

# Investment Policy Statement

This investment strategy recommendation has been prepared exclusively for

Lower Columbia College

Foundation, LCCF

Endowment Operating, LCC

Liquid Reserves, LCCF

General Operating

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## PRESENTED BY

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# Table of Contents

Investment Policy Statement	<u>3</u>
Risk Tolerance and Investment Risk	<u>4</u>
Portfolio Analytics	<u>6</u>
Guidelines and Policies	<u>11</u>
Investor and Advisor Signatures	<u>12</u>
Important Information	<u>13</u>
Asset Class Indices	<u>15</u>
Glossary of Benchmark Terms	<u>17</u>
Definitions	<u>20</u>

# Investment Policy Statement

It is essential that a clear understanding exists between an investor and an advisor regarding investment objectives and the policies that make up an investor's portfolio.

You and your Advisor should work together to:

- Establish reasonable expectations, objectives and guidelines in the investment of the portfolio's assets.
- Set forth an investment structure detailing permitted asset classes, normal allocations and permissible ranges of exposure for the portfolio.
- Maintain open and ongoing communication.
- Create the framework for a well-diversified asset mix that can be expected to generate acceptable long-term returns at a level of risk suitable to you.

This Investment Policy Statement (IPS) is the result of an intensive evaluation of the many factors and assumptions applicable to your unique situation and your personal investment objectives. It is not a contract, but is intended purely to be a summary of the investment philosophy that has guided you and your Advisor in developing your portfolio. This document is based on the information and assumptions you have discussed with your Advisor. The document assumes that you have made complete and accurate disclosure of all relevant information to your Advisor.

Please be advised that your Advisor has the option to run multiple scenarios within the proposal system that generated this IPS. Your output may change based on the data inputs you provided to your Advisor which were used to generate this IPS. Neither this IPS, nor the tool that generated this IPS can determine which securities to buy or sell. Speak to your Advisor if you would like to run additional scenarios or if you have any questions on the data contained herein.

# Risk Tolerance and Investment Risk

Risk Tolerance measures a combination of:

- The amount of loss you're comfortable risking in exchange for an amount of gain.
- The time horizon at which point you intend to withdraw from your investment.
- The degree to which you are dependent on your investment.

Investment Risk measures the approximate risk of loss within your proposed investment and is affected by asset class weightings and the selected investment vehicles or products. The information below is based on information shared with your Advisor. It assumes that you have made complete and accurate disclosure of all relevant information to your Advisor.

## Risk Comparison Summary

### Lower Columbia College Foundation Endowment

Risk Tolerance	Medium
Investment Risk	Medium
Investment Program	Managed Account Solution
Amount	\$24,540,578

### Lower Columbia College Foundation Tax Exempt/Non-Profit

Risk Tolerance	Medium
Investment Risk	Medium
Investment Program	Managed Account Solution
Amount	\$4,215,946

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# Risk Tolerance and Investment Risk continued

## LCCF Endowment Operating Endowment

Risk Tolerance	Low
Investment Risk	Medium
Investment Program	Mutual Fund or Custom Strategies
Amount	\$1,485,141

## LCC Liquid Reserves Tax Exempt/Non-Profit

Risk Tolerance	Low
Investment Risk	Low
Investment Program	Mutual Fund or Custom Strategies
Amount	\$1,217,121

## LCCF General Operating Tax Exempt/Non-Profit

Risk Tolerance	Low
Investment Risk	Medium
Investment Program	Mutual Fund or Custom Strategies
Amount	\$1,065,000

