Community Foundation of Tampa Bay

Investment Policy Statement

Effective: September 15, 2020

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I. Executive Summary

Name	Community Foundation of Tampa Bay, Inc. ("Foundation")		
Mission	Building a better community through creative philanthropy, vision, and leadership.		
Market Value (as of 6/30/2020)	Pooled Accounts: Individually Managed Accounts: Temporary Donor Advised Account: Charitable Gift Annuity Accounts: Charitable Remainder Trust: Total:	$203,612,993 $50,790,941 $3,808,211 $3,777,759 $4,270,525 $266,260,429	
Investment Return Objective	Pooled Accounts: Annualized total rate of return (net of investment fees and expenses) equal to or greater than 7.0% for the Long-Term Portfolio, 6.0% for the Intermediate-Term Portfolio, and 5.0% for the Short-Term Portfolio. Individually Managed Accounts: Annualized total rate of return (net of investment fees and expenses) equal to or greater than 7.0%. Temporary Donor Advised Account: Annualized total rate of return (net of investment fees and expenses) equal to or greater than the FTSE USBIG 3-Month U.S. Treasury Bill Index. Charitable Gift Annuity Accounts: Annualized total rate of return (net of investment fees and expenses) equal to or greater than 4.5%.		

Investment Consultant	AGW Capital Advisors (813) 254-4700	P. J. Gardner pj@agwcapital.com	Paul Whiting, Jr., paul@agwcapital.com

Primary Custodians	Pooled Accounts Northern Trust Christina Cerdan (312) 557-2089 cc102@ntrs.com	Charitable Remainder Trust Schwab Institutional
	Charitable Gift Annuity UBS Financial Services, Inc. Stephen W. Murray (813) 227-2815 stephen.murray@ubs.com	Individually Managed Accounts Various

II. INTRODUCTION

A. BACKGROUND

Established in 1990, the Community Foundation of Tampa Bay, Inc. ("Foundation") is a trusted administrator of permanent endowment, quasi-endowment, and donor advised funds created by a broad spectrum of individuals, families, corporations, private foundations, and charitable agencies. The mission of the Foundation is building a better community through creative philanthropy, vision, and leadership.

To further the Foundation's mission, the Board of Trustees of the Community Foundation of Tampa Bay, Inc. ("Board") established the investment accounts that comprise the Pooled, Individually Managed, Temporary Donor Advised Account, and Charitable Gift Annuity Account (individually "Portfolio" and collectively "Portfolios"). The Board created an Investment Committee ("Committee") and delegated certain management and investment functions related to the Portfolios. In turn, the Committee developed and recommended this Investment Policy Statement ("IPS"), which has been adopted by the Board for the collective oversight and investment of the Portfolios.

In summary, the Portfolios are overseen collectively by the Committee and it is the responsibility of the Committee to manage them within the constraints of this IPS.

B. PURPOSE OF INVESTMENT POLICY STATEMENT

The purpose of this IPS is to:

- Set forth the investment policies, objectives and guidelines which the Committee judges to be appropriate and prudent;
- Establish the roles and responsibilities of the Board, Committee, and staff of the Foundation ("Staff"), as well as the external investment consultants ("Consultants"), investment managers ("Managers"), individually managed investment advisors ("Individually Managed Investment Advisors"), and custodial institutions ("Custodians").
- Encourage effective communication between all parties;
- Serve as a review document to guide the Board, Committee, and Staff in their ongoing supervision of the Foundation's investments to ensure that such investments remain in accordance with the Foundation's strategic investment plan and this IPS;
- Establish the investment performance measurement criteria against which the Portfolios will be evaluated;
- Establish formal criteria to select, monitor, evaluate and compare the performance results achieved by each Manager on a regular basis; and
- Require compliance with all applicable fiduciary, prudence and due diligence requirements, and with all applicable laws, rules, and regulations from various local, state, and federal entities that may impact the Portfolios.

This IPS has been arrived at after careful consideration by the Board and Committee and describes the prudent investment process the Board authorizes as appropriate. This process includes offering various asset classes and investment strategies that, in total, are expected to offer the opportunity to diversify the Portfolios in a manner consistent with the risk and return requirements of the Portfolios.

Should any term or condition of this IPS conflict with the Foundation's bylaws, or a fund agreement or any gift instrument such as a letter of intention, gift agreement, or trust document, that document shall control, as long as such term or condition is consistent with the direction of the Board and the law, as applicable.

C. Ongoing IPS Review

The effective date of this Investment Policy Statement is August 21, 2020. To assure continued relevance of the guidelines and objectives established through this IPS given the current financial status of the Foundation as well as the expectations for the capital markets, the Committee will formally review this IPS at least annually.

In keeping with their obligation to serve as governing fiduciaries, the Committee will notify and obtain approval from the Board for any changes to the IPS. Such change(s) should then be communicated in writing and on a timely basis to all interested parties.

D. Fiduciary Responsibility

As representatives of the Foundation, the Board and the Committee intend to follow the general "safe harbor" guidelines listed below in managing their fiduciary responsibility:

- Act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances;[1]
- Utilize the services of qualified, professional Consultants, Managers, and Custodians;
- Demonstrate that all of the aforementioned professionals were selected by following an appropriate due diligence process;
- Have each professional retained by the Foundation, where appropriate, acknowledge their co-fiduciary status; and
- Monitor the activities of all parties to ensure that they are performing their agreed upon tasks.

III. Roles and Responsibilities

A. Board of Trustees

The Board is the governing body of the Foundation, and the Board has the responsibility of establishing and maintaining broad policies and objectives for all aspects of the Foundation's operation, including the prudent utilization of the Foundation's investment assets. Thus, the

[1] FUPMIFA Section 617.2104(5)(a)

Board maintains the ultimate responsibility for approving and adopting the IPS and managing the Portfolios. Specifically with regard to investments, the Board, in fulfilling its duties, delegates to the Committee the management and oversight of the Portfolios.

B. Investment Committee

The Committee is responsible for the governance of the Portfolios and related activities including compliance with policies, rules and regulations, and delegation to Staff as well as qualified professional Consultants, Managers, Individually Managed Investment Advisors, Custodians, and/or other outside professionals regarding the Portfolios. At each regularly scheduled meeting, the Committee monitors the Portfolios by reviewing reports provided by the Consultant and Staff. A summary is then reported to the Board at a subsequent meeting. Additional responsibilities of the Committee are to:

1. Diversify prudently the Portfolios in a manner consistent with the risk and return requirements of the Portfolios;
2. Select and monitor all Consultants, Managers, Individually Managed Investment Advisors, and Custodians;
3. Control and account for all investment expenses associated with the Portfolios;
4. Revisit and, if deemed appropriate, reset the Investment Return Objective for the Charitable Gift Annuity Accounts on an annual basis;
5. Avoid prohibited transactions and conflicts of interest; and
6. Review and recommend, as needed, revisions to the IPS.

