



Investment Policy of the Oklahoma Disciples Foundation

*(Last Board Review/Approval: February 24, 2026; July 30, 2024; October 25, 2022; October 26, 2021; December 1, 2020; July 25, 2020; July 6, 2017; February 28, 2017; July 26, 2016
Adopted: May 9, 2006)*

DELEGATION OF AUTHORITY: The Board of Directors of Oklahoma Disciples Foundation delegates authority to the Investment Committee for the functions and oversight of activities as described in this policy.

GENERAL INFORMATION: The Oklahoma Disciples Foundation, Inc. ("Foundation") was organized in 1965 as The Oklahoma Christian Foundation. In 2001, The Oklahoma Christian Foundation merged with The Northeast Oklahoma Christian Foundation and changed the Foundation's name to The Oklahoma Disciples Foundation, Inc.

The mission of the Foundation is to promote and advance evangelism, Christian education, church extension, and missionary work promulgated by The Christian Church (Disciples of Christ) in Oklahoma.

As a religious-non-profit organization, the Foundation is committed to conducting its business affairs in a manner consistent with the highest Christian moral and ethical standards. The Foundation shall not compromise its Christian witness by investing in companies that produce products or provide services that are deemed inconsistent with the Christian message.

- 1) **SCOPE:** This investment policy applies only to those cash assets over which the Foundation, either as trustee or custodian, exercises investment discretion.

Standard & Poor's 500 Index or the Russell 1000 index, unless otherwise stated within this investment policy.

- i) **Market Capitalization** shall mean the total dollar value of all outstanding shares of a corporation's stock. It is computed by multiplying the number of outstanding shares by the current market price.
- j) **Mid-Cap** shall refer to corporations with market capitalizations in the \$10bln-\$62bln range or, as a group, might be reflected by an index such as the Russell Midcap Index, unless otherwise stated within this investment policy.
- k) **Small-Cap** shall refer to corporations with market capitalizations of less than \$10bln or, as a group, might be reflected by an index such as the Russell 2000 Index, unless otherwise stated within this investment policy.
- l) **Total Return** shall mean yield (interest and dividends) and capital appreciation/depreciation (realized and unrealized gains/losses) earned on investments.
- m) **Alternative Investments** include (i) hedge funds, including, but not limited to, long/short funds, event-driven funds and fund-of-funds, (ii) private equity, (iii) venture capital, (iv) real assets (including, but not limited to, real estate, oil, gas and energy funds), (v) special situations and opportunistic investments, and (vi) similar strategies.

5) **ASSIGNMENT OF RESPONSIBILITY:**

- a) **Investment Committee:** The Investment Committee of the Foundation is a fiduciary, and as such is responsible for directing, monitoring and evaluating the management of the investments. The Investment Committee is authorized by the Foundation's Board of Directors to retain professional experts in various fields, as deemed necessary, to assist the Investment Committee in meeting its responsibilities and obligations to administer the investments prudently. These professional experts include, but are not limited to, investment consultants, investment managers, and specialists. The Investment Committee shall retain final fiduciary responsibility for all of the Foundation's investments. As a ministry of the Christian Church (Disciples of Christ), the Investment Committee of the Foundation will instruct fund managers to invest, maximizing returns, while considering the faith and teachings of the Christian Church (Disciples of Christ). The Executive Director, in consultation with the Investment Committee, is authorized to make decisions about specific investments where concerns may

cause an ethical or moral entanglement with the public witness of the Foundation and the Christian Church (Disciples of Christ), especially around matters of human trafficking, exploitation of children or women, mass incarceration and/or diversity, equity, and inclusion. Specific responsibilities of the Investment Committee include:

- i) Periodically reviewing the investment policy.
- ii) Periodically evaluating the performance of the Foundation staff, investment consultant(s), investment managers and other professional experts involved in the managing of the investments.
- iii) Meeting, not less than quarterly, to review the performance of the investments, monitor adherence to the investment policy, and evaluate progress towards the investment objectives.
- iv) Reporting, not less than quarterly, to the Foundation's Board of Directors on the condition and performance of the investments.
- v) Retaining and terminating investment consultants, and if necessary, investment managers. Retained specialist firms may serve as both Investment Consultant and Investment Manager.
- vi) Retaining and terminating custodial banks.

