

York County Community Foundation (YCCF)

Investment Policy Statement

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I. DEFINITIONS

BACKGROUND

The York County Community Foundation is a community foundation which makes grants, loans and other awards to charitable organizations which benefit primarily the York County community. These awards are generally made from the investment returns generated by a pool of assets dedicated to the charitable benefit of the community in perpetuity.

PURPOSE

The Investment Policy Statement was adopted by the Board of Directors of The York County Community Foundation (the "Board") to insure good philanthropic stewardship and prudent investment of its investment portfolio (the "Portfolio") in a manner consistent with the investment objectives stated herein. The Board has delegated detailed financial oversight of the Portfolio to the Investment Committee (the "Committee").

This Investment Policy Statement shall be used by the Committee in its duty to oversee (in managing, monitoring and reporting on the investment portfolio) the investment portfolio and by the Portfolio's Custodians, Investment Managers and Investment Consultant.

It is expected that this document will be reviewed annually by the Committee. Any revisions will be recommended by the Committee to the Board and the Board will have final approval.

INVESTMENT PHILOSOPHY

The Investment Objective of the York County Community Foundation can be summarized as follows:

- Preserve capital
- Strive for consistent real returns
- Preserve purchasing power by striving for long-term returns which exceed the sum of payout, fees and inflation
- Earn the highest possible return given the risk tolerance established by the York County Community Foundation.

In order to achieve its investment objective, York County Community Foundation will

- Strive to be fully invested, maintaining only those cash balances sufficient to meet liquidity requirements.
- Hire independent, professional management.
- Maintain diversification of assets both by asset type and/or by manager to ensure that adverse results from one security class will not have an unduly detrimental effect on the entire portfolio.

SCOPE

This Policy shall apply to all assets (unless a separate policy is adopted) which are owned or managed by York County Community Foundation.

GENERAL STANDARDS

In seeking to attain the investment objectives set forth in the policy, the members of the Committee must act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner reasonably believed to be in the best interest of the Foundation. Members of the Committee must provide full and fair disclosure to the Committee of all material facts regarding any potential conflicts of interests.

DEFINITION OF DUTIES/RESPONSIBILITIES

The Board has the final responsibility for overseeing the investment of the Portfolio. The Board must ensure that appropriate policies governing the management of the Portfolio are in place and that these policies are being effectively implemented. To implement these responsibilities, the Board sets and approves the Investment Policy Statement, approves the Asset Allocation and delegates responsibility to the Investment Committee for implementation and ongoing monitoring. At least annually the Board will receive a performance report and review of the Investment Policy Statement from the Committee.

INVESTMENT COMMITTEE. The Investment Committee is responsible for implementing and assuring adherence to this Policy. The Investment Committee will:

1. Determine the amount of money to be allocated to each Investment Manager.
2. Recommend Target Asset Allocations for each portfolio consistent with the Asset Allocation Section on Page 3 of the IPS below for Board approval.
3. Evaluate each Investment Manager's performance at least quarterly relative to the appropriate benchmarks.
4. Meet with each Investment Manager as appropriate to review their performance, philosophy and to assess that each manager's investment fees are in line with peers.
5. Report to the Board regularly on Investment Manager Results.
6. Approve the addition or deletion of an Investment Manager(s). Prospective Manager(s) will be evaluated based on investment philosophy, past performance, general credibility and reputation, consistency of results and fee structure.
7. Approve short term exceptions to this Policy and report to the Board.
8. Assure that each portfolio is rebalanced on an as needed basis.
9. Assure that Investment managers adhere to this Investment Policy.
10. Assure that each portfolio is appropriately diversified by asset type, management style, and manager and that each manager stays true to its investment style/discipline.
11. Maintain written guidelines for each portfolio to include the Target Asset Allocation, an Investment Objective and any additions or exceptions to the Investment Guidelines given in this Policy necessitated by legal or other constraints.
12. The Investment Committee shall have the authority to transfer a manager's funds into an index fund or Exchange Traded Fund (ETF) comparable to their asset allocation class, on a short-term basis.
13. The Investment Committee will review, evaluate and recommend to the Board the selection of any Investment Consultant(s) and Custodian(s).

