



LOCAL ADVISORY BOARD
WORK SESSION MEETING

April 16, 2019

Executive Conference Room



Chief Executive Officer

UNM Gallup Local Advisory Board Work Session
Room GH1216 --- 705 Gurley Avenue
April 16, 2019 --- 10:00 AM – 11:30 PM
Gallup, NM 87301

Work Session Agenda

- I Call to Order, Confirmation of a Quorum, Adoption of the Agenda – Local Advisory Board Chair Ralph Richards
- II Report from UNM Foundation on UNMG Endowments and Scholarships – Ralph Richards
- III UNM Foundation on Investment and Policy Report– Ralph Richards
- IV Scholarship Process – Ralph Richards
- V Adjourn
- VI Break for Lunch

If you are an individual with a disability who is in need of a reader, amplifier, qualified language interpreter, or any other form of auxiliary aid or service to attend or participate in the meeting, please contact the Chief Executive Office (505-863-7501) as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Chief Executive Office if a summary or other type of accessible format is needed.

F:\CORRESPONDENCE\Meetings\Local Board\Agendas\2019\20190108 Agenda Word DRAFT.Docx

Gallup Branch
Administered by the Director's Office

Endowment Name	Purpose	UNMF Account	Principal Index	Spending Index	Fair Market Value 7/1/2018	Additions (Withdrawals)	Net Investment Earnings (Loss)	Spending Distribution	Fair Market Value 9/30/2018
Allen and Leone Rollie Scholarship Fund	Scholarship	607370	751010	162023	142,478.35	0.00	2,691.65	(1,252.95)	143,917.05
Basilio DiGregorio Memorial Endowment for Entrepreneurship	Scholarship	605290	751011	751012	117,434.71	0.00	2,218.53	(1,032.72)	118,620.52
Charles Vidal Endowed Scholarship	Scholarship	605840	751004	162015	42,635.13	0.00	805.45	(374.93)	43,065.65
Desbah Largo Scholarship at the Gallup Branch	Scholarship	601510	751001	162028	28,068.15	0.00	530.25	(246.83)	28,351.57
Fred R. Tamony Endowment	Scholarship	607980	751013	751014	119,467.53	0.00	2,256.93	(1,050.60)	120,673.86
Gallup Branch Nursing Scholarship	Scholarship	630960	751005	162030	5,463.00	0.00	103.21	(48.04)	5,518.17
Mary Ann Zollinger Fund	Scholarship	630950	751000	162029	33,081.07	0.00	624.96	(290.92)	33,415.11
Myrtle Loughridge Memorial Scholarship	Scholarship	600170	751006	162027	40,954.49	0.00	773.70	(360.15)	41,368.04
United Indian Traders Association Fund	Scholarship	604440	751007	162014	53,641.78	0.00	1,013.37	(471.73)	54,183.42
UNM Gallup Entrepreneurial Professorship - Match	Faculty Support	632320	152003	152004	34,406.92	0.00	650.00	(302.57)	34,754.35
UNM-Gallup Entrepreneurial Professorship	Faculty Support	609590	152002	152004	10,322.15	0.00	195.00	(90.77)	10,426.38
Administered by the Director's Office Total :					627,953.28	0.00	11,863.05	(5,522.21)	634,294.12
Gallup Branch Total :					627,953.28	0.00	11,863.05	(5,522.21)	634,294.12

**Your endowment is shared with other schools/colleges or programs.



THE UNIVERSITY OF
NEW MEXICO
FOUNDATION

UNM – Gallup Branch Endowment Overview

April 16, 2019

*“where Generosity
meets Excellence”*



The UNM Foundation

- 1979 – Established as a non-profit corporation
- 1989 – Delegated the responsibility of overseeing the University's assets and investments to the UNMF Investment Committee, and consolidated the UNM and UNMF endowments
- A world class fundraising organization that empowers UNM to excel
- Mission: To successfully raise, invest, and steward gifts through long-term partnerships with donors
- 28 members of the Board of Trustees

**UNIVERSITY OF NEW MEXICO FOUNDATION
CONSOLIDATED INVESTMENT FUND
ENDOWMENT PROGRAM - 2/28/2019
ENDOWMENT ACTIVITY REPORT**

Gallup Branch

Endowment Name	Purpose	Fair Market Value 7/1/2009	Net Investment			Fair Market Value 2/28/2019
			Additions (Withdrawals)	Earnings (Loss)	Spending Distribution	
Allen and Leone Rollie Scholarship Fund	Scholarship	122,902.03	-	74,848.65	(59,371.62)	138,379.06
Basilio DiGregorio Memorial Endowment for	Scholarship	58,810.55	45,247.27	53,283.85	(43,285.74)	114,055.93
Charles Vidal Endowed Scholarship	Scholarship	36,776.87	-	22,397.72	(17,766.11)	41,408.48
Cibola Medical Foundation Nursing Scholarship	Scholarship	-	100,000.00	-	-	100,000.00
Desbah Largo Scholarship at the Gallup Branch	Scholarship	22,830.36	-	14,745.13	(10,314.91)	27,260.58
Fred R. Tamony Endowment	Scholarship	103,052.91	-	62,760.30	(49,782.96)	116,030.25
Gallup Branch Nursing Scholarship	Scholarship	4,351.40	105.00	2,847.15	(1,997.71)	5,305.84
Mary Ann Zollinger Fund	Scholarship	26,095.63	925.00	17,116.09	(12,007.46)	32,129.26
Myrtle Loughridge Memorial Scholarship	Scholarship	33,311.85	-	21,514.74	(15,050.41)	39,776.18
United Indian Traders Association Fund	Scholarship	46,271.59	-	28,179.85	(22,353.03)	52,098.41
Scholarship		454,403.19	146,277.27	297,693.48	(231,929.95)	666,443.99
UNM Gallup Entrepreneurial Professorship -	Faculty Support	-	30,000.00	14,469.74	(11,052.75)	33,416.99
UNM-Gallup Entrepreneurial Professorship	Faculty Support	-	9,000.00	4,341.01	(3,315.84)	10,025.17
Faculty Support		-	39,000.00	18,810.75	(14,368.59)	43,442.16
Gallup Branch		\$454,403.19	\$ 185,277.27	\$ 316,504.23	\$(246,298.54)	\$709,886.15

The Endowment

- Consolidated pool of University and Foundation assets
- Combined for investment purposes and operated as unitized pool known as the Consolidated Investment Fund (CIF)
- CIF Policy is approved by the UNMF Board of Trustees and UNM Board of Regents
 - Managed by the UNMF investment committee
 - Development Funding Agreement
 - Spending distributions to each college/unit

Consolidated Investment Fund Policy

- Investment Philosophy:
 - The CIF has a long-term investment horizon and allocates its assets accordingly.
 - The assets will be managed on a total return basis.
 - The objective is to minimize operational risks and realize an appropriate return

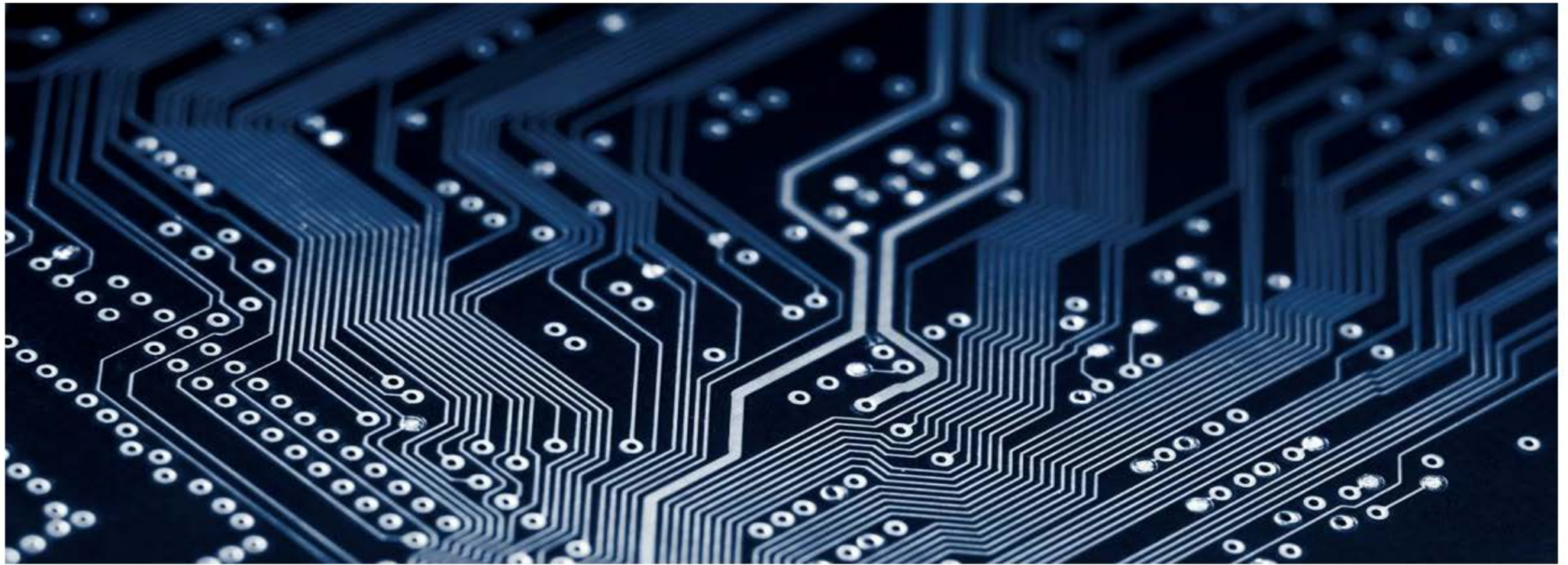
Consolidated Investment Fund Policy

- **Authority and Responsibility:**
 - **UNM Board of Regents** – approve policy, DFA, consultant fees; review Investment Committee and CIF performance
 - **UNM Foundation Board of Trustees** – Appoint investment committee; approve policy, DFA and consultant fees
 - **UNMF Investment Committee** – fiduciary responsibility for directing and monitoring the investment of CIF; retain/solicit qualified professionals
 - **UNMF Chief Financial Officer** – advisor to the Investment Committee, assist the Investment Committee to carry out responsibilities
 - **Investment Consultant** – provide advice to the Investment Committee
 - **Investment Managers** – responsible fiduciaries of CIF assets
 - **Investment Custodian** – transactions and record-keeping responsibilities

Consolidated Investment Fund Policy

- **Performance Measurement and Reporting:**
 - **Total Fund Performance** – Total assets to perform in the upper quartile of an acceptable comparable peer universe, over a market cycle or 3 to 5 years period.
 - **Asset Class Level** – Each asset class will have an:
 - Intermediate term benchmark that is investable
 - Longer term benchmark that represents the investment objectives
 - **Investment Manager** – Each investment manager’s performance should compare favorably over comparable periods, of a likely style and discipline.

