



## FOUNDATION FOR METROWEST

### **FOUNDATION FOR METROWEST INVESTMENT PERFORMANCE AND STRATEGY**

#### **GOAL OF PORTFOLIO:**

The goal of our investment approach is to provide the highest sustainable, consistent flow of funds to maximize charitable capital and support the Foundation for MetroWest's mission of helping underserved populations in the local community. To accomplish this, we utilize the following strategies:

- Protect the future purchasing power of the principal of the Foundation's endowment by reserving an appropriate portion of investment return to offset the cumulative effects of inflation.
- Manage the spending of endowment yield over time to reduce, as far as possible, undesirable annual variations in the level of support provided by the endowment.

Through its Investment Portfolio, the Foundation for MetroWest offers charitable donors and nonprofit organizations access to institutional investment strategies and management typically available only to large investors. By working with the Foundation, donors and nonprofits can capitalize on the benefits of our professional, diversified investment approach.

Effective stewardship of philanthropic assets enables the Foundation to providing charitable planning and fund management to donors and nonprofits in the MetroWest region. We assist donors who value the flexibility and liquidity of grants and donations made today, as well as those seeking growth and income over time.

#### **INVESTMENT COMMITTEE:**

All funds established at the Foundation for MetroWest are managed as provided by the Investment Policy Statement approved by the Board of Trustees. The Investment Committee oversees the process and selects and monitors investment managers

Kyle Schaffer, Chair  
Managing Director  
*Ballentine Partners*

Louis Crosier  
President  
*Wellesley Investment Partners*

John DeSisto  
CIO  
*Yawkey Foundations*

Laurie Krigman  
Associate Professor of Finance  
*Babson College*

Robert A. O'Neil, Jr.  
Founding Principal  
*Birch Hill Investment Advisors*

Robert D. Rands  
*Wellington Management, Retired*

James S. Rider  
Corporate Treasury Manager  
*MathWorks, Inc.*

Erik R. Sirri  
Professor of Finance  
*Babson College*

## INVESTMENT PORTFOLIO:

Created and managed as a long-term investment option, the FFMW portfolio is currently managed by Northern Trust Company and is overseen by the Investment Committee.

| <b>Equity</b>             | <b>Target</b> | <b>Range</b>     |
|---------------------------|---------------|------------------|
| Large Cap                 | 21.0%         | 14% - 30%        |
| Mid Cap                   | 3.8%          | 0% - 8%          |
| Small Cap                 | 2.2%          | 0% - 5%          |
| Int'l Developed Equity    | 24.0%         | 16% - 32%        |
| Int'l Emerging Equity     | 9.0%          | 4% - 12%         |
| <b>Total Equity</b>       | <b>60.0%</b>  | <b>40% - 70%</b> |
| Investment Grade          | 20.0%         | 14% - 26%        |
| Inflation Protected       | 3.0%          | 0% - 6%          |
| High Yield                | 3.0%          | 0% - 6%          |
| <b>Total Fixed Income</b> | <b>26.0%</b>  | <b>15% - 35%</b> |
| Commodities               | 5.0%          | 0% - 7%          |
| Real Estate               | 8.0%          | 0% - 11%         |
| <b>Total Cash</b>         | <b>1.0%</b>   | <b>0% - 10%</b>  |

## PERFORMANCE AS OF SEPTEMBER 30, 2017

|                  | <b>Annual Return</b> | <b>Benchmark</b> |
|------------------|----------------------|------------------|
| <b>1 Year</b>    | 12.51%               | 11.98%           |
| <b>3 Year</b>    | 5.34%                | 5.47%            |
| <b>5 Year</b>    | 6.09%                | 6.61%            |
| <b>Inception</b> | 5.08%                | 4.10%            |

All time periods over 1 year all annualized. Inception is June 20, 2007

The benchmark is a blend of asset class indices weighted by our target asset allocation.