Community Foundation
Great River Bend

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I. DEFINITIONS

INTRODUCTION

The Community Foundation of the Great River Bend (CFGRB) is an Iowa, tax-exempt, Internal Revenue Code Section 501(c)(3), not-for-profit, autonomous, publicly supported, philanthropic organization formed and operated primarily as a permanent collection of endowed funds for the long-term benefit of the Quad Cities Region. As such, it is intended that the Corporation must meet the public support test required for community foundations under Section 170(b)(1)(A)(vi) as modified by Treas. Reg. 1.17OA-9(c)(10). The IRS classifies the Community Foundation of the Great River Bend, Inc., as a public charity, as defined in Internal Revenue Code Section 509(a)(1).

PURPOSE

This Investment Policy Statement (IPS) was adopted by the Board of Directors of the Community Foundation of the Great River Bend (the Board) to direct the prudent investment of its investment portfolio (the Portfolio) in a manner consistent with the investment objectives stated herein. The Board has delegated financial oversight of the Portfolio to the Investment Committee (the Committee).

The Investment Policy Statement shall be used by the Committee in performing its duty to oversee the investment portfolio (in managing, monitoring and reporting on the investment portfolio) and by the Investment Advisors.

It is expected that the Committee will review this document on a regular basis. Any revisions will be recommended to the Board for approval.

SCOPE

This Policy applies to all assets that are included in the Foundation's investment portfolio for which the Committee has been given discretionary investment authority.

FIDUCIARY DUTY

All assets shall be managed consistent with sound and prudent fiduciary practices, and comply with all applicable laws including the Uniform Prudent Management of Institutional Funds Act as adopted in Iowa and Illinois. In seeking to attain the investment objectives set forth in the policy, the Committee and its members must act with care, skill, prudence and diligence under the circumstances then prevailing that a prudent person in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims. All investment actions and decisions must be based solely on the interests of the Foundation. Investment Advisors must provide full and fair disclosure to the Committee of all material facts regarding any potential conflicts of interest.

DEFINITION OF DUTIES

BOARD OF DIRECTORS

The Board has the ultimate fiduciary responsibility for 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 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 Committee is responsible for implementing the Investment Policy. This responsibility includes approving investment strategy, hiring and firing of investment Advisors, monitoring performance of the investment portfolio on a regular basis (at least quarterly), and maintaining sufficient knowledge about the portfolio and its Advisors so as to be reasonably assured of their compliance with the Investment Policy. The Investment Committee will annually recommend an overall investment strategy and asset allocation to the Board of Directors for approval.

INVESTMENT ADVISOR

The Investment Advisors are responsible for prudently investing the money the Foundation entrusts to them in accordance with the objectives and guidelines included in this policy.

INVESTMENT CONSULTANT

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

- Provide proactive recommendations regarding asset allocation and manager selection
- Supply the Committee with reports (e.g., asset allocation studies, investment research and education) or information as reasonably requested
- Monitor the activities of each Investment Advisor
- Provide the Committee with quarterly performance reports
- Review this Investment Policy Statement with the Committee
- Review and dialogue with local Investment Advisors

ROLE OF ASSET CLASSES

Because the Portfolio is expected to endure into perpetuity, and because inflation can have an impact on 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 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).

II. STRATEGY

The Community Foundation of Great River Bend (CFGRB) will seek to gain diversification and return by deploying assets in a variety of manners.

1. CFGRB may allocate assets to a variety of local or national Investment Advisors. These Investment Advisors will have the discretion to manage and allocate the assets under their supervision provided they remain in accordance with the IPS. It is anticipated that many, if not all, of the Investment Advisors will hold individual stocks and bonds as well as commingled investments like mutual funds and exchange traded funds.
2. CFGRB may allocate to an Investment Advisor with, due to the needs of the Foundation and the Advisor's skillset, a unique asset allocation. The Advisors could be considered "completion" Advisors as they will likely over-allocate to asset classes not represented fully elsewhere in the Foundation's portfolio.
3. CFGRB may directly purchase commingled investments, such as mutual funds, exchange traded funds, limited partnerships, etc. This strategy will be in consultation with the Foundation's investment consultant and will seek to further increase diversification and enhance expected return of the Foundation.