- **Conflict of Interest**



University of New Mexico Foundation

Investment Portfolio Update

Aon Hewitt
Retirement and Investment

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



Asset Class Objectives

Asset Class	Role in Portfolio	Long-Term Policy Target
Return – Seeking		
Public Equity (U.S. and Non-U.S. Equity)	<ul style="list-style-type: none"> ▪ Capture global growth ▪ Capital appreciation ▪ Passive Implementation 	43%
Return-Seeking Fixed Income	<ul style="list-style-type: none"> ▪ Returns in excess of investment-grade bonds ▪ Added diversification 	3%
Private Investments (Private Equity and Debt)	<ul style="list-style-type: none"> ▪ Higher returns than traditional public markets ▪ Skill-based return enhancement ▪ Diversified growth 	15%
Real Assets (Private Real Estate and Energy)	<ul style="list-style-type: none"> ▪ Returns in excess of bonds ▪ Income-stream ▪ Inflation-hedge ▪ Added diversification 	8%
Marketable Alternatives	<ul style="list-style-type: none"> ▪ Added diversification (relatively low correlation to traditional stocks and bonds) ▪ Skill-based return enhancement ▪ Timely and opportunistic investments 	20%
Safety		
Traditional Fixed Income & Cash	<ul style="list-style-type: none"> ▪ Downside-protection (risk reduction) 	11%

Performance Relative to Peers¹ – As of December 31, 2018



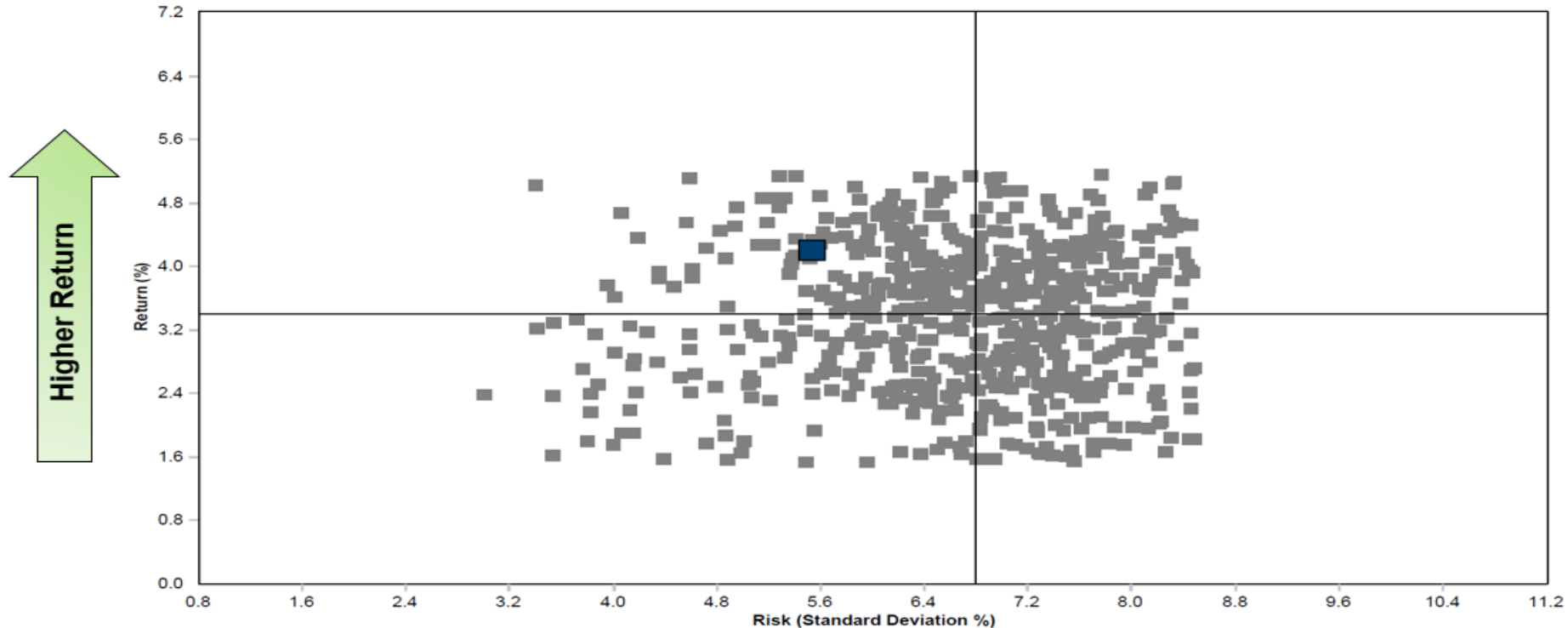
Rank 1 = Best
Rank 99 = Worst

	1 Year Count: 1,002		3 Years Count: 894		5 Years Count: 794		10 Years Count: 502	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank
UNM Foundation	-3.2%	18	5.7%	22	4.2%	24	7.3%	57
5 th Percentile	-0.2%	5	6.7%	5	5.1%	5	9.2%	5
25 th Percentile	-3.9%	25	5.6%	25	4.1%	25	8.3%	25
50 th Percentile	-5.6%	50	5.0%	50	3.4%	50	7.5%	50
75 th Percentile	-6.8%	75	4.3%	75	2.5%	75	6.6%	75
95 th Percentile	-8.4%	95	2.6%	95	1.5%	95	4.5%	95

¹ Investment Metrics universe of Endowments & Foundations with total assets less than \$1B

Risk and Return Relative to Peers¹ – Trailing 5 Year Period

Risk-Return Analysis – As of December 31, 2018
Endowment & Foundation < \$1 billion – Total Fund¹



	Return (%)	Risk (%)
UNM Foundation	4.2%	5.5%
Peer Universe Median	3.4%	6.8%

¹ Investment Metrics universe of Endowments & Foundations with total assets less than \$1B (794 members as of 12/31/2018)

Forward Looking – Risk & Return Expectations¹

	UNM Foundation	
	Long Term Policy Target	Policy Tolerance Ranges
Domestic Equity	21.5%	10 – 50%
International Equity	21.5%	10 – 40%
Fixed Income / Cash	14.0%	10 – 50%
Real Assets	8.0%	0 – 15%
Private Investments	15.0%	0 – 20%
Marketable Alternatives	20.0%	5 – 20%
Forecasted Nominal Return	7.7%	
Forecasted Real Return	5.3%	
Forecasted Volatility	12.1%	
Sharpe Ratio	0.428	

- The table above provides our long-term (i.e., 10 year) forecasts for the Foundation’s target allocation

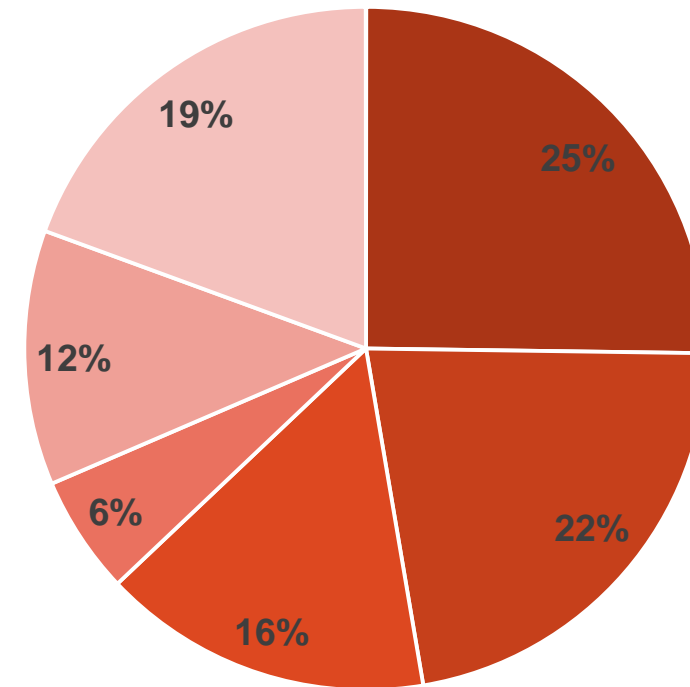
¹ Above analysis reflects 1Q2019 capital market assumptions from AHIC; assumptions are 10-year projections and are revised quarterly

Asset Allocation – February 2019

Assets shall be invested within the following maximum and minimum ranges for each asset class:

Percent of Total Assets

Asset Class	Minimum	Maximum
Domestic Equity ¹	10%	50%
International Equity ¹	10%	40%
Fixed Income/Cash	10%	50%
Illiquid Real Assets	0%	15%
Private Investments ²	0%	20%
Marketable Alternatives	5%	20%



- Domestic Equity
- International Equity
- Fixed Income/Cash
- Illiquid Real Estates
- Private Investments
- Marketable Alternatives

Spending Distribution

- Quarterly endowment distributions to UNM Gallup branch
- To be spent as restricted by each endowment agreement
- Distribution is based on a percentage of 20 quarter average market value of the endowment, in which the amount shall not exceed 6%, nor be less than 4%
- Consistent with the Uniform Prudent Management of Institutional Funds Act
- Spending Report – Sent to the Gallup Branch each year in March, so that they can plan for the upcoming scholarship awards



A world class fundraising organization that empowers the University of New Mexico to excel by successfully raising, investing, and stewarding gifts through long-term partnerships with donors.

Thank you.

Supporting Student Success: An Overview of Endowed and Non-Endowed Student Aid





FOUNDATION

6 Non-Endowed Awards:

- ❖ Americans for Native Americans
- ❖ Americans for Native Americans, NCLEX
- ❖ Julie Palmer, RN Memorial Scholarship
- ❖ Ralph Casebolt Scholarship
- ❖ Robert & Mildred Holmes Memorial Scholarship
- ❖ Santana Andrade Memorial Scholarship

9 Endowed Awards:

- ❖ Allen & Leone Rollie Memorial Endowment
- ❖ Basilio Di Gregorio Business Endowment
- ❖ Charles Vidal Endowment
- ❖ Desbah Largo Endowment
- ❖ Fred R. Tamony Endowment
- ❖ Gallup Branch Nursing Endowment
- ❖ Mary Ann Zollinger Memorial Endowment
- ❖ Myrtle Loughridge Memorial Endowment
- ❖ United Indian Traders Endowment



Americans for Native Americans

AWARD CRITERIA:

- Associate of Science in Nursing
- Recipient Selection by Nursing Program Administration
- \$500 Each Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **95** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$47,500**



Americans for Native Americans, NCLEX

AWARD CRITERIA:

- Associate of Science in Nursing Graduating Students
- Enrolled Member of a Recognized Tribe
- Registered for NCLEX Examination
- Recipient Selection by Nursing Program Administration
- Payment of NCLEX Testing Fees, \$350 per student

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **49** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$17,150**



Julia Palmer, RN Memorial Scholarship

AWARD CRITERIA:

- Associate of Science in Nursing or Certificate of Nursing Assistant
- Must be enrolled in six credit hours or more
- Must possess 2.5 GPA or Higher
- Completed FAFSA on file
- Satisfactory Academic Progress
- Personal Essay

