

Student Investment Clubs: Learning to Own Your Financial Future

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The Purpose → To help students learn by doing, to help them gain the knowledge, skills and confidence necessary to own their financial futures.

The Theory → Learning by doing can be more powerful than passive learning...and managing real money turns a traditional conversation on 'financial literacy' into an active exercise on financial management.

The Methods → Traditional financial literacy and personal finance programs – focusing on budgeting, inflation, insurance, taxes, retirement, debt, credit scores – can range from abstract & irrelevant to painful & stressful to many 18-24 year old students. Investing is the most exciting and engaging part of these programs...but many 18-24 year olds do not have the money (or knowledge or confidence) to begin investing on their own (and many rightfully have bigger priorities for their money, like food and rent). So we give them the foundation to invest a pool of real money, learning all the mechanics, theories and strategies necessary...and then we leverage the intrigue of investing to get students involved, and then use that platform as a way to introduce the more boring components of personal finance, helping them figure out on their own that if they do not manage these boring components properly they may not be able to get into the fun of investing.

The Student Investment Clubs →

1. **UL System Reginal F. Lewis Scholars** – Waiting for approval to begin, hopefully soon.
2. **Introduction to Finance course at UL Lafayette** – Each student selected and 'owned' one company from a predetermined list of companies and spent the semester using that company to learn more sophisticated business finance, investment and portfolio management practices.
3. **UL Lafayette Louisiana Educate Program (LEP)** – This is the most established Fund. The LEP is a scholarship program with 120 students, most from New Orleans, all from low-income backgrounds, who self-selected into the Club to manage \$12,000. All profits from their investments will be returned to LEP and used for a "Leadership & Wellness Fund" within the Program. In 2023, they turned \$12,000 into \$16,267, for a \$4,267 profit. That's a 36% return for 2023...how did *your* investments perform?

See following pages for details...

LOUISIANA EDUCATE PROGRAM LEP INVESTMENT CLUB



2023 YEAR IN REVIEW

BEGINNING INVESTMENT	\$12,000.00 **
END-OF-YEAR BALANCE	\$16,267.39 **

LEP Profit for 2023 \$ 4,267.39

This amount will be returned to LEP for a new discretionary LEP Leadership & Wellness Fund.

*** \$10,000 was initially deposited into the LEP investment account in January 2023.
An additional \$2,000 was contributed to the LEP investment account in April 2023.*

HIGHLIGHTS & LOWLIGHTS

During the 2023 fiscal year, the LEP Investment Fund purchased 20 different companies. Per the Club policies, each position was held for at least 2 months. Of these 20 investments, 17 were still held at the end of 2023, while 3 were sold during the year.

First Investment: Walmart +55.50 gain +7.57% (credit to Erin Diaz for the 1st pick)

Best Investments:

1. Nvidia	+\$742.30 gain	+99.85% since purchase
2. Meta	+\$958.29 gain	+82.22% since purchase
3. Broadcom	+\$484.44 gain	+76.67% since purchase

Other Big Winners: Amazon, Google, Microsoft, Unity Software, Apple, Best Buy, Tesla

Positions Sold:

1. Disney	Invested \$698.67	Sold for \$509.27	(27% loss)
2. McDonald's	Invested \$874.11	Sold for \$753.98	(13% loss)
3. Rumble	Invested \$757.35	Sold for \$720.80	(5% loss)

LEP INVESTMENT CLUB LEADERSHIP

Executive Board for 2023-2024:

- Treyon Alvis, President
- Akiem Martin, Vice President
- Jalen Johnson, Secretary
- Joshua Bridges, Historian
- Jordyn Smith, Treasurer

