



**Fund Evaluation Group**<sup>SM</sup>  
investment advisors



## **Sample Client**

Composite Performance Review  
Report for Periods Ending December 31, 2007

Presented by:

**Consultant Name**  
Managing Principal

**Associate Name**  
Consulting Associate

**Our Insight** / *Your Vision*



# Sample Client

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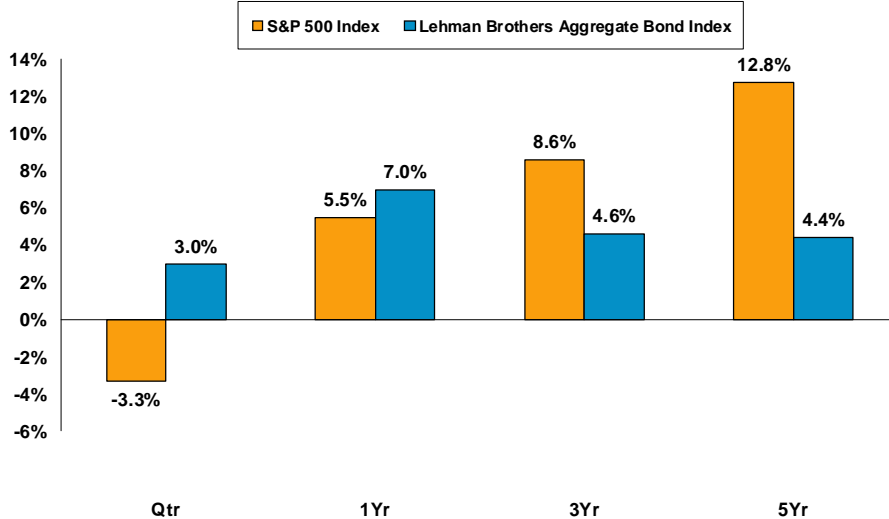


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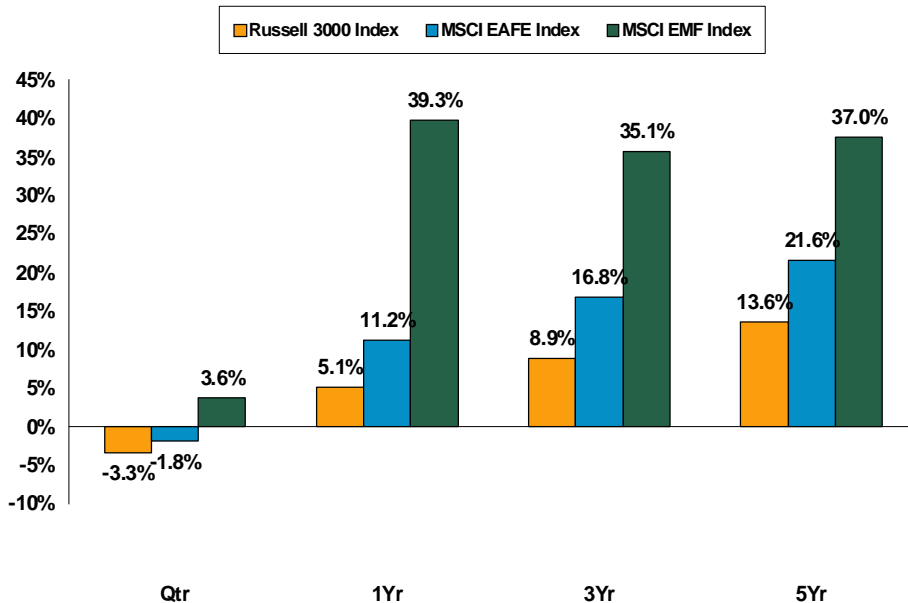
# Fourth Quarter 2007 - Market Overview

## Stocks vs. Bonds

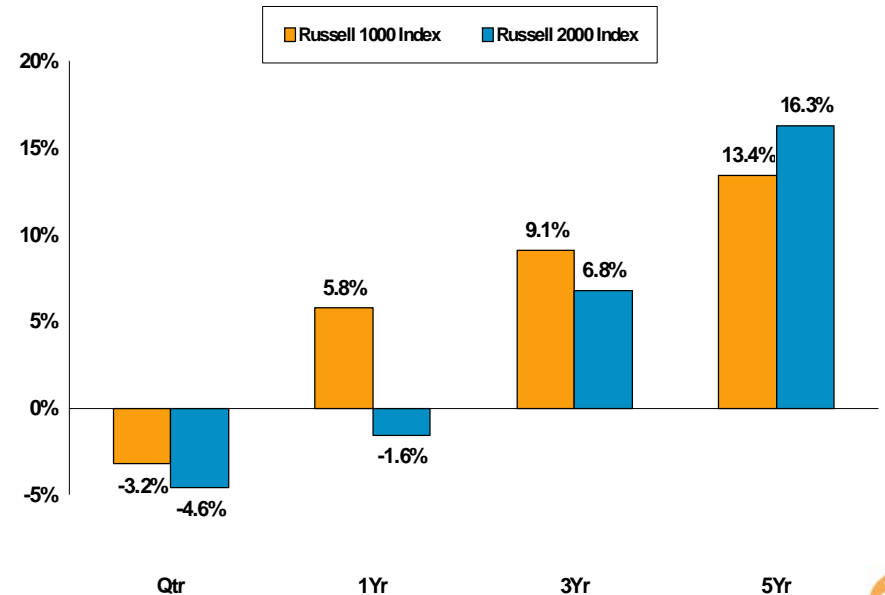


- U.S. stocks declined due to concerns about weaker corporate earnings and a slowing U.S. economy
- U.S. large cap stocks outperformed small cap stocks, as investors preferred higher quality, less risky equity exposure
- Developed foreign stocks underperformed emerging market equities amid stronger relative growth prospects for emerging economies
- The U.S. dollar continued to weaken against key foreign currencies, declining by 2.7% versus the yen and 2.8% versus the euro; this played a key role in non-dollar denominated stocks and bonds outperforming domestic securities
- U.S. Treasury yields declined significantly, leading bonds to outperform stocks amid a "flight-to-quality" rally due to concerns about a weaker U.S. economy
- U.S. REITs declined significantly due to stretched valuations while foreign REITs also suffered declines, but not as large as the U.S.

## U.S. vs. Int'l vs. Emerging

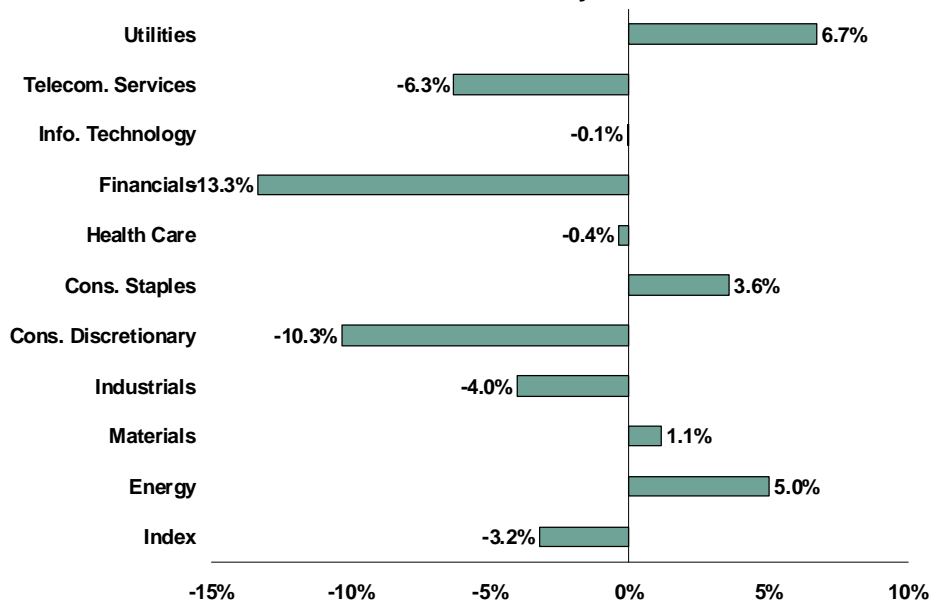


## Large Cap vs. Small Cap



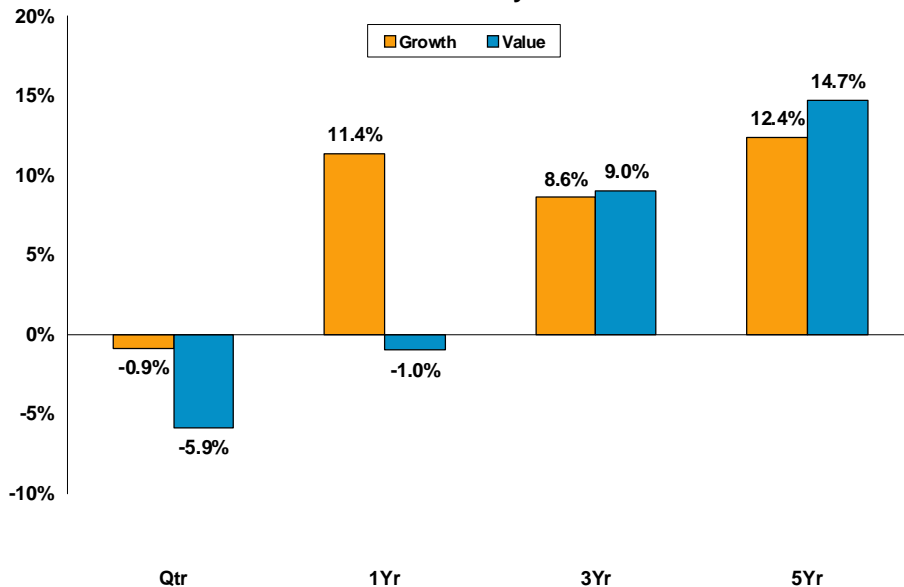
# Fourth Quarter 2007 – Domestic Equity

## Russell 1000 Index Quarterly Returns

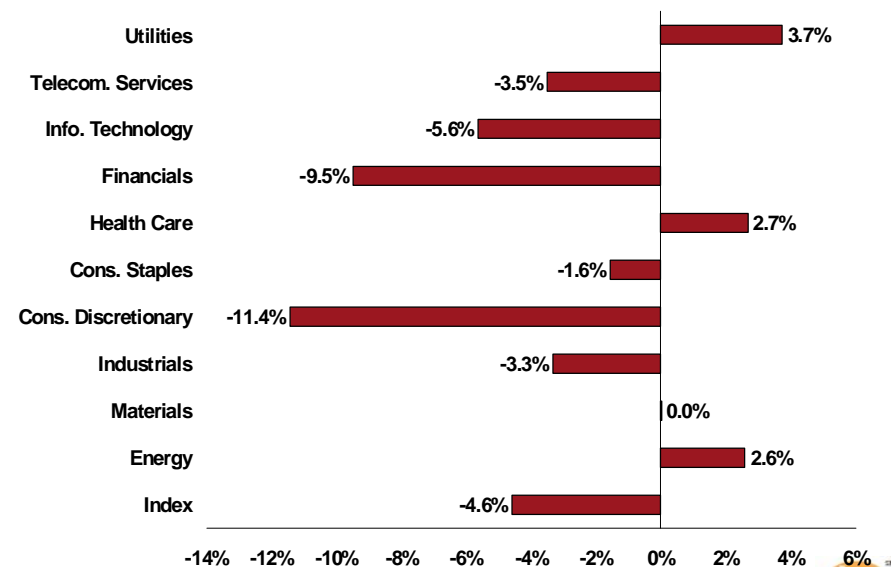


- Both the S&P 500 Index and the Russell 3000 Index declined by more than 3%; however, the NASDAQ fell only 1.8% due to the relative strength of technology stocks
- Large caps outperformed small caps by 1.4% points for the quarter and 7.4% points for the year, while the Russell 3000 Growth Index outperformed the Russell 3000 Value Index by 5.0% points for the quarter and 12.4% points for the year due to the poor performance of financial stocks, which comprise a large portion of the value indexes
- Small caps underperformed large caps due primarily to investor fears of an economic slowdown in the U.S., as investors favored higher quality large cap stocks
- Utilities were the best performing large cap sector, up 6.7%, as the sector acted as a safe haven in a declining market, benefiting from its high dividend yield in a declining interest rate environment
- Financial stocks declined 13.3% and was the worst performing sector in the Russell 1000 Index, due to continued concerns about the credit market and its negative impact on companies in the sector

## Russell 3000 Index Style Returns

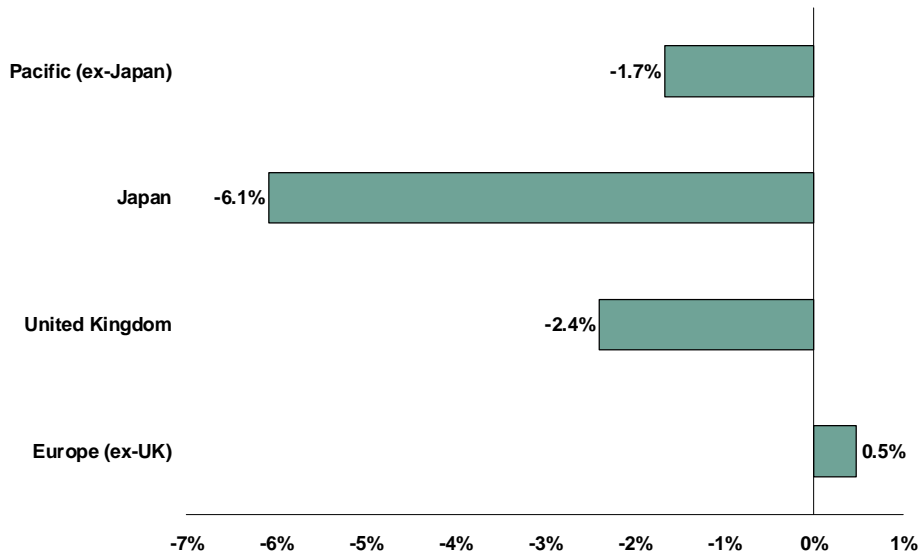


## Russell 2000 Index Quarterly Returns



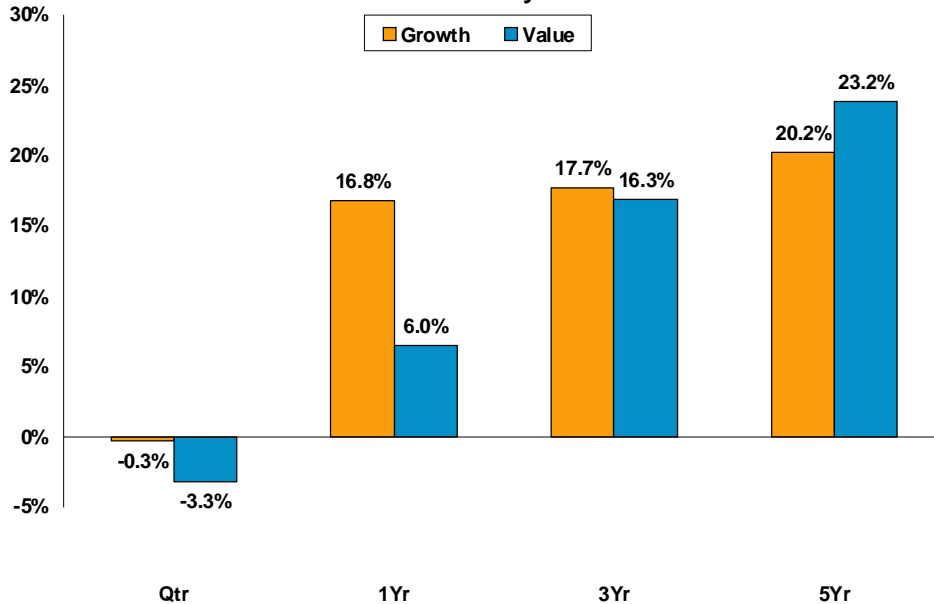
# Fourth Quarter 2007 – International Equity

MSCI EAFE Regional Quarterly Returns

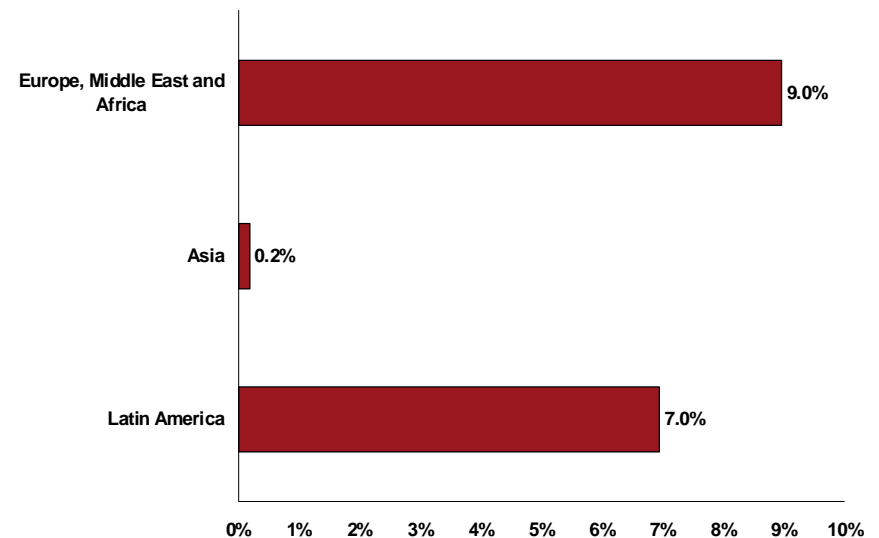


- International equities outperformed U.S. stocks, as the U.S. dollar declined by nearly 3% versus the yen and euro, which positively impacted the returns of foreign stocks in U.S. dollars
- As in the U.S., international growth stocks outperformed international value stocks during the quarter and 2007
- Europe (ex-UK) rose 0.5% in U.S. dollar terms, as GDP growth remained above trend; Japanese stocks fell 6.1% in U.S. dollar terms due to ongoing concerns about slower economic growth
- Although the European Central Bank left interest rates unchanged during the quarter, the Bank of England cut interest rates by 25 basis points to 5.5% in an effort to fight a possible recession driven by weakness in the housing market and slower consumer spending
- Emerging markets gained 2.9% in local currency (3.6% in U.S. dollar terms) due to strong economic growth in Asia and Latin America and a lack of exposure to subprime mortgages that hurt developed markets; emerging markets also benefited from higher commodity prices