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 4 Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$2,000**



Ralph Casebolt Memorial Scholarship



AWARD CRITERIA:

- 24 Earned Credit Hours
- Must possess 2.5 GPA or Higher
- Personal Essay Identifying Educational & Career Goals; Statement Must Identify Specific Need
- Annual Application Required
- Must Maintain Eligibility for Spring Award
- Five Scholarships Awarded Annually, up to \$1000 each

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 18 Scholarships Awarded
- ✓ Overall Amount Awarded: **\$15,300**

Robert & Mildred Holmes Memorial Scholarship

AWARD CRITERIA:

- Enrolled in an Allied Health Program
- 3.0 GPA or Higher
- One Scholarship of \$500 per Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **20** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$10,000**



Santana Andrade Memorial Scholarship

AWARD CRITERIA:

- Associate of Science in Nursing
- Must be in Final Semester of Program
- 3.0 GPA or Higher
- Interest in Pediatric Nursing
- Complete FAFSA on file
- One Scholarship of \$500 per Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 5 Scholarships Awarded
- ✓ Overall Amount Awarded: **\$2,500**



Allen & Leone Rollie Memorial Endowment

AWARD CRITERIA:

- Associate or Bachelor's of Science in Nursing
- Satisfactory Academic Progress for Subsequent Awarding
- Preference Given to Native American Students Demonstrating Financial Need

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **34** Scholarships Awarded, \$1,250 each
- ✓ Overall Amount Awarded: **\$42,500**



Basilio Di Gregorio Business Endowment



AWARD CRITERIA:

- Enrolled in Business Administration
- 3.0 GPA or Higher
- Enrolled in 12 Credit Hours (per term)
- Provide Two Letters of Reference (counselor/teacher, member of business community)
- Personal Essay: Importance of Education & Personal Career Goals
- Must be from the Greater Gallup Community, Including Surrounding Reservations
- \$500 per Semester; Fall Determines Spring Award

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **51** Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$25,500**

Charles Vidal Endowment

AWARD CRITERIA:

- Gallup High School Graduate
- B Grade Average in High School
- Enrolled in Pre-Medicine or Nursing

AWARD HISTORY (Fall 2014-Spring 2019):

**There have not been any awards issued to date; this particular gift will be reviewed with the appropriate development officer to ensure clarity in awarding intent and selection.*



Desbah Largo Endowment

AWARD CRITERIA:

- Enrolled Member of Navajo Tribe in the Eastern Agency
- Enrolled Full-Time in Degree Seeking Program
- Complete FAFSA on file
- Must Possess HS Diploma or GED
- 3.0 GPA or Higher for Subsequent Awarding up to 8 Semesters

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 11 Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$5,500**

**Spring 2019 awarding is ongoing; spending balance will decrease significantly by end of current academic year*



Fred R. Tamony Endowment

AWARD CRITERIA:

- McKinley County Resident
- Demonstrated Need

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 72 Scholarships Awarded, Various Amounts of \$100-\$1,000)
- ✓ Overall Amount Awarded: **\$41,869**

Gallup Branch Nursing Endowment

AWARD CRITERIA:

- Associate or Bachelor of Science in Nursing
- 30 Earned Credit Hours
- Enrolled in Six Credit Hours or More
- 3.0 GPA or Higher
- May not be a Current Recipient of the IHS or RMCH Scholarships
- \$400 per Semester; Fall Determines Spring Award

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 5 Scholarships Awarded, \$400 each
- ✓ Overall Amount Awarded: **\$2,000**



Mary Ann Zollinger Memorial Endowment



AWARD CRITERIA:

- Enrolled in a Degree Seeking Program
- Enrolled Full-Time
- 2.0 GPA or Higher
- Complete FAFSA on file
- Letter of Interest
- Satisfactory Academic Progress
- Must Maintain 2.5 GPA for Subsequent Awarding

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **20** Scholarships Awarded, \$1,000 each
- ✓ Overall Amount Awarded: **\$20,000**

Myrtle Loughridge Memorial Endowment

AWARD CRITERIA:

- Gallup High School Graduate
- Must Have Attended GHS Sophomore through Senior Years
- Must Maintain Satisfactory Academic Progress for Subsequent Awarding
- Gallup High School Counseling Staff Provide Recipient Recommendations

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **9** Scholarships Awarded, \$750 each
- ✓ Overall Amount Awarded: **\$6,750**



United Indian Traders Endowment

AWARD CRITERIA:

- Enrolled in a Degree Seeking Program
- Complete FAFSA on file
- Demonstrated Need per FAFSA

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **50** Scholarships Awarded*
- ✓ Overall Amount Awarded: **\$26,407***

**Spring 2019 awarding is ongoing; spending balance will decrease significantly by end of current academic year*





**SHOW ME
THE
MONEY!!!**

Promotion & Application

How do students know about institutional scholarships?

- ❖ Website
<https://www.gallup.unm.edu/scholarships/unmg.php>
- ❖ Social Media
- ❖ Scholarship Booklet (available to prospective and current students)
- ❖ New Student Orientation
- ❖ Scholarship Workshops
- ❖ Campus Notifications
- ❖ Annual Scholarship Awards Ceremony

How do students apply for institutional scholarships?

- General Scholarship Application Process
 - Scholarship Application
 - Financial Needs Analysis
 - Essay/Personal Statement
 - Letter(s) of Recommendation
 - Unofficial Transcript
- Fall & Spring Submission Opportunities



Selection & Awarding

Selection

- Applicant Data Entered Into Spreadsheet
- Financial Aid Manager Identifies Eligible Awards per Applicant
- Scholarship Committee Review & Selection
 - Membership: FA Manager, FA Officer, Nursing Director or Delegate, Community Representative

Awarding

- Awards Processed by Financial Aid Manager
 - Workflow Requisition via Banner
 - Approval by UNMA FAO
 - Final Review of Fund Availability per Index
 - Awards Posted & Dispersed
- (~2 week timeline for award processing)



CONSOLIDATED INVESTMENT FUND INVESTMENT POLICY



THE UNIVERSITY of
NEW MEXICO
FOUNDATION

THE UNIVERSITY OF NEW MEXICO

THE UNIVERSITY OF NEW MEXICO FOUNDATION, INC.

Revisions:

1989 September
1992 February
1995 March
1997 February
1999 September
2001 May
2002 June
2003 October
2004 May
2005 October
2010 July
2013 November
2014 April
2015 June
2016 June
2017 September

CONSOLIDATED INVESTMENT FUND POLICY STATEMENT

In accordance with Sections 21-1-38.B(1)(b) and 21-1-38.B(2), New Mexico Statutes Annotated 1978, the University of New Mexico Board of Regents (the "Board of Regents") has designated the University of New Mexico Foundation Investment Committee (the "Investment Committee") to act as the official Advisory Committee to oversee and manage the investment of both the University of New Mexico (the "University")'s and the University of New Mexico Foundation, Inc. (the "Foundation")'s endowment funds. The combined endowment assets of the University and the Foundation are known as the Consolidated Investment Fund (the "CIF"). The Investment Committee will apply the standards of conduct described in Sections 6-8-10 and 46-9A-1 through 46-9-12, NMSA 1978, in managing the CIF, subject to the standards set forth herein.

In accepting this responsibility, the Investment Committee agrees to follow the Consolidated Investment Fund Investment Policy (the "Policy"), which has been approved by the Board of Regents pursuant to Section 21-1-38.B(1)(c), NMSA 1978 and the Investment Committee of the Board of Trustees of the Foundation.

The Policy is to be effective June 10, 2016 and supersedes all previous versions.

The Policy governs the investment of gifts and donations to the University or the Foundation in the form of endowments, as well as quasi-endowments established by the Board of Regents, with long-term benefit objectives. All common endowment and quasi-endowment funds of the University and the Foundation will be managed through the CIF. Participants in the CIF will receive units in the pooled fund. At all times the Policy shall recognize and implement all legally enforceable restrictions and directions that may have been placed on gifts by donors and the Policy shall comply with all applicable laws and shall be changed as necessary to comply with changes in applicable law or legal advice.

INVESTMENT PHILOSOPHY

The CIF has a long-term investment horizon, and allocates its assets accordingly. It is recognized that a strategic long-term asset allocation plan implemented in a consistent and disciplined manner along with the long and short-term needs of the University in carrying out its educational mission will be the major determinant of the CIF's investment performance.

The assets will be managed on a total return basis. The Policy also recognizes the importance of preservation of capital. It is appropriate to consider alternative investment strategies if such strategies are in the CIF's best interest on a risk-adjusted basis and are consistent with sufficient liquidity and investment risks that are prudent and reasonable, given the prevailing capital market conditions.

Risk management of the investment program is focused on understanding both the investment and operational risks to which the CIF is exposed. The objective is to minimize operational risks and realize an appropriate return for the investment risks that the Investment Committee is willing to accept.

INVESTMENT OBJECTIVES AND POLICIES

Return Goal: The long-term objective of the CIF is to earn a return sufficient to preserve the purchasing power of the CIF for generations to come, as well as to provide for current needs. As a result, the goal is to achieve an annual total return, net of management and custodial fees, that equals or exceeds the annual Spending Distribution, the annual Development Funding Allocation and inflation as measured by the U.S. Department of Labor All Urban Consumer Price Index "CPI-U".

Return Measurement: *To achieve the Return Goal, the CIF assets will be invested to generate a total return consisting of market appreciation and depreciation and/or dividend and interest income. While there cannot be complete assurance that the Return Goal will be realized, it is believed that the likelihood of realization is enhanced by diversifying the assets of the CIF. Over time, the Policy will aim to achieve the Return Goal while maintaining acceptable risk levels. To accomplish this goal, the CIF will diversify assets among several asset classes. The following objectives are designed to support achievement of the Return Goal and are net of (after) investment expense:*

- Total CIF assets should achieve an annualized nominal rate of return equal to or greater than that of the Return Goal.
- In general, active managers will be expected to provide returns greater than their appropriate benchmark, net of fees, while utilizing acceptable risk levels, over rolling thirty-six month periods. In contrast, passive managers will be expected to provide returns nearly identical to the appropriate benchmark, before reasonable fees, with no more volatility than the benchmark.

Preservation of Capital: Consistent with their respective investment styles and philosophies, investment managers shall make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.

Cash Reserves: In accordance with the CIF's long-term investment horizon, a fully invested position should be maintained for the overall portfolio with minimal, but sufficient cash reserves to meet all current spending and capital calls.

