INVESTMENT POLICY AND PRACTICES

As Approved by the Board of Directors on February 15, 2023.

1. Investment Policy  
   The primary management objective is to preserve the real (i.e., inflation adjusted) purchasing power of all fully utilized short and long term funds, while producing a stable, real income stream for support of the Neuro Hospitality House (NHH) programs. This will allow a growing stream of revenue for internal operating expenses, ideally keeping pace or exceeding inflation; and supply additional revenue for NHH.
2. Definitions / Scope

This investment policy applies to all financial assets held by the NHH. These assets are accounted for in the NHH annual financial report and include any of the following funds as well as any new fund created in the future by the NHH:

A. Unrestricted Fund

The Unrestricted Fund is used for general operating purposes. It is funded  
primarily by collections of NHH Pledges and is the fund out of which  
allocations to nonprofit partners are made and most operating expenses are paid*.*

*B. Operating Reserve Fund*

The Operating Reserve Fund is a board-designated fund set in reserve to  
provide continuity of program funding in the event of funding shortfalls or  
unexpected expenses.

C. *Restricted Funds*

Restricted Funds are set up and maintained to hold donations that can only be spent for donor-specified purposes.

D. *Building and Grounds Fund*

The Building and Grounds Fund is used to provide for building repairs and  
improvement.

E. *Investment Strategy Document*

The Board of Directors may at its discretion request the Finance Committee to create an Investment Strategy Document. The Board of Directors will approve the document, which will be the guidance for investing funds.

The document will contain: risk assessment survey, approved institutions, type of account, and allocation of funds. Except for cash in certain restricted and special accounts, the President or President’s  
delegate, through the oversight of the NHH Committee may pool cash  
of various funds to maximize investment earnings. Investment income shall be allocated to the various funds based upon their respective participation.

1. Investment Methodology / Objectives

The following investment objectives will be applied in the management of NHH investments, in no prioritized order:

1. Safety – Preservation of Capital and ability to cover operating expenses
2. Liquidity – Convertible into cash within 7 days
3. Return on Investment – Maximize return while avoiding unreasonable risk
4. Preserve Real Purchasing Power – (keep pace with inflation)

IV. Authorized / Approved Institutions Investments may be placed with Board of Director approved institutions only.

V. Authorized / Approved Investment Instruments

A. NHH is empowered to invest the following funds with the following priorities:

1. Level I – Cash balances needed for current 12 month operating needs.

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| Priorities: | 1. Safety | 2. Liquidity |

2. Level II – Excess cash balances exceeding 12 month’s operating needs, but which are required within 2 Years.

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| Priorities: | 1. Safety | 2. Return | 3. Liquidity |

3. Level III – Excess cash that is not needed, within the next 2 years.

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| Priorities: | 1. Safety | 2. Preserve | 3. Return | 4. Liquidity |

4. Level IV – Restricted Gifts

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| Priority: | 1. Donor intention |

B. Restricted Actions:

1. Authority: Only signers authorized by the Board of Directors shall  
have the authority to transfer funds from one Financial Institution to  
another.

2. Delegation of Authority: The ultimate responsibility for conducting  
investment strategy resides with the Board of Directors. Management  
of the investment program has been delegated to the Finance  
Committee. The Finance Committee has the authority to recommend to the Board, and appoint upon Board approval, a Trustee, Trustees, or an Investment Manager to manage all or some of the investments.

3. Investment Strategy Changes: The Finance Committee is required  
to acquire Board approval of material plan changes, in advance of any action taken.

4. Donated securities: Disposition of securities donated will follow the  
intention of the donor. Any donated assets received that do not  
conform to this policy will be liquidated as quickly as feasible, and  
reinvested in conformance with this policy.

VI. Reporting

The President, or delegate shall submit periodic investment reports upon request by the Board of Directors that provides the principal, type of investments, annualized return, appreciation, maturity date and financial institution information to the Finance Committee.

Upon request by the Board of Directors a periodic review of the investment strategy, a past and future risk assessment, a future risk survey, and future investment recommendations, will be performed by the Finance Committee, and presented to the Board of Directors for approval.

Material deviations from existing investment strategies or information indicating a material loss of capital on existing investments shall be reported to the President, and the Board of Directors.

All investment transactions shall be recorded in the various funds of the NHH  
in accordance with Generally Accepted Accounting Principles.

Investments will be carried at market value or when that is not easily determined at cost or amortized cost which approximates market value. Gains or losses of investments in all funds will be recognized at the time of disposition of the security.

Market price shall be disclosed annually in the financial statements and periodically in the performance reports.  
  
In managing its investments, NHH shall avoid any transaction that might impair public confidence. Investments shall be made with judgment and care, under circumstances then prevailing.

These standards are established, as the standard for professional responsibility, and shall be applied in the context of managing all investments. Those delegated with investment responsibility of NHH, acting in accordance with this Investment Policy, and / or written procedures as may be established, and exercising due diligence, shall be relieved of personal responsibility for an individual instrument’s credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion, and appropriate action is taken to control adverse developments.

VII. Conflicts of Interest  
All Volunteers and employees shall annually read, understand, and sign the NHH’s Conflict of Interest Policy and disclose affirmatively at each board meeting any conflicts of interest.

VIII. Safekeeping and Custody: Third-Party Custodial Agreements

All investments purchased by NHH shall be properly designated as an asset and held in safekeeping by a third party custodial bank or other  
third party custodial institution.

IX. Investment Policy / Adoption / Amendment

The NHH Policy, as first approved by at least a majority of the members of the Finance Committee, shall be adopted by resolution of the NHH  
Board of Directors.

The Finance Committee and Board of Directors shall review the NHH  
Investment Policy annually. Modifications made at that time, or when otherwise necessary, must be approved by the NHH Board of Directors. This policy was last reviewed and approved by

Approved by Finance Committee on January 4, 2023.