

# Washington DC Alumnae Chapter

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**DELTA SIGMA THETA**  
WASHINGTON DC  
ALUMNAE CHAPTER

## INVESTMENT POLICY

## APPROVALS AND ADOPTION

Washington DC Alumnae Chapter President	Signature:		Date: 01/19/2019
Investment Committee Chair	Signature:		Date: 01/19/2019
Ratified by Investment Committee			Date: 12/10/2018
Ratified by Executive Board			Date: 12/17/2018
Ratified by WDCAC			Date: 01/19/2019

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# INTRODUCTION

## I. INTRODUCTION

### A. WHAT IS AN INVESTMENT POLICY?

An investment policy outlines and prescribes a prudent and acceptable investment philosophy and defines the investment management procedures and long-term goals for the investment accounts of Washington DC Alumnae Chapter, Delta Sigma Theta Sorority, Incorporated (WDCAC).

The purpose of this Investment Policy (IP) is to establish a clear understanding between WDCAC, and its investment-related financial advisors as to the investment goals and objectives and management policies applicable to the Investment Portfolio (“Portfolio”) of WDCAC. This IP will:

1. Establish reasonable expectations, objectives and guidelines in the investment of the Portfolio’s assets
2. Create the framework for a well-diversified asset mix that can be expected to generate acceptable returns at a level of risk suitable to WDCAC, including:
  - a. Describing an appropriate risk posture for the investment of the Portfolio of WDCAC, specifying the target asset allocation policy;
  - b. Establishing investment guidelines regarding the selection of investment managers, permissible securities and diversification of assets;
  - c. Specifying the criteria for evaluating the performance of the Portfolio’s assets;
  - d. Defining the responsibilities of WDCAC and its Managers;
  - e. Encouraging effective communication between the Financial Advisor (FA) and WDCAC.

This IP is not a contract. This IP has not been reviewed by any legal counsel and the Advisor and WDCAC will use it at their own discretion. This IP is intended to be a summary of an investment philosophy and the procedures that provide guidance for WDCAC and the FA. The investment policies described in this IP should be dynamic. These policies should reflect the current status and philosophy of WDCAC regarding the investment of the Portfolio. These policies will be reviewed and revised periodically to ensure they adequately reflect any changes related to the Portfolio, to WDCAC, or the capital markets.

It is understood that there can be no guarantee about the attainment of the goals or investment objectives outlined herein.

# INTRODUCTION

## B. THE NEED FOR A WRITTEN POLICY

The principal reason for developing an investment policy and for putting it in writing is to protect the portfolio of WDCAC from *ad hoc* revisions of a sound policy. This IP will help WDCAC maintain a policy when short-term market movements may be distressing and the policy is in doubt. The development of an investment policy follows the basic approach underlying financial planning: assessing the financial condition of WDCAC, setting goals, developing a strategy to meet the goals, implementing the strategy, regularly reviewing the results and adjusting the strategy or the implementation as circumstances dictate. Having and making use of an investment policy encourages WDCAC to become more disciplined and more systematic, thus improving the probability of satisfying the investment goals of WDCAC. The formal requirement for a written investment policy originally arose out of the need to establish guidelines for the Investment Committee charged with reviewing all WDCAC bank accounts and making informed investment decisions. The net effort of the written policy is to increase the likelihood that the portfolio will be able to meet the financial needs of WDCAC.

This IP applies to any ancillary organization where WDCAC has a financial interest.

## C. GUIDING PRINCIPLES TO ESTABLISH AND MODIFY THE INVESTMENT POLICY

1. Assess the financial situation —identify goals and needs;
2. Determine tolerance for risk and time horizon;
3. Set long term investment objectives;
4. Identify any restrictions on the Portfolio and its assets;
5. Determine the asset classes and mix appropriate (the “asset allocation”) to maximize the likelihood of achieving the investment objectives at the lowest level of risk;
6. Determine the investment methodology to be used with regards to investment (advisor) selection, rebalancing, buy-sell disciplines, portfolio reviews and reporting;
7. Implement the decisions.

The Investment Policy (IP) was developed by the Investment Committee. Modifications are recommended by the Investment Committee, ratified by the WDCAC Executive Board and ratified by the WDCAC Membership. Any guidance not covered in the Investment Policy, the Washington DC Alumnae Chapter’s Policy and Procedures should be enacted.