Risk: It is important that risk is defined so that the assets are managed in a manner consistent with investment objectives and strategies. The policy defines risk as:

- Overall Investment Risk - the probability of not maintaining purchasing power over the CIF's investment time horizon, net of spending and investment expenses.
- Operational Risk - the potential of loss arising from deficiencies in internal controls, human errors, physical systems failures and other business execution risks.
- Cash Flow Risk - the probability of not achieving the CIF's short term cash flow requirements.
- Compliance Risk - non-compliance with applicable State of New Mexico statutes concerning the investment of public funds.
- Interest Rate Risk - the potential for fluctuations in bond prices due to changes in interest rates and/or a duration/liability mismatch.
- Credit Risk - the possibility that a bond issuer will fail to make timely payment of either interest or principal to the portfolio.
- Reinvestment Risk - the possibility that the proceeds of a maturing or called security will be reinvested at lower yields as a result of a general interest rate decline in the bond market.
- Liquidity Risk - the possibility that the liquidity of the market for a security may decline thereby making it more difficult to dispose of the security promptly; presenting difficulties in valuation of the security; or causing the security to experience greater price volatility.

Asset Allocation: Asset allocation is the single most important decision which affects the CIF. Investment research has determined that a significant portion of a portfolio's investment behavior can be attributed to (1) the asset classes/styles which are employed by the portfolio, and (2) the weighting of each asset class/style. Given its importance, the asset allocation will be reviewed at least quarterly and revised as necessary.

- The asset allocation shall be determined taking into consideration a comprehensive allocation study completed by the Investment Consultant and taking into consideration the asset allocations of peer institutions as published in the NACUBO-Commonfund Study of Endowments.

- The asset allocation shall be designed to give balance to the overall structure of the investment program over a long-term horizon.
- Asset allocation decisions will not be based on market timing. However, some factors may impact the policy allocation, thereby requiring an asset allocation review and possible rebalancing. Some of these factors include a change in the assessment of the intermediate and long-term outlook for different types of asset classes and styles or divergence in the performance of the different asset classes and styles.
- In consultation with the Investment Consultant, specific target asset allocations may be established by the Investment Committee within the minimum and maximum ranges of the Policy to address current economic and/or market conditions.

Assets shall be invested within the following maximum and minimum ranges for each asset class:

Percent of Total Assets

Asset Class	Minimum	Maximum
Domestic Equity ¹	10%	50%
International Equity ¹	10%	40%
Fixed Income/Cash	10%	50%
Illiquid Real Assets	0%	15%
Private Investments ²	0%	20%
Marketable Alternatives	5%	20%

¹ The combined maximum allocation to domestic and international equities shall not exceed 70% at any point in time.

² A net cumulative capital allocation of up to 0.5% of total assets of the Consolidated Investment Fund as measured at the end of the fiscal year may be invested by the University of New Mexico's technology transfer nonprofit corporation, STC.UNM, in qualifying early stage venture capital investments. An investment will be considered a qualifying early stage venture capital investment if:

1. the investment is in a company created to utilize technologies transferred by STC.UNM;
2. the investment is matched on at least a 1 to 1 basis by a co-investor with experience in early stage capital ventures; and
3. STC.UNM has conducted due diligence on its own or in concert with a co-investor; and
4. STC.UNM provides the Investment Committee with reports regarding each specific early stage venture selected and quarterly updates thereafter to monitor the progress of the venture and the performance of the investment.

The University of New Mexico Foundation Investment Committee is not responsible for the evaluation, selection or management of any early stage venture capital investments made by STC.UNM with Consolidated Investment Fund assets.

It is anticipated that long-range returns for early stage venture capital investments will be equal to or better than the long-range expected return for the Consolidated Investment Fund.

Portfolio Rebalancing: It is desirable to rebalance the CIF's holdings periodically to minimize deviations from the Policy's asset allocation mix. The Investment Consultant shall inform the Investment Committee at the close of any quarter in which rebalancing the CIF is necessary. The Investment Committee shall review and approve any rebalancing actions and the Investment Consultant shall assist as needed in implementing such actions.

Manager Concentration Limits: The Investment Consultant shall identify at the close of each quarter any actively managed accounts which are in excess of 5% of total assets. The Investment Committee shall consider whether the concentration in these accounts warrants rebalancing towards a goal of 5%.

Spending Distribution: The Policy aims to distribute on an annual basis a percentage, established as discussed below, of the average market value of the CIF at the calendar year-end of the previous 20 quarters (the “Spending Distribution”). The Spending Distribution amount shall not exceed 6% nor be less than 4% of the average market value per unit. The Policy allows for the Spending Distribution regardless of whether the fair market value of an individual account exceeds its historic gift value, unless otherwise precluded by the donor or by law. This practice is consistent with the Uniform Prudent Management of Institutional Funds Act, and recognizes that not spending from an endowment is likely to be contrary to a donor’s intent to provide current benefits for the designated purpose. The Investment Committee shall establish at its first meeting of each calendar year the Spending Distribution to be used for the following fiscal year. The Investment Committee shall strive to maintain a Spending Distribution which achieves intergenerational equity, so today’s beneficiaries do not unfairly benefit at the expense of future beneficiaries. In addition to considering this Policy and the objectives as stated above, the Investment Committee shall consider, if relevant, the following items in their annual deliberations to determine a reasonable Spending Distribution:

- The net rate of return earned by the CIF in each of the five most recent fiscal years.
- The net real (after adjusting for inflation as measured by the CPI-U) rate of return earned by the CIF in each of the five most recent fiscal years.
- Payout rates established by other university endowments as published in the NACUBO-Commonfund Study of Endowments.
- Other resources available to University and any unusual or extraordinary circumstances impacting these resources (tuition revenues, State appropriations, etc.).
- The extent to which programs benefiting from the Spending Distribution rely on these funds to achieve their goals and objectives.
- Recommendations from the CFO.
- The Spending Distribution in effect at the time of deliberations.
- General economic conditions.
- The possible effect of inflation or deflation.
- The expected total return of the CIF per the most recent asset allocation study.
- Significant inflows to and outflows from the CIF (if any)

Development Funding Allocation (the “DFA”): The Board of Regents and the Board of Trustees have agreed that a fair and reasonable uniform basis point fee applicable to all endowment accounts is an appropriate means to assist the operations of the Foundation. The DFA does not provide support for any direct costs of investing and administering the CIF, such as investment consultant fees, custodial fees and investment manager fees. These costs are assigned directly to the CIF. The DFA is subject to review and approval by the Board of Trustees and the Board of Regents as necessary.

The following items shall be considered in establishing a reasonable DFA:

- Any external costs including the Investment Consultant, custodian, and investment manager fees of managing the CIF.
- The internal (i.e., accounting, fund raising, information systems, gift administration) costs to raise funds for, manage the assets of and provide stewardship for the CIF.
- Cost Recovery Fee rates established by other university endowments if published in the NACUBO-Commonfund Study of Endowments.
- Recommendations from the CFO.
- The Development Funding Allocation in effect at the time of deliberations.
- The impact on the Spending Distribution.

Responsible Investing: “Responsible Investing” prescribes adopting investment policies and practices such as socially responsible investing (SRI) which avoids certain securities or industries through negative screening according to defined ethical guidelines and/or environmental, social and governance investing (ESG) which integrates those factors into the investment analysis to the extent that they impact investment performance. The CIF’s assets have been donated by generous donors to support UNM’s mission first and foremost, not to adhere to defined ethical guidelines or incorporate environmental, social and governance factors. UNM’s mission is “... to serve as New Mexico’s flagship institution of higher learning through demonstrated and growing excellence in teaching, research, patient care, and community service.” The Investment Committee considers the endowment to be an economic resource in advancing UNM’s mission and defines its fiduciary responsibility as investing and managing the endowment assets as set forth in the Policy. The CIF’s assets shall be invested for the long-term using a diversified approach with the principal goal of generating an attractive return to provide continued support to UNM at a commensurate and acceptable level of risk. Implementation is guided by the concept of complementary managers who are responsible for specific asset categories and management styles in a diversified portfolio. Investment strategies shall not be altered or modified for reasons unrelated to achieving this objective.

Donor Directed Investments: The UNM Foundation’s Gift Acceptance Committee will consider requests from donors who approach the Foundation with a desire to support the important work of UNM and express an interest in having their endowment or quasi-endowment gifts invested in a cause-related way. If the donor’s gift is accepted, the Foundation’s Investment Committee will strive to identify an appropriate endowment investment vehicle outside the CIF to meet the donor’s concerns while insuring that the University’s goals, objectives and values are maintained. The restriction or designation of a particular donor shall not be imposed on any other gifts or endowment assets.

Previous donations invested within the CIF will not be considered for divestment from the CIF and reinvestment outside the CIF.

AUTHORITY AND RESPONSIBILITY

University of New Mexico Board of Regents

The Board of Regents shall review the performance of the Investment Committee and the CIF at least annually. The Board of Regents shall approve annually, along with the Board of Trustees:

- The Investment Policy and any changes thereto.
- The Development Funding Allocation basis point fee.
- The Investment Consultant and its fees.

University of New Mexico Foundation Board of Trustees

In accordance with the bylaws of the Foundation, the Board of Trustees shall appoint an Investment Committee. The Board of Trustees shall approve, along with the Board of Regents:

- The Investment Policy and any changes thereto.
- The Development Funding Allocation basis point fee.
- The Investment Consultant and its fees.

The Investment Committee

The Investment Committee has fiduciary responsibility for directing and monitoring the investment of the CIF, and is authorized to retain and solicit recommendations of qualified professionals including the CFO, Investment Consultant and Investment Managers.

The Investment Committee's responsibilities include:

- Recommending an Investment Consultant and the contract.
- Selecting an Investment Custodian and approving the contract.
- Approving investment products for inclusion in the CIF portfolios.
- Monitoring the CIF investments for compliance with all laws, rules and regulations, including but not limited to the Management of Charitable Funds Act as implemented by the State of New Mexico from time to time.
- Developing an investment policy for approval by the Board of Trustees to include an asset allocation model taking into consideration the appropriate rates of return and risk for each asset class.
- Reviewing performance at both the manager and portfolio level on a periodic basis and, if necessary, instructing the CFO and/or the Investment Consultant to conduct additional due diligence on any investment manager/product.
- Rebalancing the CIF in accordance with the asset allocation ranges.
- Providing regular reports to the Board of Trustees and to the Board of Regents, including recommendations with respect to any suggested changes in investment policies.

The Chief Financial Officer

The CFO serves as an advisor to the Investment Committee, and shall assist the Investment Committee as needed in carrying out their responsibilities noted above. Additional responsibilities of the CFO include:

- Implementing Investment Committee decisions as directed.
- Working directly with the Investment Consultant as needed.
- Preparing an annual report on the CIF, including performance and allocation information important to the donor community.
- Coordinating agenda items with the Investment Committee Chair and scheduling meetings of the Investment Committee such that all important matters are brought to the Committee's attention in a timely fashion.
- Reviewing and executing, in consultation with legal counsel, all offering documents for new investment products approved by the Investment Committee.
- Providing the Investment Committee with reports comparing investment performance and asset allocation with the NACUBO-Commonfund Study of Endowments.

The Investment Consultant

The Investment Consultant is responsible for providing advice to the Investment Committee as follows:

- Reviewing the asset allocation as appropriate and no less than annually.
- Monitoring the portfolios to ensure that assets remain within the designated ranges as specified in the asset allocation models, and recommending appropriate actions to address situations outside the designated ranges.
- Providing written comments and recommendations on the Policy as needed, but on no less than an annual basis.
- Assisting in selecting, monitoring, and replacing investment managers and products.

