

Investment Information

The Miami Foundation offers an exceptional selection of investment pools that you may choose from. Each pool is carefully constructed and diversified to meet a range of philanthropic goals and time horizons.

These pools are overseen by our Investment Committee which is comprised of seasoned industry professionals. They hire, evaluate and work with a world-class Investment Consultant who monitors performance of the more than 30 independent Investment Managers. The Investment Committee also develops and ensures that The Miami Foundation adheres to a strict Investment Policy that keeps our investments targeted to achieving each pool's investment goals. Our primary Investment Consultant is SEI for these multiple investment pools. J.P. Morgan manages a cash pool.

Because your Fund is pooled with the more than \$200 Million in assets under management, you will have access to greater diversification than would otherwise be possible.

As a Fundholder, you may:

- Allocate to one or more investment pools; one or two pools is normally sufficient.
- Change the investment allocation once per year; or under extenuating circumstances such as a significant change in charitable goals or time horizon.
- Recommend your own investment manager, when your Fund size is \$500,000 or more.

SEI

SEI is a leading global provider of investment management business solutions to foundations, endowments, healthcare organizations, corporations, private banks, and investment advisers with \$262 billion in managed and administered assets as of December 31, 2015. SEI's Institutional Group is the first and largest global provider of fiduciary management investment services.

The company began offering these services in 1992 and today acts as a fiduciary manager to more than 478 institutional clients including 160 nonprofits. SEI manages assets for university and education endowments, private and community foundations, museums and religious organizations. SEI also sponsors the Nonprofit Management Research Panel, which regularly publishes research focused on the needs, challenges and trends affecting nonprofit organizations.

SEI's fiduciary management solution for nonprofits combines advice, asset allocation, portfolio modeling, manager selection, multilevel risk management, administrative services and comprehensive reporting within a flexible model designed to help clients achieve financial goals. SEI takes full responsibility and accountability for building investment portfolios and making changes as necessary.

J.P. Morgan

J.P. Morgan is part of JPMorgan Chase & Co. (NYSE: JPM), a global financial services firm with assets of \$2.3 trillion, and a leader in asset management, investment banking, private banking, treasury and securities services, and commercial banking.

As a leader in financial services, J.P. Morgan offers solutions to clients in more than 100 countries with one of the most comprehensive global platforms available. The bank has been helping clients conduct business and manage their wealth for more than 160 years under Mr. Morgan's core principle of putting clients' interests first. Individuals and families, large multinationals and emerging companies, and institutional investors turn to the firm for their extensive experience, leading insights and innovative thinking.

With the firm's heritage as a provider of investment discretion and fiduciary oversight for many of the largest and most sophisticated not-for-profits, J.P. Morgan created the Endowments & Foundations Group (EFG). This dedicated team is entirely focused on serving and supporting the needs of these organizations with access to best-in-class ideas and solutions.

Asset Pool Allocations

If your Fund will make grants ten years or more - the Long-Term Growth Pool is the most broadly diversified.

Long-Term Growth Pool – managed by SEI

| Asset Class | Policy (%) | Comparative Index |
|--|------------|-----------------------------------|
| Growth Assets | 50-80 | |
| <u>Domestic Securities</u> | | |
| US Large Cap Stocks | | Russell 1000 / S&P 500 |
| US Small/Mid Cap Stocks | | Russell 2500 |
| US Small Cap Stocks | | Russell 2000 |
| High Yield Fixed Income | | BofA ML US High Yield Constrained |
| International Securities | | |
| Emerging Markets Stocks | | MSCI Emerging Markets |
| World Equity | | MSCI ACWI ex-US / MSCI World |
| Emerging Market Debt | | 50% JPM GBI EM / 50% JPM EMBI |
| Risk Reduction Assets | 0-20 | |
| Cash & Equivalents | | US Treasury Bills |
| US Fixed Income | | Barclays US Aggregate Bond |
| Inflation Protection Fixed Income | | Barclays 1-5 Year US TIPS |
| Inflation Protection Assets | 0-30 | |
| Diversified Hedge Funds | | LIBOR + 7% |
| Structured Credit | | S&P Loan / CS Leveraged Loan |
| Real Estate – Public / Private | | Wilshire REIT / NCREIF Property |
| Commodities | | Bloomberg Commodity |
| Energy Debt | | BofA ML US High Yield Energy |
| Less Liquid Assets within above | 0-30 | |
| Total | 100 | |

If your Fund will make grants from five to ten years or longer and your preference is to incorporate a sustainable, responsible, socially conscious focus in the investment strategy - the ESG Pool is designed for Funds that will be spent out in the intermediate to long-term.