MSCI EAFE Index Style Returns

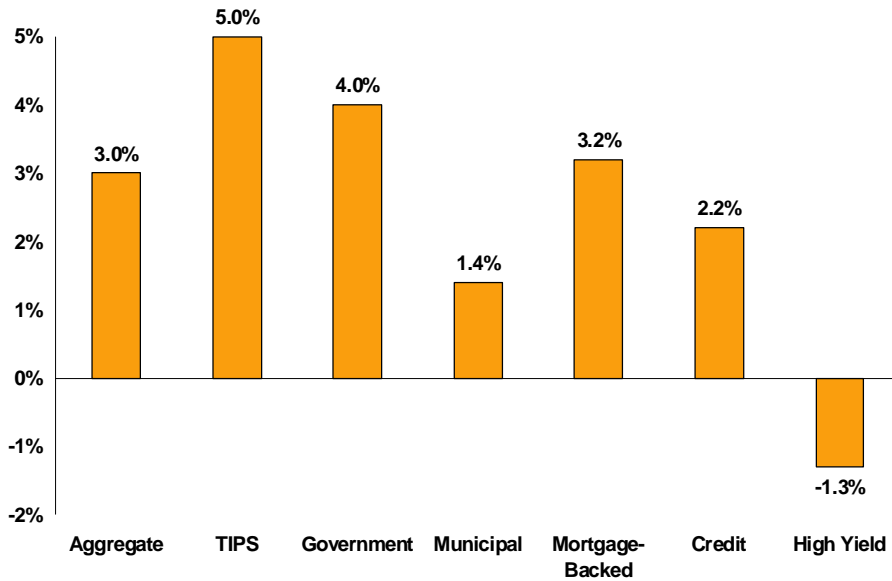


MSCI Emerging Markets Regional Quarterly Returns



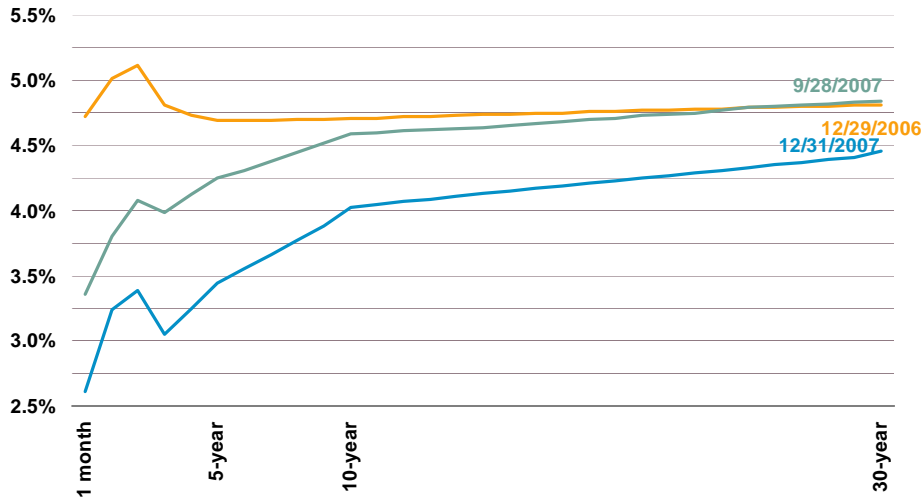
# Fourth Quarter 2007 – Fixed Income

## Lehman Brothers U.S. Fixed Income Index Returns

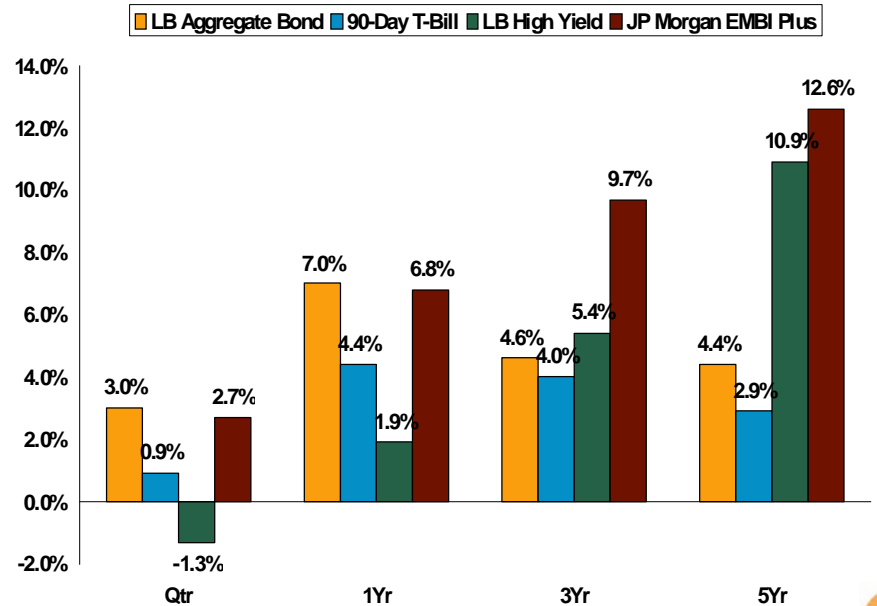


- The Federal Open Market Committee cut the Fed funds rate twice during the quarter by 25 basis points each at their October and December meetings, bringing the rate to 4.25% from 4.75%
- Fears of stagflation (slower growth with inflation) in the U.S., led to a “flight-to-quality” rally in Treasuries and TIPS, which gained 4% and 5% respectively and outperformed investment grade spread sectors
- High yield bonds declined 1.3%, as investors favored higher quality corporate bonds and less risky securities
- Asset-backed securities declined 0.8%, as investors sought to avoid a potential rise in default rates for the assets that collateralize these securities, such as credit cards and auto loans
- Global bonds posted strong returns during the quarter, with bonds denominated in local currencies benefiting from a weak U.S. dollar environment

## US Treasury Yield Curve

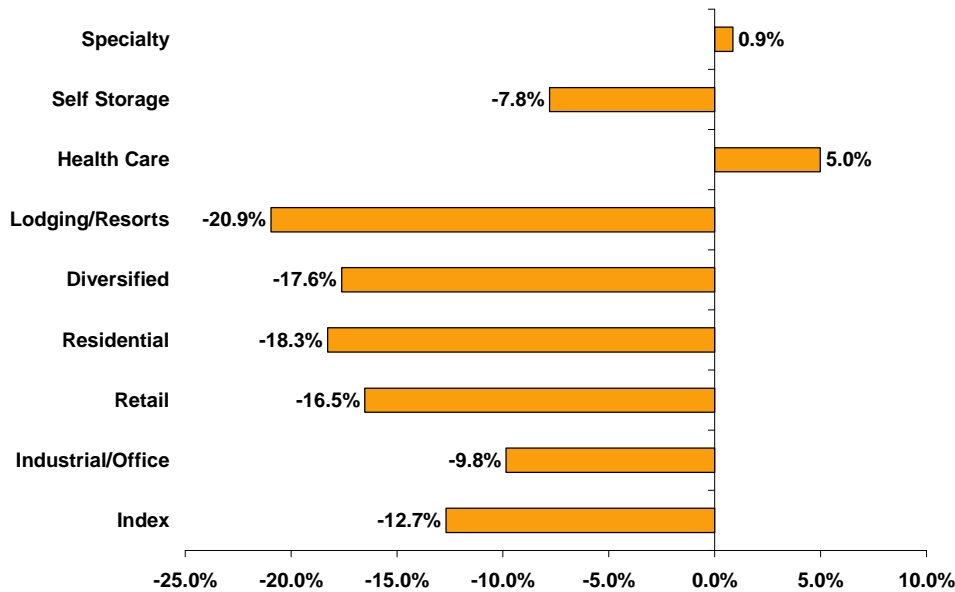


## Broad Fixed Income



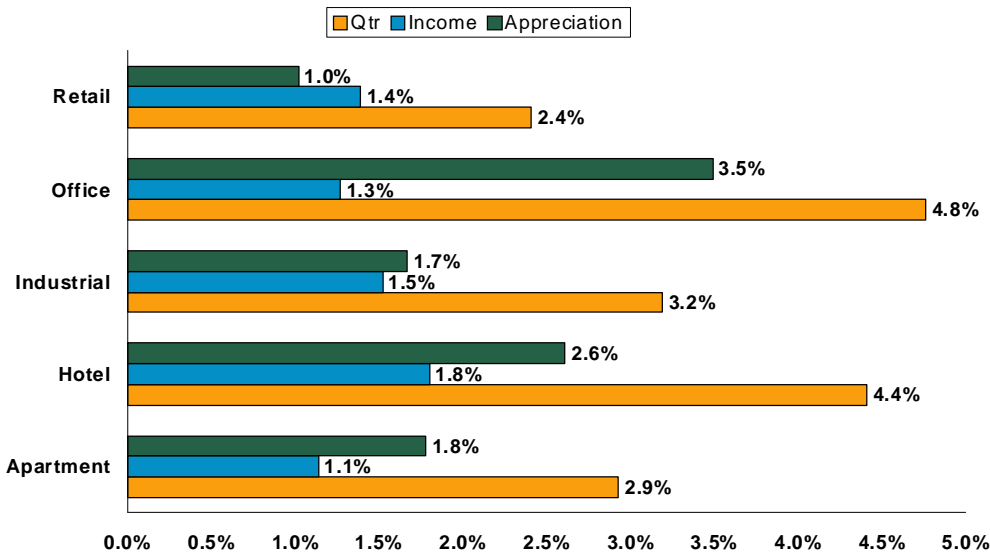
# Fourth Quarter 2007 – Real Estate

## NAREIT Equity REIT Index Sector Returns

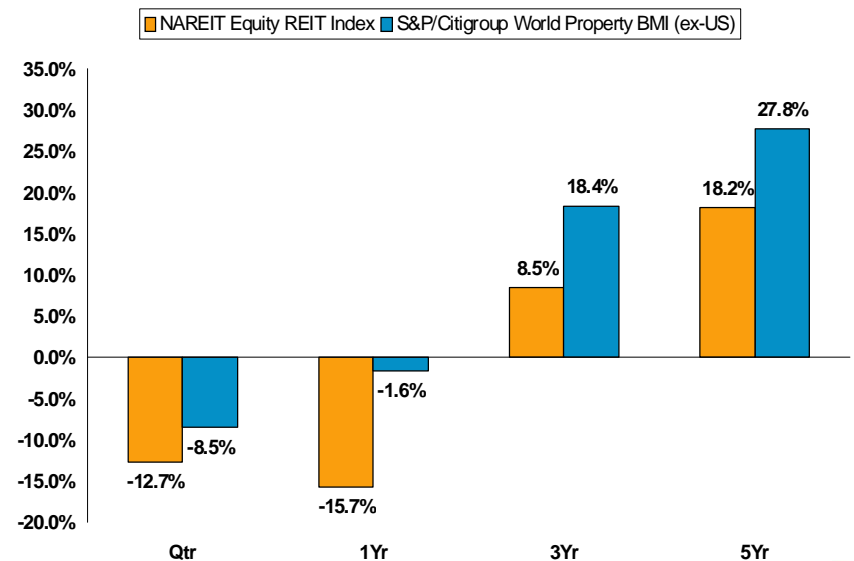


- U.S. REITs declined 12.7% due to stretched valuations while international REITs fell 8.5%; REITs comprise almost 9% of the Russell Small Cap Value Index, which detracted from REIT returns as pressure on small cap stocks negatively impacted REITs
- Lodging/Resorts was the worst performing sector, declining 20.9% as investors sold these REITs due to their economic sensitivity
- Health care was the best performing and only positive performing REIT sector, gaining 5%, as investors favored more defensive areas
- International REITs performance was led by weakness in Europe, which lost 12.8% amid global credit concerns; conversely, Asia was the best relative performing international REIT region declining by 7.3%, as Asia had higher asset values and economic growth remained strong
- Private real estate sector returns are posted on a quarter-lag, but were positive in all categories in the third quarter

## NCREIF National Property Index Sector Returns 3Q07

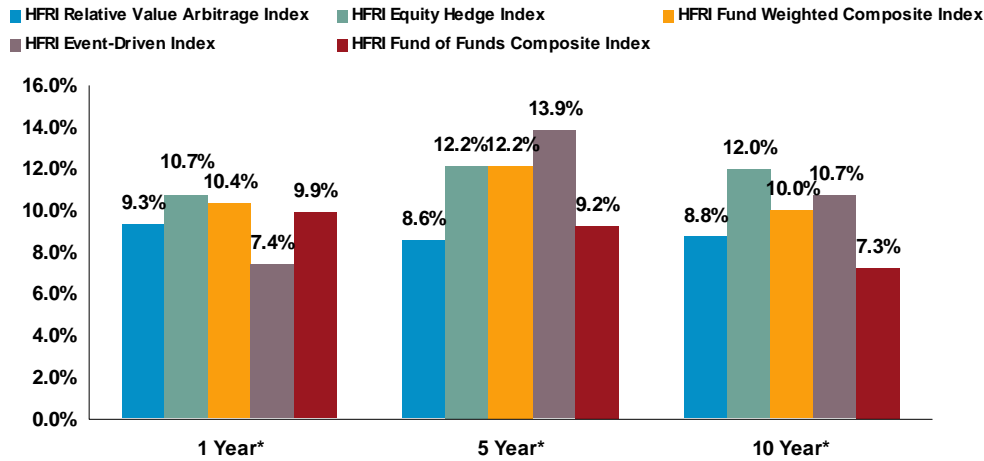


## Public Real Estate U.S. vs. International



# Fourth Quarter 2007 – Hedge Funds

## HFR Indices Style Returns



Source: HedgeFund Research

\*Annualized

- The HFRI Fund Weighted Composite returned 1.5% and was up nearly 10% in 2007
- The HFRI Merger Arbitrage strategy was the only strategy with negative returns due to several high profile deal breaks resulting in wider spreads on announced merger deals
- Macro and Relative Value strategies performed well due to sustained higher volatility in most global markets, resulting in wider price discrepancies between related securities and trading opportunities in global currency and energy markets
- Credit markets remained difficult and did not recover completely from the crises in the summer; liquidity remained weak and spreads have widened due to concerns over the strength of the U.S. economy
- Despite weaker credit markets, few distressed opportunities were created as default rates remained near all-time lows; the current environment provided few high return potential buying opportunities and created difficulties in managing risk for hedge funds
- Hedge funds, in aggregate, performed at or above expectations with all core strategies in positive territory in 2007; the second half of the year was disappointing on an absolute basis, however, as most strategies provided the majority of their return through the first half of the year

## Performance Summary (% Return)

Strategy	Quarter	YTD	1 Year*	3 Year*	5 Year*	10 Year*
HFRI Emerging Markets (Total)	3.8%	24.9%	24.9%	23.4%	25.4%	12.7%
HFRI Macro Index	4.3%	12.2%	12.2%	9.0%	10.5%	9.2%
HFRI Relative Value Arbitrage Index	2.6%	9.3%	9.3%	9.2%	8.6%	8.8%
HFRI Equity Market Neutral Index	1.5%	5.8%	5.8%	6.4%	5.2%	6.3%
HFRI Equity Hedge Index	0.9%	10.7%	10.7%	11.0%	12.2%	12.0%
HFRI Fund Weighted Composite Index	1.5%	10.4%	10.3%	10.8%	12.1%	10.0%
HFRI Distressed Securities Index	0.6%	6.3%	6.3%	10.1%	15.5%	10.9%
HFRI Sector (Total)	1.0%	10.8%	10.8%	12.1%	14.9%	11.6%
HFRI Fixed Income (Total)	0.6%	2.7%	2.7%	5.7%	7.4%	6.5%
HFRI Event-Driven Index	0.2%	7.4%	7.4%	9.9%	13.9%	10.7%
HFRI Fund of Funds Composite Index	1.7%	9.9%	9.9%	9.3%	9.2%	7.3%
HFRI Merger Arbitrage Index	-0.2%	6.7%	6.7%	9.0%	7.7%	7.9%
HFRI Convertible Arbitrage Index	0.2%	4.9%	4.9%	4.9%	5.1%	8.4%

