



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



# Northern Indiana Community Foundation

Composite Performance Review  
Report for Periods Ending September 30, 2008



Presented by:

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Managing Principal

**Our Insight** / *Your Vision*

# Northern Indiana Community Foundation

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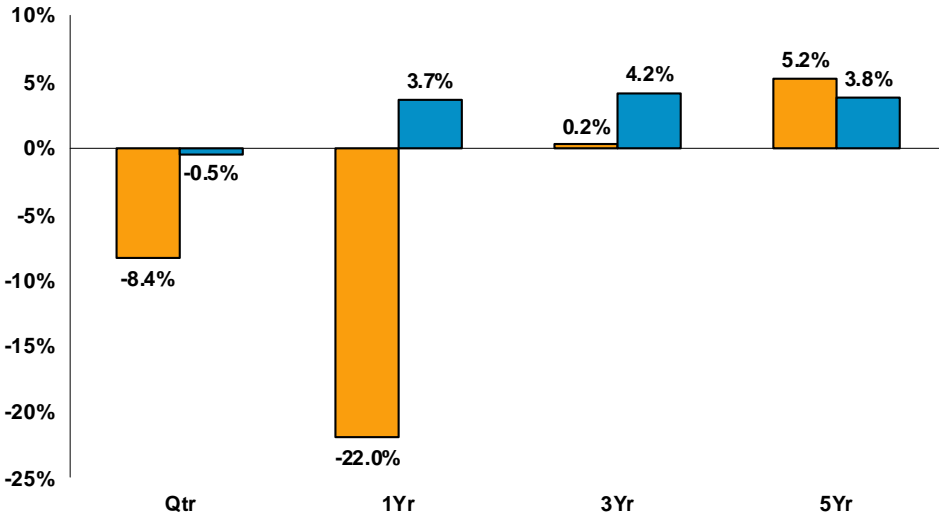


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# Third Quarter 2008 - Market Overview

## Stocks vs. Bonds

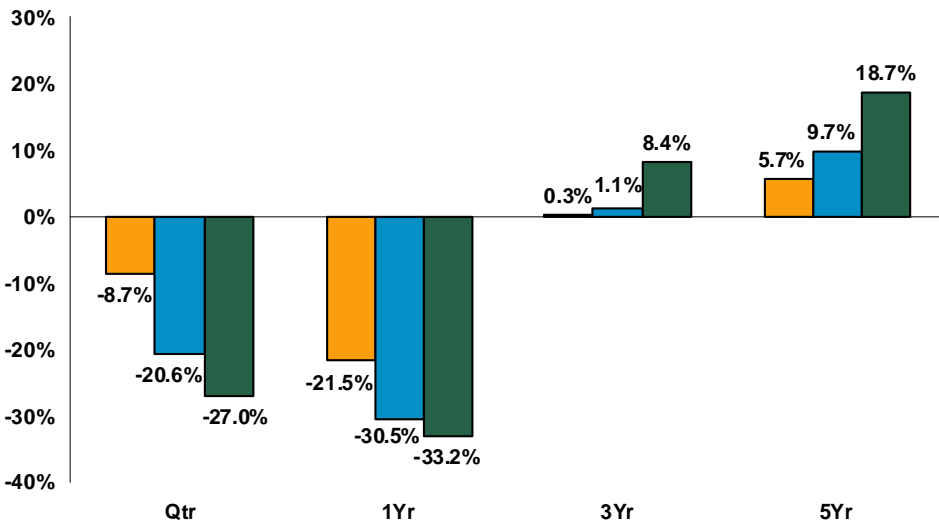
■ S&P 500 Index ■ Lehman Brothers Aggregate Bond Index



