

PATTERSON LIBRARY

INVESTMENT POLICY

Patterson Library investment objectives are the preservation and protection of the library's assets, as well as the maintenance of liquid reserves to meet obligations arising from unanticipated activities and the earning of an appropriate return on investments.

Investment policies and investment decisions shall be maintained and approved by the BOT. The library director is responsible for the investment of library funds as directed by the Board of Trustees and the library's Financial Investment Policy.

Patterson Library operating cash accounts will be held in FDIC accounts with no account exceeding the FDIC insurance limits. The operating cash account shall be maintained with a zero to very low risk tolerance to keep cash available for budgeted and other anticipated expenses. Employees and representatives of Patterson Library who have remote access to financial institutions and bank accounts must adhere to Multi-Factor Authentication requirements, where available, to ensure controls and authorized access to Patterson Library's confidential data and financial records.

Patterson Library Operating and Capital Reserve accounts and all other non-operating checking accounts maintained by the Library will be held in FDIC accounts with no account exceeding the FDIC insurance limits. The Operating and Reserve accounts may be held for longer term planned usage. Therefore, Patterson Library may use investments which may include: Cash and cash equivalents, marketable securities including equities and fixed income securities that provide the highest return with the maximum security while meeting the cash flow demands of the library. The Library's investment risk tolerance is conservative.

In all instances, donor intent shall be respected when a decision is rendered considering investments for donor advised funds, endowments or other donations made with long term investment characteristics. Where there is no donor intent, the Library shall make investments with the highest return with the maximum security. Non-public funds, gifts, donations and endowments can be invested in longer term investments where the purpose of the funds does not require immediate cash needs.

To achieve a balanced investment portfolio, the Board of Trustees may hire outside experts as investment consultants or investment managers. The Board of Trustees will be required to communicate the goals of the investment policy to the outside investment managers, review the investments, income earned, and management fees generated on a quarterly basis.