Statement of Investment Policies and Objectives

GiveWell Community Foundation, Inc.

May 24, 2022

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Appendices

IPS Version Control

Policy Version	Date Drafted	Date Adopted	Reason for Revision
1		June 2010	Minor wordsmithing; Minor changes to allocation table; Changes to language reflecting Investment Committee as primary responsibility as opposed to Board; Added definitions for alternative assets and clarification to International classification.
2		October 2012	Amended allocation to include less traditional fixed income and introduce lower volatility equity strategies and non-traditional fixed income; Added Cash Pool to allow 1 year of distributions to be separated from the Long-Term Investment pool
3	April 2013	June 6, 2013	Reduction of target rate of return to 7.5%
4	July 2017	September 2017	Reconfigure for additional benchmarking detail and movement of allocation tables to Appendix – added Fiduciary Calendar to IPS
5	Jan 2019		Updated Fiduciary calendar for Calendar Year 2019 and revised Fixed Income manager management guidelines
6	April 2019	May 2019	Updated guidelines for management
7	July 2020	July 2020	Updated Fiduciary Calendar and amended benchmarks for manager comparison
8	July 2021	July 2021	Minor revisions to Appendices 1,2&3; added Appendix 4
9	Dec 2021	Jan 2022	Allow Individually Managed Accounts; added Policy as Appendix 5
10	May 2022	May 2022	Individually Managed Account minimum reduced to $1 million

I. PURPOSE

This Investment Policy Statement serves as an operating document to guide the investment activities of the Foundation. It establishes guidelines as to how the Investment Assets of the Foundation are managed. The guidelines within the Investment Policy Statement are designed to enhance the probability of achieving the goals and objectives of the Foundation in a manner that is consistent with the laws, regulations and policies that govern the prudent management of investment assets in a fiduciary setting. The Investment Policy Statement is further intended as a reference tool, as well as an operating code and communications link, between the Boardof Directors, the Investment Committee, the Foundation Staff, its Investment Consultant, and its Investment Managers.

The Investment Policy Statement further provides guidance in the following areas:

- Defining the responsibilities of the Board of Directors, the Investment Committee and the Foundation Staff for managing the investment process and overseeing outside investment professionals;
- Selecting Investment Managers;
- Ensuring prudent diversification of the Investment Assets;
- Establishing asset allocation targets and suitable ranges within various asset classes and investment styles deemed suitable for these Investment Assets;
- Establishing investment performance objectives for the Investment Assets;
- Defining the investment philosophy, strategy and structure for the Investment Assets; and
- Determining an appropriate risk level for the Investment Assets.

Pursuant to the Florida Uniform Prudent Management of Institutional Funds Act, which sets the standard of conduct for the managing and investing of institutional funds, the Board of Directors, the Investment Committee, and Foundation Staff will use reasonable care and caution, as would be exercised by a prudent investor, and will take into consideration the following factors when implementing the investment policy for the Investment Assets of the Foundation:

- The general economic conditions;
- The possible effects of inflation and deflation;
- The expected tax consequences, if any, of investment decisions or strategies;
- The role each investment or course of action plays within the overall investment policy;
- The expected total return from income and the appreciation of investments;
- Other resources of the Foundation;
- The needs of the Foundation to make distributions from the Investment Assets and to preserve capital; and
- An asset's special relationship or special value to the purpose of the Foundation.

II. DEFINITIONS

"Foundation" means the GIVEWELL COMMUNITY FOUNDATION, INC., Lakeland, Florida, a Florida not-for-profit corporation.

"Board of Directors" is the governing body of the Foundation.

"Fiduciary" means any individual or group of individuals that exercise authority or control over the management, disposition or administration of the Foundation's Investment Assets.

"Investment Committee" is the committee appointed by the Board of Directors charged with recommending investment policies, overseeing management of the Investment Assets, and execution of the Investment Policy.

"Investment Assets" consists of all assets so designated by the Board of Directors to provide capital appreciation and earnings sufficient to fulfill the purpose and mission of the Foundation.

"Investment Consultant" shall mean any individual or organization employed to provide advisory services to the Investment Committee and the Foundation, including advice on investment policy, investment goals and objectives, asset allocations, manager searches and selection, and performance measurement and evaluation for both the Investment Assets and for Investment Managers.

"Investment Manager" shall mean any individual or group of individuals selected and employed by the Foundation through the Investment Committee to manage all or part of the Investment Assets.

"Investment Policy" is this Investment Policy Statement of the Foundation, as approved by the Board of Directors based on the recommendations of the Investment Committee.

III. ROLES AND RESPONSIBILITIES

The Board of Directors of the Foundation recognizes its responsibilities to manage the Investment Assets and will seek to do so prudently and in full compliance with all applicable policies, laws and regulations, in order to enhance the long-term returns of the Investment Assets within the established risk parameters.

The Board of Directors has delegated certain investment responsibilities to the Investment Committee. The Investment Committee, in turn, has delegated certain investment, administrative, operating and supervisory responsibility for the assets to designated staff members and other professional experts as defined above.

