



COMPOSITE PERFORMANCE REVIEW

Report for Periods Ending December 31, 2011

Waccamaw Community Foundation

Presented by:

Scott B. Harsh
President & CEO

Douglas M. Harrell
Vice President



Fund Evaluation Group[®]
investment advisors

Waccamaw Community Foundation

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Fund Evaluation GroupSM
investment advisors



Letter from Scott B. Harsh, President & CEO of Fund Evaluation Group, LLC

The more things change, the more they stay the same. The S&P 500 Index ended 2011 essentially where it began, with a whole lot of change in between. From European financial turmoil to Washington political gridlock, the financial markets navigated constant headwinds. Throughout 2011, FEG monitored the impact on the financial markets and provided our clients with advice on how to position their portfolios to weather the storm.

FEG's mission is to help our clients develop investment solutions that achieve long-term investment goals. Our recommendations and educational presentations provide the tools necessary for our clients to make informed decisions that lead to long-term success. Our 2011 FEG Investment Forum addressed the global market concerns by featuring thought leaders in real estate, hedge funds, and distressed investment opportunities. In light of increased government involvement in capital markets, the 2012 Forum will highlight politics, policy, and your portfolio.

FEG continued to build our strength this past year by adding six new members to our team. We invited Nolan Bean to become an equity partner, and announced David Stein's plans to retire in 2012. FEG continues to have all sixteen partners' active daily in the business.

We launched our first private capital fund of funds, which builds on the expertise we have in selecting private equity, private real estate, private energy, and distressed opportunities investment managers. This fund allows FEG to provide diversification across all asset classes to all of our clients.

Going forward, FEG will continue to build our business so we meet your constantly evolving investment needs.

Scott B. Harsh, President & CEO



Managed Solutions

Our Managed Solutions include our discretionary service (Managed Portfolios), our access funds, and our latest addition, our private opportunity fund.

FEG Managed Portfolios

FEG's outsourced Chief Investment Officer service continues to attract new clients, as institutional investors embrace outsourcing discretion over their investment portfolios. This service offers an experienced portfolio management team, leveraging the resources of FEG's research analysts. The full service investment program includes a dedicated operations team, that is structured to implement dynamic asset allocation, manager selection, portfolio rebalancing/cash management, and to provide performance reporting on behalf of the investor.

We now feature a nine-year audited track record for this service. Since inception, our institutional composite (net of fees) outperformed the policy benchmark. Clients range from those requiring full liquidity to those targeting meaningful allocations to hedge funds and private capital investments.

FEG Access Funds

FEG Access Funds, our firm's proprietary hedge fund solutions, had a noteworthy 2011. Operationally, the FEG Absolute Access Fund completed its registration process to become an RIC (Registered Investment Company) with the SEC. The FEG Absolute Access Fund also finished its third full calendar year of outperforming its respective benchmark, the HFRI Fund of Funds Composite Index. In 2011, the FEG Equity Access Fund completed its first full calendar year. While the overall long/short equity strategy continues to struggle amidst market volatility, the Equity Access Fund also outperformed its relative hedge fund benchmark, the HFRI Equity Hedge Index. For both funds, 2011 was a year of growth that we will continue to support with additional talent, research, and operational functions.

FEG Private Opportunity Fund

The FEG Private Opportunities Fund, LP provides investors with a simplified and cost-effective solution to implementing the illiquid portion of their target asset allocation. The fund launched in July of this year and will accept commitments until mid-2012. Through year end, the fund committed capital to nine underlying investment funds, including funds focused on private equity, special situations, and real assets strategies. Over the course of its investment period, the fund expects to commit capital to approximately 20 underlying investment funds diversified by manager, strategy, sector, vintage year, and geography.

FEG Investment Forum

Our fourth annual Investment Forum takes place March 27-28, 2012. This year's exciting speaker lineup includes James Grant, Jeffrey Gundlach, T. Boone Pickens, and Karl Rove, who will address the impact of politics and policy on investment strategies. We also have a robust pre-conference workshop planned with sessions such as FEG Due Diligence, Hedge Funds 101, and Discretionary versus Non-Discretionary Investment Strategies. Register for the event by visiting www.feg.com, clicking the **Forum** link, and using guest code: POLICY.



The following pages provide an overview of FEG's activities in 2011. With growth as our theme, we added investment professionals and service offerings in our Consulting, Research, and Managed Solutions divisions. We appreciate your attendance at our 2011 FEG Investment Forum, and hope to see you again at this year's event.

Consulting

Our Consulting Group added a Consulting Analyst, promoted two individuals to Senior Consulting Analyst, and made one consultant a partner in 2011. Five Consulting Analysts at the firm are seeking their Chartered Financial Analyst and/or the Chartered Alternative Investment Analyst designations, and one team member is seeking the Certificate in Investment Performance Measurement (CIPM) credential—the investment industry's only designation dedicated to investment performance analysis and presentation.

One of our 2011 highlights was that Nolan Bean, CFA, CAIA, and our newest owner, was named "2011 Consultant of the Year" by *Institutional Investor's Foundation & Endowment Money Management*. The award honors individuals who demonstrate a thorough understanding of the industry, have a substantial presence in the nonprofit world, and whose clients have achieved favorable returns.

Client Feedback Survey

Thank you for your continued, candid feedback in response to our client satisfaction survey, conducted by William Law & Associates. Many of our current service and fund offerings are the result of your feedback, and we will continue to use your reviews to improve our services and meet organizational needs.

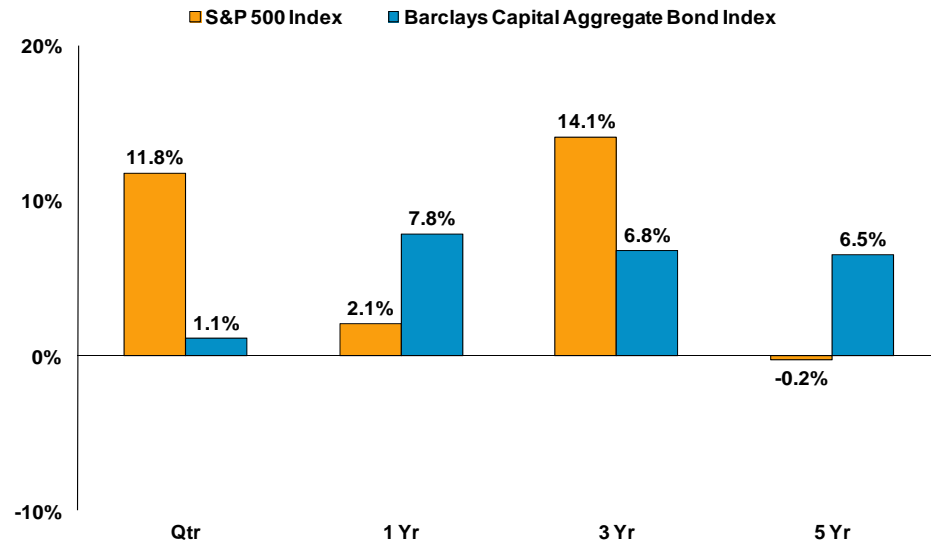
Our business has grown through your referrals. We appreciate your confidence and hope that you will continue to let us know when FEG can benefit you or your colleagues.

Research

Our Research Group added three team members in 2011 and is now comprised of 21 professionals who conduct manager due diligence, analyze investment related topics, and prepare investment articles and presentations. Twelve of our Research team members are dedicated solely to alternative investments.

