



Policy Holder: Gwinnett Tech Foundation (GTF - 03 - 19)	Owner: Coordinator, Institutional Advancement	Effective: 11/06/2015
Responsible Party: Institutional Advancement		Reviewed: 8/8/2007, 3/2019, 1/2021 Revised: 8/20/2026

9.3.13 GT Investment Policy Adoption and Oversight Policy

General and Endowment Funds

INTRODUCTION

The Gwinnett Tech Foundation ("Foundation") is a nonprofit organization established and maintained as a 501(c)(3) organization in accordance with the Internal Revenue Code

Purpose

The purpose of this policy is to establish the governance, oversight, and fiduciary responsibilities for the investment of assets held by the Gwinnett Tech Foundation, Inc. ("Foundation").

The Foundation is committed to prudent stewardship of charitable assets entrusted to it and seeks to preserve donor intent while providing long-term financial support for the mission of Gwinnett Technical College.

The Foundation elects to be an part of the Technical College Systems of Georgia Foundation's State pooled investment fund.

Governing Investment Policy

The Gwinnett Tech Foundation hereby adopts the Technical College System of Georgia Foundation Investment Policy ("TCSG Investment Policy") as the governing investment policy for all Foundation investment assets.

The current TCSG Investment Policy is incorporated into this policy by reference and shall govern the management of Foundation investment assets, including but not limited to:

- Investment objectives
- Asset allocation
- Risk tolerance
- Permitted investments
- Liquidity requirements
- Investment manager responsibilities
- Performance benchmarks
- Portfolio monitoring
- Investment restrictions

- Performance evaluation

Should the Technical College System of Georgia Foundation revise or replace its Investment Policy, the most current approved version shall automatically become the governing investment policy for the Gwinnett Tech Foundation unless otherwise directed by resolution of the Board of Trustees.

Fiduciary Responsibility

The Board of Trustees retains ultimate fiduciary responsibility for the prudent management of Foundation assets.

The Board delegates oversight of investment activities to the Finance Committee, which shall monitor investment performance and ensure compliance with the adopted TCSG Investment Policy.

Responsibilities of the Finance Committee

The Finance Committee shall:

- Review investment performance reports quarterly and presents them at the board meetings;
- Receive quarterly reports from the Foundation's investment advisor or investment manager;
- Monitor compliance with the adopted TCSG Investment Policy;
- Recommend investment governance matters to the Board of Trustees;
- Recommend any exceptions requiring Board approval;
- Review this policy annually.

Investment Management

The Foundation may engage qualified investment professionals to manage Foundation assets.

Investment managers shall operate in accordance with:

- The Technical College System of Georgia Foundation Investment Policy;
- Applicable federal and state laws;
- The Uniform Prudent Management of Institutional Funds Act (UPMIFA);
- Applicable donor restrictions; and
- Any Board-approved investment directives.

Donor-Restricted Funds

Funds subject to donor-imposed restrictions shall be invested in accordance with the applicable gift agreement and donor intent. Where donor restrictions differ from the TCSG Investment Policy, the Foundation shall seek to administer the assets in a manner that complies with applicable law while honoring donor intent whenever practical.

Exceptions

Any proposed exception to the Technical College System of Georgia Foundation Investment Policy shall require approval by the Gwinnett Tech Foundation Board of Trustees and shall be documented in the Board minutes.

Policy Review

This policy shall be reviewed annually by the Finance Committee to ensure continued compliance with:

- Technical College System of Georgia Foundation Investment Policy;
- Applicable laws and regulations;
- Foundation bylaws; and
- Sound fiduciary practices.

Related Documents

- Technical College System of Georgia Foundation Investment Policy
- Gwinnett Tech Foundation Bylaws
- Uniform Prudent Management of Institutional Funds Act (UPMIFA)
- Applicable Gift Agreements

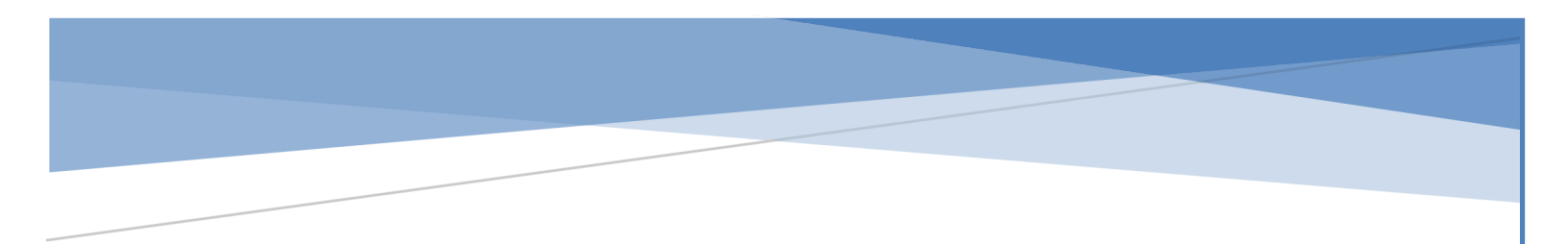
Withdrawal or Transfer of Investment Funds