# INTRODUCTION

## II. OVERVIEW COMMENTARY

This IP was prepared for WDCAC, a tax-exempt public organization under IRS Code 501(c)(7). The asset allocation strategy may change depending upon grants, operating expenses and future contributions. The intention of the IP is to provide guidance for the management of the Portfolio assets allowing for changing economic, business and investment market conditions. Income from assets accumulates tax- free and will be invested in a manner that would achieve the greatest risk-adjusted total return within the investment guidelines using the acceptable investments outlined below.

For the purposes of managing investment risk and to optimize investment returns within acceptable risk parameters, the funds held will be divided into two separate investment pools:

### **1. Resource Fund**

The funds in the investment pool are to be utilized by WDCAC for covering budgetary needs i.e. additional funds for operating costs or funding a chapter program or activity requiring additional funds not available in the Chapter's operating account.

### **2. Scholarship Fund**

The funds in this investment pool to be utilized by WDCAC to supplement scholarships as needed or to provide a special scholarship determined by WDCAC.

Each investment pool has its own unique set of investment parameters and constraints referenced in Section III D.

## III. INVESTMENT GUIDELINES AND ASSET ALLOCATION

The Portfolio will be invested using all appropriate asset classes with the goal of minimizing risk (as measured by standard deviation) and maximizing potential return within the following guidelines. Re-balancing will be done on a semi-annual basis or more frequently if deemed necessary. Private money managers, mutual and/or exchange-traded funds, individual equities, and fixed-income securities may be used for portfolio construction. Parts of the portfolio may be indexed or passively invested. The process of identifying an appropriate return objective should take place concurrently with the discussion of risk tolerances. In the end, the IP must present a return objective that is attainable within the risk constraints of the portfolio.

### A. RISK TOLERANCE

Investment theory and historical capital market return data suggest that, over long periods of time, there is a relationship between the level of risk assumed and the level of return that can be expected in an investment program. In general, higher risk (e.g. volatility of return) is associated with higher return. Given this relationship between risk and return, a fundamental step in determining the investment policy for the Portfolio is the determination of an appropriate risk tolerance. There are two primary factors that affect the risk tolerance of WDCAC:

1. Financial ability to accept risk within the investment program, and
2. Willingness to accept return volatility.

WDCAC recognizes and acknowledges some risk must be assumed in order to achieve the long-term investment objectives of the portfolio, and there are uncertainties and complexities associated with contemporary investment markets. In establishing the risk tolerances for this IP, WDCAC's ability to withstand short and intermediate term variability was considered. WDCAC's prospects for the future, current financial condition and level of funding in the portfolio suggest collectively some interim fluctuations in market value and rates of return may be tolerated with the portfolio in order to achieve longer-term objectives.

### B. TIME HORIZON

Capital values do fluctuate over shorter periods and WDCAC recognizes that the possibility of capital loss does exist. Historical asset class return data suggests that the risk of principal loss over a holding period of at least five to ten years can be minimized with the long-term investment mix employed under this IP. However, the liquidity needs of WDCAC may change. Major changes to the liquidity

# INVESTMENT GUIDELINES AND ASSET ALLOCATION

needs of WDCAC may require that the time horizon (and the appropriate investments) for the various funds be modified. Short-term liquidity needs are expected to be minimal, as other funds outside the scope of this IP have already been allocated (chapter operating funds, checking accounts). The Investment Committee expects any unanticipated needs will be met from cash or cash equivalent, maturing bonds, future contributions or rebalancing activities.

## C. ASSET ALLOCATION AND DIVERSIFICATION

Asset allocation is a proven investment strategy that can help WDCAC achieve an attractive level of return while controlling the overall risk of WDCAC funds. **Diversification** means spreading one's money among different investments and various companies in different fields. **Asset allocation** diversifies a portfolio among different investment classes, such as stocks, bonds, cash equivalents, real estate and other tangible assets. Asset Allocation is designed to help minimize risk while maximizing returns. Investing in more than one type of investment, or asset class, can help lessen the negative impact on a portfolio during a market downturn in any one asset class, while potentially increasing the chances of reaching the overall financial goal. Both concepts work to lessen the risks of investing, but each should be incorporated into the investment mix, as they generally work even better together. Asset allocation is not just about multiple investments—it's also about properly allocating investment funds among asset classes that best match objectives, risk tolerance, and time horizons.