Responsibilities of the Board of Directors

- Review and approve the Statement of Investment Policy and Objectives and any changes to the Investment Policy as may be recommended periodically by the Investment Committee.
- Review and approve the long-term investment policies and objectives for various separate investments pools authorized by the Board of Directors as may be recommended periodically by the Investment Committee.
- Approve the target asset allocations for each separate investment pool.
- At least annually review and determine that the Investment Assets are being prudently and effectively managed.
- Periodically review reports from the Investment Committee and Foundation's staff regarding the status of Investment Assets.

Responsibilities of the Investment Committee

- Oversee the management of the Investment Assets subject to the policies established by the Board of Directors.
- Develop and revise, as needed, a formal Statement of Investment Policies and Objectives for Board of Directors' approval.
- Develop policy guidelines for the allocation of the Investment Assets, taking into account near term cash needs and liquidity as reported by Foundation Staff, for Board of Directors' approval.
- Determine appropriate sub-portfolios and their allocations for implementing the target asset allocations approved by the Board of Directors.
- Develop policy guidelines for hiring and retention or termination of all Investment Consultants, Investment Managers and custodians.
- Participate in the selection or termination of all Investment Managers in coordination with the Investment Consultant and perform manager due diligence on all current and prospective Investment Managers and other service providers.
- Review reports from Foundation Staff, Investment Consultants, or other outside professionals on the status of the Investment Assets.

- Review quarterly reports issued by the Investment Consultant, designed to measure and evaluate the performance of the Investment Managers against established goals and objectives. This will be completed for each individual Investment Manager and for the Investment Assets as a whole.

- Monitor and communicate long-term capital market trends and recommend broad-based asset-mix policies to be considered by the Board of Directors.

- Monitor and adjust the investment exposure for various asset allocations within guidelines established by the Investment Policy.

- Monitor the administrative and investment expenses of the portfolios.

- Consider, revise and accept (or reject) recommendations made by Foundation Staff or the Investment Consultant regarding the investment and administration of Investment Assets.

- Provide notice to the Board of Directors of any temporary exceptions or deviations from this stated and approved Investment Policy Statement.

- A Fiduciary Calendar setting forth the schedule for various Investment Committee fiduciary responsibilities is attached as an Appendix to this Investment Policy.

Responsibilities of Foundation Staff

- Oversee the day-to-day operational investment activities subject to the policies and objectives established by the Board of Directors.

- Review statements and investment activities for compliance with the policies established by the Investment Committee and report all deficiencies.

- Receive and review or compile as requested and distribute to the Investment Committee reports from the Investment Consultant, Investment Managers and/or outside professionals regarding the investment accounts.

- Insure and report that sufficient liquidity exists in the investment accounts to handle both anticipated and unanticipated short-term cash needs of the Foundation. The Staff will notify the Investment Consultant in a manner sufficient to allow for the buildup of necessary liquid reserves.

- Monitor the administrative and investment expenses of each investment pool.

Responsibilities of the Investment Consultant

- Serve as an advisor to the Investment Committee. As such, the Investment Consultant will not have discretion to make investment or allocation decisions.

- Offer investment advice that is consistent with the investment objectives, policies, guidelines and constraints as established in this Investment Policy Statement.

- Assist in the development, implementation and periodic review of the Investment Policy.

- Provide research and general information on Investment Managers.

- Conduct Investment Manager searches as requested or approved by the Investment Committee.

- Provide recommendations regarding the hiring, retention or dismissal of the Investment Managers.

- Monitor the performance of the Investment Managers and report these findings to the Investment Committee, which may include, but is not limited to, the following:
  - statements showing compliance with asset allocation guidelines
  - comparison of returns to benchmarks
  - comparison of returns to the performance of a universe of comparable investment managers
  - as requested, a statement of expected fees and expenses paid by the Foundation including management fees, custody, trading, etc.
  - any other relevant information bearing on or potentially bearing on investment performance.

- Monitor and communicate long-term capital market trends and recommend broad-based asset allocation policies to be considered by the Investment Committee.

- Provide recommendations on changes in asset classes and allocations to achieve the Investment Policy Objectives on returns and preservation of capital.

Responsibilities of the Investment Managers

- The Investment Managers have full and sole discretion to manage the assets of the Foundation in accordance with the investment objectives and asset allocation guidelines expressed by this Investment Policy Statement and in accordance with the individual investment manager guidelines, when provided.

- Communicate with the Investment Consultant or Foundation Staff regarding all significant matters that the Investment Manager deems material, such as changes in the firm's ownership, organizational structure or professional staffing, or investment philosophy, and other changes of a substantive nature.

- Comply with all legislation and regulations as it pertains to the manager's duties, functions and responsibilities as a fiduciary.

- Vote all proxies on the securities held within the Foundation accounts in the Foundation's best interests and in accordance with its fiduciary responsibilities and professional judgment.

- Provide monthly statements setting forth all account activity and the financial position of the account.

