



## Cuyahoga Arts & Culture Investment Policy

Approved February 7, 2011  
Effective February 7, 2011  
Updated September 10, 2012

---

### Policy Statement and Scope

This document, in conjunction with the Ohio Revised Code, as amended from time to time, will govern the investment activities of Cuyahoga Arts & Culture (CAC). It is the policy of CAC to invest public funds in a manner which will provide the highest return with the maximum security while meeting cash flow demands.

### Investment Objectives

The primary objectives, in priority order, of CAC's financial investments are:

- **Safety of Principal** - Safety of principal is the foremost objective of the investment program. All investments shall be undertaken in a manner that seeks first to preserve capital and second to fulfill other investment objectives.
- **Liquidity** - CAC's investment portfolio will remain sufficiently liquid to enable CAC to meet all operating requirements which might be reasonably anticipated.
- **Return on Investments (Yield)** - CAC's investments should generate the highest available return without sacrificing the first two objectives outlined above.
- **Minimization of Risk** - All attempts shall be made to minimize risks inherent in investment through diversification so as to eliminate the risk of loss resulting from an over-concentration of funds in a specific maturity, issuer, industry, geographical area, or class of securities.
- **Minimization of Cost** - All attempts shall be made to minimize the costs of financial transactions related to implementing investment strategies.

### Authorized and Suitable Investments

CAC will be permitted to invest in any security specifically authorized by Ohio Revised Code Section 135.35, as amended from time to time, for the investment of public moneys.

### Maturity of Funds

No investment shall have a maturity date of more than three years from its date of purchase by CAC. To the extent possible and prudent, CAC will attempt to match its investment maturities with anticipated cash flow requirements.

Securities may be redeemed or sold prior to maturity to meet additional liquidity needs, to enhance the yield of the portfolio, to re-structure the portfolio, or to realize capital gains.

### Deposit Requirements

All deposits shall be collateralized pursuant to applicable requirements of Ohio Revised Code Chapter 135. CAC's Board of Trustees shall designate its public depositories in accordance with applicable requirements of Ohio Revised Code Chapter 135. Any eligible financial institution within the State of Ohio may become a public depository of the funds of CAC.

CAC shall deal only with brokers or dealers who are registered as such with the Securities and Exchange Commission and, which are licensed as a dealer with the Ohio Division of Securities. Such brokers or

dealers should also be members of the National Association of Securities Dealers, Inc. Securities brokers and dealers shall be utilized only after an analysis performed by the Executive Director has revealed that the broker is adequately capitalized to conduct business with CAC and has been approved by the Board of Trustees.

A copy of this Investment Policy and any revisions or updated versions will be given to eligible financial institutions and brokers and dealers desiring to do business with CAC. It shall be the responsibility of the designated officer of those institutions and brokers and dealers to review the Investment Policy and agree to comply with all applicable State of Ohio and Federal Laws. Furthermore, the aforementioned officer shall agree to disclose any potential conflicts or risks to CAC funds that could arise out of financial transactions between the financial institutions, brokers, dealers and CAC.

### **Reporting**

The Executive Director shall provide monthly investment reports to Members of the Audit and Finance Advisory Committee for review and comment and regular reports the Board of Trustees. The investment reports shall clearly provide the following information regarding the investment portfolio: types of investment, depository institutions, principal balances, rates of return and maturities.

### **Investment Policy Adoption**

CAC's Investment Policy shall be adopted by resolution of CAC's Board of Trustees. The Policy shall be reviewed no less than annually by the Audit and Finance Advisory Committee and any modifications made thereto must be approved by CAC's Board of Trustees.

The approved Investment Policy must be filed with the Auditor of State of Ohio. The Executive Director shall maintain a copy of the filed Policy. That copy must be signed by the following:

- All entities conducting investment business with the investing authority.
- All brokers, dealers and financial institutions initiating transactions with the investment authority by giving advice or making investment policy thereby acknowledging their agreement to abide by the policy's content.
- All brokers, dealers and financial institutions executing transactions with the investment authority by giving advice or making investment policy thereby acknowledging their agreement to abide by the policy's content.