STAFF. The President and/or the Chief Financial Officer will be responsible for day to day contact with the Investment Manager(s). See related policy dealing with Stock Gifts.

II. OBJECTIVES

The Performance Objective is to grow the market value of assets net of inflation, spending, and expenses, over a full market cycle (generally defined as a three to five year period) without undue exposure to risk. In quantitative terms, the objective is to earn a total return exceeding CPI + 6% without exceeding a standard deviation of 1.2 times a weighted benchmark index.⁽¹⁾ The benchmark index will be comprised of each asset class index weighted by its target allocation. It is also expected that the portfolio will outperform this weighted benchmark index over a full market cycle.

STRATEGY

Because the Portfolio is expected to endure into perpetuity, and because inflation is a key component in its Performance Objective, the long-term risk of not investing in growth securities outweighs the short-term volatility risk. As a result, the majority of assets will be invested in equity or equity-like securities. Fixed income securities will be used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity markets. Cash is not a strategic asset of the portfolio, but is a residual to the investment process and used to meet short-term liquidity needs. Other asset classes are included to provide diversification (e.g. international equities) and incremental return (e.g. small cap equities).

The term "Equities" includes common stock, equity mutual funds, convertible bonds and preferred stock.

The term "Fixed Income Securities" indicates any instrument that provides for contractual payments and has a specific maturity date greater than one year.

ASSET CLASS	TARGET	ACCEPTABLE RANGE
Domestic Equity – Large	27.5%	20% - 40%
Large Cap Core	12.5%	5% - 20%
Large Cap Growth	7.5%	5% - 15%
Large Cap Value	7.5%	5% - 15%
Domestic Equity – Mid	7.5%	0% - 15%
Mid Cap Core	7.5%	0% - 15%
Domestic Equity – Small	7.5%	5% - 15%
Small Cap Growth	3.75%	2.5% - 7.5%
Small Cap Value	3.75%	2.5% - 7.5%
International Equity	20.0%	10% - 30%
International Equity	10.0%	5% - 15%
Emerging Markets	5.0%	2.5% - 7.5%
International Small Cap	5.0%	2.5% - 7.5%
TOTAL EQUITY	62.5%	52.5% - 72.5%
Fixed Income	17.5%	15% - 35%
Core Fixed Income	13.5%	7.5% - 35%
High Yield/Bank Loans	4.0%	0% - 10%
TIPS (Treasury Inflation Protected Securities)	0.0%	0% - 10%
Alternatives	20%	0% - 30%
Directional Long/Short Hedge Funds	5%	0% - 15%
Absolute Return Hedge Fund of Funds	5%	0% - 15%
Real Estate Investments	5%	0% - 10%
Commodities	5%	0% - 10%
Cash	0%	0% - 10%
TOTAL	100%	

⁽¹⁾ This IPS is measured on a total return basis. Total return includes income, realized and unrealized gains.

REBALANCING

In maintaining these asset allocation targets, the Portfolio will remain within the allocation ranges. The appropriateness of this allocation will be reviewed quarterly.

SPENDING POLICY

Background

York County Community Foundation's annual payout to charitable beneficiaries of endowment funds is determined by a Board-approved payout rate known as the Spending Policy. Annually, in September, the Board approves the Spending Policy for the coming year. The Spending Policy for each fund is calculated by applying the payout rate to the average market value of each endowment fund over 12 preceding quarters (or less in the case of newer funds).

The use of a Spending Policy provides for a disciplined stream of income to charitable beneficiaries. It restrains spending in years when total return on funds (growth and income) exceeds the charitable payout, providing for growth of principal – and it enables spending in lean years, even if total return is less than the payout rate.

