

## **INVESTMENT PROCEDURES: Medallion Investment Partners Due Diligence Procedures**

The objective of the Foundation's Medallion Program is to enable selected donor advised funds to be invested with an external, non-pooled investment advisor in a manner appropriate to the fund's time horizon and the donor's grant making intentions. These procedures help ensure the Foundation's investment objectives and oversight duties are met.

### **New Medallion Partners Due Diligence**

The Investment firm is not officially approved and granted Medallion status by the Foundation until these items are completed. Note that many of these steps can be completed before a gift is received.

1. Potential Medallion Partner completes the Initial Medallion Questionnaire and returns it to the Foundation Controller. Controller reviews for completeness, and e-mails Questionnaire, ADV/FINRA info to the Medallion Due Diligence Investment Team (aka Investment Team).
2. Controller e-mails entire Investment Committee of the Medallion request, and asks for comments on the candidate firm, to share with members of the Investment Team.
3. Investment Team members review ADV Parts 2a and 2b (as appropriate).
4. Investment Team members review FINRA Broker Check Report (as appropriate).
5. Investment Team members meet to summarize any questions/concerns, and target questions to be followed up at the Site Visit. One Investment Team member volunteers to conduct site visit with one CCCF staff member.
6. CCCF schedules an in-person visit to the potential Medallion Partner to conduct on-site due diligence, and follow up on any specific questions or issues from the Questionnaire.
7. Site Visit Team summarizes the site visit. Based on the Questionnaire, site visit, and any other communications, makes a decision to approve, decline, or postpone.
8. Site Visit Team reports recommendation to Investment Team; and then to Investment Committee preferably at in-person quarterly IC meeting.
9. Once approved, the Medallion Partner acknowledges that they will adhere to the Foundation's Investment Policy Statement via signature on the acknowledgment page. Any departures from the IPS are to be submitted in writing and mutually agreed to.
10. Once the Medallion Partner is approved, the Foundation communicates such to the fund donor, referencing the donor's desire to have the Foundation use a specific external investment advisor.

### **Existing External Investment Advisors**

At least annually, this will be completed for all Medallion Partners:

1. Controller sends the Medallion Partner last year's Questionnaire, requesting any meaningful changes.
2. Investment Team reviews FINRA Broker Check Report or ADV Part 2.
3. Controller calculates all investment fees charged to the fund to verify it matches the stated fees.

At least once every three years, this will also be completed for all Medallion Partners:

1. Investment Team review updated Questionnaire, ADV Part 2 including 2B the brochure supplement, and conduct onsite visit.
2. Investment Team reports updated findings to the Investment Committee at quarterly IC meeting. This includes an understanding of the items included above, the RFI, and the performance monitoring requirements outlined in the IPS.

### **Performance Monitoring**

Ongoing monitoring of investment performance is an important part of the Foundation's Medallion Partners due diligence procedures. These procedures are completed in accordance with the Performance Benchmarking and Communication and Reporting sections of the Foundation's Investment Policy Statement.

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