Source: HedgeFund Research

\*Annualized

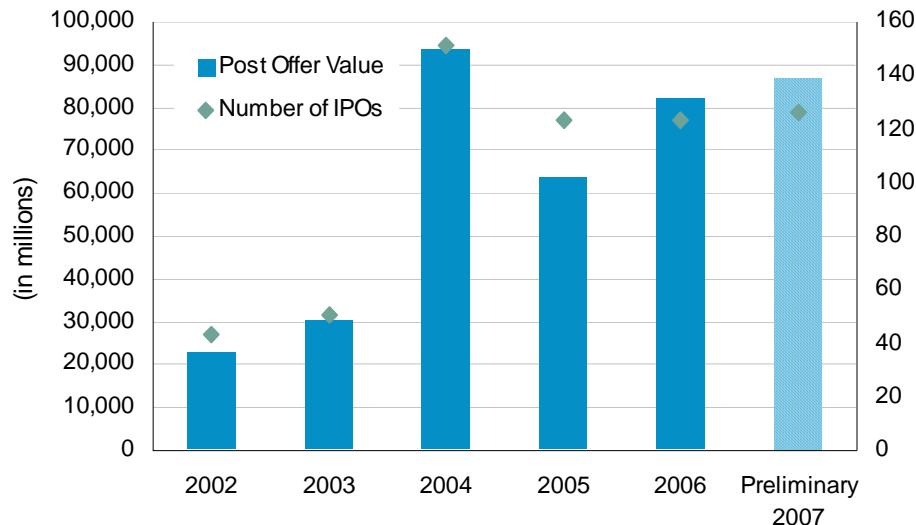


# Fourth Quarter 2007 – Private Equity

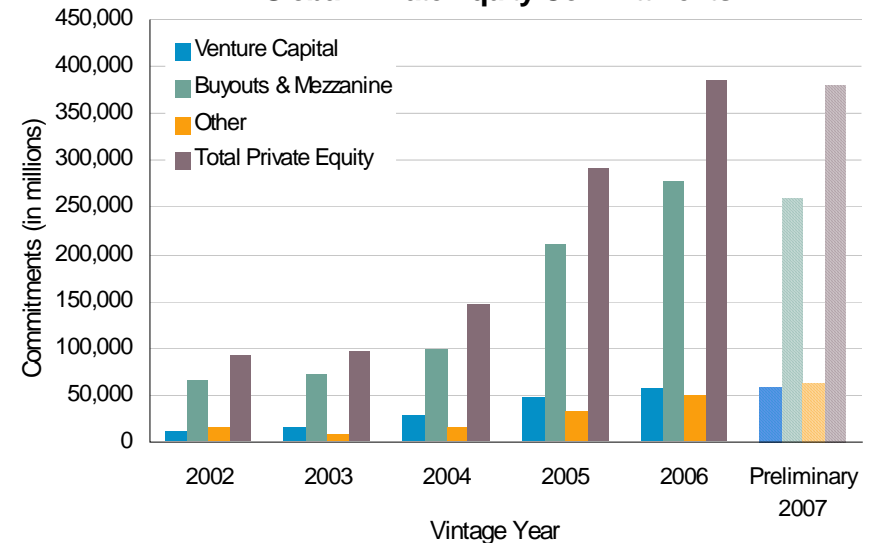
Venture Economics Data As of 9/30/07		
	Venture	Buyouts
1 Yr.	32.3%	27.9%
3 Yr.	10.4%	14.9%
5 Yr.	6.7%	14.3%
10 Yr.	19.3%	8.3%
20 Yr.	16.4%	12.8%

- Performance for venture funds improved dramatically over the last quarter due to the recent increase in IPOs and larger acquisitions
- The exit market improved in 2007 due to a strong IPO market as 86 venture-backed firms went public for an aggregate post-offer value of \$53.6 billion compared to 57 firms in 2006 for \$22.2 billion
- The number of venture-backed firms acquired in 2007 declined to 304 from 363 in 2006, although the average disclosed value increased to \$175 million from \$111 million in 2006
- Performance of buyout funds through the third quarter remained strong especially in the mega/large category; however, investors have lower expectations going forward given the state of the credit markets
- Preliminary global commitments to private equity for 2007 have kept pace with 2006, totaling \$379.3 billion, including \$258.2 billion in buyouts & mezzanine despite a slow down in the 4th quarter
- The investment pace of global private equity managers slowed in the second half of 2007 declining nearly 20% to \$37.1 billion

## Global Venture Backed Initial Public Offerings



## Global Private Equity Commitments



# Sample Client

## Composite Performance Review

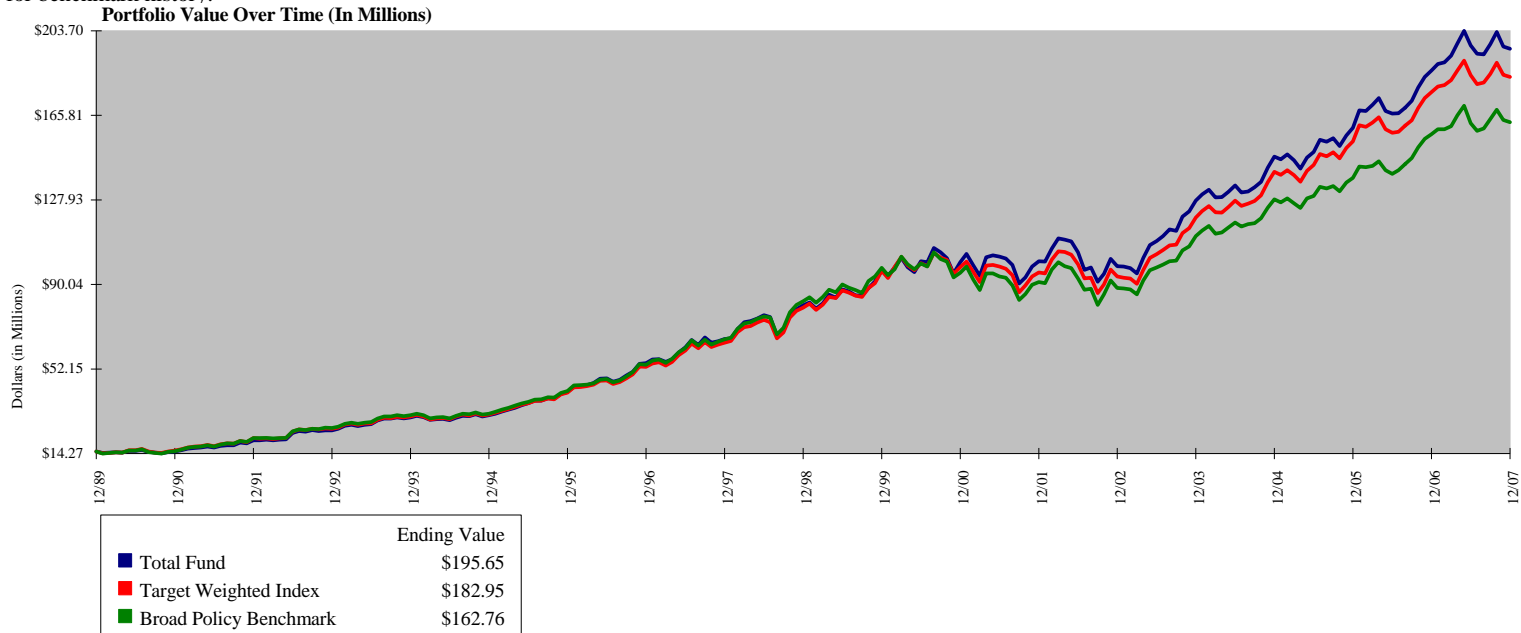
### Report for Periods Ending December 31, 2007

	Annualized							Since	Since
<u>Total Fund</u>	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>10Yr</u>	<u>9/94</u>	<u>12/89</u>	
Target Weighted Index <sup>1</sup>	-1.6%	8.9%	11.3%	15.2%	7.9%	8.9%	11.4%	10.7	
Broad Policy Benchmark <sup>2</sup>	-1.4	7.7	10.7	14.8	7.1	8.4	10.7	10.2	
	-1.5	7.9	9.9	13.5	5.6	6.9	9.6	9.5	

**Footnotes:**

<sup>1</sup> Target Weighted Index is currently comprised of: 23.0% S&P 500 Index, 12.0% S&P MidCap 400 Index, 12.0% Russell 2000 Index, 12.0% MSCI EAFE Index, 6.0% MSCI Small Cap EAFE Index, 6.0% MSCI Emerging Markets Free Index, 10.0% LB Aggregate Bond Index, 5.0% LB TIPS Index, 1.0% NCREIF Property Index, 3.0% Venture Economics, 5.0% US T-Bill + 5%, and 5.0% CSFB Leveraged Loan Index. Please see Appendix for benchmark history.

<sup>2</sup> Broad Policy Benchmark is currently comprised of: 60.0% Russell 3000 Index, 20.0% MSCI AC World Index ex-US, and 20.0% LB Aggregate Bond Index. Please see Appendix for benchmark history.



**Sample Client**  
**Summary of Investment Performance**  
**Report for Periods Ending December 31, 2007**

	Annualized									
	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>10Yr</u>	<u>Since 9/94</u>	<u>Since Inception</u>	<u>(Date)</u>	<u>Market Value</u>
<b><u>Total Fund</u></b>	<b>-1.6%</b>	<b>8.9%</b>	<b>11.3%</b>	<b>15.2%</b>	<b>7.9%</b>	<b>8.9%</b>	<b>11.4%</b>	<b>10.7%</b>	<i>(12/89)</i>	<i>\$195,648,567</i>
Target Weighted Index <sup>1</sup>	-1.4	7.7	10.7	14.8	7.1	8.4	10.7	10.2		
Broad Policy Benchmark <sup>2</sup>	-1.5	7.9	9.9	13.5	5.6	6.9	9.6	9.5		
<b><u>U.S. Equity Composite</u></b>	<b>-4.9</b>	<b>2.7</b>	<b>7.9</b>	<b>13.6</b>	<b>4.9</b>	<b>7.8</b>	<b>11.9</b>	<b>11.0</b>	<i>(12/89)</i>	<i>80,808,609</i>
Target Weighted Index <sup>3</sup>	-3.5	4.3	8.6	15.0	5.9	7.8	12.0	11.2		
Style Weighted Index <sup>4</sup>	-4.1	2.6	8.5	14.9	5.9	7.7	12.0	11.2		
<b><u>Large Cap Equity</u></b>										
<b>Large Cap Manager</b>	<b>-5.8</b>	<b>-0.1</b>	-	-	-	-	-	<b>10.6</b>	<i>(6/05)</i>	<i>9,842,697</i>
Russell 1000 Value Index	-5.8	-0.2	-	-	-	-	-	10.5		
<b><u>Mid Cap Equity</u></b>										
<b>Mid Cap Manager</b>	<b>-4.4</b>	<b>5.1</b>	-	-	-	-	-	<b>8.6</b>	<i>(9/05)</i>	<i>18,238,499</i>
S&P Midcap 400 Index	-2.7	8.0	-	-	-	-	-	9.7		
<b><u>Small Cap Equity</u></b>										
<b>Small Cap Manager</b>	<b>-5.2</b>	<b>23.8</b>	<b>13.6</b>	<b>16.4</b>	<b>3.0</b>	-	-	<b>8.9</b>	<i>(9/98)</i>	<i>5,952,888</i>
Russell 2000 Growth Index	-2.1	7.0	8.1	16.5	4.5	-	-	7.0		
<b><u>International Equity</u></b>										
<b>International Equity Manager</b>	<b>1.6</b>	<b>18.5</b>	<b>20.2</b>	<b>24.6</b>	<b>12.3</b>	<b>11.5</b>	<b>11.8</b>	<b>11.8</b>	<i>(9/94)</i>	<i>28,981,518</i>
MSCI EAFE Value Index	-3.3	6.0	16.3	23.2	10.0	10.7	9.5	9.5		
MSCI EAFE Index	-1.8	11.2	16.8	21.6	8.4	8.7	7.9	7.9		
<b>Emerging Markets Manager</b>	<b>2.7</b>	<b>45.6</b>	<b>38.0</b>	-	-	-	-	<b>44.2</b>	<i>(6/04)</i>	<i>11,819,647</i>
MSCI Emerging Markets Free Index	3.6	39.4	35.2	-	-	-	-	38.5		
<b><u>Fixed Income</u></b>										
<b>Fixed Income Manager</b>	<b>3.5</b>	<b>8.3</b>	<b>5.1</b>	-	-	-	-	<b>4.6</b>	<i>(3/04)</i>	<i>20,346,546</i>
LB Aggregate Bond Index	3.0	7.0	4.6	-	-	-	-	4.1		



**Sample Client**  
**Summary of Investment Performance**  
**Report for Periods Ending December 31, 2007**

	Annualized						Since	Since	(Date)	Market Value
	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>10Yr</u>	<u>9/94</u>	<u>Inception</u>		
<b><u>Hedge Fund</u></b>										
<b>Hedge Fund Manager</b>	<b>1.6%</b>	<b>11.5%</b>	<b>9.7%</b>	-	-	-	-	<b>8.7%</b>	(3/04)	\$8,875,341
US T-Bill + 5%	2.1	9.4	9.0	-	-	-	-	8.5		
HFRI Fund of Funds	2.0	10.3	9.4	-	-	-	-	8.4		
<b><u>Private Real Estate</u></b>										
<b>Private Real Estate Manager</b>	<b>0.0</b>	<b>1.5</b>	<b>9.6</b>	<b>13.2</b>	<b>10.7</b>	-	-	<b>10.7</b>	(12/00)	779,339
NCREIF Property Index	3.2	15.8	17.5	15.1	12.8	-	-	12.8		
NAREIT Index	-11.9	-17.8	6.1	16.6	14.8	-	-	14.8		
<b><u>Private Equity</u></b>										
<b>Private Equity Manager</b>	<b>0.0</b>	<b>17.7</b>	<b>29.7</b>	<b>25.0</b>	<b>13.6</b>	-	-	<b>9.9</b>	(7/00)	2,228,459
Venture Economics	0.0	17.1	20.0	19.5	7.9	-	-	6.2		
<b><u>Natural Resources</u></b>										
<b>Natural Resources Manager</b>	<b>0.0</b>	<b>8.1</b>	<b>13.9</b>	-	-	-	-	<b>8.9</b>	(12/03)	3,406,185

**Footnotes:**

\* Performance returns are net of investment management fees.

\* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

\* Manager data represents the most current available at the time of report publication.

\* Hedge fund market values and rates of return may be based on estimates and may be revised until completion of an annual audit.

\* The fiscal year ends in December.

<sup>1</sup> Target Weighted Index is currently comprised of: 23.0% S&P 500 Index, 12.0% S&P MidCap 400 Index, 12.0% Russell 2000 Index, 12.0% MSCI EAFE Index, 6.0% MSCI Small Cap EAFE Index, 6.0% MSCI Emerging Markets Free Index, 10.0% LB Aggregate Bond Index, 5.0% LB TIPS Index, 1.0% NCREIF Property Index, 3.0% Venture Economics, 5.0% US T-Bill + 5%, and 5.0% CSFB Leveraged Loan Index. Please see Appendix for benchmark history.

<sup>2</sup> Broad Policy Benchmark is currently comprised of: 60.0% Russell 3000 Index, 20.0% MSCI AC World Index ex-US, and 20.0% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>3</sup> Target Weighted Index is currently comprised of: 50.0% S&P 500 Index, 25.0% S&P MidCap 400 Index, and 25.0% Russell 2000 Index. Please see Appendix for benchmark history.

<sup>4</sup> Style Weighted Index is currently comprised of: 40.0% S&P 500 Index, 10.0% Russell 1000 Value Index, 25.0% S&P MidCap 400 Index, 6.3% Russell 2000 Growth Index, and 18.7% Russell 2000 Value Index. Please see Appendix for benchmark history.



