

The Reverend Dr. Harold C. Smith Fund

The Ursinus College Investment Club Constitution



1. Purpose:

- a. Ursinus Investment Club's mission is:
 - i. To help students learn and understand the complexity of financial markets, securities, and institutions,
 - ii. To develop skills in economic, industry and security analysis, and
 - iii. To effectively communicate their understanding of investing to others.

2. Membership

- a. Any member of the Ursinus community can join the club.
- b. Other professors are invited to take part in Investment Club activities and planning.
- c. There are three types of membership: The Executive Committee, Analysts, and General Members.
 - i. The Executive Committee consists of the Club President, Vice President, Secretary, and Faculty Advisor.
 - 1. The roles of the Executive Committee consist of:
 - a. Organizing meetings,
 - b. Collaborating with all members of club to develop stock picks,
 - c. Actively encouraging all members and reaching out to potential new members,
 - d. Participating in club meetings unless there is a bona fide reason not to participate,
 - e. Communicating buy and sell orders to the Ursinus Business office,
 - f. Educating new analysts on how to conduct research
 - g. Providing a strong leadership role for analysts
 - ii. The Analysts are all active members of the Investment Club, including the Executive Committee.
 - 1. The roles of the Analysts consist of:
 - a. Conducting research on stock selections
 - b. Presenting findings to the Investment Club
 - c. Helping decide which stocks to use in the final portfolio
 - iii. General Members are non-active members who do not participate in the creation of the portfolio.
 - 1. The roles of General Members consist of:
 - a. Passively participating in Investment Club activities
- 3. All persons must register with the Club secretary in order to be considered for any membership.

4. Activities

- a. The club will promote various activities that will help develop a greater awareness and understanding of investing. The Investment Club will meet weekly. If, for any reason, the Investment Club should need to meet outside of the scheduled time, any member of the Executive Committee can contact the Faculty Advisor and organize a meeting. This information should be relayed to the other members of the club.
- b. The Investment Club will discuss contemporary economic issues, listen to guest speakers, provide educational sessions to the Ursinus Community, and, most importantly, manage the Harold C. Smith portfolio.
- c. We will work together to manage a portfolio on the college's behalf. This will entail:
 - i. Conducting independent research on stocks,
 - ii. Evaluating market trends,
 - iii. Presenting findings in a group setting,
 - iv. Using online tools such as, but not limited to, Yahoo! Finance, Mergent Online, *The Wall Street Journal*, ValueLine, SEC Filings, and corporate web pages targeted to investors,
 - v. Answering specific questions from outside advisors about findings and conducting follow-up research that answers questions raised during meetings,
 - vi. Working closely together as a group and with various faculty to make an informed decision about investing.
 - vii. Presenting logical reasons as to why the individual stock was selected.

5. Officers & Duties

- a. President – The President must be a member in good standing and a member of the Portfolio Committee. The President calls to order all meetings, sets the agenda for meetings, and oversees all club activities. The President will promote all of the club's activities and will market the club to the Ursinus Community.
- b. Vice President – The Vice-President must be a member in good standing and a member of the Portfolio Committee. The Vice-President assumes the duties of the President in the event of his/her resignation until a new President is elected. The Vice-President will also assume the Presidential duties in the event the President is unable to attend an activity.
- c. Secretary – The Secretary must be a member in good standing and will maintain the records of the club; ensuring members register and attend meetings, and will record the decisions of the club.
- d. Treasurer – The Treasurer must be a member in good standing and will maintain the financial records of the club. The Treasurer will oversee all non-portfolio transactions of the club. At the end of the year the Treasurer must give an annual financial report of the Club.

- e. PR Officer- The PR Officer must be a member in good standing and will maintain the online and offline presence and image of the club. The PR Officer will work closely with the President and the Faculty Advisor to ensure that a good image of the Investment Club is held.
- f. Officers will meet periodically with the Faculty Advisor to discuss Club matters. All members of the Executive Committee must vote on any bureaucratic decisions.
 - i. If not enough Officer positions are filled, the positions which take priority are, in the following order, the President, Vice President, and Secretary.

