

# Roman Catholic Archdiocese of Boston (RCAB)

## **INVESTMENT FUNDS REVIEW**

### **JUNE 30, 2025**



# Overview of RCAB Investment funds

- **Collective Investment Partnership (Common Investment Fund)**
  - Longer-term (5+ years) investment horizon
  - Multi-asset portfolio, array of asset classes and strategies
  - Fixed income, equities and private investments
- **Income Opportunities Fund**
  - Intermediate-term (3-5 years) investment horizon
  - Multi-asset portfolio, array of asset classes and strategies
  - Fixed income and income-oriented equity investments
- **Fixed Income Fund**
  - Shorter-term (1-2 years) investment horizon
  - Low duration, high quality fixed income investments



# Investment Management Oversight

- The Investment Committee of the Archdiocese Finance Council is responsible for the investment policies of the Investment Funds and oversight of the investment portfolio.
- This Committee is comprised of independent investment professional volunteers with significant experience in the investment management industry.

The Committees members are:

- Robert Morrissey, Esquire, Chair; Partner, Morrissey, Hawkins & Lynch
- Charles Clough, Jr.; Chairman & CEO, Clough Global
- Stephen Dufour; Portfolio Manager, Fidelity Investments
- Michelle Knight; President, Chief Economist and Managing Partner, Ropes Wealth Advisors
- John Zona, Ph.D.; Chief Investment Officer, Boston College

# Investment Managers & Advisor

- The underlying investments of the Investment funds are allocated to 18 investment managers across a range of disciplines. Managers are selected based on their area of expertise to carry out the investment direction of the Committee.
- Investment managers are regularly added to and removed from the portfolio based upon performance and overall investment direction.
- The Archdiocese engages an investment consultant, MPC Capital Advisors, to assist with performance monitoring, asset allocation, and the selection process for investment managers.

