

Investment Framework Policy

A. Purpose & Scope

This Investment Framework Policy establishes the investment objectives and guidelines for assets held by Elevate Health (EH). This policy is set forth by the Governing Board in order to:

- Affirm that the Board will exercise prudent and appropriate care of assets in accordance with the applicable laws;
- Affirm that the Board has fiduciary responsibility to make investment decisions and take actions in the best interest of the organization;
- Clarify the Board's delegation and assignment of responsibilities for parties involved with the management of funds; and
- Establish a clear understanding of EH's investment goals and objectives to support the organization's long-term financial sustainability.

B. Investment Objective

It is the policy of the Board to treat all assets managed by EH with fiduciary responsibility to ensure alignment with its mission and purpose of providing annual and long-term financial support to the organization.

The overall investment objective is to:

- Identify the necessary cash reserves for operations and to determine the allowable investment for the remainder of liquid assets;
- Preserve principal and minimize risk through the types and timing of instruments; and
- Provide cash to augment operations using a balanced approach that earns income without risking the principal of invested assets.

C. General Provisions

- All transactions shall be for the sole benefit of EH.
- On an annual basis, the Finance & Audit Committee shall review EH's investment framework policy, and review EH's risk tolerance and investment horizon and provide an update to the Governing Board.
- The Finance & Audit Committee shall conduct an annual investment portfolio review to verify the existence and marketability of the underlying assets in addition to an independent audit of EH's financial statements.
- Any investment that is not expressly permitted under this policy must be formally reviewed and approved by the Governing Board.
- The Governing Board will endeavor to operate EH's investment program in compliance with all applicable state, federal and local laws and regulations concerning management of investment assets.
- Investments shall be diversified with a view to minimizing risks while optimizing earnings.

D. Delegation of Responsibility; Reliance on Experts and Advisors

- The Governing Board has ultimate responsibility for the investment and management of the EH's investment assets.
- The Governing Board may delegate authority over EH's investments to the Finance & Audit Committee or other properly formed committee of the Board.
- The Finance & Audit Committee should hire and/or will engage outside experts as investment consultants or investment managers.
- Investment Consultants or Investment Managers will report to the Finance & Audit Committee on at least an annual basis or more frequently as needed.
- EH staff are responsible for informing the Investment Manager(s) in a timely manner of EH's cash distribution requirements from any managed portfolio or fund. The Investment Manager(s) are responsible for providing adequate liquidity to meet such distribution requirements.

E. General Investment Guidelines

- A copy of this Investment Framework Policy shall be provided to Investment Manager(s).
- EH is a tax-exempt organization as described in section 501(c)(3) of the Internal Revenue Code.
- This tax-exempt status should be taken into consideration when making EH investments.
- EH is expected to operate in perpetuity; therefore, a 3-year investment horizon shall be employed. Interim fluctuations should be viewed with an appropriate perspective.
- A cash account shall be maintained with a zero to very low risk tolerance to keep cash available for budgeted operating expenses.
- Transactions shall be executed at reasonable cost, taking into consideration prevailing market conditions and services, and research provided by the executing broker.
- Ideally funds are invested in instruments that support EH’s mission, vision, and values and, at a minimum, do no harm.

F. Allowable Reserves / Instruments

- Cash Equivalents: Checking, Savings, Bonds, Money Market, and CD accounts.
- Full faith and credit fixed instruments.
- Fixed Income Securities.
- Mutual Funds & Pooled Investments considering balance of risk and return. Investments within the investment portfolio should be readily marketable. The investment portfolio should not be a blind pool; each investment must be available for review.

G. Revision History

Date	Action	Name
1/10/2025	Initial policy approved by the Finance & Audit Committee	Erin Monroe