INVESTMENT POLICY STATEMENT

I. PURPOSE
   A. The purpose of this Investment Policy Statement is to establish a clear understanding of Jewish Family Service’s (JFS’s) investment policies and objectives among the Board of Directors (the Board) of JFS, the Budget and Finance Committee of JFS, the Investment Committee of JFS, and any investment consultants or investment managers to whom JFS has delegated certain investment-related responsibilities.

   B. It is intended that these policies and objectives provide guidance in the management of the investment pool funds but are not overly restrictive given changing business, economic, and investment market conditions. To this end, this document should be reviewed at least annually by the Board, the Budget and Finance Committee, and the Investment Committee to ensure that the guidelines herein remain relevant, actionable and appropriate given the needs and objectives of JFS. As part of the quarterly performance review, both the Investment Consultant and the Investment Committee shall verify the key objectives and risk posture outlined in this document.

   C. It is intended that the guidelines contained in this Investment Policy Statement conform to the requirements of Colorado’s Uniform Prudent Management of Institutional Funds Act (UPMIFA), which was adopted by the State of Colorado effective September 1, 2008.

II. INVESTMENT POOL
   A. Funds to be invested within the guidelines of this Investment Policy Statement are commingled in an Investment Pool made up of endowments, plant funds, and certain board designated funds and operating funds.

   B. JFS funds held at other foundations or organizations (e.g. the Jewish Community Foundation, Rose Community Foundation and Community First Foundation, etc.) are considered part of the Investment Pool for purposes of this Investment Policy Statement, although JFS may be somewhat limited in its flexibility to influence how those funds are invested. The Investment Committee will work with these other foundations or organizations to best align the investment of those funds with JFS investment policies.

   C. To achieve efficiencies in managing the investments of JFS, the Investment Pool will be managed under one asset allocation policy, with funds commingled for investment purposes. All gains and losses in the Investment Pool will be allocated proportionately among all funds that comprise the pool. No specific investments/returns can be identified to a specific fund.

   D. Should a significant donor seek to make a gift that would be invested outside of the Investment Pool for reasons that are logical and practical (e.g. in order to apply social screens not in use with the main Investment Pool), then the Board may empower the Investment Committee to develop an investment strategy distinct from
the one described herein. Such “one-off” investments should only be considered when they are of a size that would justify the additional associated time, energy and expense.

III. FUNDS EXCLUDED FROM THE INVESTMENT POOL
A. Adequate cash balances will be maintained outside the Investment Pool to cover the daily operational needs of JFS. These funds will be maintained in a cash management account at the depository bank. The Director of Finance and Accounting Services will project cash needs on an ongoing basis and will provide projections of cash needs from the Investment Pool on a quarterly basis. Balances will be determined from these projections.

B. A separate unemployment insurance account is maintained to provide available funds to pay any claims that may arise. This account is excluded from the Investment Pool to ensure preservation of principle and adequate liquidity.

C. Any other fiduciary funds, which JFS may manage on behalf of others, will be handled in accordance with the agreements governing such funds.

IV. DUTIES AND RESPONSIBILITIES
In accordance with UPMIFA, subject to the intent of a donor expressed in a gift instrument, the Board, the Budget and Finance Committee, the Investment Committee, and any officer, employee or agent of JFS to whom the Board delegates responsibility for investment and management of JFS funds (together, the Responsible Parties), in managing and investing JFS’s funds, including the Investment Pool, shall consider the charitable purposes of JFS and the purposes of the funds. The Responsible Parties shall manage and invest the funds in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In addition, in managing and investing JFS’s funds, including the Investment Pool, the Responsible Parties:

(1) Shall incur only costs that are appropriate and reasonable in relation to the assets and purposes of JFS, and the skills available to JFS;

(2) Shall make a reasonable effort to verify facts relevant to the management and investment of the Investment Pool;

(3) Except as otherwise provided by a gift instrument, shall consider the following factors, if relevant:
   (a) General economic conditions;
   (b) The possible effect of inflation or deflation;
   (c) The expected tax consequences, if any, of investment decisions or strategies;
   (d) The role that each investment or course of action plays within the overall investment portfolio of the Investment Pool;
   (e) The expected total return from income and the appreciation of investments;
   (f) Other resources of JFS;
   (g) The needs of JFS and the funds held in the Investment Pool to make distributions and to preserve capital; and
   (h) An asset’s special relationship or special value, if any, to the charitable purposes of JFS.