Fourth Quarter 2011 – Market Overview

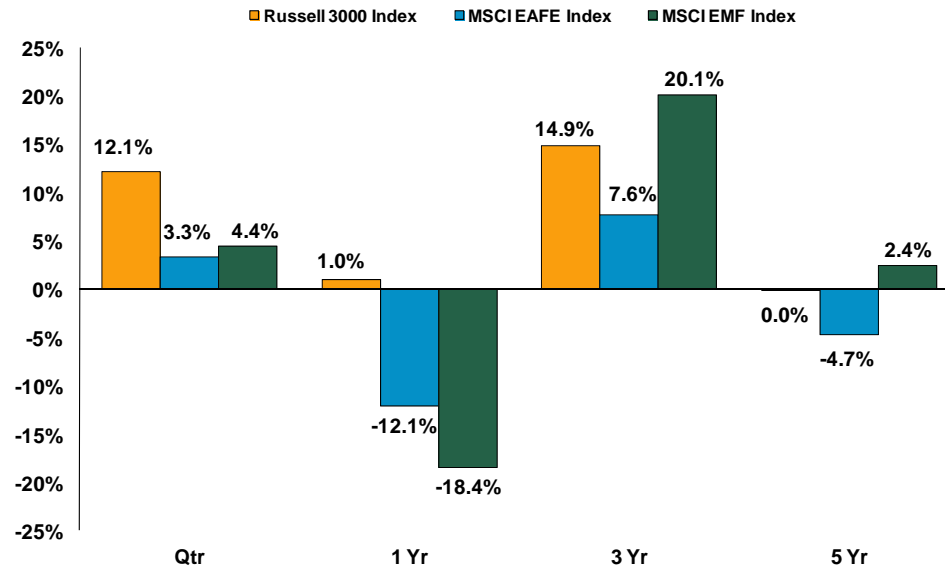
Stocks vs. Bonds



Sources: Standard & Poor's and Barclays Capital

- The S&P 500 Index gained 11.8% for the quarter, but returned only 2.1% for 2011.
- The Barclays Capital Aggregate Bond Index returned 1.1% for the quarter and 7.8% for 2011. Treasuries returned 0.8% for the quarter, while high yield bonds gained 6.5%.
- International developed market equities returned 3.3% in U.S. dollars for the quarter amid strength of the U.S. dollar against the euro and the British pound. In local currencies, developed market equities gained 4.1%.
- For the year, currency had little impact on returns for developed market equities, which declined 12.1% in both U.S. dollar and local currency terms.
- Emerging market equities posted returns of 4.4% in U.S. dollars (4.8% local) for the quarter and -18.4% in U.S. dollars (-12.7% local) for the year.
- U.S. REITs gained 15.3% for the quarter and 8.3% for the year.
- Crude oil prices rose toward \$100 per barrel during the quarter, as commodity prices increased amid some signs of improved economic growth.

U.S., International, & Emerging



Sources: MSCI Barra and Russell

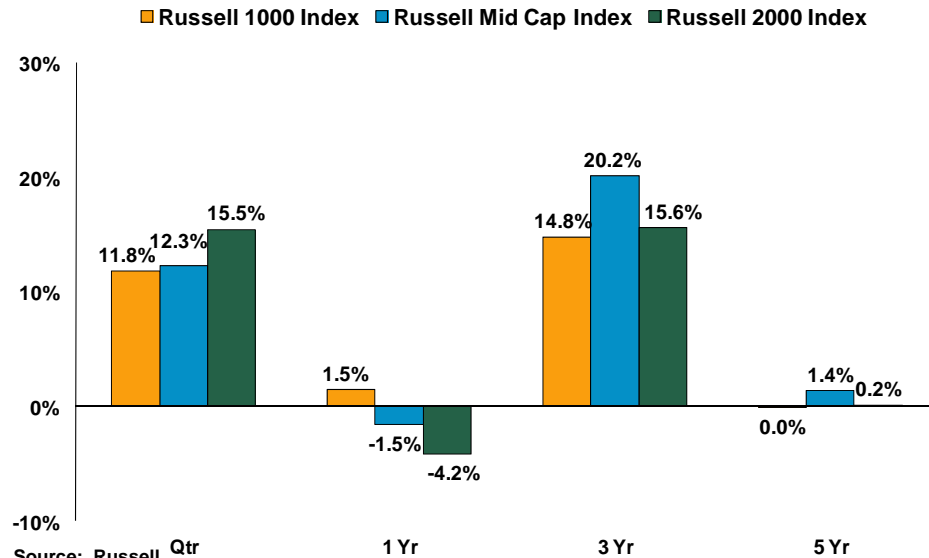
Crude Oil Price per Barrel



Source: Energy Information Agency

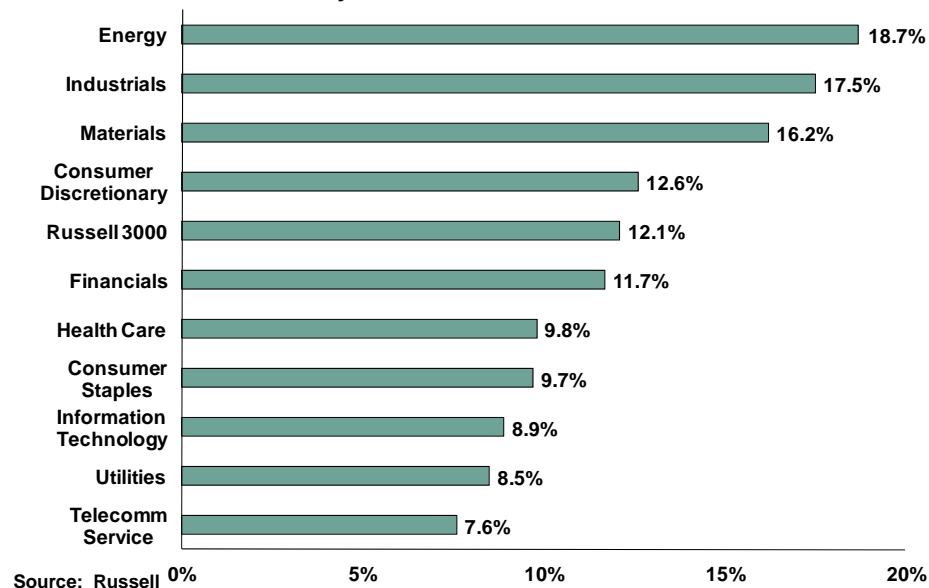
Fourth Quarter 2011 – Global Equity, U.S.

Large Cap, Mid Cap, & Small Cap

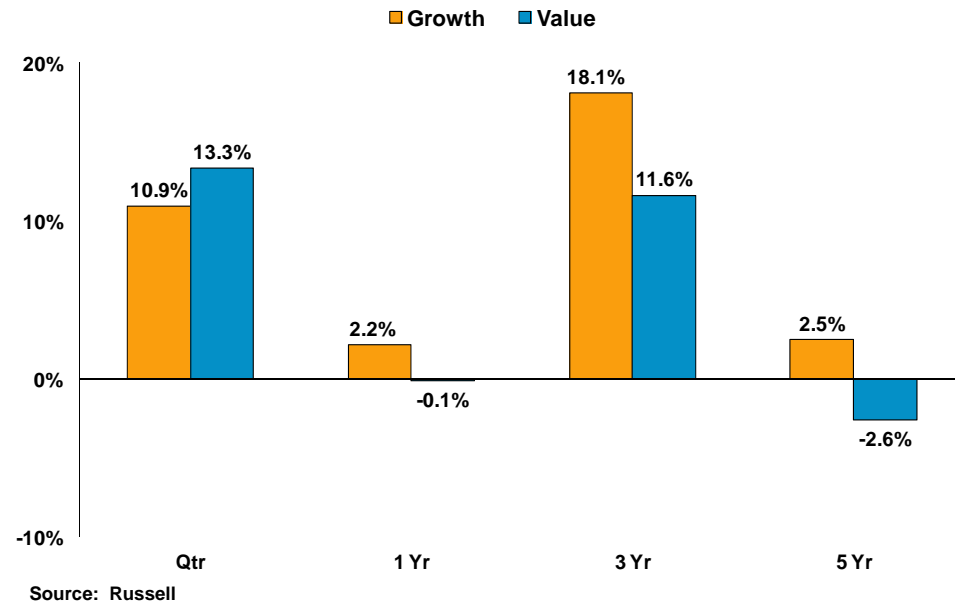


- The total U.S. stock market return, represented by the Russell 3000 Index, gained 12.1% in the fourth quarter.
- As measured by the Russell Indices, large cap (11.8%), mid cap (12.3%), and small cap (15.5%) stocks all posted double-digit returns.
- Value stocks (13.3%) outperformed growth stocks (10.9%), as measured by the Russell 3000 Style Indices.
- The economically sensitive energy, industrials, and materials sectors were the best performing sectors in the Russell 3000 Index. As concerns diminished regarding the potential for recession in the U.S. economy, cyclical sectors were the best performing areas of the equity market.
- The telecommunications services and utilities sectors, with returns of 7.6% and 8.5%, respectively, were the worst performing sectors in the Russell 3000 Index. The defensive characteristics of these sectors limited the positive impact from signs of an improving U.S. economy.
- Sectors that typically have higher growth rates, such as information technology and health care, posted single-digit returns and trailed the broad equity market in the fourth quarter.

