



# What is the CHAT Endowment Fund?

*The Chico Housing Action Team Endowment Fund gives donors the opportunity to increase their long-term charitable impact. Your contribution(s) can grow along with the value of the investment pool—resulting in more money for the charities you support.*

- ✓ *Our Portfolio is developed with an all-weather asset allocation and all decisions are based on the investment policy.*
- ✓ *A focus on High ESG Score holdings, which align with our values*
- ✓ *Designed to meet current grant distributions, while pursuing long term growth and inflation protection.*
- ✓ *It is not a savings or money market account.*  
*A fund which sits in cash and distributes 5% of its principal annually will run out of money in twenty years. Ours is designed to last longer.*

## The Investment Strategy

Long term growth is accomplished through the ownership of stocks. Stocks can be volatile over the short-run, but have historically been the most effective way to fight inflation and grow principal over time. Additionally, stock ownership has historically provided a dividend income stream which has grown, on average, over 5% annually.

Funds that are to be maintained over a shorter period of time may be allocated to cash and fixed income.

Alternatives such as Real Estate, Commodities and other assets may make a portion of the portfolio for investment purposes

## Asset Selection

- The holding must be a meaningfully diversified ETF, Index Fund or Mutual Fund within the asset class
- Weighted average portfolio expense ratio of 0.50% or less
- Fund Assets in excess of \$500 Million (for liquidity)
- Fund History of at least 5 years
- Investment results exceeding or matching the category benchmark over the most recent 5 year period

## Portfolio & Investment Monitoring

The portfolio is reviewed quarterly and rebalanced as needed to keep investment values within the desired asset allocation targets

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