A. The Board of Directors is responsible for:
   1. Approving the Investment Policy.
2. Reviewing the Investment Policy at least annually to ensure its continued relevance and appropriateness.

3. Reviewing the investment portfolio and performance as needed but no less than once a year to ensure it is consistent with the strategic objectives of JFS.

B. The Budget and Finance Committee is responsible for:
   1. Reviewing JFS investments in accordance with this policy.
   2. Meeting with the Investment Committee, a subcommittee of the Budget and Finance Committee, at least semi-annually to review investment status and performance.
   3. Informing the Investment Committee of any material budget and finance matters that may impact how the Investment Committee guides the investment strategy, particularly if these matters may impact the Investment Pool’s time horizon, liquidity needs, or other investment-related objectives.

C. The Investment Committee is responsible for:
   1. No less than quarterly, reviewing the performance of the investment strategy, the asset allocation of the strategy in comparison to the target allocation indicated herein, and the quantitative and qualitative factors affecting the various investments.
   2. Informing the Board and the Budget and Finance Committee of any concerns or issues in the investment returns and/or strategy that may materially impact the operations of JFS.
   3. Selecting an investment consultant (the Investment Consultant); establishing the scope and terms of the delegation of authority to the Investment Consultant, consistent with the purposes of JFS and JFS’s funds; and periodically reviewing the Investment Consultant’s actions in order to monitor the Investment Consultant’s performance and compliance with the scope and terms of the delegation.
   4. Selecting investment managers (the Investment Managers); establishing the scope and terms of the delegation of authority to the Investment Managers, consistent with the purposes of JFS and JFS’s funds; and periodically reviewing the Investment Manager’s actions in order to monitor the Investment Manager’s performance and compliance with the scope and terms of the delegation, all in accordance with the process described in Section VIII. below.
   5. Notifying the Investment Consultant and/or other investment professionals of material concerns of the organization that may impact the investment strategy.
   6. Holding the Investment Consultant and the Investment Managers accountable for fulfilling their responsibilities to JFS, including their adherence to JFS’s Investment Policies.
   7. Ensuring that the members of the Investment Committee have fully disclosed any actual or potential conflicts of interest that may impact their guidance on investment-related matters. Any member of the Investment Committee with a conflict relating to an investment decision will abstain from voting on that
matter and shall be excused from the meeting during the discussions surrounding such investment decisions. All Investment Committee members shall be subject to the JFS Investment Committee Policy regarding conflicts of interest.

D. The Investment Consultant is responsible for:
   1. Providing a performance report no later than 60 days after the end of the quarter showing investment balances as of the beginning and end of each quarter, transfers in and out, and actual investment returns compared to appropriate benchmarks. This report should also monitor the volatility of the portfolio and provide comparisons to appropriate market indices.
   2. Providing ongoing assessment regarding the suitability of JFS’s asset allocation in light of its long-term investment objectives.
   3. Monitoring the quantitative and qualitative factors affecting the investments that the Investment Consultant has recommended JFS use to implement its strategy.
   4. Proactively notifying the Investment Committee of material concerns regarding the asset allocation and/or Investment Managers. While in some cases, quarterly meetings may provide an appropriate timeframe for such communication, the Investment Consultant shall use its best judgment to ascertain if notice should be made more promptly.
   5. Recommending changes to the Investment Policy Statement as needed.
   6. Generally acting with the best interests of JFS and its stakeholders in mind. Any conflicts of interest, personal concerns, or other matters that may preclude the Investment Consultant from these responsibilities should be brought to the Investment Committee’s attention immediately.
   7. Promptly notifying the Investment Committee of any legal or regulatory matters that directly affect the Investment Consultant.

V. PORTFOLIO OBJECTIVES
   A. JFS evaluates its quantifiable objectives over a full market cycle of seven (7) to ten (10) years, understanding that in any shorter period, actual investment markets may enable JFS to exceed or cause JFS to trail its investment objectives.
      1. Primary Return Objective: JFS seeks a return of CPI + 5% per year to cover annual spending needs, while leaving some excess return to cover expenses and account for inflation.
      2. Secondary Return Objective: JFS seeks to outperform on a net basis a market-weighted benchmark that reflects the target asset allocation of the portfolio.
      3. Risk Objective: JFS should strive to achieve its return objectives with the minimal total portfolio risk necessary. Thus, the Committee should monitor risk metrics such as standard deviation, Beta, Sharpe Ratio and Alpha to help assess the quantifiable risk exposure of the investment pool.
   B. Some investment objectives are more difficult to quantify, yet remain important to consider. These include, but are not limited to the following:
      1. Diversification: JFS shall use diversification of asset classes as a primary risk management tool, incorporating asset classes with low correlation to each other in order to potentially experience a smoother investment performance and manage risks specific to individual asset classes.
2. Top Tier Investment Management: JFS shall retain active and passive investment managers with solid long-term track records of effective risk management and appropriate net investment return.

