



### **Investment Policy Statement**

This policy statement is established by the Finance & Audit Committee (Committee) of the Board of Directors of Junior Achievement of Arizona, Inc. (JAAZ). The goal is to maximize available funds.

The Committee will consider the long-term strategy of building portfolio value to maximize funds available for distributions to JAAZ. Allocation of portfolio assets providing for diversification will be devised, monitored, and adjusted to realize JAAZ's long-term growth objective. The Committee and its investment manager(s) will evidence a distinct bias towards growth in devising investment strategies.

JAAZ's overall strategy is currently a conservative growth strategy including diversification among asset classes to enhance return, reduce risk and protect spending power. See the JA Investment Policy Statement from Wells Fargo for further details.

### **Investment Manager Responsibilities**

The duties and responsibilities of the investment manager(s) appointed to manage the Fund's assets are:

- Managing the assets in accordance with the policy guidelines and objectives expressed herein, or expressed in a separate written agreement when deviation is deemed prudent and desirable.
- Exercising complete investment discretion within the guidelines and objectives stated herein. Such discretion includes decisions to buy, hold, or sell securities in amounts and proportions reflective of the manager's current investment strategy and compatible with the objectives for JAAZ's assets.
- Promptly informing the Committee regarding all significant matters pertaining to the investment of the assets. The Committee should be kept apprised of major changes in investment strategy, portfolio structure, market value of the assets, and other matters affecting the investment of the assets. The Committee should also be informed promptly of any significant changes in the ownership, affiliation, organizational structure, financial condition, or professional personnel staffing of the investment management organization.

### **Performance Goals**

- Over a three-year period, each actively managed portion of the portfolio is expected to outperform its appropriate benchmark and each indexed portion is expected to mirror its benchmark.
- If the manager does not meet these expectations, the Committee will perform the appropriate due diligence to determine the reasons for the underperformance. At that time, the manager may be replaced, they may be put on "watch" to be monitored closely over the next year, or no action may be necessary.

On an annual basis, the Committee will review the manager(s) performance and adherence to JAAZ guidelines and objectives. Additionally, on an annual basis, the Board will review the continuing appropriateness of this policy.