C. Foundation Staff

Staff performs several functions to facilitate decision making by the Board and the Committee and to carry out their intentions. Staff's responsibilities are to:

1. Serve as a liaison between the Board, the Foundation, and the Committee;
2. Receive and review, or compile as requested and distribute to the Committee all reports from the Consultant, Managers, Individually Managed Investment Advisors, Custodians and/or other outside professionals regarding the Portfolios;
3. Inform the Committee and Consultant of near-term distribution requirements and reserves held in the Foundation's operating account so that, in conjunction with the Portfolios, prudent levels of liquidity can be maintained;
4. Deliver, in a timely manner, any cash and marketable securities that are received and designated for the Portfolios to the appropriate accounts therein;
5. Implement, in a timely manner, the decisions of the Committee; and
6. Monitor the Portfolios' investments, custodial, and brokerage activity.

D. Investment Consultant

The Committee will recommend, select, and terminate a Consultant, as appropriate. This Consultant serves as an objective, third-party professional retained to assist the Committee in managing the overall investment process, and regularly reviews the investment program with the Committee and provides information, analysis, and recommendations on an as-needed basis. The frequency and content of the reports the Consultant provides to the Committee are dictated by the requirements of this Investment Policy as well as directives from the Committee.

The Consultant's responsibilities are to:

1. Determine that the suitability of each Manager's strategy is consistent with this IPS;
2. Provide performance measurement reports for the Pooled Accounts, Temporary Donor Advised Account, and Charitable Gift Annuity Account that compare actual asset and Manager allocations versus IPS targets and total fund and Manager performance relative to appropriate benchmarks on a quarterly basis;
3. Provide performance measurement reports for all Individually Managed Accounts and compare each Individually Managed Investment Advisor's performance relative to appropriate benchmarks on a quarterly basis;
4. Attend meetings with the Committee on a regular basis to provide an independent perspective on the Portfolios' investment objectives, structure, and performance, and to inform and advise the Committee on financial and economic developments that may affect the Portfolios;
5. Review investment policy, asset allocations, Manager structure, individual Managers, , and performance, and make recommendations to the Committee as appropriate;
6. Serve as the primary liaison between the Committee and the Managers;
7. Identify and monitor the activities of the Custodian(s); and
8. Provide general research and educational services to the Committee and Staff, as appropriate.

E. Individually Managed Investment Advisor

From time to time, the Board may elect to allow a donor to recommend a specific advisor, broker, investment manager or the like (an Individually Managed Investment Advisor) to manage their respective Individually Managed Account. These arrangements are managed outside of the Pooled Accounts, and Temporary Donor Advised Account. Unless authorized in writing by the Board to the contrary, all Individually Managed Investment Advisors are responsible for managing the assets under its supervision in accordance with the applicable portions of this IPS, including, if applicable, any appendices, as well as their respective service agreements, prospectus, or trust agreement. Each Individually Managed Investment Advisor exercises full discretion with regards to buying, managing, and selling Foundation assets assigned to them, subject to this IPS and any other written investment guidelines that the Committee may establish for that particular Individually Managed Investment Advisor. All Individually Managed Investment Advisors maintain the following additional responsibilities:

1. Disclose all direct and indirect expenses incurred by the Portfolio attributable to services rendered by the Individually Managed Investment Advisor and/or their respective firm in a clear and understandable format;
2. Effect all transactions for the Portfolio subject to "best price and execution." If a Individually Managed Investment Advisor utilizes brokerage from the Portfolio assets

to effect "soft dollar" transactions, detailed records must be kept and communicated to the Committee upon request;

3. Vote promptly all proxies and related actions in a manner consistent with the long-term interests and objectives of the Portfolios as described in this IPS. Each Individually Managed Investment Advisor shall keep detailed records of the voting of proxies and related actions and will comply with all applicable regulatory obligations;
4. Communicate to the Consultant and Committee all significant changes pertaining to the Individually Managed Investment Advisor or the firm itself in a timely manner; and
5. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals, acting in a like capacity and fully familiar with such matters, would use in like activities for like accounts with like aims in accordance and compliance with all applicable laws, rules, and regulations.

F. Investment Managers

The Committee, with the advice of the Consultant, will recommend, select, and terminate Managers as appropriate. Each Manager is responsible for managing the assets under its supervision in accordance with this IPS and/or their respective service agreements, subscription agreement, prospectus, or trust agreement, as applicable. Each Manager exercises full discretion with regards to buying, managing, and selling Foundation assets assigned to them, subject, where possible, to this IPS and any other written investment guidelines that the Committee may establish for that particular Manager.

The Foundation's investment program may be implemented, in part or in whole, through the use of mutual funds or other commingled vehicles (e.g., Delaware business trust, limited partnership). In such cases, the Board recognizes that they cannot govern these individual funds and that the following guidelines will be superseded by those funds' respective governing agreements. Otherwise, all Managers maintain the following additional responsibilities:

1. Disclose all direct and indirect expenses incurred by the portfolio attributable to services rendered by the Manager in a clear and understandable format;
2. Effect all transactions for the portfolio subject to "best price and execution." If a Manager utilizes brokerage from the portfolio assets to effect "soft dollar" transactions, detailed records must be kept and communicated to the Committee upon request;
3. Vote promptly all proxies and related actions in a manner consistent with the long-term interests and objectives of the Portfolios as described in this IPS. Each Manager shall keep detailed records of the voting of proxies and related actions and will comply with all applicable regulatory obligations;
4. Communicate to the Consultant and Committee all significant changes pertaining to the strategy it manages or the firm itself in a timely manner; and
5. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals, acting in a like capacity and fully familiar with such matters, would use in like activities for like accounts with like aims in accordance and compliance with all applicable laws, rules, and regulations.

G. Custodians

The Committee, with the advice of the Consultant, will recommend, select and terminate a custodian, bank(s) or brokerage company(ies) as appropriate. Custodians are responsible for the safekeeping of the Foundation's assets. The specific duties and responsibilities of the Custodians are to:

1. Value the holdings;
2. Collect all income and dividends owed to the Portfolios;
3. Settle all transactions; and
4. Provide monthly reports that detail transactions, cash flows, securities held and their current value, and changes in the value of each security and the overall Portfolio since the previous report.

IV. Spending Philosophy and Policy

A. Spending Philosophy

Distributions from the Portfolios will vary from year to year for a variety of reasons (e.g., fund type, community and agency needs, donor recommendations, underlying fund and trust agreements in place at the time, etc.). Given this uncertainty, the Committee believes that a prudent approach is to maintain appropriate Reserves (as later defined under Asset Allocation Categories in section VI) for the Portfolios. These Reserves may vary by Portfolio and provide liquidity for near-term anticipated distributions and flexibility for the timing of additional redemptions or other portfolio actions, as necessary.

Of important note is that, from time to time, a portion of these Reserves may be deemed to be held in the Foundation's general operating accounts. That is, to the extent that the Foundation is maintaining excess capital in securities that would otherwise qualify as Reserves, that excess capital may be taken into consideration by the Committee and others with respect to whether an appropriate amount of Reserves is being maintained at any given point in time even though such Reserves are not technically held within the Portfolios.

B. Spending Policy

When determining spending from the Portfolios, the Board, Committee, and Staff shall make its evaluations based upon total return, which is comprised of both "traditional income" (e.g., dividends on equity investments and interest on fixed-income securities, net of investment and administrative fees) and realized and unrealized net capital gains. Where prudent and consistent with the Foundation's bylaws, trust documents, and donor agreements, the Foundation may use a portion of the principal of certain funds to meet the established payout(s).