- If called upon, provide expanded analyses to Investment Consultant or to the Investment Committee, which may include, but is not limited to, the following:
  - statements showing compliance with asset allocation guidelines
  - comparison of returns to benchmarks
  - comparison of returns to the performance of a universe of comparable investment managers
  - as requested, a statement of expected fees and expenses paid by the Foundation including management fees, custody, trading, etc.

Responsibility Matrix

Fiduciary Level	*Written Investment Policy*	*Spending Policy*	*Strategic Allocation*	*Periodic Rebalance*	*Tactical Adjustments*	*Manager and Strategy Selections*	*Security Selection*
BOARD OF DIRECTORS	Approves	Approves	Approves				
INVESTMENT COMMITTEE	Recommends	Recommends	Approves	Approves	Approves	Approves	Informed
STAFF		Provides Input		Facilitates	Facilitates		
INVESTMENT CONSULTANT	Assists	Assists	Recommends	Recommends	Recommends	Recommends	Monitors
INVESTMENT MANAGER(S)	Provided a copy						Implements

IV. GENERAL INVESTMENT PRINCIPLES

- *Investment Return.* The investment strategy of the Foundation is to employ a moderately conservative risk profile that emphasizes total return (the aggregate return from capital appreciation plus dividend and interest income) consistent with capital preservation. Each segregated investment fund should be managed to optimize the long-term inflation-adjusted investment returnsgiven that fund's investment constraints.
- *Preservation and Appreciation of Capital.* Consistent with their respective investment styles and philosophies, Investment Managers should make reasonable efforts to preserve and appreciate capital, understanding that losses may occur in individual securities, asset classes or the market as a whole.
- *Definition of Risk.* The Investment Committee realizes that there are many ways to define risk. The Investment Committee believes that any person or organization involved in the process of managing the invested assets understands how they define risk so that the assets are managed in a manner consistent with the investment objectives and investment strategy as defined in this Investment Policy. The Investment Committee defines risk as the probability of not meeting the investment objectives and not maintaining purchasing power.
- *Risk Aversion.* Understanding that risk is present in all types of securities and investment styles, the Investment Committee recognizes that some risk is necessary to produce long-term investment results that are sufficient to meet the goals and objectives for the Investment Assets. However, the Investment Consultant and Investment Managers are to make reasonable efforts to control risk and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
- *Volatility of Returns.* The Investment Committee understands that in order to achieve its objectives for the Investment Assets, the various investment accounts will experience volatility of returns and fluctuations of market value.
- *Diversification.* The Investment Committee recognizes that the broad diversification of the Investment Assets among various asset classes will help mitigate the magnitude of a loss in any single year.
- *Market Timing and Shifts.* The Investment Committee wishes to allow its Investment Managers the opportunity to practice their skill without undo interference. However, it is hereby made clearthat this policy statement was the product of the study of proven performance patterns in the capital markets. The Investment Committee recognizes that there is considerable evidence that the passage of time causes the greatest rewards to accrue in favor of consistent investing approaches. Furthermore, the overall risk exposure could become uncontrollable without reasonable, careful adherence to the asset allocation guidelines in this policy. It is not, therefore, the general intention of this policy to allow short-term judgments to introduce significant unplanned risk. The Investment Committee recognizes that adherence to this policy will occasionally appear to be eithertoo risky or too conservative for current market conditions. However, the Investment Committee also recognizes that experts rarely agree about the near-term direction of the capital markets, and that such opinions have generally proven to be a poor guide for action.
- *Adherence to Investment Discipline.* Investment Managers are expected to adhere to the investment management styles for which they were retained. Investment Managers will be evaluated regularly for adherence to investment discipline.
- *Benchmark Indices and Performance Objectives.* The Investment Committee recognizes that investment managers must use the broad capital markets as their basic tools for investment and that a substantial portion of investment returns will not be attributable to management skills, but rather to markets themselves. However, the Investment Committee expects that the investment managers will add value to the broad market returns over a full market cycle, net of fees. Accordingly, the

Investment Committee will consider performance to be adequate if the investment manager outperforms their respective index over a full market cycle.

- *Full Market Cycle*. The Investment Committee defines a full market cycle to be a period of time during which the long-term historic rates of return are realized, generally assumed to be 7 years. The Investment Committee reserves the right to evaluate Investment Managers over a shorter time horizon.

V. GUIDELINES FOR EQUITY INVESTMENTS

The domestic asset allocation for the Investment Assets should be balanced overall as to style (value vs. growth) and as to capitalization (large-, mid- and small-cap).

Equity holdings may be selected from any U.S. or foreign exchange. In order to achieve a prudent level of portfolio diversification, any individual security managed by any one investment manager should not exceed 10% (at cost) of the total assets contained in their respective portfolio.

Allocations to any specific country shall not be excessive relative to a broadly diversified international equity manager peer group. International will be defined to include emerging market exposure; however, this exposure should limit to no more than 30% of the overall international allocation. It is expected that the non-US equity portfolio will have no more than 40% exposure to any one country.