Sources: Standard & Poor's and Lehman Brothers

## U.S., International, & Emerging

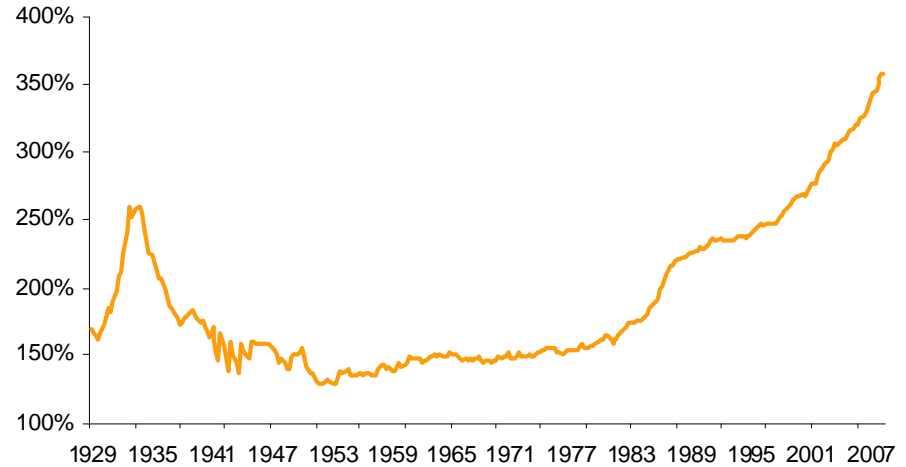
■ Russell 3000 Index ■ MSCI EAFE Index ■ MSCI EMF Index



Sources: MSCI Barra and Russell

- Stocks declined globally and most significantly during the month of September, as a string of bad news triggered by the credit crisis weighed on the markets, creating concerns about the impacts to global economic growth as the enormous deleveraging continued.
- The government put Fannie Mae and Freddie Mac into conservatorship and the largest investment bank names on Wall Street were forever altered. Lehman Brothers declared bankruptcy and Goldman Sachs, Morgan Stanley, and Merrill Lynch sought the protection of commercial bank structures, while credit markets came to a near standstill as news on a Wall Street bailout developed.
- U.S. Treasuries posted positive returns for the quarter as investors' risk aversion pushed short-term yields down significantly, however, the Lehman Brothers Aggregate Index declined slightly.
- International equity markets declined more than U.S. markets and the rise in value of the U.S. dollar further detracted from U.S. investors' returns. Falling energy prices and slowing economic growth had the greatest negative impact on emerging markets.
- Crude oil dropped from last quarter's record \$147 per barrel to approximately \$100 per barrel amid concerns over an economic downturn.