Spending policy distributions from the Foundation are characterized into two general categories, each of which has different policies and procedures as described below:

1. **Donor agreement specified spending**
   It is the policy of the Foundation to make grants from donor funds in amounts determined by the spending calculations specified within the fund and trust agreements executed by the donors. However, the Foundation may retain the right to deviate from the spending terms specified in the fund agreement when such terms might result in unusually low or high distributions given volatilities in financial markets. A determination to deviate from the terms of the fund agreement shall be recommended by Staff and ratified by a vote of the Board. The Board's evaluation of an alternative spending rate shall be based on provisions within paragraph 2, below.

2. **Foundation policy specified spending**
   For those fund and trust agreements that give the Foundation's Board the authority to determine the annual spending (distribution), the Board annually shall approve a spending rate that will be utilized for a calendar year's distributions. Subject to the Foundation's bylaws, fund and trust agreements, or gift instruments (e.g., letters of intention, gift agreements, or trust documents), the Board may appropriate for expenditure or accumulate so much of a fund as the Board determines is prudent for the uses, benefits, purposes, and duration for which the fund is established. In making a determination to appropriate or accumulate, the Board, Committee, and/or Staff shall consider, if relevant, the following additional factors:[1]

   a. Duration and preservation of the Portfolios;
   b. Purposes of the Foundation and the Portfolios;
   c. General economic conditions;
   d. Possible effects of inflation or deflation;
   e. Expected total return from income and the appreciation of investments;
   f. Other resources of the Foundation;
   g. Any regulations that the Portfolios may be subject to; and
   h. The Foundation's IPS.

   At present, it is expected that the spending (distribution) rate for the Pooled Accounts and the Individually Managed Accounts shall be neither less than 3.50% nor more than 5.50%. The spending rate adopted by the Board will be applied to the fund's average balance for the twelve quarters preceding December 31st of the year prior to distribution.

   The spending (distribution) amounts for the Temporary Donor Advised Accounts and the Charitable Gift Annuity Accounts shall be subject to the provisions of the respective agreements with donors, any applicable laws or regulations, and the discretion of Staff.

   Unless specified otherwise, spending distributions will be made under the authority of the Board.

V. Description of Account Types

[1] FUPMIFA Section 617.2104(4)(a)

- **“Pooled Accounts”** – consists of a variety of fund types including: community impact (unrestricted), field of interest (restricted by area of interest), donor advised (influenced by donor recommendations with ultimate authority remaining with the Board), designated (restricted exclusively for one or more organizations), scholarships (restricted for education), agency endowments (established typically by organizations and restricted for their exclusive use), agency reserve funds (established by an agency to hold its non-endowment and unrestricted reserve funds). All such funds are pooled to enhance economies of scale and access to investment organizations, and to create efficiencies in professional administration. Although the funds are pooled and constructed to be generally consistent with respect to policies, portfolio structure and manager composition, three portfolios are offered with differing risk and return parameters, and asset allocations. These include a:

    - Long-Term Portfolio – The Long-Term Portfolio is suitable for those who wish to capture significant potential growth with a large portion of overall assets, even if there is substantial short-term volatility or even losses. Long-Term Portfolio investors usually have a long-term horizon until their funds are to be used, which allows them to feel comfortable about riding out short-term adverse results.
    - Intermediate-Term Portfolio – The Intermediate-Term Portfolio is suitable for those who wish to strike a balance between being positioned for potential growth while not being exposed to substantial value-eroding risk. Intermediate-Term Portfolio investors will often have a medium-term horizon until their funds are to be used, allowing short-term downturns to be weathered.
    - Short-Term Portfolio – The Short-Term Portfolio is suitable for those who wish to primarily preserve capital, but may be willing to incur an additional element of minimal risk for a slightly enhanced return. Short-Term Portfolio investors usually have a fairly short-term time horizon, such as a few years.

- **“Individually Managed Accounts”** – consists of donor advised and designated funds, which are influenced by donor recommendations with ultimate authority remaining with the Board. In addition to grant recommendations, donors may recommend an Individually Managed Investment Advisor to be utilized for their respective fund. Such accounts are not included with the Pooled Accounts due to a donor’s recommendation to use a specified Individually Managed Investment Advisor. Such recommendations are subject to approval by the Board and the Individually Managed Investment Advisor must agree to comply with the IPS.

- **“Temporary Donor Advised Account”** – consists of donor advised funds intended to be distributed typically within one to three years. These typically are pass-through accounts which are not intended to be permanent endowments. Earnings are not allocated to and fees are not charged to or against these accounts.

- **“Charitable Gift Annuity Account”** – consist of funds given with the explicit agreement that they be managed in accordance with the regulations and laws of the State of Florida and the agreements with the respective donors. Such agreements represent contracts, under which the Foundation, in return for a transfer of cash, marketable securities or other assets, agrees to pay a fixed amount of money to one or more individuals for their lifetime. The payments are fixed and unchanged for the term of the contract. A portion of the payments are considered to be a partial tax-free return of the donor's gift, which are spread in equal payments over the life expectancy of the annuitant(s). The contributed property (i.e., the gift), given irrevocably, becomes a part of the Foundation's assets, and the payments are a general obligation of the Foundation.

- **"Charitable Remainder Trust Accounts"** – consists of funds held in an irrevocable trust that provide for a specified distribution, at least annually, to at least one non-charitable recipient (typically the grantor) for a period specified in the trust instrument (generally for the life/lives of the beneficiary(ies)), with the residual principal ultimately distributed outright to the Foundation (or, in some cases, another charitable organization) as the charitable beneficiary. The Foundation serves as trustee in such cases.

VI. DIVERSIFICATION AND DESCRIPTION OF ASSET ALLOCATION CATEGORIES

The Board recognizes the need for diversification within its Portfolios given the volatility of financial markets and ever-changing macroeconomic conditions. Accordingly, except in a circumstance where the Board reasonably and prudently determines that all or a portion of the Portfolios are better served without diversification, the Board has chosen to diversify and allocate its Portfolios among and within the following five categories:[1]

- **Growth** – strategies investing in public and private equity securities with the long-term objective of achieving higher rates of return in order to grow the assets, thereby helping maintain purchasing power and, perhaps, expand the mission of the Foundation. Such strategies may include, but are not limited to domestic, international, and emerging market securities (both public and private) representing a range of market capitalizations.

- **Absolute return** – strategies investing in more active and "absolute-return" focused ways and, thus, seeking to mitigate risk by taking proactive action to protect capital during periods of economic and capital market distress. Such strategies may include, but are not limited to diversified hedge fund-of-funds, long/short hedge funds, as well as liquid, registered mutual funds that are engaged in similar activities.

- **Real return** – strategies investing in securities that have the potential to perform relatively well in an inflationary environment. Such strategies may include, but are not limited to Treasury Inflation Protected Securities (TIPS), floating-rate debt, commodities and natural resource focused companies (energy, material and mining stocks), infrastructure-related companies (power transmission and distribution, pipelines, communications, water, airports, toll roads, rail), and real estate (both private and REITs).

