**Investment of Non-endowed Funds**

Investment of non-endowed funds - by nature, non-endowed funds have a much shorter time period and thus less time for the value to recover in the event of a market crash. Foundations should consider establishing a formal policy that makes it clear whether these funds will be invested in the endowment investment pool or placed in a more secure investment pool. It should be noted in either case the donor does not control the investment of their funds. For foundations placing these types of funds in their endowment investment pool, they should make the donors aware of potential losses of principal by including an attachment with the donor’s acknowledgement of the investment risk.