The intent of the Spending Policy is to provide reasonably stable grants while preserving the inflation-adjusted value of funds. Spending policy development considered the Foundation's dual responsibility to pay out to make charitable distributions and to perpetuate endowments entrusted to it by donors.

Current Policy

The Foundation has initially adopted a spending policy rule in 1993. The terms of the current Spending Policy as approved by the Board of Directors follow:

- 4.5% (general rule)
- 3% for any funds whose June 30 market value is 61%-80% of historic endowment contributions
- 0% for any funds whose June 30 market value is 60% or less of historic endowment contributions

Donor advised funds are eligible for grants and distributions in excess of spending policy, subject to maintaining a minimum fund market value of \$25,000.

Organizational endowments (ie. Heritage Funds) may elect a 0% automatic reinvestment spending option, subject to the limitations above.

Liquidity

A goal of the Foundation is to maintain a balance between investment goals and liquidity needs. Liquidity is necessary to meet the spending policy payout requirements and any extraordinary events. The Committee understands that in many instances, the most appropriate investment option is one that comes with liquidity constraints. The tradeoff between appropriateness and liquidity will be considered throughout the portfolio construction process.

Illiquid and Semi-Liquid Investments

Illiquid investments include private equity, private real estate, and natural resources. Hedge funds are considered semi-liquid due to lock-up periods, redemptions, restrictions, and in some cases, illiquidity of the underlying investments.

Hedge Funds

The objective of the hedge fund allocation is to diversify the Fund and provide returns with low correlation to the public equity and fixed income markets via structural advantages, including controlling market exposure through hedging and increased exposure to manager skill through unconstrained investment management and opportunistic investing.

Hedge funds are not an asset class, but rather an investment vehicle. The majority of hedge funds will have a “lock-up” period of 1-3 years from the date of investment, during which time money generally cannot be withdrawn. Once the lock-up period expires, most hedge funds will then allow redemptions only at scheduled intervals (quarterly, semi-annually, etc.). Hedge funds, therefore, are semi-liquid investments due to the structure of the vehicle rather than the underlying investments (which may or may not be liquid).

For the hedge fund allocation to achieve the expected objectives without unnecessary risk, the Fund should seek access to skilled managers and be diversified. Individual hedge funds may be concentrated on a particular strategy, market or geographic region, but the overall allocation should be diversified. A prudent investment strategy will consider the following areas for diversification.

a. Strategy

The hedge fund universe can be divided into two broad categories: Absolute Return and Directional. Below are the definitions and examples of these strategies.

i. Absolute Return

These strategies are generally non-directional (not correlated to the markets) and tend to utilize multiple strategies that seek to exploit idiosyncratic (unique, non-market) risks that are not impacted by broad economic, political, or social events. Examples of these strategies include: Equity Market Neutral, Fixed Income Arbitrage, Merger Arbitrage, Convertible Arbitrage, and Relative Value Arbitrage.

ii. Directional (Equity Hedge)

These strategies tend to opportunistically invest in a broadly defined market with few constraints. As directional strategies, these funds will tend to be somewhat correlated with market movements, but generally do not closely track a market benchmark. These funds will take both long and short positions, use leverage, and actively manage market exposure. Examples of these strategies include Equity Hedge, Event-Driven, Global Macro, Distressed Securities, Emerging Markets, and Short Selling.

b. Manager Diversification

A “core-satellite” approach of combining a core allocation of fund of funds, with satellite investments in direct funds mitigates manager specific, as well as strategy specific risk.

III. IMPLEMENTATION

It is the intent of the Committee to hire investment managers specializing in market segments to achieve the target asset allocation. The Committee's intent is to select and retain the best managers for each asset class and to maintain long term mutually beneficial relationships with these managers.

