

Amended by R.1979 d.96, effective March 8, 1979.  
See: 11 N.J.R. 212(b).

**17:16-61.2 Participation in the State of New Jersey Cash Management Fund**

Participation in the State of New Jersey Cash Management Fund by State funds, representing net capital contributions to the fund together with any income thereon, shall be evidenced by proper entries setting forth ownership units in the records of the Bureau of Accounting, Division of Budget and Accounting, Department of the Treasury. Aggregate participation of other entities shall also be evidenced by proper entries in the records of the Bureau of Accounting, Division of Budget and Accounting, and their individual participations shall be evidenced by proper entries in the records of the Division of Investment and of the custodian bank. Contributions to the common fund by the participating funds will be made in cash.

**17:16-61.3 Distribution of income**

All income of the State of New Jersey Cash Management Fund as calculated under N.J.A.C. 17:16-61.9, shall be invested in units of participation in accordance with the requirements of N.J.A.C. 17:16-61.10. Such units of participation may be withdrawn in accordance with N.J.A.C. 17:16-61.11.

Amended by R.1985 d.554, effective November 4, 1985.  
See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Substantially amended.

Recodified by R.1991 d.274, effective June 3, 1991.  
See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Fee paid by non-State participants raised to 1/10 of one percent.

**17:16-61.4 Participating funds**

The participation of any fund is subject to the approval of the State Treasurer.

**17:16-61.5 Permissible investments**

The Director may invest the assets of the State of New Jersey Cash Management Fund in fixed-income and debt securities which are legal investments for savings banks, or which are permitted under the provisions of N.J.S.A. 52:18A-89, subject to any applicable provisions of the regulations of the State Investment Council. All investments in the fund shall mature or are to be redeemed within one year, except that up to 25 percent of the fund may be invested in eligible securities which mature within two years; provided, however, that the average maturity of all investments in the fund shall not exceed one year.

Amended by R.1993 d.425, effective September 7, 1993.  
See: 25 N.J.R. 2839(a), 25 N.J.R. 4119(a).

**17:16-61.6 Units of participation**

Each unit of participation shall represent an equal beneficial interest in the fund and no unit shall have priority or preference over any other. Each unit of participation shall be valued at the net asset value per unit as set forth in section 7 of this subchapter.

**17:16-61.7 Valuation**

The net asset value per unit of participation shall remain at \$1.00, except only in an instance where net income available for distribution might be negative, in which case the net asset value per unit would be reduced by each participant's proportionate share of such negative amount.

Amended by R.1980 d.235, effective July 1, 1980.  
See: 12 N.J.R. 436(a).

**17:16-61.8 Date of valuation**

The valuation shall be determined at the opening of business on each business day, and shall be based on realized gains or losses accruals, and amortization as of the close of the previous day as set forth in section 9 of this subchapter.

Amended by R.1980 d.235, effective July 1, 1980.  
See: 12 N.J.R. 436(a).

**17:16-61.9 Calculation of daily income per participating unit**

(a) The income due to the participants in the State of New Jersey Cash Management Fund shall be calculated daily. For the purpose of this calculation, net income available for distribution shall equal the sum of daily interest income, daily discount income, realized gain on sales, and amortized discount, from which sum shall be deducted the sum of realized loss on sales, amortized premium and total daily expenses. Such net income available for distribution shall then be divided by the number of outstanding participating units to determine the daily income per participating unit.

(b) In the case of participating funds of counties, municipalities, school districts and agencies or authorities created by either such entities or the State (the "other than State funds"), daily income per participating unit shall be further reduced by both a charge to establish a reserve and a charge for administrative expenses.

(c) The charge to establish a reserve shall be in the sum of up to and not to exceed 1/10 of one percent per annum of the aggregate value of the units owned by the other than State funds, and the daily income per participating unit owned by such other than State funds shall reflect their pro rata share of such sum. The reserve fund shall be a participating fund in the State of New Jersey Cash Management Fund and shall be credited with and will retain daily income per participating unit in the manner of participating State funds. In the event of a loss occasioned by the bankruptcy of an issuer of a security held by the State of New Jersey Cash Management Fund, or a loss realized upon the sale of a security, such loss will be shared pro rata by all participants in the fund, but the assets of the reserve fund will be applied pro rata in a manner by the State Investment Council to that portion of the loss accruing to the "other than State funds". In no event will the application of the assets of the reserve fund exceed the loss accruing to the other than State funds, and no State funds will share in the disposition of the assets of the reserve fund.

(d) Similarly, the Other Than State participants' pro rata share of any gains realized upon the sale of securities by the Fund should be credited to the Reserve Fund. The charge for administrative expenses shall be in the sum of up to and not to exceed one tenth of one percent per annum of the aggregate value of the units owned by the Other Than State Funds, and the Daily Income Per Participating Unit owned by such Other Than State Funds shall reflect their pro rata share of such sum. The charge for administrative expenses shall be paid into a fund whose assets shall be at the disposal of the Treasurer.

(e) The method of calculation of each of the above terms will be in accordance with an agreement between the Treasurer of the State of New Jersey and the custodian bank.

