

Request for Proposal for Employment Connection Investment Advisor

Instructions:

Employment Connection, a nonprofit corporation exempt under IRS code 501c3, is seeking proposals from qualified investment advisors to manage and grow its investment portfolio, which has now exceeded \$2 million. Our primary objective is the moderate growth of capital, aligning with our long-term investment goals as defined in our Investment Policy Statement (IPS).

Employment Connection's mission is assisting individuals with limited opportunities to self-sufficiency. Our vision is to break down barriers to self-sufficiency, creatin a safer and more inclusive community.

All proposals must be concise and professional, with a maximum length of 15 pages, including all exhibits and supporting documents. Submissions exceeding this limit will be disqualified. This limit applies only to the main proposal document. Required supporting documents, such as Form ADV and sample performance reports, may be included as appendices and will not count toward the 15-page limit.

Proposals should highlight your firm's history, expertise, and demonstrated success in working with clients of similar size and scope. Ensure responses directly address the requested information in the order presented.

For fairness and transparency, applicants may submit RFP questions via email to davisn@employmentstl.org by April 30, 2025. Proposals must be submitted in PDF format to the same email by May 31, 2025. Late submissions will not be considered.

Evaluation Criteria

The Selection Committee will evaluate submissions based on the following criteria. The top three firms will be invited for an interview:

Category
Firm Background & Relevant Nonprofit Experience
Investment Philosophy & Approach
Conflicts of Interest
Fees and Cost Transparency
Service, Reporting
References

Submission Requirements

1. Firm Background
 - Provide a brief description of your firm's history, organizational structure, and ownership.

- List any regulatory actions or litigation involving the firm in the past five years.
2. Confirm if you will assume a fiduciary role for this account.
Nonprofit Experience
 - Summarize your experience working with nonprofit organizations.
 - Provide the number of nonprofit clients and their average portfolio sizes.
 3. Conflicts of Interest
 - Disclose any affiliations with investment managers, brokers, or other entities.
 - Detail any financial relationships with outside parties.
 4. Investment Philosophy
 - Discuss your investment philosophy and approach to Employment Connection's portfolio.
 - Detail how you would establish a suitable return objective and risk tolerance. Explain your asset allocation strategy, including how you manage and rebalance portfolios.
 - Provide performance metrics for your 60/40 portfolio over the past 1, 3, and 5 years (net of fees).
 - Describe how you incorporate ESG (Environmental, Social, and Governance) factors, if applicable.
 5. Implementation Process
 - Describe your process for selecting, evaluating, and replacing investment managers.
 - Explain how portfolio updates and adjustments will be communicated to us.
 - Indicate if any asset classes are managed in-house and rationale for doing so.
 - Provide examples of successful portfolio transitions or management strategies for similar clients.
 6. References
 - Provide two references from nonprofit clients with similar portfolio sizes.
 - Include at least one reference demonstrating your ability to manage portfolios during volatile market conditions.
 7. Service and Reporting
 - Describe your client service philosophy and its practical implementation.
 - Include details about the types and frequency of reports provided.
 - Attach a sample performance report.
 - Explain how you ensure transparency and accountability in reporting.
 - Will the investment manager commit to attend, on an as-needed basis, every finance committee meeting that is scheduled during their time of engagement?
 8. Fees
 - List all fees associated with your services, including:
 - Advisory – percentage of assets or specified dollar amount.
 - Investment manager fees, investment manager revenue share, directed brokerage, soft dollar fees.
 - Conversion fee.

- Transferring assets from one fund/manager to another.
- Other transaction fees.
- Travel.
- Training.
- Other administrative fees.
- Is there a fee range based on portfolio value?
- If there are additional fees to be charged as a result of performing services related to preparing or modifying the investment policy, asset allocation analysis, or conducting manager searches, please describe those fees in detail.

Timeline

RFP Process	Date
RFP Release Date	March 21, 2025
Proposal Submission Deadline	May 31, 2025
Finalist Notifications	June 20, 2025
Interview with Finalists	July 2025
Final Decision and Notification	Late July/Early August 2025

The Selection Committee will evaluate finalists following the interviews and aims to notify the selected firm by early August 2025.

