

## Overview

The Community Foundation of Greater Chattanooga (“CFGC”) offers donors several investment options. Donors can select from several pools or participate in the Individually Managed Fund (“IMF”) program. When selecting a Pool, donors should be aware of the fact that their assets would be commingled with those of other donors with similar investment objectives. Descriptions of the Pools and the IMF program follow.

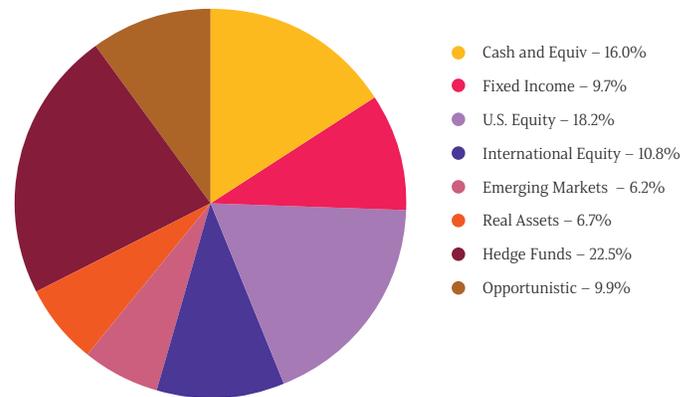
CFGC has designated responsibility for oversight of all investments to its Investment Committee. Such responsibilities include ensuring that each pool or fund complies with applicable Investment Policies and replacing managers or consultants for failing to meet standards established by CFGC.

## Long-Term Investment Pool

**Investment Objective:** This Pool would be appropriate for donors who have a long-term objective and are comfortable with periodic volatility. The Pool will be managed from a long-term perspective with a focus on above market risk-adjusted total return, current income to meet required distributions, and stability of principal. The Investment Consultant is expected to utilize tactical asset allocation strategies, when appropriate, to take advantage of cyclical trends in the capital markets. The overall approach to the portfolio will be dynamic, emphasizing good relative performance. Positive absolute returns are another investment objective.

**Consultant:** Highland Associates is a Registered Investment Adviser (“RIA”), headquartered in Birmingham, AL.

All returns are net of investment and administrative fees.



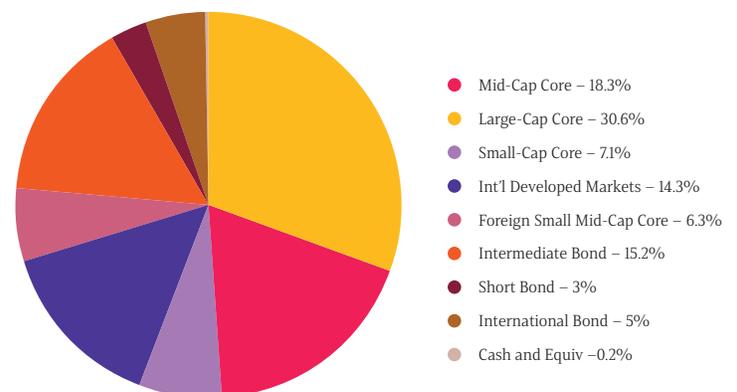
Current allocations for Long-Term Growth Investment Pool\*  
\*Consultant changed in Q3 to Highland Associates

Returns for LTI pool	Q4 2020	YTD	1 YR	3 YR	5 YR	10 YR
	9.2%	9.6%	9.6%	6.3%	7.4%	6.8%

## Indexed Growth Pool

**Investment Objective:** This Pool would be appropriate for donors who have a long-term objective, are comfortable with periodic volatility, but would prefer access to low cost index funds. The Pool’s assets will be allocated in a diversified manner across multiple exchange traded funds (“ETFs”). The overall allocation to equities will remain fixed at approximately 75% of the Pool’s market value, with the balance invested in fixed income and cash (when appropriate). The overall objective is to achieve above market risk-adjusted total return, current income to meet required distributions, and stability of principal without active management.

