

Asset Management

The Board of Directors, its staff, and independent contractors (e.g. accounting firms) hired for such purpose shall monitor and manage the Dallas Makerspace and its assets. The Board of Directors has a direct oversight role regarding all decisions that impact the Dallas Makerspace's funds. The board has delegated supervisory responsibility for the management of the Dallas Makerspace's funds to the Treasurer and financial group. The board and the treasurer shall ensure that their fiduciary responsibilities concerning the proper management of the Dallas Makerspace's funds are fulfilled through appropriate investment structure and internal and external management consistent with all policies and procedures.

Capital equipment

Dallas Makerspace deems any of its property that costs one-thousand dollars (\$1,000.00) or more to be a capital item. Capital equipment is recorded in the accounting system at historical costs. When property is contributed to the corporation that has a value more than one-thousand dollars (\$1,000.00), the donation will be valued by the corporation then recorded as a capital asset on the corporation's books at the donated value.

Cash Management and Investments

Except for petty cash, all cash will be deposited at a federally insured depository institution or SIPC insured brokerage firm with greater than \$500,000,000,000 assets under management. All non-cash, non-US Dollar, and non-capital asset donations will be converted to cash and the proceeds deposited into corporation accounts. Likewise, cash donations will be deposited into corporation accounts as soon as reasonably possible.

In accordance with the Dallas Makerspace's mission and long-term financial health the board may vote to adopt or change guidelines for investing the Dallas Makerspace's funds. In making any decision relative to the allocation of Dallas Makerspace funds, each of the following factors must be considered:

1. Short-Term Liquidity Needs
2. Long-Term Liquidity Needs
3. The need to preserve the organization's capital in light of the largely fixed nature of its expenses
4. Possible effect of inflation or deflation
5. Possible impact of a significant change in interest rates
6. Investment's correlation with overall market conditions (often referred to as systemic risk, or beta)
7. Any investment's potential idiosyncratic risk; and
8. Expected total return of the investments

Investment Guidelines

Money Market Funds and Interest-Bearing Accounts: Allowable Range: Minimum 25%; Maximum 100% of total assets: Funds and accounts must be US Dollar denominated and offer comparable liquidity to demand deposits

Fixed Income and Certificates of Deposit: Allowable Range: Minimum 0%; Maximum 75% of total assets: Bond, Bond ETF, and Bond Mutual fund investments will consist solely of US Dollar denominated fixed-income securities that possess a liquid secondary market and an investment-grade rating (BBB or higher by Standard & Poor's and Baa or higher by Moody's). It is prohibited to purchase bonds from any single issuer (excepting U.S. Treasuries), no more than 20% of the portfolio will be invested in bonds of issuers in the same industry, maximum permitted **duration** of fixed income investments is 5 years

Certificates of deposit will be US dollar denominated and issued by federally insured institutions (FDIC, SPIC, NCUA) and have a **term** not to exceed 5-years, maximum **average maturity** of the portfolio is not to exceed 3-years

Equities: Prohibited

(updated: 2023-02-01 after adoption by the BoD per minutes: [2023-01-25 Board Meeting](#).)

(Related Talk Thread: <https://talk.dallasmakerspace.org/t/proposed-investment-policy/96295>)