The York County Community Foundation hopes to implement this investment policy in a way that honors these long-term relationships while exercising their fiduciary responsibilities to its donors and to the community. The York County Community Foundation believes its donors and our community will be best served by giving these managers the freedom to utilize investment styles that match their internal strengths.

TIME HORIZON

The Foundation seeks to attain investment results over a full market cycle. It does not expect that all investment objectives will be attained in each year and recognizes that over various time periods investment managers may produce significant over or under performance relative to the broad markets. For this reason, long-term investment returns will be measured over a 5-year moving period. The Committee reserves the right to evaluate and make any necessary changes regarding investment managers over a shorter-term using the criteria establish under "Manager Performance Objectives" below.

COMPOSITE PERFORMANCE OBJECTIVES

All investment returns shall be measured net of fees. The performance objectives for The Foundation will be reviewed on an ongoing basis and evaluated upon the following criteria:

- a) Ability to meet or exceed the 50th percentile performance of a blended universe;
- b) Ability to exceed the return of the Broad Policy Benchmark, comprised of 42.5% domestic equity (Russell 3000 Index), 20.0% international equity (MSCI AC World Index Free ex US Index), and 37.5% fixed income (Barclays Capital Aggregate Bond Index).
- c) Ability to produce positive alpha (risk-adjusted return) within the volatility limits set in the chart on the following page.

PRIMARY BENCHMARK

The primary objective of the Foundation is to achieve a total return, net of fees, in excess of spending and inflation.

Total Return greater than Consumer Price Index + 6%

BROAD POLICY BENCHMARK

The secondary objective is to achieve a total return in excess of the policy benchmark, comprised of each broad asset class benchmark weighted by its long-term strategic allocation.

<u>Weight</u>	<u>Index</u>	<u>Asset Class</u>
42.5%	Russell 3000 Index	Domestic Equity
20.0%	MSCI AC World Index Free ex US	International Equity
37.5%	Barclays Capital Aggregate	Fixed Income / Low Volatility

Target Weighted Benchmark

Another investment objective is to achieve a total return in excess of the Target Weighted Benchmark comprised of each asset category benchmark weighted by its target allocation.

The current Target Weighted Benchmark is:

WEIGHT	INDEX	ASSET CATEGORY
27.5%	S&P 500	U.S. LARGE CAP
7.5%	S&P MIDCAP 400	U.S. MID CAP
7.5%	RUSSELL 2000	U.S. SMALL CAP
20.0%	MSCI EAFE AC WORLD EX-US	NON-US DEVELOPED & EMERGING
13.5%	BARCLAYS CAPITAL AGGREGATE BOND	INVESTMENT GRADE BONDS
4.0%	CSFB LEVERAGED LOAN	BANK LOANS
5.0%	MS REIT INDEX <i>(OR APPROPRIATE INDEX)</i>	REAL ESTATE (PUBLIC)
5.0%	C/S TREMONT HFI LONG/SHORT EQUITY	HEDGE FUNDS – DIRECTIONAL
5.0%	US T-BILLS + 3%	HEDGE FUNDS - ABSOLUTE RETURN
5.0%	DJ UBS COMMODITIES INDEX <i>(OR APPROPRIATE INDEX)</i>	COMMODITIES

RISK PARAMETERS

The volatility (beta) is expected to be no greater than 1.20 versus the relevant Policy Benchmark.

MANAGER PERFORMANCE OBJECTIVES

All investment returns shall be measured net of fees. Each investment manager will be reviewed on an ongoing basis and evaluated upon the following criteria:

- a) Ability to meet or exceed the 50th percentile performance of a peer group of managers with similar styles of investing;
- b) Ability to exceed the return of the appropriate benchmark index and, for equity managers, produce positive alpha (risk-adjusted return) within the volatility limits set in the following chart;
- c) Adherence to the guidelines and objectives of this Investment Policy Statement; and,
- d) Avoidance of regulatory actions against the firm, its principals or employees.

