

## Why might an OCIO be a good fit for an endowment or foundation?

Well, there are really three key attributes that make an OCIO provider a good fit for an endowment and foundation. The first is the ability for an OCIO provider to be able to work with the endowment and foundation in terms of their mission from more of an enterprise level, really working with them to understand future spending needs along with the overall fund-raising efforts that are taking place within the organization and really trying to make that marry up to the investment philosophy.

The second key attribute really is an OCIO provider really needs to think beyond the traditional strategic and manager selection capabilities that most OCIO providers obviously bring to the table, but also being able to bring a more tactical point of view. Those OCIO providers that can provide tactical asset management along with the strategic really stand out, and I think we've seen that really, in going through the most recent environment that we've been through, as a major value proposition that OCIOs can bring to endowments and foundations.

And lastly, an OCIO that provides access to alternative investments—now we all know endowments and foundations and nonprofits have had a long history of investing in alternative investments, but it's becoming even more prevalent now given the low interest-rate environment we're in and given the constant questionable challenges that are coming up with inflated equity market valuations in the public markets, and there's just more and more of a need now to be able to have that expertise at the table.

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