Contact Information

For questions regarding this RFP, please contact:

Nora Davis
 CFO
 davisn@employmentstl.org
 314-333-56337

We appreciate your interest in partnering with Employment Connection to manage our growing investment portfolio.

EMPLOYMENT CONNECTION

Investment Policy Statement

Board of Directors
Resolution Date: 9/19/2013

In the form of a Motion, the Board approved this revised Investment Policy Statement.

Upon approval, the document will be updated to reflect the approved revision.

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REVISION HISTORY

Version	Date	Chairman of Finance Committee	Summary of Changes
1	06/17/2011	Arthur Weiss	Initial revision of IPS
2	08/29/2013	Al Sears	Modified asset allocations and constraints. Provided definitions of desired assets.
3	9/10/2013	Al Sears	Finance Committee approval of revisions – send to Board for acceptance at next meeting
4	9/19/2013	Al Sears	Board acceptance of revised IPS

EXECUTIVE SUMMARY

<i>Endowment Name:</i>	Employment Connection
<i>Primary Objective:</i>	Primary emphasis on moderate growth of capital.
<i>Target Rate of Return:</i>	Benchmark return of a market weighted portfolio of 55% equity, 5% hard assets, and 40% bonds.
<i>Time Horizon:</i>	10 years
<i>Spending Policy:</i>	Any spending will be approved by the Board as necessary
<i>Asset Allocation:</i>	Shown in Table 1
<i>Rebalancing Procedures:</i>	Portfolio shall be rebalanced when the portfolio exceeds the minimum or maximum constraints shown in Table 1.
<i>Cash Limits:</i>	The investment manager shall maintain a maximum of six (6) months' worth of fee in cash. Other than this reserve, the portfolio shall be fully invested as shown in Table 1.
<i>Meetings:</i>	The portfolio performance shall be reviewed at least quarterly by the Employment Connection finance committee.
<i>Frequency of IPS Review:</i>	The Employment Connection Investment Policy Statement (IPS) shall be reviewed and updated annually.
<i>Investment Manager Selection:</i>	The Employment Connection Finance committee shall submit the service of portfolio management to competitive bid biannually.

INVESTMENT POLICY DISCUSSION

What Is an Investment Policy Statement?

An Investment Policy Statement (IPS) describes the investment philosophies and investment management procedures to be utilized for the funds as further described below, as well as the long-term goals for the Employment Connection (*the agency*).

The Need for an IPS

The principal reason for developing an investment policy and for putting it in writing is to enable the agency to protect its portfolio from ad hoc revisions of a sound long-term policy. Without an investment policy, in times of market turmoil, Investors are often inclined to make impromptu investment decisions that are inconsistent with prudent investment management principles. This investment policy is intended to provide a well-thought-out framework from which sound investment decisions can be made.

Steps to Take to Establish an Investment Policy

1. Assess the agency's financial situation—identify the agency's goals and needs.
2. Determine the agency's tolerance for risk and time horizon.
3. Set long-term investment objectives.
4. Identify any restrictions on the portfolio and its assets.
5. Determine the asset classes and appropriate mix (the "Asset Allocation") to maximize the likelihood of achieving the investment objectives at the lowest level of risk.
6. Determine the investment methodology to be used with regards to investment (manager) selection, rebalancing, buy-sell disciplines, portfolio reviews and reporting, etc.
7. Implement the decisions.

The Uniform Management of Institutional Funds Act ("UMIFA") was originally promulgated in 1972 with revisions in 2004 and provides guidance to institutional nonprofits of investment authority, permits delegation of authority to independent financial advisors, and authorizes the expenditure of appreciation of investment funds.

The Uniform Prudent Investor Act ("UPIA") was approved for use in all states at the 1994 annual Conference of Commissioners on Uniform State Law and by the American Bar Association in 1995. The Act is applicable to all trusts (including irrevocable trusts, by-pass trusts, QTIPs, ILITs, CRTs, QPRTs, QDTs, and GRTs)

and sets forth appropriate practices for the management of trust assets. Noncompliance with these rules can expose a trustee to significant personal liability.