Performance shall be evaluated according to the following framework:

Short Term (less than three years) – adherence to the stated philosophy and style of management at the time the investment manager was retained; and, continuity of personnel and practices at the firm.

Intermediate Term (between 3 and 5 years*) – adherence to the stated philosophy and style of management at the time the investment manager was retained; continuity of personnel and practices at the firm; and ability to meet or exceed the 50th percentile performance of other managers who adhere to the same or similar investment style.

Long Term (rolling 5 year periods*) - adherence to the stated philosophy and style of management at the time the investment manager was retained; continuity of personnel and practices at the firm; ability to meet or exceed the 50th percentile performance of other managers who adhere to the same or similar investment style; and, ability to outperform its respective target index.

* Market cycles will vary in duration. Stated time frames apply to typical periods when market cycles occur every three to five years.

SUMMARY of QUANTITATIVE PERFORMANCE OBJECTIVES

The following table summarizes the quantitative performance objectives stated above. Betas will be calculated versus an appropriate index.

ASSET CLASS	INDEX	RISK MEASURE	PEER UNIVERSE ⁽¹⁾
LARGE CAP EQUITY	S&P 500 S&P 100	1.2x Beta	Top 50%
MID CAP EQUITY	MSCI 450 S&P MC 400	1.2x Beta	Top 50%
SMALL CAP EQUITY	Russell 2000	1.2x Beta	Top 50%
INTERNATIONAL EQUITY	MSCI EAFE MSCI AC World ex-US	1.2x Beta	Top 50%
EMERGING MARKETS	MSCI Emerging Markets	1.2x Beta	Top 50%
INTERNATIONAL SMALL CAP	MSCI EAFE Small Cap	1.2x Beta	Top 50%
FIXED INCOME	Barclays Capital Aggregate Bond	+/-20% Duration	Top 50%
HIGH YIELD	Appropriate High Yield Index CSFB Leveraged Loan	1.2x Beta	Top 50%
REAL ESTATE	Appropriate Real Estate Benchmark Index	1.2x Beta	Top 50%
TIPS / Inflation Protected	Appropriate Inflation Protected Benchmark Index	1.2x Beta	Top 50%
Commodities	DJ UBS Commodities Index Or Appropriate Commodities Index	-	Top 50%
HEDGE FUND (LOW VOLATILITY)	HFRI Fund of Funds HFRI Fund of Funds Conservative	-	-
ABSOLUTE RETURN	T-BILLS + 3%	-	-
DIRECTIONAL HFOF	CS Tremont HFIL/S Equity	-	-
TOTAL FUND	CPI + 6%	1.2x Weighted Index	Top 50% (Balanced Universe)

(1) For example, Large Cap Growth Universe.

IV. GUIDELINES AND RESTRICTIONS

A. Overview

In today's rapidly changing and complex financial world, no list or types of categories of investments can provide continuously adequate guidance for achieving the investment objectives. Any such list is likely to be too inflexible to be suitable of the market environment in which investment decisions must be evaluated. Therefore, the process by which investment strategies and decisions are developed, analyzed, adopted, implemented and monitored, and the overall manner in which investment risk is managed, will determine whether an appropriate standard of reasonableness, care and prudence has been met for the Fund's investments.

The requirements stated below apply to investments in non-mutual and non-pooled funds, where the investment manager is able to construct a separate, discretionary account on behalf of the Fund. Although the Committee cannot dictate policy to pooled/mutual fund investment managers, the Committee's intent is to select and retain only pooled/mutual funds with policies that are similar to this Investment Policy Statement. All managers (pooled/mutual and separate), however, are expected to achieve the performance objectives. Each traditional equity and fixed income investment manager shall:

1. Have full investment discretion with regard to security selection consistent with this Investment Policy Statement
2. Immediately notify the Treasurer/CFO/CIO and consultant in writing of any material changes in the investment philosophy, strategy, portfolio structure, ownership, or senior personnel
3. Make no purchase that would cause a position in the portfolio to exceed 5% of the outstanding voting shares of the company or invest with the intent of controlling management

B. Public Equity Manager Guidelines (including REITs)

Each active equity investment manager shall:

1. Assure that no position of any one company exceeds 8% of the manager's total portfolio as measured at market
2. Vote proxies and share tenders in a manner that is in the best interest of the Fund and consistent with the investment objectives contained herein
3. Maintain a minimum of 25 positions in the portfolio to provide adequate diversification;
4. Construct a properly diversified portfolio across sectors and industries
5. U.S. equity managers should have no more than 20% of the total portfolio invested in foreign stocks or American Depository Receipts (ADRs)

C. **Public Fixed Income Manager Guidelines**

1. Each investment grade fixed income investment manager shall:
 - a. Maintain an overall weighted average credit rating of A or better by Moody's and Standard & Poor's
 - b. Hold no more than 10% of the portfolio in below investment grade (Baa/BBB) securities. Split rated securities will be governed by the lower rating
 - c. Maintain a duration within +/-20% of the effective duration of the appropriate benchmark (does not apply to TIPS managers)
 - d. Assure that any one issuer does not exceed 5% of the manager's portfolio, as measured at market value, except for securities issued by the U. S. government or its agencies
2. Each high yield/bank loan investment manager shall:
 - a. Maintain an overall weighted average credit rating of B or better by Moody's and Standard & Poor's
 - b. Hold no more than 20% of the portfolio in investments rated below B. Split rated securities will be governed by the lower rating
 - c. Assure that any one issuer does not exceed 5% of the manager's portfolio, as measured at market value, except for securities issued by the U. S. government or its agencies

D. **Illiquid and Semi-Liquid Investment Guidelines**

Each investment will require a signed Subscription Agreement and Limited Partnership Agreement. The Foundation may wish to have these documents reviewed by independent legal counsel. As these investments are typically private limited partnerships or offshore corporations, the Committee cannot dictate policy. The Committee, however, can request side letters for revisions or addendums to the Limited Partnership Agreement. The manager is ultimately responsible to manage investments in accordance with the Private Placement Agreement (PPM) and Limited Partnership Agreement.

The Foundation is a tax-exempt organization, but certain investments may be subject to taxation on Unrelated Business Taxable Income (UBTI). Given that net risk-adjusted returns are the primary objective of the Fund, potential tax ramifications must be considered during the investment analysis and selection process. The Fund shall seek to minimize UBTI by selecting investment structures and geographic locations most beneficial to the Fund.

E. **Derivative Security Guidelines**

1. For definition purposes, derivative securities include, but are not limited to, structured notes, lower class tranches of collateralized mortgage obligations (CMOs), collateralized loan obligations (CLOs), principal only (PO) or interest only (IO) strips, inverse floating rate securities, futures contracts, forward contracts, swaps, options, short sales, and margin trading. Before allowing managers to utilize derivative instruments, the Committee shall consider certain criteria including, but not limited to, the following:
 - a. Manager's proven expertise
 - b. Value added by utilizing derivatives
 - c. Liquidity of instruments
 - d. Amount of leverage
 - e. Management of counterparty risk
 - f. Manager's internal risk controls and procedures
2. The strategies in which derivatives can be used are:
 - a. Index Funds – Derivatives (typically futures contracts) will be used to securitize cash in order to fully replicate the performance of the index being tracked.
 - b. Portable Alpha – Derivatives (typically futures or swaps) will be used to generate "beta", while the notional exposure amount is actively managed to generate "alpha".
 - c. Fixed Income – Derivatives will be used as a cost efficient means to control and/or hedge risks such as duration, credit, and currency.
 - d. Overlay/Transition Management – Derivatives (typically futures contracts) will be used to securitize cash to maintain the target asset allocation without buying and selling physical securities.
 - e. Hedge Funds – Derivatives will be used for many purposes. These uses include hedging, risk management, leverage, and market exposure. Due to the wide variety of strategies in which hedge funds employ, broad policies regarding prudent use of derivatives cannot be easily defined.