The Finance Committee reserves the right to recommend the removal of the Foundation's assets from any pooled investment fund if it determines that the fund's management, performance, risk profile, fees, or investment strategy no longer meets the Foundation's fiduciary standards or long-term investment objectives. Any such recommendation, including the transfer of assets to another financial institution or investment manager, shall require approval by the Board of Trustees before any action is taken.

Appendix A

Technical College System of Georgia Foundation Investment Policy

The current TCSG Foundation Investment Policy is maintained as Appendix A to this policy and is incorporated herein by reference.



Appendix A

Technical College System of Georgia Foundation Investment Policy

Incorporated by Reference into

Gwinnett Tech Foundation Policy 9.3.13

Investment Policy Adoption and Oversight

Purpose

Pursuant to Policy 9.3.13, the Gwinnett Tech Foundation Board of Trustees has adopted the Technical College System of Georgia Foundation Investment Policy as the governing investment policy for all Foundation investment assets.

This appendix is incorporated by reference into Policy 9.3.13 and shall be interpreted as though fully set forth therein.

Should the Technical College System of Georgia Foundation approve revisions to this policy, the most current Board-approved version shall supersede this appendix without requiring revision of Policy 9.3.13, unless otherwise directed by the Gwinnett Tech Foundation Board of Trustees.

Document: Technical College System of Georgia Foundation Investment Policy

Originally Adopted: _____

Current Version Effective: _____

Maintained By: Technical College System of Georgia Foundation

Darcie Johnson



INVESTMENT POLICY

INTRODUCTION

The Technical College System of Georgia Foundation (the "Foundation") is a nonprofit organization established and maintained as a 501(c)(3) organization in accordance with the Internal Revenue Code. The mission of the Foundation is to create statewide awareness of the programs and services offered by the Technical College System of Georgia ("TCSG"), and to encourage private sector donations in support of programs, services or operating needs of the TCSG.

PURPOSE

This statement of Investment Policy and Objectives ("IPS") is to be used in the management of the assets for the endowments and other funds of the Foundation. The purpose of this IPS is to establish a clear understanding of the investment objectives and policies applicable to the Foundation's long term and operating reserve investments. This IPS is further intended to outline an investment philosophy that provides guidance for the Foundation and appointed investment manager or managers.

- Outlines the Foundation's goals and provides the framework for a disciplined approach to investing;
- Establishes reasonable expectations, objectives and guidelines for the investment of the Assets; Sets forth an investment structure detailing permitted asset classes and expected allocation among asset classes;
- Creates a well-diversified asset mix that can be expected to generate acceptable long-term returns consistent with the Foundation's risk tolerance and time horizon;
- Establishes the criteria for monitoring performance of the Assets; and
- Encourages effective communication between the Foundation's Board, Finance and Investment Committee and Investment Manager(s).

It is the Foundation's intent to create an IPS that promotes sound and prudent management of the Assets in accordance with the Uniform Prudent Management of Institutional Funds Act adopted by the State of Georgia, and any other such laws and regulations that may apply now or in the future to the prudent investment of assets and the application of an appropriate spending policy for the Foundation.

ROLE OF THE FINANCE AND INVESTMENT COMMITTEE

With the approval of the Board, a Finance and Investment Committee ("Committee"), consisting of a Chairperson and two or more members, has been created to oversee and monitor the investment of all Assets under the Foundation's stewardship. The Committee is authorized to evaluate and recommend one or more outside Investment Managers to manage the Foundation Assets.

The Committee shall monitor the adherence of the Investment Manager(s) to this IPS and any such laws and regulations that may apply now or in the future to the prudent investment of the Assets. The Committee will also review this IPS at least annually to ensure that it still reflects the needs and circumstances of the Foundation.

ROLE OF THE INVESTMENT MANAGER(S)

The Board, upon the recommendation of the Finance and Investment Committee, may delegate some or all of its responsibility for managing the Foundation's Assets to one or more Investment Managers, duly appointed by the Board and selected with due care in accordance with the Foundation's by-laws and all applicable laws.

