

Mayland Community College Foundation

INVESTMENT MANAGEMENT POLICY

March 10, 2020

The purpose of the investment management policy is to provide both the Mayland Community College Foundation Board of Directors and the selected investment advisor overseeing the MCCF Endowment with general guidelines to ensure endowment funds are both secured and able to grow over time. The purpose of the endowment is to fund MCCF scholarships (as outlined in the financial management policy) and to house other endowed funds such as for maintenance of capital projects.

The return objective for the endowment over a period of years is growth of the assets in favorable market conditions with the flexibility to go defensive and adjust the goal to be protection of capital and income in times of poor market conditions. The goal is for long term growth without speculation with the intent to increase the capabilities of the Foundation while maintaining the principal.

Both value and growth will be considered with active management to create a balanced portfolio. The portfolio will be diverse with a core asset class and assumes a long term investment horizon. The risk analysis for all funds will be low/moderate risk with a target range of 60% equities and 40% fixed income and a maximum of 75% equities and 25% fixed income. However, in certain circumstances, with approval from the MCCF Finance Committee, that maximum equities distribution may be extended. A cash balance of \$150,000 must be kept at all times for purposes of scholarship needs. See chart below.

No 3<sup>rd</sup> party foundations will manage the investment account. A request for proposal (RFP) will be sent out for investment manager services every five years and will include a copy of the MCCF Investment Management Policy and the Financial Management Policy.

	<b>Cash</b>	<b>Equities</b>	<b>Fixed Income</b>
<b>Target</b>	\$150,000	60%	40%
<b>Maximum</b>	n/a	75%	25%
<b>Minimum</b>	\$150,000	0%	100%