[1] FUPMIFA Section 617.2104 (4)(a)

- **Income** – strategies investing in income-paying securities that provide relatively predictable streams of income with lower volatility, therefore reducing the need to liquidate more volatile assets at inopportune times. Such strategies may include, but are not limited to investment and non-investment-grade fixed, floating-rate, and convertible bonds of corporations, governments, and government-related issuers, as well as other income paying securities such as common and preferred stocks, master limited partnerships (MLPs), and real estate investment trusts (REITs).

- **Reserves** – strategies investing in primarily shorter-term, investment-grade fixed income of corporations, governments, and government-related issuers, short-term commercial paper, certificates of deposit, and money market securities that can likely be converted to cash with a relatively low chance of principal loss in order to supply liquidity to meet near-term distribution requirements.

VII. Pooled Accounts Goals, Objectives and Asset Allocation (Long-Term, Intermediate-Term and Short-Term Portfolios)

A. Investment Goals

The primary investment goals for the Pooled Accounts are to:

1. Maintain prudent levels of liquidity to meet near-term distributions;
2. Meet the near- and long-term disbursement requirements of the Spending Policy;
3. Assist in maintaining the purchasing power of the assets contributed;
4. Balance expected return within reasonable and prudent levels of risk to achieve the Investment Return Objective for each of the three portfolios (see below); and
5. Achieve a competitive rate of return.

B. Investment Return Objective

The investment return objective ("Investment Return Objective") shall be measured by a comparison of the Pooled Account's return (measured on a dollar-weighted basis net of investment management fees and expenses) to the rate of return that must be achieved in order for the Foundation to meet its goals. Accordingly, the Foundation's current investment objective for the Long-Term, Intermediate-Term and Short-term Portfolios is to achieve an annualized total rate of return equal to or greater than 7%, 6% and 5%, respectively.

This Investment Return Objective is to be achieved over the time horizon for each portfolio. Shorter term performance will also be evaluated relative to the Investment Return Objective; however, the Board acknowledges that market volatility in the short-term may create meaningful total fund performance deviations from this benchmark.

C. Asset Allocation Strategy and Targets

The asset allocation strategy set by the Board governs the relative amount invested in each asset category. Asset allocation targets are established in a variety of asset categories to achieve the desired investment objectives. In conjunction with the asset allocation targets, a range is established to provide flexibility in order to reduce rebalancing costs and to adapt to changing market conditions. To control risk, each asset category should be maintained within the range for that class.

Consistent with the direction of the Board, as a matter of policy, the following asset allocation targets have been established to frame the structure for the Long-Term, Intermediate-Term and Short-term Portfolios. These asset class targets will be maintained until explicitly amended.

- **Long-Term Portfolio**

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	45%	**65%**	75%
Absolute Return	5%	**10.0%**	25%
Real Return	0%	**10.0%**	20%
Income	5.0%	**12.5%**	20%
Reserves	0%	**2.5%**	5%

- **Intermediate-Term Portfolio**

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	25%	**45%**	55%
Absolute Return	5%	**10.0%**	25%
Real Return	0%	**10.0%**	20%
Income	15%	**25%**	35%
Reserves	0%	**10.0%**	20%

- **Short-Term Portfolio**

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	10%	**25%**	30%
Absolute Return	5%	**10.0%**	25%
Real Return	0%	**10.0%**	20%
Income	30%	**40%**	50%
Reserves	5%	**15.0%**	25%

While the Board recognizes that other foundation's and endowment's investment portfolios are managed differently than the Foundation's to meet their own unique objectives, the Portfolios will be compared against a universe of organizations of a similar size from time to time. This is intended to keep the Committee educated on the practices of similar funds with long-term investment horizons.

D. Asset Class Return Objectives

The competitiveness of the returns of the three portfolios within the Pooled Accounts (measured on a time-weighted basis) will be determined in relation to the return of the asset allocation policy benchmark, which is a composite of indices relating to each asset category. It is understood that this objective is to be achieved over the long-term, defined as five years or longer.

Consistent with the strategic asset allocation targets outlined above, the following policy benchmarks apply to the broad asset categories:

Asset Category	Index
Growth	
Broad Domestic Public Equity	Russell 3000*
Broad International Public Equity	MSCI ACWI ex US Net*
Private Equity	MSCI ACWI Net*
Absolute Return	HFRI Fund of Funds: Composite*
Hedge Fund of Funds - Diversified	
Hedge Fund of Funds - Long/Short Equity	
Liquid Alternatives	
Real Return	50% Bloomberg Commodity/50% CPI-U*
Treasury Inflation Protected Securities	
Bank Loan	
Private Real Estate and REITs	
Infrastructure-Related Securities	
Natural Resource Equities	
Income	Bloomberg Barclays US Aggregate Bond*
Domestic Fixed	
Global Fixed	
Multi-Sector Fixed	
Broad Income	
Reserves	FTSE USBIG 3-Month U.S. Treasury Bill*
Short-Term Fixed Income	
Cash & Equivalents	

*Or a more suitable substitute approved by the Committee.

E. STRATEGIC REBALANCING

The allocation to each asset class may vary from the target asset allocation depending upon market conditions. The allocation will be reviewed by the Committee on a regular basis. If the Committee judges cash flows to be insufficient to bring the strategic allocation with the targeted ranges, the Committee shall decide whether to effect transactions to bring the strategic allocation to a weighting within the minimum and maximum threshold ranges defined above.

VIII. Individually Managed Accounts Goals, Objectives and Asset Allocation

The following goals, objects and asset allocations are meant as guidelines for Individually Managed Investment Advisors. However, adherence to these guidelines should take into consideration the unique circumstances and objectives of the respective donor's intent and recommendations. Thus, deviations from these suggested goals, objectives and asset allocation are permitted upon written approval by the Board.

A. Investment Goals

The primary investment goals for the Individually Managed Accounts are to:

1. Maintain prudent levels of liquidity to meet near-term distributions as recommended by the donor and approved by the Board;
2. Meet the near- and long-term disbursement requirements for the donor's recommended charitable organizations operations, programs and expenses through account distributions;
3. Assist in maintaining the purchasing power of the assets contributed;
4. Balance expected return within reasonable and prudent levels of risk to achieve the Investment Return Objective (see below); and
5. Achieve a competitive rate of return.

B. Investment Return Objective

The investment return objective ("Investment Return Objective") shall be measured by a comparison of the Individually Managed Accounts return (measured on a dollar-weighted basis net of investment fees and expenses) to the rate of return that must be achieved in order for the donor and Foundation to meet its goals. Accordingly, the Foundation's current long-term investment objective for the Individually Managed Account is to achieve an annualized total rate of return equal to or greater than 7.0%.

This Investment Return Objective is to be achieved over the long-term, defined as five years or longer. Shorter term performance will also be evaluated relative to this Investment Return Objective; however, the Board acknowledges that market volatility in the short-term may create meaningful total fund performance deviations from this benchmark.

C. Asset Allocation Strategy and Targets

The asset allocation strategy set by the Board governs the relative amount invested in each asset category. Asset allocation targets are established in a variety of asset categories to achieve the desired investment objectives. In conjunction with the asset allocation targets, a range is established to provide flexibility in order to reduce rebalancing costs and to adapt to changing market conditions. To control risk, each asset category should be maintained within the range for that class.