b) **Investment Consultant(s):** The investment consultant's role is that of an advisor to the Investment Committee. Investment advice concerning the management of the investments shall be offered by the investment consultant, and shall be consistent with the investment objectives, philosophy, principles and guidelines set forth in this policy. Specific responsibilities include:

- i) Assisting in the development and periodic review of the investment policy.
- ii) Conducting investment manager searches and ongoing due diligence.
- iii) Monitoring and evaluating the performance of the investment manager(s) and investment process to provide the Investment Committee with the ability to determine progress towards the investment objectives.
- iv) Communicating matters of policy, manager research, and manager performance to the Investment Committee.
- v) Adhering to the investment objectives, philosophy, principles and guidelines set forth in this policy. The Investment Consultant must request policy exceptions in advance.

Investment managers must be registered as an investment adviser under the Investment Advisers Act of 1940 or the Oklahoma Uniform Securities Act of 2004 unless excluded from the definition of "investment adviser" or exempt from registration as such under both acts. The investment manager shall be reviewed no less than annually by the Investment Committee regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may affect their ability to achieve the desired investment objectives.

d) **Specialists:** Specialists such as attorneys, certified public accountants, auditors, actuaries, financial planners and others may be employed by the Investment Committee to assist in meeting its responsibilities and obligations to administer the investments prudently. All expenses for professional experts must be customary and reasonable, and shall be borne by the investment pools as deemed appropriate and necessary by the Investment Committee.

6) **INVESTMENT OBJECTIVES:**

Return Objective: To achieve a return that, net of manager fees, meets or exceeds, over the investment horizon, the sum of CPI (consumer price index) + spending policy + ODF fees.

a) **Risk Objective:** To maintain a level of portfolio risk, over the investment horizon, commensurate with the specified benchmark. Risk shall be measured by standard deviation of quarterly returns.

b) **Risk/Return Objective:** To achieve an incremental increase in return greater than or equal to each corresponding incremental increase in risk that exceeds the risk level of the specified benchmark.

c) Specific objectives for each investment manager, investment fund and investment pool, if any, shall be approved by the investment committee and attached as an addendum to this policy.

7) **INVESTMENT PHILOSOPHY:** Prudent management requires a carefully conceived investment strategy designed to attain a total return (yield plus capital appreciation) sufficient to preserve, and ideally enhance, the purchasing power of the investments, while at the same time providing a dependable source of income.

- a) **Total Return Philosophy:** The Foundation recognizes the need for both yield and capital appreciation to achieve the investment objectives.
- b) **Purchasing Power Preservation:** The Foundation deems that saving for future needs is as important as spending for current needs. Therefore, it is essential to protect the purchasing power of the investments from erosion by inflation.
- c) **Long-term Investment Horizon:** The Foundation understands that a long-term investment horizon is required to properly observe and evaluate the performance of investment managers and investments over a number of varying market and economic conditions.
- d) **Risk Reduction:** The Foundation recognizes that risk is inherent in investing, and that some risk is necessary to produce long-term investment results sufficient to meet the investment objectives. However, investment risk can and should be moderated through proper asset allocation and portfolio diversification.
- e) **Asset Allocation:** The Foundation is dedicated to achieving a balance among equity investments, fixed income investments and short-term investments that reflect(s) the changing economic and market conditions as well as the specific investment objectives and requirements of each trust.

8) **INVESTMENT PRINCIPLES:**

- a) Investments shall be invested in compliance with the Oklahoma Uniform Prudent Management of Institutional Funds Act (OSC Title 60, Chapter 6, Section 300).
- b) Investments shall be made solely in the interest of the beneficiaries of the investments.
- c) Cash is to be employed productively at all times, in money market investments to provide safety, liquidity, and return.
- d) Securities should have sufficient liquidity and recognized marketability as to be transacted quickly and efficiently with minimal impact on market price, except in cases for which prudence suggests otherwise.
- e) Item d) above shall not preclude the investment in certain alternative strategies that may be illiquid but that enhance the portfolio's overall risk return characteristics.
- f) Investments shall be diversified to minimize the risk of large losses, unless, under certain circumstances, it is clearly prudent not to do so.
- g) The Investment Committee may employ one or more investment managers of varying disciplines to attain the investment objectives. The managers shall be evaluated regularly for adherence to their investment discipline.

