VENTURA COLLEGE FOUNDATION

Statement of Investment Policy

Effective April 22, 2026

Preamble

Ventura College Foundation is a non-profit tax-exempt auxiliary organization headquartered in Ventura, California. The Foundation manages its endowed and operational assets, as well as custodial funds, according to guidelines established by its Board of Directors.

The purpose of the Foundation is to promote and foster the programs and activities of Ventura College and to provide income for student scholarships, grants, foundation operations, and projects deemed appropriate by the Board of Directors.

This Policy Statement addresses the funds management functions of the Foundation. It specifies the goals of the Foundation in managing funds, provides the authority and responsibilities of certain parties with respect to the management of the Foundation's funds, and sets forth the procedures for these parties to follow in managing the Foundation's investments.

It is the intent of this policy statement to establish an attitude and philosophy which will guide the Foundation Investment Committee and the Investment Advisory Company toward the performance desired. It is intended that the objectives be sufficiently specific to be meaningful, but flexible enough to be practical.

This Investment Policy Statement will be reviewed and approved on an annual basis.

Long-Range Goals

The long-range goals for the Foundation are to grow its principal assets to exceed inflation and fees to provide a reliable source of distributable income.

Uniform Prudent Management of Institutional Funds Act (UPMIFA)

Enacted in 2008 as SB 1329, and effective Jan. 1, 2009, California adopted the Uniform Prudent Management of Institutional Funds Act. UPMIFA requires prudent spending and investing practices in an entity's endowment policies. The Board has defined prudence based on the following factors:

- Duration and preservation of the endowment fund
- Purposes of the institution and the endowment fund
- General economic conditions
- Possible effect of inflation or deflation

- Expected total return from income and appreciation of investments
- Other resources of the institution
- Institutional investment policy

Under UPMIFA the concept of "underwater" accounts no longer exists. However, in order to determine that spending is prudent the current market value will be compared to Historical Dollar Value (HDV), which the Board has defined as the donor gift amount.

These objectives are to be considered in conjunction with guidelines and restrictions set forth in this Policy.

Investment Objectives

The Foundation's investment objectives are:

1. To protect and preserve the purchasing power of the Foundation's assets by earning a total return for each fund (e.g. operating endowment, scholarship endowments, etc.) which is appropriate in light of each fund's time horizon, liquidity needs and risk tolerance.
2. To maximize total return with reasonable and acceptable levels of risk.
3. To maintain appropriate asset allocations among the various funds to meet the cash flow and liquidity needs of the Foundation and the College.
4. To observe appropriate controls designed to safeguard the Foundation's assets from theft, fraud or dissipation.
5. To honor any requests of donors as to the investment of the donated assets, within the parameters of prudent investing.

Investment Management

The Board of Directors may employ the services of one or more Investment Advisory Companies who possess the necessary specialized research facilities and skilled manpower to meet these investment objectives and guidelines. The Foundation requires any Investment Advisory Company so retained to be registered under the Investment Advisors Act of 1940.

The Board of Directors requires any Investment Advisory Company to adhere to the "prudent investor rule" under such federal laws as now apply, or may in the future apply, to the investment of any trust assets subject to their control.

The Board of Directors shall the review the Investment Advisory Company at least every two years unless the Investment Committee votes to retain the existing company by a majority vote.

Board of Directors Responsibility

The Board of Directors is charged with the responsibility of the investment of Foundation assets and agreeing on overall investment goals as stated in the Asset Allocation Guidelines. The Directors shall discharge their duties solely in the interest of the Foundation with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent investor, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character with like aims.

The Board of Directors shall appoint an Investment Committee to research and make recommendations to the board on investment management issues. Approved functions shall be executed by the Executive Director and Investment Advisory Company. On a quarterly basis, the board monitors the performance of the Foundation's investments.

Investment Committee and Investment Advisory Company Responsibilities

1. The Foundation's Investment Committee Chair, the President of Ventura College, the Foundation's Executive Director, and the Foundation's Secretary shall be authorized signatures empowered to execute the instruments necessary to make the investments contemplated by this investment policy. At least two of the four above named persons must sign each such investment related instrument in order to make such instrument effective and valid.

