

Investment Policy Statement

For

Juneau Community Foundation's Bedrock Short Term Account

May 2020

EXECUTIVE SUMMARY

Type of Plan

Short Term Account

Time Horizon:

1 - 2 Years

Expected Rate of Return:

return on investment is of secondary importance to preserving principal

Asset Allocation

Strategic Allocation

Cash & Cash Equivalents

100%

Evaluation Benchmark:

90 Day U.S. Treasury Bill

SCOPE OF THIS INVESTMENT POLICY

This statement of investment policy reflects the investment policy, objectives, and constraints of the entire Juneau Community Foundation.

PURPOSE OF THIS INVESTMENT POLICY STATEMENT

This statement of investment policy is set forth by the Investment Committee of the Juneau Community Foundation in order to:

1. Define and assign the responsibilities of all involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives of Fund assets.
3. Offer guidance and limitations to all Investment Managers regarding the investment of Juneau Community Foundation assets.
4. Establish a basis for evaluating investment results.
5. Manage Juneau Community Foundation assets according to prudent standards as established in common trust law.
6. Establish the relevant investment horizon for which the Juneau Community Foundation assets will be managed.

In general, the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

DELEGATION OF AUTHORITY

The Board of Directors is the fiduciary of the assets of the Juneau Community Foundation. The Board of Directors seeks input and recommendations from the Investment Committee. The Investment Committee is responsible for monitoring the investment management of Foundation assets as established by the Board of Directors. The Board of Directors may delegate certain responsibilities to professional experts in various fields. These include, but are not limited to:

1. Investment Management Consultant. The consultant may assist the Investment Committee in: recommending investment policy, objectives, and guidelines; selecting investment managers; reviewing such managers over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. Investment Manager. The investment manager has discretion to purchase, sell, or hold the specific securities that will be used to meet the Foundation's investment objectives.

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3. Custodian. The custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Foundation, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Foundation accounts.
 4. Co-Trustee. The Investment Committee may recommend appointment of an outside individual or entity, such as a bank trust department, to be co-trustee. The Co-trustee will assume fiduciary responsibility for the administration of Foundation assets.
 5. Additional specialists such as attorneys, auditors, investment consultants, and others may be employed by the Board of Directors to assist the Investment Committee in meeting its responsibilities and obligations to make recommendations to the Board regarding prudent administration of Foundation assets.

The Investment Committee will not reserve any control over investment decisions, with the exception of specific limitations described in these statements. Managers will be held responsible and accountable to achieve the objectives herein stated. While it is not believed that the limitations will hamper investment managers, each manager should request modifications which they deem appropriate.

If such experts employed are also deemed to be fiduciaries, they must acknowledge such in writing. All expenses for such experts must be customary and reasonable, and will be borne by the Foundation as deemed appropriate and necessary.

ASSIGNMENT OF RESPONSIBILITY

RESPONSIBILITY OF THE INVESTMENT MANAGER (CONSULTANT)

Each Investment Manager must acknowledge in writing its acceptance of responsibility as a fiduciary. Each Investment Manager will have full discretion to make all investment decisions for the assets placed under its jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Investment Manager(s) include:

1. Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
2. Reporting, on a timely basis, quarterly investment performance results.
3. Communicating any major changes to economic outlook, investment strategy, or any other factors which affect implementation of investment process, or the investment objective progress of the Foundation's investment management.

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4. Informing the Investment Committee regarding any qualitative change to investment management organization: examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.
 5. Voting proxies, if requested by the Board of Directors, on behalf of the Foundation, and in the best interests of the Foundation.

DEFINITIONS

1. "Foundation" shall mean the Juneau Community Foundation.
2. "Investment Committee" shall refer to the committee established to monitor the Foundation's Account as specified by the Board of Directors.
3. "Account" shall mean the Bedrock Short Term Account.
4. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over fund management or any authority or control over management, disposition or administration of the Foundation's assets.
5. "Securities" shall refer to the marketable investment securities which are defined as acceptable in this statement.
6. "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. The investment horizon for this Account is 1 to 2 years.

GENERAL INVESTMENT PRINCIPLES

1. Investments shall be made solely in the interest of the beneficiaries of the Foundation.
2. The Account shall be invested with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in like capacity and familiar with such matters would use in the investment of a fund of like character and with like aims.
3. Investment of the Foundation's Account assets shall be so diversified as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
4. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity, and return.

INVESTMENT MANAGEMENT POLICY

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1. Preservation of Capital.
 2. 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 investment results that are sufficient to meet the Foundation's objectives. However, the 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.
 3. Stocks or Bonds received as part of a gift must be liquidated within fifteen days of receipt.

GOAL

The Investment Committee feels that grants to be made in the future are as important as grants made today. This is consistent with the philosophy that this Foundation is to exist in perpetuity, and therefore, should provide for grant making in perpetuity. To attain this goal, the overriding objective of this Account is to maintain liquidity.

INVESTMENT OBJECTIVES

In order to meet its needs, the investment strategy of the Juneau Community Foundation is to emphasize the highest return indicative of money market and short-term fixed income.

MARKETABILITY OF ASSETS

The Investment Committee requires that all of the Foundation's Account assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Foundation, with minimal impact on market price.

INVESTMENT GUIDELINES

ALLOWABLE ASSETS

1. Cash Equivalents
 - Treasury Bills
 - STIF Funds
 - Commercial Paper rated A1, P1
 - Banker's Acceptances
 - Repurchase Agreements
 - Certificates of Deposit
2. Money Market Fund(s) – fund(s) that qualify by meeting SEC rule 2(a)7.

INVESTMENT GRADE FIXED INCOME FUNDS

GUIDELINES FOR SEPARATELY MANAGED FIXED INCOME INVESTMENTS AND CASH EQUIVALENTS

1. For separate accounts, Foundation assets may be invested only in investment grade bonds rated AAA (or equivalent) or better.
2. Foundation assets may be invested only in commercial paper rated A1 (or equivalent) or better.
3. Fixed income maturity restrictions are as follows:
 - Maximum maturity for any single security is 2 years.
 - Weighted average portfolio maturity may not exceed 1 year.

INVESTMENT POLICY REVIEW

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Investment Committee plans to review investment policy at least annually.

This statement of investment policy is adopted on May 18, 2020 by the Board of Directors of the Juneau Community Foundation, as attested below.

Mike McKrill, President
Juneau Community Foundation