



# NONPROFIT NEWS

Investment Management News Resource

## Texas Community Foundation Adopts New Allocation; Implementing Strategies

October 22, 2009

The **Austin Community Foundation** is in the process of implementing a new investment policy for its \$50 million permanent endowment that calls for a transition into more separately managed accounts from its previous mutual fund structure, said **Ken Gladish**, president and ceo.

Gladish said there are still pieces of the strategy yet to be implemented since the policy was adopted last year, including a 6% target to international small-cap equity, 6% target to emerging market equity and a 16% allocation to absolute return alternatives strategies. Overall, the policy calls for 36% in domestic equity, 25% in fixed-income, 16% in absolute return strategies, 12% in international equity, 6% in emerging markets equity and 5% in cash.

He said that the first piece of the strategy was completed last year when the fund hired **Sage Advisory Services** to handle an active intermediate fixed-income mandate (*NPN*, 8/13/08). The other pieces of the portfolio are slowly being implemented due to the fact that the fund does not use a consultant and searches are being conducted by the foundation's board of governors. Gladish declined to comment on the specific board members that are handling manager due diligence. **Steve Shook**, a principal at Austin-based **ProActive Finance Group**, serves as the board's treasurer. Firms should not contact Gladish regarding investments. The board can be found on the fund's Web site ([www.austincommunityfoundation.org](http://www.austincommunityfoundation.org)).