

RMOUG Investment Policy Statement

Mission of RMOUG

RMOUG's mission is an independent, non-profit organization formed to empower its members with the best education in database, application, development and personal networking opportunities in the Rocky Mountain Area and beyond.

Purpose

The purpose of this Investment Policy Statement (IPS) is to assist the RMOUG Board of Directors in effectively supervising, monitoring, and evaluating the investment of RMOUG's fund assets. In general the purpose of this statement is to outline a philosophy which will guide the investment management of the assets toward RMOUG's desired results. Any changes to this investment policy will be made in writing and communicated to all parties.

Investment Objective

RMOUG's investment objectives are to provide a healthy financial foundation for future RMOUG activities, specifically...

1. to preserve the short term operating assets of the organization for current activities
2. to prudently invest additional funds (not immediately needed for operations) in order to generate income to fund scholarship grants and other charitable missions by the organization

Guidelines & Allowable Investments

Operating Account(s) – An amount equal to the annual operating budget shall be segregated as "operating funds". Above all, the investment strategy for these funds should be focused on safety, preservation, and liquidity. Earning a rate of return on the assets is important, but is a secondary objective. Assets to be utilized within the next 6 months should be invested solely in "cash equivalents", including money market funds, checking accounts, savings accounts, and 3 month or less certificates of deposits from FDIC-insured banking institutions. Assets to be utilized over the next 6 to 12 months can be invested in all of the above options, as well as 6, 9, or 12 month certificates of deposits from FDIC-insured banking institutions and short term US treasury bonds.

Investments to encourage new entrants into the IT industry – Assets that are earmarked as growth-oriented investments for the purpose of fulfilling one of the missions of the organization, which is to encourage new entrants into the information technology (IT) industry such as middle-school, high-school, or undergraduate students, workers in other industries retraining into IT, soldiers and exiting military personnel who wish to train to enter the IT industry. These funds may be used as the principal generating interest to be used to fund scholarships, as discounts for RMOUG events, or as funding for projects directed toward educational objectives and purposes.

Allowable Investments:

- Certificates of Deposit from FDIC-insured US banking institutions. Investments must stay under the coverage maximums.
- FDIC-backed savings and money market accounts.
- Individual US Treasury Bills & Bonds – Maximum of 5 years to maturity
- Individual AAA, AA, and A rated US Corporate Bonds
- Equities

- Long-term fixed income instruments

Prohibited Investments:

- Private placements
- Options
- Short selling
- Margin transactions

Selection of Investment Advisors

Investment advisors are hired and terminated at the discretion of the RMOUG Board of Directors. A qualifying investment manager must be a registered investment advisor under the Investment Advisors Act of 1940, or a bank or insurance company. The Board requires that each investment manager provide, in writing, acknowledgement of fiduciary responsibility to the Fund.

All investment advisors will be presented with the Investment Policy Statement and must agree to operate within the investment boundaries set forth in the statement. The board can agree to grant discretionary authority to an investment advisor, but the advisor is still bound by the Investment Policy Statement, and can be held liable if they knowingly violate the policies set forth.

Account Reviews

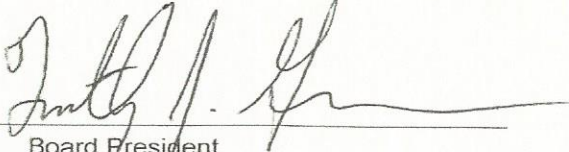
Investment advisors will provide quarterly reports which will be communicated with the RMOUG Finance Committee and Board for review.

At a minimum, the board of directors and/or the executive director will hold a review with each appointed investment advisor annually, and determine whether or not the objectives of the organization are being properly pursued by all parties involved. The Board will review at least annually all costs associated with the management of the Fund's investment program.

Amendments to the Investment Policy Statement

As the organization evolves and times change, and as legislative changes are made at the local, state, or federal level, there will likely be a need to update or add amendments to this Investment Policy Statement. All changes must be approved by the board of directors with a majority vote.

This agreement was approved by and adopted by the board of directors of RMOUG on the 19TH day of JANUARY, 2016.


Board President

01/19/2016
Date

Jolee R. Seibert
Board Treasurer

30 Jan 2016
Date