Investment Managers must seek approval from the Investment Committee prior to purchasing and/or implementing the following securities and transactions:

- Companies with a market capitalization less than $100 million
- Private placements, letter stock and other unregistered securities
- Commodities or commodity contracts (not to include investments in publicly traded companies providing goods and services related to commodities)
- Options, short sales or margin transactions
- Securities whose issuers have filed a petition for bankruptcy.

Various benchmarks and indices will be used for performance evaluation purposes. The Investment Committee, in consultation with the Investment Consultant, will select one or more indices for each of the Investment Managers.

VI. GUIDELINES FOR FIXED INCOME INVESTMENTS

Investments in fixed income securities will be managed actively to pursue opportunities presented by changes in interest rates, credit ratings, and other factors. The Investment Manager may select from appropriately liquid corporate, asset-backed, mortgage-related, municipal, U.S. Treasury, and agency securities. These investments will be subject to the following limitations:

- Investments of a single issuer (with the exception of the U.S. Government and its agencies) should not exceed 10% (at cost) of the total assets contained in any one investment manager's portfolio.
- Security Quality: At time of purchase securities should be rated investment grade (Baa3 equivalent or better) as set forth by at least one Nationally Recognized Statistical Rating Organization (NRSRO). However, if unrated, securities must be deemed as Baa3 or higher as determined by manager. Split-rated securities will be treated as the highest of the ratings. As such, bonds rated below investment grade by a NRSRO are acceptable for purchase if at least one NRSRO has assigned an investment grade rating. Securities that are downgraded below eligible quality may be held by such fixed income manager at its discretion, up to a maximum of 2% in aggregate value of the fixed income portfolio held by such manager.

Permitted Investments are US dollar denominated and include:

- U.S. Treasury securities
- U.S. agency and Government Sponsored Enterprise ("GSE") securities (e.g., FNMA, FHLMC)
- Other securities secured by the full faith and credit of the United States

- Sovereign, Multinational and Supranational securities
- Corporate securities
- Convertible notes, bonds, and preferred stock, including bank trust preferred issues (i.e., "capital securities")
- Senior loans (i.e., "bank loans")
- Collateralized Loan Obligations ("CLO")
- Mortgage pass-through securities and collateralized mortgage obligations ("CMO"s).
- Asset-backed securities
- REIT debt
- Commercial mortgage-backed securities ("CMBS")
- Municipal securities, both taxable and tax-exempt.
- Cash equivalent investments, including STIF accounts at the custodian bank; commercial paper; bankers' acceptances and Certificates of Deposit; Yankee and Eurodollar bankers' acceptances and CDs; repurchase and reverse repurchase agreements
- Securities issued pursuant to Rule 144A ("Rule 144A offerings")
- Other similar securities not expressly prohibited.

Prohibited Investments:

- Common stock except for stock received into the account as a result of a financial restructuring, bankruptcy, corporate action, or from a conversion or exchange of a security held in a portfolio. Stock received in this manner may be held by manager until it can be prudently liquidated.
- Short sales of physical securities
- Commodities
- Direct mortgages or equity real estate investments
- Private placement securities <u>except</u> for securities guaranteed by the U.S. Government, its agencies, or sponsored enterprises
- Interest rate futures, swaps and derivatives
- Securities of the investment management firm, its parent or holding companies, and any related subsidiaries

Various benchmarks and indices will be used for performance evaluation purposes. The Investment Committee, in consultation with the Investment Consultant, will select one or more indices for each of the Investment Managers.

VII. GUIDELINES FOR CASH AND CASH EQUIVALENTS

Liquid Reserves or Cash Equivalents are defined as Commercial Paper, Certificates of Deposit, Banker's Acceptance, Repurchase Agreements, STIF Funds, Money Market Funds or Treasury Bills.

Investments in commercial paper can only be made in institutions rated at least P-1 by Moody's or A-1 by Standard and Poor's.

VIII. UTILIZATION OF MUTUAL FUNDS

If mutual funds are utilized, the restrictions outlined in Sections V,VI and VII do not apply. Instead, the existing policy outlined in the prospectus of the fund would take precedence.

IX. SELECTION OF INVESTMENT MANAGERS

Investment Managers must be registered under the Investment Advisers Act of 1940 or Investment Company Act of 1940. The Investment Committee requires that each Investment Manager provide, in writing, acknowledgement of fiduciary responsibility for the assets under their management.

The Investment Committee is responsible for the selection, retention and termination of the Investment Managers. The criteria for selecting Investment Managers include, but are not necessarily limited to:

- Historical performance of the Investment Manager's composite
- Risk taken by the Investment Manager as measured by standard deviation and beta
- Consistency of the Investment Manager's investment style
- Overlap of investment style and/or fund holdings with other Investment Managers
- Total firm assets under management and assets specific to the product of interest
- Portfolio manager's tenure with the specific product of interest
- Quality of the Investment Firm and its personnel.
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X. INVESTMENT MANAGER REVIEW AND EVALUATION

The investment performance of each investment manager will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals and guidelines as set forth in this statement of policy.

The Investment Committee will review Investment Manager returns versus appropriate indices as well as comparable performance of similar managers by investment style. Over a full market cycle, Investment Managers are expected to outperform the specific market index assigned to the allocated portion of the Investment Assets under their direction.