III. OBJECTIVES

Over time, the Foundation will aim to achieve the total **Long-Term Objective** while maintaining acceptable **Risk** levels. To accomplish this goal, the Foundation will diversify its assets among several asset classes based on an appropriate **Time Horizon**. Appendix 1 provides permissible asset classes, appropriate index measures of these classes, and current policy asset allocation.

LONG TERM OBJECTIVE

The Long-Term Objective of the Foundation, as determined by the Investment Committee, is to achieve a total return in excess of the sum of the spending rate, the long-term inflation rate, and the aggregate costs of portfolio management. It is often summarized as:

Long-Term Objective = Consumer Price Index (CPI) + Spending Policy + Administrative Fees

RISK TOLERANCE

Fiduciary standards of prudence apply to Foundation investments. Given a range of risk from very low to very high, endowment investments should carry a moderate level of risk. The Investment Committee will permit the Fund to experience an overall level of risk consistent with the Policy Asset Allocation.

LIQUIDITY

The Foundation does not have a significant, ongoing, need for liquidity; therefore, the Foundation's endowment does not have an allocation to cash or cash equivalents under normal circumstances.

TIME HORIZON

The Foundation has an infinite life and should be managed with a time horizon of long-term in nature. (i.e. allocation decisions should be made with an anticipated holding period in excess of ten years)

PERFORMANCE MEASUREMENT OBJECTIVES

In addition to meeting the goal of the Long-Term Objective, **Total Foundation** assets should return a nominal rate greater than or equal to a composite index created by combining various indices in the same proportion as the Foundation's broad allocation. This is known as the Policy Benchmark (detailed in Appendix 2).

Investment Advisors should return, net-of-fees, a rate greater than or equal to a composite index created by combining various indices in the same proportion as the Foundation's target allocation. This is known as the Target Benchmark. The Committee has the ability to customize the Target Benchmark for each Investment Advisor. In general, Investment Advisors will be expected to provide returns greater than the Target Benchmark (detailed in Appendix 2)

Additionally, each Investment Advisor is expected to maintain adherence to the guidelines and objectives of this Investment Policy Statement as well as avoidance of regulatory actions against the firm, its principals or employees.

REBALANCING

Each Investment Advisor's allocation must be within the Acceptable Range. The Portfolio will be reviewed quarterly as to the appropriateness of rebalancing.

SPENDING POLICY

Spending policy objectives for endowment funds covered by the total return concept and asset allocation recommendations set forth in the investment objectives are:

1. The primary objective is to provide a consistent flow of funds in support of foundation expenditures including both grant-making and administrative activities.
2. The next objective is to preserve the real value (inflation adjusted) of current assets and future gifts. The rate of growth on endowment funds as a result of investment performance should maintain or increase its purchasing power over time.

The spending policy will be monitored to gauge results against the objective that endowment funds maintain or increase the real value of the endowment principal over the long term.

IV. INVESTMENT ADVISOR GUIDELINES AND RESTRICTIONS

GENERAL

Each Investment Advisor shall:

- Provide timely and accurate basis, as defined in Section V.

- Have full investment discretion with regard to security selection consistent with this Investment Policy Statement and is expected to maintain a fully invested portfolio;
- Immediately notify the Committee in writing of any material changes in the investment outlook, strategy, portfolio structure, firm ownership or senior personnel;
- Make no purchase that would cause a position in the portfolio to exceed 5% of the outstanding voting shares of a company or invest with the intent of controlling management;
- Not invest in non-marketable securities without prior approval of the Investment Committee.
- Make every effort to control the investment cost of investing the funds of the Foundation. The Investment Committee believes adequate diversification and oversight can be obtained in an institutional portfolio for an "all-in fee" of less than 1.10% per year. All-in fee is considered any expense ratios of underlying funds or ETF, the fee of the Investment Advisor, transactions, and custody of the assets. It is expected that any Investment Advisor will keep annual "all-in fees" below 1.10%. This goal will likely require use of passively managed vehicles, which the Foundation views favorably.

The Guidelines stated below apply to investments in non-mutual and non-pooled funds, where the Investment Advisor is able to construct a separate, discretionary account on behalf of the Foundation. Although the Committee cannot dictate policy to pooled/mutual fund, the Investment Advisor and 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.

