



2021 *Investment Performance* Report



A Letter from the Investment Committee:

Looking Back, Moving Forward

Every day at the Oklahoma City Community Foundation, we help individuals and families create lasting support for our community by ensuring their generosity will benefit generations to come.

The cornerstone of this endeavor is a sound investment policy that centers on sustainability.

Over time, the Community Foundation has adjusted as market forces and financial landscapes have changed. But looking back, we've stayed absolutely resolute to prudent, sustainable investments.

When the Community Foundation was established in 1969, our investment management mirrored the national trend for community foundations: Our assets were managed by the trust departments of local banks. The purpose of this structure was twofold: First, to involve the bank trust departments as partners with the Community Foundation; second, to take investment decisions out of the hands of the trustees and place the responsibility with investment professionals.

But by 1997, the financial world changed, and the Community Foundation switched gears. The merger of local banks into larger, national institutions provided the Community Foundation with an opportunity to switch our investment management to an investment committee that would utilize a consultant. This group developed an investment policy modeled on asset allocation and selected professional managers according to their investment style. This change resulted in a significant improvement in investment performance and a broader—but balanced—range of asset classes.

Today, the Community Foundation manages endowment funds for more than 370 community organizations and 164 scholarship programs. Our assets as of June 30, 2021, totaled \$1.6 billion. This fiscal year, the Community Foundation saw a total return of 27.74% compared to a blended index of 25.96%. The quarterly returns were robust, driven by equity and alternative returns. The final quarter of fiscal year 2021 reflected strong performance by equity assets with fixed income contributing as well.

No doubt, this past year has been a true testament to our philosophy. COVID-19 uncertainty and inflation instability still haunt the markets, but thanks to our focus on sustainability, the investment policy of the Community Foundation continues to preserve capital, protect against volatility and promote fund growth—all while maintaining annual distributions for charitable purposes and keeping administration fees to a minimum.

As we move forward, the Community Foundation remains committed to the long-term viability and sustainability of our investments, continuing our legacy of stability even in uncertain times.



Mike Collison

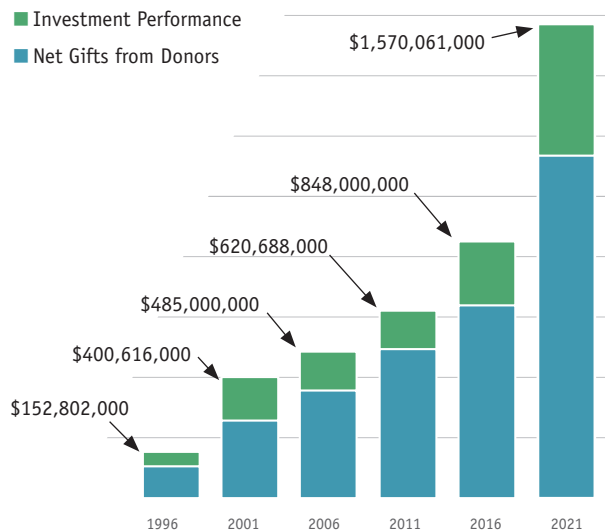
Investment Committee Chair



T. Scott Spradling

Trustee Chair

Growth of Total Assets



Our Investment Policy and Process

The investment policy of the Oklahoma City Community Foundation calls for a portfolio of equities and fixed income securities that is highly diversified. Capital preservation, protection against inflation, continual distribution and long-term growth are the fundamental objectives of our investment policy. The policy benefits all endowments, large and small, because we balance the use of active managers and index funds in a way that maximizes value while keeping costs low.

Responsibility for investment policy and management rests with a 12-member

committee composed of nine trustees or former trustees and three non-trustee Oklahoma City community leaders with strong investment expertise. This committee, along with investment counsel, determines asset allocation between equities and fixed income. To provide portfolio diversity, the committee addresses allocation as to different styles of equity management and chooses style-specific professional investment managers. Portfolios and performance are reviewed quarterly, with the managers being judged on a time horizon of three to five years.

Investment Committee

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Kirkpatrick Bank

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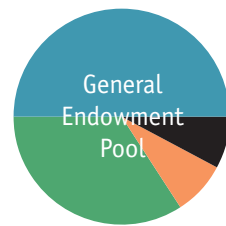
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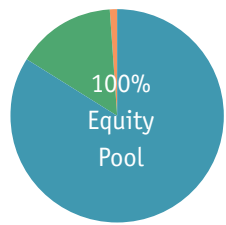
General Endowment Pool



50% Domestic Equity
8% International Equity
8% Alternatives
34% Fixed Income

Objective is to preserve the purchasing power of assets by investing in a diversified pool targeting capital growth for long-term grant making.