Key provisions of the UPIA include:

- No investment is inherently prudent or imprudent, except in how its inclusion or exclusion impacts the portfolio as a whole.
- Trustees are expected to use all reasonably available strategies to improve the risk-reward relationship of the portfolio.
- Under most circumstances, the assets of the trust must be diversified.
- Trustees are obliged to spread portfolio investments across asset classes to enhance performance and reduce risk.
- The possible effect of inflation must be considered as part of the investment strategy. As a result, use of equities is encouraged to allow the possibility that the portfolio's growth will outpace inflation.
- Fiduciaries have a duty to either demonstrate investment skill in managing trust assets or to delegate investment management to another, more qualified party.

Definitions

1. "Finance Committee" shall refer to the decision-making body established by the Board to administer the portfolio as specified by applicable ordinance.
2. "Investment Manager" shall mean any individual, or group of individuals, employed to manage the investments of all or part of the portfolio's assets.
3. "Advisor" shall mean any individual, or organization employed to provide advisory services, including advice on investment objectives and/or asset allocation, manager search and performance monitoring.
4. "Fiduciary" shall mean any individual or group of individuals that exercise discretionary authority or control over the fund management or any authority or control over management, disposition or administration of portfolio assets.

This Investment Policy Statement:

1. Shall establish the Finance Committee's expectations, objectives and guidelines in the investment of the Portfolio's assets.
2. Shall 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 the Finance Committee, including:
 - Describing an appropriate risk posture for the investment of the Portfolio specifying the target asset allocation policy
 - Establishing investment guidelines regarding the selection of investment managers, permissible securities and diversification of assets
 - Specifying the criteria for evaluating the performance of the Portfolio's assets
3. Defines the responsibilities of the Finance Committee, Advisor and Investment Manager(s).
4. Encourages effective communication between the Investment Manager(s) and the Finance Committee.

This IPS is intended to be a summary of an investment philosophy and the procedures that provide guidance for the Finance Committee. The investment policies described in this IPS shall be dynamic. These policies shall reflect the Finance Committee's current status and philosophy regarding the investment of the Portfolio. These policies will be reviewed and revised periodically (bi-annually at a minimum) (recommended best practice is an annual, documented review of the IPS) to ensure they adequately reflect any changes related to the Portfolio, to the Finance Committee or to the capital markets.

It is understood that there can be no guarantee about the attainment of the goals or investment objectives outlined herein.

INTRODUCTION

One of the important purposes of this Investment Policy Statement (IPS) is to establish a clear understanding as to the investment goals, objectives and management policies applicable to the Employment Connection's investment portfolio ("Portfolio").

OVERVIEW COMMENTARY

Investor Information:

Institution Name: Employment Connection
2838 Market Street
St. Louis, Missouri 63103

Trust Tax ID: 43-XXXXXXX

Board of Directors:

Richard E. Buckley – President
Brian Davies – Vice President
Steven Fiamingo – Treasurer
Kendra Moore – Secretary

Brenda Mahr
Christopher Forbringer
Kem Mosely
Mark Marifian
Tyler Olsen
Melva Pete
Elicia Eskew
Lisa Shelley
Justin King
Antonio Dansberry, Jr.
Michael Morrow – Board Fellow

Finance Committee Members:

Brian Davies, Steven Fiamingo, Tyler Olsen, Mark Marifian

Current Officers

Sal Martinez – Chief Executive Officer
Nora Davis – Chief Financial Officer
Christina Brewington – Director of Programs

Date of Trust or Incorporation

Original: February 21, 1977

Date of Amendment(s)

Amendment 1: July 11, 1977
Amendment 2: March 21, 1997
Amendment 3: December 16, 2011
Amendment 4: November 16, 2012

Authorized Decision Makers

Authorized decision makers for the assets under this IPS are: The current members of the Finance Committee.

However, distributions of funds from the account need to be approved by the current CEO or CFO and a current officer of the Board.

