



INVESTMENT POLICY

A. MANAGEMENT OF THE FOUNDATION INVESTMENTS

All the Foundation funds shall be invested according to the policies defined by the Foundation's Investment Committee and in accordance with the Board of Trustees. The investment strategy is defined in two broad categories:

- Long term/endowed funds
- Short term/non-endowed funds and operating funds

The Board of Trustees vests authority to recommend and implement investment policy with the Investment Committee. This Investment Committee reports to the Board at each meeting regarding the status of the Foundation's investment results as well as any recommended changes in investment policy to the Board.

B. GENERAL INVESTMENT FUNCTIONS OF THE INVESTMENT COMMITTEE

1. The Investment Committee shall review regularly all investments of the Foundation. Its principal function shall be to develop and recommend to the Board such investment and investment related policies as it deems appropriate. No member of the Investment Committee shall have or appear to have a conflict of interest that impairs or appears to impair the member's ability to exercise independent and unbiased judgment in the good faith discharge of his or her duties.
2. The Committee shall make regularly scheduled reports to the Board of Trustees.
3. The Committee shall recommend to the Board appropriate policies and procedures for custodianship and access to securities, as it may deem proper.
4. The Treasurer, or his/her designee, shall be the Chair of the Investment Committee and shall cause minutes of the actions of the Committee to be kept. The Treasurer is responsible for the management of cash and short-term investments.
5. The Committee may engage an investment advisor to work with and advise financial services office staff and the Committee, on the aspects of investment management including, but not limited to overall investment strategy, general asset allocation, target asset allocation, market trends, investment managers and custodian selection, manager and custodian evaluation criteria, and any other appropriate matters.

C. SPECIFIC FUNCTIONS OF THE INVESTMENT COMMITTEE

1. Establish and continue to update Investment Policy Guidelines and report the recommended changes to the Board.

2. Establish investment objectives for the long-term and short-term investments.
3. Set asset allocation and investment manager structure policies for the investments.
4. Select investment advisors and oversee selection of investment managers for the investments.
5. Establish, monitor and update the investment process.
6. Review investment performance against established objectives.
7. Review at least annually investment activity to ensure compliance with investment policy.
8. Establish the Spending Policy.

D. LONG-TERM INVESTMENT POLICY AND GUIDELINES

1. The goal of the long-term investment program is to provide a real total return from assets invested that will preserve the purchasing power of capital, while generating an income stream to support the activities of the funds held by the Foundation. Achievement of the real total return will be sought from an investment strategy that provides an opportunity for superior total returns within acceptable levels of risk and volatility.
2. For the long-term, the primary investment objective is to earn a total return (net of investment and custodial fees) within prudent levels of risk, which is sufficient to maintain in real terms the purchasing power of capital.
3. Asset allocation ranges for long-term investments shall be recommended by the Investment Committee and approved by the Board of Trustees. It may be modified from time to time to take advantage of changing market conditions as deemed prudent to meet long-term investment goals and objectives.
4. It is anticipated that, from time to time, the Foundation will receive gifts in the form of marketable securities. In such events, the Committee will instruct the Treasurer to liquidate the securities as soon as possible pursuant to GHSU Foundation gift acceptance policy.
5. Custodian and depository activities, including agreements with any banks for the temporary, short-term investment of cash and equivalents, will be subject to annual review by the Committee to assure that the Foundation is receiving competitive rates and services.

E. MANAGEMENT OF SHORT-TERM INVESTMENT POLICY

1. The goal of the investment program for the short/mid-term investments is to provide support for the operational needs of the Foundation while maintaining low risk of principal.
2. For the short-term, the primary investment objective is to support the daily operational needs of the Foundation while preserving the safety of the principal and when possible, to provide for the movements of funds into mid-term and long-term investments to enhance investment returns for the unrestricted operations of the Foundation.