



**Investment Committee Meeting Agenda
Wednesday, February 13, 2024 4:00 pm
St. Luke's Episcopal Church
5923 Royal Lane, Dallas, TX 75230**

Call to order: Scott Hancock

Business:

Minutes from the November 1, 2023 Investment Committee previously approved. (p.1)

Investment Performance Review (separate packet) - Chris Moore
Portfolio Performance
Economic & Market Outlook

Investment Partner Activity Review – Ticoy Young
Q4 2023 EFD Investment Partner Activity Summaries (p. 2-3)

Other Business

RFP Progress

Investment Policy Review (p. 4-7)

Informational

New Donor-Advised Fund: Canon Jerry and Carroll Morriss Scholarship Fund (\$50,000)
St. John's Dallas to transfer funds this quarter. (~\$100k)
Still waiting for St. James Episcopal School, Texarkana (~\$550k)

Adjourn

**Episcopal Foundation of Dallas
Investment and Finance Committee Meeting
Minutes
Wednesday, November 1, 2023 4:00 p.m.
10000 N. Central Expressway, Suite 400, Dallas, TX 75231**

Committee Members:

Present: Scott Hancock (Committee Chairman), Pat Carrigan (via phone), Ken Hanks, John Stetter, and Andy Welch

Others Attending: Pam Jamieson, Executive Director, Ticoy Young, Accounting Manager, and Chris Moore, Vanguard Senior Investment Consultant

Scott Hancock, Chairman, opened the Investment and Finance Committee meeting at 4:00 p.m.

The minutes from the August 20, 2023 Investment and Finance Committee were previously approved.

Vanguard Senior Investment Consultant Chris Moore reviewed the Foundation's quarterly performance. The overall portfolio market value on September 30, 2023 was \$44,272,749. The pooled portfolio was \$41,833,378, and St. John's (50/50 allocation) was \$2,439,371.

Chris informed the committee that Vanguard is expecting performance to be muted in the near future. He also reviewed the AlphaNasdaq (a new metric for Vanguard) comparisons to EFD by organization type and asset allocation. Chris felt AlphaNasdaq provided a better comparison vs. Common Fund or NACUBO, and we will use these comparisons in our future presentations.

The discussion continued from the August meeting around EFD's asset allocation. The discussion centered around the active management vs passive management and the minimization of fund expenses, and the potential for enhanced performance. No specific changes were recommended at this time.

Other Information for the Committee includes waiting on funds to transfer from St. James Day School, Texarkana.

With no further business, the meeting was adjourned at 4:53 p.m.

active management vs passive and minimization of fund expenses.