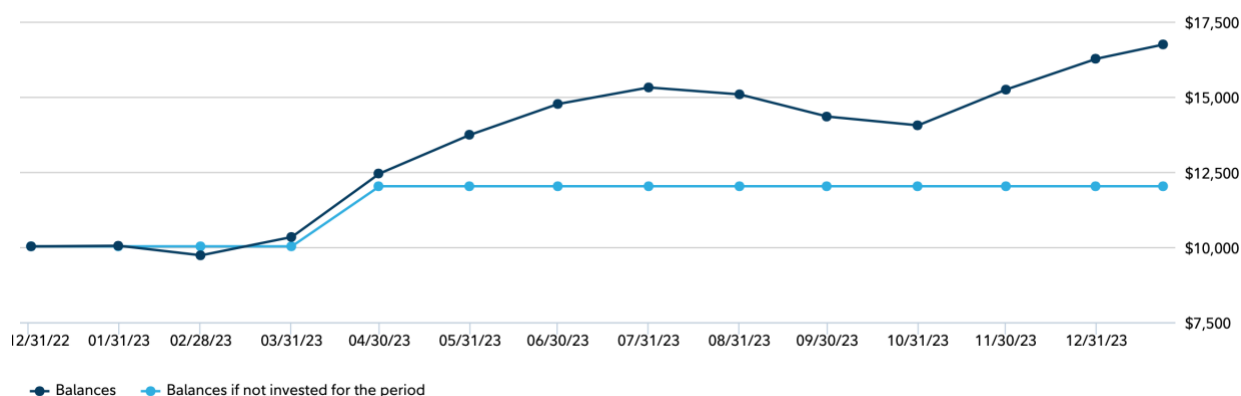
LEP Leadership Oversight:

- Dr. Rachel Sam
- Dr. Jorden Melton

Faculty Advisor:

