

Florida Swimming, Inc.
Investment Policy Statement

Purpose

The purpose of this investment policy statement (IPS) is to assist the Board of Directors in effectively supervising, monitoring, and evaluating the investment accounts (the “Fund”) of Florida Swimming, Inc. It outlines and prescribes an investment philosophy and defines the investment management procedures and long term goals of the organization.

Responsibility for Policy Implementation

The Board of Directors of Florida Swimming, Inc. has the authority and responsibility to implement this policy statement and to oversee the Investment Managers. The Board also has the responsibility regarding the modification of this policy statement and for the employment and/or dismissing of an Investment Manager.

Goals and Objectives

Objectives of the Fund

The Fund has a long-term investment horizon. The primary investment objectives of the Fund are to:

- Maintain the real purchasing power of the Fund after inflation, costs and spending;
- Provide a stable source of liquidity and financial support for the mission of Florida Swimming, Inc.

The medium-term objective is to match or exceed the performance of each of the capital markets in which assets are invested, measured over rolling periods of three (3) years or complete market cycles, with emphasis on whichever measure is longer.

Investment Philosophy

While acknowledging the importance of preserving capital, the Board of Directors also recognizes the necessity of accepting risk if the Fund is to be able to meet its long-term investment goals. It is the view of the Board of Directors that choices made with respect to asset allocation will be the major determinants of investment performance. The Investment Manager shall seek to ensure that the risks taken are appropriate and commensurate with the Fund’s goals.

Investment Policies and Procedures

Investment Policy

– *Asset allocation.* The Investment Manger shall invest the Fund using an asset allocation that is designed to meet the Fund’s long-term goals. The allocation will be based on the objectives of the Fund as set forth above.

– *Illiquid investments.* Because of their long-term nature, investments in and commitments to illiquid investment strategies, including but not limited to private capital, private equity real estate, natural resources, distressed debt and other similar private investments, shall be analyzed and discussed by the Investment Committee separately.

– *Investment manager reporting and evaluation.* The Investment Managers responsible for the investment of the Fund’s assets shall report quarterly on their performance.

Reports shall include, at a minimum, the following information:

- Comparative returns for the Fund assets under management against their respective benchmarks.
- A complete accounting of all transactions involving the Fund during the quarter.
 - Each investment manager shall review the portfolio with the Investment Committee at least annually; these review meetings may be supplemented by such other meetings as the Committee may think necessary. When possible, the Committee shall monitor and compare the Fund’s performance relative to:
 - Absolute return objectives for the Fund
 - The respective benchmarks for each asset class or strategy in which the Fund is invested.

Asset Allocation, Investment Strategies, Guidelines and Restrictions

The Fund shall be diversified both by asset class and within asset classes. Within each asset class, investments shall be diversified further among economic sector, industry, quality and size. The purpose of this diversification is to provide a reasonable assurance that no single security or class of securities will have a disproportionate impact – positive or negative – on the overall performance of the Fund.

The Investment Managers shall not sell short individual securities, buy securities on margin, borrow money or pledge assets, nor buy or sell options, trade in commodities or currencies directly; and no investment will be made that might jeopardize Florida Swimming Inc.’s tax-exempt status under the Internal Revenue Code.

Investment Management

The Fund shall be held in Managed Accounts under the supervision of qualified professional investment managers and may consist of direct investments or holdings of commingled funds. The Investment Managers will have the discretion to manage the assets under their supervision to achieve the investment objectives of Florida Swimming, Inc., within the policies and requirements set forth in this statement. Investment Managers will be provided with a copy of the “Investment Policy Statement” of Florida Swimming, Inc. Each Investment Manager is expected to recommend changes to this Statement when the Manager views any part of this Statement to be at variance with overall market and economic conditions.