

Library Investment Policy

Scope

This investment policy applies to all monies and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.

Objectives

The primary objectives of the Westhampton Free Library investment activities are, in priority order;

- 1) to conform to all applicable federal, state and other legal requirements (legal)
- 2) to adequately safeguard principal (safety)
- 3) to provide sufficient liquidity to meet all operating requirements (liquidity)
- 4) to obtain a reasonable rate of return (yield) given the liquidity and principal protection objectives above.

Delegation of Authority

The Board's responsibility for administration of the investment program, under the above guidelines, is delegated to the Library Director and/or his designees and Treasurer. Adequate internal controls will be established to provide a satisfactory level of accountability based on a database or records incorporating descriptions and amounts of investments, transaction dates, and other relevant information and to regulate the activities of subordinate employees.

Prudence

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Library to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering safety of the principal, as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Adopted by the Board of Trustees: October 10, 2003
Amended: June 2010