**Section 719.320 Investment Policy and Objectives**

a) The Treasurer shall develop, publish, and implement an investment policy covering the investment of monies in TDA IIa. The policy may be amended at any time, and shall be published on the Treasurer's website. The Treasurer shall review the policy at least once every year to ensure that it remains relevant to the Act, this Part, and prudent investment standards.

b) The investment policy is a written statement describing the risk management and oversight of the program and should be designed to describe the following:

1) the Treasurer's investment objectives;

2) the Treasurer's investment parameters;

3) the roles of the Treasurer and Investment Advisor; and

4) the reporting requirements for TDA II-Recipient Funds.

c) The Treasurer shall consider the following investment factors when selecting fund managers to invest in TDA IIa:

1) Diversification – The Treasurer shall aim to diversify its investments in areas including, but not limited to, the following:

A) strategy;

B) industry sector;

C) size of investment;

D) investment stage;

E) vintage year;

F) fund managers;

G) underlying portfolio companies;

H) geographic location; and

I) business model.

2) Small Business Investment Companies − The Treasurer shall endeavor to invest in qualified fund managers that participate in the U.S. Small Business Administration's Small Business Investment Companies Program (15 USC 14B).

3) Cost Efficiency − The Treasurer shall seek to minimize any fees or costs that diminish from the total assets or value of the Technology Development Account.

4) Investment in Illinois Technology Businesses − The Treasurer shall encourage the investment community to explore investment opportunities in Illinois technology businesses.

5) Fund Manager Diversity − The Treasurer shall seek to identify, recruit, and select fund managers that are more than 50% owned and/or managed by qualified minorities, women, military veterans, and persons with a disability.

6) Portfolio Company Diversity − The Treasurer shall seek to identify, recruit, and select fund managers that have demonstrated experience and/or express an intent to invest in:

A) portfolio companies that are more than 50% owned and/or managed by qualified minorities, women, military veterans, or persons with a disability; and/or

B) portfolio companies geographically located in diverse communities or low-to-moderate income areas.

7) Green Technology − The Treasurer shall seek to identify, recruit, and select fund managers that have demonstrated experience and/or an express ability to invest in green technology businesses located in Illinois.

8) Sustainability Factors − The Treasurer shall seek to integrate sustainability factors such as environmental, social capital, human capital, business model and innovation, and leadership and governance factors into its investment analysis, investment due diligence, and portfolio construction.