**Document #28A**

**INVESTMENT MANAGEMENT COMMITTEE**

**EXECUTIVE SUMMARY**

**July 15, 2021**

Since its creation at a specially called Administration & Finance Committee meeting on February 23, 2021, the Investment Management Committee (IMC) has met entirely via videoconference 18 times. Those meetings consisted of the following:

* 13 meetings with outside subject matter experts
* 8 of the 13 were with outside money managers
* 5 of the 13 were with present or past non-profit officers or board trustees responsible for portfolio management
* 5 meetings were discussions and deliberations among IMC members

The IMC makes the following recommendations:

**CREATION OF A PERMANENT INVESTMENT MANAGEMENT COMMITTEE (IMC)**

* To consist of 5 total members – 2 from the ARRL board, 3 outside members with financial expertise. The Treasurer shall be an ex-officio member, without vote.
* Will report directly to the board.
* Role will be advisory.
* Members will serve staggered three-year terms.
* Will meet at least quarterly and will provide reports to A&F and to the Board.
* IMC will review IPS at least annually, and recommend changes, if warranted.

**RECOMMENDED REVISIONS OF ARRL’S INVESTMENT POLICY STATEMENT (IPS)**

* Spending Element will remain 3% with Board provision for larger disbursements for special projects.
* Target Asset Allocation will change from 50%/50% equity/fixed income to 65%/35% with 5% +/- variance/
* The present four permitted investment categories remain: stocks, bonds, mutual funds, ETFs.
* Consider expansion in equities to include minor holdings in long term alternative investments which could offer greater returns.

**HIRING OUTSIDE MONEY MANAGER**

* To be called Investment Manager (IM).
* Screen outside money managers specializing in needs of non-profit organizations (NPs).
* Spend 3Q-4Q 2021 issuing Request for Proposal (RFP) and conduct interviews.
* Outside money manager will have full discretion over ARRL’s portfolio; i.e., no need to seek advance approval for transactions, provided all investments are within limits specified in IPS.
* IM will meet at least quarterly with IMC, and more frequently when necessary.
* IMC will review the relationship in two years and then every five years thereafter.
* Selection of IM with adoption of applicable resolutions to take place at January, 2022 board meeting.

**SUBSEQUENT MOTIONS and ACTIONS**

**July 2021**

* Revisions to the Investment Policy Statement.

**January 2022**

* Creation of permanent Investment Management Committee .
* Changes to Bylaws 33, 36, and 38 on role of Treasurer.
* Approve the external manager(s) and adopt applicable enabling resolutions.

Respectfully submitted,

Bill Morine, N2COP – Chairman

Fred Hopengarten, K1VR

Kristen McIntyre, W6WX

Rick Niswander, K7GM, Treasurer

John Robert Stratton, N5AUS

Dale Williams, WA8EFK

*Ex Officio*: David Minster, NA2AA