



BOARD/GOVERNANCE POLICY

Title: Investments and Reserve	Number: (insert policy #- optional)
Cross Reference: (include other policies that may relate)	
Approved by: Illinois State Council Board of Directors	Origination Date: 10/2010
Revised by: Illinois State Council Board of Directors	Approval Date: 1/2011
	Revision Date: 6/9/2018

POLICY:

- 1.1 The goal of the investments of the Illinois State Council are to retain capital and safely maximize revenue to enhance and financially support membership programs.
- 1.2 The investments of the Illinois State Council are designed for growth with a moderate risk tolerance.
- 1.3 The creation and maintenance of adequate reserves is a fundamental tenet of sound financial management.
- 1.4 The purpose of accumulating reserves is to assure that Illinois State Council has the financial means to continue to provide essential services to its members and the general public in the short- and long-term future.

STANDARDS/CRITERIA:

- 2.1 InvestmentsThe Executive Committee reviews the Illinois State Council investments at least bi-annually and makes recommendations to the Board of Directors if any changes are necessary.
- 2.2 Illinois State Council engages a certified investment advisor with expertise in not-for-profit organizational investing. This investment advisor is compensated on a fee-for-service basis.
- 2.3 Illinois State Council invests in financial instruments, such as stocks, mutual funds, bonds and cash equivalents, as recommended by the investment advisor and to avoid speculative or unproven financial schemes.
- 2.4 Illinois State Council seeks a wide range of investments to include and support regional businesses if possible and exclude investments that directly or indirectly profit from hazardous or evidence based risks to health or the exploitation marginalized groups or those protected by state or federal law, including but not limited to women, children, or other workers; racial or ethnic minorities; persons of color; based on religion, national origin, sex, disability or familial status; ancestry, age, marital status, citizenship status, sexual orientation, gender-related identity, unfavorable discharge from military service, or pregnancy; or risks to the environment.
- 2.5 Illinois State Council's investment portfolio principles are approximately 45% growth, 25% Growth and Income, 20% Income (bonds) and 10% cash equivalents (short-term).

- 2.6 The Executive Committee has the authority to modify the Illinois State Council investments based on unpredictable and/or dynamic economic factors and upon the recommendation of the investment advisory at any time if acting in the best interests of the Illinois State Council. The Executive Committee notifies the Board of Directors of said actions within 48 hours.
- 3.1 ReservesThe objectives of the Illinois State Council reserves are:
 - 3.1.1 To sustain basic operations and core member services for a minimum of one year in the event there is a meeting cancellation or a decline in a major revenue source.
 - 3.1.2 To sustain essential member services during a transition to a long-term economic downturn.
 - 3.1.3 To cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges or opportunities.
 - 3.1.3.1 To provide a source of capital for research and development of new products and services that have the potential to significantly benefit the emergency nursing profession.
 - 3.1.3.2 To fund major capital improvements to serve members.
 - 3.1.3.3 To have sufficient funds that income from investment of these funds could be used to offer member benefits at lower cost than would otherwise be possible.
 - 3.1.4 The Executive Committee to recommends to the Board of Directors a target amount for the reserves in order to meet the objectives of this policy.

INFORMATIONAL:

- 4.1 As of December 2017, the target funds for one year is \$83,000.
- 4.2 Generally, funds available for investment fall into two categories:
 - 4.2.1 Short-term
 - 4.2.1.1 These are funds that are not needed for operations immediately but may be needed within this year or the next 12-36 months. Appropriate vehicles for investing short-term funds may be money market funds, certificates of deposit (CDs) and/or U.S. Treasuries.
 - 4.2.2 Illinois State Council maintains business checking accounts with Chase Bank.
 - 4.3 Long-term
 - 4.3.1 These are funds that will not be needed for operations for at least the next three years. Appropriate vehicles for investing long-term funds may be a combination of money market funds, CDs, U.S. Treasuries, equities (generally stocks) and fixed income securities (generally bonds).
 - 4.3.2 Illinois State Council maintains long-term investments that are managed by Marilyn Bilyak, [Journey Financial Group, Inc.](#), 1110 W. Lake Cook Rd. Ste. 265B, Buffalo Grove, Illinois 60089, 847-229-9191.
 - 4.3.2.1 At least three authorized signatures are required for the long-term investment account: President, Secretary, and Treasurer.