Russell 3000 Index Quarterly Returns

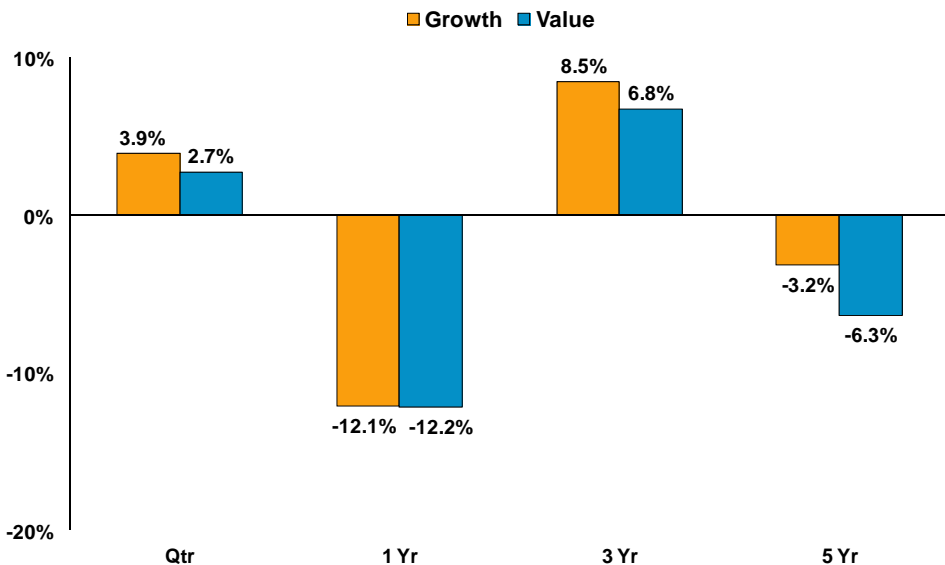


Russell 3000 Style Indices Returns



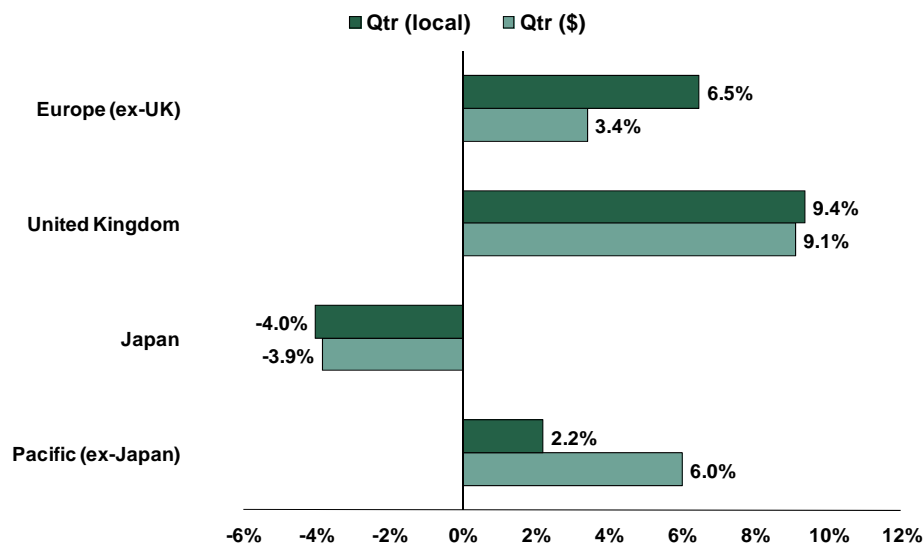
Fourth Quarter 2011 – Global Equity, Non-U.S.

MSCI EAFE Style Indices Returns

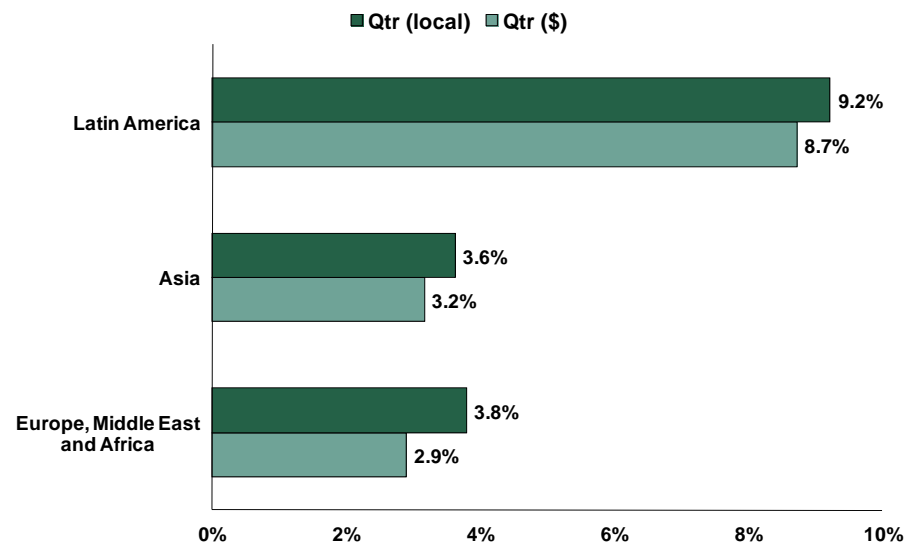


- As measured in U.S. dollars, the MSCI EAFE Index gained 3.3% and the MSCI Emerging Markets Index returned 4.4% in the fourth quarter.
- International growth stocks (+3.9%) outperformed international value stocks (+2.7%), as measured by the MSCI EAFE Style Indices. Both indices declined slightly over 12% for the year.
- Currency generally had a negative impact on international equity returns for U.S. investors for the quarter. The U.S. dollar appreciated significantly against the euro, British pound, and the Indian Rupee, but depreciated versus the Australian dollar and Korean won.
- Japanese stocks were notably weak, down 3.9% in U.S. dollars (-4.0% in local currency). The country's central bank governor cautioned that Japan's economic recovery could be negatively impacted by the ongoing debt crisis in Europe.
- Within emerging markets, Latin America gained more than 8% in U.S. dollars and more than 9% in local currencies. Asian markets returned 3.2% (3.6% local), with India weighing on the region, falling 14.3% (7.0% in local currency). Indian stocks declined due in part to political gridlock and high inflation.