- Dr. Brian Bolton

2023 MONTH-BY-MONTH PORFOLIO BALANCES

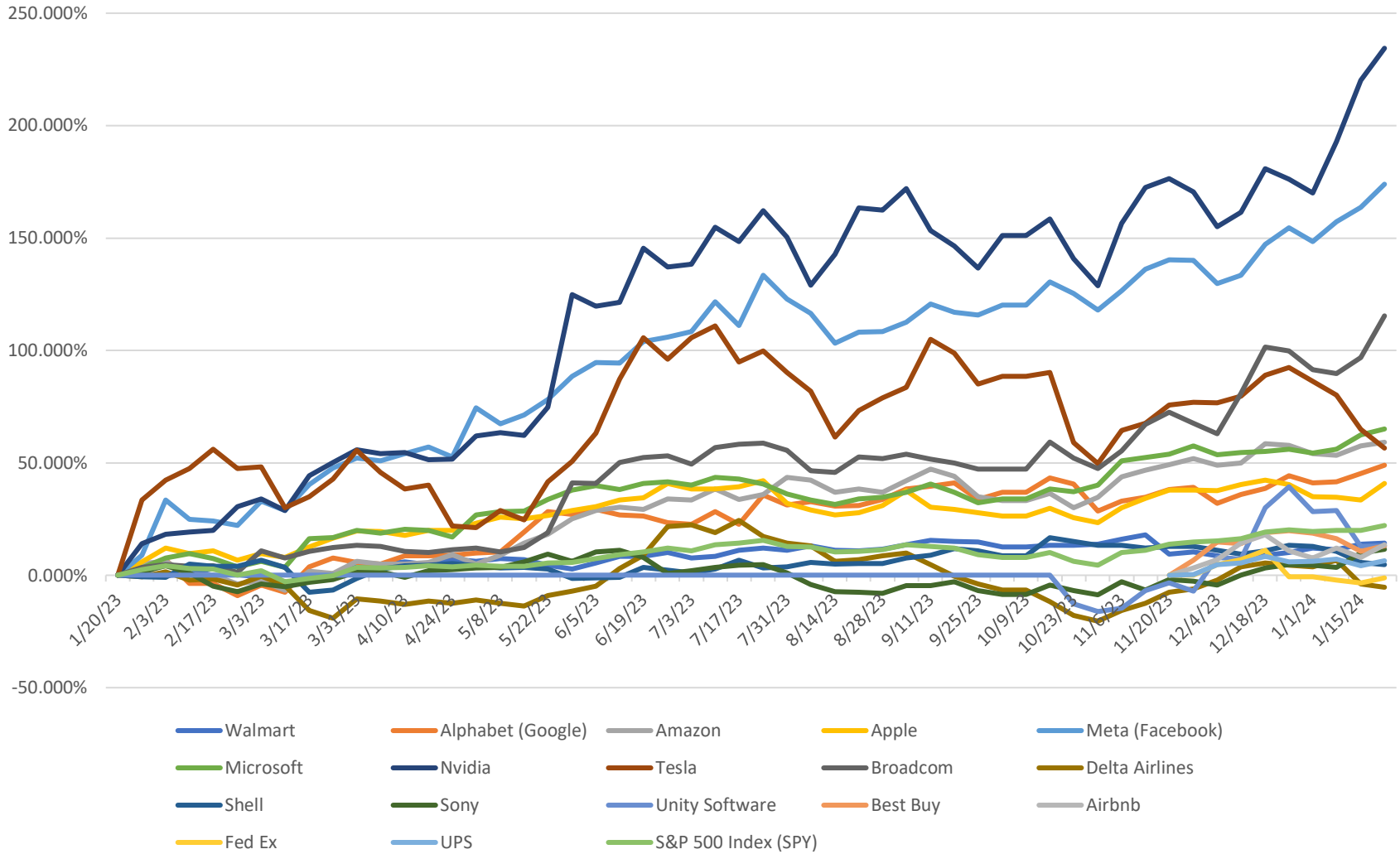


2023 YEAR IN REVIEW INDIVIDUAL POSITIONS

1. WALMART	Purchased on January 24, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$710.75 \$788.25 +7.6% gain
2. GOOGLE	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$679.13 \$977.83 +44.0% gain
3. AMAZON	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$706.31 \$1,063.58 +50.6% gain
4. APPLE	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$767.13 \$962.65 +25.5% gain
5. DISNEY	Purchased on February 9, 2023 • <i>Sold on October 12, 2023</i>	Purchased for <i>Sold for</i>	\$698.67 \$509.27 -27.1% loss
6. META / FACEBOOK	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$1,165.47 \$2,123.76 +82.2% gain
7. MICROSOFT	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$812.85 \$1,128.12 +38.8% gain

8. NVIDIA	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$743.34 \$1,485.66 +99.85% gain
9. TESLA	Purchased on February 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$834.75 \$993.92 +19.1% gain
10. BROADCOM	Purchased on March 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$631.81 \$1,116.25 +76.7% gain
11. DELTA AIRLINES	Purchased on March 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$639.95 \$643.68 +0.6% gain
12. SHELL OIL	Purchased on March 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$613.76 \$658.00 +7.2% gain
13. SONY	Purchased on March 9, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$704.88 \$757.52 +7.5% gain
14. McDONALD'S	Purchased on April 21, 2023 • Sold on October 12, 2023	Purchased for Sold for	\$874.11 \$753.98 -13.0% loss
15. RUMBLE	Purchased April 21, 2023 • Sold on August 31, 2023	Purchased for Sold for	\$757.35 \$710.75 -5.0% loss
16. UNITY SOFTWARE	Purchased on October 16, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$453.60 \$613.35 +35.2% gain
17. BEST BUY	Purchased on November 21, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$650.00 \$782.80 +20.4% gain
18. AIRBNB	Purchased on November 21, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$625.00 \$680.70 +8.9% gain
19. FEDEX	Purchased on November 21, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$507.51 \$505.94 -0.3% loss
20. UPS	Purchased on November 21, 2023 • Still in portfolio at end of 2023	Purchased for End of Year Value	\$596.20 \$628.92 +5.5% gain

Stock Performance - Since January 20, 2023



LOUISIANA EDUCATE PROGRAM INVESTMENT CLUB

MISSION, STRUCTURE & POLICIES

UPDATED: JANUARY 1, 2023

Highlighting added from original document for attention and emphasis

MISSION

The Louisiana Educate Program Investment Club exists to learn about investment strategies and philosophies, to gain practical investing experience and to empower students to take greater control of their own financial futures.

CLUB & PORTFOLIO OVERVIEW

A sponsor will contribute capital into an investment account to be managed by students of the Louisiana Educate Program. The students will decide how this capital is allocated in the portfolio. The students will meet regularly to discuss economic events, to debate investment options, and to make buy-and-sell decisions for the portfolio.

