

Eastern New Mexico University Foundation
ENDOWMENT Investment Policy

(Amended February 12, 2011)

(Investment Committee Approved May 5, 2005, Board approved revisions October 1, 2005)

(Replaces Investment Policy dated October 7, 2001)

Endowed Funds

General Policy

Through a Joint Powers Agreement entered into with the New Mexico State Investment Council in 2005, the Eastern New Mexico University Foundation (ENMUF) will engage the State Investment Council (SIC) to act as its investment manager for all ENMUF endowed funds.

Purpose

ENMUF has endowed funds established from individual contributions that are permanently restricted to supporting named scholarships or departmental programs. The interest earnings on these investments are used to fund the scholarships or other designated departmental programs.

Objectives

The primary objective will be to achieve as high a level of Fund growth and income distribution as possible within the requirements imposed by the New Mexico statutes and without assuming excessive risk.

Further, it is ENMUF's intent to diversify the Fund as much as possible. Adequate diversification will control risk by insuring that normal market fluctuations will not seriously impact the Fund's overall value.

Investment Policy and Guidelines

Asset Allocation: The Fund should have an asset allocation strategy that will protect the Fund against inflation and promote growth. The following guidelines are established to achieve this objective:

	<u>Long Term Allowable</u>	
<u>Asset Class</u>	<u>Target</u>	<u>Range</u>
Equities	70%	30%-75%
Fixed	30%	25%-70%
Cash Equivalents	0%	10% maximum

Eligible Investments: The Fund will be invested in accordance with New Mexico constitutional and statutory law. Should market movements create asset exposure outside of the above ranges, reallocation should be effected in an orderly manner.

Liquidity and Cash Flow Requirements

Income earned in the portfolio should be reinvested to maximize total return. Cash balance may be maintained, subject to asset allocation guidelines at the discretion of the manager. To achieve the aforementioned asset allocation, the portfolio may use individual securities, as well as mutual funds approved by ENMUF.

Review Procedures

The ENMUF Investment Committee shall review this Investment Policy annually to determine if modifications are necessary or desirable. If changes are made, the ENMUF Investment Committee shall communicate this promptly.

AMENDED

Amended February 12, 2011 by the ENMU Foundation Board of Directors at their regular meeting in Ruidoso, NM.

Lee Black/Jerry Wright made the motion and seconded the change in the investment policy from the stated 70 percent equities and 30 percent fixed to giving the investment committee flexibility to adjust investments as necessary to respond to market changes. Motion carried.