### 1. Four Major Asset Classes

Asset classes can be generally divided into four major classes: stocks, bonds, cash, and alternative assets. The paragraphs below highlights how they how they compare to one another:

#### a. Stocks/Equities:

Represent ownership in domestic or foreign companies. Stocks are usually used for growth (capital appreciation) and usually carry a higher level of **market risk** (the risk that movement in the financial markets will adversely affect your investment) than the other classes. However, they also have potential for greater returns over the long term. **Inflation risk** (the risk that your investment will not keep pace with the rising costs of goods and services) is lower with stocks, as they have historically outperformed the rate of inflation over the long term.

#### b. Bonds/Fixed Income:

Are loans or debt to a corporation or government. Bonds are usually used to generate predictable income streams and generally carry less market risk than stocks. However, income investments carry **interest rate risk** (the risk that the investment's value will decrease as interest rates increase). Inflation risk is higher for bonds than stocks because their returns over the long term have been historically lower. They also carry **credit risk** (the risk that a bond issuer will not be able to repay its debt at maturity) and **business risk** (the risk that a company issuing a security may not be financially healthy). US Government bonds and US Treasury bills are backed by the full faith and credit of the US government.

# INVESTMENT GUIDELINES AND ASSET ALLOCATION

## c. Cash/Cash Equivalent:

Refers to any investment that is readily accessible or liquid, such as money market funds. Cash equivalent investments and money market securities provide capital preservation, income and liquidity. Loss of purchasing power is the largest risk associated with cash and cash equivalent investments. Like bonds, cash instruments carry low market risk, but because of lower returns, they may not outpace **inflation**.

## d) Alternative Assets:

Include investments such as commodities, real estate, hedge funds, and managed futures. The selective addition of alternative investments may be considered as part of the portfolio construction process, especially the portion to be managed by professional money managers. These opportunities may offer certain diversification benefits while providing access to exclusive managers that have been selected through the due diligence process. Alternative investments involve specific risks that may be greater than those associated with traditional investments and may be available only to clients who meet specific suitability requirements, including minimum-net-worth tests. Investors should consider the special risks with alternative investments including limited liquidity, tax considerations, incentive fee structures, potentially speculative investment strategies, and different regulatory and reporting requirements.

The minimum expected investment period should be at least three years for any portfolio containing equities. For any portfolio with less than a five-year time horizon, the portfolio should be comprised predominately of fixed income investments and cash or cash equivalent investments.

Individual Bonds at the time of purchase should be rated investment quality only, as expressed by the bond rating services such as Moody's and Standard & Poor's. The total of all fixed income mutual funds should have an average bond rating of Investment quality bonds.

History suggests that different asset classes, such as stocks and bonds, tend not to react identically to the same market conditions, and gains in one asset class can offset losses in another. Therefore, diversification across multiple asset classes should be the primary foundation of an investment plan. Academic research suggests that the decision to allocate total assets among various asset classes will far outweigh security selection and other decisions that impact portfolio performance.

## 2. Limits on Percent Holding for Specific Issues, Sectors or Mutual Funds include:

- a. Total issues of equity of any corporation, or open-ended investment company may not exceed 20% of the market value of the entire portfolio at the time of purchase.
- b. Fixed income securities of any one issuer, or open-end investment company may not exceed 20% of the market value of the entire portfolio at the time of purchase.

# INVESTMENT GUIDELINES AND ASSET ALLOCATION

## D. TABLE OF ASSET ALLOCATION MIX POLICY

Investment Pool Name	Scholarship Fund	Resource Fund
Investment Pool Structure	501 (c)( 7)—Chapter	501 (c) (7) Chapter
Fund Objectives	Funds raised for scholarships may be invested. The amount used for annual scholarship will be based upon the prior year(s) fundraising activity. The objective of this strategy is to offer the potential for capital preservation and limited current income	It is expected that a maximum of 5% of the resource fund assets may be used for operations on an annual basis. The objective of this strategy is to offer the potential capital preservation, current income, and capital appreciation.
Targeted Rates of Return	These funds will be invested in mostly fixed income and cash/cash equivalent investments to achieve an targeted average annual rate of return of at least <b>0.25%</b>	These assets shall be invested to achieve a targeted average annual rate of return (over a normal business cycle of a least five years) of at least <b>3%</b> .
Time Horizon	The time horizon for the Scholarship Fund is less than <b>3 years</b> .	The time horizon for the Resource Fund is <b>5 years</b> .
Risk Tolerance	WDCAC rates its own risk tolerance for this fund as <b>conservative</b> . WDCAC is willing to tolerate declines in the value of this portfolio of between <b>0% and 3%</b> in a given year.	WDCAC rates its own risk tolerance for this fund as <b>moderately conservative</b> . WDCAC is willing to tolerate declines in the value of this portfolio of between <b>0% and 10%</b> in a given year.
Liquidity Needs	High	Low to Moderate
Marketability of Assets	Due to the relatively short-term investment horizon, WDCAC has determined that <b>0%</b> of the Scholarship Fund assets can be invested in illiquid, long-term investments.	Due to the relatively short-term investment horizon, WDCAC has determined that no more than <b>10%</b> of the Resource Fund assets can be invested in illiquid, long-term investments

