

**INVESTMENT POLICY STATEMENT
FOR
KANSAS STATE YOUTH SOCCER FOUNDATION**

Olathe, KS

Investment Philosophy

The Board of Directors will review the Foundation's Investment Account performance and asset allocation on an annual basis. The Board does not intend to become involved in day-to-day investment decisions. Rather, fund assets will be allocated to professional investment managers. It is the policy of the Board to give each investment manager full investment discretion with respect to assets under its management subject to this Policy Statement. If an investment manager believes at any time that any changes, additions, or deletions to this Statement are advisable, it shall be the manager's responsibility to recommend such changes to the Board.

Fund assets should always be invested in accordance with high fiduciary standards. All investments for the Fund should be made with care, skill and diligence that a prudent person would exercise.

Investment Objectives

1. To maximize return all funds shall be sought without taking undue risk.
2. Investments should be prudent and diversified to provide reasonable protection of principal based on a net result taking into account inflation. The funds should be managed to achieve acceptable and satisfactory performance over the long term, returning 6% – 7% with the ability to pay out 5% benefit after the growth period. The Board recognizes that conditions within the economy and capital markets will influence the ability to achieve the desired objectives.
3. Opportunities for investment appreciation, which would result in the growth of principal, should be evaluated. It shall be the policy of the Board to measure fund income by Total Return. Total Return shall be income and principal appreciation, both realized and unrealized.

Investment Account Asset Allocations

- \$25,000 of the Investment Account shall remain in cash equivalent investments.
- 50% of fund, minus the cash equivalent investments, shall be invested in intermediate bond funds and Treasury Funds.
- No more than 50% of the investment shall be in stock funds.

General

1. The purchase of any of the following, but not limited to the following, is not considered appropriate: Real estate of REITs, options, warrants or commodities, and oil or gas venture rights.

2. The investment manager shall have full responsibility for security selection and diversification. However, the investment manager should not invest more than 10% in a single security or 40% in a single mutual fund. Market fluctuations causing the percentage held to fluctuate above this percentage shall not be deemed to be cause for the manager to sell down. For the purpose of applying any percentage limitation, a window of time not to exceed 60 days shall be used by the manager. Exceptions to this policy must have the written approval by a designated member of the Board.

Investment Manager Selection, Reporting, and Monitoring

The Board of Directors will select the Investment Manager over the Investment Account. The selection will be based upon evaluation of proposals requested by the Board at least every five years. The selected Manager must be a bank, insurance company, or an investment advisor as defined and registered under the Registered Investment Advisors Act of 1940.

The Account Manager will report quarterly on their holdings and performance to the Board. The Investment Manager may be required to attend in-person meetings at such times and places as designated by the Board. In addition, the Investment Manager is to promptly inform the Board in writing of material changes related to the investment of Fund assets. Such changes include change in ownership of key personnel of the firm, any legal or regulatory proceedings affecting the firm, or change in firm strategy and investment approach.

Manager performance will be reviewed periodically. Although it intends to establish and maintain longstanding relationships with the Investment Manager, the Board retains the discretion to terminate a manager at any time. Either party terminating this agreement shall give 60 days notice.

The forgoing Investment Policy Statement was established by the Kansas State Youth Soccer Foundation and ratified by the Board of Directors on September 3, 2009.