

## Investment Policies

As an endowment pool comprised of more than 1,800 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.

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

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### **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

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

Income Research and  
Management

### Flexible Capital

Archipelago Holdings  
Canyon Partners  
Davidson Kempner  
Elliott Management  
Farallon Capital Management  
Silver Point Capital  
Värde Partners

### Private Capital

American Securities Partners  
Bain Capital  
Charlesbank Capital Partners  
Crescent Capital

### Private Capital cont.

Greenspring Global Partners  
Legacy Venture  
Madison Dearborn Partners  
Monomoy Capital Partners  
Newbury Equity Partners  
Providence Equity Partners  
Thomas H. Lee Partners  
Welsh, Carson, Anderson &  
Stowe

### Real Assets

Angelo, Gordon & Co.  
ArcLight Energy Partners  
Denham Capital  
GEM Realty Capital  
Sheridan Production Partners  
Wheelock Street Capital

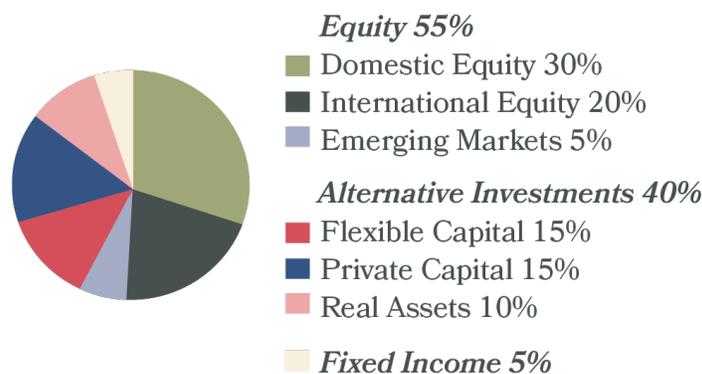
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## Asset Allocation

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:



## Total Fund Return

Past Performance (as of 3/31/2020) \*

	1 year	5 year	10 year	20 year
Total Fund	- 8.1 %	3.2 %	6.1 %	5.2 %

\*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.