



## Investment Committee FY 2025 Report

**Committee Members:** Catherine Riihimaki, Lynsey LeMay, Randy Richardson, Gene Pearson (Chair), Mike Phillips

The Investment Committee is responsible for reviewing the performance of investments and recommending changes to the Executive Committee in accordance with the National Association of Geoscience Teachers endowment policy.

On February 13, 2025 committee members met and reviewed the NAGT Investment Committee charge and the NAGT Endowment Policy and does not recommend any changes at the current time.

The committee members discussed the nature of donations and encourage the Development Committee and Finance Committee to ensure that donors have the option to donate by transferring appreciated stocks and mutual funds directly to NAGT, thus avoiding payment of capital gain taxes.

The committee members reviewed the performance of the **Vanguard Balanced Index Fund – Admiral Class**. The fund is rated 4 out of 5 by both Morningstar and Lipper Analytics. The fund has a 0.07% Expense ratio, one of the lowest in the mutual fund industry. In 2023 and 2024 the fund's value increased 14.6% and was rated in the highest quartile of similar funds. In the current market environment the fund has lost value and is ranked in the lowest quartile so far in 2025. These changes warrant monitoring in the future. After discussion, **the committee members unanimously recommended that the NAGT Endowed Funds remain invested in the Vanguard Balanced Index Fund – Admiral Class.**

**The committee members also recommended that the NAGT Executive Committee maintain a 4.5% earnings payout in developing the FY2026 Budget.**

The committee members reviewed the two ETF investments that were donated to NAGT by the Crawford Estate to support Field Studies [Field Camp Scholarships as well as other types of field studies].

The **iShares Russell 1000 Growth ETF [IWF]** was up 42% in 2023 and 33% in 2024, but is down 8.4% thus far in 2025. It was noted that even though this EFT is rated 5 stars by Morningstar it is much more volatile than the Vanguard Balanced Index Fund.

The **Vanguard Materials ETF [VAW]** invests in Natural Resources Companies. This EFT outperformed the Vanguard Balanced Fund in 2021 and 2022, but underperformed the Balanced Fund in 2023 and 2024.

After discussion, **the committee members unanimously recommended that the investments currently in the investments in the “Crawford Field Studies Endowed Fund” be moved into the Vanguard Balanced Fund account.**