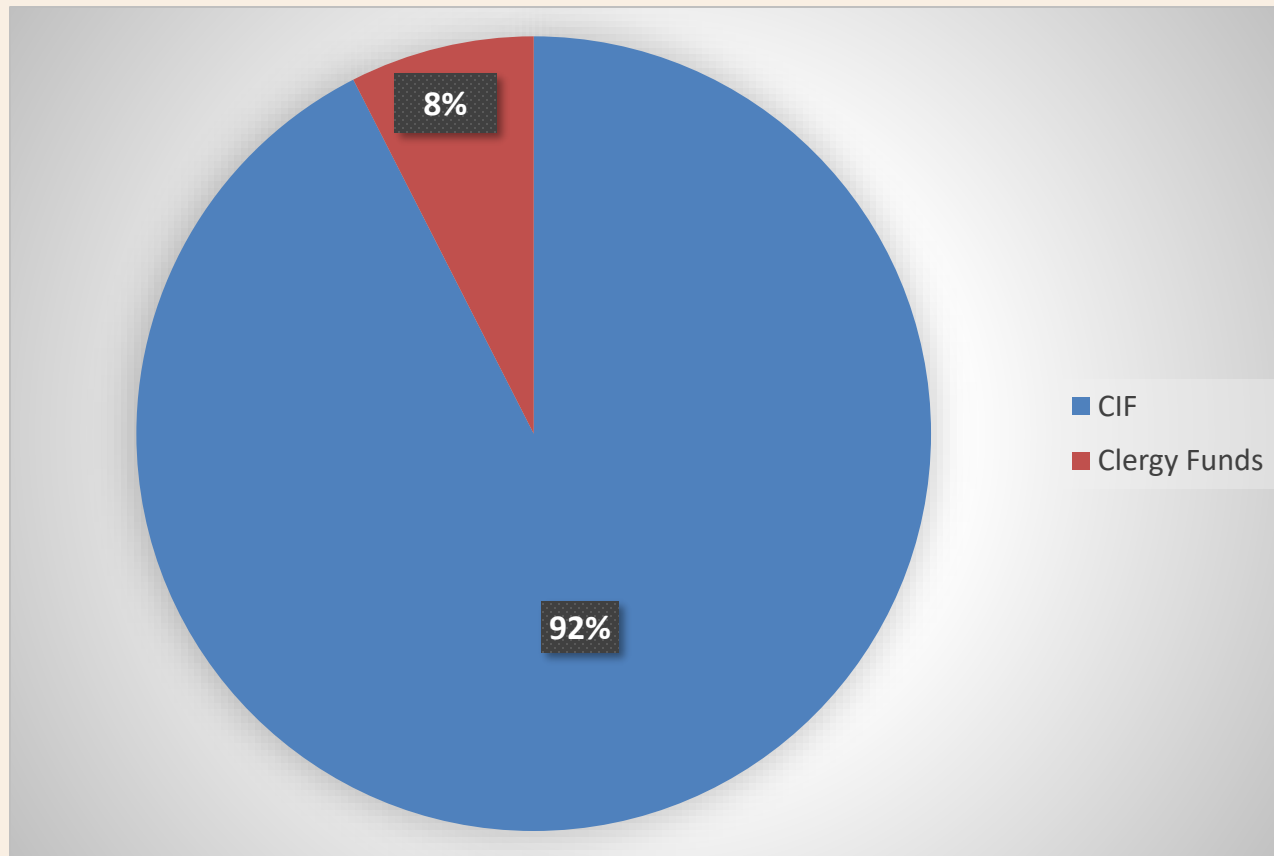
# Ethical Investment Principles

- The Investment Funds recognize that it is critical for the investment strategy of the Investment Funds to correspond with the ethical values of the Catholic Church teachings. Accordingly, the Investments Funds follows the guidelines of the United States Conference of Catholic Bishops “USCCB” to invest in companies consistent with Catholic teachings.
- Principles to investment practices address:
  - Protecting Human Life
  - Promoting Human Dignity
  - Enhancing the Common Good
  - Pursuing Economic Justice
  - Saving our Common Home
- A portion of the portfolio may be managed to align with and/or promote the intended positive outcomes of the USCCB investment policies, emphasizing wherever possible those outcomes that most closely align with the mission to build a just and compassionate society rooted in the dignity of all people with the context of the overall risk/reward opportunity, prudent investment standards and the context of overall portfolio construction.

# Common Investment Fund (CIF) & Collective Investment Partnership (CIP) background

- In 1970 the Common Investment Fund (CIF) was established as a commingled vehicle for equity and fixed income investments. CIF investing is available to RCAB Parishes, Schools, Cemeteries and related organizations.
- In 1995 CIF formed a partnership with the RCAB Lay Pension Plan and Clergy Funds to collectively pool each institutions investments. The new pooled investment vehicle is referred to as the RCAB Collective Investment Partnership (CIP).
- CIF invests substantially all of its assets in CIP.

# Partners of the Collective Investment Partnership



\$472M total net assets as of June 30, 2025

# Members of the Common Investment Fund

## Top 5 CIF members as of June 30, 2025

INSTITUTION	MARKET VALUE
Catholic Community Fund	\$79M
Cemetery Association	\$69M
Revolving Loan Fund	\$54M
St. John's Seminary	\$38M
iCatholic Media	\$32M
TOTAL	\$272M

- Parishes and their related schools and cemeteries comprise the majority of the remaining \$166 million of investments in the CIF.



# Collective Investment Partnership (CIF)

## Performance Review – Fiscal Year 2025

- The Investment Committee develops benchmarks from a variety of market indices to assist in evaluating investment managers.

Period*	Annual Performance	Benchmark Comparison**
1-Year 6/30/24 – 6/30/25	+7.3%	+11.3%
3-Year 6/30/22 – 6/30/25	+10.6%	+10.6%
5-Year 6/30/20 – 6/30/25	+7.9%	+8.3%
10-Year 6/30/15 – 6/30/25	+6.1%	+6.8%
Inception 12/1/95 – 6/30/25	+6.5%	+7.3%

\* Rates of return for periods longer than one year have been annualized.

\*\* Benchmark comprised of: 15% BBgBarc US Govt\Credit Int Bond + 15% BBgBarc Aggr Bond + 20% S&P 500 + 20% R2500 + 10% MSCI EAFE (Net) + 10% MSCI Emerging Markets+ 10% HFRI FoF Composite.

Benchmark index is the return the fund would have earned had it been invested in the market indices matching proposed investment allocations, rebalanced monthly.



