



The below represents a sample Investment Policy Statement for a permanent endowment fund. While HGF's **Endowment Accelerator Matching Grant** requires the creation and approval of such a policy, this is a sample only, and there are many variations on these policies that will meet the grant criteria. Your governing body should determine your own policies based on your camp's needs and capacity. This Investment Policy Statement must be accompanied by an Endowment Policy and Gift Acceptance Policies to meet the requirements of HGF's **Endowment Accelerator Matching Grant**.

Please note that The Harold Grinspoon Foundation are not financial advisors. We are offering sample policy language and guidance about where you can seek financial advice but cannot provide that advice ourselves. We recommend you review your proposed policy with a financial advisor who has experience with endowments.

## **Camp ABC Endowment Fund Investment Policy**

**Date  
(Revision Dates)**

### **Authority**

The Board of Directors hereby adopts the following Investment Policy Statement. These guidelines relate to gifts and donations placed in the permanent endowment fund.

### **Purpose**

The purpose of the Camp ABC Endowment is to support the camp's objectives over the long term. Accordingly, the purpose of this statement is to establish a written procedure for the management and investment of the camp's funds and to ensure that the future growth of the endowment is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for future generations.

The camp endowment will be managed in accordance with the prudent person rule, which requires that investments be made with the care, skill, and diligence that a prudent person, knowledgeable in such matters and in the objectives of the fund, would employ.

### **Responsibility for Management of Endowed Funds**

The Board of Directors has designated responsibility for oversight of the investment management of endowed funds to the Finance Committee of the Board of Directors. The Finance Committee may decide to hire local managers to provide investment management of the funds or may use the national office of Camp ABC's pooled endowment fund for investment management.



**Related Policies**

In the event the Finance Committee decides to use local managers for investment of the endowment funds, the Finance Committee shall create investment policies governing the management of those funds and shall submit them to the Board for approval. These policies will then be shared with the investment managers with responsibility for the funds to provide guidance in investment decisions.

**Unit Accounting**

Camp ABC pools all endowed funds over which it has ownership and control, unless otherwise prohibited by the gift document, to achieve the most effective, efficient, diversified, long-term management of the funds. When endowed assets are received, these new assets are assigned units in the pool based on the unit value on date of entry.

**Investment Goals and Objectives**

The primary goal of the endowment policy is to maximize total return on assets entrusted to it while controlling risk exposure to a level consistent with the interests of Camp ABC.

**Asset Allocation Parameters**

Based on long-run historical and expected returns of each asset class, the target ranges below are designed to facilitate an average annual total return of at least 7%. Net of inflation and fees, returns at this level will support the 4% spending policy level defined below while ensuring against depletion of the endowment account.

	<u>Target</u>	<u>Range</u>
Equity:	60%	50-70%
Fixed Income:	35%	25-45%
Cash:	5%	

**Evaluation and Reporting of Investment Results**

It is expected that the investment managers will report quarterly on the performance of the portfolio, including gross returns for the funds versus their respective benchmarks and returns net of fees. Also included will be a complete accounting of all transactions involving the endowment during the quarter, together with a statement of the beginning value, fees, capital appreciation, and income and ending market value for each account. The Finance Committee will in turn report to the board as a whole no less than once per year on the endowment and fund evaluation.

Date approved by Board of Directors: \_\_\_\_\_

Signature of Board Secretary: \_\_\_\_\_

Signature of Board Treasurer: \_\_\_\_\_