

# Charitable Investment Partners Program

ChIPP

NORTH CAROLINA  
COMMUNITY FOUNDATION



ChIPP, which stands for Charitable Investment Partners Program, is a custom investment option for your charitable fund at the North Carolina Community Foundation (NCCF), where you recommend your own trusted investment advisor to manage the charitable assets.

## Who uses the ChIP Program?

- Donors with at least \$1,000,000 to start a charitable fund
- Those who want their preferred, trusted financial advisor to manage charitable assets
- Those who desire the benefits of a private foundation with more privacy and considerably fewer administrative burdens
- Those who seek greater breadth and depth of services and expertise to increase the efficiency and impact of their philanthropy

## Benefits of the ChIP Program:

- Customized, personalized philanthropy for you, your family, or company
- Continued support and management of your personal financial advisor
- Philanthropic planning and guidance from NCCF advisors, helping you develop your mission, involve your family, and build a meaningful legacy
- Freedom to focus on grantmaking, because NCCF takes care of the compliance, due diligence, IRS filings, audits and reports
- Assurance that NCCF will be around for generations to come, protecting your intentions as we have for over 30 years

## *How it Works*

- ✓ Request the ChIPP option and recommend your advisor to NCCF to manage your fund.
- ✓ Your investment advisor submits a ChIPP application, provides requested documentation, and agrees to abide by NCCF's investment policy statement and asset allocation.
- ✓ NCCF Finance Team reviews your investment advisor's application and documentation and determines eligibility.
- ✓ Upon approval, establish your fund by making an irrevocable contribution of \$1,000,000 or more (complex, illiquid assets are accepted), and executing a fund agreement.

## Donor Considerations

- Your financial advisor will provide required information to and meet with the NCCF Finance team to discuss a potential relationship.
- Your financial advisor must commit to abide by NCCF's current investment policy statement and asset allocation, as well as regular communication and reporting to NCCF, and reasonable investment fees.
- NCCF reserves the right to remove a fund from the CHIP Program when the donor passes away, if and when the financial advisor retires or changes firms, or if performance or other aspects fail to meet expectations or operational standards.

## NCCF Investment Objective

To preserve the fund principal over an indefinite time horizon through long-term investment opportunities, while providing an average return that covers a 5% annual distribution, average 1% NCCF support fee, and inflation.

## Asset Allocation

Achievement of our investment objective requires a moderate level of risk, a longterm investment horizon and asset diversification. All long-term investment pools and managers abide by the following asset allocation:

|                        | TARGET | ALLOWABLE RANGE |
|------------------------|--------|-----------------|
| Domestic Equity        | 36%    | 16% – 75%       |
| International Equity   | 24%    | 16% – 45%       |
| Fixed Income           | 20%    | 12% – 35%       |
| Real Assets            | 10%    | 0 – 20%         |
| Diversified Strategies | 10%    | 0 – 20%         |

## Let's get started.

Contact the NCCF development team today.

We'll answer your questions and help you with next steps.

Reach out to us at [give@nccommunityfoundation.org](mailto:give@nccommunityfoundation.org) or **919-828-4387**.

Learn more about us at [nccommunityfoundation.org](http://nccommunityfoundation.org).