

**Investment Policy Statement
For
Columbia Community Foundation
EIN: 26-1095804**

Statement of Purpose:

The purpose of this statement is to establish a clear understanding between the Columbia Community Foundation (the Client) and Joy Mitchell (the Financial Consultant) engaged by the Client regarding the investment objectives, goals, and guidelines of the Client's portfolio.

Within the specific guidelines outlined below, the Financial Consultant will act on the exclusive behalf of the Client, with care, skill, and prudence and diligence that a prudent person acting in a similar capacity and familiar with such matters would use in the conduct of an enterprise of similar characteristics and aims.

This document should be reviewed on a periodic basis (at least annually), and any modifications should be discussed and explained in detail to the Client by Joy L. Mitchell, Vice President and Financial Consultant, of Janney Montgomery Scott LLC.

Capital Markets Return Expectations:

The specific investment goals stated below are based on a 10 year average rolling return for the U.S. capital markets:

<u>Assets Class</u>	<u>Expected Return</u>
U.S. Large Capitalization Stocks	8.00%
U.S. Mid Capitalization Stocks	8.25%
U.S. Small Capitalization Stocks	8.50%
International Stocks	9.00%
Intermediate U.S. Govt. & Corporate Bonds	5.50%
90-Day U.S. T-Bills	4.00%
U.S. CPI	3.00%

Investment Objectives:

Assets should be managed, as a balanced portfolio comprised of domestic equities, domestic fixed assets and cash managements to be further outlined in this statement. It should be managed in a moderately conservative fashion defined by:

- Expected rate of total return
- Diversification
- Expected return volatility (Beta 1.00%)

Primary Objective:

Growth & Income: Emphasis should be on a combination of income and capital appreciation, primarily through a broad range of investments. The asset value of the account, exclusive of contributions and withdrawals, should closely track with the commonly quoted stock and bond market benchmarks.

Investment Goals:

Target Return: The return in the long run should closely track the return of the S&P 500 Index and the Lehman Brothers Intermediate Government/Corporate Bond Index in respective 60%/40% ratio. This return should be generated while incurring a level of risk relative to the aforementioned ratio, in accordance with any applicable laws covering foundation investments, and with the Client's tolerance.

Distribution Income Requirements:

Distribution income is required in the amount of \$ 2,000 after tax per year. These amounts will increase/decrease on an as needed basis.

Investment Guidelines:

1. Financial Advisors registered with the Securities and Exchange Commission may be given the full authority to act on behalf of the Client, subject to the restrictions set forth in this policy and with the direction of the Client's Treasurer.
2. Investment decisions must be consistent with those of a prudent investor.
3. All investments must be marketable and have a readily available market value.

Equity Investments: The target allocation for equity investments is 60%. At any given time equity investments may range + or - 10% from the target equity allocation.

Investments Advisors may purchase for the portfolio:

- Common stocks (Representing no more than 10% of an equity position)
- American Depository Receipts (ADR's)
- Preferred Stocks
- Mutual Funds
- Unit Investment Trusts

Equity investments should be diversified across economic and industry sectors, and individual issues. The equity portion of the portfolio may consist of companies of all market capitalization.

Fixed Income Investments: The target allocation for fixed income is 40%. At any given time the Fixed Income investments may range + or – 10% from the target fixed income portion allocation.

Investments in individual issues should represent no more than 20% of the fixed income portion of the portfolio at cost. At any given time the investments in individual issues may range + or – 10% from the target fixed income portion allocation.

U.S. Government obligations and those of its agencies may be purchased.

Mutual Funds/Unit Investment Trusts may be purchased.

The majority of corporate obligations, including convertible bonds, should be issues of companies rating better than BBB by Standard & Poor's. Each individual issue should have a readily liquid market value as represented by an initial issue size of one hundred and fifty million dollars.

Short-Term Investments: Short-term investments may be used. When cash becomes available it may be invested in Money Market instruments, Certificates of Deposits, U.S. Treasury Bills, and Commercial paper rated A-1 by Standard & Poor's. The Financial Consultant will make every attempt to invest in the highest yielding short-term instruments consistent with the other objectives set forth in this document.

Restrictions:

The Financial Consultant may not purchase or sell:

- Option Contracts
- Derivative Securities
- Futures Contracts
- Collateralized Mortgage Obligations (CMO's)

Investment Performance Review:

The portfolio's results will be measured and reviewed quarterly either in person, via telephone conversation, or through a portfolio mailing. Total portfolio performances will be measured against:

1. A blend of 60% S&P 500 Index and 40% Lehman Brothers Intermediate Government/Corporate Bond Index.
2. A total rate of return of 5.0%.

Communications:

- Janney Montgomery Scott LLC will provide written confirmation of each transaction.
- Janney Montgomery Scott LLC will provide a monthly/quarterly statement of account holdings and values for the monthly/quarterly period.
- Asset allocation will be discussed through annual review, independent performance evaluations measuring risk, relative returns to stated objectives, and between Joy L. Mitchell, Financial Consultant, and the Columbia Community Foundation Board Members.

Summary:

All investments are to be made by the Financial Consultant in a prudent manner. The Client's investment objectives, goals, and guidelines are the sole purpose of this investment statement policy.

Acknowledged by: _____ **Dated:** 01/26/10
Ronald B. Krisko, President

Acknowledged by: _____ **Dated:** 01/26/10
Wayne E. Brassell, Vice President

Acknowledged by: _____ **Dated:** 01/26/10
Deborah J. Hitchcock, Secretary

Acknowledged by: _____ **Dated:** 01/26/10
John D. Brocklehurst, Treasurer

Financial Consultant: _____ **Dated:** 01/26/10
Joy L. Mitchell