Consistent with the direction of the Board, as a matter of policy, the following asset allocation targets have been established to frame the long-term structure for the Individually Managed Accounts. These asset class targets will be maintained until explicitly amended.

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	60%	**70.0%**	80%
Real Return	0%	**5.0%**	10%
Income	10%	**22.5%**	35%
Reserves	0%	**2.5%**	10%

D. ASSET CLASS OBJECTIVES

The competitiveness of the returns of the Individually Managed Accounts (measured on a time-weighted basis) will be determined in relation to the return of the asset allocation policy benchmark, which is a composite of indices relating to each asset category. It is understood that this objective is to be achieved over the long-term, defined as five years or longer.

Consistent with the strategic asset allocation target outlined above, the following policy benchmarks apply to the broad asset categories:

Asset Category	Index
Growth	
Broad Domestic Public Equity	Russell 3000*
Broad International Public Equity	MSCI ACWI ex US Net*
Real Return	50% Bloomberg Commodity/50% CPI-U*
Treasury Inflation Protected Securities	
Real Estate Investment Trust	
Income	Bloomberg Barclays US Aggregate Bond*
Domestic Fixed	
Reserves	FTSE USBIG 3-Month U.S. Treasury Bill*
Short-Term Fixed Income	
Cash & Equivalents	

*Or a more suitable substitute approved by the Committee.

E. STRATEGIC REBALANCING

The allocation to each asset class may vary from the target asset allocation depending upon market conditions. The allocation will be reviewed by the Individually Managed Investment

Advisor on a regular basis. If the Individually Managed Investment Advisor judges cash flows to be insufficient to bring the strategic allocation with the targeted ranges, the Individually Managed Investment Advisor shall decide whether to effect transactions to bring the strategic allocation within the minimum and maximum threshold ranges defined above.

IX. TEMPORARY DONOR ADVISED ACCOUNT GOALS, OBJECTIVES AND ASSET ALLOCATION

A. INVESTMENT GOALS

The primary investment goals for the Temporary Donor Advised Account are to:

1. Maintain prudent levels of liquidity to meet near-term distributions;
2. Meet the near- and intermediate-term disbursement requirements of the Spending Policy;
3. Assist in maintaining the purchasing power of the assets contributed;
4. Balance expected return within reasonable and prudent levels of risk to achieve the Investment Return Objective; and
5. Achieve a competitive rate of return.

B. INVESTMENT RETURN OBJECTIVE

The investment return objective ("Investment Return Objective") shall be measured by a comparison of the for the Temporary Donor Advised Account's return (measured on a dollar-weighted basis net of investment management fees and expenses) to the rate of return that must be achieved in order for the Foundation to meet its goals. Accordingly, the Foundation's current long-term investment objective for the Temporary Donor Advised Account is to achieve an annualized total rate of return equal to or greater than the FTSE USBIG 3-Month U.S. Treasury Bill Index.

This Investment Return Objective for the Temporary Donor Advised Account is to be achieved over the long-term, defined as five years or longer. Shorter term performance will also be evaluated relative to the Investment Return Objective; however, the Board acknowledges that market volatility in the short-term may create meaningful total fund performance deviations from this benchmark.

C. ASSET ALLOCATION STRATEGY AND TARGETS

The asset allocation strategy set by the Board governs the relative amount invested in each asset category. Asset allocation targets are established in a variety of asset categories to achieve the desired investment objectives. In conjunction with the asset allocation targets, a range may be established to provide flexibility in order to reduce rebalancing costs and to adapt to changing market conditions. To control risk, each asset category should be maintained within the range for that class.

Consistent with the direction of the Committee, as a matter of policy, the following asset allocation targets have been established to frame the long-term structure for the Temporary

Donor Advised Accounts. These asset class targets will be maintained until explicitly amended.

Asset Category	Lower Limit	**Target**	Upper Limit
Reserves	100%	**100.0%**	100%

D. Asset Class Objectives

The competitiveness of the returns of the funds within the Temporary Donor Advised Account (measured on a time-weighted basis) will be determined in relation to the return of the asset allocation policy benchmark, which is a composite of indices relating to each asset category. It is understood that this objective is to be achieved over the long-term, defined as five years or longer.

Consistent with the strategic asset allocation target outlined above, the following policy benchmarks apply to the broad asset categories:

Asset Category	Index
Reserves	FTSE USBIG 3-Month U.S. Treasury Bill
Short-Term Fixed Income	

X. Charitable Gift Annuity Accounts Goals, Objectives and Asset Allocation

A. Investment Goals

The primary investment goals for the Charitable Gift Annuity Accounts are to:

1. Adhere to the regulations of the State of Florida regarding permissible investments for charitable gift annuity accounts;
2. Maintain prudent levels of liquidity to meet near-term distributions;
3. Meet the near- and long-term disbursement requirements of the Spending Policy;
4. Assist in maintaining the purchasing power of the assets contributed;
5. Balance expected return within reasonable and prudent levels of risk to achieve the Investment Return Objective (see below); and
6. Achieve a competitive rate of return.

B. Investment Return Objective

The investment return objective ("Investment Return Objective") shall be measured by a comparison of the Charitable Gift Annuity Accounts' return (measured on a dollar-weighted basis net of investment management fees and expenses) to the rate of return that must be achieved in order for the Foundation to meet its goals. Accordingly, the Foundation's current long-term investment objective for the Charitable Gift Annuity Accounts is to achieve an annualized total rate of return equal to or greater than 4.5%. The Investment Return Objective for the Charitable Gift Annuity Accounts shall be revisited periodically by the Committee, and reset by the Committee when deemed appropriate to do so.

This Investment Return Objective is to be achieved over the long-term, defined as five years or longer. Shorter term performance will also be evaluated relative to the Investment Return Objective; however, the Board acknowledges that market volatility in the short-term may create meaningful total fund performance deviations from this benchmark.

C. ASSET ALLOCATION STRATEGY AND TARGETS

The asset allocation strategy set by the Board governs the relative amount invested in each asset category. Asset allocation targets are established in a variety of asset categories to achieve the desired investment objectives. In conjunction with the asset allocation targets, a range is established to provide flexibility in order to reduce rebalancing costs and to adapt to changing market conditions. To control risk, each asset category should be maintained within the range for that class.

Consistent with the direction of the Board, as a matter of policy, the following asset allocation targets have been established to frame the long-term structure for the Charitable Gift Annuity Accounts. These asset class targets will be maintained until explicitly amended.

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	20%	**40%**	60%
Income	40%	**50%**	100%
Reserves	0%	**10%**	20%

While the Board recognizes that other foundation's and endowment's investment portfolios are managed differently than the Foundation's to meet their own unique objectives, the Portfolios will be compared against a universe of organizations of a similar size from time to time. This is intended to keep the Committee educated on the practices of similar funds with long-term investment horizons.

D. ASSET CLASS RETURN OBJECTIVES

The competitiveness of the returns of the funds within the Charitable Gift Annuity Accounts (measured on a time-weighted basis) will be determined in relation to the return of the asset allocation policy benchmark, which is a composite of indices relating to each asset category. It is understood that this objective is to be achieved over the long-term, defined as five years or longer.