100% Equity Pool



84% Domestic Equity
15% International Equity
1% Cash Equivalent

Objective is to mirror the equity investments of the Endowment Pool. This fund is only available to Donor Advised Funds and Affiliated funds with a balance of \$250,000 or greater.

Asset Allocation Model: General Pool

As of July 1, 2021

	Target	Range
Equity	61.3%	50–65%
Fixed Income	31.5%	27.5–37.5%
Cash	0.1%	0–10%
Alternatives	7.1%	7.5–12.5%

Target Asset Class Ranges

EQUITIES

Large Cap Value	20–40%	Small/Mid Cap Value	20–40%
Large Cap Growth	20–40%	Small/Mid Cap Growth	20–40%
Large Cap Core	33–60%	Small Cap Core	20–40%
Developed Markets	5–15%	Emerging Markets	5–10%

ALTERNATIVES

REITs	3–8%	MLPs	3–8%
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Advantages of the Investment Program at the Oklahoma City Community Foundation

All endowment funds, large or small, receive the benefits of the professional management of a \$976 million pool. This includes diversification of assets, excellent professional oversight and costs that are significantly below normal investment management fees. The commitment of the investment committee to diversification, quality investments and continued monitoring of results provides all endowments with the highest quality investment option.

Fiscal Year 2021 Investment Performance

Pooled Investments as of June 30, 2021

	Fiscal Yr (July–June) 2021	Calendar Yr (Jan.–June) YTD	Three Years (Fiscal)	Five Years (Fiscal)	10 Years (Fiscal)
<i>EQUITIES</i>					
Oklahoma City Community Foundation	43.82%	13.50%	17.70%	17.08%	13.05%
S&P 500	40.79%	15.25%	18.67%	17.65%	14.84%
MSCI ACWI GD	7.53%	12.56%	15.14%	15.20%	10.48%
<i>FIXED INCOME</i>					
Oklahoma City Community Foundation	0.15%	-1.37%	5.14%	2.96%	2.93%
Bloomberg Barclays U.S. Aggregate	-0.33%	-1.60%	5.34%	3.03%	3.39%
<i>ALTERNATIVES</i>					
Oklahoma City Community Foundation	45.23%	31.18%	5.11%		
<i>TOTAL RETURN</i>					
Oklahoma City Community Foundation	27.74%	9.64%	12.24%	11.11%	8.84%
50% Russell 3000/15% ACWI Ex US/35% Bloomberg Barclays Capital G/C Int*	25.96%	8.18%	12.98%	11.81%	9.53%

* Our total return benchmark is 50% Russell 3000 15% ACWI ex US and 35% Bloomberg Barclays Capital G/C Int.

10 Year Investment Performance History

Fiscal Year Ended	General Pool Rate of Return	Composite Indices (Note A)	Fiscal Year Ended	General Pool Rate of Return	Composite Indices (Note A)
June 30, 2021	27.74%	25.96%	June 30, 2015	4.20%	3.49%
June 30, 2020	2.76%	6.13%	June 30, 2014	14.56%	16.56%
June 30, 2019	7.72%	7.86%	June 30, 2013	11.24%	12.58%
June 30, 2018	7.80%	8.25%	June 30, 2012	2.31%	1.63%
June 30, 2017	11.08%	11.98%	10 Years Compounded (Note A)	8.84%	9.53%
June 30, 2016	1.34%	1.20%			

Note A: Equity performance is compared to the Russell 3000 stock index and the MSCI ACWI exUS International equity index; fixed income performance is compared to the Barclays Capital Government/Credit Intermediate bond index (Barclays Capital G/C Int) and total return is compared to a composite of these three indices.

Our Distribution Policy

Since 1989, the Oklahoma City Community Foundation has employed a spending policy that is designed to permit funds to capitalize on good investment years while offering protection in the event of a low or negative return. Annual distributions for most permanent endowment funds are based on a spending policy that distributes up to 5% of the fund's average value for the previous 12 quarters as of March 31. (For funds with less than 12 quarters of history,

the distribution calculation is based on the existing history). Any excess return remains in the fund to add value, building the fund value and protecting the future distribution stream from inflation. The annual distribution is predictable, stable from year-to-year and does not depend on a specific investment allocation to income-producing assets.

For more information on our investment policies, visit occf.org/investmentmanagement or contact Rhonda Godwin, vice president of administration, at 405-606-2916.



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COMMUNITY FOUNDATION

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