



Investment Information

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The Board of Directors feels that grants to be made in the future are as important as grants made today. This is consistent with the philosophy that this Foundation is to exist in perpetuity, and therefore, should provide for grant making in perpetuity. To attain this goal, the overriding objective of this foundation is to maintain purchasing power. That is, net of spending, the objective is to grow the aggregate portfolio value in excess of the rate of inflation over the Foundation's investment horizon. Specific return goals are outlined in the investment policy statement.

Investment Priorities –

- 1.) Preservation of Capital
- 2.) Modest Growth of Capital
- 3.) Adherence to Investment Discipline and Fiduciary Responsibility

The Foundation currently uses 5% of the aggregate fund's market value for its spending policy.

Three Rivers Community Foundation Managed Composite Performance (Investment Policy Inception Date is 4/30/05, YTD Performance through 2/28/07)

2006	2007 YTD	Inception
9.98	0.66	13.34

Relevant Benchmarks (YTD Performance through 2/28/2007))

Index	2006	2007 YTD	Inception
Composite Index (TRCF)	12.40	0.65	12.09
S&P 500	15.80	-0.47	15.17
Russell 1000 Value	22.21	-0.30	18.71
Russell 1000 Growth	9.08	0.64	12.69
LB Int Gov/Credit	4.07	1.42	3.23
LB Aggregate Bond	3.78	1.65	3.17
MSCI AC Wd ex USA gross	27.16	0.99	28.65

As of February 2007, Three Rivers Community Foundation investment managers are:

Atalanta Sosnoff Capital (SMA)
Cambiar Investors (SMA)
Sands Capital Management (SMA)
Brandywine (SMA)
Pacific Income Advisors (SMA)
Lazard Emerging Markets (MF)
Royce Premier (MF)

American Century International Bond (MF)
Baron Small Cap Fund (MF)
Columbia Intermediate (MF)
ING GNMA (MF)
Janus High Yield (MF)
Pimco Real Return (MF)

* SMA = Separately Managed Account

* MF = NAV Mutual Fund

Investment Advisor: Smith Barney
Tax Advisor: Lemaster & Daniels PLLC
Independent Auditor: Northwest CPA Group
Legal Counsel: Davis Wright Tremaine.