# INVESTMENT GUIDELINES AND ASSET ALLOCATION

Investment Pool Name	Scholarship Fund	Resource Fund																								
Permitted Asset Classes	<ul style="list-style-type: none"> <li>• Money Market/Cash Equivalent Funds</li> <li>• Fixed Income</li> <li>• Publicly traded Equities</li> </ul>	<ul style="list-style-type: none"> <li>• Money Market/Cash Equivalent Funds</li> <li>• Fixed Income</li> <li>• Listed Equities</li> <li>• Alternative Assets (Other)</li> </ul>																								
Asset Allocation (Target)	<p>Asset Category</p> <table border="1" data-bbox="492 552 865 783"> <thead> <tr> <th></th> <th>MIN (%)</th> <th>TGT (%)</th> <th>MAX (%)</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>0</td> <td>10</td> <td>20</td> </tr> <tr> <td>Fixed Income /Cash</td> <td>40</td> <td>90</td> <td>100</td> </tr> </tbody> </table>		MIN (%)	TGT (%)	MAX (%)	Equity	0	10	20	Fixed Income /Cash	40	90	100	<p>Asset Category</p> <table border="1" data-bbox="881 552 1239 783"> <thead> <tr> <th></th> <th>MIN (%)</th> <th>TGT (%)</th> <th>MAX (%)</th> </tr> </thead> <tbody> <tr> <td>Equity</td> <td>10</td> <td>25</td> <td>45</td> </tr> <tr> <td>Fixed Income /Cash</td> <td>55</td> <td>75</td> <td>90</td> </tr> </tbody> </table>		MIN (%)	TGT (%)	MAX (%)	Equity	10	25	45	Fixed Income /Cash	55	75	90
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# INVESTMENT GUIDELINES AND ASSET ALLOCATION

Investment Pool Name	Scholarship Fund	Resource Fund
Permitted Security Types	<ul style="list-style-type: none"> <li>• Mutual Funds</li> <li>• Publicly traded Individual Bonds, investment grade</li> <li>• Closed-end funds</li> <li>• Exchange-Traded Funds (ETFs)</li> <li>• Index Funds</li> <li>• Bank Certificates of Deposit</li> <li>• Alternative Assets, such as commodities, or margin transactions, currencies, or high risk bonds, including junk bonds, only if within a mutual fund, index fund, ETF, or professional investment management structure</li> </ul>	<ul style="list-style-type: none"> <li>• Mutual Funds</li> <li>• Publicly traded Equities</li> <li>• Publicly traded Individual Bonds</li> <li>• Closed-end funds</li> <li>• Real estate investment Trusts (REITs)</li> <li>• Exchange-Traded Funds (ETFs)</li> <li>• Index Funds</li> <li>• Bank Certificates of Deposit</li> <li>• Alternative Assets, such as precious metals, leveraged investments, commodities, margin transactions, currencies, hedge funds, options, or derivatives, only if within a mutual fund, index fund, ETF, or professional investment management structure</li> </ul>
Prohibited Asset Classes/Transaction Types	<ul style="list-style-type: none"> <li>• <i>Investments considered to be derivatives or contain derivatives in their portfolio</i></li> <li>• <i>Letter stocks</i></li> <li>• <i>Private placements</i></li> <li>• <i>Warrants</i></li> <li>• <i>Options/Speculation</i></li> <li>• <i>Futures or managed future funds</i></li> <li>• <i>Life Insurance contracts</i></li> <li>• <i>Tangible assets such as gold and silver</i></li> <li>• <i>Hedge Funds</i></li> </ul>	<ul style="list-style-type: none"> <li>• Letter stocks</li> <li>• Private placements</li> <li>• Warrants</li> <li>• Life Insurance contracts</li> </ul>

Note: Last updated 2/20/17 WDCAC Investment Policy modifications, pages 10 and 11.