## Total Credit Market Debt to GDP (%)

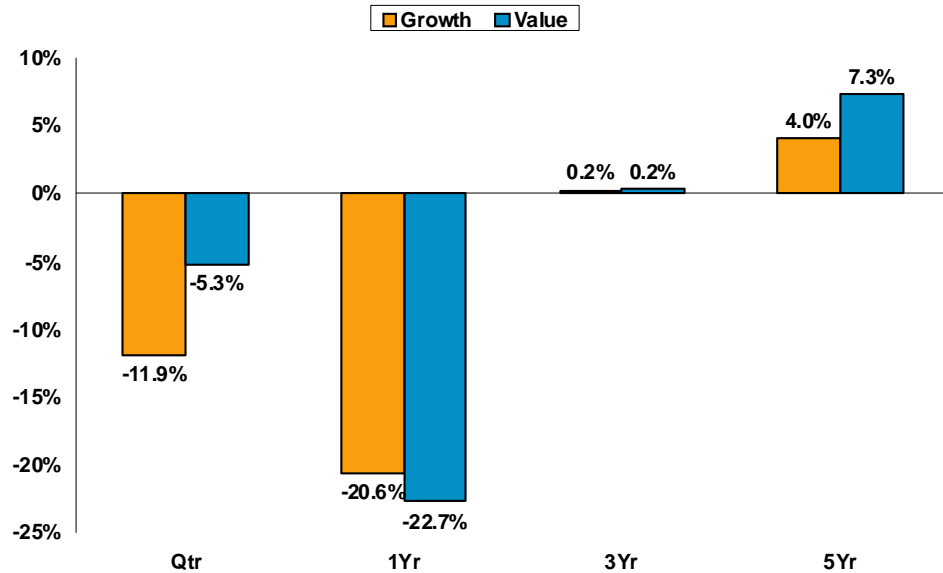


Sources: Ned Davis Research



# Third Quarter 2008 – Domestic Equity

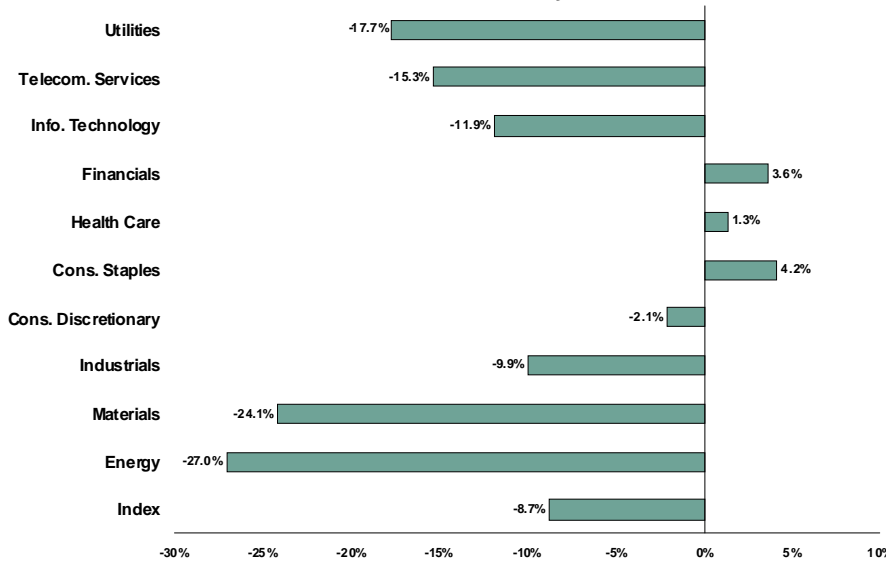
## Russell 3000 Index Style Returns



Source: Russell

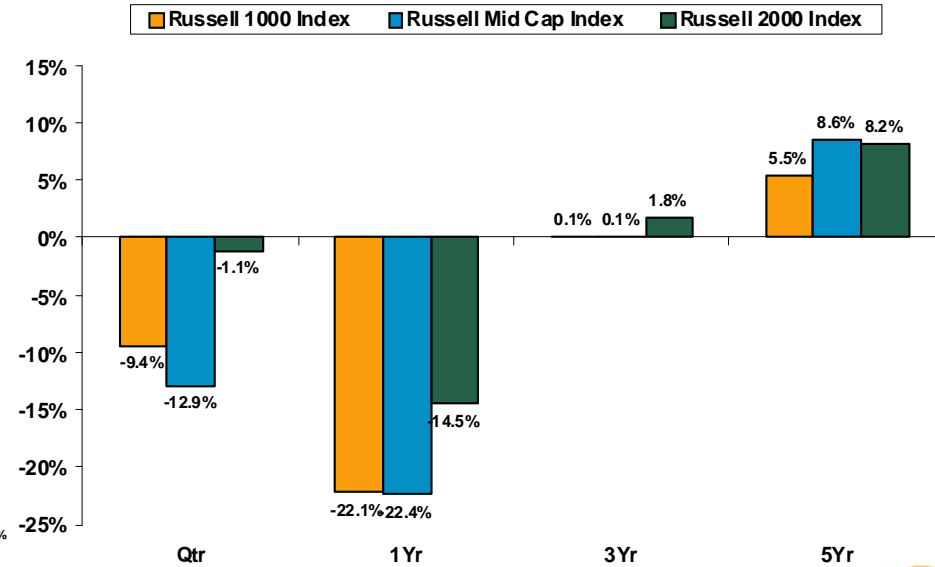
- The S&P 500 Index declined 8.4% and the Russell 3000 Index fell 8.7%, while the NASDAQ fell 9.2% for the quarter.
- Mid cap stocks, down 12.9% and large cap stocks, down 9.4%, accounted for the majority of the negative return in the Russell 3000 Index, as small cap stocks experienced better performance, down only 1.1%. Growth stocks underperformed value stocks by 6.6% points, as information technology, a significant weight in the growth indices, was down approximately 12.0%, thus accounting for nearly 3.0% points of the difference in performance.
- Energy, down 27.0%, was the worst performing sector in the Russell 3000 Index, a reversal from the previous quarter, as oil prices fell from approximately \$140 per barrel at the end of June to approximately \$100 per barrel at the end of September.
- The consumer staples sector returned 4.2% and was the best performing sector in the Russell 3000 Index, as investors favored defensive stocks amid the continued financial crisis.
- Although most sectors in the Russell 3000 Index posted negative returns in the third quarter, financial stocks, despite heightened volatility, returned 3.6%. This rebound was primarily due to positive performance of commercial banks and diversified financial companies.

