



Endowment Investment Policy

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COLLEGE MISSION STATEMENT & VALUES	2
INTRODUCTION AND OVERVIEW.....	3
ROLES AND RESPONSIBILITIES	3
SPENDING POLICY.....	7
ENDOWMENT INVESTMENT OBJECTIVES	7
ENDOWMENT INVESTMENT PERFORMANCE GOALS.....	8
INVESTMENT POLICY AND PORTFOLIO SPECIFICATION	3
OTHER INVESTMENT GUIDELINES	8
COLORADO COLLEGE ENDOWMENT INVESTMENT POLICY: APPENDIX A	11
COLORADO COLLEGE ENDOWMENT INVESTMENT POLICY: APPENDIX B	15

INTRODUCTION AND OVERVIEW

To a substantial degree, _____, as well as in perpetuity, is dependent upon the performance of the endowment investments. Therefore, the Board of Trustees of Colorado College, through its Trustee Committee on Investments (Investment Committee, Committee) and _____ Treasurer, are charged with the fiduciary responsibility of preserving and augmenting the value of its Endowment.

These objectives, goals, and policies provide a framework for the management of the assets, assisting the Board of Trustees in effectively supervising and monitoring the investments. The guidelines are designed to allow for sufficient flexibility in the management oversight process to capture investment opportunities as they arise, while at the same time, setting forth reasonable risk control parameters to ensure prudence and care in the execution of the investment program.

INVESTMENT POLICY AND PORTFOLIO SPECIFICATION

It is the policy of the investment program to invest according to a long-term Portfolio Specification, designed to meet the Endowment Investment Objectives and Performance Goals. The specification may be created by the advisor to the endowment and will be approved by the Investment Committee. The specification provides a diversified approach utilizing multiple asset classes and multiple managers, minimizing the risk of loss and maximizing the rate of return within acceptable overall levels of risk and the tolerance of return volatility. Please refer to

The Portfolio Specification (outlined in Appendix A) will be formally reviewed at least annually to determine whether any modificc an

compliance with the requirements of Colorado law including, but not limited to, the Colorado Uniform (Prudent) Management of Institutional Funds Act. The Committee shall evidence this process through discussions and decisions.

The Committee shall meet a minimum of three times per year, normally during regularly scheduled trustee meetings (three times per year) and one additional meeting per year may convene as determined by the committee members. The chairperson shall have the authority to convene non-scheduled or special meetings in person or by telephone as circumstances require.

The act of a majority of all voting members present at the meeting, at which a quorum is present, shall be the act of the Committee. A quorum at any meeting shall consist of a majority of the total number of voting members on the Committee. The Committee may also act without a meeting by unanimous consent whether by written letter or by e-mail.

The Committee shall have the express authority and responsibility to:

- 1) Review and update the Investment Policy with regard to the Endowment Investment Objectives, Portfolio Specification, and Spending Policy.
- 2) If desired, select a third-party, independent Investment Consultant/Advisor, which will be

7)

endowment portfolio. For the purposes of this policy, the ESG framework includes matters related to Diversity, Equity, and Inclusion (DEI). DEI specifically is a critically important value to the College community and is promoted in various ways within the broader activities of the College. Such significance is correspondingly reflected in the endowment and its management.

Colorado College

integrates ESG, including DEI, into the

The above listed amounts are the maximum limits on the withdrawal of principal from the quasi endowment that may occur within any 12-month period without formal approval by a majority vote of the Board.

Withdrawal of principal amounts of \$3 million and higher requires formal approval by majority vote of the Colorado College Board of Trustees.

Colorado College Endowment Investment Policy: Appendix A

INVESTMENT TIME HORIZON

Investments will be made according to a long term and indefinite investment horizon in line with the expected perpetual operating life of the institution.

ANNUALIZED NOMINAL RETURN TARGET

above, plus inflation over a full market cycle. Even over a market cycle, there can be no guarantee that this return target will be achieved. , which is detailed in

ANNUAL WITHDRAWAL/SPEND

outlined above.

RISK TOLERANCE

The Committee recognizes and acknowledges that a reasonable level of risk must be assumed to provide an opportunity to achieve the long-term Endowment Investment Objectives. The Committee and its Investment Consultant/Advisor should identify and monitor risks to the

<u>Market (Beta) Exposure</u>	<u>Strategic Allocation Target</u>	<u>Equity-Like Risk Conversion Factor</u>
Developed Markets Equity	56%	1.0
Emerging Markets Equity	7%	1.3
Credit	9%	0.4
Property	8%	0.2
Commodity	-	0.5
Interest Rates	3%	0.0
Inflation Linked Bonds	3%	0.0
Cash / Non-Directional Assets	14%	0.0
<u>Total Equity-Like Risk</u>		70%

BENCHMARKING & MEASUREMENT FREQUENCY

The portfolio will be benchmarked and evaluated at the following levels:

1)

Benchmark is a composite calculation of individual beta benchmarks (e.g. equities, credit, interest rates)

Interest Rates

Inflation Linked Bonds

Cash / Non-Directional
Assets

- 2) Versus a market reference benchmark (70%/30% Global Equities / Fixed Income) over the medium term (rolling 3-5 years).
- 3) Versus a portfolio target return over a market cycle (7-10 years).

ASSET CLASS RESTRICTIONS & POSITION SIZING

There are no current restrictions in terms of the asset classes in which the endowment can invest.

while achieving sufficient vintage year and strategy diversification across Private Equity, Private Debt, and Private Equity Real Estate. Outside of the target illiquid allocation, the portfolio will invest in a diversified multi-asset class portfolio of investment vehicles with sufficient liquidity to fund liabilities.

Colorado College Endowment Investment Policy: Appendix B

COLORADO COLLEGE ENDOWMENT: ROLES & RESPONSIBILITIES

Activity	Investment Committee	Committee Advisors	Administrative Staff	Investment Consultant/ Advisor
Investment Policy				
Introduction and Overview	Review / Approve	Review	Responsible	Input as Needed
Roles and Responsibilities	Review / Approve	Review	Responsible	Input as Needed
Spending Policy	Review / Approve	Review	Responsible	Input as Needed
Investment Objectives	Review / Approve	Review	Responsible	Input as Needed
Investment Performance Goals	Review / Approve	Review	Responsible	Input as Needed
Investment Policy and Portfolio Specification	Review / Approve	Review	Responsible	Input as Needed
Other Investment Guidelines	Review / Approve	Review	Responsible	Input as Needed
Appendix A	Review / Approve	Review	Input as Needed	Responsible
Investment Program Management				
Investment Advisor/Consultant Selection	Responsible / Approve	Responsible	Responsible	-
Manager Selection	Review	Input as Needed	-	Responsible / Approve
Manager Redemptions (ex. J.W. Bristol, legacy illiquids)	Review	Input as Needed	-	Responsible / Approve
Manager Redemptions (J.W. Bristol, legacy illiquids)	Review / Approve	Input as Needed	-	Responsible
Performance Measurement & Reporting	Review	-	Review	Responsible
Tactical Shifts & Rebalancing	-	-	-	Responsible / Approve
Liquidity Tracking	-	-	-	Responsible