MSCI EAFE Regional Quarterly Returns



MSCI Emerging Markets Regional Quarterly Returns

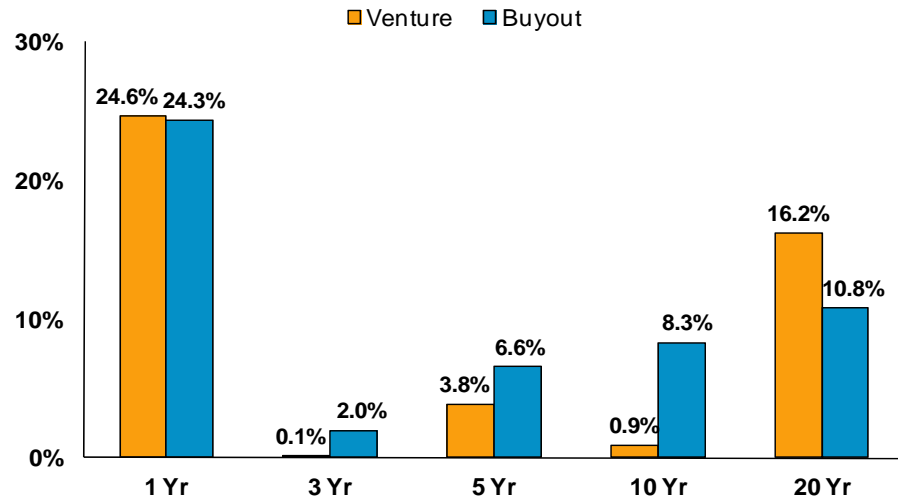


Source: MSCI Barra

Source: MSCI Barra

Fourth Quarter 2011 – Global Equity, Private

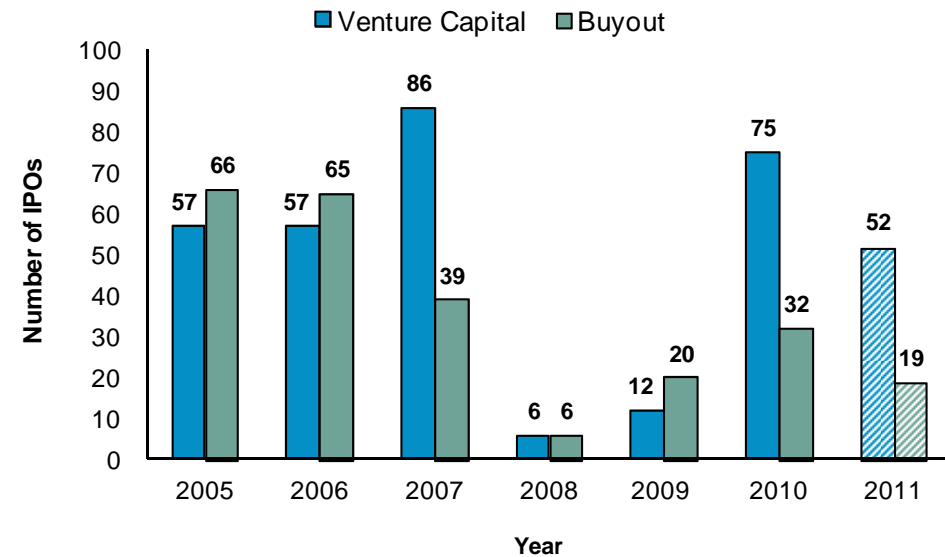
Private Equity - Venture Capital & Buyout Returns as of June 30, 2011



Source: Venture Economics

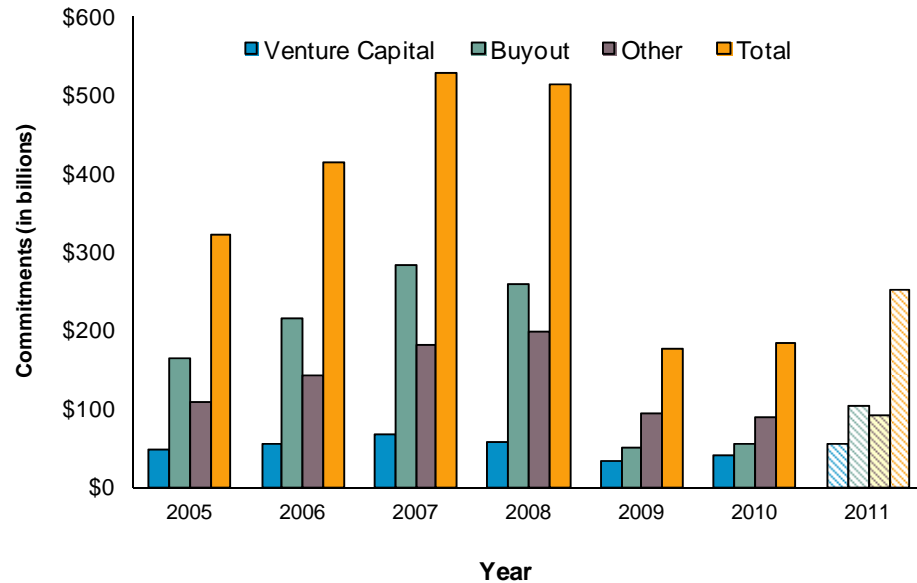
- Private equity performance is reported on a lagged basis with the most recent information available through June 30, 2011.
- Private equity performance for both venture and buyout funds was positive over the past reported year, returning 24.6% and 24.3%, respectively.
- Exit activity continued ahead of last year's pace, though IPO activity remained slow in the fourth quarter, with only 13 private equity-backed IPOs during the quarter (six venture-backed and seven buyout-backed) bringing the year-end total to 71 (52 venture-backed and 19 buyout-backed).
- Acquisitions of venture-backed companies in 2011 fell just 2% short of the record pace set in 2010.
- Commitments to private equity managers reached approximately \$253 billion in 2011, an increase over 2009 and 2010 of 38% and 44%, respectively, though still less than half of the levels in 2007 and 2008.

Global Private Equity IPOs



Source: Venture Economics. Data as of June 2011

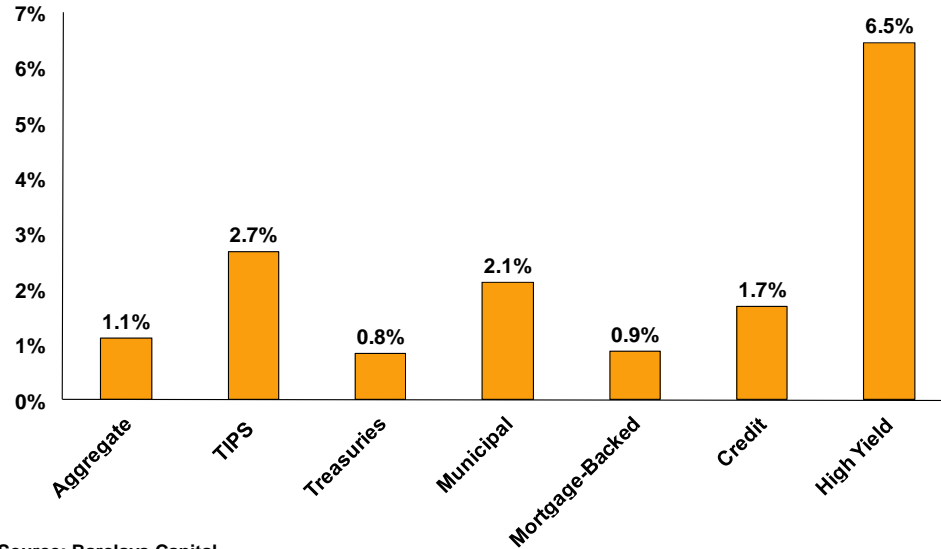
Global Private Equity Commitments



Source: Venture Economics. Data as of June 2011

Fourth Quarter 2011 – Global Fixed Income

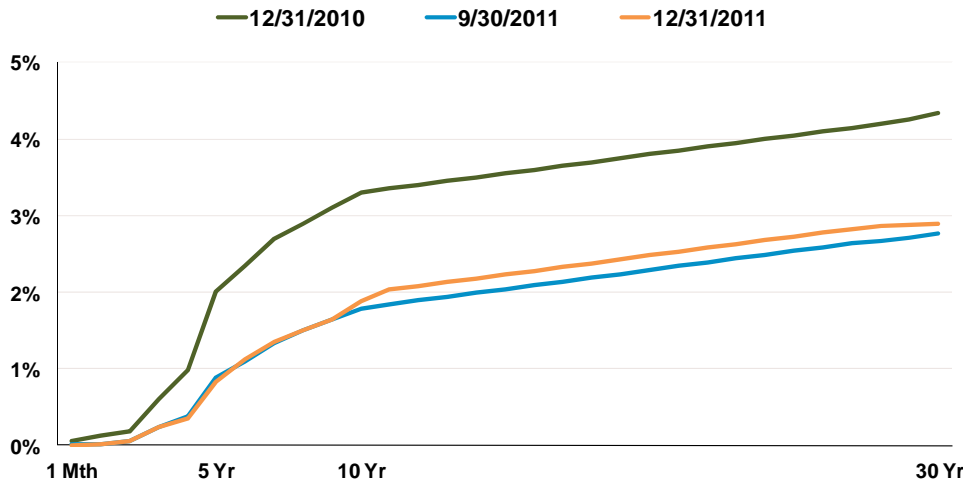
Barclays Capital U.S. Fixed Income Index Returns