# Sample Client

## Calendar Year Performance

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b><u>Total Fund</u></b>	<b>8.9%</b>	<b>16.9%</b>	<b>8.2%</b>	<b>12.8%</b>	<b>30.4%</b>	<b>-13.0%</b>	<b>-3.7%</b>	<b>1.1%</b>	<b>18.5%</b>	<b>15.6%</b>
Target Weighted Index <sup>1</sup>	7.7	15.2	9.2	14.3	28.8	-13.3	-6.6	-1.0	20.0	16.9
Broad Policy Benchmark <sup>2</sup>	7.9	15.1	7.0	11.7	26.7	-14.6	-8.8	-5.0	17.5	18.6
<b><u>U.S. Equity Composite</u></b>	<b>2.7</b>	<b>15.7</b>	<b>5.6</b>	<b>11.6</b>	<b>34.8</b>	<b>-21.6</b>	<b>-5.6</b>	<b>0.4</b>	<b>25.6</b>	<b>19.9</b>
Target Weighted Index <sup>3</sup>	4.3	15.1	6.8	15.1	36.0	-20.1	-6.8	-2.9	21.8	19.4
Style Weighted Index <sup>4</sup>	2.6	17.0	6.3	15.1	36.0	-20.1	-6.8	-2.9	21.8	19.4
<b><u>Large Cap Equity</u></b>										
<b>Large Cap Manager</b>	<b>-0.1</b>	<b>22.3</b>	-	-	-	-	-	-	-	-
Russell 1000 Value Index	-0.2	22.2	-	-	-	-	-	-	-	-
<b><u>Mid Cap Equity</u></b>										
<b>Mid Cap Manager</b>	<b>5.1</b>	<b>11.4</b>	-	-	-	-	-	-	-	-
S&P Midcap 400 Index	8.0	10.3	-	-	-	-	-	-	-	-
<b><u>Small Cap Equity</u></b>										
<b>Small Cap Manager</b>	<b>23.8</b>	<b>15.2</b>	<b>2.8</b>	<b>-0.7</b>	<b>46.8</b>	<b>-37.4</b>	<b>-8.0</b>	<b>-2.2</b>	<b>42.6</b>	-
Russell 2000 Growth Index	7.0	13.3	4.2	14.3	48.5	-30.3	-9.2	-22.4	43.1	-
<b><u>International Equity</u></b>										
<b>International Equity Manager</b>	<b>18.5</b>	<b>29.0</b>	<b>13.6</b>	<b>21.2</b>	<b>42.6</b>	<b>-14.8</b>	<b>-12.1</b>	<b>-5.9</b>	<b>27.3</b>	<b>10.2</b>
MSCI EAFE Value Index	6.0	30.4	13.8	24.3	45.3	-15.9	-18.5	-3.1	24.1	17.7
MSCI EAFE Index	11.2	26.3	13.5	20.2	38.6	-15.9	-21.4	-14.2	27.0	20.0
<b>Emerging Markets Manager</b>	<b>45.6</b>	<b>37.9</b>	<b>30.8</b>	-	-	-	-	-	-	-
MSCI Emerging Markets Free Index	39.4	32.2	34.0	-	-	-	-	-	-	-
<b><u>Fixed Income</u></b>										
<b>Fixed Income Manager</b>	<b>8.3</b>	<b>4.1</b>	<b>3.2</b>	-	-	-	-	-	-	-
LB Aggregate Bond Index	7.0	4.3	2.4	-	-	-	-	-	-	-



# Sample Client

## Calendar Year Performance

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<b><u>Hedge Fund</u></b>										
<b>Hedge Fund Manager</b>	<b>11.5%</b>	<b>12.8%</b>	<b>5.1%</b>	-	-	-	-	-	-	-
US T-Bill + 5%	9.4	9.7	8.1	-	-	-	-	-	-	-
HFRI Fund of Funds	10.3	10.4	7.5	-	-	-	-	-	-	-
<b><u>Private Real Estate</u></b>										
<b>Private Real Estate Manager</b>	<b>1.5</b>	<b>-7.5</b>	<b>40.1</b>	<b>23.5</b>	<b>14.4</b>	<b>2.4</b>	<b>7.4</b>	-	-	-
NCREIF Property Index	15.8	16.6	20.1	14.5	9.0	6.7	7.3	-	-	-
NAREIT Index	-17.8	34.4	8.3	30.4	38.5	5.2	15.5	-	-	-
<b><u>Private Equity</u></b>										
<b>Private Equity Manager</b>	<b>17.7</b>	<b>30.1</b>	<b>42.6</b>	<b>25.3</b>	<b>11.5</b>	<b>-8.7</b>	<b>-12.3</b>	-	-	-
Venture Economics	17.1	20.7	22.4	17.7	19.5	-13.1	-19.3	-	-	-
<b><u>Natural Resources</u></b>										
<b>Natural Resources Manager</b>	<b>8.1</b>	<b>22.9</b>	<b>11.2</b>	<b>-4.8</b>	-	-	-	-	-	-

**Footnotes:**

\* Performance returns are net of investment management fees.

\* Calculated returns may differ from the manager's due to differences in security pricing and/or cash flows.

\* Manager data represents the most current available at the time of report publication.

\* The fiscal year ends in December.

<sup>1</sup> Target Weighted Index is currently comprised of: 23.0% S&P 500 Index, 12.0% S&P MidCap 400 Index, 12.0% Russell 2000 Index, 12.0% MSCI EAFE Index, 6.0% MSCI Small Cap EAFE Index, 6.0% MSCI Emerging Markets Free Index, 10.0% LB Aggregate Bond Index, 5.0% LB TIPS Index, 1.0% NCREIF Property Index, 3.0% Venture Economics, 5.0% US T-Bill + 5%, and 5.0% CSFB Leveraged Loan Index. Please see Appendix for benchmark history.

<sup>2</sup> Broad Policy Benchmark is currently comprised of: 60.0% Russell 3000 Index, 20.0% MSCI AC World Index ex-US, and 20.0% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>3</sup> Target Weighted Index is currently comprised of: 50.0% S&P 500 Index, 25.0% S&P MidCap 400 Index, and 25.0% Russell 2000 Index. Please see Appendix for benchmark history.

<sup>4</sup> Style Weighted Index is currently comprised of: 40.0% S&P 500 Index, 10.0% Russell 1000 Value Index, 25.0% S&P MidCap 400 Index, 6.3% Russell 2000 Growth Index, and 18.7% Russell 2000 Value Index. Please see Appendix for benchmark history.



**Sample Client**  
**Schedule of Asset and Style Allocation**  
**Report for Periods Ending December 31, 2007**

<b>Asset Class</b>	<b>Current Weight</b>	<b>Target Weight</b>	<b>Target Range</b>
Large Cap Equity	10.0%	25.0%	20.0% - 30.0%
Mid Cap Equity	18.5%	15.0%	10.0% - 20.0%
Small Cap Equity	6.0%	15.0%	10.0% - 20.0%
International Equity	29.4%	15.0%	10.0% - 20.0%
Fixed Income	20.6%	15.0%	15.0% - 25.0%
FOF - Hedge Fund	9.0%	5.0%	0.0% - 10.0%
Natural Resources	3.5%	2.5%	0.0% - 5.0%
Private Equity	2.3%	2.5%	0.0% - 5.0%
FOF - Private Real Estate	0.8%	5.0%	0.0% - 10.0%
Cash	0.0%	0.0%	0.0% - 10.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

<b>Asset Class - Style</b>	<b>Manager</b>	<b>Portfolio Invested</b>	<b>Portfolio Cash</b>	<b>Market Value</b>	<b>Current Weight</b>
Large Cap Equity - Value	Large Cap Manager	100.0%	0.0%	\$9,842,697	10.0%
Mid Cap Equity - Broad	Mid Cap Manager	100.0%	0.0%	\$18,238,499	18.5%
Small Cap Equity - Growth	Small Cap Manager	100.0%	0.0%	\$5,952,888	6.0%
International Equity - Value	International Equity Manager	100.0%	0.0%	\$28,981,518	29.4%
Fixed Income - Core	Fixed Income Manager	100.0%	0.0%	\$20,346,546	20.6%
FOF - Hedge Fund - Absolute Return	Hedge Fund Manager	100.0%	0.0%	\$8,875,341	9.0%
Natural Resources - Energy	Natural Resources Manager	100.0%	0.0%	\$3,406,185	3.5%
Private Equity - Buyout	Private Equity Manager	100.0%	0.0%	\$2,228,459	2.3%
FOF - Private Real Estate - Value Added	Private Real Estate Manager	100.0%	0.0%	\$779,339	0.8%
<b>Total</b>				<b>\$98,651,472</b>	<b>100.0%</b>



**Sample Client**  
**Summary of Illiquid Investments**  
**Report for Periods Ending December 31, 2007**

	<b><u>Committed Capital</u></b>	<b><u>Called Capital</u></b>	<b><u>% Called</u></b>	<b><u>Distributed Capital</u></b>	<b><u>Fair Market Value</u></b>	<b><u>Multiple of Called Capital</u></b>	<b><u>Fair MV as a % of Total Fund</u></b>	<b><u>Target MV as a % of Total Fund</u></b>
Real Estate Manager	\$5,000,000	\$4,525,000	91%	\$6,008,885	\$779,339	1.5	0.4%	5.0%
Private Equity Manager	3,000,000	2,913,000	97	2,790,754	2,228,459	1.7	1.1	2.5
Natural Resources Manager	5,000,000	4,350,000	87	2,041,739	3,406,185	1.3	1.7	2.5
<b>Total Illiquid Investments</b>	<b>\$13,000,000</b>	<b>\$11,788,000</b>	<b>91%</b>	<b>\$10,841,378</b>	<b>\$6,413,983</b>	<b>1.5</b>	<b>3.3%</b>	<b>10.0%</b>

\* Fair Market Value estimate based on the most recent valuation, adjusted for capital calls and distributions after the valuation date.



**Sample Client**  
**Summary of Real Estate Manager**  
**Report for Periods Ending December 31, 2007**

	<u>Committed Capital</u>	<u>Called Capital</u>	<u>% Called</u>	<u>Distributed Capital</u>	<u>Fair Market Value</u>	<u>Multiple of Called Capital</u>	<u>IRR</u> *	<u>Vintage Year</u>
<i>Real Estate Manager</i>								
Private Real Estate Manager	\$5,000,000	\$4,525,000	91%	\$6,008,885	\$779,339	1.5	12.5%	2000, 2001, 2002
<b>Real Estate Manager</b>	<b>\$5,000,000</b>	<b>\$4,525,000</b>	<b>91%</b>	<b>\$6,008,885</b>	<b>\$779,339</b>	<b>1.5</b>		

\* Fair Market Value estimate based on the most recent valuation, adjusted for capital calls and distributions after the valuation date.

\* Investment IRR is calculated through previous quarter-end and will not be calculated for the first two years.



**Sample Client**  
**Summary of Private Equity Manager**  
**Report for Periods Ending December 31, 2007**

	<u>Committed Capital</u>	<u>Called Capital</u>	<u>% Called</u>	<u>Distributed Capital</u>	<u>Fair Market Value</u>	<u>Multiple of Called Capital</u>	<u>IRR</u> *	<u>Vintage Year</u>
<i>Private Equity Manager</i>								
Private Equity Manager	\$3,000,000	\$2,913,000	97%	\$2,790,754	\$2,228,459	1.7	20.5%	2000, 2001, 2002
<b>Private Equity Manager</b>	<b>\$3,000,000</b>	<b>\$2,913,000</b>	<b>97%</b>	<b>\$2,790,754</b>	<b>\$2,228,459</b>	<b>1.7</b>		

\* Fair Market Value estimate based on the most recent valuation, adjusted for capital calls and distributions after the valuation date.

\* Investment IRR is calculated through previous quarter-end and will not be calculated for the first two years.



**Sample Client**  
**Summary of Natural Resources Manager**  
**Report for Periods Ending December 31, 2007**

	<b><u>Committed Capital</u></b>	<b><u>Called Capital</u></b>	<b><u>% Called</u></b>	<b><u>Distributed Capital</u></b>	<b><u>Fair Market Value</u></b>	<b><u>Multiple of Called Capital</u></b>	<b><u>IRR</u></b> *	<b><u>Vintage Year</u></b>
<i>Natural Resources Manager</i>								
Natural Resources Manager	\$5,000,000	\$4,350,000	87%	\$2,041,739	\$3,406,185	1.3	15.7%	2003
<b>Natural Resources Manager</b>	<b>\$5,000,000</b>	<b>\$4,350,000</b>	<b>87%</b>	<b>\$2,041,739</b>	<b>\$3,406,185</b>	<b>1.3</b>		

\* Fair Market Value estimate based on the most recent valuation, adjusted for capital calls and distributions after the valuation date.

\* Investment IRR is calculated through previous quarter-end and will not be calculated for the first two years.



**Sample Client**  
**Investment Policy Adherence**  
**Report for Periods Ending December 31, 2007**

Performance Objectives	Result	Objective Achieved
<b>Measurement Period:</b> Moving 5 Year		
Return > Benchmark	Return over benchmark = 0.4%	Yes
Beta < 1.20	Beta = 1.05	Yes
Alpha > 0.0%	Alpha = -0.2%	No
Peer Group Rank > 50th Percentile	Ranks in Top 25th Percentile	Yes

Statistical Measures	<u>Sharpe Ratio</u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Total Fund</b>	<b>1.3</b>	<b>9.3%</b>	<b>1.2%</b>	<b>0.3</b>
Target Weighted Index	1.4	8.7	0.0	--
Broad Policy Benchmark	1.3	8.2	1.4	0.9

Asset Growth Summary (in thousands)	Qtr	1Yr
Beginning Market Value	\$ 197,695	\$ 185,855
Net Contributions/(Distributions)	\$ 1,164	\$ (6,770)
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (3,210)</b>	<b>\$ 16,564</b>
<b>Ending Market Value</b>	<b>\$ 195,649</b>	<b>\$ 195,649</b>

\*Risk Statistics are based on monthly data.

<sup>1</sup>Target Weighted Index is currently comprised of: 23.0% S&P 500 Index, 12.0% S&P MidCap 400 Index, 12.0% Russell 2000 Index, 12.0% MSCI EAFE Index, 6.0% MSCI Small Cap EAFE Index, 6.0% MSCI Emerging Markets Free Index, 10.0% LB Aggregate Bond Index, 5.0% LB TIPS Index, 1.0% NCREIF Property Index, 3.0% Venture Economics, 5.0% US T-Bill + 5%, and 5.0% CSFB Leveraged Loan Index. Please see Appendix for benchmark history.

<sup>2</sup>Broad Policy Benchmark is currently comprised of: 60.0% Russell 3000 Index, 20.0% MSCI AC World Index ex-US, and 20.0% LB Aggregate Bond Index. Please see Appendix for benchmark history.

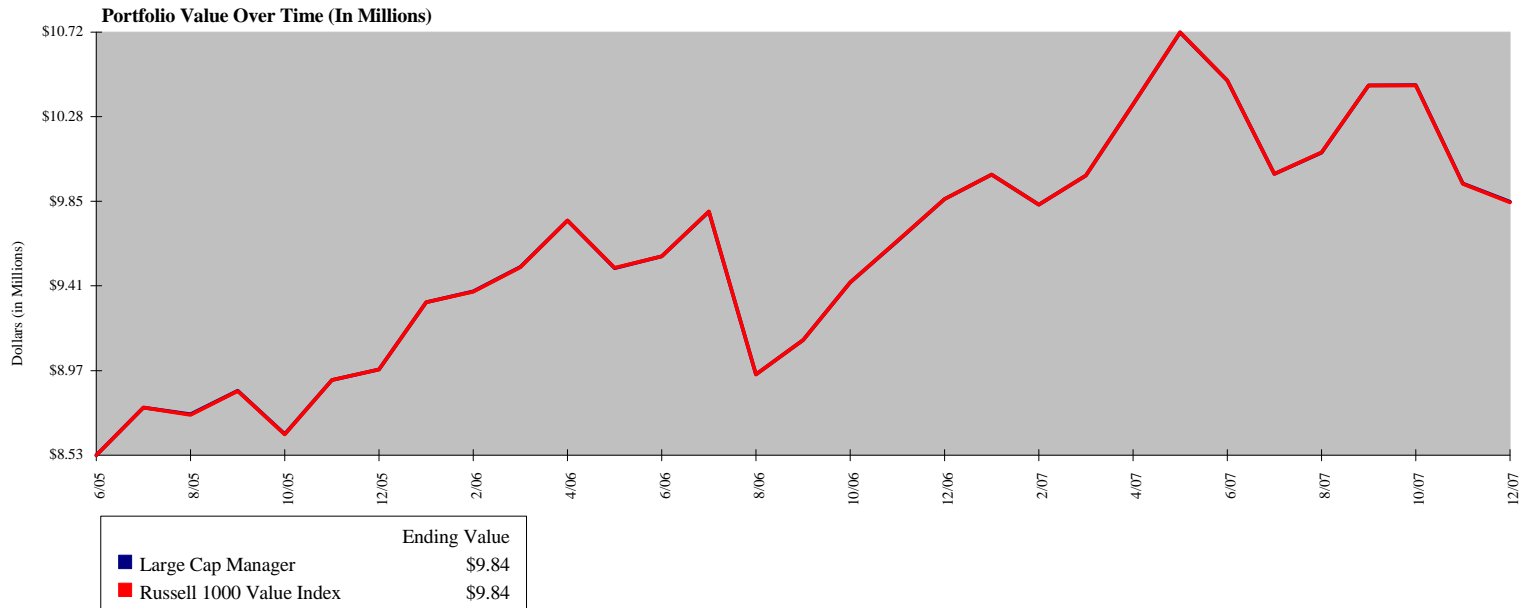
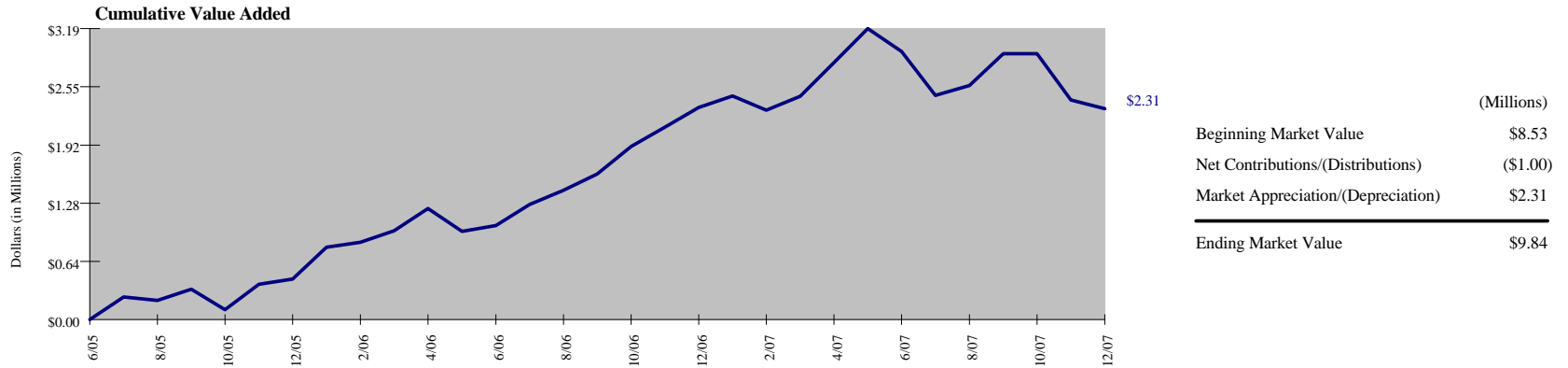