# INVESTMENT GUIDELINES AND ASSET ALLOCATION

## E. Rebalancing Criteria

From time to time, market conditions may cause the Portfolio's investment in various asset classes to vary from the established allocation. To remain consistent with the asset allocation guidelines established by this IP, the Investment Committee and Financial Advisor shall annually and/or semi-annually review the portfolio and each asset class in which the Portfolio is invested. If the actual weighting goes beyond the maximum or minimum weightings, the FA shall recommend changes to rebalance the portfolio back to within the acceptable range.

# CRITERIA FOR SELECTING INVESTMENTS, MUTUAL FUNDS, AND INVESTMENT MANAGERS

## IV. CRITERIA FOR SELECTING INVESTMENTS, MUTUAL FUNDS, AND INVESTMENT MANAGERS

A **Mutual Fund** is an investment company that pools money from shareholders and invests in stocks, bonds, and other securities on behalf of individuals who have similar financial goals. Each share represents an equal percentage of ownership in the fund's assets. Mutual funds pass capital gains through to shareholders, usually at year-end.

WDCAC recognizes that an institutional money management process may provide access to enhanced risk-adjusted returns. **Separately managed portfolios** and **institutional portfolio managers** offer investors the ability to own the individual securities in the account. These accounts often are accompanied by their own Investment Policies and portfolios can be customized to address a client's specific needs. Should a **Separately managed portfolio** or **institutional portfolio manager** be selected, their own Investment Policy will supercede this document.

Most professional money managers also serve as co-fiduciaries (unlike mutual funds). With separately managed accounts and professional money managers, clients are often able to take gains and losses at their discretion, and can often specify socially conscious investments (ie. tobacco, alcohol, gambling) that should be excluded from consideration.

WDCAC recognizes that institutional money managers may provide access to enhanced risk-adjusted returns. Private money managers, mutual funds, and exchange-traded funds may be used for portfolio construction. Publicly traded Individual stocks and bonds may be recommended. Parts of the portfolio may be indexed or passively invested.

The following criteria may be evaluated when selecting and evaluating investment managers and mutual funds:

### **A. Fund objective or style**

- a. Style discipline – current and historical
- b. Average market capitalization of stocks held
- c. Total fund assets
- d. Concentration of holdings
- e. Current & historical cash levels
- f. Sector weightings
- g. Regional weights
- h. Turnover ratio
- i. Volatility or risk
- j. Utilization of hedging strategies

# CRITERIA FOR SELECTING INVESTMENTS, MUTUAL FUNDS, AND INVESTMENT MANAGERS

## **B. Fund Performance**

- a. Performance versus appropriate benchmarks
- b. Performance versus funds utilizing the same style discipline or market capitalization
- c. Performance during various market cycles
- d. Expense ratio of fund
- e. Use and percentage 12B-1 fees

## **C. Fund/Professional Manager**

- a. Manager tenure and relevant experience
- b. Manager style discipline
- c. Length of time fund manager has been in the investment management business
- d. Total assets managed by fund manager
- e. Operational issues related to purchase or redemption restrictions, telephone transaction capabilities, and wire transfer capabilities

# INVESTMENT MONITORING AND CONTROL PROCEDURES

## V. INVESTMENT MONITORING AND CONTROL PROCEDURES

The FA and the IC are responsible for reviewing investment performance on an annual and/or semi-annual basis. Monthly performance reports will be provided by the FA that will be available electronically for download (see Section V, Subsection B and Section V, Subsection F for more details). The review will be performed by applying the above criteria keeping within the allowable investments outlined by this IP.

### A. FINANCIAL ADVISOR SELECTION

The Financial Advisor is expected to manage the Portfolio in a manner consistent with this IP and in accordance with State and Federal law. The Advisor must be a registered investment advisor and shall act as the investment advisor and co-fiduciary to WDCAC until WDCAC decides otherwise.

The IC of WDCAC has selected a registered FA with Raymond James Financial Services (RJFS), to act as the co-fiduciary agent. The FA invests designated assets in accordance with this IP. RJFS has access to one of the widest platforms of product choices or account types in the financial services industry, with access to over 10,000 mutual funds from 300 fund families, 51 money managers and insurance carriers.