d) **Alternative Strategies**

- i) Defined. Alternative Investments include (i) hedge funds, including, but not limited to, long/short funds, event-driven funds and fund-of-funds, (ii) private equity, (iii) venture capital, (iv) real assets (including, but not limited to, real estate, oil, gas and energy funds), (v) special situations and opportunistic investments, and (vi) similar strategies.

Among the factors to be considered in connection with Alternative Investments, liquidity, leverage and volatility will receive particular consideration.

- ii) Valuation. Alternative Investments should be valued in accordance with industry practice and accounting standards

10) **INVESTMENT STRUCTURE:**

- a) **Investment Funds:** To facilitate efficient accounting and investment management the Foundation utilizes actively managed investment portfolios (“investment funds”). Each investment fund created by the Foundation is designed to meet a specific investment style or discipline. These funds can be comprised of individually managed accounts, mutual funds or index funds.
- b) **Pooled Investments:** To facilitate investment management the Foundation will pool investments as appropriate and allowed by law. The pool shall be unitized in order to track each individual trust’s proportionate share of the pooled investments.

The Investment Committee may authorize, from time to time, the use of investment vehicles outside of the investment pools. The investment in such vehicles shall follow the investment objectives, philosophy, principles, and guidelines set forth in this policy.

- c) **Asset Mix:** Investment assets shall be allocated between one or more of the investment funds and/or investment pools (“asset mix”) according to the investment objectives and requirements of each trust, changing market and economic conditions, and applicable statutes.

Assets contributed to the Foundation shall be liquidated (as appropriate) as soon as practical with proceeds from the sale being reinvested in the investment pools.

**SPENDING POLICY ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
ODF Investment Pools**

Purpose **Spending Policy Formula**

The dual purpose of the Spending Policy Formula is to provide a yardstick by which to measure success or failure of historical investment-related decisions, and serve as a guide or input in asset allocation and portfolio construction decisions. Historical Net-of-Fee reported performance regularly should be compared to net spending policy formulas. Asset allocation decisions of Investment Committee and Investment Consultant should utilize gross spending policy formulas in decision matrices in order to ensure portfolios have the best opportunity to satisfy risk/return objectives as determined by the Investment Committee.

Spending Policy Formulas, by Investment Pool:

Gross spending policy formula, by investment pool, would be defined as “Spending Rate + Inflation Assumption + ODF Fees + Investment Consultant Fees + Investment Manager Expense Ratio.”

Net spending policy formula, by investment pool, and as introduced in the Investment Objectives section of the attached Investment Policy Statement, would be defined as “Spending Rate + Inflation + ODF Fees.”

<u>Net Spending Policy Formula:</u>	Spending Rate	+	Inflation (CPI)	+	ODF Fees
Named Endowments Pool	4.25%		<i>varies</i>		0%
General Operating Pool	4.25%		<i>varies</i>		0%
CRUT(s)	4.25%		<i>varies</i>		0%
<u>Custodial Funds:</u>					
Perpetual Pool	4.0%		<i>varies</i>		0.5%
Income w Growth Pool	3.0%		<i>varies</i>		0.5%
General Pool	3.25%		<i>varies</i>		0.5%

**Additional Information is referenced in the official Oklahoma Disciples Foundation Spending Policy.*

INVESTMENT POOL ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
ODF Investment Pools

Named Endowment Pool

Purpose

The purpose of the Named Endowment Pool is to provide capital appreciation and income from a diversified portfolio of equity and fixed income instruments with a long-term investment horizon by holding an efficient combination of investments. The Named Endowment Pool is to be used exclusively for endowments that operate under The Oklahoma Disciples Foundation, Inc.'s spending policy.