Assets to be considered under this IPS

The investments being managed under this IPS have a current approximate value of \$2,400,000.

The following Registered Investment Advisory Firm is responsible for managing the portfolio under the guidance of this IPS.

Plancorp, LLC
Primary Contact: Charles Meyer
540 Maryville Centre Drive, Suite 105
St. Louis, MO 63141
(314) 548-7673

INVESTOR CIRCUMSTANCES

The Finance Committee describes their knowledge of investments as strong. The projected outlook for the Employment Connection's financial situation:

- Neutral over the next one-year period.
- Neutral over the next three years.
- Modestly positive over the next ten years.

INVESTMENT OBJECTIVES

The investment objectives addressed in this investment policy statement represent the portfolio's overall investment objectives.

The Finance Committee's objective for this investment portfolio is moderate Growth of Capital.

The long-term objective for the assets under this policy is to achieve, after fees and expenses, the benchmark return of a market weighted portfolio of 55% equity, 5% hard assets, and 40% bonds.

TIME HORIZON

The Employment Connection's objectives for this portfolio are currently anticipated to continue without significant modification for a period of 10 years.

SPENDING POLICY

Goal of Foundation/Endowment

Other than general operating expenses, there are no current spending policies of the organization. Any non-budgeted spending must be approved by the Board on a case-by-case basis.

TAX POLICY

Tax minimization is not a concern for this investment portfolio. Employment Connection is a 503c 3 organization and exempt from federal and state taxes.

RISK TOLERANCE

Investment theory and historical capital market return data suggest that, over long periods of time, there is a relationship between the level of investment risk assumed and the level of return that can be expected. In general, in order to attain higher returns, one must accept higher risk (e.g. volatility of return).

Given this relationship between risk and return, a fundamental step in determining the investment policy for the Portfolio is the determination of the amount of risk the Finance Committee can tolerate and remain fully invested.

A comfort level with investment risk influences how aggressively or conservatively a portfolio can be invested. Like a scale, risk needs to be balanced with the need for returns to achieve the investment goals. The Finance Committee desires long-term investment performance sufficient to meet the objectives. The Finance Committee understands that to achieve such performance the portfolio may experience periods of decline. The Finance Committee further understands that in a severe market, the potential recovery period could be extensive.

Capital values fluctuate, especially over short periods of time. The Finance Committee recognizes that the possibility of capital decline does exist. However, historical data suggests that the risk of principal decline can be minimized if the long-term investment mix employed under this Investment Policy Statement is maintained over a holding period of at least three to five years.

ASSET ALLOCATION

Academic research offers considerable evidence that the asset allocation decision far outweighs security selection and market timing in its impact on portfolio variability and performance. After reviewing the long-term performance and risk characteristics of various asset classes and balancing the risks and rewards of market behavior, the following asset classes were selected to achieve the objectives of the Employment Connection's portfolio. These are subject to adjustments with the approval of the Finance Committee.

Table 1: Employment Connection Asset Allocation

EQUITY

	<u>Min</u>	<u>Target</u>	<u>Max</u>
Domestic Equities			
U.S. Market Equity	12.5	14.7	16.9
U.S. Large-Cap Value	3.9	4.5	5.2
U.S. Small-Cap Value	11.7	<u>13.8</u>	15.9
TOTAL DOMESTIC EQUITIES	30.0	33.0	36.0
International Equities			
International Market Equity	5.2	6.1	7.0
International Large-Cap Value	5.4	6.4	7.3
International Small-Cap Value	5.7	6.7	7.7
Emerging Markets Equity	2.4	<u>2.8</u>	3.2
TOTAL INTERNATIONAL EQUITIES	19.0	22.0	25.0
TOTAL EQUITY	52.0	55.0	58.0

HARD ASSETS

Commodities	2.1	2.5	2.9
Real Estate			
U.S. REITS	2.1	<u>2.5</u>	2.9
TOTAL HARD ASSETS	2.0	5.0	8.0

FIXED INCOME

Fixed Income - Nominal	33.7	36.7	39.7
Fixed Income - Inflation Protected	0.3	3.3	8.3
TOTAL FIXED INCOME	37.0	<u>40.0</u>	43.0

TOTAL

100.0

Portfolio Returns and Volatility

The Finance Committee's willingness to accept risk and their expectation for investment growth have a direct bearing on the rate of return objective for this portfolio.