### B. PARTICIPANT EDUCATION AND INVESTMENT UPDATES

The FA will take an educational approach to keeping WDCAC informed concerning its investments. The FA provides industry newsletters and brochures and informs the IC on pertinent seminars, whenever available.

# INVESTMENT MONITORING AND CONTROL PROCEDURES

At the annual and/or semi-annual meetings with the IC and/or WDCAC, the FA will provide information and education on:

1. Prudent investing
2. Investment strategy for a non-profit
3. Industry segments where WDCAC is currently invested
4. Measures of investment performance

## C. REPORTS

The FA provides WDCAC with a report each month that lists all assets held, values for each asset and all transactions affecting assets within the portfolio, including additions and withdrawals.

WDCAC shall receive no less frequently than on a semi-annual basis and within 30 days within the end of each such quarter the following management reports:

1. Portfolio performance results over the last quarter, year, 3 years and 5 years
2. Performance results of each individual manager for the same periods
3. Performance results of comparative benchmarks for the same period
4. Any recommendations for changes to the above.

## D. BENCHMARKS USED TO REVIEW INVESTMENT PERFORMANCE

Performance review of the investments will be assisted with printed reports that provide benchmarks of comparable character with each class in the portfolio assets. The WDCAC recognizes that allocations of the investment may change over time. The benchmarks, therefore, will change to monitor the performance of the particular class of assets.

Whenever possible, standardized performance reports will be used to compare benchmark performance of investment categories within each portfolio.

# INVESTMENT MONITORING AND CONTROL PROCEDURES

## E. PROCEDURES FOR FUNDS AND /OR MANAGERS WHO FAIL TO MEET CRITERIA

WDCAC recognizes that all investments go through cycles and therefore, there will be periods of time in which the investment objectives are not met or when specific managers fail to meet their expected performance targets. Recognizing that no manager is perfect all the time and that good years help to make up for bad ones, WDCAC acknowledges the principle that investment managers must be given an opportunity to make up for poor periods. Unless there are extenuating circumstances, patience will often prove appropriate when performance has been disappointing.

Each of the two investment pools (Scholarship and Resource) has their own unique investment parameters. However, on an overall portfolio basis, WDCAC establishes a goal of achieving the stated investment return objectives over at least a three-year period of time. A shorter time frame would contradict the principle that investment managers should generally be given the opportunity to overcome poor performance with subsequent excellent performance. If a fund or investment manager is not meeting the criteria contained within this IP the following actions will be taken.

Normally, any review of manager performance will be conducted semi-annually and recommendations for change discussed during that time. In the interim, it is possible that changes may be recommended. In those cases, the FA will notify the WDCAC IC Chairperson by phone, email, or letter to discuss the concerns and make recommendations to improve asset allocation or revise manager selection. The WDCAC IC Chairperson will contact the IC to discuss the situation and decide whether to convene a special meeting or discuss or in tandem with a regularly scheduled meeting. The IC will review the situation and make a recommendation. If the situation is urgent, the IC will direct the FA to reallocate the investments, mutual funds or money managers. Otherwise, the decision will be approved at the next regularly scheduled meeting.

During WDCAC transition of officers, the President of WDCAC and WDCAC Treasurer will act on the behalf of the IC.

## F. REVIEW OF INVESTMENT PERFORMANCE

The expectations for statement frequency, activity reporting, and update meetings are as follow:

1. Monthly printed performance statement of assets with appropriate benchmarks to Investment Committee Chairperson. The printed reports will be clearly presented and easily understood.
2. Semi-annually printed performance statement of assets with appropriate benchmarks to the Investment Committee. The printed reports will be clearly presented and easily understood.
3. Semi-annual updates at meetings of the IC to review: IP guidelines, anticipated changes in the Portfolio, investment performance vs. appropriate asset allocation—current versus policy;
  - a. Investment policy guidelines
  - b. Investment performance vs. appropriate benchmarks
  - c. Evaluation of plan expenses
  - d. Current market and economic conditions
  - e. Anticipated changes in the portfolio
  - f. Asset allocation-current
  - g. Anticipated changes in WDCAC needs from the portfolio
  - h. Any other financial issues

Semi-annual updates will occur in person between the Investment FA and the IC at dates and times to be determined.

The FA shall also be available on a reasonable basis for telephone communication when needed. Any material event that affects the ownership of the FA's firm or the management of the Portfolio must be reported in a timely fashion to the IC Chairperson.

