



Investment Policies

As an endowment pool comprised of more than 1,400 permanent, named funds, the Rhode Island Foundation's assets are invested to generate an annual return for the support of your 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.

Diversified Asset Allocation

The Foundation is committed to a "total return" philosophy that involves broad diversification and sets high performance standards for investment managers. During the past decade, the Foundation has increased the proportion of alternative investments while decreasing its fixed income allocation. 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 5.0 and 6.53 percent (including our support fee) calculated over a sixteen quarter trailing average, which is comparable with that of New England's 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.

(over)

Select Rhode Island Foundation Investment Managers

Domestic Equity

Adage Capital Partners
Artisan Partners
Rutabaga Capital Management
State Street Global Advisors

International Equity

Highclere International Investors
MFS Investment Management
Silchester International Advisors
State Street Global Advisors

Emerging Markets

Vanguard Investments
Parametric Portfolio Associates

Fixed Income

Income Research and
Management

Flexible Capital

Forester Capital
Archipelago Holdings
Highfields Capital
Crestwood Capital Management
Farallon Capital Management
Eton Park Capital Management
Canyon Partners
Silver Point Capital
Värde Partners

Private Capital

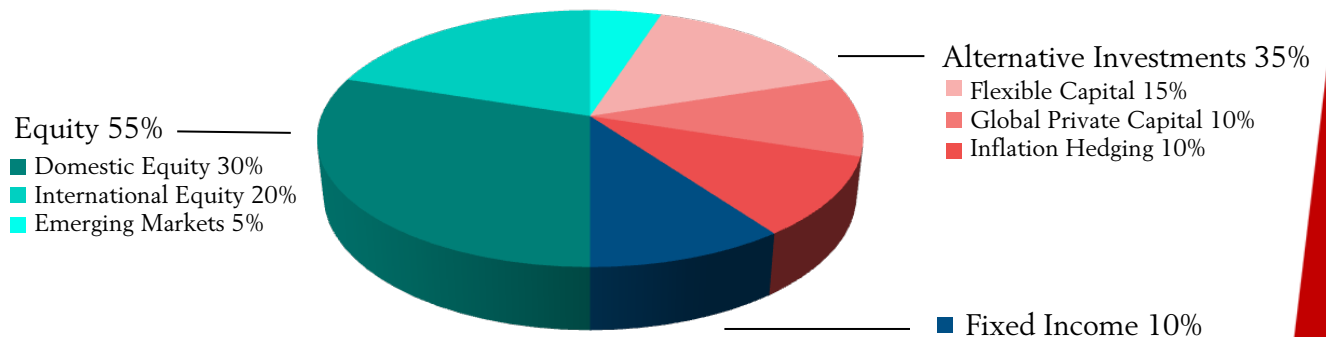
Legacy Venture
Greenspring Global Partners
Bain Capital
Thomas H. Lee Partners
Charlesbank Capital Partners
Providence Equity Partners
American Security Partners
Welsh, Carson, Anderson &
Stowe
Monomoy Capital Partners

Real Assets

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

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 12/31/16)*

	1 Year	5 Year	10 Year	20 Year
Total Fund	8.5%	8.1%	5.1%	7.6%

*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.

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