



## WASHINGTON D.C. COMMUNITY FOUNDATION TRANSITIONS TO OUTSOURCED CIO MODEL

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The **Greater Washington Community Foundation** transitioned to an outsourced cio model last month with the hiring of a firm to handle almost \$200 million of their more than \$300 in assets.

The Washington, D.C.-based community foundation hired **SEI Investments** as its outsourced cio to handle its \$197 million combined investment fund. Senior Client Portfolio Manager **Glenn Harris** is the foundation's lead contact at the Oaks, Pa.-based discretionary advisor.

SEI will consider implementing a variety of new asset classes as well as incorporating ESG and diversity-related considerations across the portfolio, according to the foundation.

The community foundation's board of trustees and investment committee will be providing strategic direction to make sure any strategies are aligned with the objectives and overall mission of the foundation and the process will entail joint discussions between the foundation and SEI around what options exist from both a criteria and implementation standpoint, according to the foundation, which noted that once the exact strategies are determined, SEI will be responsible for the execution of the strategies and ultimately selecting and monitoring the managers used.

The foundation's combined investment fund allocated 39.6% to domestic equity, 23.6% to international equity, 25.5% to fixed-income, 8.6% to emerging markets equity and 2.7% to alternatives as of Dec, 31, according to a [fourth quarter investment report](#).

SEI's responsibility of the "full fiduciary accountability for the selection, oversight and replacement of money managers," will allow the investment committee to focus on initiatives such as asset allocation and overall financial strength, the foundation said.

The decision to transition to the outsourced cio model was a strategic decision initiated by foundation's investment committee and board of trustees in response to continued growth in assets and a desire to provide the best possible stewardship of the assets, according to the foundation.

The foundation found the outsourced cio model could increase diversification across asset classes and managers at potentially lower costs, strengthen overall oversight and risk management, provide additional expertise and advice to the committee and

allow the committee to spend even more time on strategic discussions.

SEI replaced incumbent investment consultant **Morgan Stanley Wealth Management**.

SEI was hired following an invitation-only RFP issued in mid-2020 and was selected over undisclosed finalists following virtual conversations focused on operational and investment management needs, the foundation said.

**The Washington, D.C.-based community foundation hired SEI Investments as its outsourced cio to handle its assets, which includes an \$197 million combined investment fund.**

The differentiating factors that made SEI stand out from others considered included its ability to integrate data and provide reporting across all the foundation's investments, access to and oversight of a wide range of investment managers and investment options, increase in the ESG and diversity-related attention into fund offerings, experience working with other community foundations, significant marketing related support and assistance with donor communications and its ability to potentially reduce overall costs of investment management, according to the foundation.

"The Greater Washington Community Foundation's leadership should be commended for their unwavering focus on maximizing charitable giving and helping their donors preserve and grow their funds for lasting community impact," said **Michael Cagnina**, v.p. and managing director for SEI's North American institutional group, in a statement. "As their OCIO, we look forward to partnering with The Community Foundation in supporting the long-term goals of its donors and its mission."

*Disclosure: Information provided by SEI Investments Management Corporation (SIMC), a registered investment adviser and wholly owned subsidiary of SEI Investments Company.*

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