# Income Opportunity Fund

## Performance Review – Fiscal Year 2025

- \$90M assets under management
- Primary investment goals: Preservation of Purchasing Power & Income

Period*	Annual Performance	Benchmark Comparison**
1-Year 6/30/24 – 6/30/25	+9.4%	+8.0%
3-Year 6/30/22 – 6/30/25	+8.9%	+5.9%
5-Year 6/30/20 – 6/30/25	+6.1%	+2.7%
10-Year 6/30/15 – 6/30/25	+5.9%	+4.2%
Inception 3/1/14 – 6/30/25	+5.8%	+4.3%

\* Rates of return for periods longer than one year have been annualized.

\*\* Benchmark comprised of: 80% BBgBarc Aggr Bond + 20% S&P 500

Benchmark index is the return the fund would have earned had it been invested in the market indices matching proposed investment allocations, rebalanced monthly.



# Fixed Income Fund

## Performance Review – Fiscal Year 2025

- \$111M assets under management
- Primary investment goals; Preservation of Capital & Purchasing Power

Period*	Annual Performance	Benchmark Comparison**
1-Year 6/30/24 – 6/30/25	+5.6%	+5.9%
3-Year 6/30/22 – 6/30/25	+4.5%	+3.8%
5-Year 6/30/20 – 6/30/25	+2.4%	+1.6%
10-Year 6/30/15 – 6/30/25	+2.1%	+1.8%
Inception 7/1/12 – 6/30/25	+1.8%	+1.6%

\* Rates of return for periods longer than one year have been annualized.

\*\* Benchmark comprised of: BBgBarc US 1-3 Yr Govt\Credit

Benchmark index is the return the fund would have earned had it been invested in the market indices matching proposed investment allocations, rebalanced monthly.



# Recordkeeping, Fees & Expenses

- Fees incurred by the investment funds include fees for investment managers & advisors, bank custody fees as well as fees incurred for RCAB administrative, accounting, technology and clerical services performed on behalf of the investment funds.
- Typical ratio of investment manager expenses to average net assets (expense percentage of the value of investments) are:

FIF: 0.18%	IOF: 0.49%	CIP: 0.79%
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- The investment funds mail participant investment statements by the 15<sup>th</sup> business day of the following month. Statements are available via a portal which also contains historical account data.
- All investment funds are audited on an annual basis by an independent public accounting firm, Grant Thornton LLP. Historical audited financial statements are available at [bostoncatholic.org](http://bostoncatholic.org).



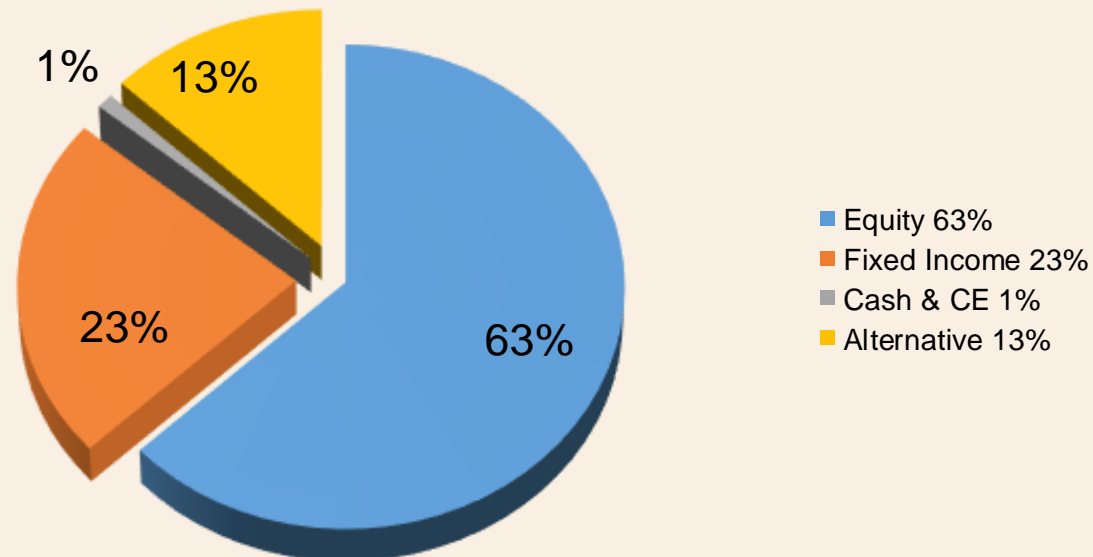
# Purchases and Redemptions

- Subscriptions to, and redemptions from, the investment funds are processed on the first business day of each calendar month. Notification of a request for redemption or purchase should be received by the Investment funds no later than the 15<sup>th</sup> day of the month preceding the transaction date.
- As a matter of policy, CIF distributes one percent (1%) of its net assets to its members at the end of every calendar quarter. All members receive a distribution to their account, but individual members can elect to either receive cash via electronic transfer or to reinvest the distribution back into CIF on the first day of the following month.



