

# JEWISH COMMUNITY ENDOWMENT FUND

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INVESTMENT OPTIONS

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# MAXIMIZE YOUR PHILANTHROPIC CAPITAL AND GIVING EFFECTIVENESS BY PARTNERING WITH THE JEWISH COMMUNITY ENDOWMENT FUND

Through effective stewardship of philanthropic assets, the Jewish Community Endowment Fund (JCEF) enables you to connect your investments to your charitable goals.

**We are pleased to offer an array of investment options for Donor Advised Funds, Restricted Funds and Supporting Foundations.**

Each Investment Pool represents the best thinking of the JCEF's Investment Committee in partnership with our independent consultants, and provides access to world-class investment managers and strategies typically only available to large institutions.

In this brochure, you will find a variety of asset allocation Pools that deploy the same underlying managers and investment philosophy that inform our unrestricted endowment and pension portfolios.

These investment options are reviewed according to the highest standards of professional care and fiduciary oversight.

Thank you for choosing the JCEF as your partner in philanthropy.

*“As my ancestors planted for me,  
so I plant for my children.”*

*- Ta'anit 23a*

# MONEY MARKET FUND

The Money Market Fund is designed to provide current income, preservation of capital, and maximum liquidity.

## DESIGNED FOR DONORS SEEKING:

- cash equivalent characteristics
- account balances that are not subject to capital market fluctuations\*
- protection of assets for future grant distributions

This is the most risk adverse of the investment options.

\*Average maturity is normally maintained at a dollar-weighted average of 90 days or less, ensuring the objective that the Net Asset Value (NAV) of the fund remains at a constant \$1.00 – only the yield goes up and down.

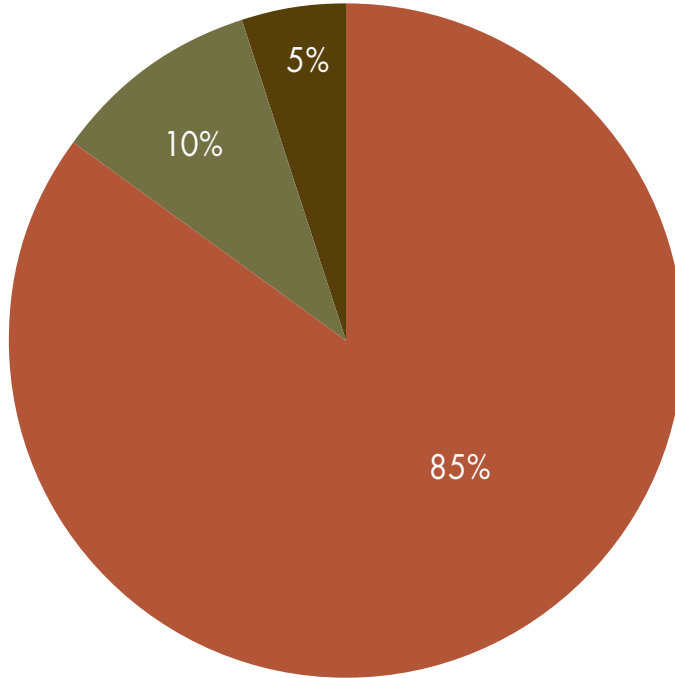
## JCEF REQUIREMENTS:

- All Donor Advised Funds will have their first \$10,000 allocated to the Money Market Fund
- Donor Advised Fund account balances beginning at \$25,000 may recommend to the JCEF one Investment Pool in addition to the Money Market Fund

*Please note, Donor Advised Funds under \$25,000 are required to utilize the Money Market Fund. The minimum allocation to an Investment Pool is \$15,000.*

# FIXED INCOME

(100% FIXED INCOME)



■ 85% Taxable Bonds

- Dodge & Cox
- Franklin Templeton
- PIMCO

■ 10% High Yield Bonds

- Seix Investment Advisors

■ 5% Cash

Representative sample of underlying managers as of August 1, 2010

The Fixed Income Pool is designed to outperform Money Market returns with minimal risk to principal.