# Sample Client

## Large Cap Manager

### Cumulative Value Added and Portfolio Value Over Time

Report for Periods Ending December 31, 2007



# Sample Client

## Large Cap Manager

### Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending December 31, 2007

Performance Results	<u>Qtr</u>	<u>1Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Large Cap Manager</b>	<b>-5.8%</b>	<b>-0.1%</b>	<b>10.6%</b>	<b>6/05</b>
Russell 1000 Value Index	-5.8	-0.2	10.5	

Risk Statistics (Since 6/05)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Large Cap Manager</b>	<b>1.00</b>	<b>0.1%</b>	<b>0.93</b>	<b>9.2%</b>	<b>0.0%</b>	<b>1.8</b>
Russell 1000 Value Index	1.00	0.0	1.00	9.2	0.0	--

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Large Cap Manager</b>	<b>14.0</b>	<b>2.0</b>	<b>117,400.0M</b>	<b>2.7%</b>	<b>15.0%</b>
Russell 1000 Value Index	14.0	2.0	117,400.0	2.7	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>1Yr</u>
Beginning Market Value	\$ 10,447	\$ 9,857
Net Contributions/(Distributions)	\$ 0	\$ 0
<b>Market Appreciation/(Depreciation)</b>	<u>\$ (604)</u>	<u>\$ (14)</u>
<b>Ending Market Value</b>	<u>\$ 9,843</u>	<u>\$ 9,843</u>

\* Manager data represents the most current available at the time of report publication.

\* Risk Statistics are based on monthly data.



**Sample Client**  
**Large Cap Manager**

**Summary of Performance Relative to Investment Policy Statement Objectives**

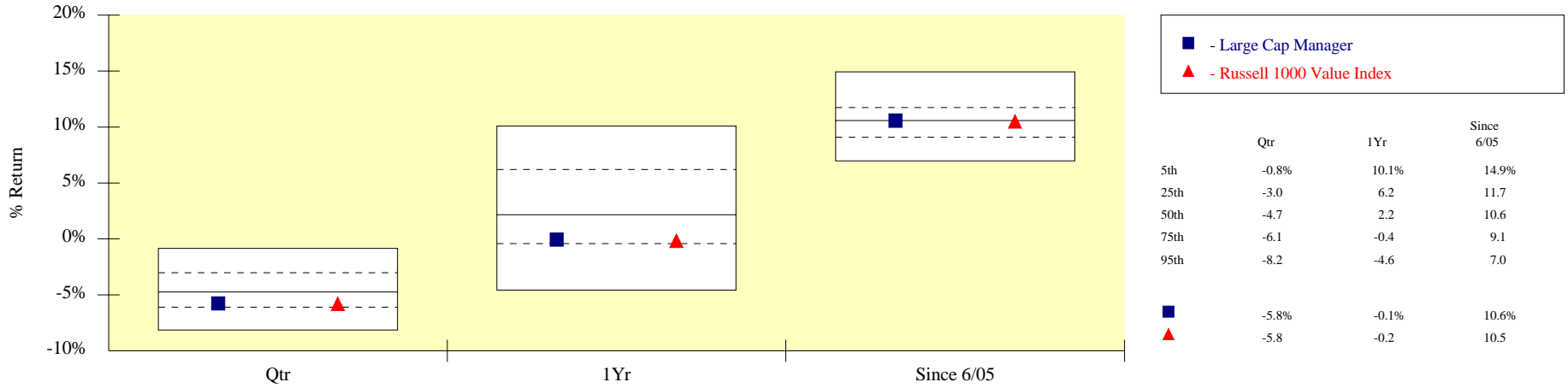
Report For Periods Ending December 31, 2007

<b>Performance Objectives</b>	<b>Result</b>	<b>Objective Achieved</b>
Time Period From 6/05 To 12/07		
Return > Benchmark	Return over benchmark = 0.1%	Yes
Beta < 1.20	Beta = 1.00	Yes
Alpha > 0.0%	Alpha = 0.1%	Yes
Peer Group Rank > 50th Percentile	Ranks in Bottom 50th Percentile	No

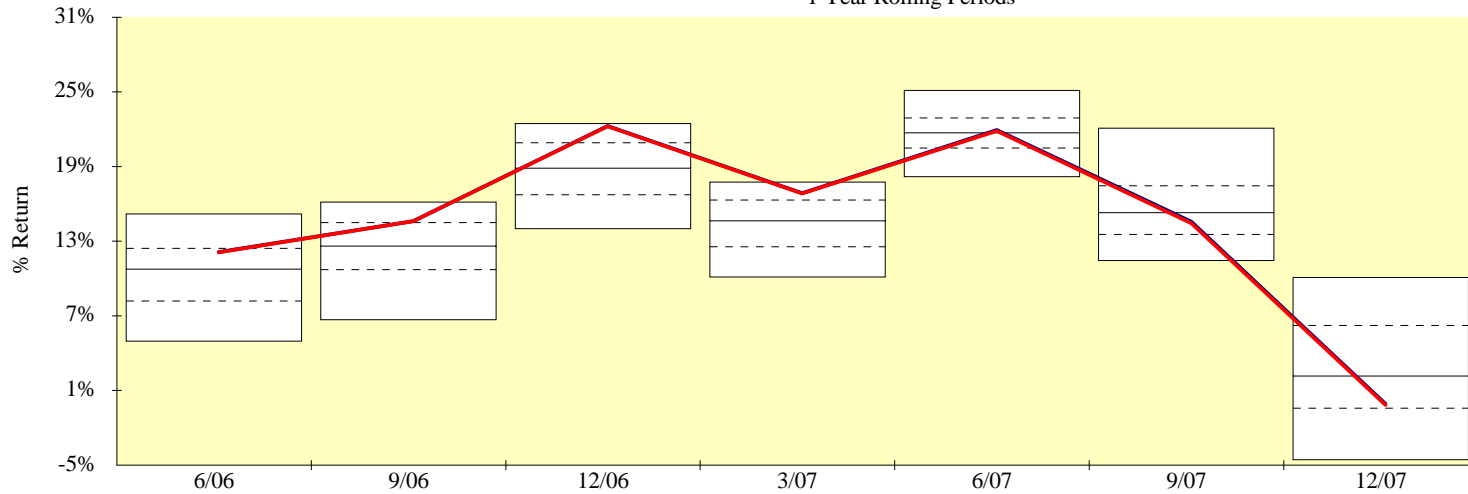


# Sample Client Large Cap Manager Large Cap Value Universe

For Report Periods Ending December 31, 2007



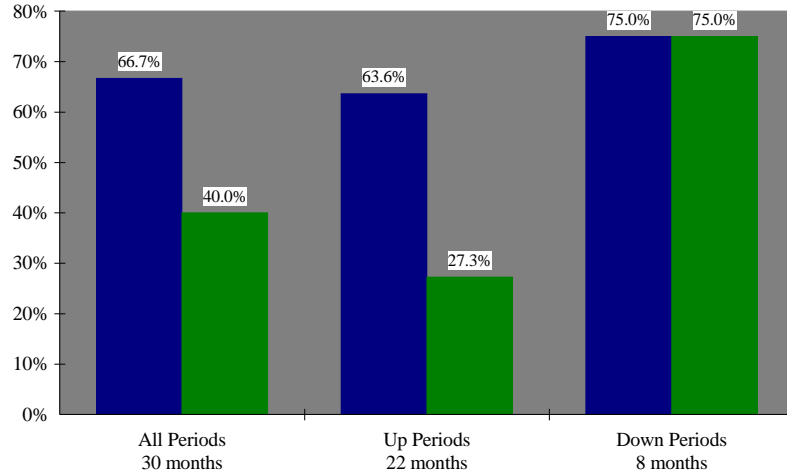
Report From June 30, 2005 to December 31, 2007  
1 Year Rolling Periods



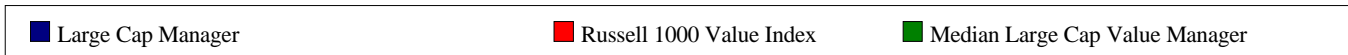
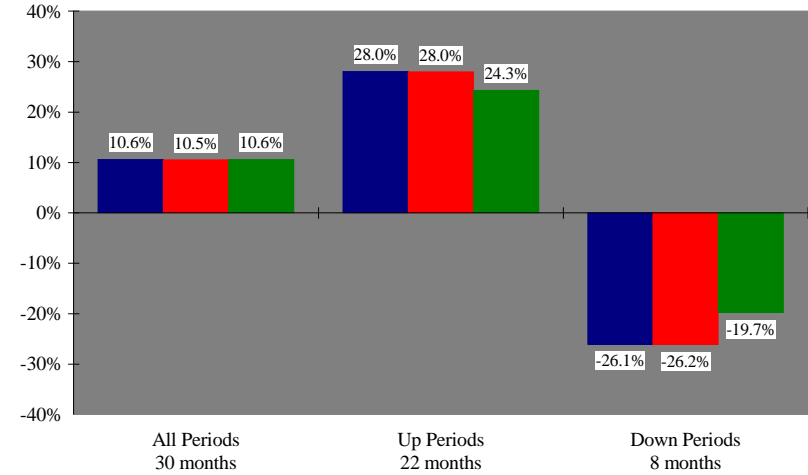
# Sample Client Large Cap Manager Returns Analysis

From June 30, 2005 to December 31, 2007

**Percent Of Periods Outperformed Russell 1000 Value Index**



**Annualized Returns for Up and Down Periods**



Up periods are defined as months in which the Russell 1000 Value Index's return is  $\geq 0$ .

Down periods are defined as months in which the Russell 1000 Value Index's return is  $< 0$ .

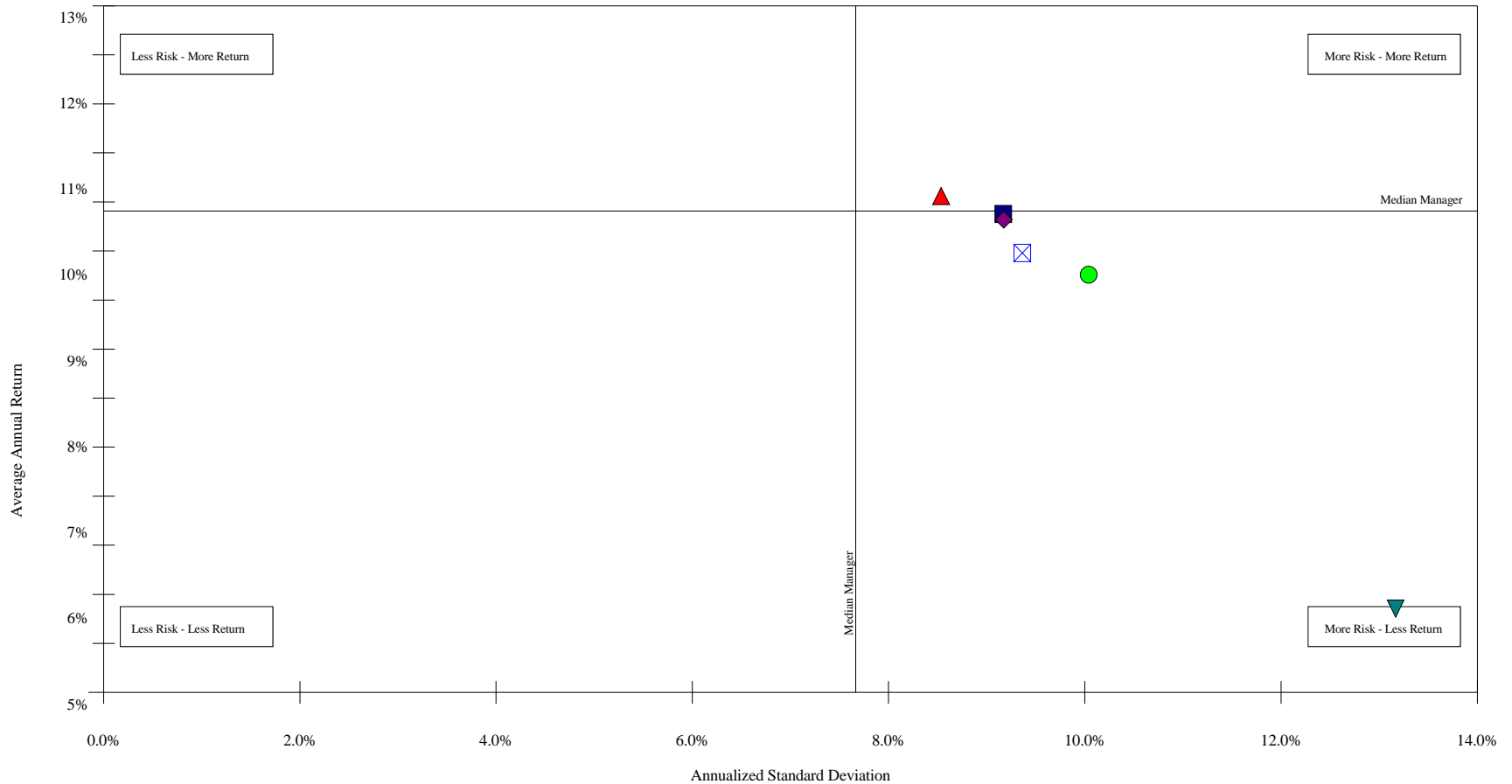


# Sample Client

## Large Cap Manager

### Risk vs. Return - Annualized Standard Deviation

From June 30, 2005 to December 31, 2007



	<u>%ROR</u>	<u>S.D.</u>		<u>%ROR</u>	<u>S.D.</u>		<u>%ROR</u>	<u>S.D.</u>
■ Large Cap Manager	10.6	9.2	● Russell Midcap Value Index	9.9	10.0	▼ Russell 2000 Value Index	6.0	13.2
▲ S&P 500 Index	10.8	8.5	◆ Russell 1000 Value Index	10.5	9.2	⊠ Russell 3000 Value Index	10.1	9.4

The Median Manager is from Fund Evaluation Group's Large Cap Value Universe.

