Investment Committee Structure

**Roles and Responsibilities**

The Foundation uses both a finance committee and an investment committee to manage its assets.

The Foundation also employs a consultant/fund manager to assist in making asset allocation decisions as well as selecting the index funds that represent the desired asset allocation.

The Foundation also has outside advisors with varying experience in asset management to assist in making decisions.

The finance committee addresses operational and budgetary matters while the investment committee oversees investment policy and fund investments.

**Structure and Governance**

The finance committee shall consist of the Treasurer and at least four other Board members. The investment committee shall consist of the Treasurer, the President, and one other board member, plus between three and five investment professionals who are not board members.

**Non-Board members of Committee.** Of the investment professionals, it is desirable to have at least one member with work experience as an investment officer at the Alaska Department of Revenue and at least one member who has work experience with the Alaska Permanent Fund Corporation, provided that at no time either organization has more than two representatives on the committee. Other qualified candidates may be the Finance Director for the City and Borough of Juneau, or from the high net worth or banking community. No candidate will be considered who does not have demonstrated professional investment experience.

Candidates will be reviewed and recommended by the investment committee and nominees will be submitted to the board for approval. Board approved candidates will serve for a term of three years and terms will be staggered to ensure that turnover will be minimized.

**Chair of Committee**. The members of the investment committee will elect their chair from among the non-board members of the committee. The chair will serve for two years and the annual election will occur at the first meeting of a new calendar year. A chair will be limited to three consecutive terms as chair beginning in January 2021, after which he or she may serve again after a break in service of at least one year.

**Rewards and Risks**

This structure is intended to ensure that high quality investment professionals serve the investment needs of the Foundation. It will provide continuity of the investment philosophy when inevitable turnover occurs.

Not insignificantly, this approach allows the investment professionals the ability to select candidates who truly have expertise without giving up the board’s ability for final approval.

By seeking candidates with work experience at the Department of Revenue and the Alaska Permanent Corporation, the board seeks to manage the Foundation’s assets in a professional, institutional manner.

Any system where the board consists of non-investment professionals can create a risk that an investment committee does not understand the obligation of a fiduciary or does not have investment experience. The investment committee established by this policy attempts to mitigate the probability of that risk. Under this system, the board will maintain its fiduciary responsibility.