DESIGNED FOR DONORS SEEKING:

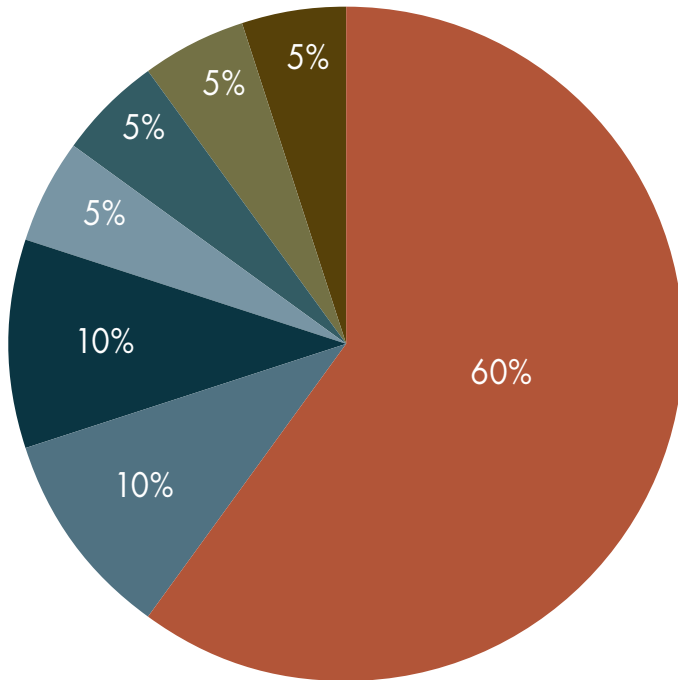
- fund values that are relatively stable
- steady long-term income
- to make grants for a period of two years or more

85% of this Pool is benchmarked to an aggregate bond index, 10% to a high-yield index, and 5% to a money market index.

Given its conservative design, an investment in the Fixed Income Fund will most likely not maintain its purchasing power over the long-term due to the combined effects of expected inflation and grant making. Assets are exposed to some credit and interest rate risk and may experience principal loss from year-to-year, especially in a rising interest rate environment.

# CONSERVATIVE GROWTH

(30% EQUITIES/70% FIXED INCOME)



## 60% Taxable Bonds

- Dodge & Cox
- Franklin Templeton
- PIMCO

## 10% US Equity Large Cap

- Dodge & Cox
- Parametric
- Stralem & Co.

## 10% International Equity

- Brandes
- Capital Guardian
- Dodge & Cox

## 5% US Equity Small/Mid Cap

- Cortina
- Kornitzer Capital
- Snyder Capital

## 5% Emerging Markets

- Eaton Vance

## 5% High Yield Bonds

- Seix Investment Advisors

## 5% Cash

Representative sample of underlying managers as of August 1, 2010

The Conservative Growth Pool includes equities for long-term growth while serving to protect capital and generate income.

DESIGNED FOR DONORS SEEKING:

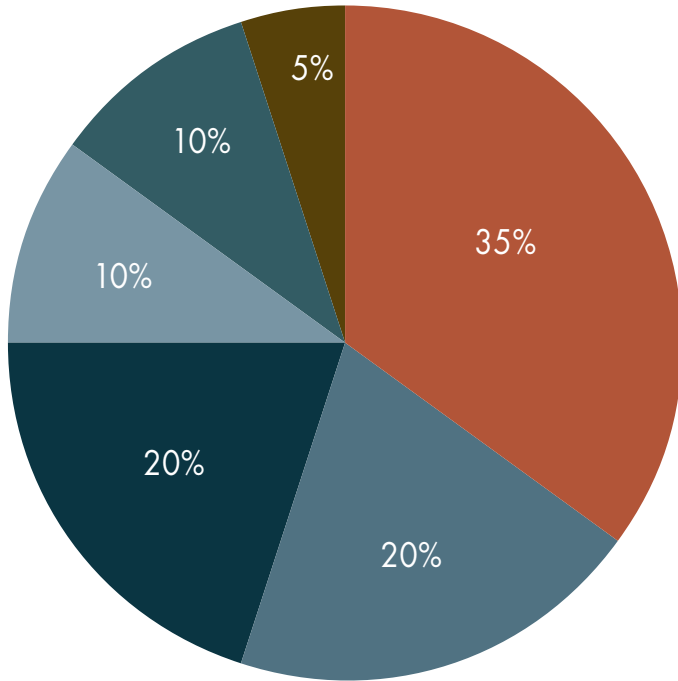
- moderate stability, with some appetite for risk
- to make grants for a period of four years or more

Containing a balanced exposure to domestic and international equities, the majority of this portfolio is dedicated to fixed income and utilizes the strategy and underlying managers that comprise the **Fixed Income Pool**.

Given the Pool's modest equity exposure, account values may fluctuate over the short-term in correlation with current market conditions. Assets are exposed to some credit and interest rate risk and may experience principal loss from year-to-year, especially in a rising interest rate environment.

# MODERATE GROWTH, PASSIVE

(60% EQUITIES/40% FIXED INCOME)



■ 35% Taxable Bonds Index Fund(s)

■ 10% US Equity Small/Mid Cap Index Fund(s)

■ 20% US Equity Large Cap Index Fund(s)

■ 10% Emerging Markets Index Fund(s)

■ 20% International Equity Index Fund(s)


■ 5% Cash

The Moderate Growth, Passive Pool is an equity based, broadly diversified portfolio employing low cost index funds as opposed to active managers.