The Investment Committee intends to evaluate the Investment Managers quarterly but reserves the right to terminate a manager for any reason at any time with or without cause.

XI. REBALANCING GUIDELINES

Because different asset classes will perform at different rates, each pool of capital is rebalanced to keep asset allocations near target. Rebalancing controls risk and captures returns originating from volatility in the markets. The Investment Committee will monitor the asset allocation shifts in each investment pool caused by market performance. Accordingly:

- The Investment Committee, with the assistance of the Investment Consultant, will review the relative market values of the asset segments of each separate investment pool whenever:
- Significant contributions to the Foundation occur and will generally place assets in the asset classes which are furthest below the target allocations for that particular investment pool, or
- Significant grants are made or are to be made and will generally remove assets from the asset classes which are furthest above the target allocations for that particular investment pool.

- To the extent that adequate re-balancing among asset categories cannot be affected via the allocation of contributions/distributions, the Investment Committee may redirect monies from one manager to another, if necessary, to maintain the target ranges of the particular investment pool.
- During January and July of each year the Investment Committee will review the allocation of funds to the specific asset classification Investment Managers and if any Investment Manager is more than 5% above its allocation target, funds may be withdrawn from the over funded asset class and invested in the under-funded asset classes in a manner to bring the asset classes to the strategic targets.

However, the Investment Committee recognizes that a rigid asset allocation would be both impractical and, to some extent, undesirable under various market conditions. Therefore, the allocation of the total assets of any particular investment pool may vary from time to time from the allocation guidelines for that investment pool without being considered an exception to this investment policy. When such variations or deviations occur, the Investment Committee will provide notice to the Board of Directors at the next Board of Directors meeting.

XII. GENERAL INVESTMENT OBJECTIVES – POOLED ASSET ALLOCATIONS

Background.

- This Statement of Investment Objectives establishes policies for the Foundation's Pooled Asset Allocations ("PAAs"). The PAAs are comprised of all endowment funds and other long-term oriented assets that, together, are managed as one or more investment pools.
- As set by the Board of Directors, the management of the PAAs are designed to accomplish the following goals:
- Provide a total return (the aggregate return from capital appreciation plus dividend and interest income) net of investment fees from the PAA Investment Assets that will preserve or increase the purchasing power of the capital;
- Generate a current spendable income stream to support the objectives of the Foundation's donors; and
- Allow Foundation donors who establish funds within the Foundation to elect between various investment pools with different asset allocations.

Specific Objectives.

- Given these goals, the objective of the PAAs is to:
- Preserve purchasing power by focusing on generating positive real returns to maintain the real purchasing power of the Investment Assets of each investment pool;
- Meet liquidity requirements by satisfying ongoing liquidity needs regardless of market conditions;
- Increase the PAAs ability to support ongoing cash flow needs; and
- Establish separate asset allocation guidelines for donors electing to have their funds participate under the more moderate or conservative PAAs.
- In order to meet these objectives the Investment Assets of each pool shall be managed to optimize the long-term inflation adjusted investment returns within the investment constraints described for each investment pool.

Benchmarks.

The PAAs growth objectives necessitate varying allocation to equities, yet risk and liquidity needs must be balanced. As such, the investment performance of each PAA is measured primarily against two "Policy Benchmarks."

- The Growth Benchmark
- The Growth Benchmark represents the nominal return required to maintain the portfolio's corpus while meeting liquidity needs.
- CPI *(Bloomberg ticker: CPURNSA Index)* is the inflation measure impacting the purchasing power of the assets. The CPI + the designated % hurdles for the PAAs approximate the returns needed to meet ongoing spending needs of the selected PAAs. In total, the CPI + % benchmarks represents the long-term minimum return hurdle for the PAAs.
- In addition, CPI + % has been shown to be a reasonable proxy for long-term investment returns, excluding volatility. The growth benchmark is a long-term measure to be used for evaluations over a market cycle, which is generally defined as a seven year period.
- The Growth Benchmark has two structural flaws that should be taken into consideration when comparing the particular PAA's performance. First, the benchmark realizes no volatility. Second, the benchmark is not investable. These two concerns can be mitigated by reviewing performance

over the long-term and by also considering PAA's performance relative to an Investable Alternative Benchmark.

- The Investable Alternative Benchmark: % Global Equities + % Global Bonds
- The Investable Alternative Benchmark is a measure to compare current investment performance of each PAA relative to recent market performance. The Benchmark is investable. The Investable Alternative Benchmark can primarily be used to measure performance for periods of less than a full market cycle and is a proxy for the volatility target necessary to meet the growth objective. Longer term performance comparisons can be considered, but should be in addition to long-term performance comparisons relative to the Growth Benchmark.
- The *MSCI All-Country World Index* represents passive investment in global equities. The *Barclays Global Aggregate Bond Index* represents passive investment in global fixed income. This Investable Alternative Benchmark meets characteristics of an ideal policy benchmark. It is:
- Investable
- Representative
- Transparent
- Other Benchmarks
- The PAA's performance may also be compared to the returns of peer institutions with the intention of supplementing the Investable Alternative Benchmark. As there are numerous factors differentiating the performance and risk appetite of each institution, peer comparisons are not a primary focus. However, there can be value derived by looking at longer-term risk adjusted measures (e.g. Sharpe ratio) or asset allocation differences to evaluate or understand relative differences between PAAs and a peer group median. The primary comparison universe will be a group of comparable endowment pools that represent the Foundation’s charitable and investment peers. The PAAs seek to surpass the median return of this universe. In judging performance relative to peers, the emphasis will be on periods of at least three years.

