

**Corvallis Sustainability Coalition  
Financial Assets Policy**

**Purpose**

The purpose of the Financial Assets Policy is to set general guidelines for the Corvallis Sustainability Coalition's financial assets, and management of those assets. The guidelines are intended to be specific enough to be meaningful, yet flexible enough to be practical. They will also lay the foundation for roles and responsibilities associated with the management of the financial assets.

**Financial Assets, and Liquidity and Asset Holding Type or Investment**

*Financial Assets*

1. Unrestricted operations cash as shown in the Cash and Fund Balances report, including Action Team set-asides
2. Action Team restricted cash - Action Team raised funds
3. Individual stocks (public or private)
4. Long term assets or funds - Endowments and other assets identified as being invested in and kept over the long term (1 to 5+ years)
5. Other assets or funds (e.g., unrestricted CBC funds or Meyer Grant)

*Liquidity and Asset Holding Type/Investment*

<b>Asset type</b>	<b>Liquidity</b>	<b>Notes on how these assets will be held or invested</b>
Unrestricted operations cash	High	The Coalition needs access to these funds with little or no notice. They will be held in checking and/or savings accounts*. When these funds grow larger than is necessary for operations, the Coalition will look into moving some of these funds into long term or other assets.
Action team restricted cash	High	The Coalition needs access to these funds with little or no notice. They will be held in checking and/or savings accounts*.
Individual stocks	n/a	These assets will be sold as soon as possible upon receipt.
Long term assets or funds	Low	See Long Term Assets or Funds Investment Guidelines below.
Other assets or funds	Various	Depends on the necessity of access to these funds with little or no notice

*\* Funds held in banks:*

1. Funds held in banks or bank equivalents must be in institutions that are insured by the FDIC or their equivalents.

2. This will include funds in checking accounts, savings accounts and CD's.

### **Long Term Assets or Funds Investment Guidelines:**

The overall purpose in investing in long term assets/funds is to grow the funds through investment earnings (interest, dividends and capital gains), while minimizing the risk of losses.

1. When possible, the Coalition will invest in well diversified mutual funds or endowments or insured CD's.
2. The mutual fund or endowment may contain stocks, bonds, CD's or other reputable financial instruments.
3. The Coalition will avoid risky investments, such as hedge funds, financial derivatives or options.
4. The Coalition will not invest in individual stocks or bonds.
5. The Coalition will seek to have low turnover rates for these funds (i.e., avoid frequent movement of assets among funds) and will not attempt to "play" the market or be day traders.

### **Process for Investing in Long Term Assets or Funds**

1. When Coalition funds/cash become available for long term investment, the Finance Committee will make a recommendation to the Steering Committee on how to invest those funds.
2. The Finance Committee will take the following into consideration when developing a recommendation for the Steering Committee:
  - a. Investment holding period (e.g., one year, two years, over five years, etc.)
  - b. Desired liquidity over the investment holding period
  - c. Investment goals (e.g., maximize earnings, minimize risk or a mix)
  - d. Other goals, such as utilizing fossil fuel free investments
3. The Steering Committee will make the decision on how to invest these funds/cash in long term assets or funds.
4. If there are any new assets/mutual funds the Coalition wants to invest in, they will be researched by both at least one member from the Steering Committee and a member from the Finance Committee. The Treasurer will then review the results of this research.

### **Roles and Responsibilities**

The Steering Committee will establish the financial assets policy and have the following roles and responsibilities:

1. Monitor all financial assets monthly during the Steering Committee meeting

2. Identify and share new financial instruments for the Coalition to invest in (e.g., new mutual funds)
3. Set investment goals and make long term investment decisions when funds/cash are available for investing
4. Review the Finance Committee report and recommendation on long term assets, their performance and determine any allocation changes at least annually or at the request of the Finance Committee
5. Review the Financial Assets Policy at least every two years

Treasurer and Finance Committee roles and responsibilities:

1. Review quarterly all long term asset performance allocations and recommend any changes to the Steering Committee
2. Review periodically the unrestricted operating funds and make recommendations to the Steering Committee on movement of some of these assets to long term assets or funds
3. Research any recommended new financial assets
4. Make long term investing recommendations
5. Make changes to the assets or funds as per the Steering Committee directions
6. Provide monthly tracking and reporting of financial assets

**Future Actions**

When individual long term assets that the Coalition is investing in are greater than \$100,000, the Finance Committee will look into an asset allocation model. At the same time, the Finance Committee will look into hiring a money manager or firm.

Financial Assets Policy adopted May 12, 2015

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Robert L. Mauger, Secretary