## G. REVIEW OF INVESTMENT POLICY

Investment performance must be periodically evaluated to assess progress towards the achievement of investment objectives. WDCAC will review this IP annually to determine whether stated investment objectives are still relevant and the continued feasibility of achieving the same. It is not expected that this IP will change frequently. In particular, short-term changes in the financial markets should not require adjustments to this IP. This IP is not a contractual agreement of any kind and therefore anyone signing it will not be bound to any arrangement. It is only meant to be a summary of the agreed upon investment management techniques.

# ROLES AND RESPONSIBILITIES

## VI. OUTLINE OF ROLES AND RESPONSIBILITIES

### A. WDCAC INVESTMENT COMMITTEE

The IC is a standing committee comprised of individuals from the WDCAC. The IC is responsible for overseeing the management of WDCAC's investments. The IC includes the WDCAC President, the WDCAC Treasurer, the Immediate Past President, and three members appointed by the WDCAC President.

They are authorized to engage the services of investment professionals. The investment committee's responsibilities include:

1. Overseeing the Portfolio
2. Defining the investment objectives and policies of the Portfolio;
3. Directing the Advisor to make changes in IP and to overseeing and approving or disapproving the Advisor's recommendations with regards to policy, guidelines, objectives and specific investments on a timely basis;
4. Providing the FA with all relevant information on the financial conditions and risk tolerances for WDCAC. Notify the Advisor promptly of any material changes that would alter the objectives or construction of this portfolio.
5. Reviewing semi-annual performance reports and significant communications from, FA.
6. Assessing and discussing performance reports and significant communications from FA.
7. Facilitating recommendations from the IC to the WDCAC Executive Board.
8. Reviewing the IP annually and recommend changes as appropriate;
9. Monitoring the performance of the investment portfolio semi-annually;
10. Making recommendations in conjunction with the FA on specific asset allocation for any new funds received.

### B. WDCAC INVESTMENT COMMITTEE CHAIRPERSON

1. Serve as primary contact with FA;
2. Maintain file of reports and important communication from FA and/or Raymond James Financial Services;
3. Review monthly performance reports and significant communications from, FA;
4. Review and discuss performance reports and significant communications from FA;
5. Provide written reports at regular WDCAC Executive Board meetings;
6. Schedule and conduct committee meetings.

# ROLES AND RESPONSIBILITIES

## C. FINANCIAL ADVISOR

1. Invest designated assets in accordance with this IP. Make recommendations only to WDCAC and implement investment decisions as directed by WDCAC. The FA will not take title to any assets nor shall the FA exercise discretionary control over any of the assets of WDCAC.
2. Design, recommend and implement an appropriate asset allocation plan and investment strategy consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this IP;
3. Recommend an appropriate custodian to safeguard the assets of WDCAC;
4. Ensure that the custodian provides WDCAC with a current prospectus, where applicable, for each investment proposed for the Portfolio;
5. Provide regular (some monthly, some quarterly) performance reports and significant communications to WDCAC IC;
6. Meet with the IC semi-annually to review investment performance, policy, and strategy;
7. Meet annually with the WDCAC Executive Board and WDCAC members;
8. Meet with the IC at other times within reason at the request of WDCAC;
9. Exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical. Vote proxies according to the guidelines and restrictions outlined herein where applicable and otherwise according best judgment;

# Investment Committee/Financial Advisor

## VII. Investment Committee

Name	Position
Cherie Brown Jackson	WDCAC President, Investment Committee Chair
Marsha Coleman Johnson	WDCAC Treasurer
Nichelle A. Poe	Immediate Past President
Barbara Moseley-Davis	Member
Adele Johnson	Member
<del>Darneice Shirley</del> (as of 4/18/19 )	<del>Member</del>
Nicole G. Jordan (as of 4/18/19)	Member

## VIII. Financial Advisor

Name: Lanta Evans-Motte, Independent Financial Advisor,  
Company: Raymond James Financial Services  
Address: 4061 Powder Mill Road, Suite 705  
Calverton, MD 20705  
Office Telephone: (301) 459-2484  
Office Fax: (301)459-2485  
Branch Telephone: (301) 595-8600  
Email Address: Lanta.Evans@Raymond James.com  
Website: www.RaymondJames.com/LantaEvans

# CHAPTER INFORMATION

## IX. Chapter Information

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**DELTA SIGMA THETA**  
WASHINGTON DC  
ALUMNAE CHAPTER