# Recommendation by Asset Class

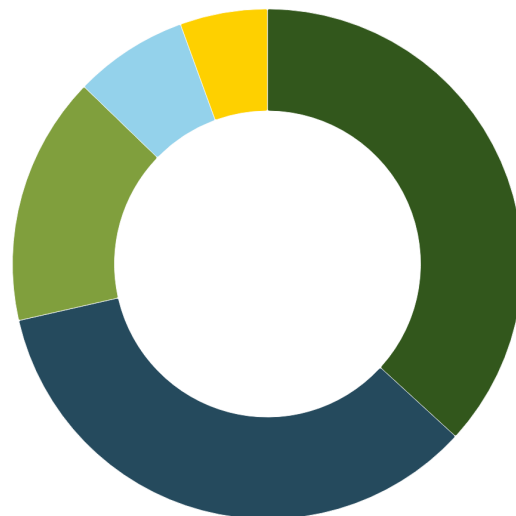
## Roll up of All Accounts

\$32,814,186.09

An efficient investment strategy takes minimal risk for your desired amount of return. By spreading your investments over a range of asset classes, you may not gain the full benefit of rising markets, but you mitigate risk of loss and increase the likelihood of achieving your desired return.

## Asset Classification Summary

■ Domestic Equity	\$12,077,740.07	36.81%
■ Domestic Fixed Income	\$11,367,270.91	34.64%
■ International Equity	\$5,176,174.32	15.77%
■ International Fixed Income	\$2,372,413.23	7.23%
■ Cash & Equivalents	\$1,820,587.56	5.55%



<b>■ Cash &amp; Equivalents</b>	<b>\$1,820,587.56</b>	<b>5.55%</b>
Cash & Equivalents	\$1,820,587.56	5.55%
<b>■ Domestic Equity</b>	<b>\$12,077,740.07</b>	<b>36.81%</b>
Large Cap Value	\$5,176,174.32	15.77%
Large Cap Growth	\$5,176,174.32	15.77%
Small Cap Value	\$862,695.72	2.63%
Small Cap Growth	\$862,695.72	2.63%
<b>■ Domestic Fixed Income</b>	<b>\$11,367,270.91</b>	<b>34.64%</b>

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## Recommendation by Asset Class continued

Core Fixed Income	\$6,685,891.83	20.38%
TIPS	\$1,437,826.20	4.38%
High Yield	\$718,913.10	2.19%
Short Term Corporate	\$1,275,070.60	3.89%
Intermediate Term Corporate	\$1,249,569.18	3.81%
<b>■ International Equity</b>	<b>\$5,176,174.32</b>	<b>15.77%</b>
Developed International Equity	\$3,738,348.12	11.39%
Emerging Markets Equity	\$1,437,826.20	4.38%
<b>■ International Fixed Income</b>	<b>\$2,372,413.23</b>	<b>7.23%</b>
Developed Intl. Fixed Income	\$1,653,500.13	5.04%
Emerging Markets Debt	\$718,913.10	2.19%