It should be recognized that the portfolio will invest in a variety of securities and that the actual weighting of these securities can and will vary. It is also important to note that future returns of the securities with the portfolio and the portfolio itself can be expected to vary from the historical returns.

The portfolio's historical rate of return is not a guarantee of future investment returns. Future returns could differ significantly and a capital decline is possible. This Investment Policy Statement shall not be construed as offering a guarantee.

Updated Allocations

Over time, it may be desirable to amend the basic allocation. When such changes are made, updates will be documented in this Investment Policy Statement.

Rebalancing Procedures

From time to time, market conditions may cause the Portfolio's investment in various asset classes to vary from the approved allocation. To remain consistent with the asset allocation guidelines established by this Investment Policy Statement, the Advisor shall periodically review the portfolio and each asset class in which the Portfolio is invested.

This portfolio will be rebalanced periodically as follows: when the portfolio exceeds the minimum or maximum constraints.

Adjustment in the Target Allocation

Modifications to the approved allocation may be needed from time to time for a variety of reasons. When such a change to the approved allocation needs to occur, it shall only be made with the concurrence of the Finance Committee.

INVESTMENT PHILOSOPHY

The basic tenets under which this Policy will be managed include the following:

1. Modern Portfolio Theory, as recognized by the 1990 Nobel Prize, will be the philosophical foundation for how the portfolio will be structured and how subsequent decisions will be made. The underlying concepts of Modern Portfolio Theory include:
 - Investors are risk averse. The only acceptable risk is that which is adequately compensated by potential portfolio returns
 - Markets are efficient. It is virtually impossible to anticipate the future direction of the market as a whole or of any individual security. It is, therefore, unlikely that any portfolio will succeed in consistently “beating the market”
 - The design of the portfolio as a whole is more important than the selection of any particular security within the portfolio. The appropriate allocation of capital among asset classes (stocks, bonds, cash, etc.) will have far more influence on long-term portfolio results than the selection of individual securities. Investing for the long term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface
 - For a given risk level, an optimal combination of asset classes will seek to maximize returns. Diversification helps reduce investment volatility. The proportional mix of asset classes determines the long-term risk and return characteristics of the portfolio as a whole
 - Portfolio risk may be decreased by increasing diversification of the portfolio and by lowering the correlation of market behavior among the asset classes selected. (Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another)
2. Investing globally helps to minimize overall portfolio risk due to the imperfect correlation between economies of the world. Investing globally has also been shown historically to enhance portfolio returns, although there is no guarantee that it will do so in the future.
3. Equities have historically offered the potential for higher long-term investment returns than cash or fixed income investments. Equities are also more volatile in their performance. Investors seeking higher rates of return must increase the proportion of equities in their portfolio, while at the same time accepting greater variation of results (including occasional declines in

value).

4. Picking individual securities and timing the purchase or sale of investments in the attempt to “beat the market” are highly unlikely to increase long-term investment returns; they also can significantly increase portfolio operating costs. Such practices are, therefore, to be avoided.

Given these tenets, the underlying approach to managing this Policy shall be to optimize the risk-return relationship appropriate to the Investor’s needs and goals. The Policy will be diversified globally employing a variety of asset classes. Mutual funds, ETFs, or managed portfolios will be employed to implement the portfolio. The chosen asset classes will be periodically re-balanced to maintain a more consistent risk/reward profile by either target allocation band percentages of systematically on predetermined dates. In managing investment assets, every advisor has a unique style.

FREQUENCY OF IPS REVIEW

The Finance Committee recognizes that all investments go through cycles and therefore there will be periods of time in which the investment objectives are not met or when specific managers fail to meet their expected performance. The Finance Committee accepts the principle that in the absence of specific circumstances requiring immediate action, patience, and a longer-term perspective will be employed when evaluating investment performance.

