CLIENT CASE STUDY

Native American Tribe/OCIO

A Native American Tribe with a total investments program of $1.4 billion

Challenge

A Native American Tribe faced challenges in managing multiple accounts with limited reporting capabilities. This complexity hindered efficient auditing and financial oversight. The existing portfolio was heavily weighted towards U.S. Equity, which posed risks due to lack of diversification. We also believed the manager fees incurred on the portfolio were overly high.

Solution

To address these issues, the Tribe partnered with Russell Investments via an OCIO arrangement. Russell Investments implemented a consolidated account structure with enhanced line-item reporting. This administrative solution worked to facilitate streamlined audits and improved transparency. The investment portfolio was rebalanced to enhance diversification and optimize returns. Key changes included:

- Reduction of U.S. Equity overweight to help mitigate concentration risk.
- Increase in Non-U.S. Equity exposure to capture potential global growth opportunities.
- Addition of Global High Yield Bonds to help improve income generation.
- Introduction of Real Estate and Listed Infrastructure to diversify asset classes.

Result of a consolidated account structure:

Streamlined audits and improved transparency for easier financial oversight.

Outcome

The strategic changes led to a more balanced and diversified portfolio, while still delivering more than 1.4% in outperformance net of fees (December 2024-June 2025), as compared to the legacy allocation on the $1.4 billion portfolio. [1]Russell Investments also reduced manager fees by utilizing our scale and manager relationships.

Fees dropped from 39 basis points (bps) to 10.5 bps. The consolidated account structure and detailed reporting helped significantly enhance audit processes and financial governance.

[1] Past performance is not indicative of future results.

Driving Performance Through Portfolio Enhancements

Legacy Allocation | New Allocation

- Rebalanced portfolio in pursuit of improved diversification and returns:
  - Reduced U.S. Equity overweight
  - Increased Non-U.S. Equity exposure
  - Added Global High Yield Bonds
  - Introduced Real Estate and Listed Infrastructure
- Transitioned to lower-cost managers to reduce fees
- Consolidated accounts and added line-item reporting to streamline audits

$19 million

in added value from +1.4% of outperformance (Dec 2024 - June 2025) versus the legacy allocation on a $1.4B portfolio

- ✓ ~$4 million in annual savings through fee reductions—from 39 bps to 10.5 bps
- ✓ Streamlined operations that improved audit readiness, transparency, and monthly reporting processes

Conclusion

The Native American Tribe's collaboration with Russell Investments serves as a model for similar organizations seeking to enhance their investment management practices.

Questions? Call Russell Investments at 866-739-7979 or visit russellinvestments.com/nonprofit

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