- Recommending appropriate benchmarks and peer groups with which to monitor selected investment managers.
- Providing written quarterly reports no less than quarterly to the Investment Committee on investment products and managers, including departures of key personnel, style drift, changes in investment process and any other matter requiring the Investment Committee's attention including a recommendation that an investment manager be retained or terminated.
- Disclosing any fee relationships with investment managers, advertisers, placement agents or other providers of service for the CIF.
- Presenting reports to the Board of Regents and the Board of Trustees as needed.
- Reviewing all offering documents for new investment products prior to submission to the CFO for signature.

The Investment Managers

Investment managers shall:

- Act as responsible fiduciaries in all matters involving their management of CIF assets and comply with all applicable laws, rules and regulations.
- Report all activity to the CFO and Investment Consultant on a timely basis as agreed, but in no event will such report be provided on less than a quarterly basis. Such reports shall include a comparison of performance with the agreed-upon benchmark, and might include details about the holdings and strategies of the applicable product.
- Vote, or cause to be voted, all proxies on securities held by the CIF.
- Provide CFO with copies of audited financial statements covering the investment product in a timely manner.
- Make presentations to the Investment Committee when and as requested.
- Maintain a strict adherence to the mandate under which they were engaged.
- Provide CFO and Investment Consultant with a written report within five business days of the following matters: (a) change in ownership or legal entity status; (b) change in key personnel, including a change in anyone on the product portfolio management team; (c) change in investment philosophy or style; (d) civil or criminal charges filed against the firm by a regulator.
- Disclose any fee relationship with the investment consultant, advertisers, placement agents or other providers of service for the CIF.

The Investment Custodian:

The Investment Custodian shall:

- Provide monthly reports detailing investment holdings and account transactions within 15 business days following the end of each month and an annual report summarizing the following within 15 business days following each fiscal year end.
- Establish and maintain an account(s) for each Investment Manager of the portfolio as requested by the CFO.
- Provide all normal custodial functions including security safekeeping, collection of income, settlement of trades, collection of proceeds of maturing securities, daily investment of uninvested cash, etc., effect trades, if applicable, manage securities lending program, if applicable.
- Prepare additional accounting reports as requested by the CFO or Investment Consultant.

PERFORMANCE MEASUREMENT AND REPORTING

Performance Measurement

The performance of the CIF will be reviewed at least annually to determine the continued feasibility of achieving the investment objectives and the appropriateness of the investment policy for achieving these objectives. In consideration of the CIF's goals and objectives, several standards will be utilized in evaluating investment performance as opposed to a single measure. These standards reflect several aspects of investment performance, including the specific objectives and the market indices used to measure the performance of individual Managers.

- **TOTAL FUND PERFORMANCE:** The Investment Committee expects the total assets under management to perform in the upper quartile of an acceptable comparable peer universe, over a market cycle or a three to five year period if shorter.
- **ASSET CLASS LEVEL PERFORMANCE:** Each asset class approved by the Investment Committee will have an intermediate term benchmark that is investable and a longer term benchmark that represents the investment objective in that asset class's inclusion in the portfolio.
- **INVESTMENT MANAGER PERFORMANCE:** Each Investment Manager's performance should compare favorably over comparable periods to that of other Investment Managers of a like style and discipline. The Investment Managers shall have discretion to invest a portion of the assets in cash reserves when they deem it appropriate. However, the Investment Managers will be evaluated against their peers and their predetermined benchmarks on the performance of the total funds under their direct management.

Conflict of Interest

All persons responsible for investment decisions or who are involved in the management of the Foundation or who are consulting to, or providing any advice whatsoever to the Investment Committee, shall disclose in writing at the beginning of any discussion or consideration by the Investment Committee, any relationships, material beneficial ownership, or other material interest(s) which the person has or may reasonably be expected to have, with respect to any investment issue under consideration. The Investment Committee will require such persons to remove themselves from the decision-making process.

Any members of the Investment Committee responsible for investment decisions or who are involved in the management of the Foundation shall refuse any remuneration, commission, gift, favor, service or benefit that might influence them in the discharge of their duties, except as disclosed in writing to and agreed upon in writing by the Investment Committee. The intent of this provision is to eliminate conflicts of interest between committee membership and the Foundation. Failure to disclose any material benefit shall be grounds for immediate removal from the Investment Committee. This provision shall not preclude the payment of ordinary fees and expenses to the Foundation's custodian(s), Investment Managers, or Investment Consultant in the course of their services on behalf of the Foundation.



THE UNIVERSITY OF
NEW MEXICO
FOUNDATION

UNM – Gallup Branch Endowment Overview

April 16, 2019

*“where Generosity
meets Excellence”*



The UNM Foundation

- 1979 – Established as a non-profit corporation
- 1989 – Delegated the responsibility of overseeing the University's assets and investments to the UNMF Investment Committee, and consolidated the UNM and UNMF endowments
- A world class fundraising organization that empowers UNM to excel
- Mission: To successfully raise, invest, and steward gifts through long-term partnerships with donors
- 28 members of the Board of Trustees

**UNIVERSITY OF NEW MEXICO FOUNDATION
CONSOLIDATED INVESTMENT FUND
ENDOWMENT PROGRAM - 2/28/2019
ENDOWMENT ACTIVITY REPORT**

Gallup Branch

Endowment Name	Purpose	Fair Market Value 7/1/2009	Net Investment			Fair Market Value 2/28/2019
			Additions (Withdrawals)	Earnings (Loss)	Spending Distribution	
Allen and Leone Rollie Scholarship Fund	Scholarship	122,902.03	-	74,848.65	(59,371.62)	138,379.06
Basilio DiGregorio Memorial Endowment for	Scholarship	58,810.55	45,247.27	53,283.85	(43,285.74)	114,055.93
Charles Vidal Endowed Scholarship	Scholarship	36,776.87	-	22,397.72	(17,766.11)	41,408.48
Cibola Medical Foundation Nursing Scholarship	Scholarship	-	100,000.00	-	-	100,000.00
Desbah Largo Scholarship at the Gallup Branch	Scholarship	22,830.36	-	14,745.13	(10,314.91)	27,260.58
Fred R. Tamony Endowment	Scholarship	103,052.91	-	62,760.30	(49,782.96)	116,030.25
Gallup Branch Nursing Scholarship	Scholarship	4,351.40	105.00	2,847.15	(1,997.71)	5,305.84
Mary Ann Zollinger Fund	Scholarship	26,095.63	925.00	17,116.09	(12,007.46)	32,129.26
Myrtle Loughridge Memorial Scholarship	Scholarship	33,311.85	-	21,514.74	(15,050.41)	39,776.18
United Indian Traders Association Fund	Scholarship	46,271.59	-	28,179.85	(22,353.03)	52,098.41
Scholarship		454,403.19	146,277.27	297,693.48	(231,929.95)	666,443.99
UNM Gallup Entrepreneurial Professorship -	Faculty Support	-	30,000.00	14,469.74	(11,052.75)	33,416.99
UNM-Gallup Entrepreneurial Professorship	Faculty Support	-	9,000.00	4,341.01	(3,315.84)	10,025.17
Faculty Support		-	39,000.00	18,810.75	(14,368.59)	43,442.16
Gallup Branch		\$454,403.19	\$ 185,277.27	\$ 316,504.23	\$(246,298.54)	\$709,886.15

The Endowment

- Consolidated pool of University and Foundation assets
- Combined for investment purposes and operated as unitized pool known as the Consolidated Investment Fund (CIF)
- CIF Policy is approved by the UNMF Board of Trustees and UNM Board of Regents
 - Managed by the UNMF investment committee
 - Development Funding Agreement
 - Spending distributions to each college/unit

Consolidated Investment Fund Policy

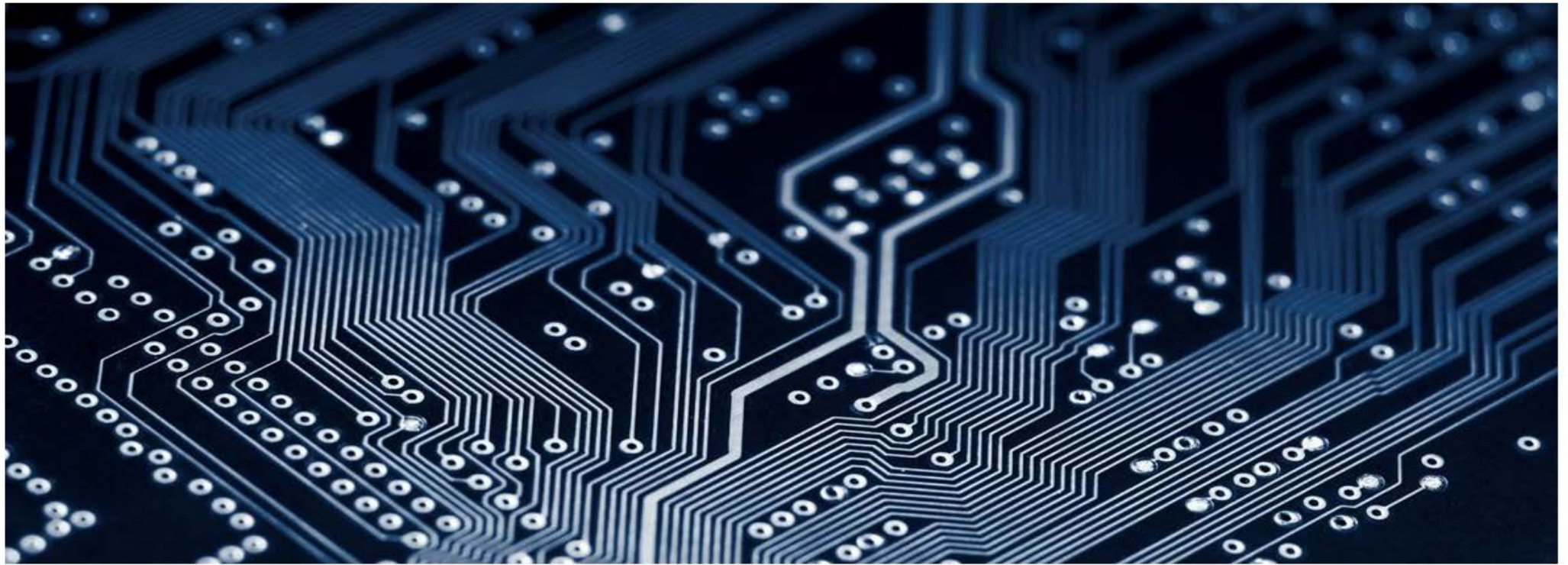
- Investment Philosophy:
 - The CIF has a long-term investment horizon and allocates its assets accordingly.
 - The assets will be managed on a total return basis.
 - The objective is to minimize operational risks and realize an appropriate return

Consolidated Investment Fund Policy

- **Authority and Responsibility:**
 - **UNM Board of Regents** – approve policy, DFA, consultant fees; review Investment Committee and CIF performance
 - **UNM Foundation Board of Trustees** – Appoint investment committee; approve policy, DFA and consultant fees
 - **UNMF Investment Committee** – fiduciary responsibility for directing and monitoring the investment of CIF; retain/solicit qualified professionals
 - **UNMF Chief Financial Officer** – advisor to the Investment Committee, assist the Investment Committee to carry out responsibilities
 - **Investment Consultant** – provide advice to the Investment Committee
 - **Investment Managers** – responsible fiduciaries of CIF assets
 - **Investment Custodian** – transactions and record-keeping responsibilities

Consolidated Investment Fund Policy

- **Performance Measurement and Reporting:**
 - **Total Fund Performance** – Total assets to perform in the upper quartile of an acceptable comparable peer universe, over a market cycle or 3 to 5 years period.
 - **Asset Class Level** – Each asset class will have an:
 - Intermediate term benchmark that is investable
 - Longer term benchmark that represents the investment objectives
 - **Investment Manager** – Each investment manager’s performance should compare favorably over comparable periods, of a likely style and discipline.
- **Conflict of Interest**



University of New Mexico Foundation

Investment Portfolio Update

Aon Hewitt
Retirement and Investment

Investment advice and consulting services provided by Aon Hewitt Investment Consulting, Inc., an Aon Company.