EQUITY GUIDELINES

Each Investment Advisor shall ensure any mutual fund or other commingled investment maintains, as well as any individual security selections, adherence to the following:

- Assure that no position of any one company exceeds 10% of the Advisor's total portfolio as measured at market;
- Maintain adequate diversification among economic sectors;
- The use of currency futures to enhance performance and/or hedge currency exposure by international and/or global managers is at the discretion of the manager in accordance with the prospectus of the investment product, provided the hedging in any one currency will never exceed the market value of the assets invested in the currency.

FIXED INCOME GUIDELINES

Each Investment Advisor shall ensure any mutual fund or other commingled investment maintains, as well as any individual security selections, adherence to the following:

- Maintain an overall weighted average credit rating of "A" or better by at least one national credit rating agency
- Hold no more than 10% of the fixed income portfolio in investments rated below investment grade. Split rated securities will be governed by the lower rating;
- With respect to the corporate sector of the portfolio, maintain adequate diversification amongst economic sectors;

- With respect to the High Yield portion of the bond portfolio, maintain an overall weighted average credit rating of "BB" or better by at least one national credit rating agency
- Assure that no position of any one issuer shall exceed 10% of the Advisor's total portfolio as measured at market value except for securities issued by the U.S. government or its agencies;
- Invest no more than 20% of the portfolio in mortgage-backed securities;

UNACCEPTABLE SECURITIES FOR INVESTMENT ADVISORS

Investments should be consistent with this policy, but certain types of investments are not permissible without prior approval from the Investment Committee. These investments include securities purchased on margin, derivatives, puts or naked calls, warrants to purchase stock, commodities or commodities contracts, or direct investments in minerals, oil, gas, or other mineral exploration or development programs.

V. REPORTING AND MONITORING

REPORTING

Open communication between the Investment Advisors, Investment Consultant and the Foundation is critical to the success of the Foundation. The Investment Advisor shall provide the following to the Investment Consultant and/or the Foundation:

- Monthly transaction and asset statements provided to the Foundation no later than the fifth business day following the end of the month;
- Quarterly summary sheet, if requested (provided by the Foundation);
- An annual detailed breakdown of all fees charged to the Foundation including management fees, transaction fees and mutual fund fees;
- Immediate notification, to the Foundation, of any exceptions to this investment policy statement and a recommended plan of action to correct the violation.

The Investment Consultant is responsible for assisting the Committee in all aspects of managing and overseeing the Endowment'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 Committee with quarterly performance reports within a timely period following the end of the quarter;
2. Meet with the Committee at least quarterly, more frequently as needed;
3. Monitor on a quarterly basis the activities of each Advisor to ensure adherence to the IPS;
4. Provide the Committee with an annual review of this Investment Policy Statement, including an assessment of the Endowment's current asset allocation, spending policy and investment objectives; and
5. Supply the Committee with other reports or information as reasonably requested.
6. On at least a quarterly basis, the Investment Consultant will provide notification if the Endowment is outside the acceptable asset allocation ranges.

MONITORING

In the event an Investment Advisor does not adhere to these policies, the following measures will be taken.

ASSET ALLOCATION

If an Investment Advisor is out of compliance with the general asset mix, a Foundation staff member or their representative would notify the Advisor that compliance is mandatory. If an Advisor is not in compliance after another three months, all of the assets under their management would be removed.

COSTS

The Foundation monitors Investment Advisor returns net of fees. This analysis is one method of monitoring and controlling Advisor fees.

ENDOWMENT INVESTMENT ADVISOR DISCIPLINE

Over the last several years, the Foundation has enjoyed a productive partnership with its Investment Advisors. The Foundation must, however, ensure that the assets are invested in a manner that is consistent with the best possible risk-adjusted return and benefit to the community. As a result, there may be situations where the Foundation must terminate the relationship with a local Investment Advisor. Organizational issues with the Advisor such as account reassignment, retirement of the primary point of contact, etc are all events that could result in account termination. In fact, if there is any change in the Advisor or representative it will trigger an automatic review of the relationship. Any Advisor that is under review will not receive new Foundation assets. The Foundation believes this is in the best interest of the portfolio.

In addition to the performance review, discipline/termination of an Advisor for failure to achieve certain levels of investment performance will be as follows:

1. Donor Initiated. When a donor has recommended an Advisor and the donor's fund is the only fund being managed by that Advisor, the donor may request that the Advisor be terminated at any time.
2. Foundation Initiated/Investment Performance. The Foundation seeks to maintain a high level of transparency with the Advisors. The Foundation, however, may elect to terminate any Advisor at any time for any reason. If the Foundation believes that the Advisor returns are not adequate on a risk-adjusted basis they may elect to terminate the Advisor. Failure to adhere to the IPS, Advisor turnover/departure, underperformance, are some but not all potential factors that may warrant Advisor termination.