Episcopal Foundation of Dallas

Quarterly Statement

For the period 10-01-2023 through 12-31-2023

GLID	GLID Fund Name	Beginning MV	Deposits	Withdrawals	Interest & Dividends	Realized Gains	Unrealized Gains	Management Fee-EFoD	Management Fee-Vanguard	Ending MV
Agency - Pooled										
1001	Frank Hughes Estate - St. Luke's	914,096.61	0.00	(42,956.00)	25,399.59	5,981.13	57,010.18	(1,256.88)	(421.15)	957,853.48
1004	Amistad Mission	1,700,719.37	0.00	0.00	47,938.48	11,189.72	108,481.02	(2,338.49)	(795.19)	1,865,194.91
1008	Episcopal Health Foundation of Dallas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1010	Alice L. Bomar Trust - St. Paul's	41,863.57	0.00	0.00	1,180.01	275.44	2,670.28	(57.56)	(19.57)	45,912.17
1011	Church of the Incarnation Pension Trust	2,311,029.25	0.00	(265,325.52)	59,773.91	14,720.50	128,417.40	(3,177.66)	(989.04)	2,244,448.84
1012	Our Merciful Saviour Episcopal Church	82,109.21	0.00	0.00	2,314.43	540.23	5,237.36	(112.90)	(38.39)	90,049.94
1015	Annie Harris Norton Fund - Trinity Church	5,502.13	0.00	0.00	155.10	36.20	350.95	(7.57)	(2.57)	6,034.24
1016	St. Alban's Scholarship Fund	14,001.73	0.00	0.00	394.67	92.12	893.11	(19.25)	(6.55)	15,355.83
1018	St. John's Episcopal School	3,541,027.86	0.00	0.00	99,811.58	23,297.85	225,865.80	(4,868.90)	(1,655.65)	3,883,478.54
1020	St. Mark's Episcopal Church	229,067.78	0.00	0.00	6,456.78	1,507.13	14,611.17	(314.97)	(107.10)	251,220.79
1025	St. Peter's Foundation	262,601.99	27,000.00	0.00	7,882.54	1,771.15	18,450.46	(361.08)	(130.98)	317,214.08
1027	Parish Episcopal School Fund	1,055,885.33	0.00	0.00	29,762.42	6,947.10	67,350.05	(1,451.84)	(493.69)	1,157,999.37
1030	Good Shepherd Episcopal Church	73,507.39	0.00	0.00	2,071.97	483.63	4,688.70	(101.07)	(34.37)	80,616.25
1031	Petrash Scholarship Fund - St. Luke's	17,168.88	0.00	0.00	483.94	112.96	1,095.13	(23.61)	(8.03)	18,829.27
1033	The Santiago Foundation - St. James'	877,454.55	0.00	0.00	24,732.96	5,773.13	55,968.77	(1,206.50)	(410.26)	962,312.65
1034	St. Augustine's Episcopal Church	455,091.85	0.00	(40,000.00)	12,827.76	2,994.23	29,028.19	(625.75)	(212.78)	459,103.50
1036	St. Matthew's Cathedral Revolving Fund	776.51	0.00	0.00	21.89	5.11	49.52	(1.07)	(0.36)	851.60
1037	St. Matthew's Cathedral Endowment Fund	3,688,386.92	0.00	(44,699.00)	103,084.09	24,189.82	233,689.33	(5,071.52)	(1,719.09)	3,997,860.55
1038	Holy Nativity Episcopal Church	111,952.89	0.00	0.00	3,155.64	736.58	7,140.95	(153.94)	(52.34)	122,779.78
1040	ECR - Building Fund	241,677.51	0.00	0.00	6,812.21	1,590.09	15,415.49	(332.31)	(113.00)	265,049.99
1041	St. Luke's Episcopal Church Restricted Endowment	1,211,630.65	9,136.55	(1,250.00)	34,407.87	7,994.87	78,188.11	(1,665.99)	(570.87)	1,337,871.19
1042	St. Luke's Scholarship Funds - McLaurin	134,220.76	0.00	0.00	3,783.31	883.09	8,561.32	(184.55)	(62.76)	147,201.17
1044	St. Thomas the Apostle Episcopal Church	316,898.61	0.00	0.00	8,932.48	2,085.01	20,213.49	(435.74)	(148.17)	347,545.68
1047	St. Andrew's Episcopal Church, McKinney	300,792.49	0.00	0.00	8,478.50	1,979.04	19,186.15	(413.59)	(140.64)	329,881.95
1048	St. James Episcopal Church, Dallas	0.00	702,303.05	0.00	18,705.88	1,652.41	38,071.33	0.00	(144.57)	760,588.10
2002	E.D. Farmer Foundation	2,482,924.71	0.00	(28,542.50)	69,179.86	16,263.31	155,519.55	(3,414.02)	(1,147.17)	2,690,783.74
