

Investment Information

The Miami Foundation offers an exceptional selection of investment pools to meet your charitable goals. Each investment pool is carefully constructed and diversified to meet a range of philanthropic goals and time horizons.

The Foundation has in place an Investment Committee that is comprised of seasoned investment and banking professionals. The Investment Committee establishes and periodically reviews and approves the Investment Policy Statement (IPS), and monitors compliance with the IPS. The Investment Committee hires, evaluates and works with a world-class Investment Consultant who acts as the Foundation's outsourced chief investment officer. 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 \$300 million in assets under management, you will have access to greater diversification than would otherwise be possible.

As a Fundholder, you may:

- Recommend allocating the fund assets in up to two investment pools;
- Recommend a change to 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 \$1,000,000 or more.

SEI

Now in its 50th year of business, SEI (NASDAQ: SEIC) is a leading global provider of investment processing, investment management, and investment operations solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of June 30, 2018, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages, advises or administers \$882 billion in hedge, private equity, mutual fund and pooled or separately managed assets, including \$331 billion in assets under management and \$545 billion in client assets under administration.

The company began offering these services in 1992 and today acts as a fiduciary manager to more than 485 institutional clients including 184 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

Long-Term Growth Pool – managed by SEI

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

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 (EM)
Frontier Markets Stocks		MSCI EM + Frontier
World Equity (or ex-US)		MSCI ACWI ex-US / MSCI World
Emerging Market Debt		50% JPM GBI EM / 50% JPM EMBI
Risk Reduction Assets	0-20	
Cash & Equivalents		BofA ML 3M US Treasury Bills
US Fixed Income		Bloomberg Barclays US Aggregate Bond
Inflation Protection Fixed Income	TIPS	Bloomberg Barclays 1-5 Year US
Inflation Protection Assets	0-30	
Diversified Hedge Funds		50% MSCI World / 50% BofA ML 3M US Treasury Bills
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	

Social Impact Pool – managed by SEI

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 Social Impact Pool is designed for Funds that will be spent out in the intermediate to long-term.

Asset Class	Policy (%)	Comparative Index
Growth Assets	60-80	
US Large Cap Stocks		Russell 1000, S&P 500, MSCI KLD 400 Social
US Small/Mid Cap Stocks		Russell 2000, Russell 2500
World Equity ex -US		MSCI ACWI ex-US, MSCI EAFE
Risk Reduction/Income Assets	20-40	
Cash & Equivalents		BofA ML 3M US Treasury Bills
Fixed Income		Bloomberg Barclays US Aggregate Bond
Total	100	

Balanced Pool – managed by SEI

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.

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 ACWI ex-US, MSCI EAFE
Emerging Markets Stocks		MSCI Emerging Markets (EM)
Frontier Markets Stocks		MSCI EM + Frontier
World Equity		MSCI World
Fixed Income	40 - 70	
Cash & Equivalents		BofA ML 3M US Treasury Bills
Intermediate		Bloomberg Barclays US Aggregate Bond
Limited Duration		BofA ML 1-3 Year US Treasury
Short Duration		Bloomberg Barclays Short US Treasury 9-12 Mo.
High Yield Bonds		BofA ML US High Yield Constrained
Emerging Market Debt		50% JPM GBI EM / 50% JPM EMBI
Inflation Protection Fixed Income		Bloomberg Barclays 1 – 5 Year US TIPS
Opportunistic Income		BofA ML 3-Mo. Deposit Constant Maturity
Alternative Investments	0 - 25	
Diversified Hedge Funds		50% MSCI World / 50% BofA ML 3M US Treasury Bills
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	

Income Pool – managed by SEI

If your Fund will make grants for one to three years -- the **Income Pool** may hold cash, cash equivalents, money market funds, state of Florida bonds, and US stocks.

Asset Class	Policy (%)	Comparative Index
Cash / Fixed Income	70-100	
Cash & Equivalents US Treasuries	Bond, TIPS	BofA ML 3M US Treasury Bills Bloomberg Barclays US Aggregate Bloomberg Barclays 1-5 Year US
US Stocks	0-30	S&P 500, Russell 1000, Russell 3000, MSCI USA Minimum Volatility
Total	100	

Cash Pool – managed by J.P. Morgan

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.

Asset Class	Policy (%)	Comparative Index
Cash	100	
Cash & Equivalents Short Term US Government Debt		BofA ML 3M US Treasury Bills
Total	100	

The Miami Foundation Investment Performance

Investment Manager Performance - Since 2012 to Present										
Pool	2013	2014	2015	2016	2017	Q1-2018	Q2-2018	YTD 6-2018	Since Inception	Inception Date
SEI Long Term Growth Pool	18.91%	8.14%	-0.26%	10.67%	16.58%	-0.09%	0.87%	0.78%	9.66%	31-Jan-12
<i>Benchmark</i>	18.99%	5.95%	-0.78%	10.26%	18.08%	-0.08%	0.86%	0.78%	9.37%	31-Jan-12
SEI Social Impact Pool	-	-	-2.51%	7.09%	16.20%	0.23%	1.45%	1.68%	7.70%	30-Jun-15
<i>Benchmark</i>	-	-	-1.69%	8.95%	15.70%	-0.61%	1.49%	0.87%	7.72%	30-Jun-15
SEI Balanced Pool ⁽¹⁾	8.30%	2.46%	-2.49%	5.65%	10.27%	-0.33%	0.21%	-0.12%	5.23%	31-Dec-11
<i>Benchmark</i>	4.96%	2.28%	-1.49%	7.18%	10.93%	-0.27%	0.22%	-0.05%	4.95%	31-Dec-11
SEI Income Pool ⁽¹⁾	-0.18%	1.90%	-0.10%	1.71%	3.70%	-0.36%	0.99%	0.62%	1.57%	31-May-12
<i>Benchmark</i>	-1.62%	1.70%	0.60%	1.38%	2.94%	-0.26%	0.89%	0.63%	1.11%	31-May-12
J.P. Morgan Cash Pool	0.46%	0.30%	0.30%	0.97%	1.04% ⁽²⁾	1.24%	1.60%	1.42%	0.74%	30-Jun-12
<i>Benchmark</i>	0.03%	0.20%	0.30%	0.33%	-	-	-	-	0.12%	30-Jun-12

(1) As of March 1, 2016, the Balanced & Income Pools, previously managed by J.P. Morgan, were transferred to SEI.

(2) For the month of Dec - 2017.