

Alumnae Association of Wilson College Investment Policy

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Purpose

Alumnae Association of Wilson College (hereinafter referred to as the "Association") endeavors to maintain an investment strategy that shall ensure the long-term viability of the organization, shall protect assets of club and class organizations, and shall seek to maximize total return consistent with prudent investment management and liquidity needs.

Policy

It is the policy of the Association to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use and employ an investment strategy that seeks preservation of principal and current income.

Fiduciary Procedures

The primary investment objective is to support current operations by seeking the preservation of principal and current income and by providing the necessary liquidity to meet the needs of the organization. To meet this objective, the Association shall adhere to the following guidelines:

1. Temporarily restricted funds shall be maintained in a fully invested position to whatever extent possible;
2. Investments directed by the Association shall be primarily in U.S. dollar-denominated fixed income securities and other domestic debt instruments, including corporate bonds, securities issued or guaranteed by the U.S. Government, and money market instruments;
3. In general, maturities of the securities shall be kept short. Portions of the assets may be invested in maturities of up to, but no greater than, two years;
4. Allocation to traditional fixed income securities shall carry an average investment quality of A, or better, as rated by Standard & Poor's or Moody's Investors Services, suitable for preservation of capital and to minimize risk.
5. Investments in equities shall be limited to those donations received as shares of common stock or mutual funds, with the donor's understanding that such investments will not be actively managed. All donations of common stock and/or mutual funds shall be subject to a stop loss order, by which the Association will issue a standing directive that the stock will be sold at any such point that its price

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has reached a level of 90% of the price at donation or at such time that the price reaches a level of 120% of the price at donation.

Responsibilities

The Board of Directors is responsible for assuring communication and implementation of the investment policy. The Board of Directors is also responsible for managing all assets, including temporarily restricted funds, to ensure the long-term viability of the organization.

The Finance Committee of the Board of Directors is responsible for reviewing the asset allocation, investment performance, and investment risk of all funds at least twice annually to ensure that current asset mix can be reasonably expected to achieve the maximum total return consistent with prudent investment management.

The Director of Alumnae Relations is responsible for monitoring all contributions to and disbursements from all bank accounts, including temporarily restricted funds, refraining from co-mingling of funds, keeping the appropriate financial records documenting their use, ensuring compliance with guidelines established by the Internal Revenue Service and with generally accepted accounting principles.