2003	Endowment of the Episcopate	2,465,586.60	0.00	(95,000.00)	66,812.66	15,979.60	147,766.73	(3,390.18)	(1,107.03)	2,596,648.38
2006	St. Paul Memorial Fund	418,094.19	0.00	(175,000.00)	11,784.89	2,750.80	26,668.30	(574.88)	(195.48)	283,527.82
2009	Corporation of the Diocese	2,535,796.33	0.00	0.00	71,476.95	16,684.02	161,746.72	(3,486.71)	(1,185.64)	2,781,031.67
2013	The Mausoleum Perpetual Care Fund - St. Nicholas	135,684.05	0.00	0.00	3,824.55	892.72	8,654.66	(186.57)	(63.44)	148,805.97
2014	Memorial Scholarship Fund	713,046.96	0.00	(74,000.00)	18,007.09	4,502.53	38,080.71	(980.44)	(297.73)	698,359.12
2019	Elizabeth Austin Miller Fund	215,539.15	0.00	(73,000.00)	4,012.02	1,231.79	6,446.99	(296.37)	(65.60)	153,867.98
2020	Junker Fund	162,185.40	0.00	0.00	4,571.55	1,067.08	10,345.06	(223.01)	(75.83)	177,870.25
2021	Price Fund	126,615.85	0.00	0.00	3,568.94	833.06	8,076.24	(174.10)	(59.20)	138,860.79
2023	William B. Clayton Fund	258,266.87	0.00	0.00	7,279.82	1,699.24	16,473.65	(355.12)	(120.76)	283,243.70
2024	Hiram and LaVerne McCurry Fund	402,822.63	0.00	(73,000.00)	9,291.02	2,464.01	18,392.92	(553.88)	(153.17)	359,263.53
2026	Bishop Moore Endowment	52,298.75	0.00	0.00	1,474.15	344.10	3,335.89	(71.91)	(24.45)	57,356.53
2028	Estate of Estelle Smith	572,264.62	0.00	(150,000.00)	11,890.63	3,382.28	21,499.53	(786.86)	(195.28)	458,054.92
2035	Lawrence Blake Scholarship Trust	874,415.95	0.00	(87,834.26)	22,164.60	5,528.93	46,990.02	(1,202.32)	(366.52)	859,696.40
2036	The Gathering	59,041.87	0.00	0.00	1,664.22	388.46	3,766.01	(81.18)	(27.61)	64,751.77
8000	Due To/From Pooled	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(525.45)
Agency - Pooled Totals:		29,062,047.77	738,439.60	(1,150,607.28)	815,570.96	190,850.47	1,814,397.24	(39,960.29)	(13,362.03)	31,416,850.99
Agency - SJES										
4018	St. John's Episcopal School - Operating Reserves	2,439,370.94	0.00	0.00	55,733.74	685.98	160,031.63	(3,354.13)	(1,126.39)	2,651,341.77
Agency - SJES Totals:		2,439,370.94	0.00	0.00	55,733.74	685.98	160,031.63	(3,354.13)	(1,126.39)	2,651,341.77
Donor Advised										
3044	Beecherl Advised Fund	336,622.56	0.00	0.00	9,488.44	2,214.77	21,471.60	(462.86)	(157.39)	369,177.12
3045	J. C. Brown Memorial Scholarship Fund	337,937.78	0.00	(9,500.00)	9,256.98	2,199.18	20,605.33	(464.66)	(153.43)	359,881.18
3046	Bishop Stanton Advised Fund	87,498.21	0.00	(5,000.00)	2,466.33	575.68	5,581.11	(120.31)	(40.91)	90,960.11
3047	Canon Jerry & Carroll Morris Scholarship fund	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	50,000.00
Donor Advised Totals:		762,058.55	50,000.00	(14,500.00)	21,211.75	4,989.63	47,658.04	(1,047.83)	(351.73)	870,018.41
Episcopal Fund										
3041	Episcopal Fund	11,363,968.27	5,300.00	0.00	320,318.15	74,768.10	724,855.15	(15,625.43)	(5,313.37)	12,468,270.87
Episcopal Fund Totals:		11,363,968.27	5,300.00	0.00	320,318.15	74,768.10	724,855.15	(15,625.43)	(5,313.37)	12,468,270.87
Trustee Fund										
3042	The Julie and Louis Beecherl Trustee's Fund	645,302.99	0.00	(25,000.00)	17,482.62	4,181.89	38,660.46	(887.29)	(289.67)	679,451.00
Trustee Fund Totals:		645,302.99	0.00	(25,000.00)	17,482.62	4,181.89	38,660.46	(887.29)	(289.67)	679,451.00
Totals:		44,272,748.52	793,739.60	(1,190,107.28)	1,230,317.22	275,476.07	2,785,602.52	(60,874.97)	(20,443.19)	48,085,933.04

