

**Hebrew Institute of University Heights d/b/a/ Hebrew Institute of Riverdale (HIR)
HERITAGE FUND INVESTMENT POLICY STATEMENT**

1. Statement of Purpose

- a. The Hebrew Institute of Riverdale (“HIR”) – The Bayit – is an open Orthodox synagogue serving the entire Jewish community. The Hebrew Institute warmly embraces all Jews, regardless of affiliation, commitment, or background. It is affectionately known as the "Bayit," which is a home – a place of love and welcome. The HIR is known nationally for bringing spirituality into the synagogue, activism, youth and teen engagement, learning programs, and work on behalf of the elderly, the homebound, and those developmentally and physically challenged.
- b. To support the mission of the HIR, the creation of a Heritage Fund has been authorized.
 - i. It is the intent of HIR to re-invest 100% of the net returns on investments until January 1, 2018, to further strengthen future earnings potential unless the Executive Committee of the HIR board of directors determines that the financial needs of HIR require the use of the net returns prior to this date.
 - ii. Donations of \$5,000 or more to the Heritage Fund will be added to the investment base. Donations below \$5,000 may, at the discretion of the Executive Committee, be added to the investment base of the Heritage Fund or spent annually in accordance with the terms of the Heritage Fund.
 - iii. An Investment Committee of seven members nominated by the President of HIR and approved by the Board of Trustees will manage the assets of the Fund. The Investment Committee will report to the Executive Committee regularly. Additionally, the Investment Committee will provide an annual report to both the Board of Trustees and benefactors who donate \$10,000 or more to the fund.
 - iv. The Investment Committee will be guided by the principles, guidelines and terms of this Statement of Principles.
- c. Subject to Subparagraph b(i) above, the net returns on investments (including capital appreciation) may be used each year to fund the mission and ongoing operations of HIR including but not limited to educational, religious and outreach programs at the HIR such as (but not limited to) Jewish Youth Encounter Program, Abraham & Sarah’s Tent, Selichot and Martin Luther King Jr Day Concerts, and Special Friends and Golden Age programming as well as capital projects. The exact determination as to the portion of the net returns on investment to be spent each year and the allocation as amongst the various purposes of the HIR shall be made at the discretion of the Executive Committee.
- d. While the objective of the Heritage Fund is to enhance the future of HIR by providing for its long-term financial needs, the Executive Committee may determine to spend part or all of the principal of the fund on the needs of HIR.

2. Investment Guidelines

- a. In pursuing this mandate, the Committee will be guided by the following underlying principles:
 - i. To achieve a positive rate of asset growth in excess of the rate of inflation (as measured by the CPI), net of expenses; and
 - ii. To invest in diversified assets in order to minimize the variability of returns over market cycles and to reduce the risk of incurring losses that might occur by holding concentrated positions.
- b. The investment time horizon is greater than seven years. Short-term fluctuations should be expected.
- c. The Investment Committee shall pay attention, however, to the liquidity needs of the HIR as directed by the Executive Committee. The Executive Committee shall notify the Investment Committee in a timely manner of any expected liquidity needs.

3. Responsibilities of the Investment Committee

- a. The Investment Committee shall have discretionary authority including decisions to buy or sell individual securities, and to alter the asset allocation within the guidelines stated below.
- b. The Investment Committee should meet at least on a quarterly basis to review the investment portfolio.
- c. The Investment Committee should report to the Executive Committee any major changes expected in the economic outlook or any other factors that may affect the investment performance.
- d. The Committee should provide an annual report to the Board of Trustees.

4. Investment Principles

- a. Investments shall be made solely in the interest of the purposes of the HIR.
- b. Investments shall be made with the care, skill, prudence, and diligence required under New York State Law as may be in effect from time to time. The Investment Committee members shall only select such investments as they reasonably believe to be in the best interest of the HIR.
- c. The Investment Committee may employ one or more investment managers of varying styles and philosophies.

5. Procedures

- a. Decisions to be made by a majority vote of the Investment Committee and reported to the Executive Committee at the next meeting.
- b. Decisions needing to occur between formal Investment Committee meetings are to be made by electronic consent of the majority of the members of the Investment Committee with the approval of the President and Treasurer.

This policy statement accepted by unanimous vote of the Board of Trustees of the Hebrew Institute of University Heights d/b/a Hebrew Institute of Riverdale at its meeting on February 4, 2014.

David Schwartz, President

Hillel Jaffe, Secretary/Treasurer

Ilene Paikin, Recording Secretary

Richard Langer, Executive Director