

Financial & Investment Policy

The purpose of this policy is to give guidelines regarding investments for future use by the Colorado State Science Fair, Inc.

- The CSSF, Inc. will work towards maintaining an operating reserve of 2/3 of the average operating budget. This reserve will be kept in a combination of the CSSF, Inc. checking or savings account. These funds will remain liquid and available for use in the current budget year as needed.
- Undesignated funds in excess of the 2/3 reserve will be invested slightly more aggressively, but with the intent of maintaining the principle. For example, in short term bank CD's, money market funds or short term governmental bonds etc. These funds will be available to use in the current budget year for emergencies only.
- Funds designated for the CSSF, Inc. endowment will be invested primarily for growth, with the understanding that the principle may be reduced or lost. For example, individual stocks or mutual funds, index funds, etc. These funds will be maintained for at least 5 years in an attempt to minimize risk due to unexpected future national/world economic variation. For this long-term capital investment, the portfolio of the investment will include 50-75% stocks and 25-50% bonds. If the time horizon for an identified vehicle is less than 5 years, the stock to bond composition will be 60:40.
- Returns from endowment funds will be designated for expanding the services of the CSSF, Inc. Such as funding a full-time Executive Director, assistance to Regional Science Fairs, etc.
- Per the CSSF, Inc. By-Laws, a sub-set of the Finance Standing Committee (including the current Treasurer) will manage the investments on behalf of the entire Board of Directors.
- The managing sub-committee will develop rules for choosing investments and add them to this policy for vote by the Board of Directors on an as needed basis.
- The managing sub-committee may engage the services of a Fiduciary Financial Advisor (individual or company) as they see fit. The use of such advisors will be predicated on the cost of their services vs. the perception of the value of their services. The managing sub-committee reserves the right to hire and fire such advisors.
- Final investment decisions will be made by the sub-committee and be their responsibility. The group will report their decisions at each of the regularly scheduled Board of Directors meetings.