Asset Allocation Guidelines

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	35%-75%	45%
International Equities	ACWI ex US	5%-30%	15%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Bloomberg Agg	15%-50%	27%
Money Market & Cash Equivalents	Citi 3 month T-Bills	0%-10%	3%

Where:

- R3000 is the Russell 3000 Index
- ACWI ex U.S. is the All Country Weighted Index, excluding the United States.
- HFRI is the Hedge Fund Research Inc. Index
- Barclay's Agg is the Barclays U. S. Aggregate Bond Index which is made up of US Government Treasury and Agency securities, as well as corporate and mortgage-backed bonds.
- Citi 3 month T-Bills is the Citigroup 3-month Treasury Bill Index

INVESTMENT POOL ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
ODF Investment Pools

General Operating Pool

Purpose

The purpose of the General Operating Pool is to provide capital appreciation and income from a diversified portfolio of equity and fixed income instruments with a long-term investment horizon by holding an efficient combination of existing funds and pools. The General Operating Pool is ideal for trusts that are not subject to the spending policy but that desire an asset allocation that is identical to that of the Spending Policy Pool.

Asset Allocation Guidelines

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	35%-75%	45%
International Equities	ACWI ex US	5%-30%	15%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Barclay's Agg	15%-50%	27%
Money Market & Cash Equivalentents	Citi 3 month T-Bills	0%-10%	3%

Where:

- R3000 is the Russell 3000 Index
- ACWI ex U.S. is the All Country Weighted Index, excluding the United States.
- HFRI is the Hedge Fund Research Inc. Index
- Barclay's Agg is the Barclays U. S. Aggregate Bond Index which is made up of US Government Treasury and Agency securities, as well as corporate and mortgage-backed bonds.
- Citi 3 month T-Bills is the Citigroup 3-month Treasury Bill Index

**INVESTMENT ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
Charitable Remainder Trusts (CRTs)**

Charitable Remainder Unitrusts (CRUTs)

Purpose

The purpose of a CRUT is to provide charitably minded individuals with a mechanism to make charitable contributions to the Foundation to benefit the mission of The Christian Church (Disciples of Christ) in Oklahoma, but to retain some benefit of the value of the assets gifted.

Charitable Remainder Unitrusts with a Net Income Makeup Provision (NIM-CRUTs)

Purpose

The purpose of a NIM-CRUT is to provide charitably minded individuals with a mechanism to make charitable contributions to the Foundation to benefit the mission of The Christian Church (Disciples of Christ) in Oklahoma, but to retain some benefit of the value of the assets gifted. A NIM-CRUT differs from a standard CRUT in that only "Net Income" is distributed to the beneficiary.

The Foundation will determine on a trust by trust basis the appropriate asset allocation based on the needs and desires of the donor while balancing that against the future benefit needs of the residual charity.

Asset Allocation Guidelines (All CRTs)

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	35%-75%	45%
International Equities	ACWI ex US	5%-30%	15%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Barclay's Agg	15%-50%	27%
Money Market & Cash Equivalents	Citi 3 month T-Bills	0%-10%	3%

Oklahoma Disciples Foundation Investment Policy Adopted: 2006.05.09
Investment Pool Addendum Revision Approved: 2020.12.01; 2020.02.25 (Custodial) 2017.02.28
Revised and Amended: 2026.02.24; 2024.07.30; 2023.10.24; 2022.10.25; 2021.10.26; 2016.07.26;
2011.01.15; 2009.07.28. 2008.09.09; 2007.02.13
Last Board Review/Approval: 2026.02.24; 2024.07.30; 2021.10.26; 2020.12.01; 2017.06.07;
2017.02.28

**INVESTMENT POOL ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
Custodial Funds Management Program**

Custodial Funds Perpetual Pool

Purpose

The purpose of the Custodial Funds Perpetual Pool is to provide capital appreciation and income from a diversified portfolio of equity and fixed income instruments with a long-term investment horizon by holding an efficient combination of investments. This pool may contain liquid, semi-liquid or illiquid investments. The Custodial Funds Perpetual Pool is to be used by organizations participating in ODF's Custodial Funds Management Program where the funds are perpetual in nature.

