



SEINFORMS Investment Policy Statement

The purpose of this Investment Policy Statement (IPS) is to provide guidance to the SEINFORMS Officers and Council for investing Chapter funds, measuring investment performance, and reporting funds status.

This policy shall be reviewed annually by the Chapter Officers with such review led by the Secretary/Treasurer. Proposed amendments to the policy shall be reported to the Council for action at its annual meeting in October.

The investment philosophy of the Southeastern Chapter of INFORMS is driven by capital preservation, not wealth accumulation. To this end, no more than 30% of the Chapter's assets may be invested in equities, with the remainder invested in cash, time deposit, or near-cash, risk-free or insured instruments such as government securities or certificates of deposit. Equity investment shall be limited to mutual funds (e.g. Vanguard) with preference given to broad market index funds.

Should cash and time deposits exceed twice the three-year average of cash outflows, the Council may authorize an increase in the equity threshold. For purposes of cash management, no less than 75% of the previous year's total expenses should be available in the checking account or scheduled to from any time-deposited funds by the start of the Annual Meeting. While managing the diversification of investments, in no case shall the checking account balance fall below 50% of the previous year's total expenses. All cash and time deposits must be held in FDIC institutions. Changes in investments require approval of the officers. A change in investment policy requires Council approval.

The Secretary/Treasurer will prepare and deliver a formal report showing the status of all investments at the two regularly scheduled Council Meetings (i.e. February and October) as part of the Treasurer's Report.