Episcopal Foundation of Dallas												
Statement												
For the period 01-01-2023 through 12-31-2023												
	GLID	GLID Fund Name	Beginning MV	Deposits	Withdrawals	Interest & Dividends	Realized Gains	Unrealized Gains	Management Fee-EFoD	Management Fee-Vanguard	Ending MV	
Agency - Pooled												
	1001	Frank Hughes Estate - St. Luke's	915,048.13		0.00	(104,662.00)	36,919.52	8,760.45	108,147.86	(5,144.48)	(1,216.00)	957,853.48
	1004	Amistad Mission	1,596,195.84		0.00	0.00	68,899.47	16,172.99	195,455.91	(9,272.56)	(2,256.74)	1,865,194.91
	1008	Episcopal Health Foundation of Dallas	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	1010	Alice L. Bomar Trust - St. Paul's	39,290.70		0.00	0.00	1,695.98	398.11	4,811.18	(228.25)	(55.55)	45,912.17
	1011	Church of the Incarnation Pension Trust	2,094,518.76	102,328.00	(287,607.08)	88,231.68	21,475.99	240,981.60	(12,501.37)	(2,978.74)	2,244,448.84	
	1012	Our Merciful Saviour Episcopal Church	78,458.14	3,000.00	(4,700.00)	3,357.98	787.04	9,716.48	(458.04)	(111.66)	90,049.94	
	1015	Annie Harris Norton Fund - Trinity Church	5,163.98	0.00	0.00	222.92	52.32	632.32	(30.00)	(7.30)	6,034.24	
	1016	St. Alban's Scholarship Fund	13,141.21	0.00	0.00	567.24	133.15	1,609.16	(76.34)	(18.59)	15,355.83	
	1018	St. John's Episcopal School	3,323,401.88	0.00	0.00	143,453.95	33,673.43	406,954.17	(19,306.18)	(4,698.71)	3,883,478.54	
	1020	St. Mark's Episcopal Church	214,989.64	0.00	0.00	9,279.98	2,178.32	26,325.71	(1,248.91)	(303.95)	251,220.79	
	1025	St. Peter's Foundation	249,595.28	29,100.00	(5,485.00)	11,119.59	2,544.16	32,133.55	(1,437.62)	(355.88)	317,214.08	
	1027	Parish Episcopal School Fund	1,693,691.49	0.00	(725,500.00)	43,680.76	11,521.00	142,826.87	(6,723.05)	(1,497.70)	1,157,999.37	
	1030	Good Shepherd Episcopal Church	68,989.74	0.00	0.00	2,977.93	699.03	8,447.87	(400.77)	(97.55)	80,616.25	
	1031	Petrash Scholarship Fund - St. Luke's	16,113.71	0.00	0.00	695.53	163.27	1,973.16	(93.61)	(22.79)	18,829.27	
	1033	The Santiago Foundation - St. James'	866,685.81	0.00	(46,000.00)	35,575.17	8,371.61	103,687.73	(4,843.35)	(1,164.32)	962,312.65	
	1034	St. Augustine's Episcopal Church	98,041.30	383,180.43	(75,000.00)	17,472.05	3,675.80	34,397.54	(2,091.11)	(572.51)	459,103.50	
	1036	St. Matthew's Cathedral Revolving Fund	728.78	0.00	0.00	31.46	7.38	89.23	(4.23)	(1.02)	851.60	
	1037	St. Matthew's Cathedral Endowment Fund	3,564,783.36	0.00	(155,196.00)	149,143.90	35,216.90	429,227.76	(20,389.02)	(4,926.35)	3,997,860.55	
	1038	Holy Nativity Episcopal Church	105,072.45	0.00	0.00	4,535.43	1,064.61	12,866.24	(610.40)	(148.55)	122,779.78	
	1040	ECR - Building Fund	289,235.08	0.00	(66,497.52)	10,610.39	2,493.07	31,175.60	(1,588.79)	(377.84)	265,049.99	
	1041	St. Luke's Episcopal Church Restricted Endowment	1,111,685.07	36,555.37	(1,250.00)	49,215.84	11,488.47	138,317.44	(6,534.62)	(1,606.38)	1,337,871.19	
	1042	St. Luke's Scholarship Funds - McLaurin	130,511.42	0.00	(5,000.00)	5,478.80	1,285.63	15,849.95	(744.63)	(180.00)	147,201.17	
	1044	St. Thomas the Apostle Episcopal Church	297,422.53	0.00	0.00	12,838.19	3,013.55	36,419.70	(1,727.79)	(420.50)	347,545.68	
	1047	St. Andrew's Episcopal Church, McKinney	0.00	300,000.00	0.00	11,110.26	2,360.33	17,800.92	(1,048.56)	(341.00)	329,881.95	
	1048	St. James Episcopal Church, Dallas	0.00	702,303.05	0.00	18,705.88	1,652.41	38,071.33	0.00	(144.57)	760,588.10	
	2002	E.D. Farmer Foundation	2,330,328.07	0.00	(28,542.50)	99,781.37	23,538.53	282,496.44	(13,537.25)	(3,280.92)	2,690,783.74	