Risk Tolerance.

- The objective of each PAA requires a specific investment time horizon. In general, each PAA can tolerate some variability in short-and-intermediate-term investment performance, provided that real returns over the long-term exceed the applicable benchmarks; however, the donor's dependence on annual income from the Invested Assets to meet spending needs limits the amount of risk each PAA can bear.

Administrative Procedures

- Each donor or agency's eligibility to participate in any particular PAA, as well as the timing and ability of any donor or agency to transfer all or a portion of that donor or agency's funds from one PAA to another PAA, will be determined from time to time by the Investment Committee based on recommendations of the Foundation Staff.
- The current policy regarding such administrative matters is attached to this policy as a separate appendix and may be substituted from time to time by the Investment Committee without the need to amend this Investment Policy Statement.

XIII. ASSET ALLOCATION GUIDELINES – POOLED ASSET ALLOCATIONS

Investment Management of the PAAs shall be in accordance with the asset allocation guidelines set forth in the attached appendices. The assets of each PAA can be invested in mutual funds. The Foundation recognizes that asset allocation guidelines for fixed income and equity mutual funds may differ from the asset allocation guidelines due to the inability to customize the stated investment strategy of the underlying mutual funds.

XIV. SPECIFIC INVESTMENT OBJECTIVES - SHORT TERM LIQUIDITY ASSETS

Background.

- This Statement of Investment Objectives establishes the policies for the Short-Term Liquidity Allocation Pool ("STP"). The STP is comprised of cash and short-term investments that, together, are managed as a single pool. Although a traditional endowment may target a 5% spending policy, the Investment Committee recognizes that the Foundation may experience significant inflows and outflows of funds during the course of a calendar year. Given the unpredictability of these cash flows, and the potential for the outflows of greater than 5%, the Investment Committee has formed the STP. Short term liquidity needs is a key consideration that drives the amount of capital required to meet short term requirements versus longer-term investment goals. As outlined in the Fixed Income and Cash sub-portfolio asset classifications, the role of the STP is purely for liquidity management, not incremental returns.

Specific Objectives.

- The management of the STP is designed to accomplish the following objectives:
- To set aside and manage cash to cover between 6 and 12 months of anticipated grants.
- To be opportunistically replenished from the Long-Term Pooled and/or Balanced Pooled Asset Allocations or anticipated contributions.
- To allow the PAAs to be invested consistent with a longer time horizon.
- The goal of these investments will be to achieve a competitive rate of interest relative to the 90 day T-Bill.

Investment Guideline.

- Allowable investments for the STP are as follows:
- Cash or cash equivalents (as previously defined).
- Separately managed bonds, bond funds or exchange traded funds (ETFs) with an overall credit rating of AA or higher and duration of less than 3 years.
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XV. INDIVIDUALLY MANAGED ACCOUNTS

In addition to PAA's, the Foundation welcomes the opportunity to work with fundholders or potential fundholders who desire to have their funds individually managed by third-party advisors outside of the PAA's. Such third party individually managed accounts shall follow the investment objectives set forth in this Investment Policy Statement and be governed by the Foundation's Individually Managed Accounts Policy, a copy of which is attached hereto as Appendix 5. A third-party advisor must be approved by the Foundation and acknowledge acceptance of this Investment Policy Statement and the Individually Managed Accounts Policy.

APPENDIX 1: FIDUCIARY CALENDAR

	1st Qtr Meeting	2nd Qtr Meeting	3rd Qtr Meeting	4th Qtr Meeting
	April	July	October	January
Portfolio Review - Asset Allocation - Rebalancing - Liquidity Needs	Quarterly			
Performance Review - Manager Watch - Manager Termination	Quarterly			
Market Commentary	Quarterly			
Investment Policy Statement Review		X		
Fee Review/Update			X	
Peer Review	X			
Cash Flow Planning				X
As Needed Items				
Custodial Search				
Manager Search				
Fiduciary Training				
Collateral Material Updates				

APPENDIX 2: PAA –LONG TERM POOL

Purpose

The purpose and characteristics of this pool are as follows:

- Long term investment
- Ability to tolerate shorter term volatility in favor of potentially higher long-term returns
- Maintain principal after taking into account an annual spending pattern of between 4-5%
- Time horizons of greater than 5 years