3. Benchmarking: JFS shall compare its performance in each asset class to the performance of the markets in general in order to assess whether its investments are adding value net of fees. The portfolio shall also be compared to appropriate market indices.

VI. ASSET ALLOCATION

A. The Board mandates that JFS allocate its assets within the bands indicated below, unless the Board has formally approved an allocation outside of these bands.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Minimum Constraint %</th>
<th>Maximum Constraint %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equities</td>
<td>25%</td>
<td>70%</td>
</tr>
<tr>
<td>Global Fixed Income</td>
<td>10%</td>
<td>60%</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>0%</td>
<td>50%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>Cash</td>
<td>0%</td>
<td>10%</td>
</tr>
</tbody>
</table>

B. The Board delegates to JFS’s Investment Committee responsibility for and authority to set a more specific asset allocation policy consistent with the limits indicated above. The Committee shall not attempt to time the market, and generally investment policy decisions will be made with a seven (7) – ten (10) year time horizon.

C. The Investment Committee’s target asset allocation is attached to this Investment Policy Statement as Exhibit I. It will be updated whenever the target allocation is modified by the Investment Committee.

D. At least annually, in addition to reports on net performance and appropriate risk metrics, the Investment Committee shall report to the Board on JFS’s actual asset allocation in comparison to its target allocation. Any significant changes to the asset allocation shall be communicated to the Board in a timely manner and no later than the quarterly Board meeting following the asset allocation change.

E. At least quarterly, the Investment Consultant shall provide the Investment Committee a comparison of the actual asset allocation to the target asset allocation as defined in Exhibit I of the IPS.

F. When assigning benchmark indices to certain asset classes, the Investment Committee and the Investment Consultant strive to identify those benchmarks that generally capture the asset class’s risk and return experience. While no single index is a perfect indicator of a manager’s ability to add value, such measurements can serve as a helpful guide in evaluating relative performance.

G. Should the actual allocation to any asset class exceed 20% of the target allocation for that asset class, then the Investment Committee shall discuss the appropriateness of rebalancing that asset class in light of both macro-economic factors and JFS’s business activity.
VII. INVESTMENT GUIDELINES

A. Global Equity Investments

1. Diversification: The equity investments should be well-diversified to avoid undue exposure to any single country, economic sector, industry group or individual security.

2. JFS is a global investor and Equity and Fixed Income allocations shall be made with a primary focus on achieving the optimal blend of risk and reward factors. JFS shall not allow "home market bias" or other behavioral factors to cause JFS to limit its exposure to investments based outside the United States. Any overweight to US equities or fixed income should be based strictly on forward-looking economic expectations in connection to the long term investment objectives of the organization.

3. Quality and marketability: When managers are purchasing stocks directly on behalf of JFS, common and convertible preferred stocks should be of good quality and listed on one of the major stock exchanges or traded in the over-the-counter market with the requirement that such stocks have adequate market liquidity relative to the size of the investment. Holdings should generally meet a minimum capitalization requirement of $100 million with adequate liquidity.

4. Concentration by Issuer:
   a) No more that 5% of any equity manager’s portfolio shall be invested in the securities of any one issuing corporation at the time of purchase.
   b) Managers shall generally strive to maintain a sector weight of no more than 2x the sector weight of the appropriate market index.

5. Cash positions: Equity managers may hold investment reserves of cash equivalents without limitation but with the understanding that their performance will be measured inclusive of the cash position. Persistent allocations to cash over 5% may be cause to review a manager’s suitability.