Consistent with the strategic asset allocation targets outlined above, the following policy benchmarks apply to the broad asset categories:

Asset Category	Index
Growth	
Broad Domestic Public Equity	Russell 3000*
Broad International Public Equity	MSCI ACWI ex US Net*
Income	Bloomberg Barclays US Aggregate Bond*
Domestic Fixed	
Global Fixed	
Multi-Sector Fixed	
Broad Income	
Reserves	FTSE USBIG 3-Month U.S. Treasury Bill*
Short-Term Fixed Income	
Cash & Equivalents	

*Or a more suitable substitute approved by the Committee.

E. Strategic Rebalancing

The allocation to each asset class may vary from the target asset allocation depending upon market conditions. The allocation will be reviewed by the Committee on a regular basis. If the Committee judges cash flows to be insufficient to bring the strategic allocation with the targeted ranges, the Committee shall decide whether to effect transactions to bring the strategic allocation to a weighting within the minimum and maximum threshold ranges defined above.

XI. Charitable Remainder Trust Accounts Goals, Objectives and Asset Allocation

A. Investment Goals

The primary investment goals for the Charitable Remainder Trust Accounts are to:

1. Maintain prudent levels of liquidity to meet near-term distributions specified in the irrevocable trust to the non-charitable recipient;
2. Meet the near- and long-term disbursement requirements of the Spending Policy;
3. Assist in maintaining the purchasing power of the assets contributed for the benefit of the charitable remainder beneficiary;
4. Balance expected return within reasonable and prudent levels of risk to achieve the Investment Return Objective (see below); and
5. Achieve a competitive rate of return.

B. Investment Return Objective

The investment return objective ("Investment Return Objective") shall be measured by a comparison of the Charitable Remainder Trust Accounts' return (measured on a dollar-weighted basis net of investment management fees and expenses) to the rate of return that must be achieved in order for the Foundation to meet its goals. Accordingly, the Foundation's current long-term investment objective for the Charitable Remainder Trust Accounts is to achieve an annualized total rate of return equal to or greater than 7.0%. The Investment Return Objective for the Charitable Remainder Trust Accounts shall be revisited periodically by the Committee, and reset by the Committee when deemed appropriate to do so.

This Investment Return Objective is to be achieved over the long-term, defined as five years or longer. Shorter term performance will also be evaluated relative to the Investment Return Objective; however, the Board acknowledges that market volatility in the short-term may create meaningful total fund performance deviations from this benchmark.

C. Asset Allocation Strategy and Targets

The asset allocation strategy set by the Board governs the relative amount invested in each asset category. Asset allocation targets are established in a variety of asset categories to achieve the desired investment objectives. In conjunction with the asset allocation targets, a range is established to provide flexibility in order to reduce rebalancing costs and to adapt to changing market conditions. To control risk, each asset category should be maintained within the range for that class.

Consistent with the direction of the Board, as a matter of policy, the following asset allocation targets have been established to frame the long-term structure for the Charitable Remainder Trust Accounts. These asset class targets will be maintained until explicitly amended.

Asset Category	Lower Limit	**Target**	Upper Limit
Growth	60%	**70%**	80%
Real Return	0	**5%**	10%
Income	10%	**22.5%**	35%
Reserves	0%	**2.5%**	10%

While the Board recognizes that other foundation's and endowment's investment portfolios are managed differently than the Foundation's to meet their own unique objectives, the Portfolios will be compared against a universe of organizations of a similar size from time to time. This is intended to keep the Committee educated on the practices of similar funds with long-term investment horizons.

D. Asset Class Return Objectives

The competitiveness of the returns of the funds within the Charitable Remainder Trust Accounts (measured on a time-weighted basis) will be determined in relation to the return of the asset allocation policy benchmark, which is a composite of indices relating to each asset category. It is understood that this objective is to be achieved over the long-term, defined as five years or longer.

Consistent with the strategic asset allocation targets outlined above, the following policy benchmarks apply to the broad asset categories:

Asset Category	Index
Growth	
Broad Domestic Public Equity	Russell 3000*
Broad International Public Equity	MSCI ACWI ex US Net*
Real Return	50% Bloomberg Commodity/50% CPI-U*
Treasury Inflation Protected Securities	
Real Estate Investment Trust	
Income	Bloomberg Barclays US Aggregate Bond*
Domestic Fixed	
Global Fixed	
Multi-Sector Fixed	
Broad Income	
Reserves	FTSE USBIG 3-Month U.S. Treasury Bill*
Short-Term Fixed Income	
Cash & Equivalents	

*Or a more suitable substitute approved by the Committee.

E. Strategic Rebalancing

The allocation to each asset class may vary from the target asset allocation depending upon market conditions. The allocation will be reviewed by the Committee on a regular basis. If the Committee judges cash flows to be insufficient to bring the strategic allocation with the targeted ranges, the Committee shall decide whether to effect transactions to bring the strategic allocation to a weighting within the minimum and maximum threshold ranges defined above.

XII. General Investment Guidelines and Restrictions

The following restrictions apply to Managers and Individually Managed Investment Advisors of assets in general. Further guidelines may apply to individual Managers and Individually Managed Investment Advisors and, if so, they are included in Appendix A and B, respectively, to this document. The Foundation's investment programs may be implemented, in part or in whole, through the use of mutual funds or other commingled vehicles (e.g., Delaware business trust, limited partnership). In such cases, the Board recognizes that they cannot govern these individual funds and that the following guidelines will be superseded by those funds' or vehicles' respective governing agreements.

Otherwise, as a matter of administrative policy, the following transactions and securities are prohibited investments unless specifically noted in the Manager's guidelines, which can be found in Appendix A to this IPS, and the Individually Managed Investment Advisor Guidelines, which can be found in Appendix B to this IPS:

- Any investment or transaction of any kind that might generate taxable income or unrelated business income tax (UBIT);
- Private placements, letter stock and other unregistered securities;
- Commodities or other commodity contracts;
- Short sales or margin transactions;
- Securities lending, pledging or hypothecating securities; and
- Derivatives, options, or futures contracts.

Individually Managed Investment Advisors may only make investments in securities that are readily marketable. Accordingly, for all Individually Managed Accounts, additional transactions, securities and strategies are prohibited, which include but are not limited to the following:

- Private equity;
- Private real estate; and
- Hedge funds.

A. Domestic Equity Managers

- No individual holdings shall constitute more than 5% (at cost) of the securities of any single issuer; and
- Non-equity investments are restricted to money market instruments (or funds) conforming to the guidelines established for cash investments.

B. International/Global Equity Managers

- No individual holdings shall constitute more than 5% (at cost) of the securities of any single issuer;
- Currency hedging should be used for defensive purposes only; and
- Non-equity investments are restricted to money market instruments (or funds) conforming to the guidelines established for Cash Investments.

C. Alternative Managers

- Given the investment flexibility and liquidity constraints that Managers in this category often require, at the time of the commitment to a Manager in this category, the Committee will specifically address performance objectives and investment guidelines for such investment(s), and may include those in Appendix A of this IPS.

D. Domestic/Global Fixed-Income Managers

- No more than 10% (at cost) of the Manager's assets shall be invested in the securities of any single issuer, with the exception of the U.S. Government and its Agencies or in issues collateralized by U.S. Government securities;
- Total portfolio quality (capitalization weighted) shall maintain an A (Standard & Poor's) or A2 (Moody's) minimum, weighted-average rating; and
- Money market instruments (or funds) shall conform to the guidelines established for cash investments.