Asset Allocation Guidelines

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	35%-75%	45%
International Equities	ACWI ex US	5%-30%	15%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Barclay's Agg	15%-50%	27%
Money Market & Cash Equivalents	Citi 3 month T-Bills	0%-10%	3%

Where:

- R3000 is the Russell 3000 Index
- ACWI ex U.S. is the All Country Weighted Index, excluding the United States.
- HFRI is the Hedge Fund Research Inc. Index
- Barclay's Agg is the Barclays U. S. Aggregate Bond Index which is made up of US Government Treasury and Agency securities, as well as corporate and mortgage-backed bonds.
- Citi 3 month T-Bills is the Citigroup 3-month Treasury Bill Index

**INVESTMENT POOL ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISICIPLES FOUNDATON, INC. OF OKLAHOMA
for the
Custodial Funds Management Program**

Custodial Funds Income With Growth Investment Pool

Purpose

The purpose of the Income with Growth Investment Pool is to provide capital preservation and income from a diversified portfolio of equity and fixed income instruments with an intermediate investment horizon by holding an efficient combination of liquid lower volatility investments. The Income With Growth Investment Pool is for organizations participating in ODF's Custodial Funds Management Program that have an intermediate term investment horizon of 5 to 10 years.

Asset Allocation Guidelines

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	15%-45%	30%
International Equities	ACWI ex US	5%-15%	8%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Barclay's Agg	40%-80%	49%
Money Market & Cash Equivalents	Citi 3 month T-Bills	0%-10%	3%

Where:

- R3000 is the Russell 3000 Index
- ACWI ex U.S. is the All Country Weighted Index, excluding the United States.
- HFRI is the Hedge Fund Research Inc. Index
- Barclay's Agg is the Barclays U. S. Aggregate Bond Index which is made up of US Government Treasury and Agency securities, as well as corporate and mortgage-backed bonds.
- Citi 3 month T-Bills is the Citigroup 3-month Treasury Bill Index

**INVESTMENT POOL ADDENDUM
to the
INVESTMENT POLICY OF
THE OKLAHOMA DISCIPLES FOUNDATION, INC. OF OKLAHOMA
for the
Custodial Funds Management Program**

**Custodial Funds General Investment Pool (No longer An Option as of 2020.02.25.
Previously designated funds are grandfathered into this pool.)**

Purpose The purpose of the General Investment Pool is to provide capital appreciation and income from a diversified portfolio of equity and fixed income instruments with a long-term investment horizon by holding an efficient combination of liquid investments. The General Investment Pool is for organizations participating in ODF's Custodial Funds Management Program that have a long-term investment horizon (10-15+ years) but where the funds may or may not be perpetual in nature.

Asset Allocation Guidelines

Asset Class	Benchmark	Range	Target
Domestic Equities	R3000	25%-55%	40%
International Equities	ACWI ex US	5%-20%	8%
Alternative Strategies	HFRI	5%-30%	10%
Fixed Income Securities	Barclay's Agg	25%-65%	39%
Money Market & Cash Equivalents	Citi 3 month T-Bills	0%-10%	3%

Where:

- R3000 is the Russell 3000 Index
- ACWI ex U.S. is the All Country Weighted Index, excluding the United States.
- HFRI is the Hedge Fund Research Inc. Index
- Barclay's Agg is the Barclays U. S. Aggregate Bond Index which is made up of US Government Treasury and Agency securities, as well as corporate and mortgage-backed bonds.
- Citi 3 month T-Bills is the Citigroup 3-month Treasury Bill Index

Custodial Portion of Addendum Revised 2020.02.25 to eliminate General Investment Option (custodial funds currently designated at Gen. Invest. remain in this pool).

Oklahoma Disciples Foundation Investment Policy Adopted: 2006.05.09
Investment Pool Addendum Revision Approved: 2020.12.01; 2020.02.25 (Custodial) 2017.02.28
Revised and Amended: 2026.02.24; 2024.07.30; 2023.10.24; 2022.10.25; 2021.10.26; 2016.07.26;
2011.01.15; 2009.07.28. 2008.09.09; 2007.02.13
Last Board Review/Approval: 2026.02.24; 2024.07.30; 2021.10.26; 2020.12.01; 2017.06.07;
2017.02.28