	2003	Endowment of the Episcopate	2,314,055.55	0.00	(95,000.00)	97,200.47	23,204.02	273,856.96	(13,442.73)	(3,225.89)	2,596,648.38	
	2006	St. Paul Memorial Fund	392,398.78	0.00	(175,000.00)	16,937.81	3,975.86	48,049.66	(2,279.51)	(554.78)	283,527.82	
	2009	Corporation of the Diocese	2,379,950.28	0.00	0.00	102,730.07	24,114.16	291,427.49	(13,825.50)	(3,364.83)	2,781,031.67	
	2013	The Mausoleum Perpetual Care Fund - St. Nicholas	127,345.13	0.00	0.00	5,496.83	1,290.28	15,593.56	(739.78)	(180.05)	148,805.97	
	2014	Memorial Scholarship Fund	669,224.21	0.00	(74,000.00)	26,795.23	6,591.81	74,546.00	(3,887.63)	(910.50)	698,359.12	
	2019	Elizabeth Austin Miller Fund	202,292.45	0.00	(73,000.00)	6,668.49	1,863.34	17,469.68	(1,175.15)	(250.83)	153,867.98	
	2020	Junker Fund	152,217.74	0.00	0.00	6,570.45	1,542.30	18,639.23	(884.26)	(215.21)	177,870.25	
	2021	Price Fund	118,834.25	0.00	0.00	5,129.46	1,204.05	14,551.38	(690.34)	(168.01)	138,860.79	
	2023	William B. Clayton Fund	242,394.20	0.00	0.00	10,462.90	2,455.99	29,681.43	(1,408.11)	(342.71)	283,243.70	
	2024	Hiram and LaVerne McCurry Fund	378,065.79	0.00	(73,000.00)	14,255.72	3,644.31	38,993.30	(2,196.25)	(499.34)	359,263.53	
	2026	Bishop Moore Endowment	49,084.55	0.00	0.00	2,118.73	497.34	6,010.44	(285.14)	(69.39)	57,356.53	
	2028	Estate of Estelle Smith	537,094.15	0.00	(150,000.00)	18,943.66	5,059.07	50,765.18	(3,120.07)	(687.07)	458,054.92	
	2035	Lawrence Blake Scholarship Trust	820,675.73	0.00	(87,834.26)	32,941.58	8,091.05	91,707.71	(4,767.44)	(1,117.97)	859,696.40	
	2036	The Gathering	55,413.25	0.00	0.00	2,391.91	561.45	6,785.41	(321.90)	(78.35)	64,751.77	
	8000	Due To/From Pooled	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(525.45)	
Agency - Pooled Totals:			27,542,138.43	1,556,466.85	(2,233,274.36)	1,174,244.58	276,822.58	3,298,493.15	(159,064.74)	(38,450.05)	31,416,850.99	
Agency - SJES												
	4018	St. John's Episcopal School - Operating Reserves	2,340,292.58	0.00	0.00	93,599.35	1,153.41	232,938.19	(13,408.43)	(3,233.33)	2,651,341.77	
Agency - SJES Totals:			2,340,292.58	0.00	0.00	93,599.35	1,153.41	232,938.19	(13,408.43)	(3,233.33)	2,651,341.77	
Donor Advised												
	3044	Beecherl Advised Fund	315,934.27	0.00	0.00	13,637.23	3,201.12	38,686.49	(1,835.32)	(446.67)	369,177.12	
	3045	J. C. Brown Memorial Scholarship Fund	326,183.05	0.00	(19,000.00)	13,464.82	3,207.16	38,341.73	(1,867.99)	(447.59)	359,881.18	
	3046	Bishop Stanton Advised Fund	86,846.81	0.00	(10,000.00)	3,560.40	841.57	10,311.64	(483.56)	(116.75)	90,960.11	
	3047	Canon Jerry & Carroll Morriss Scholarship fund	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	50,000.00	
Donor Advised Totals:			728,964.13	50,000.00	(29,000.00)	30,662.45	7,249.85	87,339.86	(4,186.87)	(1,011.01)	870,018.41	
Episcopal Fund												
	3041	Episcopal Fund	11,158,491.08	7,950.00	(524,480.00)	460,762.31	108,535.90	1,334,741.16	(62,635.71)	(15,093.87)	12,468,270.87	
Episcopal Fund Totals:			11,158,491.08	7,950.00	(524,480.00)	460,762.31	108,535.90	1,334,741.16	(62,635.71)	(15,093.87)	12,468,270.87	
Trustee Fund												
	3042	The Julie and Louis Beecherl Trustee's Fund	609,517.97	0.00	(29,000.00)	25,440.82	6,080.84	71,779.73	(3,523.61)	(844.75)	679,451.00	
Trustee Fund Totals:			609,517.97	0.00	(29,000.00)	25,440.82	6,080.84	71,779.73	(3,523.61)	(844.75)	679,451.00	
Totals:			42,379,404.19	1,614,416.85	(2,815,754.36)	1,784,709.51	399,842.58	5,025,292.09	(242,819.36)	(58,633.01)	48,085,933.04	



