Investment Committee Charter

Purpose
The role of the Investment Committee is to recommend investment policies and oversee their execution. The Committee advises the Board of Directors in fulfilling its fiduciary responsibilities for prudent investment of the funds entrusted to the community foundation.

Responsibilities
- Manage the process of selecting an outsourced chief investment officer (“OCIO”) and appoint OCIO to oversee SVCF investments, including the endowment and donor pools. Oversee and review OCIO performance (separate and apart from investment performance) on a regular basis, but no less than annually.
- Recommend for approval by the Board investment policies developed in partnership with the OCIO. The investment policies shall:
  - Establish investment philosophy and guiding principles for the investment process.
  - Establish a strategic asset allocation for each of the investment pools, with suitable levels of risk, liquidity and diversification.
  - Establish and maintain a disciplined process for sourcing, hiring, evaluating and terminating investment managers, ensuring an inclusive process for sourcing, evaluating and recommending managers across race, ethnicity and gender.
  - Establish appropriate performance benchmarks and metrics of success.
- Oversee execution of investment policies and operating standards across the foundation’s various investment types, including the endowment and donor pools, individually managed funds (IMF), deferred and split interest gifts, and other assets held for investment:
  - Ensure that roles and responsibilities are clear, decision making is efficient and void of biases, and policies and procedures are effective.
  - Review investment performance on a regular basis.
  - Monitor investment expenses to ensure costs are reasonable.
  - Support staff in execution of investment policies.
  - Advise on third party service provider selection, as needed (e.g., custodian, brokerage, technology, securities lending, commission recapture, proxy voting, etc.).
  - Evaluate adherence to policies and operating standards, updating policies as needed.
- Exercise a level of care, skill and diligence that a prudent person, acting in a like fiduciary capacity, would bring to a similar enterprise.
  - Avoid conflicts of interest.
  - Stay informed of relevant investment topics and new developments.
  - Evaluate Committee effectiveness.
- Conduct an annual Committee evaluation to remain focused and bring out any issues to further the Committee’s work.

Membership and Leadership
The Committee is an advisory committee to the Board. Membership shall consist of at least three (3) current Board members knowledgeable of investment management. The Committee chair shall be a Board member. The President/CEO and the current Board chair will be ex-officio members. The Executive Vice President, Finance and Operations will serve as the staff liaison to the Committee.

Consistent with California corporate law, only Board members can make legally binding decisions on
behalf of the community foundation. In the case of the Investment Committee, the Board of Directors has delegated the authority to approve Committee recommendations by the affirmative agreement of a majority of the Board members on the Committee.

The Committee may include non-board members. Non-board members shall serve one 2-year term, with possibility of reappointment for up to two additional 2-year terms. Service beginning prior to July 1 will count as the first full year of service; after July 1 the term shall end on December 31 of the second full year of service.

Meetings
The Committee shall meet as necessary, but generally four (4) times per year. A quorum is present when a majority of Board members are participating.