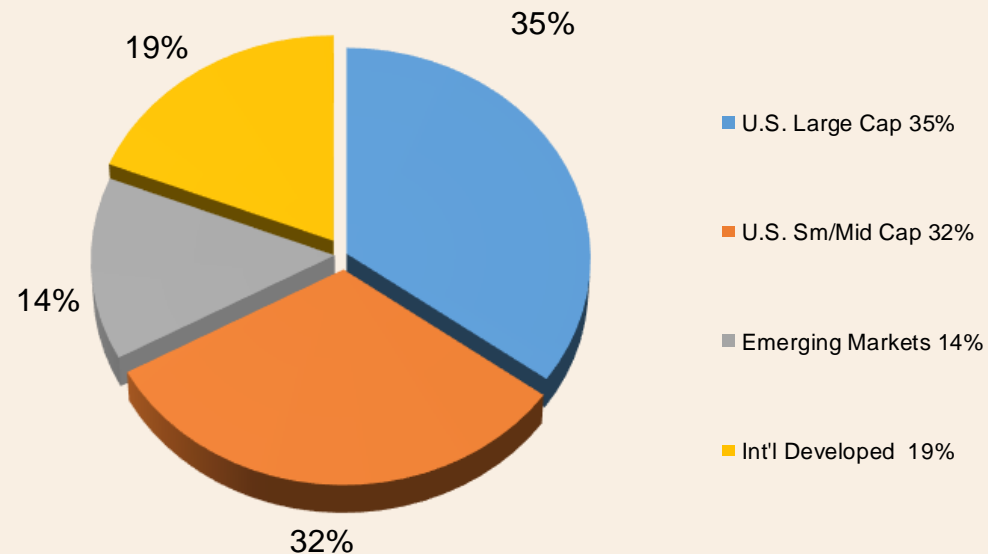
# Collective Investment Partnership

## Investment Mix - June 30, 2025\*



\* Investment mix is displayed by the underlying investment type and is used internally by management to track performance and asset allocation. Due to financial statement disclosure requirements the asset mixture appears differently on the audited financial statements of CIP.

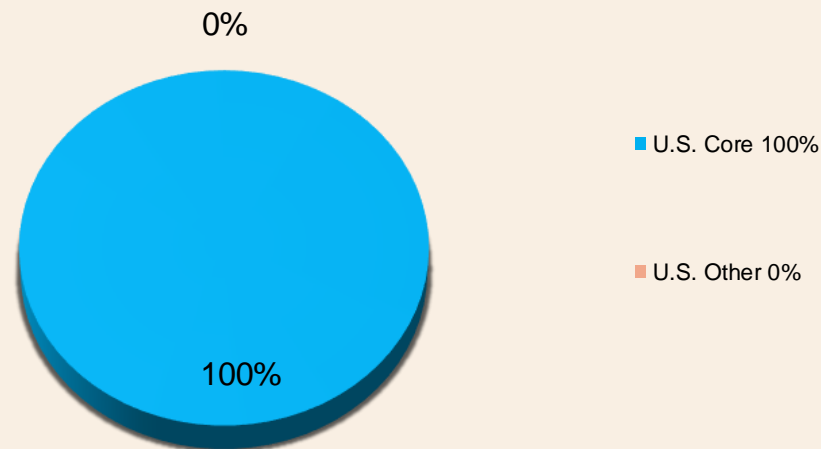
# Collective Investment Partnership Equity Mix - June 30, 2025\*



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# Collective Investment Partnership

