

Southern York County School District Foundation Investment Policy

Introduction

The management of the **Southern York County School District Foundation** (“Foundation”) investment portfolio is the responsibility of the Board of Directors. The Board of Directors adopts investment objectives and policies, selects investment advisors, and monitors policy implementation and investment performance.

Investment Manager. The Foundation may, but is not required to, engage one or more Investment Managers to provide investment management advice and services.

Investment of Assets. The assets of the Foundation shall be invested and managed in accordance with the Foundation’s Investment Policy and any written Investment Management Agreement between the Foundation and the Investment Manager. The Board of Directors must approve, by majority vote, to invest funds at scheduled meetings of the Board.

York County Community Foundation “Southern York County School District Dollars for Scholars Fund”

This fund is used for specifically endowed “named” scholarship money, or money intended for endowed named scholarships. The fund was created in December 2001. Distributed earnings from this fund will be used to finance “named” scholarships endowed or intended to be endowed.

When the distributed earnings from this fund exceed the scholarship amount, the remaining amount will be credited by prorating the amount to all scholarships in this fund. When the distributed earnings from this fund are less than the scholarship amount, unrestricted cash funds or the Trust Fund will be used to fully fund scholarships.

Southern York County School District Foundation Trust Fund (Trust Fund)

This fund is used for non-perpetual funds. The fund was created in May 2011 with the PeoplesBank Trust Department. The Executive Director and President are authorized to approve transactions. The initial investment vehicle for the Trust Fund was the Fixed Income Fund. Approval of the majority of the Board of Directors is needed to modify the initial investment vehicle for the Trust Fund. The fund’s purpose includes: (1) to act as a cushion against possible cash-flow deficiencies resulting from severe market downturns and the temporary effect of distribution guarantees and/or (2) to be used as matching fund initiatives or other subsidies intended to enhance endowment growth. The Fund will be the subject of an annual budgetary process. Class funds are deposited in the Trust Fund. Unrestricted funds not needed for cash flow purposes will be placed in the Trust Fund.

Amendments to the Investment Policy

This Investment Policy will be reviewed annually by the Board of Directors prior to the annual meeting of the Foundation. Any amendments to this policy must be provided to Scholarship America within ten

(10) days of being approved by the Foundation's Board of Directors and documented in the Board of Directors' meeting minutes.

Distribution Guidelines

1. Endowed named scholarships: 5% annual scholarship of the minimum of the historic book value for every "named" scholarship over \$10,000 as of July 1 of the scholarship year. Distributed earnings in excess of 5% will be prorated to endowed scholarships based upon the June 30th adjusted balance. The Board of Directors has the option to review the distribution amount.
2. Investment income from the Trust Fund not used to support "named" scholarships as of July 1 of the scholarship year will be used for Southern York County School District Foundation scholarships and/or a Southern York County educational grant program.
3. Class funds: 100% of class funds will be distributed for the graduating class through named scholarships and foundation scholarships.
4. Returned scholarship awards will be distributed the following year under the named scholarship.