

Johnston Community School Foundation

Investment/Endowment Policy

OVERVIEW

The Johnston Community School Foundation (Foundation) follows a prudent investment philosophy, and periodically conducts a careful review of the dollar amount of grants, scholarships and operating expenses awarded on an annual basis, so that the value of the endowment is retained over time. The investment policy for the Foundation Endowment is to provide a predictable stream of income so that the Foundation can continue its annual activities.

ENDOWMENT POLICY

It is intended that the Foundation may withdraw funds on an annual basis of an amount up to 5% of the prior 30 June of the Foundation's investment in the Greater Des Moines Community Foundation (GDCF). Though historical investment returns have generally exceeded 5%, this policy should reflect the inherent volatility of the market. Given that volatility, the Foundation should remain flexible with regard to the annually determined cumulative grant, scholarship and operating expenses amount. These funds may be used for funding of grants, scholarships or general operating expenses, as determined by the Foundation's Executive Committee. The Foundation Board of Directors may, at their sole discretion, authorize withdrawal of an amount greater than the 5% annual withdrawal limit to be used for specific purposes as authorized by the Board. For withdrawal of an amount greater than 5%, the GDCF requires a certified resolution from the Foundation authorizing such withdrawal.

The Foundation from time to time may raise funds independently or in collaboration with other civic groups for a specific need of the Foundation or the Johnston Community School District. Such funds would be distributed to the Johnston Community School District or used as directed by the Foundation's Executive Committee and would be in addition to the 5% withdrawn amount on the prior 30 June of the Foundation's investment in the Greater Des Moines Community Foundation (GDCF).

INVESTMENT POLICY

The Board of the Foundation has chosen investment funds of the GDCF to manage designated assets of the Foundation. The Foundation will invest designated assets in accordance with the following investment policy statements.

INVESTMENT PURPOSE

Designated assets of the Foundation shall be treated as available for long-term investment. Income from these assets accumulates tax-free and will be invested in a manner that will achieve acceptable annual investment returns and provide for sufficient administrative simplicity.

INVESTMENT GUIDELINES AND ASSET ALLOCATION

The Foundation will invest designated assets in the GDCF investment funds from time to time as it deems appropriate. Other funds not invested in the GDCF funds may be held in cash or invested in Money Market/Cash Equivalent Funds or other high quality investments such as CDs, not to exceed FDIC insured deposit limits.

GUIDELINES AND PROCEDURES FOR MONITORING FUNDS

The Foundation Board will review status and performance of investments at least semi-annually presented in its financial reports. It is also expected that personnel from GDCF will

give an update on the total fund composite performance and investment strategy at least annually at a Foundation board meeting.

RECORD RETENTION POLICIES

Copies of printed reports and important communication are kept for at least 7 years by the Foundation Secretary at its offices located at 5731 Greendale Road, Suite 200, Office #3, Johnston, Iowa 50131.

Adopted: 9/17/2008

Revised: 5/20/2010

Revised: 10/16/14

Revised: 11/20/14