

The Arch Foundation for the University of Georgia
INVESTMENT COMMITTEE CHARTER

The Investment Committee was established pursuant to Section 7.3 of the Foundation's Bylaws. The purpose of this Charter is to set forth the precise functions of the Committee. The Committee will obtain the Board of Trustees' approval of this Charter and review and reassess this Charter annually.

I. Purpose of Committee

The Investment Committee (the "Committee") is appointed by the Board of Trustees (the "Board") to assist the Board in fulfilling its fiduciary responsibility. The Committee is responsible for the general management of the investments and to preserve the Foundation's resources, including the endowment, in perpetuity. The Committee may delegate certain decisions to professional money managers, investment advisors and consultants, but even when decisions have been delegated to a professional, the investment committee can never fully abdicate their primary responsibilities.

II. Committee Membership

Members are appointed for one year terms commencing July 1. The Chair of the Investment Committee may not serve longer than four (4) consecutive one-year terms.

III. Committee Authority and Responsibilities

The Committee shall:

1. Determine investment goals and objectives based on the Board's tolerance for risk.
2. Establish a written investment policy consistent with the goals and objectives of the Foundation. The policy should outline specific duties and requirements of the Board, the Committee, the investment consultant, the custodian, and the separate account manager(s) in the investment process toward accomplishing the performance desired.
3. Choose an appropriate asset allocation strategy which will allow the Foundation to honor current and future spending policies, maintain stability, and achieve long-term goals and objectives.
4. Secure outside professional investment counsel and communicate with them regarding expectations.
5. Select appropriate managers to implement the investment policy and provide specific performance criteria and objectives for each manager and/or fund.

6. Monitor each manager's performance relative to the objectives set forth in the investment policy, against their peers, and against an appropriate index.
7. Review the investment policy annually to determine whether there have been any material changes to the goals and objectives, or to the risk/return profile.
8. Periodically review the custodial relationships.
9. Define procedures for controlling and accounting for investment expenses by examining money manager fees and/or annual expenses of mutual funds, trading costs, soft dollar costs, custodial charges, consulting and administrative costs and fees, and insure fees for investment management are consistent with agreements and with the law.
10. Avoid conflicts of interest and prohibited transactions.
11. Set the endowment spending guidelines and approve the established written policy guidelines to preserve the purchasing power of the endowment while providing an appropriate spending allocation which allows for providing an even rate of spending each year and minimizes large swings from one year to the next.
12. At least annually report its activities and findings to the Board.

IV. Committee Meetings

The Committee will meet as often as it deems necessary or appropriate, either in person or telephonically and at such times and places as the Committee determines. The Committee Chair shall prepare or approve an agenda in advance of each meeting. The Committee should meet in separate executive sessions at least annually with management, the investment consultants, and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed. In addition, the Committee should regularly communicate with management and, as necessary, with the investment consultants to review the Foundation's financial condition.

V. Resources and Authority of the Committee

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as anyone in the Foundation. The Committee has the ability to retain, at the Foundation's expense, special legal, investment or other consultants or experts it deems necessary in the performance of its duties.