E. Cash Investment Managers

- No single issue shall have a maturity greater than two years;
- The cash portfolio shall have an average maturity of less than one year; and
- All commercial paper will be rated as high as or higher than A-1 (Standard & Poor's) or P-1 (Moody's).

XIII. General Investment Considerations

Management and investment decisions about an individual asset must not be made in isolation but rather in the context of the Portfolios as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the Portfolios and to the Foundation, as appropriate.[1]

In managing and investing the Portfolios, the Committee, in concert with the Consultant, will consider the following factors, if relevant[2]:

- General economic conditions;
- Possible effects of inflation and deflation;
- Expected tax consequences, if any, of investment decisions or strategies;
- Role that each investment or course of action plays within the overall Portfolios;
- Expected total return from income and the appreciation of investments;
- Other resources of the Foundation;
- Needs of the Foundation and Portfolios to make distributions and to preserve capital; and
- Asset's special relationship or special value, if any, to the charitable purposes of the Foundation.

A. Investment Manager Selection

A variety of management styles and investment vehicles (e.g., separate account, mutual fund, commingled fund or private partnership) may be utilized as appropriate. With advice from the Consultant, the Committee will select Managers that have demonstrated skill in a particular asset class or style. Unless expressly permitted by the Committee, Managers must

[1] Source: FUPMIFA Section 617.2104(3)(e)2
[2] Source: FUPMIFA Section 617.2104(3)(e)1

be a regulated bank, insurance company, or registered under the Investment Advisers Act of 1940 or the Investment Company Act of 1940.

All investment products will be compared to an appropriate benchmark index and median peer group results. The quantitative and qualitative factors to be considered for selecting Managers may include, but are not necessarily limited to:

- Total firm assets under management and assets specific to the product of interest;
- Stability and quality of the investment firm and its personnel;
- Portfolio manager's tenure with the specific product of interest;
- Historical performance of the Manager's specific product of interest;
- Risk-adjusted performance of the product as measured by the Alpha and Sharpe Ratio;
- Consistency and correlation of the product's investment style;
- Overlap of investment style and/or fund holdings with other Managers; and
- Expense ratios and fees.

B. Investment Manager Review and Evaluation

The performance of each Manager will be reviewed regularly and compared to appropriate market index benchmarks. The performance of the Managers will be evaluated on a time-weighted basis, net of fees and with consideration of risk, in comparison to appropriate benchmarks. The Committee will also review the Manager's performance versus peer groups from time to time.

If violated, criteria that may prompt additional review, analysis, and potential termination may include, but are not necessarily limited to the following:

Quantitative Criteria

1. Performance below an appropriate index or peer group median over a 3, 5, and/or 7-year cumulative period;
2. Risk-adjusted performance (Alpha and/or Sharpe) below an appropriate index or peer group median over a 3, 5, and/or 7-year cumulative period; and
3. An increase in the strategy's fees or expenses.

Qualitative Criteria

1. Significant changes to the Manager's organization affecting areas such as firm ownership, organizational structure, and professional staffing;
2. Substantive deviation from stated style or strategy as evidenced by the portfolio's characteristics;
3. Extraordinary events that may interfere with the Manager's ability to fulfill their role in the future; and
4. Failure to adhere to any aspect of this IPS.

Ultimately, the decision to retain or terminate an investment option cannot be made by a formula. It is the Committee's confidence in the Manager's ability to perform in the future that ultimately determines the retention of a Manager.

C. Contribution of Investments

As a general rule, contributions of cash will be used to rebalance any particular fund in the direction of the established asset allocation target.

Should a donor request that the Foundation not immediately sell a gifted security, the internal policy regarding its sale dated February 18, 2004 will take effect. Notwithstanding any donor restriction, the Foundation retains the right to sell any donated security upon receipt. The resulting proceeds will then be deployed in the same manner as a contribution of cash. Any investment restricted as to sale or disposition by the Board shall not be included in asset allocation nor shall its management be the responsibility of any other entity other than the Board.

D. Monitoring of Costs

The Committee will review at least annually all costs associated with the management of the Portfolios, including:

1. Consultant and Manager fees and expenses;
2. Costs of the Custodians to administer the Portfolios, including record keeping, trading, custody and trust services; and
3. Proper identification and accounting of all parties receiving soft dollars and/or 12b-1 fees generated by the Portfolios.

XIV. Acknowledgement & Acceptance

The undersigned acknowledges that this Investment Policy Statement was approved by the Investment Committee on August 21, 2020 and adopted by the Board of Trustees of the Foundation on September 15, 2020.

1. Signed: ______________________________

   Printed Name/Date: Richard Dobkin, Chair, Investment Committee / 9/15/20

2. Signed: ______________________________

   Printed Name/Date: Robert H. Mohr, Chair, Board of Trustees / 9/15/2020

Appendix A-1
Domestic All Capitalization Equity Investment Manager(s)
Performance Objectives, Investment Guidelines and Restrictions

Performance Objectives

- Exceed the Russell 3000 Index return over rolling five-year periods; and
- Attain a 50th percentile ranking or better relative to an appropriate peer universe over rolling five-year periods.

Investment Guidelines

- All common stocks must be publicly traded on a major U.S. exchange or in the U.S. over-the-counter market (e.g.: NASDAQ).
- Convertible securities are considered stocks.
- The use of American Depository Receipts (ADRs) is acceptable as domestic equity investments, but in aggregate shall constitute no more than 25% (at cost) of the Investment Manager's portfolio.
- The use of non-US Dollar denominated equity securities is prohibited.
- No more than 10% (at cost) of an Investment Manager's assets shall be invested in the equity or REIT securities of any single issuer at market.
- Cash investments may be invested in the custodial short-term investment fund or other cash equivalents as outlined in the Investment Manager's contract/prospectus.

APPENDIX A-2

HEDGE FUND OF FUNDS MANAGER – DIVERSIFIED
PERFORMANCE OBJECTIVES, INVESTMENT GUIDELINES AND RESTRICTIONS

Background

The objective of the Hedge Fund of Funds Diversified mandate is to achieve consistent, positive, real returns and to maximize long-term total return within prudent levels of risk through a well-diversified portfolio of hedge fund strategies that, in aggregate, do not materially rely upon the direction of equity or fixed-income markets. Nevertheless, periods of financial stress in the capital markets and strong equity market movements can systematically affect performance. This mandate's value-added returns relative to peers will be primarily derived from manager selection and, to a lesser degree, strategic allocation.

Performance Objectives

- Achieve a minimum of 5.0% annualized excess return over 3-month Treasury bills over rolling 5-year periods, net of all fees;
- Achieve a return that exceeds the HFRI Fund of Funds Diversified Index over rolling 5-year periods, net of all fees;
- Achieve an above-median ranking in a comparable universe of hedge fund-of-funds (e.g., Callan Core Diversified Fund-of-Fund Style Group) over rolling 5-year periods; and
- Achieve the above return objective with an expected standard deviation over rolling 5-year periods of less than 10% annualized.

