Madison COMMUNITY FOUNDATION

# *Investment Overview 2026*

The Madison Community Foundation encourages, facilitates and manages long-term philanthropy. It focuses its efforts in Dane County, Wisconsin, but charitable distributions are made throughout the United States. The community trust has grown since its creation in 1942, with more than $400 million in total assets.

## Stewardship Goals

Madison Community Foundation takes its stewardship responsibility seriously. Diligence and attention are given to managing the investment of charitable assets. Following are the stewardship principles that drive the investment strategies and policies used by the foundation and its investment partners:

- Pursue a long-term program, implemented in a consistent and disciplined manner
- Achieve long-term performance that offsets normal inflation plus reasonable spending
- Enhance long-term viability by maximizing value with a prudent level of risk
- Aim for consistent returns through all market cycles
- Utilize the power of diversification to achieve higher returns with lower risk

## Investment Oversight

The Madison Community Foundation Board of Governors is responsible for the oversight and management of the MCF investment portfolio. The ongoing work is carried out by the Investment Committee, consisting of Board members and community volunteers:

| | | | |
|---|---|---|---|
| **Gary Mecklenburg, Chair** | *Northwestern Memorial HealthCare (retired)* | **Tom Olson** | *WISC Partners* |
| **Anne Lucke** | *Ex-Officio, Board Chair* | **Sebastien Plante** | *UW School of Business* |
| **Anna Burish** | *UBS Financial Services, Inc.* | **Blaine Renfert** | *Sub-Zero Group, Inc.* |
| **Chuck Carpenter** | *State of WI Investment Board (retired)* | **David Stark** | *Stark Company Realtors* |
| **Beth Holzberger** | *State of WI Investment Board* | **Jane Tereba** | *Capital Valuation Group* |
| **Ron Mensink** | *State of WI Investment Board (retired)* | | |

The Investment Committee meets quarterly to review the investment performance and current tactical allocations, hear presentations from the investment managers, and make strategic decisions regarding allocation targets.

## Diversified Endowment Fund Portfolio

Madison Community Foundation maintains a broadly diversified investment portfolio with Commonfund, an institutional investment firm that provides Outsourced Chief Investment Officer (OCIO) services to hundreds of nonprofit institutions, including MCF. Commonfund/OCIO oversees more than $19 billion in assets for educational endowments, foundations, cultural institutions, operating charities, and healthcare organizations. Commonfund professionals work closely with the MCF Investment Committee and staff to deliver a comprehensive investment management program to reach the stewardship goals of the endowment including investment policy review, portfolio construction, asset allocation and rebalancing, manager selection and risk management assessment and reporting.

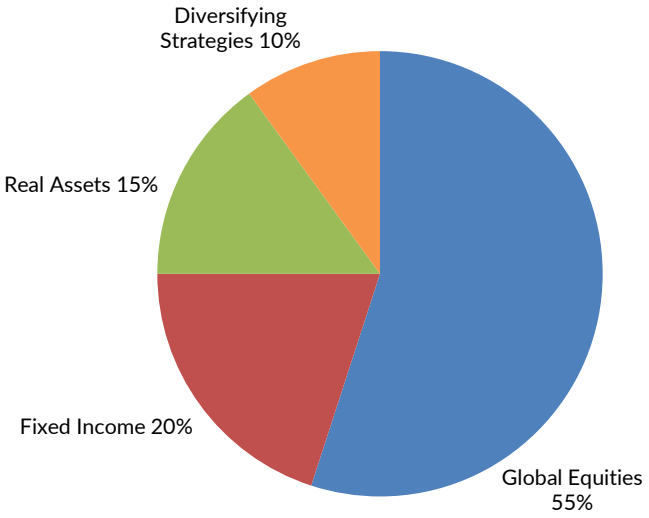
## Environmental, Social, and Governance (ESG) Endowment Fund Portfolio

Madison Community Foundation also works with Boston Trust Walden (Walden) to meet the needs of fundholders who desire socially responsive investing options. Walden has been a leader in the area since 1975, and its team has a rich history of experience and knowledge that is unique in the social investing industry.

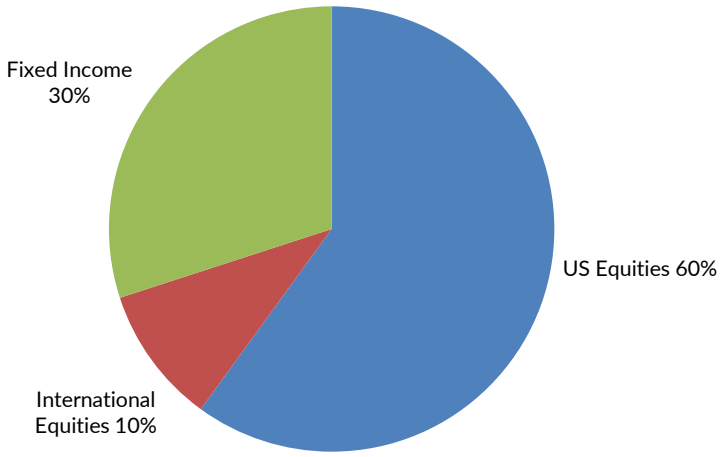
*Last updated 11/4/2026*

## Target Asset Allocations

**Diversified**
**Endowment Fund Portfolio**
*Managed by Commonfund*




**Environmental, Social, and Governance (ESG)**
**Endowment Fund Portfolio**
*Managed by Boston Trust Walden*




On an annualized, net-of-fees basis, the return on the Fund over the long term (at least a full market cycle) will be expected to: 1) Equal or exceed the spending rate plus inflation over a market cycle; and 2) Equal or exceed the average return of appropriate capital market indices weighted by the asset allocation target percentages over rolling five-year periods.

Performance goals are based upon a long-term investment horizon; therefore, interim fluctuations should be viewed with appropriate perspective.

## Average Annual Investment Returns – As of 9/30/2026

| | YTD | 1 Year | 3 Years | 5 Years | 10 Years | 15 Years |
|---|---|---|---|---|---|---|
| Diversified Portfolio (Commonfund) | 7.42% | 10.37% | 12.29% | 7.24% | 9.37% | 8.69% |
| | | | | | | |
| *Diversified Portfolio Benchmark* | *7.77%* | *10.49%* | *13.01%* | *7.11%* | *8.91%* | *8.09%* |
| | | | | | | |
| ESG Portfolio (Walden) | 8.20% | 11.19% | 12.47% | 6.92% | 9.07% | 9.53% |
| | | | | | | |
| *ESG Benchmark* | *7.96%* | *10.42%* | *16.51%* | *9.04%* | *10.23%* | *10.50%* |