The advisor and Finance Committee will meet at least annually to review and update this IPS.

LIQUIDITY

The Investor wishes to be fully invested to take advantage of portfolio returns. However, the investment manager shall maintain a cash reserve sufficient to cover six (6) months’ worth of advisor management fees.

DIVERSIFICATION AND INVESTMENT CONSTRAINTS

Investment of the Employment Connection's funds shall be limited to securities in the following categories:

Authorized Asset Classes

- U.S. Market Equity
- U.S. Large-Cap Value
- U.S. Small-Cap Value
- International Market Equity
- International Large-Cap Value
- International Small-Cap Value
- Emerging Markets Equity
- Commodities
- U.S. REITS
- Fixed Income – Nominal
- Fixed Income- Inflation Protected

Authorized Investment Vehicles

- Open-ended Mutual Funds
- Exchange Traded Funds

Portfolio Limitations and Restrictions

Equity investments are limited to 55% of the investment portfolio.

Commodity and Illiquid securities combined will total no more than 5% of the portfolio.

All fixed income investments (40% of the investment portfolio) shall be limited to instruments with an investment grade (AA- or better) rating and a maturity of less than five (5) years.

Asset Class Definitions:

US Market Equity:

Investments in the US Market Equity asset class shall provide exposure to nearly 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and Nasdaq.

Benchmark: CRSP US Total Market Index

US Market Large-Cap Value:

Investments in this asset class shall provide broad exposure to large-capitalization U.S. value stocks. With allocations to this class, the investment manager shall seek to maintain a value-style approach. Securities classified as value style generally tend to have higher book value to price ratios, higher forward earnings to price ratios, higher dividend yields and lower forecasted earnings growth rates than securities representing the growth style.

Benchmark: CRSP US Large Cap Value Index

US Market Small-Cap Value:

Investments in this asset class shall provide broad exposure to small-capitalization U.S. value stocks. With allocations to this class, the investment manager shall seek to maintain a value-style approach. Securities classified as value style generally tend to have higher book value to price ratios, higher forward earnings to price ratios, higher dividend yields and lower forecasted earnings growth rates than securities representing the growth style.

Benchmark: CRSP US Small Cap Value Index

International Market Equity:

Allocations to this class shall provide broad exposure to Large and Mid-cap stocks in developed and emerging markets excluding the US.

Benchmark: FTSE All-World ex US Index

International Large-Cap Value

Investments in this asset class shall provide broad exposure to large-capitalization value stocks in developed and emerging markets excluding the US.

With allocations to this class, the investment manager shall seek to maintain a value-style approach. Securities classified as value style generally tend to have higher book value to price ratios, higher forward earnings to price ratios, higher dividend yields and lower forecasted earnings growth rates than securities representing the growth style.

Benchmark: MSCI EAFE Value Index

International Small-Cap Value

Investments in this asset class shall provide broad exposure to small-capitalization value stocks in developed and emerging markets excluding the US.

With allocations to this class, the investment manager shall seek to maintain a value-style approach. Securities classified as value style generally tend to have higher book value to price ratios, higher forward earnings to price ratios, higher dividend yields and lower forecasted earnings growth rates than securities representing the growth style.

Benchmark: MSCI EAFE Small Cap Index

Emerging Markets Equity

Investments in this asset class shall provide broad exposure to stocks of companies located in emerging markets around the world, such as Brazil, Russia, India, Taiwan, and China.

Benchmark: FTSE Emerging Index

Commodities

Investments in this asset class shall provide broad exposure to Commodity Markets. Commodities are assets that have tangible properties, such as oil, metals, and agricultural products. The investment manager shall select a vehicle that invests in commodity-linked derivative instruments, including commodity index-linked notes, swap agreements, commodity options, futures and options on futures that provide exposure to the investment returns of the commodities markets, without investing directly in physical commodities. It is preferable that these commodity-linked derivative instruments are backed by a portfolio of inflation-indexed securities and other Fixed Income Instruments.

