

## **Catholic Community Foundation of Santa Clara County Investment Pools**

The Committee believes that the most effective way to establish an appropriate volatility level for the portfolio is through a well-diversified mix of assets. In consultation with its Investment Consultant, a strategic asset allocation policy has been adopted, for each pool, which best matches the risk and return profile that is designed to match a certain donor category.

Donors can choose between the following general investment pools:

### **Long-Term Growth Fund**

The primary emphasis is on long-term growth to enhance the real purchasing power of the portfolio's assets over a full market cycle. Volatility and other risks are considered over the long term, but the Portfolio may be relatively volatile over short time periods (i.e. less than 5 years). The pool is invested in a diversified portfolio of stocks, bonds, and alternatives (59% Equity, 16% Fixed Income, 25% Alternatives). This pool is the ideal place for Endowed Funds or Funds with a grantmaking time horizon of 7 years or more. It is designed to protect and enhance the real purchasing power of an endowment with a spending rate of 5% a year.

### **Balanced Fund**

There is an equal emphasis on long-term growth to enhance the real purchasing power of the portfolio's assets and on minimizing volatility and other risks. The pool is invested in a diversified mix of stocks, bonds, alternatives, and cash (47% Equity, 34% Fixed Income, 15% Alternatives, 4% Cash). This pool is the ideal place for conservative Funds, endowments with a spending rate equal to or less than 4%, or funds with a grantmaking time horizon of 3-7 years.

### **Money Market Fund**

The emphasis is on asset preservation and liquidity. The pool is invested primarily in Cash & Equivalents with a small portion in a diversified portfolio of bonds (80% Cash & Cash Equivalents, 20% Fixed Income). This pool is the ideal place for funds with a grantmaking time horizon of 2 years or less.

**NOTE:** The Foundation embraces socially responsible investing in accordance with the guidance of the United States Conference of Catholic Bishops.

Investments are monitored continuously by our experienced investment committee, consultants, and staff. Asset allocations in each pool may be adjusted in response to changing conditions in charitable giving and/or in the financial markets.