

The Abington Foundation
Investment Policy Statement

- I. Purposes of The Abington Foundation - The Abington Foundation is operated exclusively for charitable purposes, including the support of education, the promotion of social welfare and the advancement of the greater Cleveland community.
- II. Asset Management - The Foundation's assets shall be prudently invested with the object of achieving the Foundation's purposes. To the extent possible, this will include the preservation of capital and appreciation of principal on an inflation-adjusted basis for the Foundation over its time horizon, which is presumed perpetual.
- III. Board of Trustees - The Board of Trustees, as a committee of the whole, is responsible for overseeing the investment policies and procedures and will receive at least quarterly reports on the Foundation's investments from its custodian, investment managers and/or investment consultant. Decisions as to specific investments are left to investment manager discretion, subject to guidelines provided to the manager/s, or stated in manager disclosure documents.
- IV. Monitoring of Objectives and Results - The Foundation investments will be monitored by the Board on an ongoing basis. Performance and risk will be monitored relative to objectives, including environmentally conscious investing. The Board, with the assistance of its investment consultant, will monitor the managers with regard to their procedures, adherence to guidelines, qualitative factors and results obtained. The consultant shall report findings to the Committee as needed.

Regular communication between the Board and the investment consultant shall be made through the Treasurer. If emergency action is required, the Treasurer or the President or the Vice President may act on behalf of the Board until its next meeting.
- V. Performance Measurement - The performance of the Foundation's managers will be measured against appropriate peers, universes and indexes for their respective asset classes and investment styles. Rolling five-year time periods will be used as the primary performance time horizon. Quarterly, year-to-date, one-year, three-year, ten-year and since inception results will also be reviewed. The Board shall meet at least semi-annually with the investment consultant to review the investments and the managers. Interviews of the investment managers shall be conducted on an as needed basis.
- VI. Asset Allocation Guidelines - The Foundation's assets will be divided into four types; U. S. Equities, International Equities, Fixed Income, and Alternatives. The Board

may establish a Target Allocation for each type and target allocations for particular styles and specialty strategies within each, as applicable. Ranges for each allowable investment type are provided on the attached Table.

It is generally expected that investment managers be fully invested. In most instances, the primary vehicle for cash investments of the Foundation shall be an institutional money market mutual or commingled fund.

As a general rule, cash flows will be used to rebalance the Foundation's assets in the direction of the Target Allocation most recently ratified by the Board.

	Allowable Range	Normal Range	Target Allocation
U. S. Equities	0 - 90%	25 - 45%	30%
Global Equities	0 - 40%	10 - 30%	25%
International Equities	0 - 60%	20 - 40%	31%
Fixed Income and Cash	5% - 100%	5 - 15%	10%
Alternatives	0 - 10%	2 - 6%	4%

VII. Definitions

U.S. Equities are stocks or securities of companies, representing ownership interest of entities, headquartered in the United States.

Global Equities are stocks or securities of companies, representing ownership interest of entities, headquartered anywhere throughout the world.

International Equities are stocks or securities of companies, representing ownership interest of entities, headquartered outside of the U.S.

Fixed Income and Cash are investments in debt issuances or loans made to countries (U.S. government or other sovereign issuers), corporations, mortgage-backed securities, bank loans, commercial paper, certificates of deposit and other similar assets.

Alternatives are investments and/or investment strategies that include private equity, real estate securities and other non-traditional asset class strategies.