DESIGNED FOR DONORS SEEKING:

- exposure to the market with a moderate level of risk
- optimized growth for long-term philanthropic capital
- to make grants for a period of seven years or more

The asset allocation of this Pool mirrors that of the **Moderate Growth Pool, Active**.

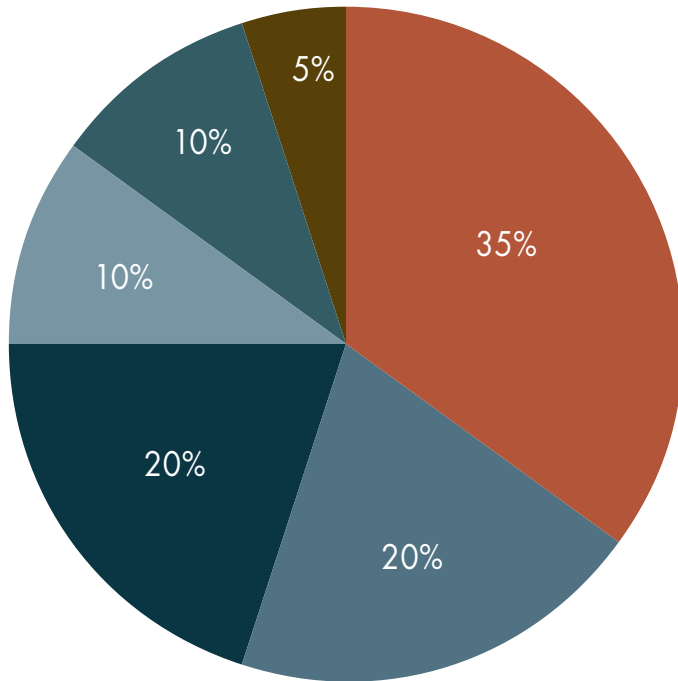


Assets within this portfolio are exposed to market risks and may experience short-term volatility and principal loss from year-to-year. Due to these fluctuations, it is advisable to maintain at least two years of grant making distributions liquid within the Money Market Fund.

MODERATE GROWTH, PASSIVE

# MODERATE GROWTH, ACTIVE

(60% EQUITIES/40% FIXED INCOME)



## 35% Taxable Bonds

- Dodge & Cox
- Franklin Templeton
- PIMCO

## 20% US Equity Large Cap

- Dodge & Cox
- Parametric
- Stralem & Co.

## 20% International Equity

- Brandes
- Capital Guardian
- Dodge & Cox

## 10% US Equity Small/Mid Cap

- Cortina
- Kornitzer Capital
- Snyder Capital

## 10% Emerging Markets

- Eaton Vance

## 5% Cash

Representative sample of underlying managers as of August 1, 2010

The Moderate Growth, Active Pool is an equity based, broadly diversified portfolio designed to capture long-term capital growth.

DESIGNED FOR DONORS SEEKING:

- exposure to the market with a moderate level of risk
- optimized growth for long-term philanthropic capital
- to make grants for a period of seven years or more

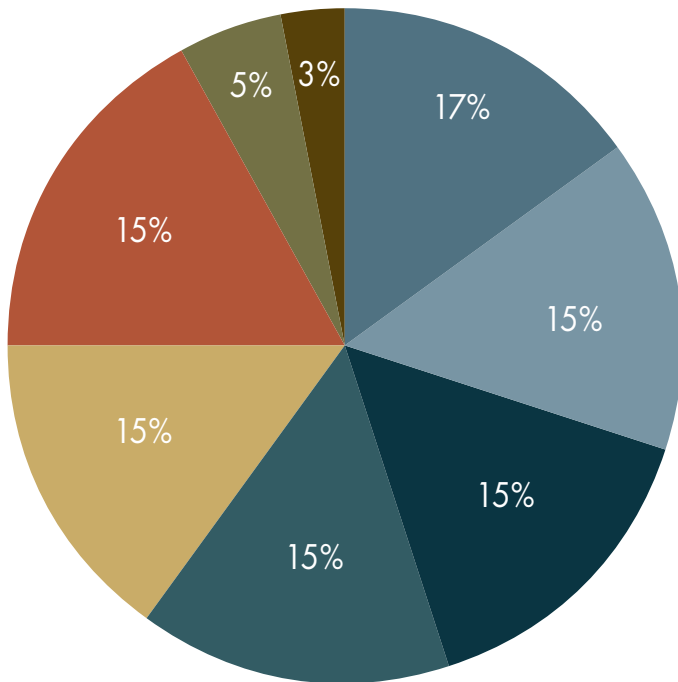
With twice the equity exposure of the **Conservative Growth Pool**, this option includes the **Fixed Income Pool** strategy without an allocation to high yield bonds.

