



Digital Scriptorium

**Digital Scriptorium**

<http://www.digital-scriptorium.org>

## **Investment Policy**

### **I. Purpose**

The Board of Directors of Digital Scriptorium of (DS) recognizes the importance of effectively managing the assets of the organization to assure the future viability of the organization and to maximize its ability to fulfill its charitable purpose. This investment policy is established to ensure that fiscal donations to DS will be managed with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the investment of funds of like character and with like aims, consistent with the objectives stated in this document. This policy further serves as a guideline for any investment advisor(s) responsible for managing assets of DS. It is a stated philosophy of DS that funds be managed with a primary focus on real growth while seeking total return in a risk-averse manner.

Furthermore, these funds shall be managed in all matters putting the interests of the DS first while at the same time complying with applicable state and federal statutes which, from time to time, may apply and in accordance with any restrictions and/or limitations set forth in the DS's Articles of Incorporation or By-Laws.

### **II. Investment Objectives**

#### **A. Long-term Objective:**

At such time as DS has sufficient funds to pursue a comprehensive investment plan, it's long-term investment objective will be to provide for long-term growth of principal sufficient to support DS's spending needs, without undue exposure to risk, as well as to enhance the real (adjusted for inflation) purchasing power of these funds to support future spending in inflation-adjusted dollars.

## B. Short-term Objective:

Until such time as DS has sufficient funds to pursue its Long-term Objective, it shall primarily seek preservation of principal as its investment objective with a secondary goal of preserving principal against inflation and investment fees.

## B. Access to Funds

### 1. Earnings or Increase in Valuation - "Spending Rule"

The general purposes of the spending rule are to provide a stable, predictable principal and allow for savings that grow over time with inflation. The overarching objective of this spending rule is to protect the purchasing power of DS assets. Thus it is the intention of the Board of Directors to keep donations separate from annual revenues from membership fees and not apply donations to regular operating costs but to make them available for special projects, programs or extraordinary needs. Some amount of donations will be kept in checking in order to eliminate standard banking fees. The remaining amount of donations will be kept in a savings account until the amount in savings reaches the minimum required to develop a comprehensive investment plan. At that time the Board of Directors may decide to transfer funds from savings to an investment portfolio.

In the short-term, when donations are being accumulated to reach a sufficient level to pursue a comprehensive investment plan, the Board of Directors acknowledges that modest spending may invade the principal value of these funds. If the Board would so choose to spend principal it will do so prudently weighing the near-term organizational benefit with its long-term goal to accumulated funds to support spending on future needs.

### 2. Emergencies

While the overarching philosophy is to protect the principal amounts in the savings fund by limiting withdrawals, it is also recognized that it is impossible to anticipate all potential situations. As such, the Board of Directors may authorize withdrawal of principal funds in extraordinary circumstances with an agreement established as to when the funds would be returned in a timely manner to savings.

## III. Summary

### A. Fiduciary Duty:

The Board of Directors of DS shall have fiduciary oversight of the fund. The signatories on the checking and savings accounts shall be the President and the Treasurer.

B. Deviations from Policy:

The President and/or Treasurer have authority to deviate from the Investment Policy from time to time as necessitated by special circumstances. Any such deviations are intended to be short term in nature, and shall be reviewed by the Board at its next regularly scheduled meeting. Any material changes to the Fund's investment objectives, or significant deviations from this Investment Policy brought about by special circumstances, shall cause the Investment Policy to be immediately reviewed and modified accordingly.

C. Annual Review:

The Investment Policy shall be reviewed annually by the Board of Directors. Any modifications to the Policy that are adopted by the Board of Directors will be promptly communicated to all members of the organization any other interested parties.

APPROVED BY THE DS BOARD OF DIRECTORS

DATE:

16 March 2018