

The Eau Claire Community Foundation (ECCF) encourages, facilitates, and manages long-term philanthropy. It focuses its efforts on the greater Eau Claire area, although charitable distributions can be directed to nonprofit organizations throughout the United States.

## Stewardship and Objectives

ECCF considers their stewardship over donors' contributions a serious undertaking. Diligence, prudence, attention and care are the guiding principles driving the management and investment of charitable assets.

The objectives of the Investment Committee include:

- To preserve and enhance the earning power of the assets held in the portfolios
- To produce favorable total risk-adjusted returns when compared to Policy benchmarks
- To maximize value to support ECCF's mission with a prudent level of risk and reasonable distribution
- To generate a steadily growing stream of income and to maintain and enhance the principal of the assets by aiming for consistent returns through all market cycles

## Investment Oversight

The ECCF Board of Trustees is responsible for the oversight and management of the ECCF investment portfolio. The ongoing work is carried out by the Investment Committee, consisting of Board members and community volunteers:

Jeff Kowieski, *Chair*  
Joe Fesenmaier  
Cody Filipczak

Chris Hasenberg  
Bill Hilgedick  
Dave Pokrandt

Daniel Shoemaker  
Laura Talley  
Dale Wood

The responsibilities of the Investment Committee include reviewing overall portfolio asset allocation, regularly assessing the spending policy, conducting at least quarterly reviews of the portfolio's performance given investment objectives, and ensuring costs are appropriate and reasonable in relation to assets managed.

On November 1, 2020, ECCF partnered with Morgan Stanley Graystone Consulting, which has been a leader in this area for over 45 years. Graystone is the institutional business unit of Morgan Stanley. Their local consulting team is out of St. Paul and has a rich history of experience and knowledge specific to endowments and foundations like ECCF.

## Diversified Long-Term Portfolio

ECCF currently maintains several broadly-diversified investment portfolios with Morgan Stanley Graystone. They work closely with the Investment Committee and staff to deliver a comprehensive investment management program in support of meeting the Foundation's stewardship goals for its endowment, conduct regular investment policy management assessment, and provides recurring performance reporting.

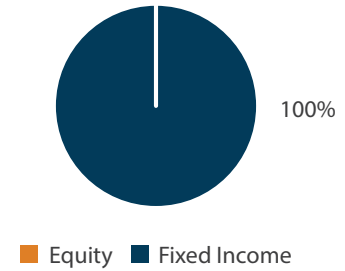
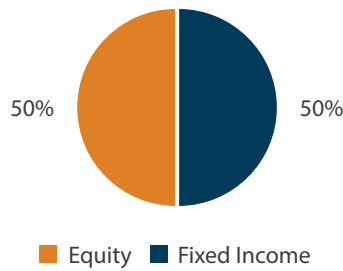
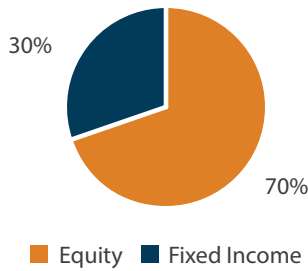
## Socially Responsible (SRI) Portfolio

Established in 2018, this Portfolio is designed to meet the needs of fund holders who desire socially responsible investing options. Morgan Stanley provides values alignment with positive environmentally and socially focused portfolios with competitive risk - adjusted returns. They do this through a spectrum of investing, including restriction screening, environment, social and governance integration, and thematic investing that focuses on areas like climate change, health and wellbeing, diversity, and safety and security.

**Diversified & SRI Portfolio**  
Long-Term Growth Capital Fund

**Intermediate Portfolio**  
Moderate Growth Fund

**Money Market**  
Income Fund



**Diversified and SRI Portfolios** emphasize long-term growth of principal while avoiding excessive risk. The time horizon for this type of Fund is 10 years or more.

**Intermediate Portfolio** is intended as a Moderate Growth portfolio to balance liquidity needs and capital appreciation of a full market cycle. Time horizon for the Fund is 5-10 years.

**Short Term Portfolio** protects the principle value of the portfolio. The portfolio may produce lower long-term expected returns in exchange for smaller, infrequent losses. Time horizon for the Fund is less than 5 years.

For the Diversified and the SRI Portfolio's, on an annualized, net-of-fees basis, the return on the Fund over the long term (at least a full market cycle) will be expected to:

- 1) Equal or exceed the spending rate plus inflation over a market cycle; and
- 2) Equal or exceed the average return of the appropriate capital market indices weighted by the asset allocation target percentages over rolling five-year periods.

**Diversified Long-Term Performance as of 3/31/2023**

	1 Year*	3 Years	5 Years	10 Years
<b>Diversified Long-Term Portfolio</b>	-6.50%	10.68%	5.67%	6.81%
<b>Diversified Long-Term Benchmark</b>	-8.94%	8.83%	5.12%	6.05%

\*Actual net Long-Term Portfolio and Benchmark Data

**SRI Long-Term Performance as of 3/31/2023**

	1 Year*	3 Years*	5 Years	10 Years
<b>Socially Responsible Long Term</b>	-5.59%	10.51%	6.51%	6.90%
<b>Socially Responsible Benchmark</b>	-8.94%	8.83%	5.12%	6.05%

\*Actual net SRI Portfolio and Benchmark Data

**Intermediate Portfolio Performance as of 3/31/2023**

	1 Year	3 Years	5 Years	10 Years
<b>Intermediate Portfolio*</b>	-5.1%	7.0 %	–	–

\*Investments managed by Badgley Phelps Wealth Management