## Russell 3000 Index Quarterly Returns



Source: Russell

## Large Cap, Mid Cap, & Small Cap

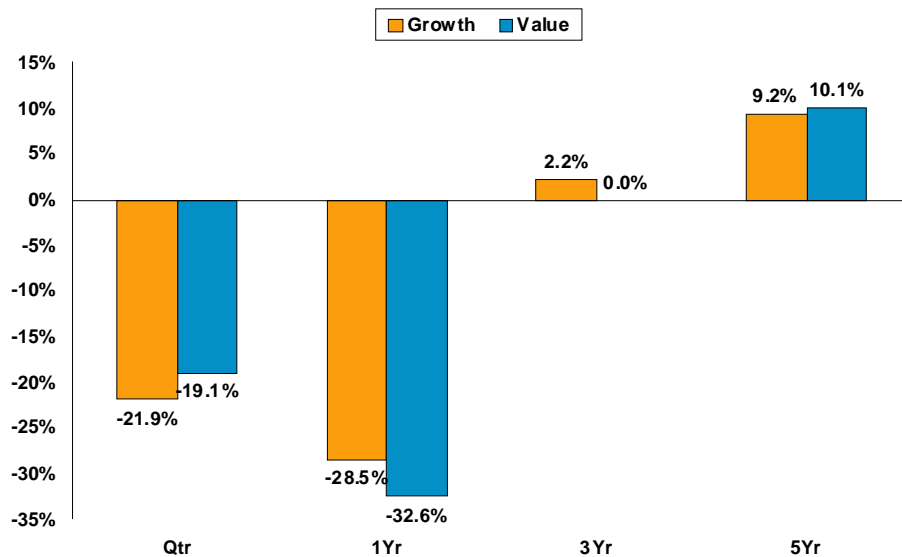


Source: Russell



# Third Quarter 2008 – International Equity

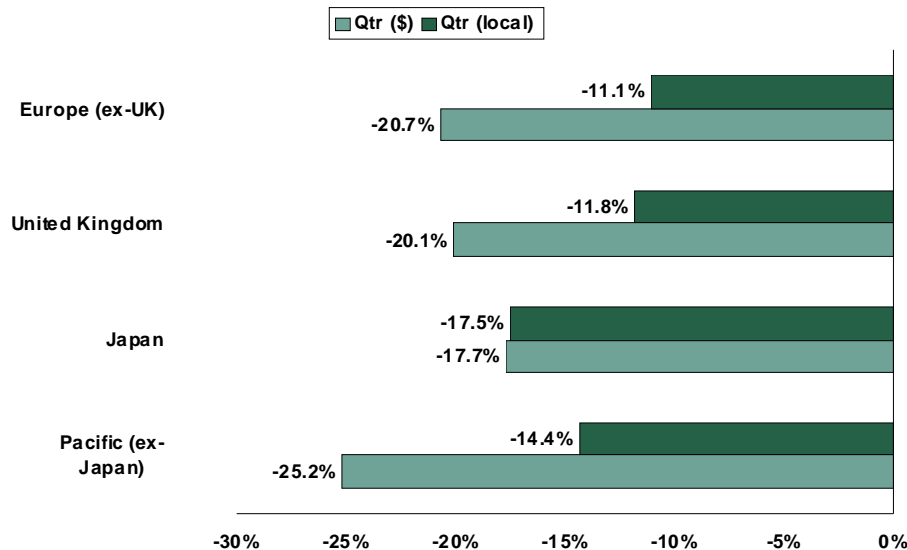
MSCI EAFE Index Style Returns



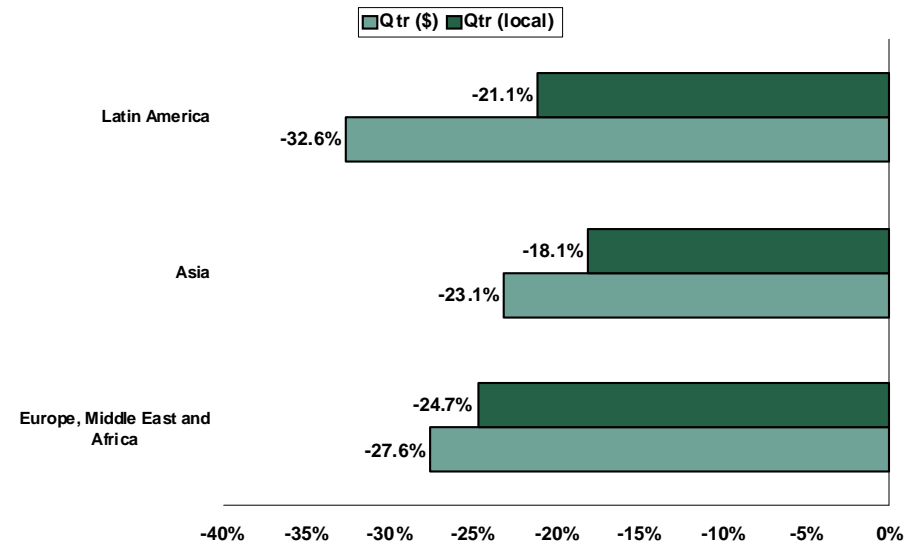
- International equities were broadly lower, as the negative impact from the global credit crisis was widespread. International value stocks, down 19.1%, declined less than growth stocks, which fell 21.9%.
- The U.S. dollar appreciated against most major currencies, which led to weaker performance for international stocks in U.S. dollar terms. For example, U.K. stocks fell 11.8% in local currency but declined 20.1% in U.S. dollars, as the British pound fell versus the U.S. dollar.
