

Background

This fund represents an amalgamation of donations and bequests given to the school district from individuals with a connection to BUHS District #6 over the history of BUHS's existence. This Investment Policy excludes the EAMES Scholarship funds (which have a separate investment policy LBP-6A).

Purpose

To support student development for the general benefit of BUHS students through financial resources generated from the management of the endowment funds.

Investment Objectives

The investment objectives of the fund are:

- to invest long-term;
- to protect the purchasing power of the funds;
- to provide a 4.25% distribution based on a rolling 12 quarter average; and
- to reinvest additional growth in the principal.

Asset Allocation Guidelines

The asset allocation ranges are 40-60% equities, 20-55 fixed income, 0-20% cash equivalents and 0-15% in alternatives. The Finance Committee and the Funds' manager shall have the discretion to amend the investment objective. The Finance Committee will review the allocation at least every twelve (12) months to consider making changes to the investment objective, if necessary.

Portfolio Goals

Performance benchmarks for the Funds' manager will be measured quarterly. The portfolio manager's performance will be evaluated on a two year cycle based on investment objectives, market performance, and economic conditions.

Distributions

As of (April 15 of each year , the average value of the Fund for the previous 12 quarters will have been calculated, and 4.25% of that average will be targeted for distribution at the discretion of the Business Administrator with Finance Committee approval to the school district's endowment fund checking account.

Restrictions and Priorities

Investment in foreign securities will only be made through common stocks, bonds, mutual funds, exchange traded funds and American depository receipts listed on the NYSE, American Stock Exchange or NASDAQ. Only bonds with ratings of A or better by Moody's, and/or Standard and Poor will be purchased. Investments shall not be made in commodities; commodity contracts; oil, gas, or mineral leases; royalty contracts; or individual parcels of real estate. This rejection is not intended to preclude domestic exchange traded funds (ETFs), or investments in Real Estate Investment Trusts (REITs) or other listed real estate equities or bonds, for which quotations are readily available. Margin transaction and short sales shall not be used. Investments shall not be made in equity issues and bond securities for which quotations are not available. No investments shall be made which would require a federal, state or local tax return. Unsecured personal loans shall not be made.

Where possible, the investment manager will avoid investments whose principle business is tobacco products.

Proxy Voting

The Funds' manager shall have proxy-voting authority.

Finance Committee

The Finance Committee will have the following responsibilities in overseeing the Fund:

- to supervise the performance of the Funds in light of the adopted objectives;
- to periodically review the Investment Policy Statement and recommend amendments as needed;
- to review and evaluate the performance of, and engage and terminate fund manager(s);
- to work with the staff, independent auditor, the Fund managers to carry-out the stated purpose of the Fund

Approved by BUHS #6 Finance Committee: June 8, 2017

Date Warned:

Date Adopted:

Legal Reference(s):

Cross Reference:

BRATTLEBORO UNION HIGH SCHOOL
DISTRICT #6
Brattleboro, Vermont