



Origination 6/9/2023
Effective N/A
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Next Review N/A

Owner Aaron Moore:
Executive
Director
Advancement
Area CSU Foundation
Codes COFDN Policy

Investment Policy Statement for the Systemwide Charitable Gift Annuity Program

CSU FOUNDATION GA RESERVE TRUST

Overview

Your organization's Investment Policy Statement (IPS) has been created to confirm a clear and concise understanding between your organization and BNY Mellon Wealth Management regarding the objectives and strategy for the management of the account(s) within the relationship. In addition, this is intended to establish the parameters within which BNY Mellon Wealth Management will exercise discretion on your organization's behalf in the management of your account(s). Adherence to the IPS encourages discipline and continuity of strategy through market cycles. It is based on the client specific factors we have discussed such as your organization's risk tolerance, return objectives, time horizon, liquidity/cash flow needs and tax considerations. It should be reviewed at least annually to assess changes to your organization's situation that would warrant modification.

Summary Information

Relationship Name	Date Of Establishment
CSU Foundation	07/01/2023

Financial Goals And Investment Objectives

Primary Investment Objective

Charitable Gift Annuity primary investment objectives are (1) to meet the distribution obligations to annuitants, (2) to achieve at least a 50% charitable residuum for the benefit of the remainder beneficiary, (3) to maintain reserves required under applicable state law(s), and (4) to comply with any investment restrictions required under applicable state law(s).

Investment Policies

Charitable Gift Annuity assets will be invested in a portfolio designed to achieve the primary investment objective(s), while taking into account the return requirements and risk tolerance of both the income and charitable beneficiaries.

	Account Number	Investment Objective	Account Type	BNY Mellon Capacity	Equity (+/-10%)	Fixed Income & Cash (+/-10%)	Alternatives (+/-10%)
CSU FOUNDATION GA RESERVE TRUST	XXXXXXXX8000	BALANCED	Charitable Gift Annuity	BK - SOLE TRUSTEE	50 48	49 50	1 2

Risk tolerance describes the degree of variability in investment returns an investor is willing and able to accept. Primary factors that should be considered in determining an investor's risk tolerance are the financial ability to accept investment loss, the willingness to accept return volatility and one's investment time horizon. The risk tolerance for this portfolio is moderate. The portfolio is anticipated to have a moderate level of volatility due to fluctuations in interest rates and equity valuations. A modest allocation to alternative investments may help mitigate this volatility.

Performance Benchmark

Other

Asset Class	Index
Equities	65% S&P 1500 / 35% MSCI ACWI ex-US
Equities	MSCI All Country World Index IMI
Fixed Income	Bloomberg 1-3 Year Government Bond Index
Alternatives	HFRX Global Hedge Fund Index

Income and Liquidity Needs

Periodic beneficiary distributions are required.

Investment Constraints

Tax Considerations and Sensitivity

Gift annuity assets held by charitable organizations are exempt from federal and state income taxes, therefore gift annuity portfolios have low tax sensitivity.

Sensitivity To Short Term Capital Gains

You have indicated low sensitivity to short-term capital gains.

Tax and Regulatory Considerations

Charitable Gift Annuity reserve amounts will be invested in a manner that is consistent with any applicable state law(s) and/or investment restrictions. Gift annuity assets held by charitable organizations are exempt from federal and state income taxes.

Unique and Specialty Assets

There are no unique and specialty assets held in the portfolio.

Investment Restrictions

No special investment constraints have been indicated.

Concentrated Holdings

There are no concentrated holdings in the portfolio.

Derivatives and Structured Notes

No

Client Directed Assets

No

Other Assets

There are no outside assets that should be taken into consideration for overall asset allocation purposes.

Additional Guidelines

Equity Guidelines

The primary purpose of the equity asset class is to produce a positive total return in order to maintain and grow the real value of the principal over time.

Fixed Income Guidelines

The primary purpose of the Fixed Income asset class is to reduce overall account volatility and to provide a stable stream of income.

Alternatives Guidelines

The primary purpose of the Alternative asset class is to reduce overall account volatility, provide returns that have low historic correlations to equity and fixed income, and provide a hedge against inflation.