Asset Class Objectives

Asset Class	Role in Portfolio	Long-Term Policy Target
Return – Seeking		
Public Equity (U.S. and Non-U.S. Equity)	<ul style="list-style-type: none"> ▪ Capture global growth ▪ Capital appreciation ▪ Passive Implementation 	43%
Return-Seeking Fixed Income	<ul style="list-style-type: none"> ▪ Returns in excess of investment-grade bonds ▪ Added diversification 	3%
Private Investments (Private Equity and Debt)	<ul style="list-style-type: none"> ▪ Higher returns than traditional public markets ▪ Skill-based return enhancement ▪ Diversified growth 	15%
Real Assets (Private Real Estate and Energy)	<ul style="list-style-type: none"> ▪ Returns in excess of bonds ▪ Income-stream ▪ Inflation-hedge ▪ Added diversification 	8%
Marketable Alternatives	<ul style="list-style-type: none"> ▪ Added diversification (relatively low correlation to traditional stocks and bonds) ▪ Skill-based return enhancement ▪ Timely and opportunistic investments 	20%
Safety		
Traditional Fixed Income & Cash	<ul style="list-style-type: none"> ▪ Downside-protection (risk reduction) 	11%

Performance Relative to Peers¹ – As of December 31, 2018



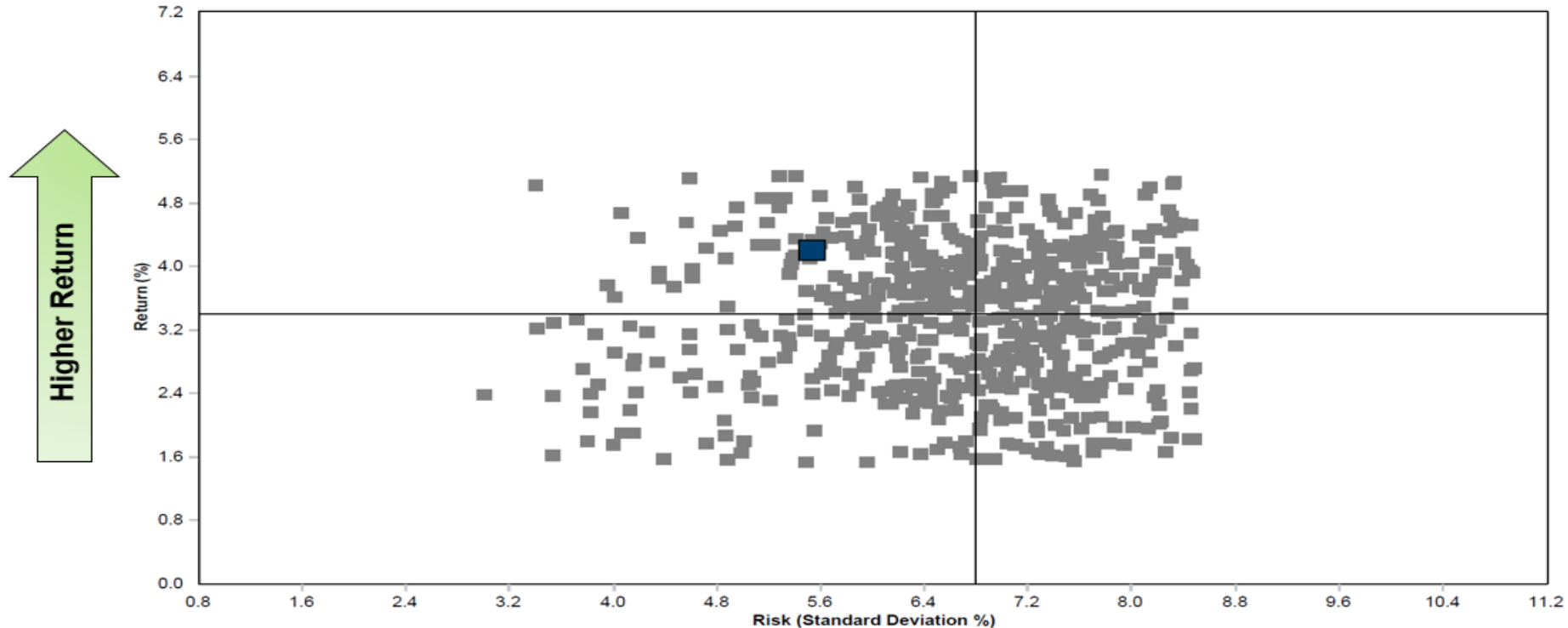
Rank 1 = Best
Rank 99 = Worst

	1 Year Count: 1,002		3 Years Count: 894		5 Years Count: 794		10 Years Count: 502	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank
UNM Foundation	-3.2%	18	5.7%	22	4.2%	24	7.3%	57
5 th Percentile	-0.2%	5	6.7%	5	5.1%	5	9.2%	5
25 th Percentile	-3.9%	25	5.6%	25	4.1%	25	8.3%	25
50 th Percentile	-5.6%	50	5.0%	50	3.4%	50	7.5%	50
75 th Percentile	-6.8%	75	4.3%	75	2.5%	75	6.6%	75
95 th Percentile	-8.4%	95	2.6%	95	1.5%	95	4.5%	95

¹ Investment Metrics universe of Endowments & Foundations with total assets less than \$1B

Risk and Return Relative to Peers¹ – Trailing 5 Year Period

Risk-Return Analysis – As of December 31, 2018
Endowment & Foundation < \$1 billion – Total Fund¹



	Return (%)	Risk (%)
UNM Foundation	4.2%	5.5%
Peer Universe Median	3.4%	6.8%

¹ Investment Metrics universe of Endowments & Foundations with total assets less than \$1B (794 members as of 12/31/2018)

Forward Looking – Risk & Return Expectations¹

	UNM Foundation	
	Long Term Policy Target	Policy Tolerance Ranges
Domestic Equity	21.5%	10 – 50%
International Equity	21.5%	10 – 40%
Fixed Income / Cash	14.0%	10 – 50%
Real Assets	8.0%	0 – 15%
Private Investments	15.0%	0 – 20%
Marketable Alternatives	20.0%	5 – 20%
Forecasted Nominal Return	7.7%	
Forecasted Real Return	5.3%	
Forecasted Volatility	12.1%	
Sharpe Ratio	0.428	

- The table above provides our long-term (i.e., 10 year) forecasts for the Foundation’s target allocation

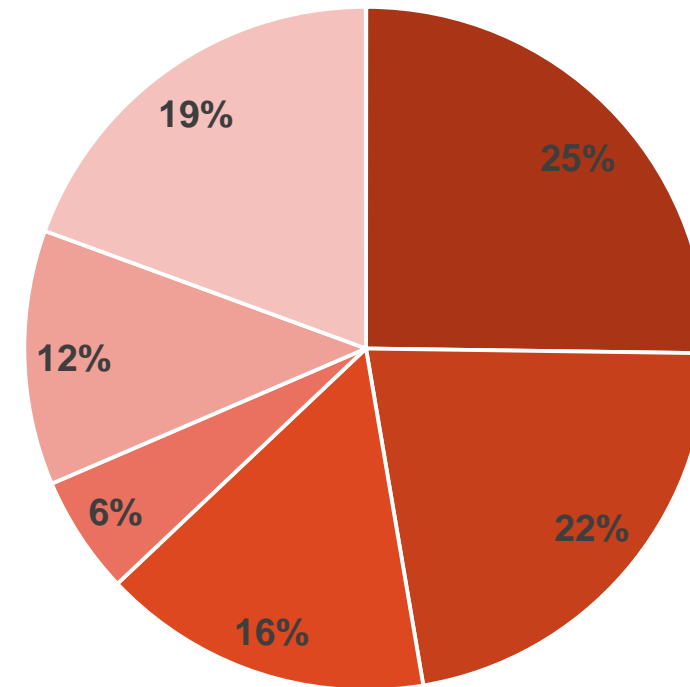
¹ Above analysis reflects 1Q2019 capital market assumptions from AHIC; assumptions are 10-year projections and are revised quarterly

Asset Allocation – February 2019

Assets shall be invested within the following maximum and minimum ranges for each asset class:

Percent of Total Assets

Asset Class	Minimum	Maximum
Domestic Equity ¹	10%	50%
International Equity ¹	10%	40%
Fixed Income/Cash	10%	50%
Illiquid Real Assets	0%	15%
Private Investments ²	0%	20%
Marketable Alternatives	5%	20%



- Domestic Equity
- International Equity
- Fixed Income/Cash
- Illiquid Real Estates
- Private Investments
- Marketable Alternatives

Spending Distribution

- Quarterly endowment distributions to UNM Gallup branch
- To be spent as restricted by each endowment agreement
- Distribution is based on a percentage of 20 quarter average market value of the endowment, in which the amount shall not exceed 6%, nor be less than 4%
- Consistent with the Uniform Prudent Management of Institutional Funds Act
- Spending Report – Sent to the Gallup Branch each year in March, so that they can plan for the upcoming scholarship awards



A world class fundraising organization that empowers the University of New Mexico to excel by successfully raising, investing, and stewarding gifts through long-term partnerships with donors.

Thank you.

