

Adoption Date: 4/26/19

**Binghamton Auxiliary Services Corporation**  
**GENERAL INVESTMENT POLICY**

---

**PURPOSE:**

To provide general guidance relative to the delegation of authority and responsibility, the policies needed, and the review requirements related to investment management.

**BACKGROUND:**

The Board has a fiduciary duty as trustee of invested funds and other liquid assets held by the Binghamton Auxiliary Services Corporation (BASC). BASC may employ Investment Consultants and Investment Managers to manage investments, trusts and other financial matters of BASC. The extent of the investment management responsibilities of the Corporation, however, is such that it is prudent that whenever possible, BASC must secure and operate with continuous professional supervision of investments.

BASC may maintain reserve accounts intended to be used for future planned activities (i.e. capital purchases, replacements, contingencies, etc.) and operating accounts for managing general administrative activities. It also may maintain various program accounts which help support campus activities. Since the balances in these accounts may be drawn on at any time, the investment objective is to preserve principal, provide liquidity, and provide a secure and stable investment return.

This policy provides the baseline authority and requirements for administration of all of BASC's investment assets. Each investment pool is to be operated in compliance with this policy.

**POLICY:**

- I. It is the policy of the Board of Directors that BASC's investment program will be managed in conformity with established investment management principles and the laws of the State of New York governing commercial, donor, agency and fiduciary relationships. The Board delegates to the Director of Business Operations and Finance, under the oversight of the Executive Director, the implementation of the management of investments per this policy and related policies of the Board, and in accordance with New York and federal law.
  - a. It is expected that the Director of Business Operations and Finance will seek and rely upon specialized expertise and guidance from a Finance and Operations Committee and other investment professionals as is reasonable and prudent. The Board retains ultimate responsibility to make investment program policy decisions.

## **GENERAL INVESTMENT POLICY**

- II. Director of Business Operations and Finance Duties and Reporting to the Board:  
The Director of Business Operations and Finance will have primary responsibility for implementation of investment-related duties in accordance with policy. The Director of Business Operations and Finance will:
- a. Provide accounting and reports related to investments to the Board periodically;
  - b. Ensure that annual reports are produced that detail the earnings and activity in all investment accounts, and distribute the reports to the Board.
  - c. Establish procedures regarding implementation of policy; and
  - d. From time to time provide recommendations to a Finance and Operations Committee for revisions to policy to be proposed to the Board; and
  - e. Consult with a Finance and Operations Committee regarding the hiring, monitoring, and termination of Investment Consultant(s) and Investment Manager(s).
- III. Legal Assistance: Legal counsel should be consulted, as prudent, by a Finance and Operations Committee and the Director of Business Operations and Finance.
- IV. Investment Consultant(s) role: The Director of Business Operations and Finance may allow Investment Consultants(s) to:
- a. Implement Board approved investment-related policies through written procedures as provided by the Director of Business Operations and Finance; and
  - b. Recommend policy and procedure revisions to the Director of Business Operations and Finance for the review by a Finance and Operations Committee and Board approval; and
  - c. Report to the Director of Business Operations and Finance and the Finance and Operations Committee with respect to performance reviews of Investment Managers.
- V. Investment Standard: All investments must be in compliance with the New York Prudent Management of Institutional Funds Act (“NYPMIFA”).
- VI. Allowable Investments:
- a. Money market funds, certificates of deposits with maturities not to exceed 3 years, or short-term fixed income funds with average portfolio durations of 2 years or less may be examples of allowable investments.
- VII. Investment Earning:
- a. Investment earnings will be recorded in the general operating fund of BASC unless specific agreements have been established between the BASC Executive Director and a campus program account for the credit and/or use of investment income.

### **PROCEDURES:**

The Director of Business Operations and Finance will establish written procedures for practical operations related to investment funds to implement this policy.

## **GENERAL INVESTMENT POLICY**

### **COMPLIANCE:**

All personnel involved in investment of any BASC-held funds must comply with this policy.

### **AMENDMENT TO POLICY:**

This policy may be amended in whole or in part, upon review and recommendation from the Finance and Operations Committee. Such recommendation will be forwarded to the Board of Directors for approval, and passed by a vote of a majority of Directors present at a meeting at which a quorum is present.

### **REFERENCE:**

New York Prudent Management of Institutional Funds Act (“NYPMIFA”)

[https://www.charitiesnys.com/nypmifa\\_new.html](https://www.charitiesnys.com/nypmifa_new.html)