

Saramana Chapter
Florida Society
Sons of the American Revolution

Saramana SAR Operating Budget Trust Fund
Investment Policy Statement

Approved by the Trustees of the Saramana SAR Operating Budget Trust Fund: [December 7, 2014]

Approved by the Saramana Chapter Board of Governors: [December 17, 2014]

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I. Mission and Purpose

Mission

The Mission of the Trustees of the “Saramana SAR Operating Budget Trust Fund” hereinafter referred to as the “Trust Fund” is to administer, as fiduciaries, the Trust Fund in accordance with the Trust Agreement, dated February 11, 1992, as amended January 12, 2012, the latter which requires the Trust Fund to operate under the strictures of the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Statement of Purpose

The Saramana Chapter, has received donor restricted and unrestricted donations to be used for the expressed purposes of the Chapter. The purpose of this Investment Policy Statement is to establish/adopt guidelines for management of the Fund’s investment portfolio (the “Portfolio”). The Statement also incorporates accountability standards that will be used for monitoring the progress of the Portfolio’s investment program and for evaluating the investment managers’ performance as measured by generally accepted benchmark indexes.

II. Roles and Responsibilities

Roles and Responsibilities of the Trustees

The “Trust Fund” Trustees, the members of which are fiduciaries of the “Saramana SAR Operating Budget Trust Fund”, establish (or adopt) the guidelines for managing the investment portfolio. The “Trust Fund” Trustees approve the Investment Policy Statement.

The “Trust Fund” Trustees may delegate to an external agent or agents the management and investment of the “Trust Fund”. In this case, the Trustees will monitor the performance of the agent and determine if the delegation should be continued or revoked.

Additional Roles and Responsibilities of the “Trust Fund” Trustees

The “Trust Fund” Trustees are accountable to the Board of Governors and to the members of the Saramana Chapter for overseeing the investment of all assets owned by, or held in trust for, the Portfolio. The “Trust Fund” Trustees are responsible for the Investment Policy Statement and for investment guidelines in furtherance of that statement.

- A. *Objectives.* This Investment Policy Statement sets forth the investment objectives, distribution policies, and investment guidelines that govern the activities of the “Trust Fund” Trustees and any other parties to whom the “Trust Fund” Trustees have delegated investment management responsibility for Portfolio assets.
- B. *Risk.* The “Trust Fund” Trustees, through direct access to and complete and open communications with the Saramana Chapter Board of Governors, will confirm that the investment policies for the Fund contained herein have been formulated consistent with the “Trust Fund’s” anticipated financial needs and in consideration of the “Trust Fund” Trustees tolerance for assuming investment and financial risk.
- C. *Goals.* Policies contained in this statement are intended to provide guidelines, where necessary, for ensuring that the Portfolio’s investments are managed consistent with the short-term and long-term financial goals of the Saramana Chapter. At the same time, they are intended to provide for sufficient investment flexibility in the face of changes in capital market conditions and in the financial circumstances of the Saramana Chapter.
- D. *Policy Review.* The “Trust Fund” Trustees will review the Investment Policy Statement at least once per year. Changes to this Investment Policy Statement can be made only by affirmation of a majority of the “Trust Fund” Trustees.
- E. *Investment Managers.* In fulfilling its responsibilities under this Statement, the “Trust Fund” Trustees shall control the selection and dismissal of investment managers, external agents, and other advisors. This can be done only with the consent of the Saramana Chapter Board of Governors.

Roles and Responsibilities of the “Trust Fund” Treasurer

The “Trust Fund” Treasurer acts as the liaison between the “Trust Fund” Trustees and the Investment Manager/External Agent. Reports on the Fund shall be provided monthly to the “Trust Fund” Trustees and at the end of each calendar quarter to the Saramana Board of Governors. The “Trust Fund” Treasurer will provide properly authorized directive for the transfer of Fund assets. Transfers of funds out of the “Trust Fund” can only be made to the operating account of the Saramana Chapter.

Roles and Responsibilities of the Investment Manager/External Agent

On December 5, 2014, the Trust Fund entered into an agreement with the Community Foundation of Sarasota County whereby \$146,623.60 was placed in its \$205 million Corporate Endowment Pool. Accordingly, the Investment Policy Statement of the Community Foundation of Sarasota County becomes the Investment Policy of the Trust Fund. The current Investment Policy of the Community Foundation of Sarasota County will be distributed no less than annually, preferably in January, to all Trustees.

The “Trust Fund” Trustees selected the Community Foundation of Sarasota County, Inc. (CFSC) as its external agent. CFSC is a tax-exempt public foundation under IRS Code 501(c) (3). CFSC provides an “umbrella” for charities/non-profits to benefit from large investment pools with professional management and low costs. CFSC’s investment committee oversees a portfolio of approximately \$205 million based on an investment policy approved by their Board of Directors. The committee does not approve individual trades, but oversees the professional investment managers who are directly responsible for managing CFSC’s investments. Trust Fund assets are to be invested in CFSC’s Corporate Endowment Pool (CEP).

CFSC assumes complete responsibility for:

- A. Legal administration of the Pool
- B. Receiving and processing additional assets
- C. Managing the investment of the Pool assets
- D. Reinvesting the income of the Pool asset
- E. Providing periodic statements on principal, balance, contributions, investment activity and disbursements
- F. Distributing earnings on an annual or more frequent basis

III. Investment Policy

The CFSC Board of Directors has approved an Investment Policy Statement (revised August 16, 2013) which the “Trust Fund” Trustees have reviewed and adopted as the “Trust Fund” investment policy. This policy statement (incorporated by reference) establishes the CFSC Investment Committee, defines their responsibilities, includes operating guidelines, diversification policy, investment asset class allocation limits and benchmarks, and requires the CFSC Investment Committee to conduct a quarterly performance evaluation.

IV. Monitoring Portfolio Investments and Performance

The Trustees will monitor the investment performance of CFSC’s Corporate Endowment Pool against the stated investment objectives. The Trustees will also review and approve for adoption any revisions to CFSC’s Investment Policy Statement.

V. Best Practice

The adoption of this Investment Policy brings the Saramana SAR Operating Budget Trust Fund into conformity with “best practice” for non-profit corporations and the Uniform Prudent Management of Institutional Funds Act (UPMIFA) of 2006, which practice has been adopted by the National Society of the Sons of the American Revolution.