



## BOARD POLICY

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Subject: Investment Policy

Established: January 25, 2012

Revised:

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### I. Background

The purpose of this Statement is to ensure that surplus funds are invested by the Association in accordance with statutory guidelines and a prudent balance between fund preservation, liquidity, and return on investment.

### II. Investment Management

The San Mateo County Exposition and Fair Association (SMCEFA) Board of Directors – Treasurer, ~~General Manager~~ **CEO** and ~~Accounting Manager~~ **Controller** shall be in charge of oversight of the Association's surplus funds and their investment. The SMCEFA Finance Committee shall meet on a regular basis and shall advise the Board on investment options and investment policy.

The **Treasurer** shall have such other responsibilities that may be set forth in the Association Bylaws or from time to time assigned by the Board of Directors. The Board of Directors is ultimately responsible for the disposition of the Associations funds. The Board may at any time appoint one or more investment managers to work with the **Treasurer, General Manager and Accounting Manager, CEO and Controller** or the Board on fund investment issues.

The Board of Directors may, if it chooses, delegate discretion and authority to the Treasurer, **General Manager and Accounting Manager, CEO and Controller** or a professional investment manager(s) over surplus funds, subject to the limitations on such delegation and investment restrictions established by State Law, this Policy, or from time to time by the Board of Directors.

### III. Investment Guidelines

A. Investment of funds on behalf of the Association shall conform to the Prudent Investor Standard as set forth in Government Code Section 53600.3, which includes proceeding in a manner “a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

B. Investments will be limited to those authorized in the Government Code chapters on “Investment of Surplus” (Section 53600, et.seq.) and “Deposit of Funds” (Sections 53630, et.seq.), including U.S. Treasury instruments, certain Bank obligations, “prime” commercial paper and bills of exchange, bank certificates of deposit, money market funds, bonds and notes, and other investment vehicles as described by statute. The Association is specifically authorized to place funds in the Local Agency Investment Fund established by the State of California (Government

Code Section 16429.1) and with the San Mateo County Pooled Investment Fund (Government code Section 53684).

C. The SMCEFA Board Treasurer and Finance Committee shall annually provide the Board a copy of this Statement of Investment Policy for review at a public meeting. In addition, the Finance Committee shall review and the Treasurer shall deliver a semiannual report to be submitted within 30 days following the end of the period covered by the report.

This report shall cover information including type of investment, issuer, investments and moneys held, and shall additionally include a description of any of Association funds under the management of contracted parties, and general investment fund compliance with this policy. For investments that have been placed in the Local Agency Investment Fund or in the County Investment Pool, or any combination of these, the Finance Committee shall review and the Treasurer may supply to the Board the most recent statement or statements received from these institutions in lieu of the Treasurer's own report required by this policy.

#### IV. Legislative Changes

The statutory references within this Policy shall be deemed to incorporate any legislative changes to the codes subsequent to adoption of this Policy and shall further be deemed to incorporate any successor statutes that subsequently replace the referenced statutes or statutory schemes.