

GELF Investment Policy Guideline

Executive Summary

Foundation Mission:

The Glen Ellyn Library Foundation (GELF) assets are overseen by the Board of Directors and as fiduciaries the members should exercise ordinary business care and prudence in managing them. These funds are held in trust for the purpose of carrying out the Foundation's mission of providing high-quality library services in an attractive, state-of-the art facility and to fund projects that foster innovation and outreach.

Objective:

The primary investment objective of GELF is to grow the assets in its care by earning a total-return appropriate to the Foundation's long-term time horizon, liquidity needs and risk tolerance.

Asset Mix:

While maintaining reasonable diversification, the Board may establish an asset allocation commiserate with its risk and return objectives and a range for each of the investment classes. Rebalancing toward the mid-point allocation should occur at least annually, especially if the asset class moves outside its intended range. The target Asset Allocation is as follows:

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|------------------------|-----|
| • Domestic Equity | 50% |
| • International Equity | 15% |
| • Fixed Income | 25% |
| • Real Estate | 5% |
| • Cash and equivalents | 5% |

Investment Selection:

Subsequent to approval by majority vote of the Board, the Treasurer or the President may invest in the following investments which are usually held in mutual or exchange-traded funds that have \$500 million in assets and are rated 4 stars or better by Morningstar:

- Diversified equity, fixed income or balanced funds including securities that are based outside the United States and its territories.
- Publicly traded real estate investments, including REITS
- Money market and cash equivalents

Performance Measurements:

Quarterly investment reports will be provided to the Board for discussion of recent results. Investments will be reviewed for performance issues on a five-year rolling timeframe against their appropriate benchmarks.

Spending Policy

The Board is responsible for funding programs periodically upon request of the Library Executive Director and the Library Trustee Board.

Adopted by the GELF Board 11-14-18