Investment Policies

As an endowment pool comprised of more than 2,000 permanent, named funds, the Rhode Island Foundation's assets are invested to generate an annual return for the support of our donors' charitable goals and the Foundation's charitable programs, initiatives and operations.

Endowment Management

The Foundation’s board of directors has responsibility for investment management, assisted by the Investment Committee, the Chief Financial Officer and Prime Buchholz & Associates, an independent, nationally recognized investment consultant.

As a financial steward, the Foundation must help ensure that the charitable dollars entrusted to us are available in perpetuity. On the other hand, our mission is to serve the community’s needs and the charitable goals of our donors. That requires the Foundation to maximize the dollars available today.

Careful investment management is designed to maintain at least the real value of the endowment – the original gift value plus inflation – and to smooth out the ups and downs caused by fluctuations in the markets.

“... to provide a predictable stream of grants to organizations that serve our community, while maintaining a prudent rate of endowment growth.”

Diversified Asset Allocation

The Foundation is committed to a “total return” philosophy that involves broad diversification and sets high performance standards for investment managers. Our investment managers and current asset allocation are noted on the reverse side.

Spending Policy

The board of directors annually reviews the Foundation’s spending policy to ensure that our endowment continues to grow even as we continue to meet the needs of the people of Rhode Island. The Foundation’s spending policy of between 5.5 and 5.75 percent (including our support fee) calculated over a sixteen quarter trailing average, which is comparable with that of the largest community foundations, allows us to provide a predictable stream of grants to organizations that serve our community, while maintaining a prudent rate of endowment growth.
Investment Policies

Select Rhode Island Foundation Investment Managers

**Domestic Equity**
- Adage Capital Partners
- State Street Global Advisors
- Vanguard

**International Equity**
- Brown Capital
- Highclere International Investors
- MFS Investment Management
- Silchester International Advisors
- State Street Global Advisors

**Emerging Markets**
- Cape Ann Asset Management
- Westwood Global Investments
- Vanguard

**Fixed Income**
- Garcia Hamilton & Associates
- Income Research and Management

**Flexible Capital**
- Archipelago Holdings
- Davidson Kempner
- Elliott Management
- Farallon Capital Management
- Silver Point Capital
- Värde Partners
- Baupost Group
- BlackRock
- Impactive Capital

**Private Capital**
- Accel Leaders
- Accolade Partners
- American Securities Partners

**Private Capital cont.**
- Bain Capital
- BlackRock
- Charlesbank Capital Partners
- Crescent Capital
- Stepstone Global Partners
- Legacy Venture
- Madison Dearborn Partners
- Monomoy Capital Partners
- Newbury Equity Partners
- Providence Equity Partners
- Welsh, Carson, Anderson & Stowe

**Real Assets**
- Adelante Capital
- Angelo, Gordon & Co.
- ArcLight Energy Partners
- Bain Capital
- Denham Capital
- GEM Realty Capital
- Wheelock Street Capital
- Vanguard

The Foundation is committed to a “total return” philosophy that involves broad diversification and sets high performance standards for investment managers.

Asset Allocation

For long-term growth and to help minimize volatility, the funds are broadly diversified across asset classes, investment styles and economies. Target allocations are as follows:

![Asset Allocation Pie Chart]

**Equity 55%**
- Domestic Equity 30%
- International Equity 20%
- Emerging Markets 5%

**Alternative Investments 40%**
- Flexible Capital 15%
- Private Capital 15%
- Real Assets 10%

**Fixed Income 5%**

**Total Fund Return**

*Past Performance (as of 3/31/2024) *

<table>
<thead>
<tr>
<th></th>
<th>1 year</th>
<th>5 year</th>
<th>10 year</th>
<th>20 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Fund</td>
<td>14.6%</td>
<td>9.8%</td>
<td>7.8%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

*Returns are net of all investment-related fees since 1/1/12. Prior to 1/1/12, returns are net of investment manager fees, but gross of investment advisor fees. Our investment advisor fees averaged 0.03% (3 bps) prior to 1/1/12.