bears interest;
- E. currency in which the NYU Account is denominated;

- F. names of all proposed authorized signatories for the NYU Account;
- G. name and title of the person(s) responsible for reconciliation and reporting for the NYU Account;
- H. forecast of estimated cash expected to flow through the NYU Account for the first 12 months;
- I. written delegation of authority in a form approved by the Office of General Counsel of the University (the “Office of General Counsel”) for each proposed authorized signatory on the NYU Account, including authorized transaction levels and transaction types, as appropriate; and
- J. such other information as the CFO or the Treasurer may require.

III. AUTHORITY AND PROCEDURES TO TRANSACT IN AN NYU ACCOUNT

All transactions conducted in or through any NYU Account (e.g., the incurrence of debt or wiring of funds from an account) are subject to the procedures and limitations on authority specified in the Signature Authority Policy. Additionally, all transactions conducted in or through NYU Accounts established in the United States are subject to the Cash Management Policies and Procedures Manual of the Office of the Treasury in effect from time to time.

Where the University or a University Affiliate provides NYU Account services for another University Affiliate, the policies and/or procedures of the former in establishing, maintaining, and conducting transactions in or through NYU Accounts on behalf of such other University Affiliate will apply, unless otherwise agreed in writing.

IV. AUTHORIZATION TO SIGN CHECKS, WITHDRAW FUNDS, MAKE ELECTRONIC FUNDS TRANSFERS, AND PROVIDE FACSIMILE SIGNATURES

With respect to an NYU Account, each of the President, The Executive Vice President, the CFO, and the Treasurer is authorized:

- A. to sign checks (using either a hand or facsimile signature), make withdrawals, and make electronic fund transfers for those items provided for in the relevant NYU budget and for such other items as may be required for the general conduct of NYU’s business and financial affairs;
- B. to transfer, endorse, sell, assign, set over, and deliver any and all shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities registered in the name of or owned by NYU; and

- C. to make, execute, and deliver any and all written instruments or other documents necessary or proper to effectuate such operations.

V. DELEGATIONS OF AUTHORITY UNDER THIS POLICY

Each of the President, The Executive Vice President, the CFO, and the Treasurer may:

- A. delegate the authority to establish, maintain, and/or conduct transactions in or through an NYU Account to any employee or agent of NYU, specifying such person by name and title and describing the general or specific authority being delegated; and
- B. institute such limitations or controls in such delegation as he or she deems necessary or proper in respect of any of the foregoing purposes.

Each such delegation is subject to the authority and procedures set forth in this policy and must be made in writing in a form approved by the Office of General Counsel and must be provided to the Treasurer or his or her designee. The President, The Executive Vice President, the CFO, or the Treasurer may revoke any such delegation at any time. A delegation will automatically terminate if the delegee either ceases to be employed or engaged by NYU or ceases to hold the position specified in the delegation or a position that includes the duties contemplated by the delegation.

VI. MAINTENANCE OF MASTER LIST OF NYU ACCOUNTS

- A. The senior administrative and/or academic fiscal officer of each school, college, institute, operating unit, Global Network University site, and University Affiliate is responsible for advising the Treasurer of each NYU Account established or maintained by such school, college, institute, operating unit, Global Network University site, or University Affiliate, the purpose of and terms relating to such NYU Account, and all authorized signatories for such NYU Account; and for obtaining the advance written acknowledgement of the Treasurer or his or her delegee of any changes to such NYU Account, including its signatories.
- B. The Office of the Treasurer will maintain and make available a master list for each school, college, institute, operating unit, Global Network University site, and University Affiliate of each NYU Account established and maintained by it, the purpose of and terms relating to such NYU Account, and its authorized signatories.
- C. At least annually, the Office of the Treasurer will require each school, college, institute, operating unit, Global Network University site, and University Affiliate to certify that its master list of NYU Accounts is complete and accurate.
- D. The Office of the Treasurer will annually review NYU Accounts and the terms and signatories in effect in connection with budget meetings.

Related Policies

Signature Authority Policy, available at <http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/signature-authority-policy.html>.

Combined Endowment Fund Investment Policy.

Working Capital Fund Investment Policy.

Staff Pension Plan and Retiree Health and Welfare Plan Investment Policy.

EXHIBIT I
UNIVERSITY AFFILIATES AND DIVISIONS EXEMPTED FROM POLICY

The following University Affiliates and divisions have been exempted from this policy by the CFO based on the CFO agreeing that such exemption is appropriate, including that the CFO is satisfied that the policies and/or procedures governing NYU Accounts of any such University Affiliate or division are prudent:

- International Art Fund;
- La Pietra Corporation;
- New York University in Abu Dhabi Corporation;
- New York University in France;
- New York University School of Law Foundation;
- Niu Da Education Information Consulting (Shanghai) Co. Ltd.;
- NYU in London;
- NYU Hospitals Center and its affiliates;
- NYU in Tel Aviv, Ltd. (PBC);
- NYU Shanghai;
- NYU Tisch School of the Arts, Asia, Ltd.; and
- Polytechnic Institute of New York University.

This listing was last updated on: July 1, 2013