OVERVIEW OF INVESTMENT OPTIONS



The Community Foundation seeks to perpetually serve the Richmond region through innovative and effective philanthropy. To support that work and to provide donor advisors with investment options that fit their fund's profile, investment preferences, and goals, the Foundation is pleased to provide several investment strategies.

Perpetual Pool - Open to endowed funds

The Foundation's **Perpetual Pool** is designed for donors with endowed funds so that your charitable assets will continue to impact your community beyond your lifetime. Actively managed by Spider Management Company (the investment office of the University of Richmond), this portfolio is designed to deliver returns to support your endowed fund's annual spendable (4% of the trailing 12-quarter average plus fees and expenses) and to ensure your fund's grantmaking capacity keeps up with inflation in the long run. To achieve this, the Perpetual Pool has a substantial allocation to private investments, which is expected to boost returns and reduce volatility over time. Spider's investment process includes responsible investing considerations alongside traditional considerations related to investment manager selection such as strategy, performance, and portfolio fit.

Long-Term Flexible Pool - Open to flexible funds

The **Long-Term Flexible Pool** is actively managed by Fund Evaluation Group (FEG) and designed to balance long-term asset growth with the liquidity required by donors with flexible funds. To support the long-term growth objective, this pool contains private investments including private equity, private credit, and real assets (although a smaller allocation than the Perpetual Pool). To accommodate greater liquidity needs, this strategy has a greater allocation to more liquid asset classes compared to the Perpetual Pool. FEG's investment process includes responsible investing considerations alongside traditional considerations related to investment manager selection such as strategy, performance, and portfolio fit.

Index Pools - Open to endowed and flexible funds

The Foundation's **Index Pools** use ETFs and are ideal for donor advisors who believe that low-cost index investing is the best strategy for their charitable funds. The Foundation offers three asset allocations: 80/20, 60/40, and 40/60 (the percentage allocation to equity / fixed income). The equity portion of the portfolio has exposure to both domestic and global equity markets, while the fixed income portion is domestic only. These pools provide low-cost, passively managed, liquid investment strategies supporting flexibility in grantmaking.

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For more information, please contact us at:
(804) 330-7400 | investments@cfrichmond.org

Socially Responsible Pool - Open to endowed and flexible funds

This passively managed pool is ideal for donors who want to express their social values through their investments. The Foundation's **Socially Responsible Pool** facilitates this by offering a 70/30 asset allocation to a Vanguard ETF that avoids investing in certain industries such as alcohol and firearms, among others. The fixed income portion of the strategy is invested in a US Government bond ETF.

Money Market Fund - Open to flexible funds

For donors who wish to earn interest while minimizing market risk, the Foundation offers a **money market investment option.**

	Perpetual Pool	Long-Term Flexible Pool	Indexed Pools	Socially Responsible Pool
Management	Active	Active	Passive	Passive
Investment Portfolio	Global private & public holdings	Global private & public holdings	Diversified US & and global equity; US investment grade fixed income	Composed of Vanguard ESG US Stock ETF & the Vanguard Intermediate Term Treasury ETF
Philosophy	Absolute return; long-term endowment approach	Absolute return, long-term investment horizon; Liquidity to support active grant making	Market-rate returns	Market-rate returns with socially responsible strategy
Cost	Management fees of approx. 42 bps plus underlying fees	Management fees of approx. 25 bps plus underlying fees	Fund fees of 5.4 to 7.8 bps	Fund fees of approx. 7.2 bps

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