

Foundation's Focus | Dollars at Work

by **Ray Ramsey**

The mission statement of the Hereford Youth Foundation of America (HYFA) is as follows:

“The Hereford Youth Foundation of America provides leadership, scholarship and educational opportunities by encouraging, recognizing and rewarding the development of life skills and values in our Hereford youth.”

In carrying out our mission, the HYFA strives to be recognized as the beef industry’s premier foundation for developing talented, passionate and effective young leaders.

We have tried diligently as a board to make our mission statement as inclusive as possible of our goals at HYFA, however, the mission statement does not address how these efforts will be funded.

Thanks to our many gracious donors, we have made very good progress growing the HYFA program not only in dollars but also in the scope of activities and opportunities HYFA can provide for Hereford youth.

Board members at work

So, to ask the question our HYFA board often discusses: What are the duties of the HYFA board?

At first glance they seem, very simply, to get more donors in order to have more funds to facilitate more assistance for the youth programs.

However, this responsibility is not the entire story. Our mission is also to keep this foundation permanently funded for generations to come.

Our leadership strives to aggressively grow the HYFA stock

portfolio in order to keep all the scholarships funded. However, the investments must not be so risk adverse as to jeopardize the initial donor’s investments so each scholarship can go on into perpetuity.

The finance committee of the HYFA board set an investment policy dedicated to utilizing as much profit potential that exists in the stock market, while also protecting the initial core investment given by our named donors.

If you follow the charts below, you can see the HYFA has been able to withstand the highs and lows in the volatile stock market to accomplish our mission. **HW**

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Hereford Youth Fdn of America PRI USD
12917201

Portfolio Overview

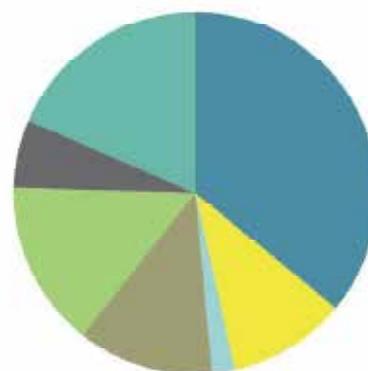
US Dollar
As of 3/31/2019

Portfolio Activity Summary

	2015	2016	2017	2018	YTD*	Totals
Beginning Market Value	2,434,565	2,515,276	2,732,679	3,063,601	3,124,721	2,434,565
Net Contributions/Distributions	136,330	18,756	(119,417)	195,315	27,538	258,522
Income Received	84,539	63,024	78,306	113,169	15,809	354,848
Gains/Losses	(140,159)	135,624	372,033	(247,364)	252,017	372,150
Ending Market Value	2,515,276	2,732,679	3,063,601	3,124,721	3,420,085	3,420,085

*YTD: 12/31/2018 - 3/31/2019

Allocation by Asset Class



INVESTMENT OBJECTIVE: GROWTH WITH INCOME

Asset Allocation Classification	Market Value	% Assets	Yield
Equities	2,073,329	60.6%	1.8%
Common Stock	1,230,793	36.0%	2.2%
Funds - Mid Cap	359,870	10.5%	0.2%
Funds - Small Cap	69,373	2.0%	0.7%
Funds - International	413,292	12.1%	2.2%
Fixed Income	509,964	14.9%	3.0%
Specialty	205,104	6.0%	0.9%
Cash and Short Term	631,687	18.5%	2.3%
Total	3,420,085	100.0%	2.0%

Portfolio Summary - Performance

	Market Value	3 Months	Year To Date	1 Year	Annualized 3 Years	Annualized 5 Years	Annualized 10 Years
Total Fund	3,418,685	8.59	8.59	4.64	8.88	5.84	8.69
Equities	2,073,329	12.85	12.85	5.95	12.64	8.05	13.88
MSCI ACWI NR USD		12.18	12.18	2.60	10.67	6.45	11.98
S&P 500		13.65	13.65	9.50	13.51	10.91	15.92
Russell MidCap		16.54	16.54	6.47	11.82	8.81	16.88
Russell 2000		14.58	14.58	2.05	12.92	7.05	15.36
MSCI EAFE		9.98	9.98	(3.71)	7.27	2.33	8.96
Fixed Income	509,964	2.34	2.34	4.52	1.90	2.15	2.42
BBgBarc US Govt/ Cred Interm		2.32	2.32	4.24	1.66	2.12	3.14
Specialty	205,104	8.71	8.71	2.35	3.33	(0.32)	-
Cash and Equiv.	630,287	0.56	0.56	1.90	0.98	-	-
BBgBarc US Treasury Bill 1-3 Mon		0.59	0.59	2.09	1.14	-	-

Account Inception: 3/31/2005