B. Global Fixed-Income Investments

1. Quality: When purchasing individual securities on behalf of JFS, marketable bonds at the time of purchase must be rated A- or better by S & P or A3 rated or better by Moody’s, or carry an equivalent rating by another major rating agency.
2. Concentration by Issuer:
   a) No limitations are placed in investments in U.S. Government guaranteed obligations including all Federal Agencies.
   b) Investment in any one issuer shall not exceed 5% of total fixed-income portfolio assets based on market value at the time of purchase.
   c) When directly purchasing foreign fixed income investments on behalf of JFS, such securities must be dollar-denominated and may not represent more than 15% of market value of the fixed-income portfolio. There is no such limit when foreign fixed income investments are purchased in a pooled investment vehicle.
   d) A maximum of 20% of fixed-income portfolio assets may be invested in non-investment grade bonds.

3. Maturity: The maturities of the fixed-income investments are left to the discretion and expertise of the investment manager.

4. Cash positions: The fixed-income manager may hold investment reserves of cash equivalents without limitation but with the understanding that their performance will be measured inclusive of the cash position. The fixed-income managers may include higher allocations to cash equivalents as part of their management of portfolio duration.

C. Alternative investments
   1. JFS shall consider the inclusion of "Alternative Investments" for the purpose of diversification and risk management, not solely for the purpose of seeking outsized returns. Thus, the potential impact on overall portfolio risk of specific alternative investments should be considered before investment.
   2. "Alternative Investments" includes assets with lower correlation to equity and/or fixed income, including: hedge funds, hedge funds of funds, commodities and natural resources, real estate, and private equity. Such investments might be accessed through a variety of structures, including private placements, mutual funds, exchange traded funds, structured notes and other issues.
   3. The Board recognizes that the structures and asset classes outlined above can encompass a wide range of investment strategies with significantly different risk profiles and cost structures. With that in mind, the Investment Committee is charged with considering the following factors in allocating to Alternative Investments, above and beyond the normal due diligence:
      a) Liquidity: How often will JFS have access to its funds and how certain is that access? The Committee is authorized to select alternative investment with restrictive liquidity provided that the liquidity needs of the organization and the liquidity of the overall portfolio have been carefully considered in advance of such investment.
      b) Transparency: What information will JFS have regarding specific holdings of the investment in question and how often will that information be available? The Committee is authorized to select investments with limited transparency, though it is expected that the
managers of alternative investments shall provide periodic updates with regards to general strategy and investment themes.

c) Fees: What is the total fee structure of the investment in question, including management, administration, incentive and other fees?

d) Use of Leverage: To what degree is leverage used in the investment in question and with what intent? If a material amount of leverage is used, is the excess risk justified and necessary for pursuing JFS’s objectives? The Committee should strive to select alternative investments with little to no economic leverage.

D. Cash Equivalents

1. Cash equivalents must be liquid, with guaranteed terms no longer than one year.

2. CDs must be invested in FDIC or FSLIC-insured financial institutions and purchased in the appropriate amounts to ensure full coverage.

3. Commercial paper must have a P-1 rating by Moody’s or an A-1 rating by Standard & Poor’s.

E. Restricted Transactions

1. The following purchases are prohibited when managers are making such purchases directly on behalf of JFS.
   a) Puts, calls or straddles, except for the sale of covered options
   b) Margin purchases or other uses of lending or borrowing money
   c) Letters of Credit
   d) Letter stock, private placements or direct payments
   e) Foreign fixed income investments not dollar-denominated
   f) Security loans originated by the managers

VIII. MANAGER SEARCH AND SELECTION

A. Process

1. In each asset class, the Investment Committee shall consider active and passive investment managers or investment vehicles, seeking to identify investments that the Committee determines can best meet JFS’s objectives.

2. The Investment Committee will review recommendations made by the Investment Consultant and select Investment Managers that are banks, insurance companies, investment management companies, or investment advisers as defined by the Registered Investment Advisers Act of 1940.

3. Generally, the Investment Committee shall consider at least three viable investment options in each asset style that are recommended by the Investment Consultant.

4. The Investment Consultant is responsible for providing the Investment Committee with quantitative and qualitative data on the investments under consideration.

B. Quantitative Considerations

1. The Investment Committee shall review at least the following metrics when comparing investment options.
2. Historic Returns
   a) Net absolute returns over multiple market periods
   b) Net returns relative to relevant market indices and appropriate peer group universe
   c) Net returns during more extreme market periods, both positive and negative

3. Historic Risk
   a) Volatility over multiple market periods
   b) Volatility relative to relevant market indices and appropriate peer group universe
   c) Consistency of ability to reduce participation in down markets while capturing appropriate amounts of positive performance in up markets.