As amended, R.1979 d.437, eff. October 31, 1979.

See: 11 N.J.R. 651(a).

As amended, R.1980 d.235, eff. July 1, 1980.

See: 12 N.J.R. 436(a).

As amended, R.1982 d.191, eff. June 21, 1982.

See: 13 N.J.R. 528(a), 14 N.J.R. 663(c).

"1/20" was "1/10".

Recodified by R.1991 d.274, effective June 3, 1991.

See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Fee paid by non-State participants raised to  $\frac{1}{10}$  of one percent.

#### 17:16-61.10 Reinvestment of daily income per participating unit

The aggregate of daily income per participating unit on total units owned by each participant will be reinvested automatically in additional units at a price of \$1.00 per unit and such new units will be credited to the respective accounts of all participants in the proportion to their holdings of participating units immediately prior to the determination of net income available for distribution. In the reinvestment of aggregate daily income as described above, fractional units may be issued representing fractions of a dollar, but no units will be issued representing fractions of one cent, nor will cash dividends be transmitted. Participating funds may obtain cash by redemption of units in accordance with N.J.A.C. 17:16-31.11.

As amended, R.1980 d.235, eff. July 1, 1980.

See: 12 N.J.R. 436(a).

Amended by R.1985 d.554, effective November 4, 1985.

See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Recodified from 31.11: Old 31.10 was "Guidelines for valuation of securities".

#### 17:16-61.11 Admission and withdrawal of participating units

(a) Admission to or withdrawal from the common fund shall be permitted on any business day. Admissions prior to noon will receive credit for net income available for distribution for such day if such admissions remain in the common fund through the close of such day. Withdrawals from the fund will receive credit for net income available for distribution only as of the close of the day next preceding such withdrawal.

(b) All admissions and withdrawals will be made in cash.

Amended by R.1985 d.554, effective November 4, 1985.

See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Recodified from 31.12.

#### 17:16-61.12 Amendments

This regulation may be amended from time to time by regulation of the State Investment Council. Any amendment adopted by such council shall be binding upon all participating funds, trusts and beneficiaries thereof. An amendment shall become effective, unless otherwise provided for therein, on the date it becomes effective under the Administrative Procedure Act.

Amended by R.1985 d.554, effective November 4, 1985.

See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Recodified from 31.13.

#### 17:16-61.13 Liquidation

The Director, Division of Investment, subject to the approval of the State Investment Council and the State Treasurer, may, upon two months' notice liquidate the aforementioned common fund, including the reserve fund. In the event of such liquidation, the owners of the units shall share proportionately, according to units owned, in each investment held by the common fund, and the other than State funds, shall share proportionately in the reserve fund. When such proportionate distribution is impracticable in the judgment of the director, he may instead distribute on liquidation, cash or temporary investments held by the common fund. No liquidation will be effected without the approval by the State Investment Council of a plan of distribution of the assets of the common fund including the assets of the reserve fund.

Amended by R.1985 d.554, effective November 4, 1985.

See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Recodified from 31.14.

#### 17:16-61.14 Guidelines on error correction

Any error in the statement of daily income to participants which is less than either one-third of a true calculation of such income or \$100,000, whichever is greater, may be adjusted over future daily income of the Fund in such a manner as may be approved by the director of the Division of Investment. Any error in excess of such amount may be adjusted in such manner as may be approved by the State Investment Council, through the restatement of income on days the error occurred, by charge against income on future days, or otherwise.

R.1982 d.363, eff. October 18, 1982.

See: 14 N.J.R. 899(a), 14 N.J.R. 1166(a).

Amended by R.1985 d.554, effective November 4, 1985.

See: 17 N.J.R. 2095(a), 17 N.J.R. 2676(a).

Recodified from 31.15.

**SUBCHAPTER 62. COMMON PENSION FUND A**

Amended by R.1996 d.222, effective May 6, 1996.

See: 28 N.J.R. 1366(a), 28 N.J.R. 2397(a).

In (b) deleted Consolidated Police and Firemen's Pension Fund.

**17:16-62.1 General provision**

(a) Pursuant to P.L. 1970, chapter 270, there is hereby created in the Division of Investment, Department of Treasury, a common trust fund, to be known as Common Pension Fund A.

(b) The following participating funds may invest in said Common Pension Fund A:

1. Police and Firemen's Retirement System;
2. Public Employees' Retirement System;
3. State Police Retirement System;
4. Teachers' Pension and Annuity Fund;
5. Judicial Retirement System of New Jersey.

As amended, R.1973 d.158, eff. June 19, 1973.  
See: 5 N.J.R. 247(c).

**17:16-62.2 Permissible investments**

(a) The Common Pension Fund A shall be a fund created for the purpose of investing in corporate common stocks or securities convertible into such stock which are legal investments for a life insurance company organized under the laws of this State.

(b) Said common fund shall be composed of units of ownership of unlimited quantity.

(c) All units of ownership shall be represented by a certificate prepared by and issued by the Director of the Division of Investment.

(d) Each such certificate may represent one or more units of ownership.