

# **ION INVESTMENT POLICY**

*Approved by Council April 22, 2007*

**Operating Fund:** Cash fund of \$300K made available to manage day to day operations which remains liquid in an operating account.

**Contingency Budget:** Budget allocated to cover emergencies.

- Calculated to = 15% of budgeted fiscal year expenses (\$262K FY '07-'08).
- Invested to preserve principal with a 0-2 year outlook (Short Term Fund.23 beta).

**New Initiatives (NI) Budget:** Budget allocated to implement new programs; the R&D budget.

- Budget shall maintain a minimum of \$750K and be calculated to equal the greater of \$750K; or the sum of the new initiatives approved in current FY budget (\$141K FY '07-'08) and a \$100K allocation for new programs.
- Current FY budgeted NI + \$100K for new programs shall be invested with a 0-2 outlook (Short Term Fund .23 beta).
- Differential between the total NI \$750K budget and what is allocated to the Short Term Investment Fund (bullet above) shall be invested with a 2-4 year outlook (Intermediate Fund .53 beta).

**Long Term Investment:** Council establishes a long term investment; the investment the organization makes in itself to ensure future vitality.

- Calculated to be the balance remaining in the total reserve fund that has not yet been committed to any other funds. (Currently \$1.6 million)
- 100% shall be invested with a 5-10 year outlook (Long Term Investment Fund .95-1.05 beta).

The ION Executive Committee is authorized to regularly rebalance any of the ION's investments to meet the ION's Investment Policies based on March 31 financial statements. Trading authorization for all three ION investment accounts shall be delegated to Weber Asset Mgmt, ION Treasurer and ION Director of Operations.