Minnesota State College-Southeast Technical Foundation
Investment Policy

I. PREFACE
The purpose of this policy is to communicate the general intentions of the Minnesota State College-Southeast Technical Foundation Board of Directors regarding the investment of operating and endowment funds of the Foundation. As such, its terms may be changed at the discretion of the Board of Directors by a vote of a majority of its members.

II. GOAL

1. The general fund of the Foundation should be invested with the objectives being preservation of principal and generation of income.

2. Sufficient liquidity shall be maintained to fund scholarship and operating fund needs in a timely manner.

3. The endowment fund of the foundation should be invested with the primary objective being growth of principal. The annual payout to fund scholarships will be determined by the Board of Directors annually.

III. INVESTMENT PRACTICES

1. The Board of Directors shall exercise fiduciary duty with respect to the management of investment assets, and shall consult with and employ professional advisors in its fulfillment of such duties. The Finance Committee shall regularly review the performance of such advisors, and make reports and recommendations to the full board.

2. It shall be the responsibility of the Finance Committee to select professional advisors to manage a diversified portfolio of investments including money market cash, bonds, and equities. Individual securities and or mutual funds may be used.

3. No more than 70% of the endowment fund may be invested in individual securities and or mutual funds that are principally invested in common and other equity securities. Preferred stocks will be considered a fixed income asset.

4. Adequate liquidity should be maintained at all times by confining the portfolio investments to marketable securities, including the following: common and preferred stocks, government and corporate bonds, mutual funds and money market instruments. Certificates of deposit issued by FDIC insured banking institutions are also acceptable.
a. Investment securities shall be safekept by the investment custodian. Other assets such as certificates of deposit, insurance policies and other valuables or negotiable documents should be safekept in the bank safe-deposit box.

5. The Finance Committee will review the portfolio performance on a quarterly basis. The Investment policy will be reviewed on an annual basis.

6. In order to provide sufficient historical data for adequate supervision and periodic audit or examination, a permanent detailed record of each transaction will be maintained.

7. Written reports of the Finance Committee meetings will be made to the Board of Directors.

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