VI. ALTERNATIVE INVESTMENTS (ILLIQUID AND SEMI-LIQUID)

The Committee recognizes the potential of increased return by allocating a portion of the portfolio to private investments. While the current allocation to private investments is currently zero (as shown in Appendix 1), there is continued discussion about the opportunities in the coming years. During this education process the Committee will consider the viability of investments based on the items below.

Illiquid investments include private investments in equity, real estate, debt and resources. Hedge funds are considered semi-liquid due to lock-up periods, redemptions, restrictions, and in some cases, illiquidity of the underlying investments. For the alternative allocation to achieve the expected objectives without unnecessary risk, the Foundation should seek access to top-quality managers and be diversified. The Foundation will not invest in individual private companies but, rather, with qualified and experienced professionals. Investments will be in "funds" or "fund of funds" where the Foundation is one of several Limited Partners of the Fund. Individual funds may be concentrated in a particular strategy or type, but the overall private capital allocation of the Foundation should be diversified. A prudent investment strategy will consider the following areas for diversification.

PRIVATE CAPITAL

REAL ESTATE

The objective of the private real estate allocation is to provide low correlation to the public equity and fixed income markets and serve as an inflation hedge. A prudent real estate investment strategy will consider the following:

SUB-CATEGORY

- Private real estate investments should be considered in either value-added or opportunistic funds, which are designed to generate excess return for the overall real estate allocation. These strategies typically require some lease-up, development or repositioning, as well as utilize more leverage than public REITs. As commitments to private real estate are drawn down and invested over a period of years, and distributions are returned, the committed capital will be greater than the target allocation in order to reach the target market value.

VINTAGE YEAR

- Capital should be committed continuously and thoughtfully over time. Returns are highly dependent on market cycles and stage of the investment cycle. A portfolio diversified by vintage years will reduce unnecessary risk and provide more consistent long-term returns.

MANAGER

- By combining a public REIT allocation as a core holding (also provides liquidity) with investments in several private partnerships (or a fund of funds), manager specific, as well as property specific risk, within the real estate allocation can be diminished.

GEOGRAPHY

- Investments should be considered across the U.S. and internationally.

PROPERTY TYPE

- The portfolio should be diversified across property types (e.g., apartments, office, industrial, and retail).

PRIVATE EQUITY

The objective of the private equity allocation is to outperform, over the long-term, the public equity markets by 3-5% points, net of fees. The return premium exists due to the higher risk, lack of

liquidity, and the uneven distribution of information and access inherent in private markets. A prudent Private Equity investment strategy will consider the following

SUB-CATEGORY

- The target allocations to venture capital, buyout, and special situations (distressed, mezzanine, infrastructure etc.) will serve as a guideline for committing capital. As commitments to private equity are drawn down and invested over a period of years, and distributions are returned, the committed capital will be greater than the target allocation in order to reach the target market value.

VINTAGE YEAR

- Capital should be committed continuously and thoughtfully over time. Returns are highly dependent on market cycles and stage of the investment cycle. A portfolio diversified by vintage years will reduce unnecessary risk and provide more consistent long-term returns.

MANAGER

- Investments should be considered with several private partnerships (or a fund of funds) to mitigate manager specific, as well as deal specific risk.

STAGE

- Investments should be considered across the life cycle of businesses. Within venture capital, this includes early, mid, and late stage companies. Buyout investments consist of small, mid, and large market firms, and may be in the form of traditional buyouts, growth equity, recapitalizations, or restructuring.

GEOGRAPHY

- Investments should be considered across the U.S. and internationally (developed and emerging markets).

SECTOR

- The portfolio should be diversified by sector, as well as across industries within a sector.

NATURAL RESOURCES (ENERGY AND TIMBER)

The objective of the natural resources allocation is providing low correlation to the public equity and fixed income markets and serve as an inflation hedge. These investments should be primarily in the private markets, which offer inefficiencies that can be exploited. A prudent Natural Resource investment strategy will consider the following

SUB-CATEGORY

- The target allocations to energy and timber investments will serve as a guideline for committing capital. As commitments to natural resources are drawn down and invested over a period of years, and distributions are returned, the committed capital will be greater than the target allocation in order to reach the target market value.

