



ERIE COUNTY CONSERVATION LEAGUE POLICY

Policy No. 05-2021
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Last Reviewed: None

Investment Policy Statement of Erie County Conservation League

PURPOSE OF INVESTMENT POLICY

The purpose of this Investment Policy is to provide a clear statement of the Organization's investment objective, to define the responsibilities of the Board of Trustees and any other parties involved in managing the Organization's investments, and to identify or provide target asset allocations, permissible investments and diversification requirements.

INVESTMENT OBJECTIVE

The overall investment objective of the Organization is to maximize the return on invested assets while minimizing risk and expenses. This is done through prudent investing and planning, as well as through the maintenance of a diversified portfolio.

GENERAL PROVISIONS

- All transactions shall be for the sole benefit of the Organization.
- The Board of Trustees shall consider updating the Organization's investment policy on an annual basis.
- The Board of Trustees shall conduct an annual review of the Organization's investment assets to verify the existence and marketability of the underlying assets or satisfy themselves that such a review has been conducted in connection with an independent audit (if any) of the Organization's financial statements.
- Any investment that is not expressly permitted under this Policy must be formally reviewed and approved by the Board of Trustees.
- The Board of Trustees will endeavor to operate the Organization's investment program in compliance with all applicable state, federal and local laws and regulations concerning management of investment assets.
- Investments shall be diversified with a view to minimize undo risk.

DELEGATION OF RESPONSIBILITY; RELIANCE ON EXPERTS AND ADVISORS

- The Board of Trustees has ultimate responsibility for the investment and management of the Organization's investment assets.
- The Board of Trustees may delegate authority over the Organization's investments to a properly formed and constituted Finance & Investment Committee, as appointed and approved by the Trustees.
- The Board of Trustees and/or Finance & Investment Committee may hire outside experts as investment consultants or investment managers.
- The Finance & Investment Committee monitors compliance with the investment policy, recommend changes, select and retain Investment Managers to execute this Investment Policy.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES, OR IF AUTHORITY IS DELEGATED, THE FINANCE INVESTMENT COMMITTEE

- The Board of Trustees, or if authority is delegated, the Finance & Investment Committee, is charged with the responsibility of managing the investment assets of the Organization. The specific responsibilities of the Board of Trustees or the Finance & Investment Committee, as applicable, include:
 1. Communicating the Organization's financial needs to the Investment Managers on a timely basis.
 2. Determining the Organization's risk tolerance and investment horizon and communicating these to the appropriate parties.
 3. Establishing reasonable and consistent investment objectives, policy guidelines and allocations which will direct the investment of the assets, to be reviewed by the Board of Trustees on an annual basis.
 4. Prudently and diligently selecting one or more qualified investment professionals, including investment managers(s), investment consultant(s), and custodian(s).
 5. Regularly evaluating the performance of investment manager(s) to assure adherence to policy guidelines and to monitor investment objective progress.



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RESPONSIBILITIES OF INVESTMENT MANAGERS

- Each investment manager will invest assets placed in his, her or its care in accordance with this investment policy.
- Each investment manager must acknowledge in writing acceptance of responsibility as a fiduciary. He, she or the firm shall not have a conflict of interest regarding the Mission of ECCL or investment guidance given. Specifically, no ECCL monies shall be invested with any entity that does not fully endorse and support the 2nd Amendment.”
- Each investment manager will have full discretion in making all investment decisions for the assets placed under his, her or its care and management, while operating within all policies, guidelines, constraints, and philosophies outlined in this Investment Policy. Specific responsibilities of investment manager(s) include:
 1. Discretionary investment management, including decisions to buy, sell, or hold individual securities, and to alter allocation within the guidelines established in this statement.
 2. Reporting, on a timely basis, monthly investment performance results.
 3. Communicating any major changes in the economic outlook, investment strategy, or any other factors that affect implementation of investment process.
 4. Informing the Board of Trustees, or if authority is delegated, the Finance & Investment Committee, regarding any changes in portfolio management personnel, ownership structure, investment philosophy, etc.
 5. Voting proxies, if requested by the Board of Trustees, or if authority is delegated, the Finance & Investment Committee, on behalf of the Organization.
 6. Administering the Organization’s investments at reasonable cost, balanced with avoiding a compromise of quality. These costs include, but are not limited to, management and custodial fees, consulting fees, transaction costs and other administrative costs chargeable to the Organization.

GENERAL INVESTMENT GUIDELINES

- A copy of this Investment Policy shall be provided to all Investment Managers.
- The Organization is a tax-exempt organization as described in section 501(c)(4) of the Internal Revenue Code. This tax-exempt status should be taken into consideration when making Organization investments.

- The Organization is expected to operate in perpetuity; therefore, a long-term investment horizon shall be employed. Interim fluctuations should be viewed with appropriate perspective.
- Transactions shall be executed at reasonable cost, taking into consideration prevailing market conditions and services and research provided by the executing broker.

DIVERSIFICATION

- The Organization will maintain a reasonable diversification of investment assets between asset classes and investment categories at all times.
- Investments within the investment portfolio should be readily marketable.

ASSET ALLOCATION

- The asset allocation policy shall be predicated on the following factors:
 1. Historical performance of capital markets adjusted for the perception of the future short and long-term capital market performance.
 2. The correlation of returns among the relevant asset classes.
 3. The perception of future economic conditions, including inflation and interest rate assumptions.
 4. Rebalancing shall be done as deemed necessary.

PERFORMANCE

- Performance objectives should be met on a net of fees basis. Investment performance shall be measured no less than quarterly on a net of fees basis.
- Performance objectives should also include the goal of 6% increase overall in the investment portfolio on an annual basis.



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INVESTMENT POLICY GUIDELINES

Consistent with the objectives and investment categories, the Board of Trustees has established the following investment guidelines:

1. Investment Decisions

The Board of Trustees has authorized the Finance & Investment Committee to discuss and approve investment decisions under the guidelines. Changes will be made to investments as deemed necessary, whether due to investment maturity, cash requirements, market opportunities or volatility or excess Funds Available for Investment. Annually, the investment portfolio will be presented to the Board of Trustees for review and discussion.

2. Investment Limits and Disclosure

The Finance & Investment Committee shall seek to maintain cash balances that are fully insured by FDIC (or other agency of the federal government) or that carry SIPC coverage.