The Investment Manager shall have full discretion in managing the Assets in accordance with this IPS, as it may be amended periodically. The Investment Manager shall be specifically responsible for:

- Assisting the Foundation in developing an appropriate investment policy based on the Foundation's needs, objectives, and risk tolerance, and making appropriate recommendations to the Committee for modifying any provisions of this IPS;
- Advising on the selection of and allocation to appropriate asset categories, investments and managers for the Assets;
- Identifying and selecting specific investments and managers within each asset class;
- Managing and rebalancing asset allocations to specific target allocations set forth in this IPS;
- Monitoring and reporting on the performance of the total portfolio, all asset classes and managers;
- Periodically reviewing the appropriateness of the investments and managers for the Assets;
- Preparing and presenting appropriate reports;
- Meeting with the Committee at least once each year, and at other times deemed necessary at the Foundation's request; and
- Recommending and implementing changes to any of the above.

INVESTMENT GUIDELINES

INVESTMENT OBJECTIVES - LONG TERM ASSETS

1. The primary investment objectives for these funds are to provide long term growth of capital sufficient to meet the Foundation's current and future spending obligations and to protect the portfolio from the long term effects of inflation.
2. The portfolio should provide sufficient liquidity to meet the distribution requirements of the endowment funds and other long term funds, enabling them to fulfill their donor's specified requirements and objectives.
3. The time horizon of these funds is in excess of 10 years. The Foundation has indicated a willingness to accept a moderate level of volatility, based on the target allocation of the assets, in order to optimize total return within an acceptable risk tolerance. The impact of market volatility on the portfolio will be controlled through strategic asset allocation and ongoing monitoring of the Investment Manager(s) and the investment vehicles chosen.
4. In investing endowment and other long term funds, the Investment Manager(s) must place significant emphasis on preservation of capital over the long term. The total return approach, considering both capital appreciation and income, will be employed. Equities shall be used to provide growth of principal and dividend income. Bonds shall be used for preservation of capital and to secure current investment income.

INVESTMENT OBJECTIVES-OPERATING RESERVES AND TEMPORARILY RESTRICTED ASSETS

1. From time to time, the Foundation may have a need to invest longer term operating reserves and temporarily restricted funds. The primary investment objective for these funds is preservation of principal with sufficient income to meet current operating needs.
2. The Foundation's expected time horizon for these funds is one to five years. It is anticipated that liquidity needs will generally be met through maturities and investment income.
3. These funds will be invested with the objective of achieving a stable net asset value with limited principal volatility consistent with permitted investments.
4. The portfolio will have an average duration of one year or less and be limited to short term fixed income investments with a maximum maturity of 3 years. For purposes of determining maturities, the next reset date will be used for floating rate securities, the put date for putable securities, the call date for securities trading on a yield-to-call basis, and the average life on securities with periodic principal payments prior to maturity such as mortgage backed securities and asset backed securities.

ASSET ALLOCATION - LONG TERM FUNDS

The asset class targets and ranges shown below are the currently approved investment levels consistent with the Foundation's investment objectives for its Long Term Assets. Within each of the major asset classes, sub-asset classes and strategies will be deployed to achieve full diversification.

The portion of the Assets invested in each asset class and sub-asset class will change periodically to reflect the Investment Manager's tactical asset allocation strategy so long as it is within the acceptable ranges listed. Any proposed investment changes outside these ranges must be approved by the Investment Committee in writing prior to being implemented.

- A. The portfolio's equity allocation shall typically range between 50%-75%, with a target of 65%, and have the following characteristics:
 1. Broadly diversified among large, mid and small cap domestic equities, public REITs and international and emerging market equities;
 2. Exposure to both growth and value styles.
- B. The portfolio's fixed income allocation shall typically range between 25%-50%, with a target of 35%, and have the following characteristics:
 1. Allowable investments include investment grade domestic bonds, high yield bonds and dollar and non-dollar denominated global and emerging market bonds;
 2. The portfolio will be well diversified as to issuer and maturity;