**Manager:** FTB Advisors is a Registered Investment Adviser (“RIA”) and subsidiary of First Horizons Bank.



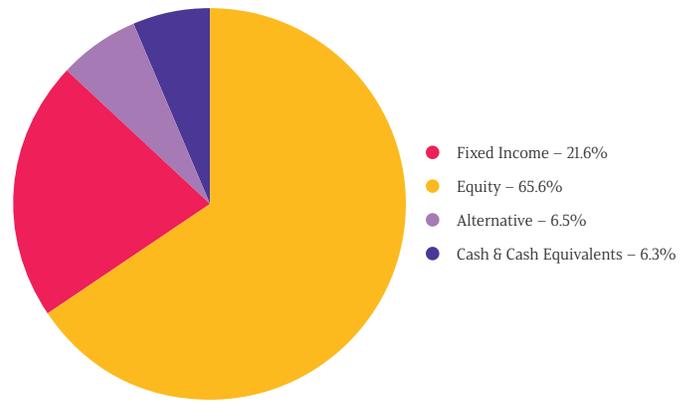
Current allocations for Indexed Growth Pool

Returns for IG pool	Q4 2020	YTD	1 YR	3 YR	5 YR	10 YR
	13.19%	12.96%	12.96%	8.41%	N/A	N/A

## SRI Pool

**Investment Objective:** SRI refers to “Socially Responsible Investing”. This pool would be appropriate for donors who have a long-term objective, are comfortable with periodic volatility, and seek to align their investments with certain values. The Pool will be managed entirely with a SRI focus, using ESG (“Environmental, Social, & Governance”) metrics and other impact investing strategies, and from a long-term perspective with a focus on above market risk-adjusted total return, current income to meet required distributions, and stability of principal. The Investment Consultant is expected to utilize tactical asset allocation strategies, when appropriate to take advantage of cyclical trends in the capital markets. The overall approach to the portfolio will be dynamic, emphasizing good relative performance. Positive absolute returns are another investment objective.

**Consultant:** Cornerstone Capital is a Registered Investment Adviser (“RIA”), headquartered in New York, NY.



Current allocations for SRI Pool

Returns for SRI pool	Q4 2020	YTD	1 YR	3 YR	5 YR	10 YR
	12.39%	20.21%	20.21%	N/A	N/A	N/A

## Short Term Investment Pool

**Investment Objective:** This Pool would be appropriate for donors for whom capital preservation and current income are the primary objectives. This Pool will be invested in short term Treasuries and securities issued by Federal agencies. The investment strategy is designed to generate current income with minimal principal volatility.

**Manager:** First Horizons Bank.

Returns for Short-Term Investment Pool

Returns for STI pool*	Q4 2020	YTD	1 YR	3 YR	5 YR	10 YR
	0.02%	0.58%	0.58%	1.56%	1.16%	N/A

\*Investment Allocation is 100% Money Market

## Individually Managed Fund (“IMF”) Program

Under CFGC’s IMF Program, donors have the option to retain the services of a preferred advisor for their fund. Assets would not be commingled with other donors. Each IMF advisor/manager will be subject to approval, review, and ongoing monitoring by CFGC’s Investment Committee. Each IMF will be required to comply with CFGC’s Investment Policy. Generally, each IMF should be managed from a long-term perspective with a focus on above market risk-adjusted total return, current income to meet required distributions, and stability of principal.

More information about this option is available upon request.

Information as of 12/31/2020

### ABOUT CFGC

For over 50 years, the Community Foundation of Greater Chattanooga (CFGC) has served as the region’s primary public foundation. Stewarding over \$180 million in assets, CFGC is leading with love to build a legacy that lasts, offer guidance in philanthropy to donors and people working in the field, and invest in community leaders. Together with our community and partners, we transform generosity into lasting change toward a prosperous and just Chattanooga where all can thrive and achieve our full potential.

### WE’RE HERE TO HELP

Learn more about the Community Foundation of Greater Chattanooga and our investment options by visiting us online at [cfgc.org](http://cfgc.org) or in person at 1400 Williams Street, Chattanooga, TN 37408. Please contact our President, Maeghan Jones, at [mjones@cfgc.org](mailto:mjones@cfgc.org) or by calling at (423) 265-0586.