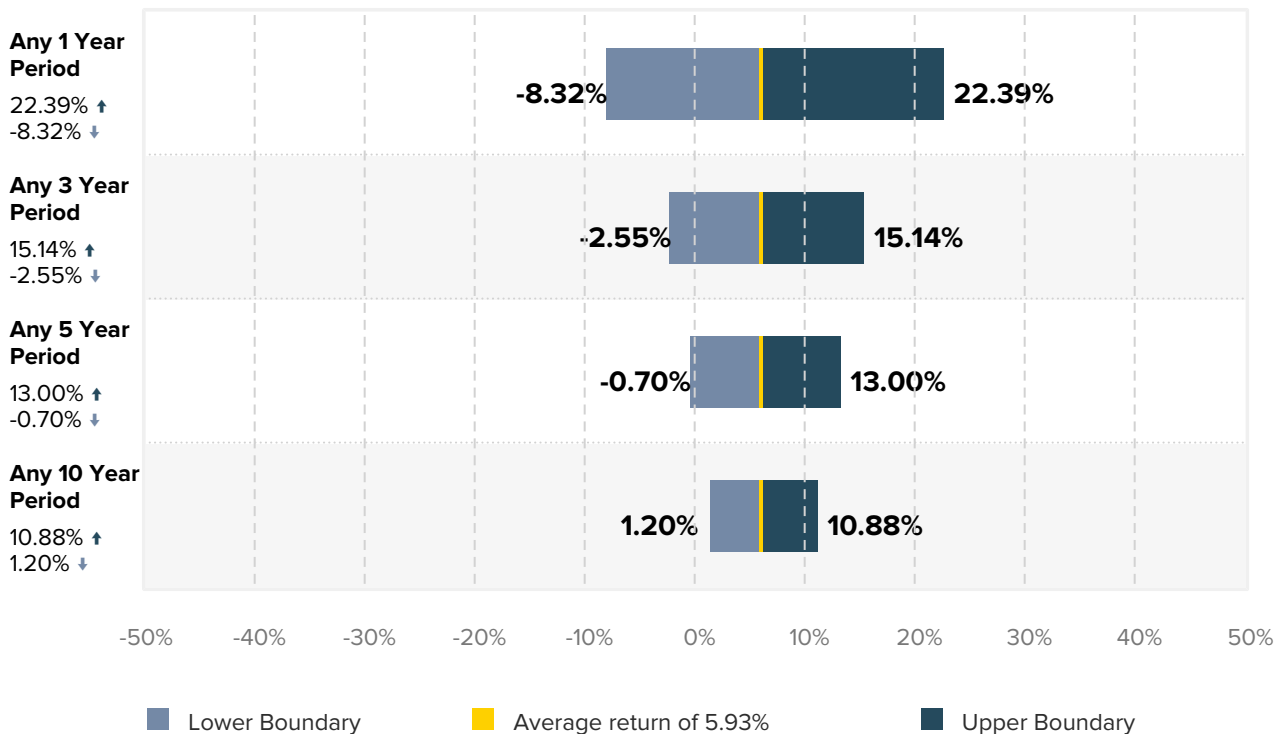
Allocations are subject to change. If applicable, securities classified as Alternative are those that are not defined as Equity, Fixed Income, Multi-Asset, or Cash & Equivalents.

# Return Projection Upper & Lower Boundary

## Roll up of All Accounts

\$32,533,969.57

In any given time period, you may experience an overall gain or loss. The figure below illustrates the returns you could potentially incur, where the potential gain is the upper boundary and the potential loss is the lower boundary. These are projections rather than maximums, and actual results may fall outside these boundaries. The chart below illustrates potential returns over time periods up to 10 years. As illustrated, risk of loss is typically mitigated over longer time periods.



**Important Information:** This information is based upon historical market index returns (please see the Asset Class Indices page(s) at the back of this IPS for more information) and does not reflect the effects of management fees or expenses, which would reduce performance, particularly when compounded over a period of years. Assets held in Client Directed or Asset Transit portfolios are excluded from these calculations. Upper and lower boundaries are calculated by looking at the annualized rate of return and the annualized standard deviation and then projecting them forward. This information is for illustration purposes only, as no guarantees can be made about the future performance of an investment based upon past returns, nor should this IPS be construed as offering such a guarantee.



# Historical Trends of Asset Classes

The information below is provided for educational purposes only and is designed to demonstrate how indices that are similar to the asset classes in your proposed portfolio have behaved historically. It is not an illustration of the performance of the strategy being recommended or the asset classes themselves, or an offer of our advisory services. SEI has assigned similar indices to each proposed asset class in your proposed portfolio.<sup>1</sup> The weights of the asset classes (as represented by the indices) are then allocated in accordance with the proposed allocations in this IPS. Then we blend the performance of the asset classes (as represented by the indices) to show how they have performed over time. The chart below does not reflect the actual or hypothetical performance of the strategy being recommended, but does reflect the actual performance of the indices we have assigned as representative of each asset class. You cannot invest in an index and SEI does not intend to communicate that the information below reflects the actual or hypothetical performance of any investment strategy or product offered by SEI. Finally, and also for educational purposes, we have compared the performance of the blended indices to broad based indices that may be representative of the asset classes comprising your portfolio. Each index shown is not aligned with one component of your portfolio, but could be comprised of multiple asset classes. The performance of each index alone over the same time periods to illustrate how an allocation among asset classes as opposed to investments in single asset classes can result in different outcomes over time.