Supporting Student Success: An Overview of Endowed and Non-Endowed Student Aid





FOUNDATION

6 Non-Endowed Awards:

- ❖ Americans for Native Americans
- ❖ Americans for Native Americans, NCLEX
- ❖ Julie Palmer, RN Memorial Scholarship
- ❖ Ralph Casebolt Scholarship
- ❖ Robert & Mildred Holmes Memorial Scholarship
- ❖ Santana Andrade Memorial Scholarship

9 Endowed Awards:

- ❖ Allen & Leone Rollie Memorial Endowment
- ❖ Basilio Di Gregorio Business Endowment
- ❖ Charles Vidal Endowment
- ❖ Desbah Largo Endowment
- ❖ Fred R. Tamony Endowment
- ❖ Gallup Branch Nursing Endowment
- ❖ Mary Ann Zollinger Memorial Endowment
- ❖ Myrtle Loughridge Memorial Endowment
- ❖ United Indian Traders Endowment



Americans for Native Americans

AWARD CRITERIA:

- Associate of Science in Nursing
- Recipient Selection by Nursing Program Administration
- \$500 Each Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **95** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$47,500**



Americans for Native Americans, NCLEX

AWARD CRITERIA:

- Associate of Science in Nursing Graduating Students
- Enrolled Member of a Recognized Tribe
- Registered for NCLEX Examination
- Recipient Selection by Nursing Program Administration
- Payment of NCLEX Testing Fees, \$350 per student

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **49** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$17,150**



Julia Palmer, RN Memorial Scholarship

AWARD CRITERIA:

- Associate of Science in Nursing or Certificate of Nursing Assistant
- Must be enrolled in six credit hours or more
- Must possess 2.5 GPA or Higher
- Completed FAFSA on file
- Satisfactory Academic Progress
- Personal Essay

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 4 Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$2,000**



Ralph Casebolt Memorial Scholarship



AWARD CRITERIA:

- 24 Earned Credit Hours
- Must possess 2.5 GPA or Higher
- Personal Essay Identifying Educational & Career Goals; Statement Must Identify Specific Need
- Annual Application Required
- Must Maintain Eligibility for Spring Award
- Five Scholarships Awarded Annually, up to \$1000 each

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 18 Scholarships Awarded
- ✓ Overall Amount Awarded: **\$15,300**

Robert & Mildred Holmes Memorial Scholarship

AWARD CRITERIA:

- Enrolled in an Allied Health Program
- 3.0 GPA or Higher
- One Scholarship of \$500 per Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **20** Scholarships Awarded
- ✓ Overall Amount Awarded: **\$10,000**



Santana Andrade Memorial Scholarship

AWARD CRITERIA:

- Associate of Science in Nursing
- Must be in Final Semester of Program
- 3.0 GPA or Higher
- Interest in Pediatric Nursing
- Complete FAFSA on file
- One Scholarship of \$500 per Semester

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 5 Scholarships Awarded
- ✓ Overall Amount Awarded: **\$2,500**



Allen & Leone Rollie Memorial Endowment

AWARD CRITERIA:

- Associate or Bachelor's of Science in Nursing
- Satisfactory Academic Progress for Subsequent Awarding
- Preference Given to Native American Students Demonstrating Financial Need

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **34** Scholarships Awarded, \$1,250 each
- ✓ Overall Amount Awarded: **\$42,500**



Basilio Di Gregorio Business Endowment



AWARD CRITERIA:

- Enrolled in Business Administration
- 3.0 GPA or Higher
- Enrolled in 12 Credit Hours (per term)
- Provide Two Letters of Reference (counselor/teacher, member of business community)
- Personal Essay: Importance of Education & Personal Career Goals
- Must be from the Greater Gallup Community, Including Surrounding Reservations
- \$500 per Semester; Fall Determines Spring Award

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **51** Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$25,500**

Charles Vidal Endowment

AWARD CRITERIA:

- Gallup High School Graduate
- B Grade Average in High School
- Enrolled in Pre-Medicine or Nursing

AWARD HISTORY (Fall 2014-Spring 2019):

**There have not been any awards issued to date; this particular gift will be reviewed with the appropriate development officer to ensure clarity in awarding intent and selection.*



Desbah Largo Endowment

AWARD CRITERIA:

- Enrolled Member of Navajo Tribe in the Eastern Agency
- Enrolled Full-Time in Degree Seeking Program
- Complete FAFSA on file
- Must Possess HS Diploma or GED
- 3.0 GPA or Higher for Subsequent Awarding up to 8 Semesters

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 11 Scholarships Awarded, \$500 each
- ✓ Overall Amount Awarded: **\$5,500**

**Spring 2019 awarding is ongoing; spending balance will decrease significantly by end of current academic year*



Fred R. Tamony Endowment

AWARD CRITERIA:

- McKinley County Resident
- Demonstrated Need

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 72 Scholarships Awarded, Various Amounts of \$100-\$1,000)
- ✓ Overall Amount Awarded: **\$41,869**



Gallup Branch Nursing Endowment

AWARD CRITERIA:

- Associate or Bachelor of Science in Nursing
- 30 Earned Credit Hours
- Enrolled in Six Credit Hours or More
- 3.0 GPA or Higher
- May not be a Current Recipient of the IHS or RMCH Scholarships
- \$400 per Semester; Fall Determines Spring Award

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ 5 Scholarships Awarded, \$400 each
- ✓ Overall Amount Awarded: **\$2,000**



Mary Ann Zollinger Memorial Endowment



AWARD CRITERIA:

- Enrolled in a Degree Seeking Program
- Enrolled Full-Time
- 2.0 GPA or Higher
- Complete FAFSA on file
- Letter of Interest
- Satisfactory Academic Progress
- Must Maintain 2.5 GPA for Subsequent Awarding

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **20** Scholarships Awarded, \$1,000 each
- ✓ Overall Amount Awarded: **\$20,000**

Myrtle Loughridge Memorial Endowment

AWARD CRITERIA:

- Gallup High School Graduate
- Must Have Attended GHS Sophomore through Senior Years
- Must Maintain Satisfactory Academic Progress for Subsequent Awarding
- Gallup High School Counseling Staff Provide Recipient Recommendations

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **9** Scholarships Awarded, \$750 each
- ✓ Overall Amount Awarded: **\$6,750**



United Indian Traders Endowment

AWARD CRITERIA:

- Enrolled in a Degree Seeking Program
- Complete FAFSA on file
- Demonstrated Need per FAFSA

AWARD HISTORY (Fall 2014-Spring 2019):

- ✓ **50** Scholarships Awarded*
- ✓ Overall Amount Awarded: **\$26,407***

**Spring 2019 awarding is ongoing; spending balance will decrease significantly by end of current academic year*





**SHOW ME
THE
MONEY!!!**

Promotion & Application

How do students know about institutional scholarships?

- ❖ Website
<https://www.gallup.unm.edu/scholarships/unmg.php>
- ❖ Social Media
- ❖ Scholarship Booklet (available to prospective and current students)
- ❖ New Student Orientation
- ❖ Scholarship Workshops
- ❖ Campus Notifications
- ❖ Annual Scholarship Awards Ceremony

How do students apply for institutional scholarships?

- General Scholarship Application Process
 - Scholarship Application
 - Financial Needs Analysis
 - Essay/Personal Statement
 - Letter(s) of Recommendation
 - Unofficial Transcript
- Fall & Spring Submission Opportunities



Selection & Awarding

Selection

- Applicant Data Entered Into Spreadsheet
- Financial Aid Manager Identifies Eligible Awards per Applicant
- Scholarship Committee Review & Selection
 - Membership: FA Manager, FA Officer, Nursing Director or Delegate, Community Representative

Awarding

- Awards Processed by Financial Aid Manager
 - Workflow Requisition via Banner
 - Approval by UNMA FAO
 - Final Review of Fund Availability per Index
 - Awards Posted & Dispersed
- (~2 week timeline for award processing)





University of New Mexico Foundation | February 28, 2019

Monthly Investment Review

All information presented in this report should be considered preliminary.

Finalized data will be available on the next Quarterly Investment Report after the close of the quarter.

As of February 28, 2019

Trailing Period Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Composite	448,315,640	100.0	1.5	5.6	1.0	1.2	8.6	5.1	8.9	6.3	04/01/1995
Custom Benchmark			1.7	5.5	1.2	1.0	9.2	5.5	8.0	7.1	
Domestic Equity Composite	112,713,062	25.1	3.5	12.4	3.2	5.1	15.5	10.0	15.7	6.4	03/01/2001
Dow Jones U.S. Total Stock Market Index			3.5	12.4	3.1	5.0	15.5	10.1	16.8	7.3	
International Equity Composite	99,031,992	22.1	1.9	9.6	-2.3	-6.5	10.7	2.4	10.7	5.6	04/01/1995
MSCI AC World ex USA Index (Net)			2.0	9.7	-2.2	-6.5	10.7	2.5	9.6	5.3	
Fixed Income Composite	67,336,573	15.0	0.3	2.3	2.7	1.3	3.9	1.8	4.1	4.9	03/01/2001
Fixed Income Composite Benchmark			0.3	2.1	2.7	2.1	3.7	2.2	3.9	4.5	
Cash/Money Market	3,044,908	0.7	0.2	0.4	1.4	1.9	1.0	0.6	0.3	1.2	04/01/2005
FTSE 3 Month T-Bill			0.2	0.4	1.5	2.0	1.1	0.7	0.4	1.3	
Total Real Assets Composite	25,486,141	5.7	0.2	2.6	-1.1	1.4	5.7	0.1	3.7	0.8	01/01/2006
iShares S&P NA Natural Resources Index	4,318,693	1.0	1.2	14.1	-14.6	-2.8	7.2	-4.6	5.4	2.2	12/01/2005
S&P North American Natural Resources Sector			1.3	14.3	-14.3	-2.3	7.8	-4.1	5.9	2.7	
Illiquid Real Assets Composite	21,167,447	4.7	0.0	0.6	2.2	2.3	4.6	2.9	0.1	-1.1	05/01/2006
Illiquid Real Assets Composite Benchmark			0.8	-2.4	3.4	6.4	10.6	11.4	7.0	6.5	
Total Marketable Assets Composite	87,165,427	19.4	0.9	0.7	-1.4	-0.7	3.6	4.1	6.2	6.0	01/01/2006
HFRI Fund of Funds Composite Index			1.1	3.7	-1.2	-1.2	3.9	1.9	3.5	2.3	
Private Investments Composite	53,537,539	11.9	-0.6	-0.6	6.6	14.9	12.1	11.9	10.4	6.7	04/01/2005
Private Investments Custom Benchmark			1.9	-4.0	3.2	4.5	12.3	13.5	13.2	11.7	

