



GFWC of Tennessee, Inc.

## Investment Policy Statement

### I. Introduction

The GFWC of Tennessee Advisory Account (hereafter referred to as the "Account") was created to provide perpetual support to GFWC of Tennessee (the "Organization"). The purpose of this document is to assist the Organization and its financial advisor in effectively designing, monitoring, and evaluating the investment portfolio within the Advisory Account.

### II. Role of the Finance Committee

The Finance Committee of GFWC of Tennessee is to act in an oversight capacity with respect to the Advisor, whom they choose and to whom they delegate full fiduciary responsibility for the investment of designated assets owned by the Organization.

This Committee is accountable to the Executive Committee of the Organization and its Board of Directors.

The Responsibilities of the Committee are to:

1. Establish the Advisory Account's investment portfolio objectives:
  - a. Goal(s)
  - b. Income requirements
  - c. Liquidity requirements
  - d. Time Horizon
2. Determine the organization's tolerance for risk
3. Direct the Advisor to make changes regarding policy, guidelines, objectives and specific investments on a timely basis
4. Provide the Advisor with all relevant information on the organization's financial conditions, risk tolerances, and any changes to this information
5. Read and understand information contained in the prospectuses for the investment portfolio
6. Review account statements and performance reports

7. Maintain and adhere to the objectives of the Funds, as originally established, before commingled in the Advisory Account's portfolio (i.e. The Jennie Morgan Memorial Fund was established to direct interest earned to the benefit of Tennessee's veterans; the Tennessee Endowment Fund's purpose is to perpetuate the GFWC of Tennessee federation and to keep dues affordable for all; The Pennies for Arts Fund is to reimburse the doll maker for future Tn First Lady dolls made and fund monetary awards for state and GFWC short story contest winners; Dollars for Delegates Fund is to reimburse delegates to GFWC or SER spring and fall meetings.)

### III. Role of the Advisor

As a fiduciary to the Organization, the primary responsibilities of the Advisor include, but are not limited to:

- Designing, implementing and maintaining an appropriate asset allocation plan consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement
- Advising the Organization about the selection and allocation of asset classes
- Monitoring the performance of all selected assets
- Periodically reviewing the suitability of the portfolio's investments
- Recommending changes to the Investment Policy Statement
- Avoiding prohibited transactions and conflicts of interest
- Controlling and accounting for all investment expenses
- Making recommendations to the Organization and implementing investment decisions as directed by the Organization's Finance Committee
- Meeting with the Finance Committee to discuss the Organization's investment policy at appropriate intervals
- Determining an appropriate custodian to safeguard the Organization's assets

### IV. Role of the Custodian

As the custodian of all securities for the Organization's investment accounts, the custodian's specific duties and responsibilities include, but are not limited to:

- Holding in custody for safekeeping all cash, securities and other property delivered to the investment account(s) and collecting and retaining income and other distributions credited to those account(s)
- Effecting transfers of cash and/or securities credited to or debited from the Organization's account(s), including transfers incident to the settlement of purchase and sale transactions
- Providing monthly or quarterly reports showing receipts, disbursements and transfers in connection with the account assets, trade settlements and balances

- Providing all tax-related reporting to the Internal Revenue Service for the accounts.

V. Portfolio Objectives:

1. Goal – to supplement federation’s income as needed
2. Income needed - \$7,500 per year
3. Liquidity requirements – \$5000
4. Time horizon – 25 years
5. Risk Tolerance – Conservative

Adopted by GFWC of Tennessee Board of Directors at Annual Meeting, April 21, 2017