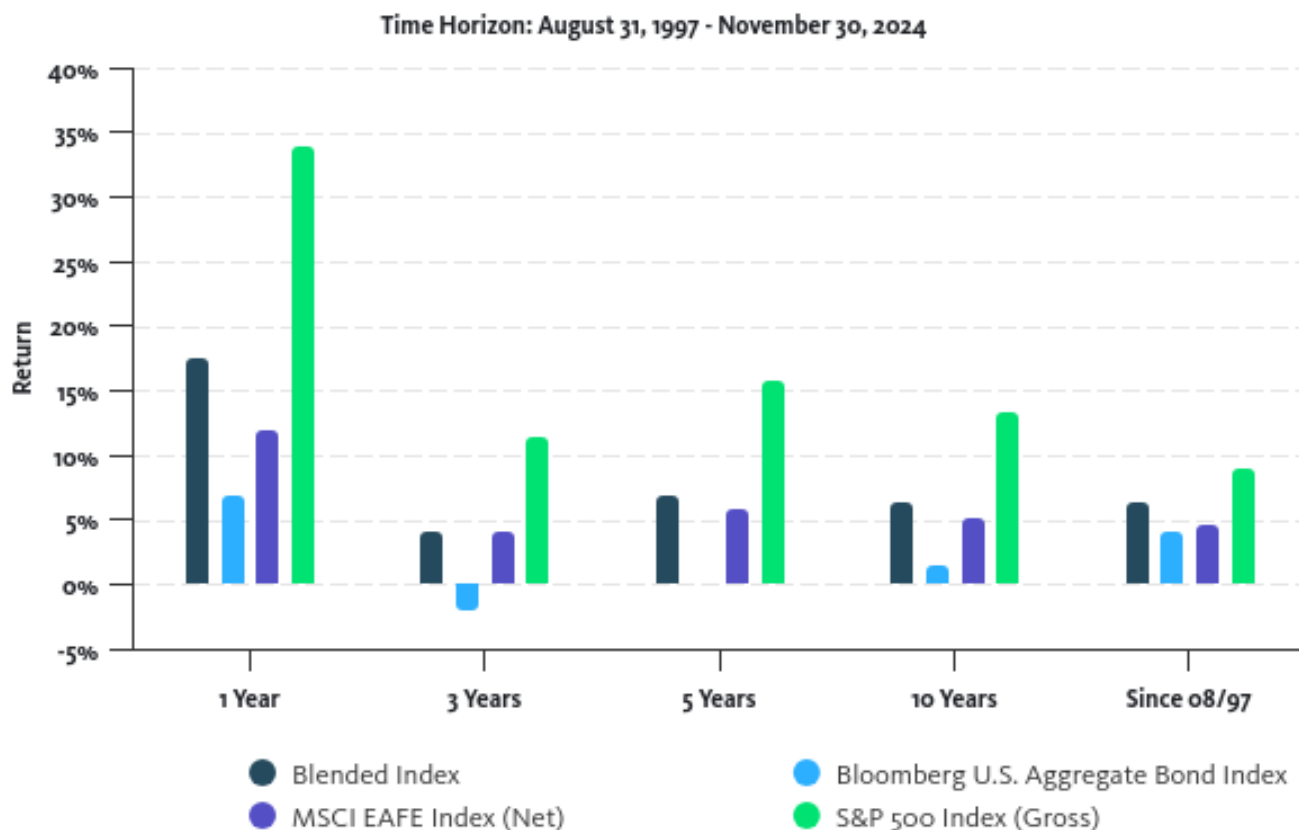
<sup>1</sup> Asset classes assigned to a Gateway manager were selected by the manager. We have not reviewed the selection for accuracy and your Advisor is solely responsible for determining the accuracy of the information. For information on the SEI-assigned indices, please speak to your Advisor.