- The Barclays Capital Aggregate Bond Index (BCAG) returned 1.1% in the fourth quarter. Treasuries returned 0.8% during the quarter while investment grade credit returned 1.7% and mortgage-backed securities gained 0.9%.
- TIPS produced a return of 2.7%, which was better than nominal Treasuries. Inflation rose 0.1% for the quarter and 2.9% for the year.
- High yield bonds returned 6.5% during the fourth quarter, as investor demand for “risky assets” increased. Lower-quality high yield bonds outperformed higher quality bonds, with CCC-rated bonds advancing 8.4%, B-rated bonds up 6.4%, and BB-rated bonds up 5.6%.
- Emerging market local debt underperformed U.S. Treasuries, losing 1.0%. Dollar-denominated emerging market debt advanced 5.3%, due in part to a strong dollar during the quarter.

Source: Barclays Capital

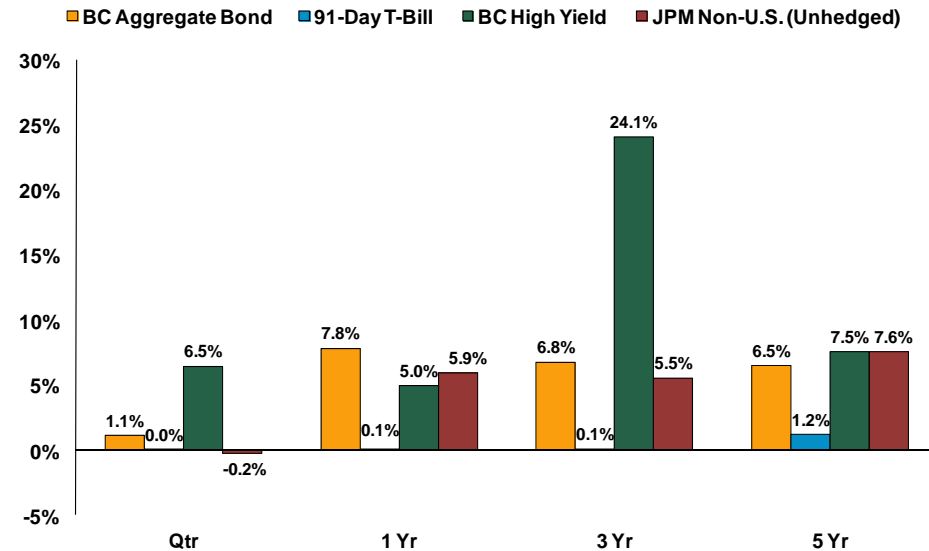
U.S. Treasury Yield Curve



Source: Bloomberg

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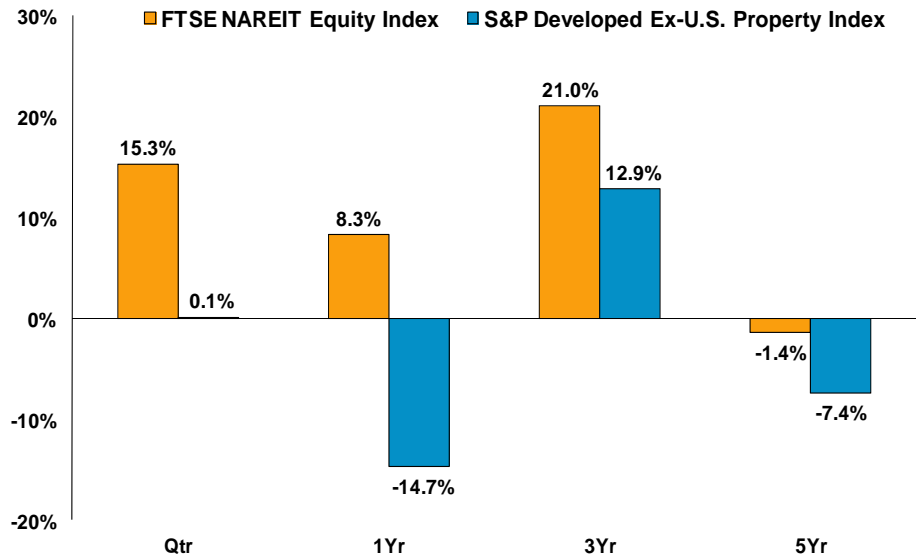
Broad Fixed Income



Sources: Barclays Capital and JP Morgan

Fourth Quarter 2011 – Real Assets, Real Estate

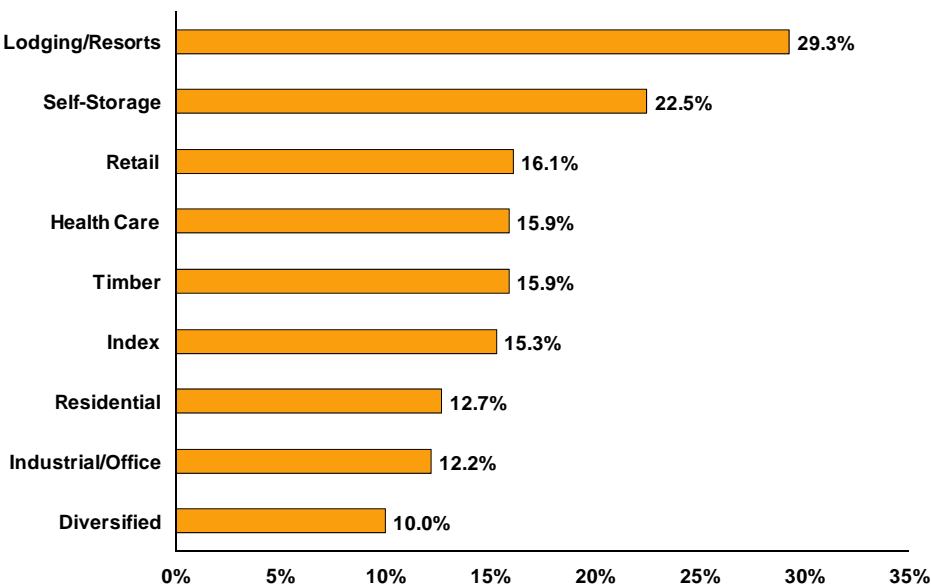
Public Real Estate - U.S. vs. International



- REITs gained 15.3% in the fourth quarter, the strongest quarterly total return since the third quarter of 2009. Strengthening operating performance and fundamentals boosted returns.
- The hotel/lodging sector rose 29.3% on strong increases to occupancy levels and revenue-per-available-room. Self-storage REITs performed well, returning 22.5% during the fourth quarter, as the sector benefitted from the home foreclosure crisis in the U.S. Within the retail sector, regional malls gained 20.8% amid the holiday shopping season.
- International real estate security returns were essentially flat, up 0.1% in U.S. dollars (-0.5% in local currency terms) for the quarter. European property markets were negatively impacted by the ongoing turmoil in the euro zone.
- Private real estate returns were positive across all major property sectors, as measured by the NCREIF Property Index (on a quarter lag). Private real estate values continued an upward trajectory, most notably for core assets in the largest primary markets and within the multi-family sector.

