***The Passive Club***

*Investment Strategy & Organizing Principles*

# Asset Classes and Allocations

 ClassAllocationETF

Large Blend – Dividend10% VIG

 Large Blend 10% VTI

 Mid Cap Growth20%VOT

Mid Cap Value 8.5% VOE

 Small Cap Growth17% VBK

 Small Cap Value8.5% VBR

 International 12% VEU

 Emerging Markets 14% VWO

 Total 100%

# Allocation Adjustments

1. Annual review of portfolio asset allocation occurs at the October meeting. This review includes investment asset classes and asset percent allocations. Changes can be made or allocations can stay as is for another year.
2. Review of portfolio at monthly meeting (via portfolio worksheet).
	* Use portfolio worksheet to determine asset class(es) to purchase and dollar amount of each asset: [TPC Portfolio Worksheet](https://docs.google.com/spreadsheets/d/1j4jKxPI5rqnW1hsBRrX63jzIZZ0Dl80ak9CXDc2lJDU/edit?usp=sharing). Purchases are made in order from most underweight to least underweight.
	* Any withdrawals are first paid from monthly investments. If this is insufficient to meet the withdrawal need additional funds are withdrawn from most overweight to least overweight with no asset dropping below its target allocation.

# Investment Logistics

1. Accounting System: Bivio ($179 per year)
2. Checking Account: dfcu Financial (free business checking)
3. Brokerage: Vanguard (commission free Vanguard ETFs)

# Club Officers

Officers are changed after every July meeting. There are no elections. Partners assume office in the order they join the club. Partners progress from general partner to Secretary to Treasurer to Vice President to President then back to general partner.

Original: July 16, 2008 **Last Updated: November 6, 2021**