2. The Investment Committee is delegated, by the Board of Directors, the responsibility of overseeing the research and recommendation of any Investment Advisory Company employed to manage assets of the Foundation. The Investment Advisory Company will assist in the guidance of the Investment Committee to accomplish the objectives and guidelines of the Foundation. In addition, the Investment Advisory Company will regularly monitor and report on its performance and investment process to assure the objectives and guidelines are maintained and accomplished. The Investment Committee shall report to the Board of Directors on a quarterly basis for each separately managed portfolio, drawing information from the following:

    a) asset allocation;
    b) for each individual security, its description, percentage of the total portfolio, purchase date, quantity, cost basis, current market value, amount of unrealized gain or loss, indicated annual income in dollars, and yield (%) at market;
    c) a summary of all cash and non-cash transactions in each portfolio, including the name and quantity of each security purchased or sold, with the price and transaction date;
    d) investment performance relative to appropriate benchmarks established by the Investment Committee and approved by the Board.

The Secretary or President is authorized to certify any form resolution required for the opening, closing or administration of any board approved account at a depository institution, custodian or securities brokerage firm if the resolution is consistent with the provisions of this section. The Secretary may also certify a copy of an excerpt from this statement of Investment Policies as a resolution of the Board of Directors.

Executive Director's Responsibilities

The Executive Director is responsible for execution of the investment strategies recommended and approved by the Investment Committee and the Board of Directors. The Executive Director's responsibilities are:

1. To execute day-to-day management functions and to establish and enforce appropriate procedures and controls designed to avoid theft, embezzlement or dissipation of the Foundation's assets.

2. To ensure that cash and marketable securities are held by an FDIC insured depository, a bank trust department, a trust company or an SIPC insured brokerage firm. Cash or cash equivalent deposits in any one institution shall not exceed FDIC or SIPC insurance limits.

3. To open and close board approved accounts at depository institutions, custodians or brokerage firms on behalf of the Foundation consistent with the signatory policy approved by the full Board of Directors.

4. To deposit or withdraw funds from board approved Foundation accounts consistent with the signatory policy approved by the full Board of Directors.

5. To direct the investment of Foundation funds in a board approved account at a depository institution, custodian or brokerage firm.

6. To prepare reports required by the Investment Committee and the Board of Directors.

If action is required in the absence of the Executive Director, the Foundation's Investment Committee chair, acting together with the College President will have the same authority as the Executive Director with respect to the above functions.

Types of Assets

In order to provide any Investment Advisory Company the freedom to allocate invested assets in areas appropriate to meet the objectives of the Foundation, the following asset classes are expressly approved for investment.

1. Cash and Equivalents: Cash reserves may consist of individual fixed income securities such as Commercial paper, U.S. Treasury Bills and other similar instruments with less than one year to maturity and/or money market funds. All money market funds should be Rule 2a-7 compliant.

The Securities And Exchange Commission (SEC) recognized the threat to the financial system that would be caused by a systemic collapse of money market funds and responded with Rule 2a-7. This regulation requires money market funds to restrict their underlying holdings to investments that have more conservative maturities and credit ratings than those previously permitted to be held. From a maturity perspective, the average dollar-weighted portfolio maturity of investments held in a money market fund cannot exceed 60 days. From a credit rating perspective, no more than 3% of assets can be invested in securities that do not fall within the first or second-highest ranking tier.

2. Debt Instruments: United States Government and Agency Obligations, Corporate Obligations and Foreign Government Debt must have an average credit rating of BBB (investment grade) or better agency rating by Standard & Poors or a similar rating agency. Average portfolio duration should not exceed 7 years.

3. Equity Securities: Publicly traded common and preferred stocks, convertible preferred stocks and convertible debentures. Equity securities may be chosen from the NYSE, AMEX, regional Exchanges, and the National Over the Counter Market. All assets must have readily ascertainable market values, and be fully liquid and marketable. Average Daily volume of equity securities shall be a least 30,000 shares.