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# Historical Trends of Asset Classes continued

## Roll up of All Accounts

\$32,533,969.57



Portfolio	1 Year	3 Years	5 Years	10 Years	Since 08/97
Blended Index	17.47%	4.05%	6.83%	6.42%	6.34%
Bloomberg U.S. Aggregate Bond Index	6.88%	-1.95%	-0.01%	1.52%	4.08%
MSCI EAFE Index (Net)	11.88%	4.15%	5.89%	5.07%	4.57%
S&P 500 Index (Gross)	33.89%	11.44%	15.77%	13.35%	8.96%

**Important Information:** This information is for illustration purposes only, as no guarantees can be made about the future performance of an investment based upon past returns, nor should this IPS be construed as offering such a guarantee. Data does not represent actual strategy performance, nor does it reflect the deduction of management fees or expenses, which would reduce performance, particularly when compounded over a period of time. Assets held in portfolios that are unmanaged by your advisor or considered a holding account/portfolio are excluded from these calculations.

# Guidelines and Policies

Asset allocation academic research suggests that diversifying your account assets among various asset classes is key to portfolio performance, outweighing securities selection and market timing. Your Advisor has proposed this portfolio for you after thoroughly:

- Reviewing the long-term performance and risk characteristics of various asset classes
- Balancing the risks and rewards of market behavior
- Selecting asset classes designed to achieve the objectives of each account within your portfolio

## Risk Tolerances and Performance Expectations

It is important to know that the objectives of your portfolio cannot be achieved without incurring a certain amount of principal volatility. You should also be aware of the following:

- The historical asset class performance results shown in this Investment Policy Statement are provided for illustrative purposes only and do not reflect the effect of product or management fees or expenses. The inclusion of such fees would reduce performance, particularly when compounded over a period of years. The following hypothetical illustration shows the compound effect fees have on investment returns: For an account charged 1% with a stated annual return of 10%, the net total return before taxes would be reduced from 10% to 9%. A ten year investment of \$100,000 at 10% would grow to \$259,374, and at 9%, to \$236,736 before taxes. For a complete description of all fees and expenses, please refer to the relevant fund prospectuses, account application and your Advisor's Form ADV Part 2A.
- No guarantees can be given about future performance and this IPS shall not be construed as offering such guarantee.
- Lengthening the investment time horizon may reduce the overall effect of price volatility.

## Rebalancing

As part of the active management of your portfolio, be aware that the percentage weighting assigned to each asset class within your account(s) can and will vary over time. These variations will be kept within a predefined range. This quantitative and qualitative approach to maintaining your portfolio will, we believe, improve your portfolio's performance in the long term. However, the use of these methods and the accompanying historical performance information is no guarantee of future performance.

## Reporting Services

You will be provided with a comprehensive investor-reporting package. Reporting services can include quarterly activity and performance statements, and year-end tax reports.

# Investor and Advisor Signatures

## Duties and Responsibilities: Investor

You must provide your Advisor with all relevant information on financial condition, net worth, and risk tolerances. Whenever any changes to this information occur, you must notify your Advisor promptly. You should read and understand the information contained in the relevant offering documents before investing.

## Duties and Responsibilities: Advisor

Your advisor is responsible for assisting you in making an appropriate asset allocation decision based on your particular needs, objectives, and risk profile. Your Advisor will be available on a regular basis to meet with you and will periodically review your overall portfolio for continued suitability.

I (we) have reviewed and adopted this Investment Policy Statement for the investment program prepared with the assistance of your advisor of Anderson & Anderson Advisory, LLC..

Investor Signature

1/27/25

Date

Investor Signature

1/27/25

Date

Advisor Signature

1/27/25

Date

# Important Information

The investment strategies presented herein are offered through different programs. Depending upon the program, our Firm may be acting as sole advisor, co-advisor or as a non-discretionary advisor to your account. SEI Investments Management Corporation (SIMC) acts as advisor to the SEI Mutual Funds, and depending on the program may also act as either co-advisor or sole advisor to your managed account. Strategies may be comprised of SEI Mutual Funds, separately managed accounts through SEI's program, or other non-SEI products that your Financial Advisor selects and manages. SIMC does not act as advisor in connection with the Gateway managers and these managers are not part of SEI's Separately Managed Account Program. Other investments not considered may have characteristics similar or superior to those being analyzed.