Note: February 2019 performance is preliminary

As of February 28, 2019

Trailing Period Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Composite	448,315,640	100.0									
U.S. Equity											
BlackRock U.S. Equity Market Index	112,713,062	25.1	3.5	12.4	3.2	5.1	15.5	-	-	10.2	04/01/2014
Dow Jones U.S. Total Stock Market Index			3.5	12.4	3.1	5.0	15.5	-	-	10.2	
International Equity											
BlackRock ACWI ex USA Index	99,031,992	22.1	1.9	9.6	-2.3	-6.5	10.7	-	-	6.4	12/01/2015
MSCI AC World ex USA Index (Net)			2.0	9.7	-2.2	-6.5	10.7	-	-	6.5	
Fixed Income											
PIMCO Moderate Duration	22,051,756	4.9	0.2	1.3	3.0	2.8	2.4	2.0	-	2.2	07/01/2013
Blmbg. Barc. U.S. Intermediate Aggregate			0.0	0.9	2.8	3.4	1.4	2.0	-	2.1	
Vanguard Short-Term Inflation Protection Securities	22,315,706	5.0	0.1	0.9	0.7	1.8	-	-	-	1.2	06/01/2016
Blmbg. Barc. U.S. 0-5 Year TIPS			0.2	0.9	0.8	1.8	-	-	-	1.2	
Bain Capital Senior Loan Fund	8,435,131	1.9	1.6	4.1	2.7	3.8	6.7	3.5	-	3.8	10/01/2013
S&P/LSTA Leveraged Loan Index			1.6	4.2	2.4	3.4	6.7	3.7	-	3.9	
GS Emerging Markets Debt Blend Portfolio	14,533,980	3.2	0.1	5.0	5.2	-4.1	-	-	-	4.4	02/01/2017
Custom EMD Benchmark			0.0	4.5	5.3	-1.2	-	-	-	4.6	
Cash/Money Market	3,044,908	0.7	0.2	0.4	1.4	1.9	1.0	0.6	0.3	1.2	04/01/2005
FTSE 3 Month T-Bill			0.2	0.4	1.5	2.0	1.1	0.7	0.4	1.3	

As of February 28, 2019

Trailing Period Performance

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	
Marketable Alternatives												
Elliott International	10,003,100	2.2	-1.0	0.3	-0.5	0.1	6.6	5.8	9.2	9.6	07/01/2006	
HFRI RV: Multi-Strategy Index			0.8	2.7	1.1	1.7	4.7	3.1	6.3	3.8		
Och Ziff Overseas II	12,083,364	2.7	3.2	7.2	0.7	1.7	8.1	4.6	7.8	6.5	04/01/2006	
HFRI RV: Multi-Strategy Index			0.8	2.7	1.1	1.7	4.7	3.1	6.3	3.9		
Davidson Kempner Institutional Partners	10,916,230	2.4	0.5	1.6	1.7	2.0	5.9	4.2	7.1	6.5	01/01/2006	
HFRI Event-Driven (Total) Index			1.3	4.5	0.3	1.6	8.1	3.1	7.1	4.9		
Highline Capital	6,903,377	1.5	0.5	5.8	-5.7	-8.9	-0.2	-	-	0.0	02/01/2015	
HFRI Equity Hedge (Total) Index			1.9	7.2	-1.6	-1.4	7.8	-	-	4.4		
Marshall Wace	9,524,862	2.1	1.2	4.3	-1.2	3.1	4.6	-	-	6.8	02/01/2015	
HFRI Equity Hedge (Total) Index			1.9	7.2	-1.6	-1.4	7.8	-	-	4.4		
Anchorage Capital Partners Offshore	7,093,718	1.6	0.7	-0.6	-1.4	-0.5	4.2	3.2	-	6.6	10/01/2009	
HFRI ED: Distressed/Restructuring Index			1.1	4.0	-0.9	1.2	9.1	2.0	-	5.5		
King Street Capital	8,892,590	2.0	0.6	2.6	0.6	1.1	4.1	2.5	5.7	7.3	01/01/2006	
HFRI ED: Distressed/Restructuring Index			1.1	4.0	-0.9	1.2	9.1	2.0	7.3	4.7		
Silver Point Capital Offshore	4,524,205	1.0	1.7	2.3	-1.8	0.6	7.3	3.9	12.2	6.0	07/01/2007	
HFRI ED: Distressed/Restructuring Index			1.1	4.0	-0.9	1.2	9.1	2.0	7.3	3.4		
Graham Capital*	6,771,237	1.5	0.4	3.7	0.0	0.4	0.9	5.4	-	4.7	09/01/2012	
HFRI Macro (Total) Index			0.3	0.6	-1.7	-2.4	-0.9	0.7	-	0.4		
HFRI Macro: Discretionary Thematic Index			0.2	1.4	-0.2	0.2	0.8	-0.1	-	0.5		
Stone Milliner	4,993,639	1.1	-1.2	-0.6	-1.3	-2.0	-0.1	-	-	-0.4	12/01/2015	
HFRI Macro (Total) Index			0.3	0.6	-1.7	-2.4	-0.9	-	-	-0.5		
HFRI Macro: Discretionary Thematic Index			0.2	1.4	-0.2	0.2	0.8	-	-	0.0		
Winton Futures Fund	4,912,830	1.1	0.9	-1.5	-3.4	-1.3	-0.5	-	-	0.3	08/01/2015	
HFRI Macro: Systematic Diversified Index			0.3	-0.8	-3.5	-4.8	-4.0	-	-	-2.6		
Fortress Macro Offshore	18,630	0.0										
Shepherd Investments International	49,321	0.0										
Wexford Offshore Spectrum	478,324	0.1										

As of February 28, 2019

Trailing Period Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Month	Year To Date	Fiscal YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Real Assets											
iShares S&P NA Natural Resources Index	4,318,693	1.0	1.2	14.1	-14.6	-2.8	7.2	-4.6	5.4	2.0	01/01/2006
S&P North American Natural Resources Sector			1.3	14.3	-14.3	-2.3	7.8	-4.1	5.9	2.5	
UBS Trumbull Property Fund	8,618,064	1.9	0.0	0.0	2.7	6.1	5.8	-	-	5.5	01/01/2016
NCREIF ODCE Index (Net)			0.0	0.0	3.4	7.4	7.3	-	-	6.9	
CPI +5%			0.6	1.0	4.1	6.6	7.2	-	-	7.1	

Custom Benchmark Allocations

Total Composite Custom Benchmark

Effective Date	DJ U.S. Total Stock Market Index	MSCI AC World ex USA Index (Net)	Fixed Income Composite Benchmark	Bloomberg Barclays Aggregate Index	Bloomberg Barclays U.S. TIPS Index	Citigroup 3 Month T-Bill	HFRI Fund of Funds Composite	NCREIF ODCE (Net) Index	NCREIF ODCE Index +1%	S&P N.A. Natural Resources Sector Index	Private Debt Benchmark	Private Investments Custom Benchmark
1-Dec-18	21.5%	21.5%	16.09%	-	-	1%	20%	2%	2%	1%	1.91%	13%
1-Sep-18	21.5%	21.5%	16.50%	-	-	1%	20%	2%	2%	1%	1.50%	13%
1-Jun-18	21.5%	21.5%	16.65%	-	-	1%	20%	2%	2%	1%	1.35%	13%
1-Mar-18	21.5%	21.5%	16.47%	-	-	1%	20%	2%	2%	1%	1.53%	13%
1-Feb-18	21.5%	21.5%	16.75%	-	-	1%	20%	2%	2%	1%	1.25%	13%
1-Dec-17	21.25%	21.25%	16.75%	-	-	1%	20%	2%	2%	1.5%	1.25%	13%
1-Oct-17	21.25%	21.25%	18%	-	-	1%	20%	2%	2%	1.5%	-	13%
1-Jul-17	21%	21%	18%	-	-	1%	20%	2%	2%	2%	-	13%
1-Apr-17	20.25%	20.25%	18%	-	-	2%	20%	2%	2%	2.5%	-	13%
1-Jul-16	20%	20%	18%	-	-	2%	20%	2%	2%	2.5%	-	13.5%
1-Jan-14	20%	20%	18%	-	-	2%	20%	2%	-	5%	-	13%
1-Jul-12	20%	20%	-	13%	5%	2%	20%	2%	-	5%	-	13%

Fixed Income Composite Benchmark

Effective Date	Bloomberg Barclays Intermediate Aggregate Index	Bloomberg Barclays U.S. 0-5 Year TIPS Index	Citigroup WGBI	S&P/LSTA Leveraged Loan Index	J.P. Morgan GBI-EM Global Diversified	J.P. Morgan EMBI Global Diversified	J.P. Morgan CEMBI Broad Diversified	Bloomberg Barclays Aggregate Index	Bloomberg Barclays Treasury Inflation-Protection Index
1-Dec-18	32.05%	32.05%	-	14.54%	10.68%	5.34%	5.34%	-	-
1-Sep-18	31.33%	31.33%	-	16.46%	10.44%	5.22%	5.22%	-	-
1-Jun-18	30.77%	30.77%	-	17.96%	10.26%	5.13%	5.13%	-	-
1-Mar-18	30.26%	30.26%	-	19.31%	10.09%	5.04%	5.04%	-	-
1-Dec-17	29.69%	29.69%	-	20.84%	9.90%	4.95%	4.95%	-	-
1-Feb-17	27%	27%	-	28%	9%	4.5%	4.5%	-	-
1-Jul-16	13.5%	27%	13.5%	28%	9%	7%	2%	-	-
1-Jan-14	13.5%	-	13.5%	28%	9%	7%	2%	-	27%
1-Apr-12	-	-	-	-	-	-	-	75%	25%

Custom Benchmark Allocations

Private Investments Custom Benchmark

Effective Date	Cambridge Associates U.S. Private Equity Index	VenureXpert All Private Equity Index	D.J. U.S. Total Stock Market Index (Lagged 1 Quarter) +2%	MSCI AC World ex U.S. (Lagged 1 Quarter) +2%	S&P/LSTA Leveraged Loan Index +1.50%
1-Dec-18	-	-	62.96%	20.99%	16.05%
1-Sep-18	-	-	65.22%	21.74%	13.04%
1-Jun-18	-	-	66.06%	22.02%	11.92%
1-Mar-18	-	-	65.05%	21.68%	13.27%
1-Dec-17	-	-	66.67%	22.22%	11.11%
1-Jul-16	-	-	75%	25%	-
1-Jul-15	100%	-	-	-	-
1-Jan-87	-	100%	-	-	-

Total Real Assets Benchmark

Effective Date	NCREIF ODCE (Net) index	NCREIF ODCE Index+1%	S&P N.A. Natural Resources Sector Index	D.J. U.S. Total Stock Market Index (Lagged 1 Quarter) +2%	MSCI AC World ex U.S. (Lagged 1 Quarter) +2%	Private Equity Custom Benchmark
1-Oct-17	23.53%	23.53%	17.65%	26.47%	8.82%	-
1-Jul-17	22.22%	22.22%	22.22%	25.00%	8.33%	-
1-Apr-17	21.05%	21.05%	26.32%	23.68%	7.89%	-
1-Jul-16	20%	20%	25%	26.25%	8.75%	-
1-Sep-96	20%	-	50%	-	-	30%

Notes

- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may not sum to the plan total.
- All information presented in this report should be considered preliminary. Finalized data will be available on next Quarterly Investment Report after the close of the quarter.

Disclaimer

Past performance is not necessarily indicative of future results.

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or after-fees basis (net). After-fee performance is net of each respective sub-advisors' investment management fees and include the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by AHIC's investment advisory fees or other trust payable expenses you may incur as a client. AHIC's advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

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