Asset Allocation Guidelines

Asset Class	Allocation Range	Strategic Target	Index for Measurement
Equities			
Large Cap			
Large Cap Core	10% - 30%	20.00%	S&P 500 or Russell 1000/3000
Large Cap Growth	5% - 15%	7.50%	Russell 1000 Growth
Large Cap Value	5% - 15%	7.50%	Russell 1000 Value
Small Mid Cap			
Small and/or Mid Cap Growth	0% - 10%	3.75%	Russell 2000/2500 Growth
Small and/or Mid Cap Value	0% - 10%	3.75%	Russell 2000/2500 Value
***International**	5% -20%	12.50%	MSCI EAFE and/or MSCI ACWI ex/US
Total Equities	**45% - 65%**	**55%**	
Alternatives			
Strategic and Alternative	0% - 20%	15.00%	Varies
Total Alternatives	**0% - 20%**	**15%**	
Fixed Income			
Opportunistic Fixed Income	0% - 15%	5.00%	Barclay Aggregate
Intermediate Fixed Income	15% - 35%	25.00%	Barclay Int Gov/Credit or Aggregate
Short Term Fixed Income	0% - 10%	0.00%	Merrill Lynch 1-3 Year
Cash	0% - 10%	0.00%	90 Day T-bill
Total Fixed Income	**20% - 40%**	**30%**	

*The International asset allocation includes both established and emerging markets. The target range of 15% is for "direct" international exposure: that is, funds placed in international investment vehicles or in securities of firms based outside the United States. The Investment Committee recognizes that there will be additional "indirect" international exposure which arises from investment in U.S. based companies (or from funds that invest in such companies) that derive a significant portion of their revenues from international sales. Indirect exposure will not be a factor in determining the International allocation.

Specific Benchmark Comparisons

Policy Benchmark	Definition
Growth Benchmark	CPI + 4%
Broad Investable Benchmark	70% Global Equities + 30% Global Bonds
Detailed Investable Benchmark	Weighted average of table above

APPENDIX 3: PAA – CONSERVATIVE POOL

Purpose

The purpose and characteristics of this pool is as follows:

- Short to intermediate term investment
- Favors capital preservation over growth
- Maintain principal after taking into effect an annual spending pattern of approximately 2%
- Times horizons of less than 3 years

Asset Allocation Guidelines

Large Cap Core	5% - 15%	10.00%	S&P 500 or Russell 1000/3000
Large Cap Growth	0% - 5%	2.50%	Russell 1000 Growth
Large Cap Value	0% - 5%	2.50%	Russell 1000 Value
Small Mid Cap			
Small/Mid/SMID	0% - 5%	0.00%	Russell 2000/2500/Midcap
***International**	0% - 10%	5.00%	MSCI EAFE and/or MSCI ACWI ex/US
Total Equities	**10% - 30%**	**20%**	
Alternatives			
Strategic and Alternative	0% - 20%	10.00%	Varies
Total Alternatives	**0% - 20%**	**10%**	
Fixed Income			
Opportunistic Fixed Income	0% - 20%	15.00%	Barclay Aggregate
Intermediate Fixed Income	30% - 50%	40.00%	Barclay Int Gov/Credit or Aggregate
Short Term Fixed Income	0% - 20%	10.00%	Merrill Lynch 1-3 Year
Cash	0% - 10%	5.00%	90 Day T-bill
Total Fixed Income	**60% - 80%**	**70%**	

*The International asset allocation includes both established and emerging markets. The target range of 5% is for "direct" international exposure: that is, funds placed in international investment vehicles or in securities of firms based outside the United States. The Investment Committee recognizes that there will be additional "indirect" international exposure which arises from investment in U.S. based companies (or from funds that invest in such companies) that derive a significant portion of their revenues from international sales. Indirect exposure will not be a factor in determining the International allocation.

Specific Benchmark Comparisons

Policy Benchmark	Definition
Growth Benchmark	CPI + 2%
Broad Investable Benchmark	30% Global Equities + 70% Global Bonds
Detailed Investable Benchmark	Weighted average of table above

APPENDIX 4: PAA – BALANCED POOL

Purpose

The purpose and characteristics of this pool is as follows:

- Intermediate term investment
- Balances capital preservation and growth
- Maintain principal after taking into effect an annual spending pattern of approximately 3%
- Times horizons of typically 3-5 years

Asset Allocation Guidelines

Asset Class	Allocation Range	Strategic Target	Index for Measurement
Equities			
Large Cap			
Large Cap Core	10% - 25%	17.50%	S&P 500 or Russell 1000/3000
Large Cap Growth	0% - 10%	5.00%	Russell 1000 Growth
Large Cap Value	0% - 10%	5.00%	Russell 1000 Value
Small Mid Cap			
Small/Mid/SMID	0% - 10%	5.00%	Russell 2000/2500
***International**	0% - 15%	7.50%	MSCI EAFE and/or MSCI ACWI ex/US
Total Equities	**30% - 50%**	**40%**	
Alternatives			
Strategic and Alternative	0% - 15%	10.00%	Varies
Total Alternatives	**0% - 15%**	**10%**	
Fixed Income			
Opportunistic Fixed Income	0% - 10%	5.00%	Barclay Aggregate
Intermediate Fixed Income	30% - 50%	40.00%	Barclay Int Gov/Credit or Aggregate
Short Term Fixed Income	0% - 10%	5.00%	Merrill Lynch 1-3 Year
Cash	0% - 10%	0.00%	90 Day T-bill
Total Fixed Income	**40% - 60%**	**50%**	

