

SUMNER COMMUNITY FOUNDATION
Investment Policy Statement

A. STATEMENT OF OBJECTIVES

- .. Establish clear and long term (in perpetuity) investment objectives that will:
 "Grow and maximize" (as stated in the SES - Sumner Agreement) the assets of the Foundation.
- ..Establish clear oversight of the Foundation's assets,
- ..Establish investment allocation strategies for each of the portfolios,
- ..Establish diversified asset mixes that will generate expected risk-adjusted returns,
- ..Establish relevant benchmarks for how the assets of the Foundation's portfolios are to be measured, and
- ..Establish a basis for financial advisor selection and evaluation.

B. THE TWO PORTFOLIOS and THEIR MANAGEMENT

1. Two investment portfolios will be used by the Foundation:
 - A. Aggressive portfolio, which will contain about 70% + or - of the investment assets.
 The investments will place greater emphasis on total return rather than growth.
 - B. Conservative portfolio, which will contain about 30% + or - of the remaining investment assets.
 These investments will focus on income oriented instruments.
2. The financial advisor must advise and manage the Foundation's assets with the statement of objectives, investment goals and policies expressed herein, and must always put the fiduciary interests of the Foundation first.
3. The financial advisor is delegated with the primary responsibility to maintain the asset allocation ranges within the portfolios. The advisor should always promptly advise the Board of any deviation from the IPS that relates to Investment strategies, portfolio structure, market value or other matters affecting the portfolio.
4. The Board of Directors delegates to the financial advisor the responsibility of determining the percentage of assets in both portfolios based upon the risk tolerance of the Board.
5. A cash management account (CMA) will also be used to manage the checkbook.
6. Investments may include, but are not limited to, equities, fixed income instruments, cash, and other alternative investments such as real estate investment trusts and limited partnerships. Funds selected for either portfolio should generally have at least, three stars out of five, in their Morningstar rating. The Morningstar rating should not, however, be interpreted as the only criteria for portfolio selection.
7. It is expected the advisor will establish communication links with the Board (face to face, conference calls, etc) to up-date the board and discuss portfolio performance, in comparison to benchmark indexes and options, as well as to discuss strategies going forward.
8. It is the responsibility of the financial advisor to advise the Board on investment alternatives and allocations that reflect the desire and preference of the Board.
9. The advisor is expected to provide the following information to support his or her conclusions and/or recommendations:
 - ..Market and total fund returns
 - ..Total portfolio volatility
 - ..Information on the frequency of rebalancing
 - ..Investment performance as measured against comparable market indices and policy benchmarks
 - ..Current asset allocation
 - ..Appropriateness of the current investment policy
 - ..Potential for other than temporary impairment of assets.

C. RISK TOLERANCE

The Board of Directors understands no investment strategy will achieve its performance goal (s) every quarter or year; and that the balances of the portfolios will fluctuate with changing market conditions.

The financial advisor will incorporate risk-management strategies to reduce the likelihood of major paper losses of more than 20%. (The aggressive portfolio may experience such a reduction, on historical average, once in about every ten years.) An aggregate Morningstar Portfolio Risk Score of 70-77 would be appropriate for our stated risk tolerance. The Board is discouraged from acting on emotion in times of market distress or correction given its 10+ year investment time horizon.

D. REBALANCING

When market conditions cause the asset classes to be 3% or more above the stated weight within a portfolio, the advisor should make a recommendation to the Board on the appropriateness of rebalancing the portfolio.

E. ANNUAL REVIEW OF THE IPS

The Board of Directors, in consultation with the financial advisor, will review at the annual meeting, the IPS to confirm it's appropriateness in continuing to meet the long term goals of the Foundation.

Continuing the relationship with the financial advisor will also be discussed as part of the agenda of the February annual meeting.

F. FINANCIAL ADVISOR SELECTION

The financial advisor should be chosen based upon, but not limited to his or her credentials, past experience working with 501 (c) (3) organizations, referrals/ recommendations, value added services offered and proposed fee structure.

Request for proposals (RFP's) should be required by the Board no fewer than three no more than five years to confirm that the financial advisor is best suited for the current and future environment. Any financial advisor candidate will be provided with an IPS prior to an interview.

G. AMENDMENTS

This IPS may be amended or repealed at a regular or special Foundation meeting.

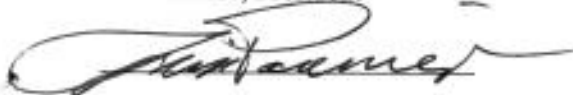
The proposed motion should be stated in the meeting's agenda and can be approved by a simple majority.

H. ACKNOWLEDGMENT

We the Board recognize the importance of adhering to the Purpose, Objectives and policies within this document and agree to work to the best of our ability to accomplish mission of the Sumner Community Foundation.

Ratified Feb. 23rd, 2022

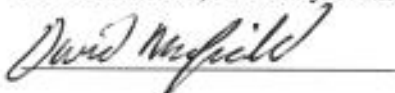
Jim Pannier, President



Steven Becker, Vice President



Dave Mansfield, Secretary/Treasurer



Brett, Walsh, Member



Mark Zimmer, Board Member

