

## PROPOSED ACS ENVIRONMENTAL DIVISION INVESTMENT STRATEGY

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The Division has about \$150,000 in assets which have been invested in ready access certificates of deposit. The intent of building the assets was to provide an endowment for sponsoring the ACS Environmental award if the present industrial sponsor withdraws. Such an endowment should yield \$6,000/yr for award sponsorship.

We now should take the opportunity to invest our assets in the most profitable manner and to use a part of the yield from the investment to support innovative Division programs.

### Proposal

1) Allocate 50% of interest and dividend income of the preceding year to innovative programs for the following year.

2) Invest \$100,000 of our assets in three mutual and bond funds. The expected yearly return over a ten year period will probably be between 12-18%, possibly higher, possibly lower. This investment should yield \$15,000/yr, our savings accounts another \$2,000/yr. Thus, about \$8,000/yr will be available on a fairly consistent basis.

3) Investment in several funds with diverse investment objectives should reduce risk and fluctuation. Initial investments may be \$10,000 in each. We should then invest a fixed amount, \$2,000, at specific times such as February 15, May 15, August 15, and November 15 over three years so that we average market fluctuations.

4) Investments should have a long-term member of the Division as custodian and an investment committee comprised of the treasurer, chairman, and one other for oversight.

### 5) Proposed Investments:

- a. ACS Investment Pool (annual return about 14% over last 10 years) - \$30,000
- b. Fidelity Magellan - \$40,000
- c. Bond Fund to be determined - \$30,000