V. INVESTMENTS

A. Overview
The Board of Directors must make long-term decisions for Minnesota Quilters. The Treasurer or a board member designated by the President and in consultation with the Finance Committee may make investments (up to a maximum of two years).

The Treasurer or the designated board member must inform the Board of Directors when investments have been made.

Gifts of stock must be sold immediately upon receipt.

The Finance Committee is composed of board members as stated in the By-laws.

B. Investment Policy
The Finance Committee of Minnesota Quilters has adopted this policy to provide Minnesota Quilters Board with guidelines for investing assets that are not needed for day to day operations. The policy goals are:

- To safeguard the principal of invested assets
- To maximize the interest income from the investments
- To assure the availability of adequate funds for future operating expenses.

C. Investment Vehicles
The instruments to be considered for investment are as follows:

- Certificates of deposit
- US Treasury or agency investments
- Investments in cash or cash equivalents of highly rated Mutual Funds rated AA or better.
- Money Market Funds
- Other investments may be made with the prior approval of the board of directors.

D. Reserve
Minnesota Quilters shall maintain a reserve fund to support six months of current operating level of the annual budgeted operating expenses net of fundraising. (The balance in the reserve fund is the total cash plus marketable securities less any restricted funds for a project or service).
The Board of Directors shall determine the amount of reserve needed in conjunction with the preparation of the annual budget.

**E. Procedures**

The Board President, Board Treasurer and a board member designated by the President each have authority to invest cash on behalf of Minnesota Quilters with board approval.

The Board President, Board Treasurer and the designated board member have the responsibility for identifying and implementing appropriate investments, including securing the required board approval and providing documentation of the investment(s).

The Finance Committee will review the investment performance of Minnesota Quilters at minimum on a quarterly basis.

The Board Treasurer will provide the Finance Committee with:

- Total amount of cash currently invested, type of instruments and current percentage rate.
- 90-day cash flow projection. (if needed)
- One year cash flow projection.
- Recommended amount of cash available to transfer to or from investments.

Approved: 22 March, 2016