

AGENDA ITEM

ITEM IV.A. NOV 2014

DATE: October 28, 2014

TO: Board Planning and Budget Committee and Investment Subcommittee

FROM: Office of Finance

SUBJECT: Annual Review of Investment Policy

EXECUTIVE SUMMARY

In April 2005, the Board of Governors approved a new investment policy for the State Bar. The investment policy was revised in order to better align the State Bar's policy with the statutes regulating public investing in the State of California. The policy was modeled after the format of practices promulgated by the State of California Debt and Investment Advisory Commission ("CDIAC"), and incorporated several new elements recommended by the Association of Public Treasurers of the United States and Canada.

Policy Overview

The investment policy establishes the investment subcommittee, outlines the State Bar's investment objectives, and identifies the investment instruments authorized by the State of California for governmental entities. The policy is designed as a broad framework for the Bar's investments and is not intended to provide specific procedures for the purchase of individual investments.

Section 8 of the investment policy establishes the Investment Advisory Subcommittee. The Subcommittee is charged with the duty to meet on a quarterly basis, if needed, to advise staff on proposed changes to the investment policy.

Section 7 of the policy requires that the Subcommittee review the policy annually. Staff has no proposed changes to the policy at this time.

Board Book/Administrative Manual Updates

There is no impact to the Board Book.