Asset Allocation

The target asset allocation for each account is designed to achieve the investment objectives, while considering the income needs, risk tolerance, and expected time horizon of income and charitable

beneficiaries.

Special Circumstances

None.

Charitable Gift Annuity Reserves

CA: California: The California required reserve must be invested consistent with California Insurance Code, Sections 1170 through 1182. The California required reserve will invest entirely in a diversified portfolio of eligible securities as defined by the California Insurance Code (Insurance Code Sections 1170-1182). The California required reserve may invest up to 50% of its value in equities publicly traded on U.S. exchanges (e.g. NYSE, NASDAQ, AMEX) and/or open-end mutual funds. Investment of the excess over the required reserve is not covered under the California Insurance Code, however prudent management is necessary to ensure the ability to make required payments to the annuitants and the residuum to the Foundation. Investment of the excess over the required reserve assets will be guided by the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of California.

Implementation

Unless otherwise specified in this document, BNY Mellon Wealth will implement the investment program using investment managers, strategies, and/or investment vehicles approved by BNY Mellon Wealth Management's Solutions Strategy Committee, as detailed in the BNY Mellon Wealth Management Product Matrix.

Delegation of Responsibilities

Detailed below are the general responsibilities of BNY Mellon Wealth Management in striving toward successfully meeting your wealth management objectives. This is not intended to be an exhaustive list, but rather a broad guideline of how we will approach managing your relationship on an ongoing basis.

BNY Mellon Wealth Management

- Provide assistance and guidance for initial determination and ongoing review of appropriate investment objective and asset allocation strategy, based on your specific needs, objectives and considerations.
- Implement the investment plan.
- Report portfolio performance on a periodic basis.
- Monitor, rebalance and tax manage the portfolio as necessary.
- Inform you of any substantive changes to the investment management organization, including but not limited to changes in personnel, ownership structure, and investment philosophy.
- Meet with you at your convenience to review your portfolio and objectives on a regular basis. Informal, periodic updates are welcome and will be provided at your request.

Your Crucial Role

For BNY Mellon Wealth Management to provide meaningful and appropriate wealth management guidance and assistance, your organization should provide all relevant information pertaining to risk tolerance, return objectives, income needs, financial stability, tax status, goals and other objectives/considerations and notify us of any significant changes hereafter. We ask that your organization please carefully review this Investment Policy Statement and bring to our attention any details not consistent with your organization's goals and

objectives.

Note

The investment objective descriptions and associated asset allocation targets are current as of the creation of this summary and subject to change. BNY Mellon-Wealth Management periodically reviews and adjusts long-term, strategic asset allocation weights for diversified portfolios that we manage for our clients. As a result, you may see a modification in the nomenclature of your investment objective, which is reflected on your account statement and, if applicable, your Investment Policy Statement. Please reach out to your Wealth Manager if you have any questions or would like further information.

CSU Foundation CGA Program

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Investment Policies

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The table below details the accounts included in your relationship. While the objectives listed for each account may differ from that of the overall relationship, the accounts as a group are managed toward your overall relationship's objective. The allocation ranges for each account are provided as a guide and may vary based on factors such as our asset class outlook over time and any specific circumstances that may arise.

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CSU FOUNDATION GA RESERVE TRUST	XXXXXXXX8000	BALANCED			49	49	2
CSU Foundation CGA Program		SPECIAL PURPOSE					
CSU FOUNDATION GA MULTI	XXXXXXXX5000	BALANCED MODERATE GROWTH	Charitable Gift Annuity	BK - INVESTMENT MANAGER	49 69	49 29	2
CSU FOUNDATION GA SURPLUS	XXXXXXXX0000	BALANCED MODERATE GROWTH	Charitable Gift Annuity	BK - INVESTMENT MANAGER	49 69	49 29	2

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Adoption and Amendments

Adopted on June 9, 2023

[Amended on December 13, 2024](#)

Approval Signatures

Step Description	Approver	Date
President	Lori Redfearn: Administrator-in-Charge, URA	7/7/2023
Chief Financial Officer	Aaron Moore: Executive Director Advancement	7/7/2023

DRAFT