EPISCOPAL FOUNDATION OF DALLAS

Investment Policy Statement

Organizational Summary

The Episcopal Foundation of Dallas is organized as a Texas non-profit corporation and is qualified as a Section 501(c)(3) exempt organization.

The Foundation is a separate, independent entity, organized and operating outside of the jurisdiction of the Episcopal Diocese of Dallas, The Episcopal Church and the Diocesan and General Conventions of the Church with its own independent Board of Trustees

Investment Objectives

The Board of Trustees of the Foundation is responsible for implementing the following investment objectives:

- A. Preservation of the assets through an investment return sufficient to offset inflation.
- B. Enhancement, where possible, of the assets through an investment return sufficient to achieve payout objectives and to preserve the real value of the corpus.

Definition of Responsibilities

The Board of Trustees has the final authority with respect to the invested assets of the Foundation and for the Investment Policy Guidelines adopted for the supervision of such assets.

The Board of Trustees shall appoint an Investment and Finance Committee ("Committee") of 10 members or less who will be responsible for the supervision of the investment portfolio of the Foundation, subject to the Investment Policy.

The Committee assists the Board of Trustees in carrying out its duties as follows:

- Develops and reviews the Foundation's investment policies.
- Ensures that the investment policies are disciplined and consistent.
- Allocates assets among investment managers and investment styles, including selection of acceptable asset classes, allowable ranges of holdings by asset class and individual investment managers as a percent of assets, the definition of acceptable securities within each asset class, and investment performance expectations.
- Communicates investment policies to the investment managers. The Committee will review investment performance at least quarterly to assure the policy is being followed and progress is being made toward achieving the objectives.
- Evaluates managers and total fund performance at least annually.
- Evaluates custodians, investment managers and consultants.
- Reports to the Board of Trustees quarterly.

