

YORK CITY DOLLARS FOR SCHOLARS **INVESTMENT POLICY**

Investment Philosophy:

The Investment Objective of YCDFS can be summarized as follows:

- Preserve and grow capital
- Strive for consistent real returns
- As stewards of donated funds, earn the highest possible return within the investment guidelines established by this policy.
- Minimize risk of loss through diversification of assets.

Responsibilities:

Board: The YCDFS Board of Directors is responsible for the management of the organization's assets. This Policy cannot be altered without the approval of the Board.

Investment Committee: This policy creates a standing committee of YCDFS. The Investment Committee is responsible for implementing and assuring adherence to this Policy. The Investment Committee is hereby authorized and made responsible to:

- Conduct regular meetings to assess the organization's investment position and modify it if appropriate.
- Develop and present to the Board for adoption at its annual meeting a five-year budget projection for income and expenses.
- Initiate and manage investments on behalf of the organization in accord with this policy and the most-recently adopted five-year budget projection.
- Review and approve the Treasurer's recommendations to move funds among short-term investments.
- Recommend to the Board of Directors any movement of funds into a longer term investment, e.g. Short-Term to Intermediate Term to Long-Term to Endowment.

Asset Allocation:

Short-Term Investment:

[Short-term Investment is defined as funds available on demand or with a maturity of up to 1 year or that can be liquidated quickly.]

Short-Term investments include checking and savings accounts, certificates of deposit, money

market accounts and funds, treasury securities and funds and short term bonds and funds. Short term investments will be limited to FDIC-insured investments and Treasury Notes and Securities with maturities of less than 5 years and bond funds in short-maturity U.S. Treasury, agency and investment-grade corporate securities and having an average maturity of less than 5 years.

Short-term funds will be maintained in an amount equal to 24-month needs as defined by our budgeted expenditures minus endowment anticipated scholarship and special program distributions, as listed in the current five-year budget.

Intermediate-Term Investment:

[Intermediate-term is defined as an investments with a time horizon of 1 to 5 years.]

Intermediate-Term investments may include certificates of deposit, and bonds and bond funds. Intermediate-Term Bond funds shall include primarily intermediate-term maturity U.S. Treasury, agency, and investment-grade corporate securities with an average maturity of less than 10 years

Long-Term Investment:

[Long-term is defined as investments with a time horizon of more than five years.]

Long-term assets may include, but are not limited to fixed income assets and equities.

Endowment:

[Endowment is defined as funds invested with a long term horizon that are managed to preserve or grow principal while returning income in perpetuity.]

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