Environmental, Social, Governance (ESG) Pool – managed by SEI

| Asset Class | Policy (%) | Comparative Index |
|-------------------------------------|------------|--------------------------------|
| Growth Assets | 60-80 | |
| US Large Cap Stocks | | Russell 1000 / S&P 500 |
| US Small/Mid Cap Stocks | | Russell Small Cap Completeness |
| World Equity ex -US | | MSCI ACWI ex-US |
| Risk Reduction/Income Assets | 20-40 | |
| Cash & Equivalents | | US Treasury Bills |
| Fixed Income | | Barclays US Aggregate Bond |
| Total | 100 | |

If your Fund will make grants from five to ten years - the **Balanced Pool** is designed for Funds that will be spent out in the intermediate term.

Balanced Pool – managed by SEI

| Asset Class | Policy (%) | Comparative Index |
|-----------------------------------|--|---------------------------------|
| Growth Assets | 20 - 50 | |
| <u>Domestic Equity</u> | | |
| US Large Cap Stocks | | Russell 1000 / S&P 500 |
| US Small/Mid Cap Stocks | | Russell 2500 |
| US Small Cap Stocks | | Russell 2000 |
| International Equity | | |
| International Large Cap Stocks | | MSCI EAFE |
| Emerging Markets Stocks | | MSCI Emerging Markets |
| World Equity | | MSCI ACWI ex-US / MSCI World |
| Fixed Income | | 40 - 70 |
| Cash & Equivalents | US Treasury Bills | |
| Intermediate | Barclays US Aggregate Bond | |
| Limited Duration | BofAML 1-3 Year US Treasury | |
| Short Duration | Barclays Short US Treasury 9-12 Mo. | |
| High Yield Bonds | BofAML US High Yield Constrained | |
| Emerging Market Debt | 50% JPM GBI EM / 50% JPM EMBI | |
| Inflation Protection Fixed Income | Barclays 1 – 5 Year US TIPS | |
| Opportunistic Income | BofAML 3-Mo. Deposit Constant Maturity | |
| Alternative Investments | 0 - 25 | |
| Diversified Hedge Funds | | LIBOR + 7% |
| Structured Credit | | S&P Loan / CS Leveraged Loan |
| Real Estate – Public / Private | | Wilshire REIT / NCREIF Property |
| Commodities | | Bloomberg Commodity |
| Energy Debt | | BofA ML US High Yield Energy |
| Total | 100 | |

If your Fund will make grants for one to three years -- the **Income Pool** holds cash and money market securities.

Income Pool – managed by SEI

| Asset Class | Policy (%) | Comparative Index |
|-----------------------------------|------------|--|
| Cash / Fixed Income | 100 | |
| Cash & Equivalents | | US Treasury Bills |
| Intermediate Fixed Income | | Barclays US Aggregate Bond |
| Limited Duration Fixed Income | | BofAML 1-3 Year US Treasury |
| Short Duration Fixed Income | | Barclays Short US Treasury 9-12 Mo. |
| Opportunistic Income | | BofAML 3-Mo. Deposit Constant Maturity |
| Inflation Protection Fixed Income | | Barclays 1-5 Year US TIPS |
| Total | 100 | |

If your Fund will make grants for one year or less...the **Cash Pool** holds cash and cash equivalents. Your money will not earn interest.

Cash Preservation Pool – managed by J.P. Morgan

| Asset Class | Policy (%) | Comparative Index |
|--------------------|------------|-------------------|
| Cash | 100 | |
| Cash & Equivalents | | US Treasury Bills |
| Total | 100 | |