Carefully consider the investment objectives, risks, charges and expenses of an investment offering before investing. This and other information may be found in the full or summary fund prospectus. For additional information regarding investment strategies and risks, please read Form ADV prepared by our Firm. For a complete description of fees and expenses for Managed Account Solutions, please refer to SEI Investments Management Corporation's (SIMC) Form ADV Part 2A (or the appropriate wrap brochure). For information on fees, please see the relevant prospectus, account application or your Advisor's Form ADV Part 2A. Please speak with your Advisor about information they may have available related to any Gateway managers.

Investing involves risk, including loss of principal. Past performance is not a guarantee of future results. Diversification and asset allocation strategies do not guarantee a profit or protect against loss in declining markets. Strategies are subject to the risks of the underlying products.

International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Bonds and bond funds will decrease in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. Narrowly focused investments and smaller companies typically exhibit higher volatility.

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## Important Information continued

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**IMPORTANT:** The projections or other information generated by the SEI Proposal System regarding the likelihood of various investment outcomes are hypothetical in nature and do not reflect actual investment results and are not guarantees of future results. Results may vary with each use and over time.

This Investment Policy Statement was developed using proprietary investment modeling systems designed by SEI Investments Management Corporation (SIMC) with the information provided to SEI about the Investor from our Firm. SEI has not conducted an independent investigation of the Investor or the Investor's financial condition, and is relying solely on the information our Firm provided in developing this IPS. By providing this IPS to you, our Firm acknowledges that: (i) depending on the program and in accordance with our contract, our Firm is responsible for determining the suitability of this IPS for you, including the suitability of the asset allocation strategies and any money manager, fund, security or asset included in the IPS; (ii) our Firm has reviewed the IPS and has determined to present this IPS as a suitable investment recommendation for you; and (iii) depending on the program and in accordance with our contract, our Firm accepts full responsibility for any investment decisions made by our Firm based upon this IPS.

Neither SEI Investments Company nor any of its subsidiaries are affiliated with your Advisor or their Broker/Dealer.

# Asset Class Indices

<b>Emerging Markets Equity</b>	MSCI EAFE Index (Net) (USD) (1/31/1970); S&P IFCI Composite Index (USD) (1/31/1989); MSCI Emerging Markets Index (Net) (USD) (1/31/1999-present)
<b>High Yield</b>	Bloomberg US Government Bond Index (USD) (1/31/1973); Bloomberg US Corporate High Yield Bond Index (USD) (8/31/1983); ICE BofA US High Yield Master II Constrained Index (USD) (1/31/1997-present)
<b>Small Cap Value</b>	S&P 500 Index (USD) (2/28/1970); Russell 2000 Value Index (USD) (1/31/1979-present)
<b>Short Term Corporate</b>	Bloomberg Intermediate US Corporate Index
<b>Cash &amp; Equivalents</b>	ICE BofA US 3-Month Treasury Bill Index
<b>Small Cap Growth</b>	S&P 500 Index (USD) (2/28/1970); Russell 2000 Growth Index (USD) (1/31/1979-present)
<b>Intermediate Term Corporate</b>	Bloomberg Intermediate US Corporate Index
<b>Developed Intl. Fixed Income</b>	Bloomberg Global Aggregate ex-USD Index
<b>Developed International Equity</b>	MSCI EAFE Index (Net)
<b>Core Fixed Income</b>	Bloomberg Intermediate US Corporate Index (USD) (1/31/1973); Bloomberg US Aggregate Bond Index (USD) (1/31/1976-present)
<b>Large Cap Growth</b>	S&P 500 Index (USD) (2/28/1970); Russell 1000 Growth Index (USD) (1/31/1979-present)
<b>Emerging Markets Debt</b>	Bloomberg Emerging Markets USD Aggregate Index
<b>TIPS</b>	Bloomberg 1-5 Year US TIPS Index

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# Asset Class Indices continued