Assets within this portfolio are exposed to market risks and may experience short-term volatility and principal loss from year-to-year. Due to these fluctuations, it is advisable to maintain at least two years of grant making distributions liquid within the Money Market Fund.

MODERATE GROWTH, ACTIVE

# JCEF ENDOWMENT POOL\*

(62% EQUITIES / 15% HEDGE / 23% FIXED INCOME)



**17% US Equity Large Cap**

- Dodge & Cox
- Parametric
- Stralem & Co.

**15% US Equity Small/Mid Cap**

- Cortina
- Kornitzer Capital
- Snyder Capital

**15% International Equity**

- Brandes
- Capital Guardian
- Dodge & Cox

**15% Emerging Markets**

- Eaton Vance

**15% Hedge Funds**

- Farallon Capital
- Fintan Partners
- Gerber/Taylor
- Pinehurst Partners

**15% Taxable Bonds**

- Dodge & Cox
- Franklin Templeton
- PIMCO

**5% High Yield Bonds**

- Seix Investment Advisors

**3% Cash**

Representative sample of underlying managers as of August 1, 2010

This pool is constructed to closely replicate the volatility and return targets of the Jewish Community Federation's Unrestricted Endowment.

### DESIGNED FOR DONORS SEEKING:

- maximized capital appreciation with exposure to alternative investments
- benefits from long-term opportunities realized from a patient investment strategy
- to make grants for a period of seven years or more

The JCEF Endowment Pool blends growth and controlled risk through a broadly diversified portfolio of global stocks, bonds and hedge fund strategies.

\*This pool mirrors the Federation's Unrestricted Endowment, without the use of the private equity asset class. Assets are exposed to market risks and may experience significant volatility and principal loss particularly over the short-term. Due to these fluctuations, it is advisable to maintain at least two years of grant making distributions liquid within the Money Market Fund.

### JCEF REQUIREMENTS:

- Available for Donor Advised Funds with assets in excess of \$100,000
- A minimum \$25,000 investment in the Money Market Fund to ensure liquidity for grants

# POLICIES

Donors with Fund balances beginning at \$25,000 may recommend one investment option in addition to the initial \$10,000 Money Market Fund allocation.

- All Pools will be rebalanced semi-annually, unless otherwise noted
- No tactical asset allocation changes will be implemented within an Investment Pool without prior notification
- A portion of each Pool may be held in cash to provide liquidity for grant distributions at the discretion of the investment consultant
- Investment allocation recommendations may be made semi-annually

The Jewish Community Endowment Fund permits donors with Fund balances of \$8 million or more to recommend investments outside of the Pools or choose alternative advisors to manage the assets of the Fund, subject to the approval of the Investment Committee.

Please note: The Investment Pools described within are designed to provide a range of diversified asset allocation options. They do not represent a guarantee of actual performance. Donors are encouraged to recommend a strategy consistent with their risk tolerance, charitable planning and grant recommendation plans. Underlying managers, shown on the graphs within, are representative and subject to change. The managers are compensated by fees that are reflected in the investment performance.

Further, investment return and principal value may fluctuate such that investments, when redeemed for grant making, may be worth more or less than their original cost. Equity-based options are appropriate only for Donor Advised Funds that have a long-term investment objective and do not require substantial funds available for grants in the near-term.

**It is generally advisable to maintain at least two years of grant making distributions within the Money Market Fund.**

# TALK TO US ABOUT CREATING YOUR JEWISH LEGACY

Your commitment to the Jewish community today will significantly empower future generations. By consulting with a member of our team, you can translate your philanthropic interests and goals into a meaningful plan of action.

## FOR MORE INFORMATION

INVESTMENT HOTLINE 415.777.4545

EMAIL [invest@sfjcf.org](mailto:invest@sfjcf.org)

## JCEF INVESTMENT COMMITTEE

John S. Osterweis, Investment Committee Chair

David A. Agger

William Atlas

Mitch Cohen

Saul Fox

Richard B. (Rocky) Fried

Warren Hellman, JCEF Chair

Joyce Linker

Peter K. Maier

John Pritzker

Richard M. Rosenberg

Alan E. Rothenberg

Barry Sacks

Alan Stein

David J. Steirman

Harold Zlot

Ex officio:

James M. Koshland

## JCEF PROFESSIONALS

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Chief Executive Officer

Mark Reisbaum

Chief Endowment Officer

Andrew Fradkin

Chief Policy Officer and  
Director of Funds and Foundations

Amy Rabbino

Director of Philanthropic Services

Ruth Bender

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