DEVELOPING INVESTMENT POLICIES [IN A POST-COVID WORLD]

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KEY STEPS TO DEVELOP INVESTMENT POLICY

1) Secure an investment advisor
2) Establish goals for funds
3) Determine organizational risk tolerance
4) Draft an investment policy
WHAT IS APPROPRIATE AMOUNT TO HOLD IN RESERVES?

6 MONTHS?
1 YEAR?
MORE?
WHAT IS APPROPRIATE AMOUNT TO HOLD IN RESERVES?

3 in 10 nonprofits have cash reserves that cover less than one month of expenses.
DETERMINING APPROPRIATE RESERVES BY COMPLETING A RISK AND OPPORTUNITY ASSESSMENT

What are your short- and long-term goals?
How might your risk tolerance shift to achieve those goals?
KEY ELEMENTS OF INVESTMENT POLICY

Scope/Purpose
Governance
Investments, Returns, Risks, Objectives
Risk Management
RESOURCES FOR DEVELOPING AN INVESTMENT POLICY

- Investment Advisor
- Local State-Level Society of Association Executives
- Other WEF MAs