3. Maturities shall generally be intermediate to longer term but may periodically emphasize shorter or longer maturities depending on yield curve differentials;
 4. The maximum duration of any individual issue shall not exceed thirty years at the time of purchase;
 5. The average duration of the portfolio shall not exceed ten years.
 6. The total fixed income portfolio should have an average credit quality rating of at least BBB/Baa.
- C. Reserves for contingencies and asset purchases are expected to comprise the balance of the fund:
1. Cash reserves should be invested at all times in appropriate overnight investment vehicles.
 2. Overnight investments shall be limited to high quality institutional money market mutual funds rated A1, P1 or other high quality short term debt instruments rated at least AA+.
- D. With the exception of securities issued or guaranteed by the U. S. Government or its Agencies, no more than 5% of the assets of the Foundation may be invested in the securities of any one issuer.
- E. No more than 10% of the total assets can be invested in securities issued by companies domiciled outside of the United States.
- F. From time to time, market conditions may cause the portfolio's allocation to vary from established targets. To remain consistent with the asset allocation guidelines established by this IPS, each broad asset class in which the Foundation invests shall be reviewed regularly by the Investment Manager for potential rebalancing back to target allocations. The Investment Manager shall have the flexibility to not rebalance the portfolio back to target allocations based on current market conditions, economic events or account activity provided the portfolio is maintained within its overall allocation ranges.

PERMITTED INVESTMENTS

- A. Equity securities that are listed on the New York or American Stock Exchanges or traded on the NASDAQ exchange;
- B. U. S. Government and Agency obligations having dates of maturity not in excess of 30 years issued or guaranteed as to principal and interest by the U. S. Government or its Agencies;
- C. Obligations of banks subject to regulation by the U.S. Government and instruments secured by such obligation, including certificates of deposit and bankers acceptances, having dates of maturity not in excess of one (1) year. Not included are obligations of foreign branches of domestic banks. Further, no cumulative purchases of such bank obligations shall exceed the limits insured by the Federal Deposit Insurance Corporation. Preference will be given to the use of bank(s) with a significant presence in the state of Georgia.

- D. Savings institution obligations including certificates of deposit of savings banks and savings and loan associations subject to regulation by the U.S. Government having dates of maturity not in excess of one (1) year. Further, no cumulative purchases of such obligations shall exceed the limits insured by the Federal Savings and Loan Insurance Corporation.
- E. Corporate bonds and commercial Paper rated within the highest three grades of Standard and Poor's and Moody's Investors Service, Inc. or, if not rated, issued by a company having a rating of at least "BAA" by both services.
- F. The following investment vehicles may be utilized for the investment of the Assets: SEC registered mutual funds and money market funds, exchange traded funds, common and collective trust funds, unified managed accounts, unit trusts, separately managed accounts, publically traded partnerships, and registered investment companies. The Foundation may also elect to participate in the Technical College Foundation Association of Georgia (TCFA) Pooled Investment Program.

OTHER RESTRICTIONS

- A. Investment Manager(s) are not authorized to purchase assets other than those specifically outlined above without prior written permission from the Committee. Direct investments in real estate, contracts for financial and commodity futures, currency exchange, and subscription based alternative investments (defined as qualified investor structured investments that cannot be fully liquidated for cash within three months) are strictly prohibited without prior written approval from the Committee.
- B. Neither the Investment Manager nor the Committee is authorized to mortgage, pledge, or hypothecate any endowment assets.
- C. The Foundation will not engage in borrowing for purposes of enhancing returns.
- D. Barring unusual circumstances, donated in-kind assets (securities, real estate, etc.) shall be liquidated as soon as practical in accordance with the Foundation's written Gift Acceptance Policy.
- E. If donor funds are accepted by the Foundation with specific restrictions as to investments, they shall fall outside the dictums of this policy and shall be administered by the Committee and Investment Manager(s) in accordance with donor specification.

PERFORMANCE

- A. The performance objective of the long term portfolio is to achieve a total return, net of fees, exceeding a blended benchmark comprised of the following indices:

50% Russell 3000 Index
15% MSCI ACWI ex US Index
35% Barclays U.S. Aggregate Bond Index

- B. Any declines of 5% or greater than the comparable index on the total portfolio will generate a manager and investment style review. Should such a decline occur, it is incumbent upon the Investment Manager to immediately notify the Committee of the portfolio's performance and status.

- C. Comparative performance will be reviewed by the Committee on a quarterly basis.

GENERAL INFORMATION

Normal operation communications will be between the Foundation Executive Director (Secretary) and the Investment Manager(s). In the absence of the Foundation's Executive Director (Secretary), the Foundation's Treasurer or the Committee Chair of the Finance and Investment Committee may authorize transactions.

In the event of conflicting or unclear instruction from any of the above, the Investment Manager should delay the requested action until the matter is confirmed by a majority of the Committee or full Board.

Updated with revisions 1/9/2020