

Millersville University Foundation

Investment Policy Statement

Version [7.0]
Adopted February 7, 2017



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Investment Policy Statement Version Control

Policy Version	Date Drafted	Date Adopted	Reason for Revision
[1.0]		5/16/07	[Initial IPS]

Definitions

1. Foundation Board of Directors is a body of individuals who oversee all interests of the Foundation.
2. CPI shall mean the Consumer Price Index or rate of inflation.
3. Foundation shall mean the Millersville University Foundation.
4. Fiduciary shall mean undertaking an obligation to exercise prudence, responsibility and authority in making decisions in connection with managing the assets of the Foundation (or as further defined by applicable law).
5. Consultant employed by Foundation Board to assist in the development of investment obj Tc 0.0Uec 0 u 0 Tw
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Summary

Basic Information

Millersville University Foundation

Foundation Type

- PublicUniversityFoundation

Location

- 1 S.GeorgeStreetSt Un C2 0 Tw ()Tj EMC , 0.013 Tw 0.239 0848orget 112.5(ou)10.9(n)10.93.78StverT8

- 4.) The Investment Committee may employ one or more investment managers of varying styles and philosophies to attain the Fund's objectives.
- 5.) Cash is to be employed productively at all times, by investment in short-term cash equivalents to provide safety, liquidity, and return.

Ethics and Conflicts of Interest

Board Members involved with the investment process shall refrain from personal business activity that may conflict with the proper execution of the investment program or impair their ability to make impartial investment decisions.

Prudent Investor Standard

While the Uniform Prudent Management of Institutional Funds Act (UPMIFA) has not been adopted by the State of Pennsylvania, it provides for the consistent fiduciary standard for charitable board members, officers, trustees, consultants, investment managers and all other parties involved in the stewardship of

soon as it is feasible to do so.

- The Committee shall review the performance and assistance provided by said advisory consultant or organization at least every 5 years from date of original hire and make a report to the Board as to why they should be retained or removed. In addition, the Investment Committee will, as needed, change third party advisors including the Consultant, Money Manager(s) or Custodians.

To assist the Investment Committee in these duties, the Investment Committee may retain the following:

Consultant

The Investment Committee may hire a Consultant to assist the Foundation in the performance of its respective functions. The responsibilities of the Consultant will be specified in the Consulting Services Agreement.

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Investment Policies & Procedures

Investment Philosophy

While acknowledging the importance of preserving capital, the Board of Directors also recognizes the necessity of accepting risk if the assets are to be able to meet their long-term investment goals as defined in this IP. It is the view of the Directors of the Millersville Foundation Board that choices made with respect to asset allocation and liquidity risk will be the major determinants of investment performance. The Investment Committee shall seek to ensure that the risks taken are appropriate and commensurate with the asset's goals and shall monitor these risks as defined below

Investment Guidelines

The Investment Committee, subject to the investment guidelines, shall have complete discretion to manage the assets to best achieve the Foundation's investment objectives.

The Investment Committee shall set forth guidelines for managing investment assets according to prudent standards established in the Uniform Prudent Management of Institutional Assets (UPMIA), 49 U.S.C. (7) 1258-4(a)(2)(i)

General Guidelines

Investment of University Funds

As per the Fiduciary Agreement between the Foundation and Millersville

Strategies
The Investment

- x Provide detailed information on the history of the firm, key personnel, key clients, fee schedule, and support personnel. This information can be a copy of a recent Request Proposal (RFP) completed by the manager.
- x Clearly articulate the investment strategy that will be followed and document that the strategy has been successfully adhered to over time.
- x Selected firms shall have no outstanding legal judgments or past judgments, which may reflect negatively upon the firm.

Performance & Replacement Standards

The Investment Committee is primarily interested in the long-term performance of the Fund rather than the short term (i.e., quarterly results) in determining whether the Fund's principal investment objectives have been met. The Fund's investment program and Managers are expected to emphasize capital appreciation with due regard for safety of principal and income as defined below:

A thorough review and analysis of a money manager may be conducted, should:

- x A Manager perform in the bottom quartile (75th percentile) of their peer group over a 1 year time period.
- x A Manager fall in the southeast quadrant of the risk/return scatterplot for a 1 year period.
- x A Manager have a 1-year risk adjusted return (as measured by the Sharpe Ratio) fall below that of the median manager within the appropriate peer group.

Furthermore, performance which may require the replacement of a Manager include:

- x Managers that perform below the bottom quartile (75th percentile) of their peer group over a 3 year time period.

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Monitoring of Consultant

The Investment Committee shall review the performance of the Consultant on a regular basis using the same criteria for the whole portfolio that each investment Manager is expected to achieve. The Consultant shall be responsible for coordinating all communications between the Committee and service providers.

The Consultant, as a fiduciary of the Fund, is required to provide unbiased investment ~~services~~ to the Foundation and must inform it of any changes to key personnel, investment strategy or other organizational issues. The Consultant shall provide to the Foundation any information deemed appropriate to ascertain its ability to fulfill its duties.