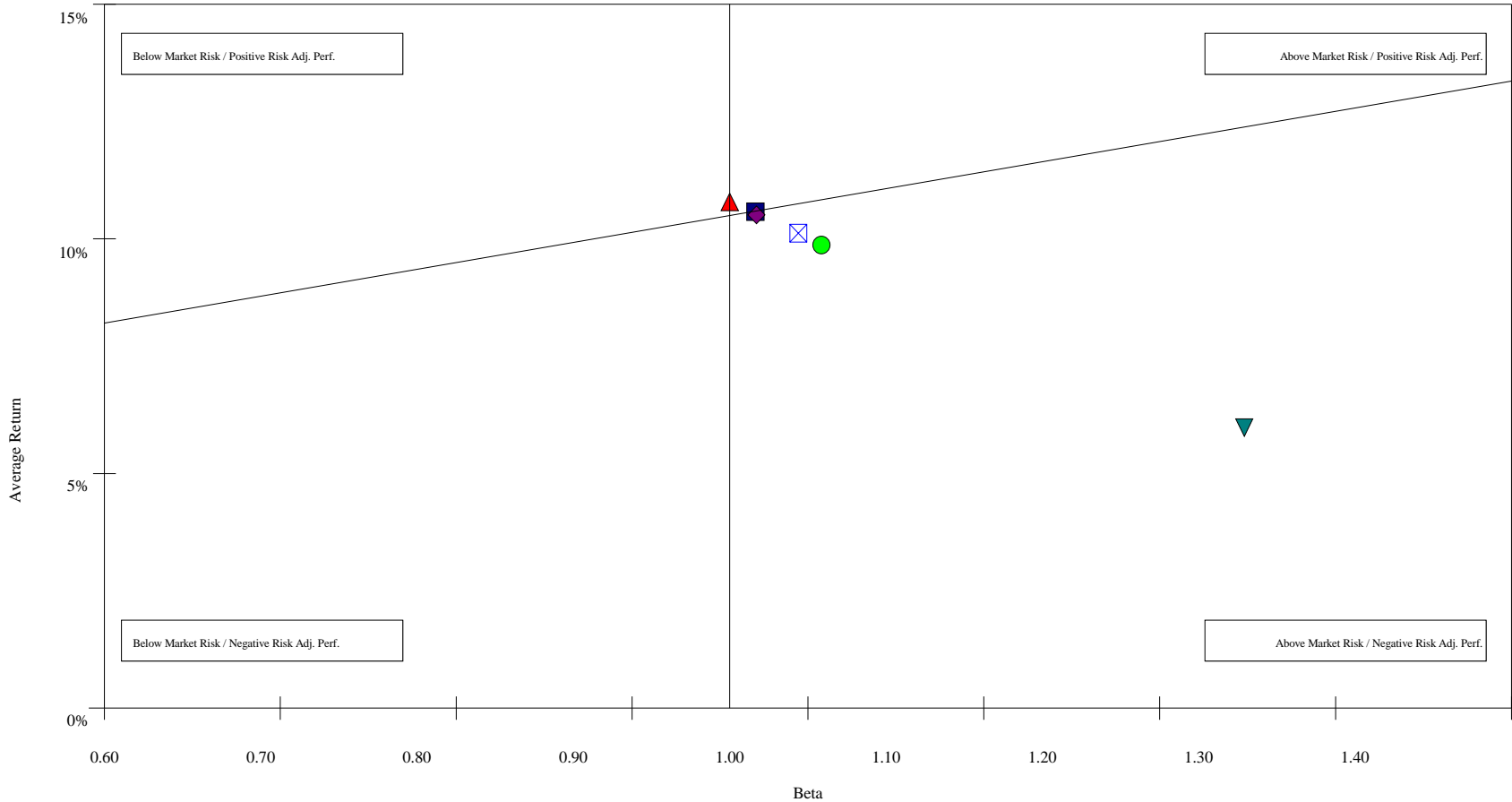








# Sample Client

## Large Cap Manager

### Risk vs. Return - Beta

From June 30, 2005 to December 31, 2007



	<u>%ROR</u>	<u>Beta</u>		<u>%ROR</u>	<u>Beta</u>		<u>%ROR</u>	<u>Beta</u>
 Large Cap Manager	10.6	1.0	 Russell Midcap Value Index	9.9	1.1	 Russell 2000 Value Index	6.0	1.3
 S&P 500 Index	10.8	1.0	 Russell 1000 Value Index	10.5	1.0	 Russell 3000 Value Index	10.1	1.0

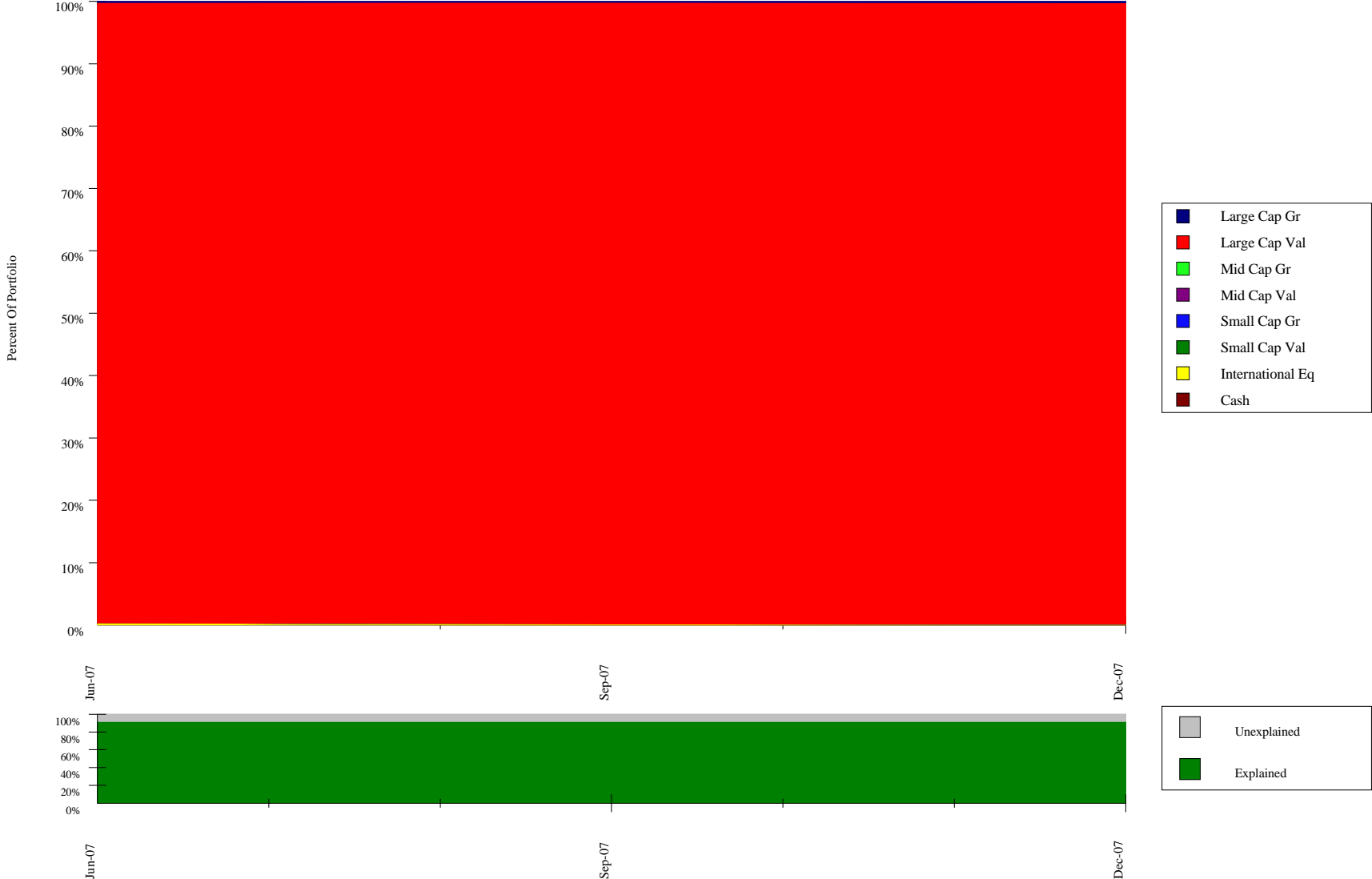


# Sample Client

## Large Cap Manager

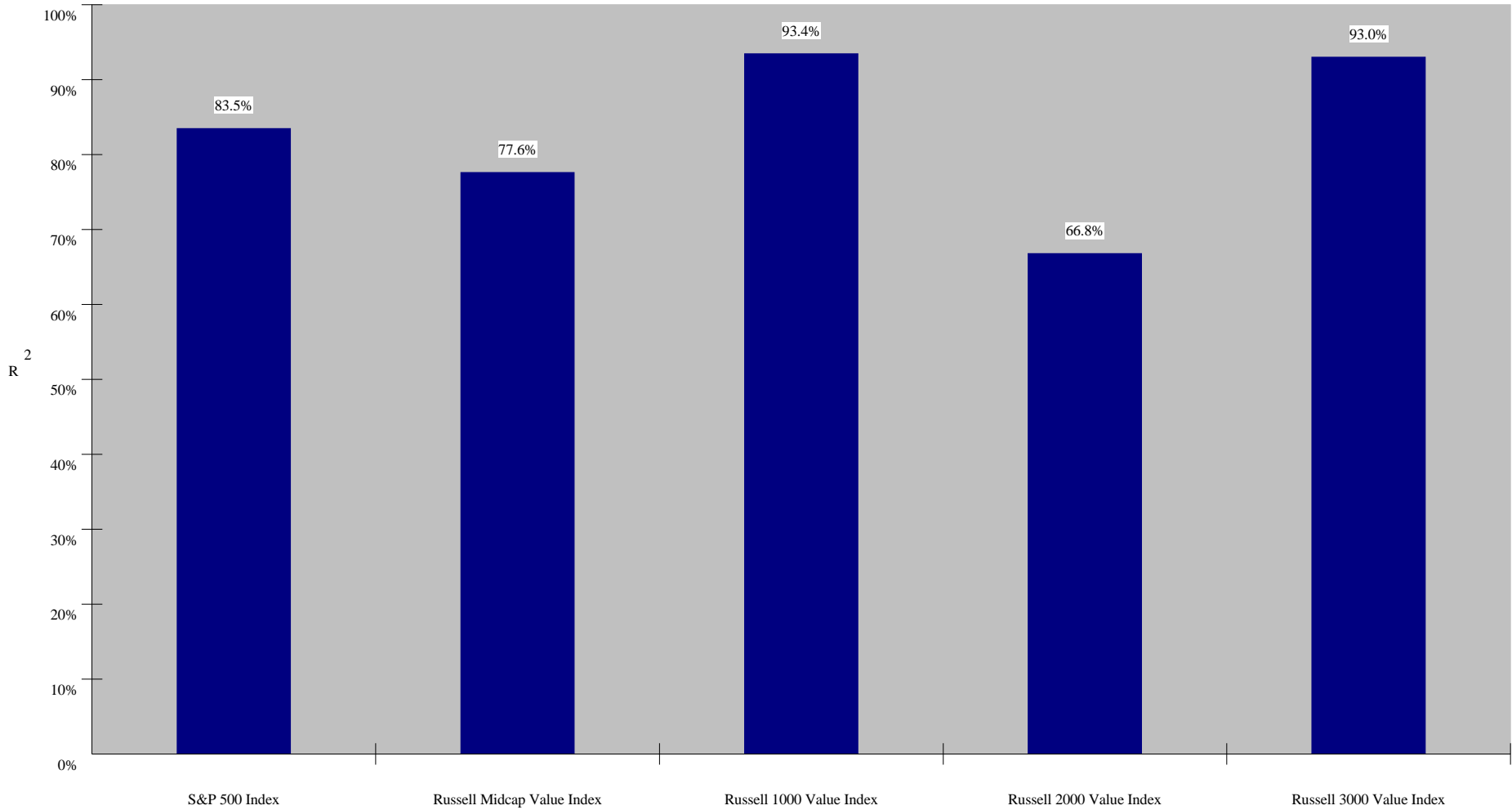
### Style Analysis 2 Year Trailing Periods

From June 30, 2005 to December 31, 2007



# Sample Client Large Cap Manager Correlation Analysis

From June 30, 2005 to December 31, 2007



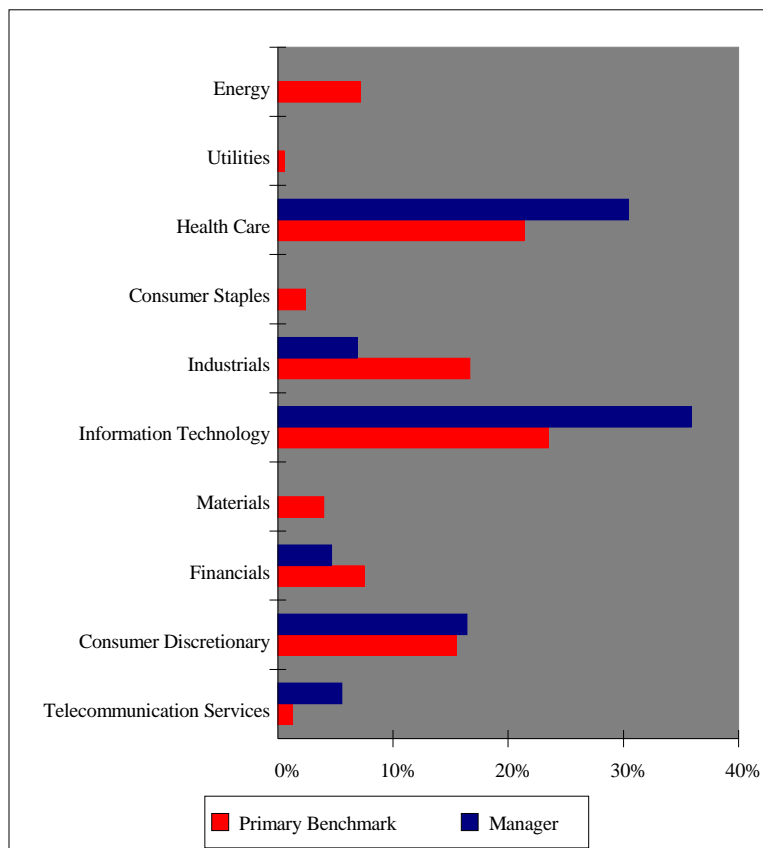
R<sup>2</sup> represents the % of Large Cap Manager's returns which are explained by each of the stated benchmarks.



# Sample Client Small Cap Manager Equity Sector

Report For Periods Ending December 31, 2007

## Sector Allocation



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Energy	7%	0%	4.3%	23.6%
Utilities	1	0	3.9	3.8
Health Care	21	30	2.7	19.6
Consumer Staples	2	0	-2.8	4.4
Industrials	17	7	-4.0	10.5
Information Technology	24	36	-7.4	9.5
Materials	4	0	-8.7	11.0
Financials	8	5	-12.1	-23.3
Consumer Discretionary	16	16	-18.5	-23.8
Telecommunication Services	1	6	-27.9	-27.5

### Top Five Holdings

<u>Description</u>	<u>Weighting</u>
Concur Technologies	2.7%
Amerigon	2.7
Cbeyond	2.6
LifeCell	2.4
NuVasive	2.3

**Number of Holdings: 72**

\*Sector weightings may not add up to 100% due to rounding.

\* Manager data represents the most current available at the time of report publication.



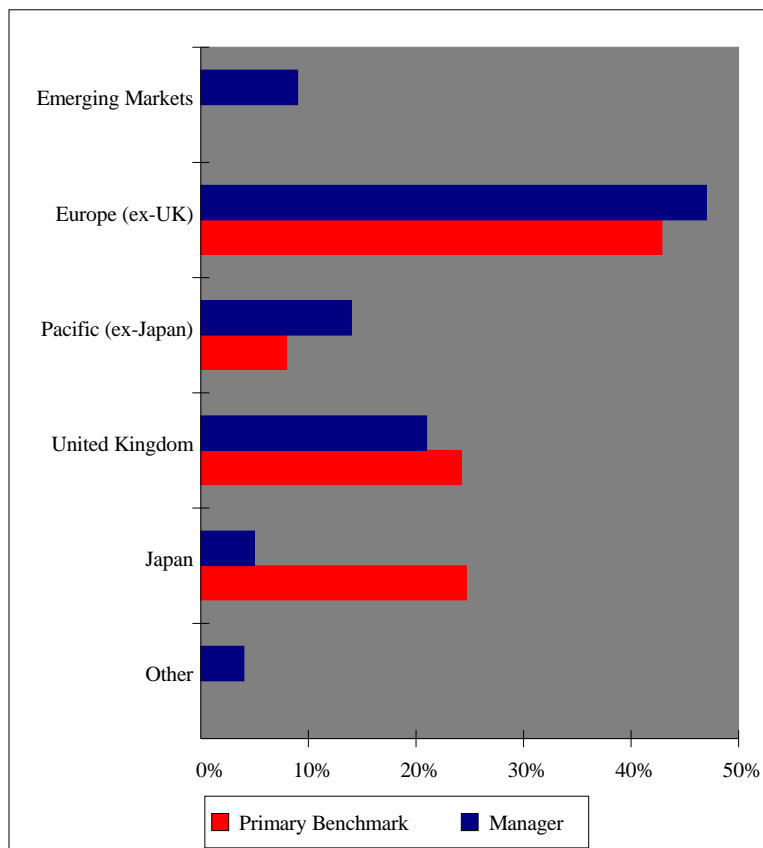
# Sample Client

## International Equity Manager

### International Sector

Report For Periods Ending December 31, 2007

#### Region Allocation



Region	Region Weightings		Market Total Returns	
	Primary Benchmark	Manager	3 Months	12 Months
Emerging Markets	0%	9%	3.6%	39.4%
Europe (ex-UK)	43	47	0.5	16.7
Pacific (ex-Japan)	8	14	-1.7	30.7
United Kingdom	24	21	-2.4	8.4
Japan	25	5	-6.1	-4.2
Other	0	4	-	-

#### Top Five Countries

Country	Weighting
United Kingdom	21.1%
Germany	10.2
France	9.3
South Korea	6.7
Netherlands	6.4

**Number of Holdings: 121**

\*Sector weightings may not add up to 100% due to rounding.

\* Manager data represents the most current available at the time of report publication.



