



Foundation Newsletter

Mission

The mission of the Jewish Community Foundation of Durham Chapel Hill is to foster and support the members of our community in fulfilling their philanthropic goals – social, educational, and charitable – and maintaining the longstanding Jewish traditions of pursuing Tzedakah and Tikkun Olam (repairing the world).

Purpose

We strive to accomplish our mission by:

- Empowering donors to convert generous ideas into deliberate action;
- Serving as a central hub and advocate for charitable giving to help individuals, families, and community organizations achieve their charitable goals; and
- Receiving, administering, investing, and disbursing funds to ensure the viability of our community life for generations to come.

Donor Spotlight

When we moved to Chapel Hill 44 years ago, the Jewish community was in a very different place than it is today. While there was no JCC, JFS, or Jewish Day School, and only 2 Synagogues, there was a Federation, though it existed on a much smaller scale than we know of it today and was led entirely by volunteers. JFS was started with a part-time social worker in the 1980s. Ellen's parents, Moe and Shirley Becker, retired to Chapel Hill the year after we arrived and became active members of the Jewish community. As they aged, we saw both a need and an opportunity to help JFS expand and provide more services and social opportunities for the Jewish elderly in our community. In the late 1990s, we established the Singer-Becker Eldercare Fund as an endowment for this purpose and as a way to both honor and provide a lasting memory to our parents.

Through the years, we have encouraged our children, when they have wanted to recognize a special occasion in our lives, to contribute to this fund in lieu of making personal gifts to us. We have been very fortunate and we have all that we need. Our hope is that, by example, "doing good" will become a regular part of their lives and the lives of their children.

-Ellen and Phil Singer

Performance Snapshot

The investment committee is pleased to provide the Foundation Portfolio performance report for the second quarter of 2017. The portfolio has achieved a net return¹ of 8.76% over the last 12 months. The net return for the second quarter of 2017 was 2.49%.

One of the most common questions portfolio managers are receiving recently is, “when is the bull market going to break?” As occurs when many major market indices set new highs, fears of bubbles and corrections heighten. This is a logical question, especially when coupled with the feeling the market has been running up for a long time. From a broader view, the S&P 500 has a 20 year annualized return of approximately 5%, and a 10 year annualized return of approximately 7%.² These returns are well below historical average returns. Other indices currently at their highs are also well below long term averages.

We have experienced two market corrections (a reversal of 20% or more) over the last several years and there will be, no doubt, another in the future. That said, proper portfolio construction takes market drops into account, with a primary goal of not altering the allocation based on market speculation or in reaction to market fluctuation. The portfolio has undergone only 3 allocation changes since inception in 2011. We have replaced two bond funds that were not tracking their respective index benchmarks well, and dropped commodities from the portfolio allocation due to unrewarded volatility since inception.

For now, the portfolio (as well as most investors) are enjoying what could be nothing more than market indices regressing to their historical average returns. If this is the case, we still have a high ceiling before making a strong case for a market bubble. Regardless, the portfolio has weathered significant downside volatility in the past, and the committee feels we are properly positioned to do so again when the time arises.

As you may be aware, the portfolio manager has been implementing new software to provide a better donor experience. As often occurs, this has resulted in hiccups in our portfolio reporting. The investment committee and Foundation are diligently working with the manager and administrator to resolve these issues as quickly as possible. We apologize for any inconvenience.

If you have questions or comments, please contact me at the email address below.

Sincerely,

Marc Becker, AIF

Chair, Investment Committee

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¹ Net fee returns are manually calculated by subtracting the fixed fee percentage assessed by the manager for the period from the gross return. Net returns are currently unaudited and will vary between donors - but are believed to reliably approximate the actual net return experienced by the portfolio as a whole.

² Historical returns calculated on dqudj.com and assumes interest and dividends were reinvested.

Past performance is not a guarantee of future results. Nothing herein is intended to be used as investment advice or a recommendation to buy or sell any security. Content is for information purposes exclusively, and is provided by the portfolio manager, BB&T.

Funds in Action

Jewish summer camp is a place where children build their Jewish identity. Jewish camp weaves in Jewish values, culture, and traditions into the various programs and activities campers participant in. This helps campers connect to their own identity, while also connecting to the larger Jewish community they are a part of. Children with pivotal Jewish camp experiences are more likely to grow into adults who value their Judaism, support Jewish causes, and become leaders in their communities.

At the Jewish Community Foundation, we have various funds that help support families sending their campers to these important programs.

The Foundation has the Camp Scholarship Endowment Fund, supported by the Fink Endowment and the Monroe Braun Endowment that provides resources for Camp Shelanu, at the Levin JCC, to provide scholarships for its participants. Through this fund, and resources through Federation Annual Campaign, this year Camp Shelanu will provide \$17,000 in scholarships, making camp accessible to families, supporting 35 campers.

The Foundation also has the Eric Pas Jewish Camp Scholarship Fund, which through an application process, provides summer camp scholarships for Beth El members. This summer \$3200 was awarded, providing 7 campers with assistance, helping ensure they have a summer that will provide memories that last a lifetime!

These funds are wonderful examples of how the Foundation can help put donor's generous ideas into deliberate action!