Investment Guidelines

- Leverage: Subject to tax-exempt constraints affected by unrelated business income tax (UBIT), if any, financial leverage at the fund-of-fund level is acceptable for funding purposes in advance of anticipated contributions or redemptions.
- Diversification: To be broadly diversified by manager allocations, the Manager's portfolio shall contain exposures to a minimum of 20 individual hedge funds, with the maximum exposure to any one hedge fund, or group of affiliated hedge funds, limited to 10%, unless otherwise specifically exempted.
- Liquidity: The underlying hedge funds of the Manager's portfolio shall offer a level of liquidity, as measured by the asset-weighted average period for redemption of all underlying funds that is consistent with the Manager's stated redemption schedule. Notwithstanding the stated redemption schedule of the Manager and its underlying managers, it is understood that such timetables for liquidity may be suspended by the Manager under certain circumstances, such as periods of unusual financial stress within the markets or within underlying hedge funds.
- Counterparties: In the normal course of risk management, the Manager may elect to engage in derivatives transactions to offset, or hedge, unintended market exposures in underlying funds. In these transactions involving counterparty risk, such credit risk can be minimized through the exclusive use of listed options and futures traded on registered exchanges. Non-exchange traded options, forwards, or swaps shall be deemed acceptable only if the counterparty is rated, at a minimum, A (Standard & Poor's) or A2 (Moody's).
- Underlying investments: The Manager shall not allocate any monies within its portfolio to any affiliated hedge funds, unless otherwise specifically allowed and disclosed. It is understood that the Manager's underlying managers may invest in private placements, letter stock, other unregistered securities, commodities, or other commodity contracts, and

engage in short sales or margin transactions, securities lending, pledging or hypothecating securities.

APPENDIX A-3

HEDGE FUND OF FUNDS MANAGER – LONG/SHORT EQUITY
PERFORMANCE OBJECTIVES, INVESTMENT GUIDELINES AND RESTRICTIONS

Background

The objective of the Hedge Fund of Funds Long/Short Equity mandate is to achieve attractive risk-adjusted returns relative to the equity market through a well-diversified portfolio of long-short equity and other opportunistic/tactical trading strategies. However, depending upon the portfolio's net equity exposures at any given time, equity market movements can materially affect performance. This program's value-added returns relative to peer programs will be primarily derived from manager selection and, to a lesser degree, strategic allocation.

Performance Objectives

- Achieve a minimum of 6.0% excess return over 3-month Treasury bills based upon rolling 5-year periods, net of all fees;
- Achieve a return that exceeds the S&P 500 Index over rolling 5-year periods, net of all fees;
- Achieve an above-median ranking in a comparable universe of hedge fund-of-funds (e.g., Callan Long-Short Equity Style Group) over rolling 5-year periods; and
- Achieve the above return objective with an expected standard deviation over rolling 5-year periods of less than 10% annualized.

Investment Guidelines

- Leverage: Subject to tax-exempt constraints affected by unrelated business income tax (UBIT), if any, financial leverage at the fund-of-fund level is acceptable for funding purposes in advance of anticipated contributions or redemptions.
- Diversification: To be broadly diversified by manager allocations, the Manager's portfolio shall contain exposures to a minimum of 20 individual hedge funds, with the maximum exposure to any one hedge fund, or group of affiliated hedge funds, limited to 10%, unless otherwise specifically exempted.
- Liquidity: The underlying hedge funds of the Manager's portfolio shall offer a level of liquidity, as measured by the asset-weighted average period for redemption of all underlying funds that is consistent with the Manager's stated redemption schedule. Notwithstanding the stated redemption schedule of the Manager and its underlying managers, it is understood that such timetables for liquidity may be suspended by the Manager under certain circumstances, such as periods of unusual financial stress within the markets or within underlying hedge funds.
- Counterparties: In the normal course of risk management, the Manager may elect to engage in derivatives transactions to offset, or hedge, unintended market exposures in underlying funds. In these transactions involving counterparty risk, such credit risk can be minimized through the exclusive use of listed options and futures traded on registered exchanges. Non-exchange traded options, forwards, or swaps shall be deemed acceptable only if the counterparty is rated, at a minimum, A (Standard & Poor's) or A2 (Moody's).
- Underlying investments: The Manager shall not allocate any monies within its portfolio to any affiliated hedge funds, unless otherwise specifically allowed and disclosed. It is understood that the Manager's underlying managers may invest in private placements, letter stock, other unregistered securities, commodities, or other commodity contracts, and

engage in short sales or margin transactions, securities lending, pledging or hypothecating securities.

Appendix A-4
Hedge Fund Of Funds Manager – Multi Strategy
Performance Objectives, Investment Guidelines and Restrictions

Background
The objective of the Hedge Fund of Funds Multi-Strategy mandate is to provide a well-diversified, low volatility, non-correlated investment strategy that seeks to generate high levels of risk-adjusted return. The Manager will generally invest in a select group of multi-strategy fund managers, each of which typically has more than ten years of operating history and greater than $5 billion in assets under management. Multi-strategy funds offer additional diversification, and the tactical advantage to opportunistically reallocate capital to underlying strategies, portfolio managers and teams in a timely manner.

Performance Objectives
- Achieve a minimum of 5.0% excess return over 3-month Treasury bills based upon rolling 5-year periods, net of all fees;
- Achieve a return that exceeds the HFRI Fund of Funds Composite Index and HFRI Fund Weighted Composite Index over rolling 5-year periods, net of all fees;
- Achieve an above-median ranking in a comparable universe of hedge fund-of-funds (e.g., Callan Absolute Return Fund-of-Fund Style Group) over rolling 5-year periods; and
- Achieve the above return objective with an expected standard deviation over rolling 5-year periods of less than 10% annualized.

Investment Guidelines
- Leverage: With the exception of a small credit facility used to help manage contributions and distributions on a monthly basis, leverage is not permissible at the fund level.
- Diversification: To be diversified by manager allocations, the Manager's portfolio shall contain exposures to approximately 10 multi-strategy hedge funds, with the maximum exposure to any one hedge fund, or group of affiliated hedge funds, limited to 20%, unless otherwise specifically exempted.
- Liquidity: The underlying hedge funds of the Manager's portfolio shall offer a level of liquidity, as measured by the asset-weighted average period for redemption of all underlying fund that is consistent with the Manager's stated redemption schedule. Notwithstanding the stated redemption schedule of the Manager and its underlying managers, it is understood that such timetables for liquidity may be suspended by the Manager under certain circumstances, such as periods of unusual financial stress within the markets or within underlying hedge funds.
- Counterparties: In the normal course of risk management, the Manager may elect to engage in derivatives transactions to offset, or hedge, unintended market exposures in underlying funds. In these transactions involving counterparty risk, such credit risk can be minimized through the exclusive use of listed options and futures traded on registered exchanges. Non-exchange traded options, forwards, or swaps shall be deemed acceptable only if the counterparty is rated, at a minimum, A (Standard & Poor's) or A2 (Moody's).
- Underlying investments: The Manager shall not allocate any monies within its portfolio to any affiliated hedge funds, unless otherwise specifically allowed and disclosed. It is understood that the Manager's underlying managers may invest in private placements, letter stock, other unregistered securities, commodities, or other commodity contracts, and engage in short sales or margin transactions, securities lending, pledging or hypothecating securities.