4. Risk-Return ratios such as Sharpe Ratio and Alpha should be used to help quantify the ability to compensate for market risk relative to indices and peer groups.

5. In evaluating any such metrics, the Committee shall note any changes in strategy or personnel that may impact the applicability of the historic returns and risk data. As well, the Committee shall consider how relevant past performance may be to predicting performance in market environments projected going forward.

C. Qualitative Consideration
   1. The Investment Consultant shall assist the Investment Committee in gathering information about and providing recommendations regarding qualitative factors, including:
      a) Financial soundness and resources of the organization
      b) Quality, consistency, and compensation of personnel,
      c) Clearly defined investment philosophy
      d) Investment process is methodical, repeatable and indicates consistently effective decision-making
      e) High quality, objective research
      f) Appropriate risk controls
      g) Style consistency and reliable implementation
      h) History and ownership of the firm, key investment personnel stability, key clients, fee schedule, and support personnel.

D. Decision-Making
   1. In order to model fiduciary best practices, the selection of asset managers shall always be competitive, with the Investment Committee striving to select the most suitable asset manager in each asset sleeve.
   2. The Investment Committee shall consider the qualitative and quantitative information and the recommendations of the Investment Consultant.
   3. When the Committee deems it necessary, the Investment Committee shall conduct interviews with prospective investment managers and/or request additional information from the managers.
   4. The Investment Committee shall strive to reach agreement on the selection of investment managers, selecting managers who receive a majority of the Committee members’ support.
E. Manager Review

1. Asset managers shall go on “Review” when the Investment Committee and/or the Investment Consultant are concerned about a material change in any of the following factors:
   a) Change in ownership of the firm
   b) Change in the portfolio management team
   c) Material absolute or relative underperformance over at least three quarters
   d) Sudden and dramatic underperformance over a shorter period
   e) A change in investment philosophy
   f) Other factors that cause a decline in confidence in the manager

2. When an asset manager is on “Review,” the Investment Consultant shall work with the Investment Committee to monitor the ongoing suitability of the manager in question, both on its own merits and in relation to other investment managers in the same asset style that may be more suitable.

3. The Investment Committee shall strive to reach agreement on the termination of investment managers, terminating managers who do not have the support of a majority of Committee members.

IX. CONTRIBUTED SECURITIES

A. Contributed securities will be managed in a manner consistent with the overall risk and diversification objectives.

1. For highly-liquid contributed securities (e.g. most large, mid and small cap stocks, as well as most investment grade bonds), the securities shall be sold at the earliest opportunity.

2. For illiquid securities or those that are thinly traded, the Investment Committee and Investment Consultant shall collaborate to determine a best course of action, again with the JFS target asset allocation in mind.

3. If contributed securities are subject to legal restrictions, the securities will be held until the restriction is removed. The Investment Committee and Investment Consultant shall consider how to manage the concentration risk of any such gift.

4. In any case, once a contributed security has been liquidated, the proceeds shall be forwarded to JFS.

Approved by the Board of Directors: February 23, 2009
EXHIBIT I

JFS Investment Committee
Target Allocation
Date Adopted: November, 2009

The following asset allocation targets and benchmarks have been established for the investment pool.

The Investment Committee and Investment Consultant shall monitor the target allocation at least quarterly. Should the actual allocations move outside of the “Low Band” or “High Band,” then the Committee shall consider whether or not to rebalance the allocation toward the target. The Committee may exceed the “Low” or “High” bands provided that the allocation remains within the Asset Allocation Constraints stipulated by the Board in VI(A) above.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Benchmark</th>
<th>Investment Policy +/- 20% band</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Low Band</td>
</tr>
<tr>
<td>US Equity</td>
<td>Russell 3000</td>
<td>15.0%</td>
</tr>
<tr>
<td>Non US Equity</td>
<td>MSCI World ex-US</td>
<td>25.0%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>MSCI World REIT</td>
<td>5.6%</td>
</tr>
<tr>
<td>Alternative Investments</td>
<td>GHS Fund of Fund</td>
<td>4%</td>
</tr>
<tr>
<td>Natural Resources/Commodities</td>
<td>DJ AIG Commodity</td>
<td>6.4%</td>
</tr>
<tr>
<td>Global Fixed Income</td>
<td>LB Global Aggregate</td>
<td>23.2%</td>
</tr>
<tr>
<td>Cash</td>
<td>T-Bills</td>
<td>0.8%</td>
</tr>
</tbody>
</table>