V. MONITORING AND REPORTING

CUSTODIAN(S)

The custodian(s) is an integral part of managing and overseeing the Foundation's portfolio. Open communications with the Foundation, its investment managers and consultant will ensure accurate and timely reporting, and may provide early detection of any unexpected compliance or reporting problems.

The custodian(s) shall:

- a. Provide monthly transaction reports no later than the tenth business day following month end, and monthly asset reports no later than the tenth business day following month end.
- b. Provide the Foundation, its investment managers and consultant special reports as reasonably requested; and
- c. Communicate immediately any concerns regarding portfolio transactions or valuation, or material changes in trustee personnel or procedures.

INVESTMENT MANAGERS

Open communication between the investment managers, the Foundation and its consultant are critical to the success of the Foundation. The following shall be provided by the manager in its meetings with the Committee.

1. A written review of key investment decisions, investment performance and portfolio structure.
2. A commentary of investment results in light of the current investment environment and their asset allocation guidelines.
3. A review of the key investment decisions and the rationale for these decisions.
4. A discussion of the Manager's outlook and what specific decisions this outlook may dictate.
5. Any recommendations as to changes in goals and guidelines in light of material and sustained changes in the capital markets.
6. An organizational update, including a report on any and all changes in organizational structure, investment personnel and process and a list of new relationships or clients that have terminated their services.
7. A review of the managers understanding of investment guidelines and expectations and any suggestions to improve the policy or guidelines.

In addition, the following is required of each investment manager:

1. Monthly transaction and asset statements shall be provided to the Foundation, its consultant and custodian no later than the tenth business day following month end;
2. Quarterly performance reviews;

3. Immediate notification to the Foundation and its consultant of any exceptions to this investment policy statement with a recommended plan of action to correct the violation;
4. Annual summary of proxy voting and soft dollar brokerage as defined in the respective sections of this Investment Policy Statement;
5. Other reports or information as may be reasonably be requested by the Foundation, its consultant or custodian.

CONSULTANT

The Investment Consultant is responsible for assisting the Committee in all aspects of managing and overseeing the Foundation's investment portfolio. The consultant is the primary source of investment education and investment manager information. On an ongoing basis the consultant will:

1. Provide the Foundation's staff with a quarterly summary of investment performance within 25 days following the end of the quarter;
2. Provide the Committee with quarterly performance reports within 45 days following the end of the quarter;
3. Meet with the Committee at least quarterly;
4. Monitor the activities of each investment manager or investment fund;
5. Provide the Committee with an annual review of this Investment Policy Statement, including an assessment of the Foundation's current asset allocation (with a review of the level of risk taken and the appropriateness of diversification relative to return), spending policy and investment objectives; and
6. Supply the Committee with other reports or information as reasonably requested.

VI. ACKNOWLEDGEMENT

We recognize the importance of adhering to the mission and strategy detailed in this document and agrees to work to fulfill the objectives stated herein, within the guidelines and restrictions, to the best of our ability. We acknowledge that open communications are essential to fulfilling this mission and if at any time we wish to discuss improvements to this document they are welcome and should be referred through the Foundation or its consultant.

York County Community Foundation

(date)

Fund Evaluation Group, LLC

(date)

VII. ACKNOWLEDGEMENT

We recognize the importance of adhering to the mission and strategy detailed in this document and agrees to work to fulfill the objectives stated herein, within the guidelines and restrictions, to the best of our ability. We acknowledge that open communications are essential to fulfilling this mission and if at any time we wish to discuss improvements to this document they are welcome and should be referred through the Foundation or its consultant.

MANAGER NAME

(date)