

# **POLICY AND PROCEDURE IV**

## **INVESTMENT POLICY**

### **SECTION 1. PURPOSE**

The purpose of this policy is to assist the East Haddam Land Trust, INC. (EHLT) in effectively supervising, monitoring and evaluating their investment assets. The investment assets are held by the Corporation to steward EHLT's mission and purposes.

### **SECTION 2. GENERAL INVESTMENT REQUIREMENTS**

In addition to cash accounts, investments shall consist of publicly held investments only. The Board of directors must approve any new investments or the closing of any accounts.

The treasurer will provide the Board with monthly statements containing pertinent transaction details including income, expenses and/or investment performances.

The treasure will provide an annual summary of all cash accounts together with a report of investment performance for the year to the Board of Directors and membership

### **SECTION 3. FINANCIAL ASSETS**

The EHLT financial assets are of two types.

The first type, Class A assets include:

1. Working capital needed for day-to-day operations (the unrestricted "general fund")
2. Assets that are restricted by donors or the Board for specific projects or purposes.

The two investment objectives for Class A assets are safety and liquidity.

The second type, are Class B assets. The donor or the Board does not restrict these assets for operational purposes. Consistent with prudent risk, such assets are invested with the objective of obtaining a long-term return.

### **SECTION 4. TREASURER'S DUTIES**

As directed or authorized by the Board, the treasurer has the discretion to purchase, sell or hold the specific investment vehicles.

The treasurer will physically maintain possession of investments owned by the EHLT. This includes collecting dividend and interest payments, redeeming maturing securities, effecting the receipt and delivery of sales and purchases and all documentation related to the afore mentioned.

The treasure will also perform regular accounting of assets owned, purchased or sold.