

# FUND PERFORMANCE

Well-managed charitable funds benefit our community now and in perpetuity. Donors start funds with a minimum gift of \$25,000 to benefit the causes that they choose. These funds are then invested, with a portion of the funds spent each year according to the spending policies that the donors choose at the time the funds are established.

Professional investment managers invest the Community Foundation's assets in accordance with the Community Foundation's investment policies. Investment performance is monitored and overseen by the Investment Committee, comprised of Community Foundation trustees and others with investment expertise. The Community Foundation's financial statements, including investments, contributions, and future interests, are audited annually by an independent auditor and are available for public review.

## Investment Options

Hundreds of named Community Foundation funds are invested as follows:

### THE GROWTH OPTION

Growth to a certain benchmark defines this option. Almost the entire portfolio is held in equities. When the fund reaches the intended benchmark, it is transferred to another investment option to start awarding scholarships and/or grants.

### THE BALANCED GROWTH OPTION

Growing the fund at an acceptable level of risk defines this option that is generally used for quasi-endowment funds. This portfolio has tiered investments, with the majority in equities and smaller amounts in other instruments.

### THE BALANCED INCOME OPTION

Producing income while growing the fund defines this option generally used for endowment funds. This portfolio holds tiered investments, with the majority in fixed income instruments and smaller amounts in equities and money market funds.

### THE MAINTENANCE OF PRINCIPAL OPTION

Preservation of principal is this option's only objective. This portfolio is held in money market accounts and certificates of deposit.

### THE ALTERNATIVE INVESTMENT OPTION

Donors establishing a fund with \$500,000 or more may recommend an investment manager and strategy, subject to the approval of the Community Foundation's Board of Trustees.

## Administrative Budget

Because 100 percent of every donation is placed into a charitable fund according to the donor's instructions, the Community Foundation meets its operational expenses through:

### THE ADMINISTRATIVE FUND

This permanent fund was created in 1990 to support the Community Foundation's operations and community education activities.

### MANAGEMENT FEES

An annual management fee is assessed on the market value of each component fund. Please see page 74, "Fund Types," for detailed information.

### THE WIDENING CIRCLES SOCIETY AND PARTNERS IN PHILANTHROPY CAMPAIGN

This annual campaign raises money specifically for the Community Foundation to invest in community outreach to promote philanthropy. Campaign donors become members of the Widening Circles Society and businesses and civic groups who donate become Partners in Philanthropy.

## Investment Managers

The Community Foundation worked with the following investment and financial managers in 2022-2023:

|                                 |   |  |                              |
|---------------------------------|---|--|------------------------------|
| Accolade Partners               | Constitution Capital Partners LLC       | Glouston Capital Partners LLC            | RBC Wealth Management        |
| ACNB Bank                       | Crestline Offshore Associates, LTD      | Golub Capital                            | Sandy Spring Bank            |
| Auldbrass Partners              | Dodge & Cox                             | Harbor Funds                             | Primis Bank                  |
| Artisan Partners                | Eagle Capital Management                | Intrinsic Edge Capital Management LLC    | State Street Global Advisors |
| Base 10 Partners Management LLC | The Family Heritage Trust Company       | JLL Income Property Trust                | StepStone Group              |
| Bedrock Fund Management LLC     | First Eagle Investment Management, Inc. | MacKay Shields                           | Valstone Partners, LLC       |
| Black Rock                      | First United Bank & Trust               | Maryland Financial Planners              | Vanguard                     |
| Brown Advisory                  | FTSE Russell                            | Merrill Lynch                            | Wasatch Global Investors     |
| Brown Capital Management        |   | Morgan Stanley                           | Wells Fargo Advisors         |
| Cohen & Steers                  |   | Morgan Stanley Private Wealth Management | William Blair                |
|                                 |   | Prudential                               | WCM International Management |

Custodian: Wilmington Trust/M&T Bank

For more information about these investment managers, their rates of return or their fees, please contact the Community Foundation at 301.695.7660.