Benchmark: Dow Jones-UBS Commodity Index Total Return (DJ-UBSCITR)

U.S. REITS

Investments in this asset class shall provide broad exposure to stocks of publicly traded equity real estate investment trusts (known as REITs) in the US.

Benchmark: MSCI US REIT Index

Fixed Income – Nominal

Investments in this asset class shall provide broad exposure to medium and larger issues of U.S. government, investment-grade corporate, and investment-grade international dollar-denominated bonds that have maturities between 1 and 5 years and are publicly issued.

Benchmark: Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index

Fixed Income- Inflation Protected

Investments in this asset class shall provide broad exposure to inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years.

Benchmark: Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index

Table 2: Asset Class Benchmarks and Example Implementations

Asset Class	Benchmark	Example Implementation
U.S. Market Equity	CRSP US Total Market Index	Vanguard Total Stock Market (VTSAX)
U.S. Large-Cap Value	CRSP US Large Cap Value Index	Vanguard Value (VVIAX)
U.S. Small-Cap Value	CRSP US Small Cap Value Index	Vanguard Small-Cap Value (VSIAX)
International Market Equity	FTSE All-World ex US Index	Vanguard FTSE All-World ex US (VFWAX)
International Large-Cap Value	MSCI EAFE Value Index	iShares MSCI EAFE Value (EFV)
International Small-Cap Value	MSCI EAFE Small Cap Index	iShares MSCI EAFE Small (SCZ)
Emerging Markets Equity	FTSE Emerging Index	Vanguard Emerging Markets Stock (VEMAX)
Commodities	Dow Jones-UBS Commodity Index Total Return	Pimco Commodity Real Return (PCRIX)
U.S. REITS	MSCI US REIT Index	Vanguard REIT ETF (VNQ)
Fixed Income – Nominal	Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index	Vanguard Short-Term Bond Index (VBIRX)
Fixed Income-Inflation Protected	Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index	Vanguard Short-Term Inflation Protected Securities ETF (VTIP)

SOCIALLY RESPONSIBLE INVESTING

The following best describes the Finance Committee's attitude toward socially responsible investing: we do not consider social issues in our investment process.

SELECTION/RETENTION CRITERIA FOR INVESTMENTS

Investment Management Selection

Investment managers (including mutual funds, ETFs, separate account managers and limited partnership sponsors) shall be chosen using the following criteria:

- Past performance considered relative to other investments having the same investment objective. Consideration shall be given to both performance rankings over various time frames and consistency of performance
- Costs relative to other funds with like objectives and investment styles
- The manager's adherence to investment style and size objectives
- Size of the proposed fund
- Length of time the fund/manager has been in existence and length of time it has been under the direction of the current manager(s) and whether there have been material changes in the manager's organization and personnel
- The historical volatility and downside risk of each proposed investment
- How well each proposed investment complements other assets in the portfolio

INVESTMENT MONITORING AND CONTROL PROCEDURES

Benchmarks

In general, a notional portfolio consisting of the following benchmarks allocated according to the weights shown will be used to evaluate performance. The advisor may utilize indices that are more appropriate for tracking the asset classes. These indices will be documented on quarterly reports.

Table 3: Employment Connection Portfolio Benchmark

Asset Class	Benchmark	Weighting
U.S. Market Equity	CRSP US Total Market Index	14.7%
U.S. Large-Cap Value	CRSP US Large Cap Value Index	4.5%
U.S. Small-Cap Value	CRSP US Small Cap Value Index	13.8%
International Market Equity	FTSE All-World ex US Index	6.1%
International Large-Cap Value	MSCI EAFE Value Index	6.4%
International Small-Cap Value	MSCI EAFE Small Cap Index	6.7%
Emerging Markets Equity	FTSE Emerging Index	2.8%
Commodities	Dow Jones-UBS Commodity Index Total Return	2.5%
U.S. REITS	MSCI US REIT Index	2.5%
Fixed Income – Nominal	Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index	36.7%
Fixed Income- Inflation Protected	Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0-5 Year Index	3.3%

