

# MCOPA STUDENT INVESTMENT FUND

## OVERVIEW & POLICIES

VERSION 1: JANUARY 1, 2026

### MISSION

The MCOPA Student Investment Fund (MCOPA SIF) exists to help students in all business majors learn about investment strategies and philosophies, to gain practical investing experience and to empower students to take greater control of their own financial futures.

### FUND & PORTFOLIO OVERVIEW

We will contribute \$100,000 of capital into an investment account to be managed by Moody College of Business students. The dean, or sponsor, will arrange for the capital contribution. 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 Fund will meet regularly during fall and spring semesters, on a schedule to be agreed upon by the students and the interim dean, expected to be 1-2 times per month.
- All students who attend meeting will be considered members of the Fund. Select members may assume leadership roles within the Fund, to be determined naturally over time.
- All administrative responsibilities belong to the dean and/or industry partners (e.g. local alumni who work in the investment industry). The students will not have direct access to the investment account, nor will they have any responsibilities beyond what is necessary to manage the Fund and improve portfolio performance.
  - Additional faculty and alumni advisors may join meetings to provide leadership and to ensure there are no conflicts of interest between the dean and the mission.

## FUND POLICIES

- Any buy or sell decision must be accompanied by a ½ to 1-page Recommendation Summary and live presentation during a meeting; one student must be the champion of each decision and present their recommendation to the Members for a vote.
- All Fund decisions to buy or sell a security require 2/3 votes by the Student Members present.
- The dean will work with the UL Foundation or MCOBA leadership to establish a scholarship or professional development fund for students. All profits from the SIF will go into this fund. Neither the dean nor any other sponsors will profit from the SIF in any financial way.
- Portfolio performance will be measured on an annual (January to December calendar) basis.
  - At the end of each calendar year, the dean will consult with SIF leadership to determine how/if to distribute profits back to the SIF. 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 \$100,000 to \$80,000 in year 1 and then up to \$90,000 in year 2, no profits will be distributed in year 1 but the SIF will be entitled to \$10,000 in distributable profits or scholarships in year 2.
- Neither individual SIF students nor the SIF as a whole will have liability for any portfolio losses. The dean and sponsor fully accept all risk and responsibility associated with investing in this manner. The sponsor agrees to fully indemnify the SIF as a whole and all SIF students against any financial, or other, risks associated with this Investment Fund.
- All contributed capital belongs to the sponsor and will be returned back to the sponsor upon dissolution of the Fund. SIF gets the annual profits, the sponsor owns the remaining capital.

## INVESTMENT STRATEGIES & OPERATIONS

- The Fund's Fiscal Year runs from January through December.
- The Fund Members will determine which investments are made.
- The dean and faculty advisors have veto power over investment decisions, if necessary; but the advisors' role is generally to facilitate discussion & debate, to execute investment decisions and to make sure the portfolio adheres to Fund 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 Fund.
- No single investment will comprise *less than* 3% of the total portfolio value
- No single investment will comprise *more than* 10% of the total portfolio value.
- Portfolio rebalancing is required at the beginning of each fiscal year but can be done anytime through the year, if desired by the Members.
- 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 Fund will not invest in bonds, derivatives, options, currency, cryptocurrency, NFTs, commodities, forwards, futures or other exotic securities.
  - All uninvested capital will remain in a cash account within the investment account.
- The Fund might be inactive during summer; all investment in place at the end of spring semester will stay in place through the summer break.
  - Should the SIF Student Members wish to be active during the summer, we will find ways to continue advising and investing through the summer.
- The Fund's first organized meeting will be held during the first few weeks of Spring 2026 semester, on a date-time to be determined later.
  - The Fund will make its first investments following that initial meeting.
  - We may waive the ½ to 1-page Recommendation Summary requirement for this first meeting only to make this first meeting as productive as possible. We will not invest more than 30% of the investable capital at this first meeting.

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Brian Bolton is the Interim Dean of the B.I. Moody III College of Business Administration – and he will be the sponsor and advisor of the MCOBA Student Investment Fund. Dr. Bolton is also a Professor of Finance and the Dwight W. Andrus, Jr. / BoRSF Eminent Scholar Endowed Chair of Finance at the University of Louisiana at Lafayette. He has been teaching finance, investment strategy and portfolio theory to finance students for more than 20 years. Leading this MCOBA Student Investment Fund is him putting his money and time where his mouth is – if he gets paid to teach students how to invest and manage money, shouldn't he be willing to let them invest and manage his money?

Since 2023, he has led 3 similar Investment Club programs for several select scholarships across campus. During this time, these funds have achieved annualized returns in excess of 29%, considerably more than the 21% earned by the S&P 500 during the same period. That may or may not be due to the students' exceptional genius – but it is real money and it is pretty empowering. We look to achieve similar financial, personal and professional results with this MCOBA Student Investment Fund.

Dr. Bolton will be the primary point of contact for the MCOBA Student Investment Fund. On occasion, he will invite other faculty, interested alumni and local finance industry professionals to join the advisory role of the Fund – and, perhaps over time, we establish an advisory board. If Dr. Bolton is unable to attend any of the SIF meetings, he will designate another advisor to assume his responsibilities.

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#### **NOTE TO INTERESTED STUDENTS:**

**YOUR HOMEWORK BETWEEN NOW AND OUR FIRST MEETINGS IN JANUARY, 2026:**

**IDENTIFY 1-3 COMPANIES YOU WISH TO INVEST IN AND COME PREPARED TO MAKE A CASE FOR WHY THE FUND SHOULD MAKE THIS INVESTMENT.**