Sources: NAREIT, Standard & Poor's, and Citigroup

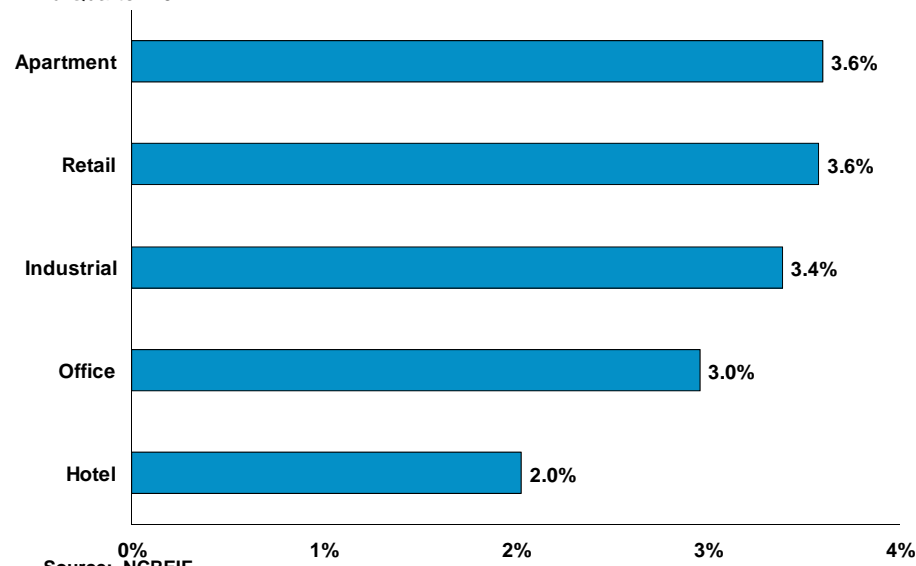
FTSE NAREIT Equity Index Sector Returns



Source: NAREIT

NCREIF National Property Index Sector Returns

Third Quarter 2011

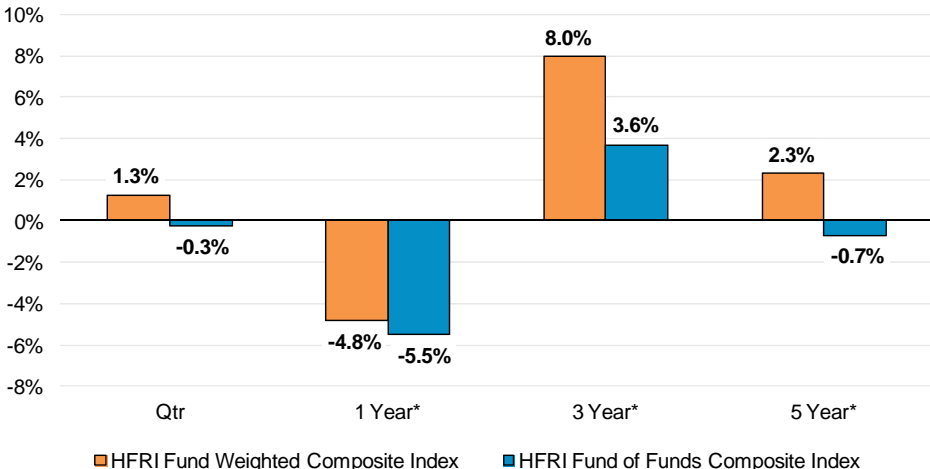


Source: NCREIF

Fourth Quarter 2011 – Diversifying Strategies, Hedge Funds

Major HFRI Indices Performance

Returns in U.S. dollars



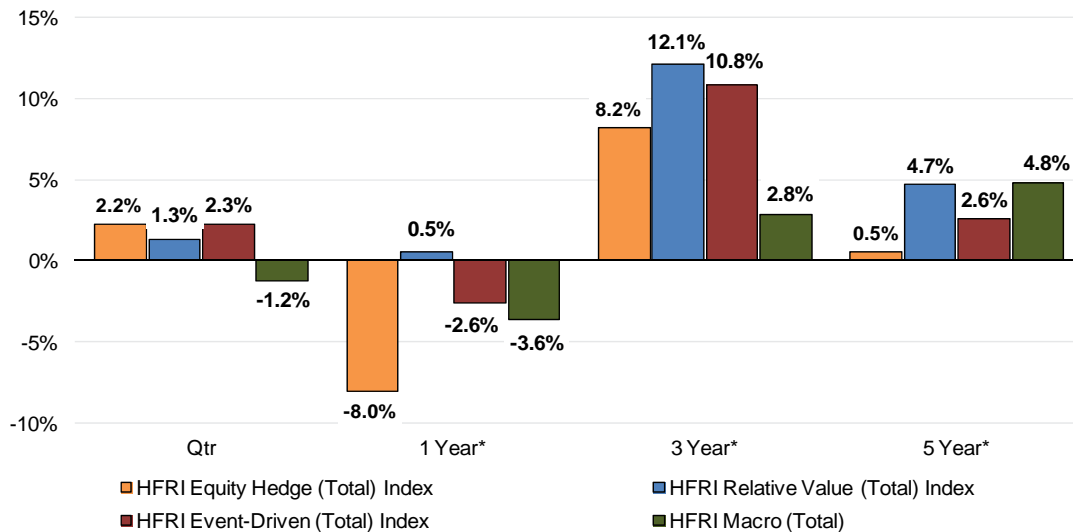
Source: HedgeFund Research

- Investors' shifting risk appetite was a headwind for global macro strategies during the quarter with the HFRI Global Macro (Total) Index down 1.2%. Discretionary managers fared better than their systematic counterparts whose trading programs were whipsawed by the velocity and severity of trend reversals in several asset classes. The HFRI Macro: Systematic Diversified Index fell 3.5% for the fourth quarter.
- The HFRI Event Driven (Total) Index gained 2.3% for the fourth quarter with positive attribution from managers focusing on merger arbitrage and distressed investing. The HFRI ED: Merger Arbitrage Index gained 1.6% on narrowing deal spreads while the HFRI ED: Distressed/ Restructuring Index gained 1.9% due to a rally in high yield and strong flows into the asset class.
- The HFRI Relative Value (Total) Index gained 1.3% for the fourth quarter and was one of the few strategies with positive performance on the year, up 0.5%. Several strategy-focused indices posted positive returns during the quarter, while the HFRI RV: Multi-Strategy Index declined 0.3%.

- Hedge fund returns were positive in the fourth quarter with the broad HFRI Fund Weighted Composite Index gaining 1.3%. For 2011, however, hedge funds were unable to garner positive returns with the HFRI Fund Weighted Composite Index declining 4.8%.
- Hedged equity was one of the strongest hedge fund strategies during the fourth quarter, with the HFRI Equity Hedge (Total) Index gaining 2.2%. Though hedged equity managers were beneficiaries of the strong equity market snapback early in the quarter, conservative portfolio construction prevented significant participation in the October market gains.
- Equity market neutral managers posted positive returns with the HFRI EH: Equity Market Neutral Index up 2.8%. Despite spikes in volatility and increased intra-stock correlations, equity market neutral managers generated positive returns in short-term momentum and mean reversion trading.