VINTAGE YEAR

- Capital should be committed continuously and thoughtfully over time. Returns are highly dependent on market cycles and stage of the investment cycle. A portfolio

diversified by vintage years will reduce unnecessary risk and provide more consistent long-term returns.

MANAGER

- Investments should be committed to several private partnerships (or a fund of funds) to mitigate manager specific, as well as deal specific risk.

GEOGRAPHY

- Investments should be spread across the U.S. and internationally.

ENERGY

Investments in energy funds will focus primarily on the upstream end of the energy market with development and production, and to a lesser extent exploration. Exposure to the upstream markets will be gained through private equity investments, working interests, and royalty interests. Investment in downstream activities such as refining, transmission, and distribution may be considered opportunistically.

Upstream markets offer two primary benefits: Inefficiencies, which offer attractive investment opportunities, and exposure to the underlying commodity (oil and gas), which provides an inflation hedge.

TIMBER

Investments with Timber Investment Management Organizations (TIMOs) should be diversified by wood type (hard and softwood, species, etc.). Investing in TIMOs exposes the portfolio to timber prices, providing inflation protection, with the potential to generate additional return through the underlying management of the timberland.

HEDGE FUNDS/ DIVERSIFYING STRATEGIES

The objective of the hedge fund allocation is to diversify the Foundation 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 Foundation 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.

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

EQUITY HEDGE (DIRECTIONAL)

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. These investments generally fall into the Global Equity category.

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. These investments generally fall into the Diversifying Strategies category.

VII. CHARITABLE TRUST POLICY

The Community Foundation is the trustee for several Charitable Remainder Trusts. These funds are invested in accounts that stand alone from other pooled accounts for legal reporting purposes.

CRUT/CRAT Investment Managers shall adhere to the preceding Investment Policies set forth by the Community Foundation of the Great River Bend. If an Investment Manager feels there is a justification for investing in a way that deviates from that policy, they should submit a proposal to the Investment Committee in writing for review and approval.

In addition, to preserve the tax-exempt nature of Charitable Remainder Trusts, there are certain investments that are prohibited. Any investment that produces unrelated business income cannot be used in a Charitable Remainder Trust. An example of an investment that produces unrelated business income and is prohibited by this policy is a limited partnership.

VIII. NON ENDOWED FUNDS (CHARITABLE GIVING FUNDS)

The Community Foundation also maintains non-endowed funds sometimes referred to as Charitable Giving Funds (CGF). These funds are non-endowed and are created by donors usually with the intention of giving the money away in a short period of time. For most donors, the objective for this type of fund is to remain liquid so that granting can be done at any time. Periodically, a donor will have a more long-term objective in mind for the funds and will request a more aggressive means of investing. CGF's donors can choose from 5 investment objectives.

- Money Market – for capital preservation
- Fixed Income – for current income
- Balanced Fund – a 60/40 mix of stocks and bonds
- Growth – for long-term capital appreciation (all stock)
- Equity-Income – for reasonable total return (all stock)

Depending on donor direction, investment managers will usually be asked to find a single mutual fund that would fulfill each investment objective.

IX. OTHER INVESTMENTS

The Community Foundation of the Great River Bend maintains a minimum number of separately managed investment accounts to meet the needs of various individual donors. Separately managed accounts are subject to the Foundation's Donor Electives policy. Separately managed accounts are also subject to approval by the Investment Committee and must adhere to CFGRB's Investment Policy Statement unless otherwise approved by the Investment Committee.

