



INVESTMENT POLICY

This policy shall apply to all assets which are owned or managed by the Central Pennsylvania Community Foundation. The goal of the Foundation is to ensure maximum income on a “total return” basis while protecting the assets of the Foundation through prudent investment practice. The Finance Committee is responsible for making recommendations to the Board of Directors on amendments to this policy and selection of Investment Managers. Investment managers should be Bank Trust Departments or Registered Investment Advisors (RIA).

Fund Needs

All funds within the Central Pennsylvania Community Foundation will be classified as one of the following classes:

- Class I – Conservative (income driven)
- Class II – Moderate (balance of growth and income)
- Class III – Growth Emphasis

Asset Allocation

Although investment and market conditions may dictate some tactical variation, the strategies asset mix, consistent with the long-term objective of the Foundation is as follows:

- Class I - 0% – 35% equities; 65% - 100% fixed income
- Class II - 40% – 60% equities; 40% - 60% fixed income
- Class III- 60% – 80% equities; 20% - 40% fixed income

The following would be examples of fixed income that should be used but would not be limited to:
Treasury bills, bonds, utilities, and Ginny Mae.

An exception may be made to the above guidelines, at the discretion of the Foundation Finance Committee.

Equities

The general policy, of the Community Foundation, is to sell equities upon receipt.

Administration

The investment Managers are required to submit the following reports:

1. Quarterly Reports

- a. The portfolio composition (i.e., asset mix at book and at market values) for each major class of security, including cash equivalents.
- b. Individual security holdings.
- c. Description of all transactions.
- d. Performance statistics
- e. Information on economic and market factors affecting performance.

2. Review Meeting

The investment manager will be expected to meet with the Foundation's Finance Committee as called upon, at least once annually.

3. Audit

Investment managers will cooperate with the Foundation's Finance Committee, Executive Director and external accountants selected by the Foundation.

4. Status Changes

The Foundation must be notified immediately, in writing, if there is action taken that would change licensure or the authority by which the organization provides investment services.

Donors

The donor will be given the opportunity to recommend an Investment Manager from a list from the Foundation. The following statements will be added as the last paragraph of each form used for the establishment of funds: I (donor's name) recommend (Investment Manager) for investment through the Central Pennsylvania Community Foundation. I understand that the Foundation has the ultimate responsibility for the selection of the investment manager and may change the investment manager at a later date.

Approved by the Board of Directors on June 23,1998. Reviewed December 31, 2010. Reviewed 12-5-2011. Reviewed 12-3-12. Reviewed 12-9-13. Reviewed 12-8-14. Reviewed 12-7-15. Reviewed 12-5-16. Reviewed 12-4-2017. Reviewed 11-26-2018. Reviewed 12-2-2019. Reviewed 12-16-2020.