Investment Policy Guidelines

The following guidelines have been established for investments. The standards and ratios are based upon current circumstances and may be revised by the Committee at any time.

ASSET ALLOCATION AND POLICY: Assets shall be invested with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters, would use in investing the assets of like character and kind.

Assets shall be structured to meet the liquidity requirements of the Foundation.

Outlined below are the long-term strategic asset allocation guidelines, determined by the Committee to be the most appropriate, given the Fund's long-term objectives and short-term constraints. Portfolio assets ("Portfolio") will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines:

Asset Class	Sub-Asset Class	Target Allocation
Equity		75%
	Domestic (U.S.)	53%
	International (Non-U.S.)	22%
Fixed Income		25%
	Investment Grade Domestic	25%
	Investment Grade Int'l	0%
Alternatives		0%
Cash		0%

REBALANCING POLICIES: It is expected that the Portfolio's actual asset allocation will vary from its target asset allocation as a result of the varying periodic returns earned on its investments in different asset and sub-asset classes. The Portfolio will be re-balanced to its target normal asset allocation under the following circumstances:

- A. Utilize incoming cash flow (contributions) or outgoing money movements (disbursements) of the portfolio to realign the current weightings closer to the target weightings for the portfolio.
- B. The portfolio will be reviewed quarterly to determine the deviation from target weightings. During each quarterly review, if any Asset Class (defined as Equity, Fixed Income, Alternatives, or Cash) within the portfolio is +/-5 percentage points from its target weighting, the portfolio will be rebalanced.
- C. The investment manager may provide a rebalancing recommendation at any time.
- D. The investment manager shall act within a reasonable period of time to evaluate deviation from these ranges and promptly notify the Committee.

Prohibited Investments and Practices

Unless expressly authorized by the Committee, the Portfolio and its investment managers are prohibited from:

- A. Purchasing securities on margin or executing short sales.
- B. Pledging or hypothecating securities, except for loans of securities that are fully collateralized.
- C. Purchasing or selling derivative securities for speculation or leverage.
- D. Engaging in investment strategies that have the potential to amplify or distort the risk of loss beyond a level that is reasonably expected given the objectives of their portfolios.

Portfolio Monitoring and Performance Expectations

The Committee will monitor the Portfolio's investment performance against the Portfolio's stated investment objectives. At a frequency to be decided by the Committee, it will formally assess the Portfolio and the performance of its underlying investments as follows:

- A. The Portfolio's composite investment performance (net of fees) will be judged against the following standards:
 - 1. The Portfolio's absolute long-term real return objective.
 - 2. A composite benchmark consisting of the following unmanaged market indices weighted according to the expected target asset allocations stipulated by the Portfolio's investment guidelines.
 - a) U.S. Equity: CRSP US Total Market Index or a similar broad domestic equity index
 - b) Non-U.S. Equity: FTSE Global All Cap ex US Index or a similar broad international equity index
 - c) Investment Grade Fixed Income: Barclays Capital US Aggregate Float Adjusted Index and/or Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD hedged)
 - d) Alternatives - TBD
 - e) Cash: Citigroup 3-Month T-Bill Index
- B. The performance of investment managers hired on behalf of the Portfolio will be judged against the following standards:
 - 1. A market-based index appropriately selected or tailored to the investment managers agreed-upon investment objective and the normal investment characteristics of the investment manager's portfolio.
 - 2. The performance of other investment managers having similar investment objectives.
- C. In keeping with the Portfolio's overall long-term financial objective, the Committee will evaluate Portfolio and investment manager performance over a suitably long-term

investment horizon, generally across full market cycles or, at a minimum, on a rolling five-year basis.

- D. Investment reports shall be provided by the investment manager(s) on a (calendar) quarterly basis or as more frequently requested by the Committee. Each investment manager is expected to be available to meet with the Committee once per year to review portfolio structure, strategy, and investment performance.
- E. The Board of Trustees will review the Foundation's investment policy annually.