APPENDIX 1: CURRENT ASSET ALLOCATION AND ALLOWABLE RANGES

	Detailed Allocation	Investment Advisors	Range	Completion Manager(s)	Range	Endowment Pool	Range	Total Foundation	Range
GLOBAL EQUITY	US Large/Mid Cap	20	12-28%	25	20-30%	30	20-45%	24	15-35%
	US Small Cap	10	5-15	5	2-8	5	0-10	8	4-12
	International Developed Equity	20	12-28	15	12-18	10	5-15	16	10-25
	Emerging Markets Equity	5	0-10	5	2-8	5	0-10	5	0-10
	Private Equity	*0*	*0-0*	*0*	*0-0*	*0*	*0-10*	0	*0-5*
	Total Global Equity	55	45-65	50	40-60	50	45-65	53	40-60
GLOBAL FIXED INCOME	Core Bonds	30	20-40	15	12-20	20	10-30	24	15-35
	Emerging Markets Debt	5	0-8	5	2-8	5	0-10	5	0-10
	High Yield Bonds	5	0-8	5	2-8	5	0-10	5	0-10
	Private Debt	*0*	*0-0*	*0*	*2-8*	*0*	0-10	0	*0-5*
	Total Global Fixed Income	40	30-50	25	15-35	30	25-45	34	20-45
REAL ASSETS	Public Real Estate	5	0-10	10	5-15	5.0	0-10	6	0-10
	Private Real Estate	*0*	*0-0*	*0*	*0-0*	*0.0*	0-10	0	*0-3*
	Commodities	0	0-0	5	2-8	2.5	0-10	2	0-5
	MLPs	0	0-0	5	2-8	2.5	0-10	2	0-5
	Private Energy	*0*	*0-0*	*0*	*0-0*	*0.0*	0-10	0	*0-3*
	Total Real Assets	5	0-10	20	10-30	10	0-15	10	5-15
DIVERSIFYING STRATEGIES	Liquid Diversifying Strategies	0	0-0	5	0-15	10	0-15	4	0-10
	Total Diversifying Strategies	0	0-0	5	0-15	10	0-15	4	0-10
	Total Private Capital	*0.0%*	*0-0%*	*0.0%*	*0-0%*	*0.0%*	*0-25%*	*0.0%*	*0-10%*

APPENDIX 2: BENCHMARKS

The current Policy Benchmark for the Total Foundation is:

30%	Russell 3000 Index
20%	MSCI ACWI ex U.S.
25%	Barclays Aggregate Bond
10%	Barclays U.S. Corporate High Yield
5%	FTSE NAREIT
2.5%	Bloomberg Commodity Index
2.5%	Alerian MLP Index
5%	US T-Bills plus 3%

The current Target Benchmark for Investment Advisors is:

20%	Russell 1000 Index
10%	Russell 2000 Index
20%	MSCI EAFE Index
5%	MSCI Emerging Markets
30%	Barclays Aggregate Bond
10%	Barclays U.S. Corporate High Yield Index
5%	FTSE NAREIT

Unless otherwise indicated to the Advisor, the Target Weighted Benchmark above is for all Investment Advisors employed by the Foundation.

The Foundation currently employs a local Investment Advisor (Wells Fargo) as a completion Advisor. This account has a different allocation and Target Benchmark versus other Investment Advisors.

The current **Target Benchmark** for the **Completion Investment Advisor** is:

25%	Russell 1000
5%	Russell 2000
15%	MSCI EAFE
5%	MSCI Emerging Markets
15%	Barclays Aggregate Bond
10%	Barclays U.S. Corporate High Yield
10%	FTSE NAREIT
5%	Bloomberg Commodity Index
5%	Alerian MLP Index
5%	T-Bills plus 3%

APPENDIX 2: BENCHMARKS

The Foundation has set aside a portion of the assets for long-term returns and under the supervision of the Committee and Investment Consultant. The allocation of this pool of assets is more diversified with allocations across geographic region, style, market cap as well as liquidity. Commonly titled the "Endowment Model" this pool of assets has a higher than average expected return but a longer time horizon.

The Target Benchmark for the Endowment Model Pool is:

30%	Russell 1000
5%	Russell 2000
10%	MSCI EAFE
5%	MSCI Emerging Markets
20%	Barclays Aggregate Bond
10%	Barclays U.S. Corporate High Yield
5%	FTSE NAREIT
2.5%	Alerian MLP Index
2.5%	Bloomberg Commodity Index
10%	T-Bills plus 3%

ACKNOWLEDGEMENT

We recognize the importance of adhering to the mission and strategy detailed in this policy approved by the Community Foundation of the Great River Bend's Board of Directors on September 20, 2016. We understand that the information included in Appendix 1 and 2 will be reviewed by CFGRB on an annual basis and any changes will be communicated in a timely manner.

We agree 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 therefore, recognize that suggestions regarding appropriate adjustments to this policy or the manner in which investment performance is reviewed are expected.

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Kathy Graves / VP of Finance and Administration Date
Community Foundation of the Great River Bend

_____ _____

Timothy P. O'Donnell, CAIA / Senior Vice President Date
Fund Evaluation Group, LLC

_____ _____

Investment Manager/Custodian Date