4. Commingled Funds: Mutual funds and Exchange Traded Funds which utilize any of the above mentioned in 1, 2 or 3 may also be utilized. It is understood that some Mutual Funds may invest in stocks with average daily volume less than 30,000 shares.

If any Investment Advisory Company wishes to use an investment vehicle not included in the above list, a request must be submitted to and approved by the Investment Committee and the Board of Directors.

Investment Restrictions

The following investment restrictions will apply:

1. There shall be no direct use of: short selling securities, commodities trading, margin purchases, derivative instruments, real estate, futures options and precious metals.

2. No strict restrictions have been placed with regard to individual equities or fixed income securities.

Asset Allocation Guidelines

Each fund of the Foundation has specific guidelines as to asset allocation which will be discussed annually by the Investment Committee and the Board of Directors and shared with the Investment Advisory Company. The Foundation has or may establish the following:

1. Operating Endowment: The investment objective of the Operating Endowment is to preserve the historical dollar value of these assets, and to provide a total return, over time, which at a

minimum equals or exceeds the rate of inflation plus the annual endowment earning percentage set by the Board of Directors. Given the long-term investment horizon associated with these assets and the historically superior performance of equities versus other asset classes, a significant allocation to equities is required. The asset allocation for this fund will be reviewed annually with the Investment Manager and the agreed upon percentages by asset class will be provided to the board annually at the final board meeting of the fiscal year.

2. Scholarship Endowments: The investment objective of the Scholarship Endowments is to preserve the historical dollar value of these assets, and to provide a total return, over time, which at a minimum equals or exceeds the rate of inflation plus the annual endowment spending percentage set by the Board of Directors. The asset allocation will be reviewed annually with the Investment Manager and the agreed upon percentages by asset class will be provided to the board annually at the final board meeting of the fiscal year.

3. Charitable Trusts: In trusts where the Foundation is a Trustee, Investment of Charitable Trust assets must be consistent with the terms of each individual trust instrument, prudent judgment just be exercised to protect both the income and remainder interests. The guidelines and restrictions contained in this statement of Investment Policies shall be observed in the investment of Charitable Trusts unless (a) the terms of the instrument dictate otherwise, or (b) specific exceptions are granted by the Board of Directors.

4. Pooled Income Funds: The investment objective of the Pooled Income Fund is to maximize current earnings, while protecting the historical dollar value of contributions, with a target yield to participants of not less than 6%. To achieve these objectives the trustee of the pooled income fund may maintain an equity position not greater than 20%.

5. Liquid Assets: Money market funds, saving accounts, checking account.

6. Other: Should the terms or circumstances of a particular gift dictate that the assets be separately, or differently, invested than other similar assets, the Investment Committee may recommend and the board may authorize such exceptions from these guidelines as are necessary to effect the intent of the donor. When granting exceptions, the committee shall take utmost care to protect the interest of the Foundation.

Spending Policy

The Investment Committee will use the rolling average method of determining year to year spending in order to smooth distributions from the aggregate portfolio. The portfolio value will be determined based on a 3-year rolling average. This policy serves two purposes. First, it provides for more consistent and predictable spending for the programs supported by this Endowment. Second, it allows the Investment Committee to design an investment strategy which is more aggressive with a higher expected return than might be the case if spending were determined by annual investment performance. By smoothing the spending, the Endowment reduces the likelihood of real principal erosion due to portfolio volatility. The Investment Committee has set the spending target to be 4% of the 12-quarter rolling average of the portfolio value of each endowment fund ending the final day of March, June, September and December of each year. The method for determining the specific

spending will be calculated using 4% as a starting value, and adjusting program specific spending upwards no amount not to exceed 5%. If a fund has been invested for less than three years, the average balance of the fund's value for the length of its investment is used.

The donor will be informed that gifts not awarded (or not claimed) in any given year will be carried forward cumulatively and made available in future years.