6. Elections of Officers

- a. Each office holder is elected by a majority of the vote for one full academic year.
- b. Elections will be held at the end of the Spring semester for the following academic year. Elections will be held prior to finals week. In consultation with the club, the Faculty Advisor will announce the Election Day one month prior to the election.
- c. Nominations will be taken by the Faculty Advisor no later than two weeks prior to the election.
- d. Only members who have been present for more than three meetings may vote on Executive officers and run for office for the next school year.
- e. The Secretary will make available the list of members eligible to become Officers two weeks prior to the election. This constitutes the list of eligible voters.
- f. The officers shall take office immediately upon their voting into office.

7. Portfolio Management

- a. The Executive Committee will oversee and manage the Club's investment portfolio. No AFAC funds will be used to purchase stocks or bonds for the portfolio.
- b. All Analysts will research potential investments.
- c. Our goal is to develop a deep understanding of investment strategies, complete thorough research on companies, and make informed and thesis-driven decisions that will help grow the portfolio.
- d. All Analysts will present on a specific company they have researched.
 - 1. Valid support as to why/who the investment is expected.
 - 2. Support material should be distributed prior to committee meetings.
 - 3. **All Analysts** will work on recommendations as to which stocks to put in the portfolio.
 - 4. Investment decisions will be made once a variety of investment options have been presented by students.

5. Investment decisions will not be made without written analysis. Consensus of the Committee members is required before all security transactions.
6. Once the investments in the portfolio are secured, the Investment Club will meet weekly to review the performance of the portfolio. A special meeting of the Investment Club can be called by the Faculty Advisor, or by any member of the Analyst Directors with the approval of a Faculty Advisor.

8. Advisory Board

- a. The Club will form an advisory board of alumni and professionals to advise the decisions of the Portfolio Committee and to be a resource for Committee members.
- b. The Advisory Board may meet with the Committee at any time.
- c. The term of an Advisory Board member is two years and can be renewed.
- d. The Board will consist of six to eight members.
- e. The Faculty Advisor will be responsible for finding board members for the following term.

9. AFAC Expenditures

- a. Two members of the executive committee must authorize disbursement of funds.
- b. The general membership shall vote on all sponsor activities of the Club.
- c. The Treasurer shall keep track of all remaining AFAC funds and will help the President ensure that no funds remain at the end of the academic year.
- d. Should there be any AFAC funding left over, a sociable event is encouraged.

10. Impeachment of Officers

- a. An impeachment proposal must be handed to an executive committee member in writing before the opening of a meeting.
- b. Grounds for impeachment are:
 - i. Failure to perform duties, or
 - ii. Failure to cooperate with the other members of the executive committee.
- c. The impeachment proposal will be presented to Club members by the Faculty Advisor.
- d. The Executive Committee will vote to decide to take further action on this impeachment proposal. Taking further action requires a majority vote.
- e. If the vote for further action passes, the Faculty Advisor will call a special meeting for no sooner than 1 week from the day of the vote for further action.
- f. The vote for removal of the officer from his/her position will take place during the special meeting.

- g. If the vote passes by 2/3 of the members voting on the impeachment, the officer will be removed from his/her position.

11. Amendments

- a. Any member in good standing can propose an amendment to this constitution in writing to the Secretary or Faculty Advisor, who will distribute an electronic copy to the entire membership.
- b. Amendments should be submitted to the Faculty Advisor before the opening of a meeting.
- c. The vote for the amendment will be taken during the next meeting.
- d. All active members are eligible to vote. An active member is one that has been to at least three Investment Club meetings.
- e. 2/3 of the member body vote is required for the adopting of the amendment.
- f. Should any amendments to this constitution be made over a vacation, the club may vote through an electronic voting system or any other simple means of voting.
- g. There is a five-day consideration period before voting over vacation.

12. Faculty Advisor

- a. The Faculty Advisor will assist the club in various ways.
 - i. The advisor may provide training sessions for students or identify individuals suitable to train students in the area of investments.
 - ii. The Advisor will help organize the Advisory Board and be the liaison between the club and the Advisory Board.
 - iii. The Club Officers will consult with the Faculty Advisor on issues of investment and club business matters.
 - iv. The Advisor will give final approval for all activities that require collection or disbursement of funds.
 - v. The Advisor will assist with the election and impeachment of officers as outlined above.