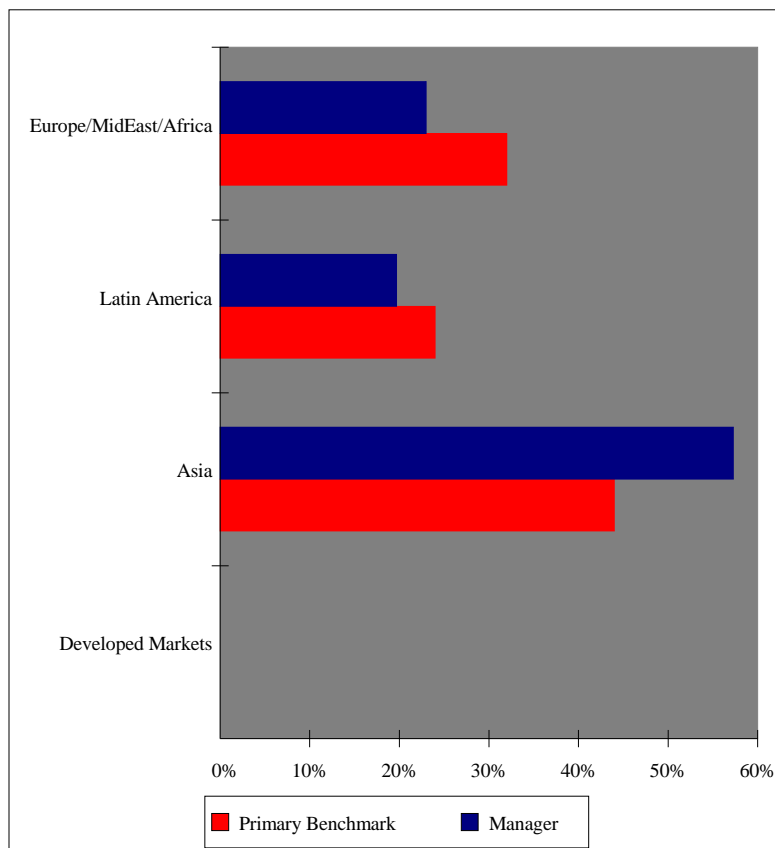
# Sample Client

## Emerging Markets Manager

### Emerging Markets Sector

Report For Periods Ending December 31, 2007

#### Region Allocation



<u>Region</u>	<u>Region Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Europe/MidEast/Africa	32%	23%	11.7%	31.2%
Latin America	24	20	7.0	50.4
Asia	44	57	0.1	38.3
Developed Markets	0	0	-1.7	11.6

#### Top Five Countries

<u>Country</u>	<u>Weighting</u>
India	15.5%
Korea	11.6
Taiwan	11.3
South Africa	10.6
Brazil	9.6

**Number of Holdings: 1897**

\*Sector weightings may not add up to 100% due to rounding.

\* Manager data represents the most current available at the time of report publication.



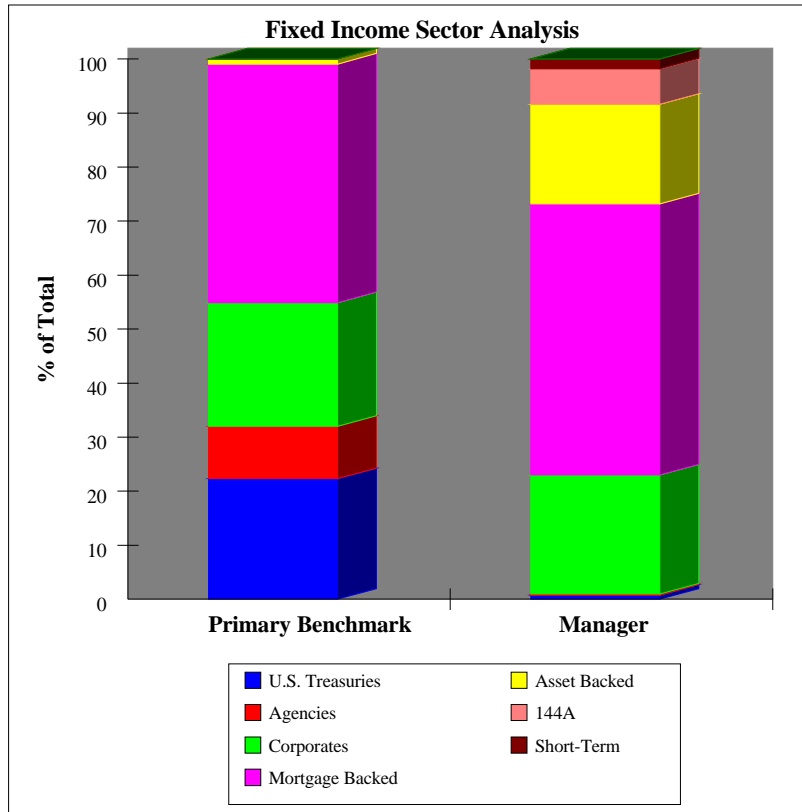
# Sample Client

## Fixed Income Manager

### Fixed Income Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Total Weighting	100%	100%	3.0%	7.0%
U.S. Treasuries	22	1	4.0	9.0
Agencies	10	0	0.2	8.0
Corporates	23	22	2.2	3.6
Mortgage Backed	44	50	3.1	7.0
Asset Backed	1	18	-0.8	2.2
144A	0	7	1.7	4.2
Short-Term	0	2	1.0	4.7

\*Sector weightings may not add up to 100% due to rounding.

\* Manager data represents the most current available at the time of report publication.

\*Short-Term performance returns are represented by U.S. 30-day Treasury Bills



# Sample Client Hedge Fund Manager

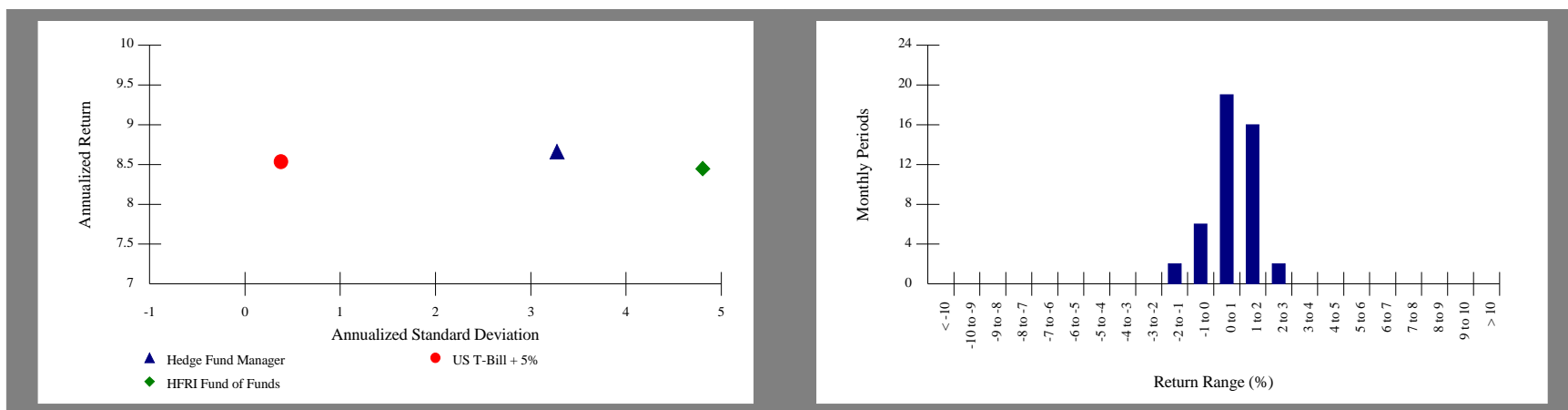
## Summary of Performance Relative to Investment Policy Statement Objectives

Report For Periods Ending December 31, 2007

Performance Results	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Hedge Fund Manager</b>	<b>1.6%</b>	<b>11.5%</b>	<b>9.7%</b>	<b>8.7%</b>	<b>3/04</b>
US T-Bill + 5%	2.1	9.4	9.0	8.5	
HFRI Fund of Funds	2.0	10.3	9.4	8.4	

Risk Statistics (Since 3/04)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Sharpe Ratio</u>	<u>Maximum Drawdown</u>
<b>Hedge Fund Manager</b>	<b>3.39</b>	<b>-11.8%</b>	<b>0.1</b>	<b>3.3%</b>	<b>1.56</b>	<b>-1.6%</b>
US T-Bill + 5%	1.00	0.0	1.0	0.4	13.18	0.0
HFRI Fund of Funds	2.84	-9.3	0.0	4.8	1.02	-2.7

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>1Yr</u>
Beginning Market Value	\$ 8,736	\$ 7,962
Net Contributions/(Distributions)	\$ 0	\$ 0
<b>Market Appreciation/(Depreciation)</b>	<b>\$ 139</b>	<b>\$ 913</b>
<b>Ending Market Value</b>	<b>\$ 8,875</b>	<b>\$ 8,875</b>



\* Risk Statistics are based on monthly data.



# Sample Client

## Private Real Estate Manager

### Summary of Manager Performance

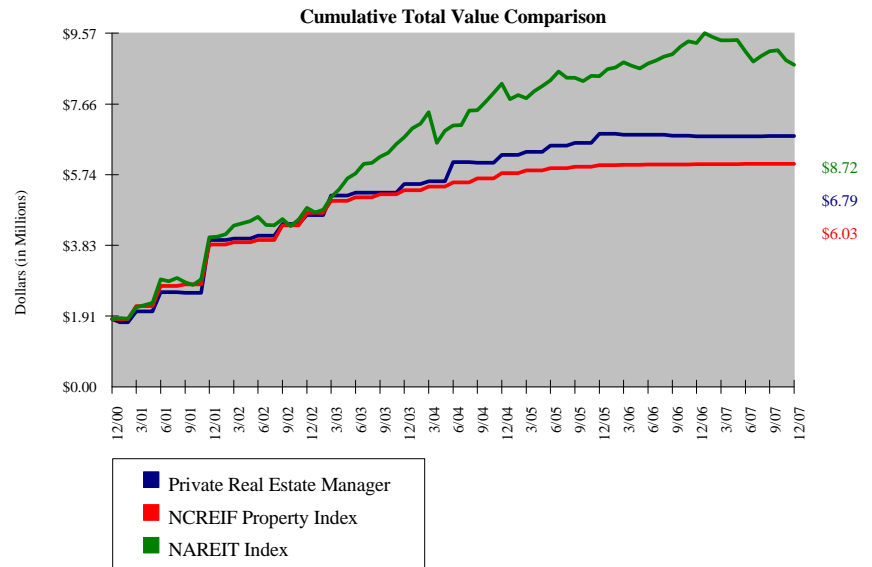
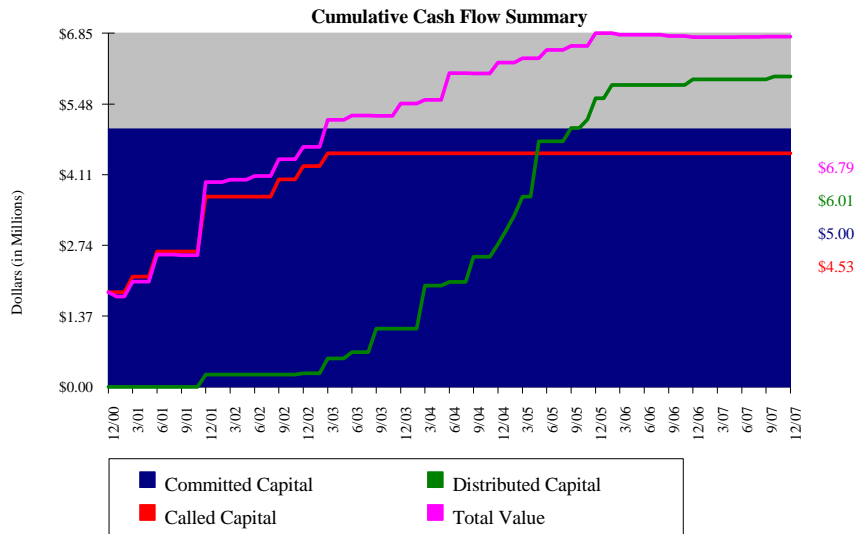
Report for Periods Ending December 31, 2007

Fund Summary	
<b>Fund Company</b>	Private Real Estate Manager
<b>Fund Name</b>	Private Real Estate Manager
<b>Focus</b>	FOF - Private Real Estate - Value Added
<b>Capital Drawn</b>	91%
<b>Vintage Year</b>	2000, 2001, 2002

Client Investment Summary	12/31/2007	9/30/2007
<b>Committed Capital</b>	\$5,000,000	\$5,000,000
<b>Called Capital</b>	\$4,525,000	\$4,525,000
<b>Distributed Capital</b>	\$6,008,885	\$5,958,537
<b>Market Value</b>	\$779,339	\$829,687
<b>Total Value</b>	\$6,788,224	\$6,788,224

Ratios	Distributed Capital/ Called Capital	Total Value/ Called Capital
<b>Private Real Estate Manager</b>	1.33	1.50

Performance Summary	9/30/2007
<b>Private Real Estate Manager IRR</b>	12.5%
<b>NCREIF Property Index IRR</b>	9.5%
<b>NAREIT Index IRR</b>	18.0%



\* Investment IRR will not be calculated for the first two years.



# Sample Client

## Private Equity Manager

### Summary of Manager Performance

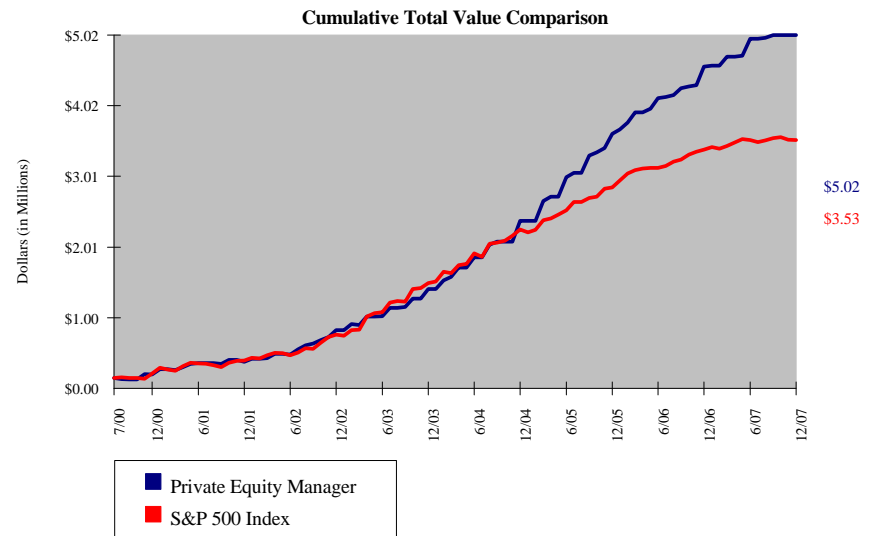
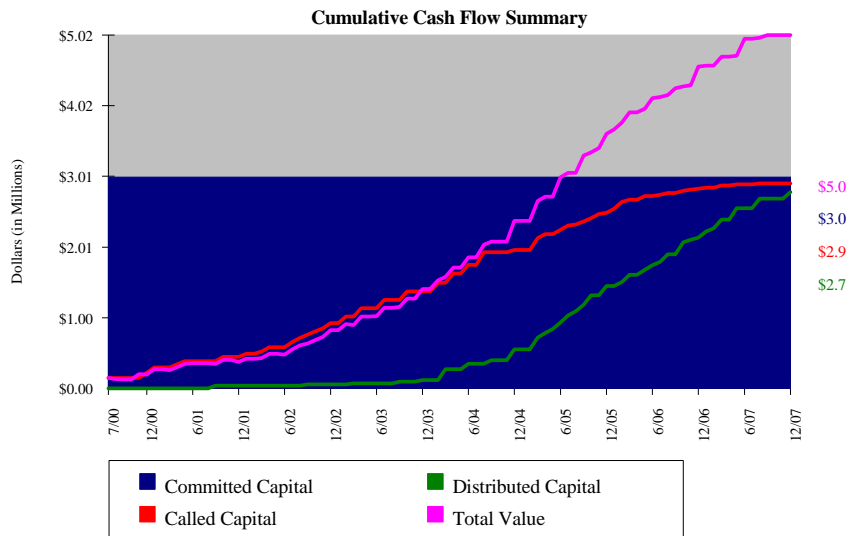
Report for Periods Ending December 31, 2007

Fund Summary	
<b>Fund Company</b>	Private Equity Manager
<b>Fund Name</b>	Private Equity Manager
<b>Focus</b>	Private Equity - Buyout
<b>Capital Drawn</b>	97%
<b>Vintage Year</b>	2000, 2001, 2002

Client Investment Summary	12/31/2007	9/30/2007
<b>Committed Capital</b>	\$3,000,000	\$3,000,000
<b>Called Capital</b>	\$2,913,000	\$2,913,000
<b>Distributed Capital</b>	\$2,790,754	\$2,696,990
<b>Market Value</b>	\$2,228,459	\$2,322,223
<b>Total Value</b>	\$5,019,213	\$5,019,213

Ratios	Distributed Capital/ Called Capital	Total Value/ Called Capital
<b>Private Equity Manager</b>	0.96	1.72
<b>Peer Group</b>	0.50	1.40

Performance Summary	9/30/2007
<b>Private Equity Manager IRR</b>	20.5%
<b>S&amp;P 500 Index IRR</b>	8.0%
<b>Peer Group IRR</b>	14.9%
<b>Quartile Rank</b>	1st



\* Investment IRR will not be calculated for the first two years.