Reports

- The investment custodian shall provide the Finance Committee with monthly statements for each account held by the Employment Connection and subject to this Investment Policy Statement. Such reports shall show values for each asset and all transactions affecting assets within the portfolio, including additions and withdrawals.
- The Advisor shall provide the Finance Committee with the following management reports on at least a quarterly basis:
 - Portfolio performance results over varying time periods
 - Performance results of comparative benchmarks over varying time Periods.
 - Review of current asset allocation versus policy guidelines
 - Annually a 12-month accounting of total fees & expenses will be reported. This is comprised of advisor fees, fund/ETF expenses, commissions and custodial fees.
 - Any recommendations for changes of the above

Meetings and Communication between Finance Committee and Advisor

As a matter of course, the Advisor shall keep Finance Committee apprised of any material changes in the Advisor's outlook, recommended investment policy, and tactics.

In addition, Advisor shall meet with Finance Committee approximately quarterly to review and explain the Portfolio's investment results and any related issues. Advisor shall also be available on a reasonable basis for telephone and email communication as needed.

The Finance Committee shall attempt to set the quarterly meeting schedule dates for the upcoming year in advance.

DUTIES AND RESPONSIBILITIES

The Advisor

The Advisor shall act as the investment advisor to the Finance Committee until the Finance Committee decides otherwise.

Advisor shall be responsible for:

- Assisting in the development and periodic review of investment policy.
- Designing and implementing an appropriate asset allocation plan consistent with the investment objectives, time horizon, risk profile, guidelines and constraints outlined in this statement.
- Advising the Finance Committee about the selection of and the allocation of asset categories.
- Identifying specific assets and investment managers within each asset category.
- Providing “due diligence”, or research, on the Investment Manager(s)
- Monitoring the performance of all selected assets the advisor consults to.
- Recommending changes to this investment policy statement.
- Periodically reviewing the suitability of the investments for the Finance Committee.
- Being available to meet with the Finance Committee at least twice each year.
- Being available at such other times within reason at the Finance Committee's request.
- Preparing and presenting appropriate reports.

Monitor and report on the custodian

Discretion and Title

- The Finance Committee grants the Advisor discretion under the guidance of this Investment Policy Statement.
- Advisor shall have no authority to withdraw funds from the Employment Connection's accounts, except to cover payment of previously agreed fees or at Employment Connection's specific direction.
- Advisor may not change the Employment Connection's investment policy, including the targeted asset allocation, without the Finance Committee's prior approval.

The Finance Committee

Finance Committee shall be responsible for:

- The oversight of the Portfolio.
- Defining the investment objectives and policies of the Portfolio.
- Directing Advisor to make changes in investment policy and to oversee and to approve or disapprove Advisor's recommendations with regards to policy, guidelines, and objectives on a timely basis.
- Providing Advisor with all relevant information on the Employment Connection's financial conditions and risk tolerances and shall notify Advisor promptly of any changes to this information.
- Reading and understanding the information contained in the prospectus and each investment in the Portfolio.
- Being responsible for exercising all rights, including voting rights, as are acquired through the purchase of securities
- The Finance Committee may appoint a separate subcommittee(s) to handle various tasks such as annual advisor reviews, RFP proposals, and investment monitoring.
- The subcommittee may also be responsible for communication with all investment managers and consultants.

The Advisor

The Advisor will have full discretion to make all investment decisions for assets placed under its jurisdiction while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the Advisor(s) include:

- Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
- Reporting, on a timely basis, periodic investment performance results.
- Communicating any major changes to economic outlook, investment strategy, or any other factors, which affect the implementation of the investment process, or the investment objective progress of the Fund's investment management.
- Informing the Advisor regarding any qualitative change to the investment management organization: Examples include changes in portfolio management personnel, ownership structure, investment policy, etc.
- Voting proxies, if requested by the Finance Committee, on behalf of the Employment Connection, and communicating such voting records to the Finance Committee on a timely basis.

Proxy Voting

The Finance Committee is responsible for and empowered to exercise all rights, including proxy-voting rights.