- The Club will meet regularly during fall and spring semesters, on a schedule to be agreed upon by the students and faculty advisor, expected to be 1-2 times per month.
- All students who attend meeting will be considered members of the Club. Select members will assume leadership roles within the Club, to be determined naturally over time.
- All administrative responsibilities belong to the faculty advisor. The students will not have direct access to the investment account, nor will they have any responsibilities beyond what is necessary to manage the Club and improve portfolio performance.
 - Additional faculty advisors may join meetings to provide additional leadership and to ensure there are no conflicts of interest between the faculty advisor and the mission.
- Any buy or sell decision must be accompanied by a ½ to 1-page Recommendation Summary; one student must be the champion of each decision and present their recommendation to the Members for a vote.
- All Club decisions to buy or sell a security require 2/3 votes by the Members present.
- Portfolio performance will be measured on an annual basis.
 - At the end of each fiscal year, any capital appreciation will be invested in the LEP or returned to LEP. The faculty advisor will consult with LEP leadership to determine how/if to distribute profits back to the LEP. The sponsor will cover all taxes initially.
 - Any profits not distributed will remain in the portfolio for reinvestment (and the starting value for the new year will be reset to the higher amount).
 - If the portfolio loses value in a year, no profits will be distributed for that year; however, the lower balance will be the new starting balance for the next year.
 - Example: if the portfolio value falls from \$10,000 to \$8,000 in year 1 and then up to \$9,000 in year 2, no profits will be distributed in year 1 but the LEP will be entitled to \$1,000 in distributable profits in year 2.
- Neither individual LEP students nor the LEP as a whole will have liability for any portfolio losses. The sponsor fully accepts all risk and responsibility associated with investing in this manner. The sponsor agrees to fully indemnify the LEP as a whole and all LEP students against any financial, or other, risks associated with this Investment Club.
- All contributed capital belongs to the sponsor and will be returned back to the sponsor upon dissolution of the Club. LEP gets the annual profits, the sponsor owns the remaining capital.

INVESTMENT STRATEGY & POLICIES

- The Club's Fiscal Year runs from January through December.
 - Portfolio rebalancing is required at the beginning of each fiscal year but can be done anytime through the year, if desired by the Members.
- The Club Members will determine which investments are made.
- The faculty advisor has veto power over investment decisions, if necessary; but the faculty advisor's role is generally to facilitate discussion & debate, to execute investment decisions and to make sure the portfolio adheres to Club policies.
 - The faculty advisor will not veto any recommendations based on their own beliefs, but may veto recommendations that violate policy or have obvious legal or ethical concerns.
- Each investment will be held for at least 2 months. This is not a trading club.
- No single investment will comprise *less than* 5% of the total portfolio value
- No single investment will comprise *more than* 15% of the total portfolio value.
- No single sector of the S&P 500 will comprise more than 40% of the total portfolio value
 - The 11 sectors of the S&P 500 are: Information Technology, Health Care, Financials, Consumer Discretionary, Communication Services, Industrials, Consumer Staples, Energy, Utilities, Real Estate, Materials
- The primary focus of investable securities will be U.S.-based equities (stocks).
 - The Club will not invest in bonds, derivatives, options, currency, commodities, forwards, futures or other exotic securities.
 - The Club may invest in certain cryptocurrency or other novel products (such as NFTs), if possible and if the Members collectively agree. Such investments will not comprise more than 20% of the total portfolio value.
 - All uninvested capital will remain in a cash account within the investment account.
- The Club is expected to be inactive during summer; all investment in place at the end of spring semester will stay in place through the summer break.
 - Should the LEP Members wish to be active during the summer, we will find ways to continue advising and investing through the summer.
- The Club's first organized meeting will be held during the first few weeks of Spring 2023 semester, on a date-time to be determined later.
 - The Club will make its first investments following that initial meeting.
 - We will waive the ½ to 1-page Recommendation Summary requirement for this first meeting only to make this first meeting as productive as possible.