

# **Iowa Psychological Foundation Investment Guide**

## **IPF Investment Goals**

The goal of the Iowa Psychological Foundation Investment Management Policy is to maintain a conservative portfolio of equity and income investments. In addition, short-term investment funds shall be available for expenses and for awards which have been approved by the Board of Directors. The management, controls and investment of the funds must meet all applicable government regulations. The IPF has an Investment Management Committee which oversees IPF investments and makes recommendations to the Board.

## **Investment Management Committee**

The IPF Investment Management Committee meets as needed to review investments. The Committee includes the following individuals: the IPF president, the IPF treasurer, and an at-large member who is also a member of the IPF board. The executive director of the IPF is an ex-officio member of the committee. From time to time as necessary, the committee may consult with a certified financial planner.

## **Quality of Investments**

Quality is a prime consideration in the placement of investments. Therefore, the following criteria must be met:

1. Funds deposited in commercial banks and thrift institutions may only be deposited in institutions that are insured either by the Federal Deposit Insurance Corporation or by the Federal Savings and Loan Insurance Corporation.
2. Funds invested with insurance companies may only be placed with companies that carry a rating by A.M. Best of A or better or with companies whose rating by Standard & Poor's is in the A range.
3. Funds invested in individual bonds of corporations, municipalities or government entities may only be placed in issues that are rated in the A range by either Standard & Poor's or by Moody's Rating Service.
4. Funds invested with management companies or in managed portfolios, such as mutual funds, may only be placed with companies or portfolios that have management experience of five years or more and have a verified record of management success over that time period. There are a number of standards that are used to measure the success of these managed funds. These include the Standard and Poor's Top 500 Stocks, The Dow Jones 30 Industrials, the Lipper Analytical Survey, Shearson Lehman Bond Indexes and Donoghue's Money Market Index. In addition, funds or management portfolios may be compared with respect to Beta ratings, expense percent, management fees, performance during certain economic conditions and other pertinent information.
5. Funds placed in short-term investments, considered to be cash equivalents or money market instruments, shall be consistent with the above standards of high quality and with reputable organizations.

## **Duration of Investments**

Maturities of individual investments will be considered when placing funds for investment.

Consideration of planned distributions will be monitored and necessary funds shall be available to meet these requirements.

## **Asset Allocation**

The IPF maintains a federally insured interest-bearing checking account at a local Iowa bank convenient to the IPF office. The IPF maintains sufficient funds in its checking account and in an interest-bearing, insured, money market certificate to cover budgeted expenses. Budgeted expenses include only the actual expenses of maintaining the IPF office and conducting the foundation activities. Members of the board do not receive reimbursement for their expenses. IPF contracts for an executive director who is compensated for services. The IPF has a diversified investment portfolio which attempts to maximize earnings potential while avoiding losses through concentrations in any one investment category or any one individual investment instrument. Long-term gain is emphasized over short-term but more unpredictable profit. In recent years the IPF long-term investments have been placed in a variety of investment instruments, including certificates of deposit, a bond-based investment account, a stock-based equity account, and an asset allocation mutual fund. The IPF Investment Management Committee and/or the IPF board review the IPF investments at least annually, and more frequently as conditions warrant. The Investment Management Committee considers the quality of investment criteria in making recommendations to the full board for final approval.

## **Fund Solicitation Methods**

All funds and contributions to the Iowa Psychological Foundation are tax deductible. Contributions are entirely voluntary. Contributions to the IPF may be made on a form which is mailed annually to all members of the Iowa Psychological Association. IPF board members are encouraged to make personal contributions as an indication of their commitment to the IPF mission, but contributions of money are not mandatory and some board members contribute more time and work than money.

The IPF advertises its availability to receive funds on its web site, at state association conferences and other similar forums, and in public announcements placed in one or more professional association publications. The IPF hosts a number of fund raising events to accrue modest profits while also providing services which are consistent with the IPF mission. The IPF also receives funds from individuals and corporations that may make annual pledges to the foundation.

In short, the Iowa Psychological Foundation only undertakes fund raising activities which are the product of careful planning and which are consistent with its overall purpose of using the knowledge and expertise of psychology to improve the quality of life and healthy behavior of Iowa citizens.

## **Additional Information**

For additional information, please contact the

[Iowa Psychological Foundation](#)

c/o Dr. R. James Thorpe

2525 Ankeny Blvd. STE 113

Ankeny, Iowa 50023

[ipf@iowapsychology.org](mailto:ipf@iowapsychology.org)