



# Investment

*Updated December 2019*

## Policy

Purpose: To provide guidance for the Association on investment matters.

1. Each year at the mid-year VATAT board meeting, the investment committee will meet to review and make recommendations to the full board.
2. The VATAT will strive to maintain a reserve equal to 25% of its operating budget.
3. A review of our C.D.s must be conducted each year. This can include liquidating any part of these holdings and re-investing elsewhere or taking no action.
4. A review of our non-restricted investment account must be conducted each year. This again could include liquidating any part of the fund and investing elsewhere or continuing as is.
5. Our restricted legacy endowment account will be managed based on the following principles: based on the third quarter gain over the previous year, excluding new donations, the association may take a disbursement from the account totaling 80% of the return to use for current year's scholarships, with the remaining 20% growing the corpus.
6. The following will relate to the management of our operating account surplus or deficit. Assuming there is a surplus in operating funds, recommendations concerning how to invest the balance will be made to the full board. Assuming a deficit exists, recommendations on where to access funds to balance the budget.
7. This policy can be reviewed by the board at any time and may be altered by a majority vote of the VATAT Board. It is not designed to limit the current management of the funds, but to provide structure and continuity.

## Operational Protocols

1. The committee should always lean toward a conservative approach in our investments while keeping an eye on opportunities for increased return.
2. The Association should operate in a financially prudent way.
3. Maintain financial reserves to allow our association to do business regardless of downturns in the economy or unexpected expenses.