Secondary HFRI Indices Performance

Returns in U.S. dollars



Source: HedgeFund Research

Waccamaw Community Foundation

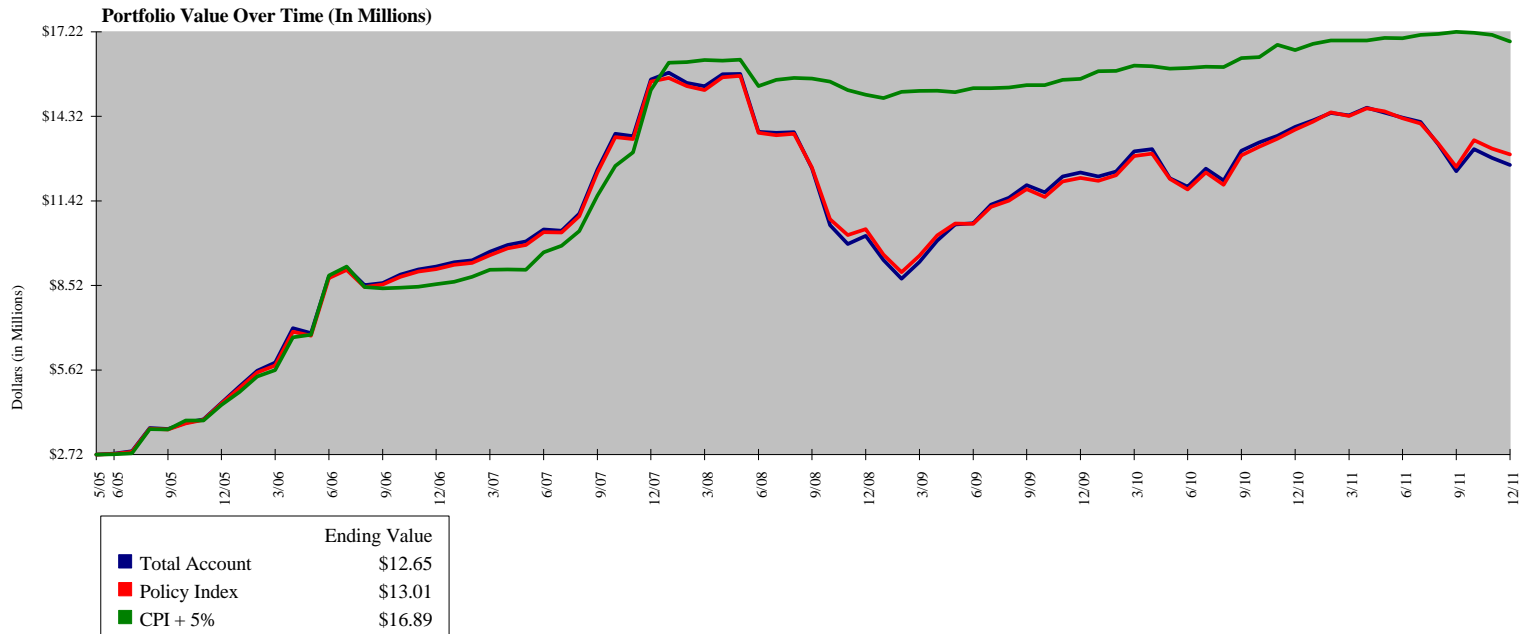
Composite Performance Review

Report for Periods Ending December 31, 2011

	Annualized				
	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>Since 5/05</u>
Total Account	5.9%	-2.4%	12.1%	1.3%	4.3%
Policy Index ¹	7.6	1.0	12.3	1.9	4.5
CPI + 5%	1.1	7.9	7.3	7.2	7.4

Footnotes:

¹ Policy Index is comprised of: 55.0% Russell 3000 Index, 15.0% MSCI AC World Index ex-US, and 30.0% Barclays Capital Aggregate Bond Index.



Waccamaw Community Foundation
Summary of Investment Performance
Report for Periods Ending December 31, 2011

	<u>Annualized</u>						
	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>Since Inception</u>	<u>(Date)</u>	<u>Market Value</u>
Total Account	5.9%	-2.4%	12.1%	1.3%	4.3%	<i>(5/05)</i>	<i>\$12,646,773</i>
Policy Index ¹	7.6	1.0	12.3	1.9	4.5		
CPI + 5%	1.1	7.9	7.3	7.2	7.4		
<u>Domestic Equity</u>							
iShares S&P 100 Index	11.8	3.0	12.2	-0.7	2.4	<i>(1/05)</i>	<i>1,128,639</i>
iShares S&P 500 Index	11.8	2.0	14.0	-0.3	3.0	<i>(1/05)</i>	<i>1,193,190</i>
PIMCO Fundamental Index	14.8	-	-	-	-3.7	<i>(6/11)</i>	<i>221,368</i>
iShares Russell 1000 Growth Index	10.5	2.5	17.8	-	0.9	<i>(8/07)</i>	<i>1,121,769</i>
iShares Russell Midcap Index	12.3	-1.7	-	-	11.0	<i>(5/10)</i>	<i>328,756</i>
iShares Russell 2000 Index	15.4	-4.2	15.6	0.2	3.9	<i>(1/05)</i>	<i>174,132</i>
DFA U.S. Small Cap Value	16.2	-7.5	17.4	-1.8	3.2	<i>(1/05)</i>	<i>165,067</i>
Russell 3000 Index	12.1	1.0	14.9	0.0	3.4		
<u>International Equity</u>							
AQR International Equity	5.5	-15.0	-	-	-2.2	<i>(11/09)</i>	<i>540,838</i>
iShares MSCI EAFE Growth Index	3.8	-12.3	8.2	-	-7.9	<i>(11/07)</i>	<i>106,917</i>
DFA International Value	3.1	-16.8	8.6	-5.4	2.5	<i>(1/05)</i>	<i>258,493</i>
Vanguard Pacific ETF	0.7	-13.9	-	-	2.9	<i>(5/10)</i>	<i>237,275</i>
DFA International Small Cap Value	1.4	-17.5	10.8	-4.0	3.4	<i>(1/05)</i>	<i>114,145</i>
DFA Emerging Markets Small Cap	2.8	-22.6	26.2	-	13.3	<i>(9/08)</i>	<i>403,874</i>
DFA Emerging Markets Value	3.5	-25.6	20.4	3.2	11.2	<i>(1/05)</i>	<i>509,586</i>
MSCI AC World Index ex-US	3.7	-13.7	10.7	-2.9	3.8		
<u>Fixed Income</u>							
Templeton Global Bond	1.2	-2.2	-	-	4.0	<i>(5/10)</i>	<i>406,322</i>
Vanguard Intermediate Term Treasury	0.9	9.9	-	-	8.0	<i>(5/10)</i>	<i>379,381</i>
Loomis Sayles Bond Fund	2.5	3.8	17.4	-	12.6	<i>(9/08)</i>	<i>327,093</i>
PIMCO Total Return	2.2	4.2	8.9	8.1	6.8	<i>(1/05)</i>	<i>2,012,851</i>
Barclays Capital Aggregate Bond Index	1.1	7.8	6.8	6.5	5.6		
<u>Natural Resources</u>							
Powershares DB Commodities Index	3.5	-2.7	-	-	4.1	<i>(11/09)</i>	<i>244,985</i>
DB Liquid Commodity Index–OY Diversified	2.6	-3.0	-	-	5.6		

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	<u>Qtr</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>Since Inception</u>	<u>(Date)</u>	<u>Market Value</u>
Low Volatility							
TFS Market Neutral Fund	5.7%	-	-	-	-5.1%	(5/11)	\$498,491
AQR Diversified Arbitrage Fund	0.6	-	-	-	-0.3	(3/11)	318,581
Driehaus Active Income Fund	1.3	-	-	-	-7.6	(3/11)	310,655
PIMCO All Asset	4.3	2.4	12.7	5.6	5.4	(9/05)	596,853
Gateway	5.6	3.2	5.0	1.5	3.3	(1/05)	872,460
S&P 500 Index	11.8	2.1	14.1	-0.2	3.0		
Barclays Capital Aggregate Bond Index	1.1	7.8	6.8	6.5	5.6		

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 and index data represent the most current available at the time of report publication.

* For managers and indices that report returns on a lag, 0.0% is utilized for the most recent time period until the actual return data are reported.

* The fiscal year ends in December.

¹ Policy Index is comprised of: 55.0% Russell 3000 Index, 15.0% MSCI AC World Index ex-US, and 30.0% Barclays Capital Aggregate Bond Index.