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*The International asset allocation includes both established and emerging markets. The target range of 5% is for "direct" international exposure: that is, funds placed in international investment vehicles or in securities of firms based outside the United States. The Investment Committee recognizes that there will be additional "indirect" international exposure which arises from investment in U.S. based companies (or from funds that invest in such companies) that derive a significant portion of their revenues from international sales. Indirect exposure will not be a factor in determining the International allocation.

Specific Benchmark Comparisons

Policy Benchmark	Definition
Growth Benchmark	CPI + 3%
Broad Investable Benchmark	50% Global Equities + 50% Global Bonds
Detailed Investable Benchmark	Weighted average of table above

APPENDIX 5: INDIVIDUALLY MANAGED ACCOUNTS POLICY

The GiveWell Community Foundation (the "Foundation") welcomes the opportunity to work with fundholders or potential fundholders ("Fundholders") who desire to have their funds individually managed outside the Foundation's core investment pools. This Policy outlines the requirements for such an individually managed account ("Individually Managed Account").

Purpose

Fundholders are permitted to request their Donor Advised Fund to be managed by a third-party advisor ("Third-Party Advisor"), as opposed to participating in the Foundation's core investment pools. This request must be approved by the Investment Committee of the Foundation and is subject to ongoing review**.** If the funds are managed in a manner inconsistent with fiduciary and UPMIFA standards, the Foundation retains the right to remove the Third-Party Advisor in favor of the pooled options**.** While a Fundholder may request an Individually Managed Account and the Foundation approves, the Fundholder is not permitted to have any influence over the investment strategies, except to provide input on risk tolerance.

Investment Minimums

To establish an Individually Managed Account Driven account, the investment minimum is $1M. To the extent the minimum is waived based on the commitment to meet the minimum over time, if the account fails to meet the agreed upon value, the Investment Committee is permitted to move the assets to the pooled investment options.

Initial Screening

Prior to accepting a Third-Party Advisor, the Foundation's investment consultant shall furnish the Foundation with background information on the Third-Party Advisor which may include, but is not limited to, Form ADV and ADV II, Conflict of Interest Disclosures and any publicly available regulatory information such as a U4 that contains litigation history and/or complaints.

Third-Party Advisor Requirements

1. Be registered with the Securities and Exchange Commission (SEC).
2. Demonstrate they are in good standing with the Florida Office of Financial Regulation.
3. Have at least five years of experience.
4. Provide the Foundation with the most recent Form U4 for due diligence screening.
5. Acknowledge receipt of and compliance with the Foundation's Investment Policy Statement.

Fees

Individually Managed Accounts will be assessed administrative fees in accordance with the Foundation's administrative fee schedule. Administrative fees are assessed monthly. Investment advisor fees are charged separately and must be determined by agreement between the Foundation and the Third-Party Advisor in consultation with the Fundholder. Investment advisor fees are anticipated to be in accordance with the guidance provided by the Florida Uniform Prudent Management of Institutional Funds Act (UPMIFA).

Third-Party Advisor Responsibilities

1. Create a new account owned by the Foundation and in the name of the Foundation/Jane DonorFund.

2. Provide a target asset allocation and anticipated ranges consistent with the Foundation's Investment Policy Statement.
3. Provide a benchmark to facilitate ongoing performance measurement.
4. Raise capital and/or invest capital in a timely manner once notified.
5. Notify the Foundation of any changes to the organization or responsible parties that effect management of the account.
6. Notify the Foundation of any regulatory investigations, findings, or litigation.
7. Disclose all sources of compensation and fees related to management of the account.
8. Disclose any conflicts of interest.
9. Communicate in writing, quarterly, any relevant changes to the portfolio, including but not limited to, investment manager and asset allocation changes.
10. Provide a monthly statement to the Foundation.
11. Report to the Foundation on performance, net of fees, at least quarterly within fifteen (15) days after the end of each calendar quarter.
12. Provide an annual due diligence attestation.
13. Acknowledge, in writing, receipt of these responsibilities and a willingness to comply.

Investment Consultant Responsibilities

1. To the extent possible, monitor the asset allocation for compliance with the Foundation's Investment Policy Statement.
2. To benchmark and report on the composite performance of the Third-Party Investment Advisor.
3. To furnish the annual due diligence attestation.

Relationship with Fundholders

It is important to note that Fundholders may recommend an investment advisor but legally may not control the investment of any assets after those assets have been gifted to the Foundation.

Accordingly, Third-Party Advisors may not take directions regarding investments from Fundholders.

Note that this policy is designed to meet IRS requirements that Fundholder no longer maintain control of assets they have gifted to protect the tax deductibility of gifts to the Foundation.