**Memorandum**

**To:** Arvind Bhusnurmath

**From:** Mengxue (Kristy) Li, Pradeep Ramachandran, Yubei (Eva) Liu

**Subject:** Investment Policy Statement (IPS) Team Project Proposal

**Date:** March 30, 2019

**Team members**

Mengxue (Kristy) Li, Pradeep Ramachandran, Yubei (Eva) Liu ( collectively “the Team” )

**Project Description**

The investment policy statement (IPS) is a document that identifies, reconciles, and presents an individual investor’s financial objectives, risk tolerance, and any relevant investment constraints including the investing time horizon, tax, liquidity, legal environment, and other unique circumstances.

The Team plans to generate an investment policy statement (IPS) for each individual investor user based on the user’s financial inputs and current capital market data. Algorithms will be designed to calculate the user’s investment return objective considering the user’s financial input, such as current income, spending plan, expected large expenditure, etc. Behavior Finance surveys will be built to obtain the user’s risk tolerance level. The Team plans to provide suggested investment portfolio allocation using the public market return and risk data of various asset categories, including stocks, fixed-income products, real-estate, etc. The project plans to include appropriate disclaimers for restrictions and limitations due to absence of fiduciary duties between the Team and the user.

This project may need to use GUI libraries such as JavaFX or Swing, the detailed information still need to be determined.

**Team member responsibilities:**

Mengxue (Kristy) Li: handling outputs, including forms, charts and final product of the IPS

Pradeep Ramachandran: dealing with user inputs, and handling integration of code

Yubei (Eva) Liu: building algorithms using the knowledge and resources from the Chartered Financial Analyst (CFA) Institution