



Investment Policies and Portfolios

Nonprofit Organizations Institute
University of Texas School of Law
January 23, 2020

Catherine Lee Clarke, CFA
cclarke@hirtlecallaghan.com



Agenda

- **Introductions**
- Constructing the Investment Policy Statement
 - Defining Risk and Return Goals
 - Understanding Diversification
- Not Just 5%: Rethinking Spending Policy
- Investment Issues in Fiduciary Oversight
- Peer Data and Case Study Discussion



Speaker Introductions

Catherine Lee Clarke is an Investment Officer with Hirtle Callaghan in Houston serving the firm's private and institutional clients in Texas, Louisiana and Oklahoma as their chief investment officer.

Catherine began her career as an investment analyst at the MIT endowment and has also managed a long/short event-driven strategy. Prior to joining Hirtle Callaghan, she was a Senior Investment Advisor with Sentinel Trust advising ultra-high net worth families and foundations on investment strategy. She leads workshops on financial planning and investing with an eye toward strengthening governance and stewardship for trustees and families.

Catherine holds a B.A. in Philosophy from Wellesley College and is a CFA Charterholder. She is active with the Houston Estate and Financial Forum, the Houston CFA Society, and has spoken to national audiences with Philanthropy Southwest, TIGER 21, the Institute for Private Investors, and Opal Family Office conferences.

Tina Melo is of counsel with FizerBeck in Houston and represents a variety of tax-exempt, charitable organizations, including private foundations and public charities. Her practice also includes charitable giving for individuals, estate planning and general corporate work. Prior to joining FizerBeck in 1991, Ms. Melo was an associate with the Houston Law firms of Vinson & Elkins and Wood, Lucksinger & Epstein.

She is a graduate of the University of Virginia Law School and holds a B.A. in Political Science and Journalism from the University of Tennessee. Currently, she is the board president of the Center for Hearing and Speech Foundation and is a board member of the Planned Giving Council of Houston. She previously chaired the University of Texas Annual Nonprofit Organizations Institute.

Goals

- Draft a comprehensive Investment Policy Statement
 - Understand how to set a return goal for the portfolio
 - Understand the role of different types of asset classes
 - Understand different sources of risk
- Understand the legal requirements for minimum distribution
 - Consider different spending strategies
- Understand compliance requirements for private foundations

Agenda

- Introductions
- **Constructing the Investment Policy Statement**
 - **Defining Risk and Return Goals**
 - **Understanding Diversification**
- Not Just 5%: Rethinking Spending Policy
- Investment Issues in Fiduciary Oversight
- Peer Data and Case Study Discussion

Constructing the Investment Policy Statement

What is the Foundation trying to accomplish?

For most private foundations:

- Consistent grantmaking
- Growth of corpus/principle
- Perpetual existence

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Investment Policies and Portfolios

Also available as part of the eCourse

[2020 Nonprofit Organizations eConference](#)

First appeared as part of the conference materials for the

37th Annual Nonprofit Organizations Institute session

"Investment Policies and Fiduciary Duties"