Monitoring

The Investment Advisory Company will continuously review its performance with the Investment Committee. The objective of monitoring is to ensure prudent management of the funds and compliance with the Investment Objectives and Guidelines. Investment monitoring will be completed on a quarterly basis evaluating the performance of the fund's assets in relation to the stated investment objectives.

Relative performance measurement may be utilized to evaluate investment management in the relation to the capital markets and other managers of similar funds with like aims. The following indices may be used to discuss performance measurement with the Investment Committee and the Board of Directors.

- Consumer Price Index
- 90 Day Treasury Bill Rates
- Barclays Capital Aggregate Bond Index
- Standard and Poor's 500 Stock Index
- A hybrid of the above indices, so-constituted as to reasonably reflect the asset allocation utilized by the Investment Advisory Company
- A hybrid of comparable indices, utilized by the Foundation's peer group

Review Meetings

It is the desire of the Investment Committee to meet semi-annually with the Investment Advisory Company to discuss the following:

- Review of ongoing investment policy and any changes deemed advisable for the coming year
- Clarify the asset allocation strategy and security selection tactics of the Investment Advisory Company
- Review of the current and anticipated economic environment and its effect on the Fund's assets
- Address any major shifts in strategy which may have taken place since the previous meeting
- Review the performance of the portfolio(s) with respect to the investment objectives and policy

Conclusion

This Statement of Investment Objectives and Policy is designed to be used as a guideline to assist the Board of Directors, the Investment Committee and the Investment Advisory Company(s). It should not be considered a legal document or contractual obligation. It should be viewed as a flexible document whose purpose is to assist all parties in the management of the Foundation's assets.

Adopted:

By_____ Date: 4/22/2026

Abra Flores, VCF Board Secretary

INVESTMENT GUIDELINES – Composition Wealth
Ventura College Foundation
Effective April 22, 2026

I. Purpose

Ventura College Foundation has a Statement of Investment Policy covering its entire investment program. These guidelines provide specific investment parameters for the portfolios managed by Composition Wealth, the "Investment Manager".

II. Asset Allocation

The asset allocation will be maintained as follows:

Liquidity Portfolios:

Policy Mix	Policy Range
Equity	0%
Fixed Income	100%

Balanced Portfolio:

Policy Mix	Policy Range
Equity	50% to 70%
Fixed Income	30% to 50%

III. Permitted Securities & Market Sectors

Fixed-income instruments of U.S. or foreign issuers, such as:

- Obligations of governments or their agencies;
- Corporate securities;
- Mortgage-backed securities;
- Asset-backed securities;
- Money-market instruments;
- Obligations of U.S., state and local entities;
- Equity securities of U.S. and non-U.S. issuers (Balanced portfolio only); and
- Commingled funds (e.g. mutual funds and exchange traded funds) that invest in securities substantially consistent with these guidelines.

IV. Prohibited Transactions

- Direct short sales of individual securities (the Investment Manager may buy commingled funds that employ short sale techniques);
- Margin purchases;
- Direct investment in commodities futures contracts (the Investment Manager may buy commingled funds that use futures contracts);
- Direct investments in real estate or direct real estate lending; and
- Hedge funds

V. Investment Restrictions

The Investment Manager will seek to diversify the assets across market sectors to reduce portfolio risk. Excluding Treasury and agency obligations and commingled fund positions, no individual security holding shall exceed 5% of the portfolio at time of purchase.

Bond Quality: The minimum average portfolio credit quality shall be at least "BBB" (Investment Grade).

Bond Duration: The maximum average bond duration of the portfolio shall not exceed 7 years.

International Stocks: The maximum allocation to non-US stocks shall be 40%.

Small Capitalization Stocks: The maximum allocation to small-cap stocks shall be 20%.

VI. Reporting

The Investment Manager will report transactions monthly and performance quarterly as well as upon request. The investment manager will also be responsible for reporting any material changes in investment strategy, portfolio structure, company ownership or financial position.

Adopted:

By: _____ Date: April 22, 2026

Abra Flores, VCF Board Secretary