

Minor Memorial Library Investment Policy

The investment Policy (hereafter referred to as “Policy”) of Minor Memorial Library (MML) covers the endowments of Minor Memorial Library and Hodge Memorial Library and Museum (HML&M). Hereafter, these combined endowments are referred to as “Funds”.

The purpose of investing the Funds is to generate returns and realize capital appreciation to partially support the operations, maintenance, and expansion of MML and HML&M as deemed necessary by the MML Board of Directors (hereafter referred to as the “Board”). When adopting investment strategies and evaluating performance, the Board will consider a time period of five to ten years. Typically, the annual spending rate of total returns from the Funds will be based on the rolling average of the Fund’s year-end market values over the past 3 years. Barring extraordinary changes in the economic and investment environments, the annual spending rate will be 4.5% or less.

In executing its investment duties, the Board may, at its discretion, engage the services of an outside investment manager. If an outside manager is engaged, the Board will ensure that the manager’s fees are reasonable, consistent with what comparable nonprofit organizations pay for comparable services, and do not impede total returns from the Funds. The Board has full authority to select an investment manager, to discharge an investment manager, and to not engage an investment manager, relying instead on the Board’s direct placement of Funds with such an investment firm as a mutual fund, bank, or other entity commonly employed by nonprofit organizations to manage their funds.

Periodically, at its discretion, the Board will evaluate the performance of the Funds. If changes in investment approach or investment manager are deemed necessary, the Board will execute those changes. Though reports on the Funds’ performance are the responsibility of the Treasurer of the Board, the entire Board is responsible for monitoring the Funds’ performance and for modifying the allocation and reallocation of the Funds as necessary. Reports on the Funds’ performance will at minimum include performance against suitable benchmarks, valuations, asset allocations, and cash flow summaries.

Approved by the Board on June 12, 2017

Cynthia Newby, Chair