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## Large Cap Value

S&P 500 Index (USD) (2/28/1970); Russell 1000 Value Index (USD) (1/31/1979-present)

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# Glossary of Benchmark Terms

<b>Benchmark</b>	An unmanaged group of securities whose overall performance is used as a standard to measure investment performance.
<b>Bloomberg Intermediate US Corporate Index</b>	The Bloomberg Intermediate Corporate Bond Index measures the performance of intermediate term corporate bonds.
<b>ICE BofA High Yield Master II Constrained Index</b>	The ICE BofA US High Yield Constrained Index measures the performance of high yield bonds.
<b>Russell 1000 Value Index</b>	The Russell 1000 Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell1000 Index companies with lower price-to-book ratios and lower expected growth values.
<b>S&amp;P 500 Index (Gross)</b>	The S&P 500 Index is an unmanaged, market-weighted index that consists of the 500 largest publicly traded U.S. companies and is considered representative of the broad U.S. stock market.
<b>S&amp;P IFCI Composite Index</b>	The S&P IFCI Composite is a liquid and investable subset of the S&P Emerging BMI, with the addition of South Korea. While the S&P Global BMI and S&P Frontier BMI are designed as comprehensive benchmark indices, the S&P/IFCI indices are designed to be sufficiently investable to support index tracking portfolios.
<b>Russell 2000 Growth Index</b>	The Russell 2000 Growth Index measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 Index companies with higher price-to-value ratios and higher forecasted growth values.

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# Glossary of Benchmark Terms continued

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## **Russell 2000 Value Index**

The Russell 2000 Value Index measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values.

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## **MSCI EAFE Index (Net)**

The MSCI EAFE Index is an equity index which captures large and mid cap representation across 21 Developed Markets countries around the world, excluding the US and Canada. Developed Markets countries in the MSCI EAFE Index include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

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## **Bloomberg Global Aggregate ex-USD Index**

The Bloomberg Global Aggregate Bond Index is an unmanaged market-capitalization-weighted benchmark that tracks the performance of investment-grade fixed-income securities denominated in 13 currencies. The index reflects reinvestment of all distributions and changes in market prices.

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## **MSCI Emerging Markets Index (Net)**

The MSCI Emerging Markets Index is a free float-adjusted market capitalization weighted index designed to measure the performance of global emerging market equities.

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## **Russell 1000 Growth Index**

The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values.

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# Glossary of Benchmark Terms continued

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**Bloomberg US Government Bond Index**

The Bloomberg U.S. Government Index includes fixed income securities issued by the U.S. Treasury and U.S. government agencies and instrumentalities, as well as corporate or dollar-denominated foreign debt guaranteed by the U.S. government.

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**Bloomberg 1-5 Year US TIPS Index**

The Bloomberg 1-5 Year US TIPS Index measures the performance of inflation-protected public obligations of the U.S. Treasury that have a remaining maturity of one to five years.

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**Bloomberg U.S. Aggregate Bond Index**

The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market.

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**ICE BofA US 3-Month Treasury Bill Index**

The ICE BofA US 3-Month Treasury Bill Index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

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**Bloomberg US Corporate High Yield Bond Index**

The Bloomberg US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg EM country definition, are excluded.

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# Definitions

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**Asset Allocation Strategy**

An investment strategy that aims to balance risk and reward by appointing a portfolio's assets to various classes (e.g. equity, fixed income, cash) according to an individual's goals, risk tolerance and investment horizon.

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**Lower Boundary of Returns**

The minimum expected return of a portfolio given normal market conditions. It is possible for actual returns to be lower than this number.

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**Risk Tolerance**

The amount of uncertainty that an investor can tolerate with regards to a negative change in the value of his or her portfolio.

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**Standard Deviation**

A statistical measure of the volatility of a portfolio's return around its mean based upon the portfolio's blended historical asset class performance.

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**Upper Boundary of Returns**

The maximum expected return of a portfolio given normal market conditions. It is possible for actual returns to be greater than this number.

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