## Fixed Income Mix - June 30, 2025\*

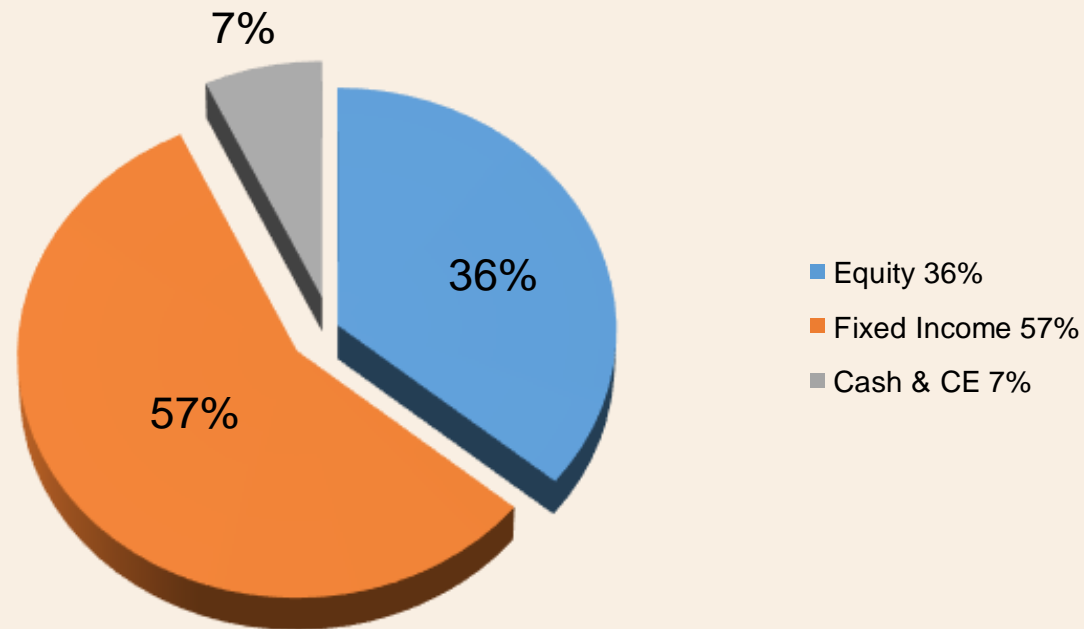


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# Income Opportunities Fund

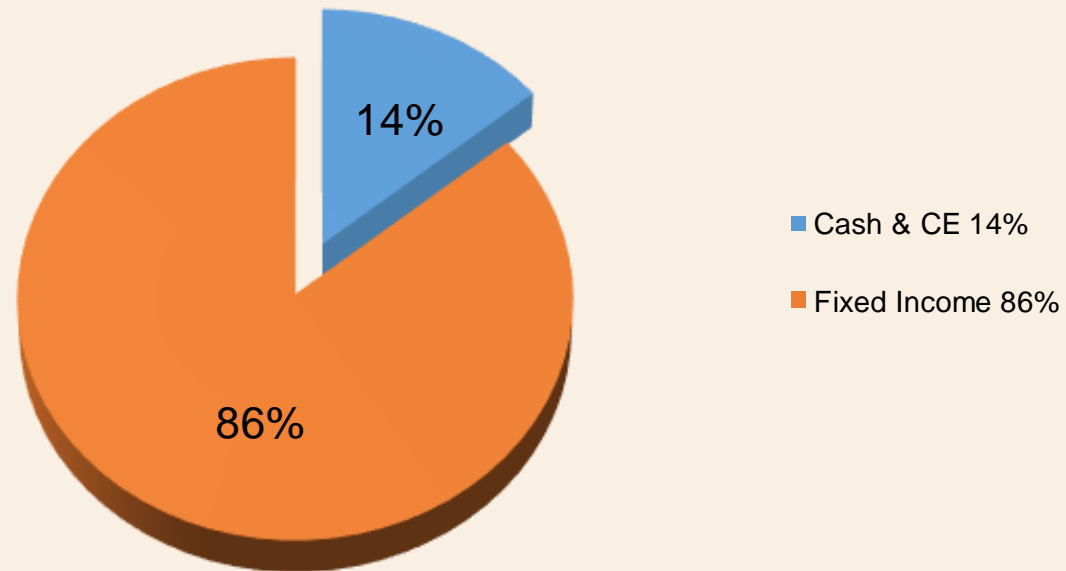
## Investment Mix - June 30, 2025\*



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# Fixed Income Fund

## Investment Mix – June 30, 2025\*



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