

<b>Policy Area: Policies &amp; Guidelines</b>	<b>Date of Issue: June 15, 2024</b>
<b>Subject: Investment Policy</b>	<b>Revision Date: December 18, 2024</b>

## The Mandate Outreach International (TMOI) Investment Policy

### Purpose

The Investment Policy establishes the principles, objectives, and guidelines for the management of TMOI’s financial assets to ensure they are utilized responsibly, prudently, and in alignment with the organization’s mission and long-term goals.

### Scope

This policy applies to all investment activities undertaken by TMOI, including:

- Cash reserves.
- Endowments.
- Restricted and unrestricted funds.

### Investment Objectives

The primary objectives of TMOI’s investment policy are:

1. **Preservation of Capital:** To safeguard the principal amount of funds.
2. **Liquidity:** To ensure sufficient liquidity to meet operational needs and obligations.
3. **Growth:** To achieve a reasonable return on investments to support TMOI’s programs and initiatives.

### Roles and Responsibilities

1. **Board of Directors:**
  - Approves the Investment Policy and any significant changes to it.
  - Monitors the performance of investments based on reports provided by the Investment Committee.
2. **Investment Committee:**
  - Develops investment strategies consistent with this policy.
  - Selects and monitors investment managers or advisors.
  - Ensures compliance with the policy and reports performance to the Board regularly.

### 3. Investment Managers/Advisors:

- Executes investment decisions based on the guidelines set by the Investment Committee.
- Provides performance reports and market analysis.

### Asset Allocation and Diversification

To minimize risk, TMOI's investments will be diversified across asset classes and sectors. The target allocation is as follows:

- **Fixed-Income Securities:** 40-60%.
- **Equities:** 30-50%.
- **Cash and Cash Equivalents:** 10-20%.
- **Alternative Investments:** Up to 10% (e.g., real estate, socially responsible investments).

The Investment Committee may adjust allocations within these ranges based on market conditions and organizational needs.

### Ethical and Social Responsibility Considerations

TMOI's investments will adhere to ethical and socially responsible principles, avoiding:

- Companies involved in unethical or harmful practices.
- Investments inconsistent with the organization's values and mission.

Where feasible, preference will be given to socially responsible investments (SRI) that align with TMOI's goals.

### Risk Management

- Investments should balance risk and return while protecting the principal.
- No more than 5% of the total portfolio should be invested in a single security, except for government-backed securities.
- Investment managers must adhere to strict risk management practices and report any significant risks or market changes to the Investment Committee.

### Liquidity and Accessibility

- A portion of the portfolio should be maintained in highly liquid assets to meet short-term needs.
- Restricted funds must be invested in a manner consistent with donor requirements and accessible when needed.

## **Monitoring and Reporting**

1. **Performance Review:** The Investment Committee will review portfolio performance quarterly against benchmarks and organizational goals.
2. **Reports:** Regular reports will be provided to the Board, detailing performance, compliance, and any deviations from the policy.
3. **Evaluation:** Investments will be evaluated annually to ensure alignment with TMOI's objectives and risk tolerance.

## **Amendments and Policy Review**

The Investment Policy will be reviewed annually by the Investment Committee and updated as necessary to reflect changes in market conditions, organizational needs, or financial regulations.

## **Acknowledgment**

All individuals involved in the management of TMOI's investments must sign an acknowledgment confirming their understanding and commitment to this policy.

By adhering to this Investment Policy, TMOI ensures that its financial resources are managed with diligence, accountability, and a focus on advancing its mission.



**THE MANDATE**  
**OUTREACH INTERNATIONAL**