

Investment Policy...

1. **Scope:** This investment policy for the Hampton Falls Free Library (HFFL) applies to all monies and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.
2. **Objectives:** The primary objective of the HFFL's investment activities are the following in priority order:
 - a. To conform with all applicable federal, state and other legal requirements (legal).
 - b. To adequately safeguard the principal in accordance with the Prudent Man or Prudent Person rule. The definition of prudence is based on RSA 31:25-b as follows: "*a prudent investment is one which a prudent man would purchase for his own investment having primarily in view the preservation of the principal and the amount and regularity of the income to be derived therefrom.*" (safety)
 - c. To provide sufficient liquidity to meet all operating requirements (liquidity).
 - d. To obtain a reasonable rate of return (yield).
3. **Internal Controls:** The board decides by majority vote and the treasurer executes.
4. **Investments** may include the following:
 - a. Special time deposits
 - b. Certificates of deposits
 - c. Obligations of the United States of America
 - d. Obligations guaranteed by agencies of the United States where payment of principal and interest are guaranteed by the United States of America
 - e. Other investments decided on by the Library Board of Trustees

Adopted 8/20/2007

Reviewed 2/24/2010; 4/27/2011