Waccamaw Community Foundation
Schedule of Asset and Style Allocation
Report for Periods Ending December 31, 2011

Asset Class	Current Weight	Target Range
Large/Mid Cap Equity	31.6%	25.0% - 55.0%
Small Cap Equity	2.7%	0.0% - 20.0%
International Equity	9.0%	5.0% - 15.0%
International Small Cap Equity	0.9%	0.0% - 10.0%
Emerging Markets	7.2%	0.0% - 10.0%
Fixed Income	24.7%	5.0% - 35.0%
Public Natural Resources	1.9%	0.0% - 10.0%
Low Volatility	20.5%	5.0% - 20.0%
Private Equity	0.0%	0.0% - 20.0%
Cash	1.4%	0.0% - 10.0%
Total	100.0%	

Waccamaw Community Foundation
Schedule of Asset and Style Allocation
Report for Periods Ending December 31, 2011

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large/Mid Cap Equity - Broad	iShares Russell Midcap Index	100.0%	0.0%	\$328,756	2.6%
Large/Mid Cap Equity - Broad	iShares S&P 100 Index	100.0%	0.0%	\$1,128,639	8.9%
Large/Mid Cap Equity - Broad	iShares S&P 500 Index	100.0%	0.0%	\$1,193,190	9.4%
Large/Mid Cap Equity - Core	PIMCO Fundamental Index	100.0%	0.0%	\$221,368	1.8%
Large/Mid Cap Equity - Growth	iShares Russell 1000 Growth Index	100.0%	0.0%	\$1,121,769	8.9%
Small Cap Equity - Broad	iShares Russell 2000 Index	100.0%	0.0%	\$174,132	1.4%
Small Cap Equity - Value	DFA U.S. Small Cap Value	100.0%	0.0%	\$165,067	1.3%
International Equity - Core	AQR International Equity	100.0%	0.0%	\$540,838	4.3%
International Equity - Core	Vanguard Pacific ETF	100.0%	0.0%	\$237,275	1.9%
International Equity - Growth	iShares MSCI EAFE Growth Index	100.0%	0.0%	\$106,917	0.8%
International Equity - Value	DFA International Value	100.0%	0.0%	\$258,493	2.0%
International Small Cap Equity - Value	DFA International Small Cap Value	100.0%	0.0%	\$114,145	0.9%
Emerging Markets - Small Cap	DFA Emerging Markets Small Cap	100.0%	0.0%	\$403,874	3.2%
Emerging Markets - Value	DFA Emerging Markets Value	100.0%	0.0%	\$509,586	4.0%
Fixed Income - Core Plus	Loomis Sayles Bond Fund	100.0%	0.0%	\$327,093	2.6%
Fixed Income - Core Plus	PIMCO Total Return	100.0%	0.0%	\$2,012,851	15.9%
Fixed Income - Global	Templeton Global Bond	100.0%	0.0%	\$406,322	3.2%
Fixed Income - Intermediate	Vanguard Intermediate Term Treasury	100.0%	0.0%	\$379,381	3.0%
Public Natural Resources - Commodities	Powershares DB Commodities Index	100.0%	0.0%	\$244,985	1.9%
Low Volatility - Absolute Return	AQR Diversified Arbitrage Fund	100.0%	0.0%	\$318,581	2.5%
Low Volatility - Absolute Return	Driehaus Active Income Fund	100.0%	0.0%	\$310,655	2.5%
Low Volatility - Absolute Return	PIMCO All Asset	100.0%	0.0%	\$596,853	4.7%
Low Volatility - Directional	Gateway	100.0%	0.0%	\$872,460	6.9%
Low Volatility - Diversified	TFS Market Neutral Fund	100.0%	0.0%	\$498,491	3.9%
Cash - Cash	Cash	0.0%	100.0%	\$175,053	1.4%
Total				\$12,646,774	100.0%

Waccamaw Community Foundation
Investment Policy Adherence
Report for Periods Ending December 31, 2011

Performance Objectives	Result	Objective Achieved
Measurement Period: Moving 5 Year		
Return > CPI + 5.0%	Return over CPI + 5.0% = -5.9%	No
Return > Benchmark	Return over benchmark = -0.6%	No
Beta < 1.20	Beta = 1.05	Yes
Alpha > 0.0%	Alpha = -0.7%	No

Statistical Measures	<u>Sharpe Ratio</u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
Total Account	0.0	15.6%	1.7%	-0.4
Policy Index	0.0	14.7	0.0	--

Asset Growth Summary (in thousands)	Qtr	1Yr
Beginning Market Value	\$ 12,439	\$ 13,961
Net Contributions/(Distributions)	\$ (527)	\$ (1,003)
Market Appreciation/(Depreciation)	\$ 735	\$ (311)
Ending Market Value	\$ 12,647	\$ 12,647

* Risk Statistics are based on monthly data.

¹ Policy Index is comprised of: 55.0% Russell 3000 Index, 15.0% MSCI AC World Index ex-US, and 30.0% Barclays Capital Aggregate Bond Index.

Index Summary Sheet for Periods Ending December 31, 2011

U.S. Equity Indices	Annualized					
	Qtr	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Russell 3000 Index	12.1%	1.0%	1.0%	14.9%	0.0%	3.5%
S&P 500 Index	11.8	2.1	2.1	14.1	-0.2	2.9
Russell 1000 Growth Index	10.6	2.6	2.6	18.0	2.5	2.6
Russell 1000 Value Index	13.1	0.4	0.4	11.5	-2.6	3.9
Russell Midcap Index	12.3	-1.5	-1.5	20.2	1.4	7.0
Russell Midcap Growth Index	11.2	-1.7	-1.7	22.1	2.4	5.3
Russell Midcap Value Index	13.4	-1.4	-1.4	18.2	0.0	7.7
Russell 2000 Index	15.5	-4.2	-4.2	15.6	0.2	5.6
Russell 2000 Growth Index	15.0	-2.9	-2.9	19.0	2.1	4.5
Russell 2000 Value Index	16.0	-5.5	-5.5	12.4	-1.9	6.4
International Equity Indices						
MSCI AC World Index ex-US	3.7	-13.7	-13.7	10.7	-2.9	6.3
MSCI EAFE Index	3.3	-12.1	-12.1	7.6	-4.7	4.7
MSCI EAFE Growth Index	3.9	-12.1	-12.1	8.5	-3.2	4.3
MSCI EAFE Value Index	2.7	-12.2	-12.2	6.8	-6.3	5.0
MSCI Emerging Markets Free Index	4.4	-18.4	-18.4	20.1	2.4	13.9
MSCI Small Cap EAFE Index	-0.6	-15.9	-15.9	14.6	-4.1	9.0
Fixed Income Indices						
Barclays Capital Aggregate Bond Index	1.1	7.8	7.8	6.8	6.5	5.8
Barclays Capital Interm GV/CR Bond Index	0.8	5.8	5.8	5.6	5.9	5.2
ML 1-3 Yr Govt Bond Index	0.2	1.6	1.6	1.6	3.7	3.3
Barclays Capital Municipals Index	2.1	10.7	10.7	8.6	5.2	5.4
Barclays Capital TIPS Index	2.7	13.6	13.6	10.4	8.0	7.6
Barclays Capital High Yield Bond Index	6.5	5.0	5.0	24.1	7.5	8.9
CSFB Leveraged Loan Index	2.7	1.8	1.8	17.5	3.3	4.7
JP Morgan Non-US \$ Govt Hedge Index	0.8	4.5	4.5	3.5	4.4	4.2
JP Morgan EMBI Plus Index	5.2	9.2	9.2	15.4	8.1	11.1
Alternative Investment Indices						
HFRI Fund of Funds Index	-0.3	-5.5	-5.5	3.6	-0.7	3.3
HFRI Fund Weighted Index	1.3	-4.8	-4.8	8.0	2.3	5.9
FTSE NAREIT Equity REIT Index	15.3	8.3	8.3	21.0	-1.4	10.2
FTSE EPRA/NAREIT Global Real Estate	7.4	-5.8	-5.8	16.2	-5.3	9.6
NCREIF Property Index	0.0	11.0	11.0	1.4	2.5	7.7
Other Indices						
Consumer Price Index - US	-0.1	2.9	2.9	2.3	2.2	2.5
U.S. 91-Day Treasury Bills	0.0	0.1	0.1	0.1	1.2	1.8
Dow Jones UBS Commodities Index	0.3	-13.3	-13.3	6.4	-2.1	6.6

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The Barclays Capital U.S. Aggregate Index covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass-through), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety.

The Russell 3000 Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. The Russell 3000 Index is constructed to provide a comprehensive, unbiased, and stable barometer of the broad market and is completely reconstituted annually to ensure new and growing equities are reflected.

The MSCI ACWI ex. U.S. is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the United States.



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