# Sample Client

## Natural Resources Manager

### Summary of Manager Performance

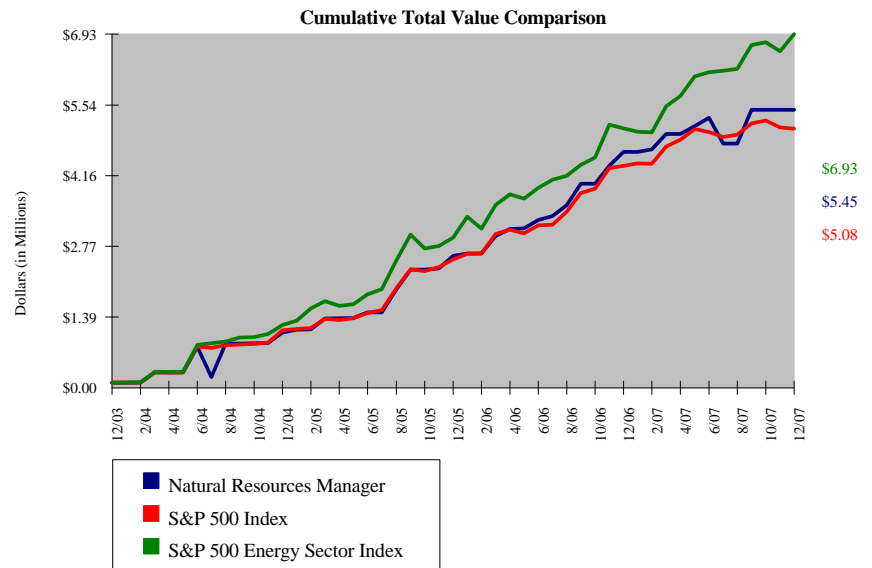
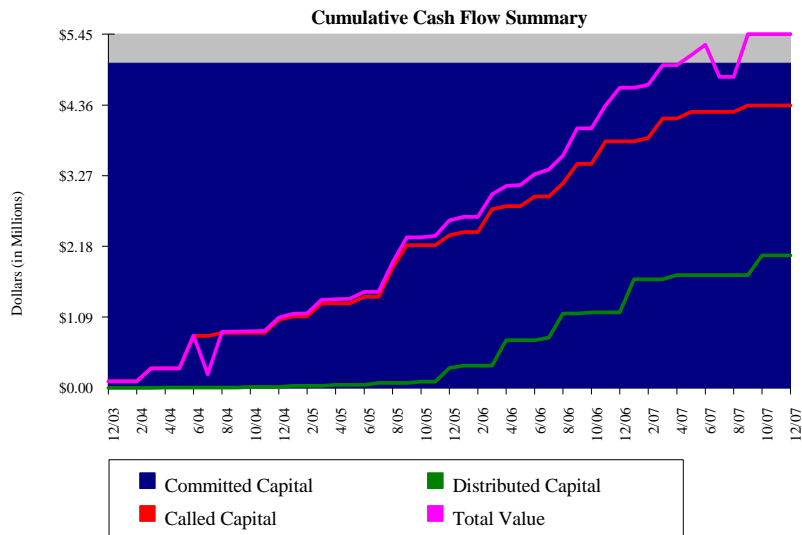
Report for Periods Ending December 31, 2007

Fund Summary	
<b>Fund Company</b>	Natural Resources Manager
<b>Fund Name</b>	Natural Resources Manager
<b>Focus</b>	Natural Resources - Energy
<b>Capital Drawn</b>	87%
<b>Vintage Year</b>	2003

Client Investment Summary	12/31/2007	9/30/2007
<b>Committed Capital</b>	\$5,000,000	\$5,000,000
<b>Called Capital</b>	\$4,350,000	\$4,350,000
<b>Distributed Capital</b>	\$2,041,739	\$1,737,449
<b>Market Value</b>	\$3,406,185	\$3,710,475
<b>Total Value</b>	\$5,447,924	\$5,447,924

Ratios	Distributed Capital/ Called Capital	Total Value/ Called Capital
<b>Natural Resources Manager</b>	0.47	1.25

Performance Summary	9/30/2007
<b>Natural Resources Manager IRR</b>	15.7%
<b>S&amp;P 500 Index IRR</b>	9.9%
<b>S&amp;P 500 Energy Sector Index IRR</b>	29.0%



\* Investment IRR will not be calculated for the first two years.



## Index Summary Sheet for Periods Ending December 31, 2007

U.S. Equity Indices	Qtr	YTD	1 Yr	Annualized		
				3 Yr	5 Yr	10 Yr
Russell 3000 Index	-3.3%	5.1%	5.1%	8.9%	13.6%	6.2%
S&P 500 Index	-3.3	5.5	5.5	8.6	12.8	5.9
Russell 1000 Growth Index	-0.8	11.8	11.8	8.7	12.1	3.8
Russell 1000 Value Index	-5.8	-0.2	-0.2	9.3	14.6	7.7
Russell Midcap Index	-3.5	5.6	5.6	11.1	18.2	9.9
Russell Midcap Growth Index	-1.7	11.4	11.4	11.4	17.9	7.6
Russell Midcap Value Index	-6.0	-1.4	-1.4	10.1	17.9	10.2
Russell 2000 Index	-4.6	-1.6	-1.6	6.8	16.2	7.1
Russell 2000 Growth Index	-2.1	7.0	7.0	8.1	16.5	4.3
Russell 2000 Value Index	-7.3	-9.8	-9.8	5.3	15.8	9.1
<b>International Equity Indices</b>						
MSCI AC World Index ex-US	-0.7	16.7	16.7	19.9	24.0	9.8
MSCI EAFE Index	-1.8	11.2	11.2	16.8	21.6	8.7
MSCI EAFE Growth Index	-0.3	16.5	16.5	17.3	19.9	6.5
MSCI EAFE Value Index	-3.3	6.0	6.0	16.3	23.2	10.7
MSCI Emerging Markets Free Index	3.6	39.4	39.4	35.2	37.0	14.3
MSCI Small Cap EAFE Index	-4.8	1.4	1.4	15.2	26.4	11.3
<b>Fixed Income Indices</b>						
LB Aggregate Bond Index	3.0	7.0	7.0	4.6	4.4	6.0
LB Interm GV/CR Bond Index	2.9	7.4	7.4	4.3	4.1	5.8
ML 1-3 Yr Govt Bond Index	2.4	7.3	7.3	4.3	3.1	4.8
LB Municipals Index	1.4	3.4	3.4	3.9	4.3	5.2
LB TIPS Index	5.0	11.6	11.6	4.9	6.3	7.5
ML High Yield Bond Index	-1.1	2.2	2.2	5.5	10.8	5.5
CSFB Leveraged Loan Index	-0.1	1.9	1.9	5.0	6.3	5.0
JP Morgan Non-US \$ Govt Hedge Index	2.1	3.8	3.8	2.7	3.1	2.8
JP Morgan EMBI Plus Index	2.7	6.5	6.5	9.6	12.5	9.8
<b>Alternative Investment Indices</b>						
HFRI Fund of Funds Index	2.0	10.3	10.3	9.4	9.3	7.3
HFRI Fund Weighted Index	1.1	10.0	10.0	10.7	12.1	9.9
NAREIT Equity REIT Index	-12.7	-15.7	-15.7	8.5	18.2	10.5
NCREIF Property Index	3.2	15.8	15.8	17.5	15.1	12.9
FTSE EPRA/NAREIT Global Real Estate	-10.2	-6.9	-6.9	15.2	24.3	12.8
<b>Other Indices</b>						
Consumer Price Index - US	1.4	4.2	4.2	3.4	3.1	2.7
U.S. 91-Day Treasury Bills	0.9	4.4	4.4	4.0	2.9	3.5
Dow Jones AIG Commodities Index	4.7	16.2	16.2	12.9	14.3	9.0



# Sample Client

## Benchmark Composition Summary

### Target Weighted Index

Since Inception	Weight
S&P 500 Index	70.00%
LB Aggregate Bond Index	30.00%

September 30, 1994	Weight
S&P 500 Index	40.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	30.00%

January 31, 1999	Weight
S&P 500 Index	30.00%
Russell Midcap Index	15.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	20.00%
Venture Economics	5.00%

June 30, 2004	Weight
S&P 500 Index	30.00%
Russell Midcap Index	15.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	7.50%
MSCI Small Cap EAFE Index	3.75%
MSCI Emerging Markets Free Index	3.75%
LB Aggregate Bond Index	15.00%
Venture Economics	5.00%
US T-Bill + 5%	5.00%

June 30, 2005	Weight
S&P 500 Index	30.00%
S&P MidCap 400 Index	15.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	7.50%
MSCI Small Cap EAFE Index	3.75%
MSCI Emerging Markets Free Index	3.75%
LB Aggregate Bond Index	15.00%
Venture Economics	5.00%
US T-Bill + 5%	5.00%

June 30, 2006	Weight
S&P 500 Index	25.00%
S&P MidCap 400 Index	15.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Free Index	5.00%
LB Aggregate Bond Index	10.00%
LB TIPS Index	5.00%
Venture Economics	5.00%
US T-Bill + 5%	5.00%

November 30, 2006	Weight
S&P 500 Index	25.00%
S&P MidCap 400 Index	10.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	10.00%
MSCI Small Cap EAFE Index	5.00%
MSCI Emerging Markets Free Index	5.00%
LB Aggregate Bond Index	10.00%
LB TIPS Index	5.00%
Venture Economics	5.00%
US T-Bill + 5%	5.00%
CSFB Leveraged Loan Index	5.00%

October 31, 2007	Weight
S&P 500 Index	23.00%
S&P MidCap 400 Index	12.00%
Russell 2000 Index	12.00%
MSCI EAFE Index	12.00%
MSCI Small Cap EAFE Index	6.00%
MSCI Emerging Markets Free Index	6.00%
LB Aggregate Bond Index	10.00%
LB TIPS Index	5.00%
NCREIF Property Index	1.00%
Venture Economics	3.00%
US T-Bill + 5%	5.00%
CSFB Leveraged Loan Index	5.00%

### Broad Policy Benchmark

Since Inception	Weight
Russell 3000 Index	70.00%
LB Aggregate Bond Index	30.00%

September 30, 1994	Weight
Russell 3000 Index	55.00%
MSCI AC World Index ex-US	15.00%
LB Aggregate Bond Index	30.00%

January 31, 1999	Weight
Russell 3000 Index	65.00%
MSCI AC World Index ex-US	15.00%
LB Aggregate Bond Index	20.00%

June 30, 2006	Weight
Russell 3000 Index	60.00%
MSCI AC World Index ex-US	20.00%
LB Aggregate Bond Index	20.00%

### Target Weighted Index



## Sample Client Benchmark Composition Summary

Since Inception	Weight
S&P 500 Index	100.00%

September 30, 1994	Weight
S&P 500 Index	72.70%
Russell 2000 Index	27.30%

January 31, 1999	Weight
S&P 500 Index	50.00%
Russell Midcap Index	25.00%
Russell 2000 Index	25.00%

June 30, 2005	Weight
S&P 500 Index	50.00%
S&P MidCap 400 Index	25.00%
Russell 2000 Index	25.00%

### Style Weighted Index

Since Inception	Weight
S&P 500 Index	100.00%

September 30, 1994	Weight
S&P 500 Index	72.70%
Russell 2000 Index	27.30%

January 31, 1999	Weight
S&P 500 Index	50.00%
Russell Midcap Index	25.00%
Russell 2000 Index	25.00%

June 30, 2005	Weight
S&P 500 Index	40.00%
Russell 1000 Value Index	10.00%
S&P MidCap 400 Index	16.70%
Russell Midcap Value Index	8.30%
Russell 2000 Growth Index	6.30%
Russell 2000 Value Index	18.70%

October 31, 2006	Weight
S&P 500 Index	40.00%
Russell 1000 Value Index	10.00%
S&P MidCap 400 Index	25.00%
Russell 2000 Growth Index	6.30%
Russell 2000 Value Index	18.70%



# Definitions

**Alpha** – Measures how well a portfolio performed versus its benchmark after factoring in the amount of risk (as measured by beta) taken. Technically, alpha is the difference between the excess return of a portfolio and the excess return of the benchmark multiplied by beta. Excess return is simply the actual return minus the return of the risk-free asset, U.S. Treasury Bill. A positive alpha indicates the portfolio has performed better than the benchmark on a risk-adjusted basis.

**Annual Standard Deviation** – A measure of variability in returns. The annual standard deviation measures the dispersion of annual returns around the average annualized return.

**Beta** – A coefficient measuring a portfolio's relative volatility with respect to its market. Technically, beta is the covariance of a portfolio's return with the benchmark portfolio's return divided by the variance of the benchmark portfolio's return. Thus, a portfolio with a beta greater than 1.00, indicates the portfolio experienced greater volatility than the benchmark, whereas a portfolio with a beta less than 1.00, indicates the portfolio experienced less volatility than the benchmark.

**Consumer Price Index** – Measures the change in consumer prices, as determined by a monthly survey of the U.S. Bureau of Labor Statistics. CPI components include housing costs, food, transportation and electricity.

**Duration** – A measure of the price sensitivity of a bond or bond portfolio to a change in interest rates.

**Information Ratio** – Describes the risk / reward trade-off of alpha and tracking error. Because the formula for calculating information ratio is Alpha divided by Tracking Error, the larger the information ratio, the more attractive the portfolio is from an overall risk return profile.

**Lehman Brothers Intermediate Government/Credit Bond Index** – All Lehman Brothers Bond Indices include fixed rate debt issues rated investment grade or higher by Moody's, Standard and Poor's, or Fitch, in that order. All issues have at least one year to maturity and an outstanding par value of at least \$100 million for U.S. Government issues and \$50 million for all others. The intermediate indices include bonds with maturities of up to ten years. The Index includes the Intermediate Government and Intermediate Credit Indices. The composition is 73% Government and 27% Credit.

**R<sup>2</sup>** – Also called the coefficient of determination. On the detail page, R<sup>2</sup> measures how much of the variation in the investment manager's returns can be explained by movements in the market (benchmark).

**S&P 500 Index** – A market capitalization weighted index of 500 of the largest publicly traded stocks in the United States. The companies chosen for inclusion in the Index tend to be leaders in important industries within the U.S. economy. Currently there are four groups: 400 Industrials, 40 Utilities, 40 Financial and 20 Transportation. The S&P 500 is commonly used as a performance benchmark for equity portfolios.

**S&P 600 Index** – A market capitalization weighted index of the 600 smallest publicly traded stocks within the S&P 1500. Criteria for inclusion are a market cap between \$300 million and \$1 billion. Measuring a segment of the market that is typically renowned for poor trading liquidity and financial instability, the Index is designed to be an efficient portfolio of companies that meet specific inclusion criteria to ensure they are investable and financially viable.

**Sharpe Ratio** – A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the manager's historical risk-adjusted performance.

**Tracking Error** – A measure that describes the volatility of the expected excess return (alpha) achieved through active management. Since excess return can only be achieved through a portfolio that actively differs from the benchmark, the level of tracking error is indicative of how different the portfolio will perform relative to any given benchmark.



## Statement of Disclosure/Disclaimer

1. Information is believed reliable but accuracy, completeness and opinions are not expressly or impliedly guaranteed or warranted.
2. It should not be assumed that current or future performance will reflect past performance.
3. It is the responsibility of the trustee, custodian and/or manager to ensure the accuracy of market value and transactional data.
4. The accompanying performance results are net of investment manager fees.
5. Performance results are calculated using information provided by the custodian and/or independent pricing sources.
6. Performance analysis is calculated using monthly and/or quarterly market values.
7. Performance analysis and asset valuations includes accrued interest and dividend income.
8. Portfolio holdings are subject to change.
9. The indices displayed in this report are unmanaged indices. An investor cannot invest directly in an index.
10. FEG's universes are updated monthly and the traditional asset classes are constructed from Lipper data feeds encompassing over 19,000 mutual funds. Lipper classifies approximately 50 asset classes according to the funds' investment objectives and portfolio attributes. FEG screens the Lipper universes to include only institutional and no-load funds. However, because the Lipper data may treat multiple share classes of the same fund as separate funds for the purpose of constructing their universes, FEG further screens the universes to eliminate multiple share classes within the institutional and no-load funds (examples include retirement-share classes and 529-share classes) in an effort to present pure-institutional universes.
11. Pursuant to SEC Rule 204-3 a copy of the disclosure brochure for Fund Evaluation Group, LLC can be obtained by written request directed to: 201 East Fifth Street, Suite 1600 Cincinnati, OH 45202 Attn: Compliance Department.



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## Information We Collect

In the course of doing business with you, FEG may collect personal, non-public information about you from a variety of sources:

- Information which we receive from you and on contractual agreements or client information/application forms, such as your name, address, phone number, taxpayer or social security number, occupation, date of birth and income.
- Information about your transactions with us, FEG's affiliated companies and others, such as account balances, investment assets and the purchase and sale of securities.

## Maintenance of Information

FEG has internal procedures designed to maintain accurate records concerning your personal information. Should you ever believe that our records contain inaccurate, incomplete or non-current information about you, please notify us. We will respond to requests to correct the information in a timely manner.

## Information We Share

We may disclose information to nonaffiliated third parties as allowed by law. For example, this may include a lawful order or requirement of a court or governmental authority having competent jurisdiction, including subpoena or other legal process.

## Information Security

We restrict access to non-public personal information to those employees who need to know that information in order to provide our products and services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your non-public personal information.

If you end your relationship with us, we will continue to adhere to the policies and practices described in this policy statement.

We reserve the right to amend this privacy policy from time to time. In the event we amend this policy, you will be notified during our annual mailing.

