

Investment Policy

Policy Readily available investment instruments and reputable firms shall be used. In recognition of the fiduciary responsibility vested in the Board of Museums and History by NRS 381, a maximum return consistent with prudent investment shall be sought for all available funds.

Performance Objectives

- Portfolio to exceed 60% S&P 500 index and 40% Barclays Aggregate, net of fees.
- Investments shall exceed the median return in a representative investment universe.
- The portfolio shall seek to reduce costs by using index funds where appropriate.

Investment Guidelines

Allowable securities are:

- Common stock
- Preferred stock
- Bonds rated BBB or better
- U. S. Treasury instruments
- Index/Exchange Traded Funds
- Real Estate Funds

Diversification

- No more than 30% of the portfolio shall be invested in any one industrial sector
- Portfolio shall maintain a minimum of 3 investment managers
- No more than 5% of the portfolio of any fund may be invested in one security

Quality and marketability

- All securities shall be of a class listed on an national or international securities exchange or NASDAQ
- No position may comprise more than 5% of a company's total market cap

Volatility

- Portfolio volatility will be reasonably reflective of the volatility to equal 60% S&P 500 and 40% Barclays Aggregate
- 10% Collars will be placed on each asset class to ensure allocation stays within the range; portfolio to be rebalanced when falls outside the range.
- The Market value of investments in various assets shall remain within the ranges described below:

Equities target: 50%

Range: 45%-55%

Fixed income target: 40%

Range: 36%-44%

Alternatives target: 10%

Range: 9%-10%

Trading and Execution

- Trading should utilize best efforts to obtain execution of orders through reasonable brokerage firms at the most competitive commission rates
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Prohibited Transactions

- Stock portfolio primary purpose shall not be to sell short use margins.
 - Primary purpose is to allow these investments on a secondary purchase but that is not the primary goal of these funds.
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Conflict of Interest

The selected broker or asset manager shall not:

- Invest any part of the trust in its own entity
 - Invest with any person or entity with which they have an economic interest
 - Act or receive compensation as an underwriter or principal
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Review

An annual review of the policy, guidelines, and investment portfolio performance against guidelines in policy will be held at the last board meeting of the calendar year, market conditions may dictate more frequent review.
