

Investments



vancouver
foundation

When you establish a fund with Vancouver Foundation we pool the money, invest it prudently, and use a portion of the income generated by these investments to support hundreds of charities throughout BC.

Investment Objective

Vancouver Foundation's investment policy aims to optimize total returns and maximize distributions, while at the same time ensuring the protection of capital against the effect of inflation.

Investment Options

When donors create a fund with Vancouver Foundation they have two investment options:

1. The **Consolidated Trust Fund (CTF)** is a diversified balanced fund of equities, fixed income and real estate. The majority of our 1,200 funds are invested in the CTF.
2. The **Socially Responsible Investment Fund (SRI)** emphasizes companies that have strong environmental and social attributes and screens out companies involved in the production of tobacco products, weapons, nuclear energy and oil from non-conventional sources.

Investment Committee

To ensure the goals of the Foundation are met, an Investment Committee of senior volunteers with extensive knowledge in the investment field, provide oversight and monitor investment performance.

The Investment Committee:

- establishes the Investment Policy
- establishes Target Asset Mix
- recommends Investment Managers
- monitors performance
- establishes investment mandates
- monitors disbursement rate

Committee members are:

- Gord MacDougall, CFA* - Chair
- Tom Bradley
- Sid Fattedad, CGA
- Yuri Fulmer*
- Dr. Robert Heinkel
- Brian Kenning
- Brandt C. Louie*
- Floyd Murphy, CLU, CH.F.C.*
- Lisa M. Pankratz, FCA, CFA

**Board member*

Investment Managers

The Foundation employs several investment management firms to manage the funds in our care. By spreading our funds over several firms we can select money managers based on their areas of expertise, and diversify our holdings.

As of September 30, 2010, our investment managers are:

CTF - Equities

Burgundy Asset Management (Canadian)
CGOV Asset Management (Canadian)
McLean Budden (Canadian)
Pyramis Global Advisors (Canadian)
Alliance Bernstein (Global)
Grantham, Mayo, Van Otterloo and Co. (Global)
J.P. Morgan (Global)

SRI - Equities

Genus Capital Management (Canadian)
Genus Capital Management (Global)

CTF - Fixed Income

Phillips, Hager & North
PIMCO (core plus)

SRI - Fixed Income

Phillips, Hager & North

CTF - Real Estate/Mortgages

Bentall/Penreal Property Funds (real estate)
Bancorp Financial Services Inc. (mortgages)
GWL Investment Management (real estate)
PenCor Capital Corp. (mortgages)



Asset Classes

In order to achieve the appropriate levels of risk exposure balanced against return expectations, our Investment Policy allocates investments to the following asset classes:

	Target Allocation Range	
	CTF*	SRI
Canadian Equities	22% (10%-27%)	24%
Global Equities	33% (15%-38%)	36%
Fixed Income	32% (25%-45%)	40%
Real Estate	6% (5%-15%)	-
Mortgages	7% (3%-10%)	-
Cash	0% (0-5%)	-

**This is the interim target range. Longer term, the target allocation is 35% equities, 35% fixed income (including mortgages) and 30% alternatives (including real estate, infrastructure and market neutral hedge funds).*

Fund Details

	CTF	SRI
Fund Type	Balanced	Balanced
Inception Date	1943	2002
2009 Total Assets	\$660 million	\$17 million
2010 Cost Recovery Fees	1.17% p.a	1.11% p.a
Administration (up to \$10 million)	0.65% p.a	0.65% p.a.
Administration (over \$10 million)	0.325% p.a	0.325% p.a
Investment	0.52% p.a.	0.46% p.a
Approximate 2010 Distribution (based on Sept 30, 2009 Market Value)	3.8%	2.5%
Distribution Allocation Frequency	Quarterly	Quarterly

Calendar Year Returns

	2010 (as of Sept 30, 2010)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
CTF	4.8	14.3	-14.3	0.3	12.1	10.0	8.1	8.8	-8.3	-5.2	2.0	13.4
SRI	4.8	13.2	-12.4	-1.5	12.7	10.1	8.6	8.9	-	-	-	-

Calendar Year Distribution Rate (%)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
CTF/SRI	3.0	5.0	5.0	4.8	4.5	4.5	4.8	5.5	5.5	5.5	5.5

Investment Policy

If you would like a copy of our Investment Policy please call our offices at 604.688.2204.

Updated: October 25, 2010