- European and Asian equities posted negative returns amid inflationary concerns and expected declines in corporate profits, which detracted from the global economic outlook.
- Emerging markets declined 27.0% in U.S. dollars and 20.9% in local currencies, as Latin America declined over 32% due to commodity prices falling from record levels. The Philippines, which constitutes less than 1% of the MSCI Emerging Markets Index, was the only country that posted positive returns in U.S. dollars during the quarter.
- Emerging Europe declined almost 28% amid Russia's conflict with neighboring Georgia that led to instability in the region.

Source: MSCI Barra

MSCI EAFE-net Regional Quarterly Returns



MSCI Emerging Markets Regional Quarterly Returns



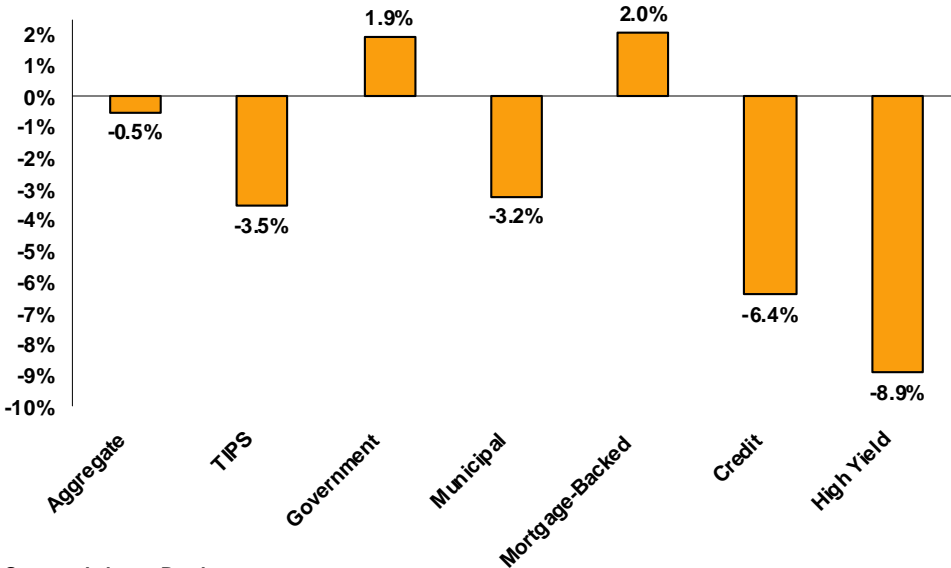
Source: MSCI Barra

Source: MSCI Barra



# Third Quarter 2008 – Fixed Income

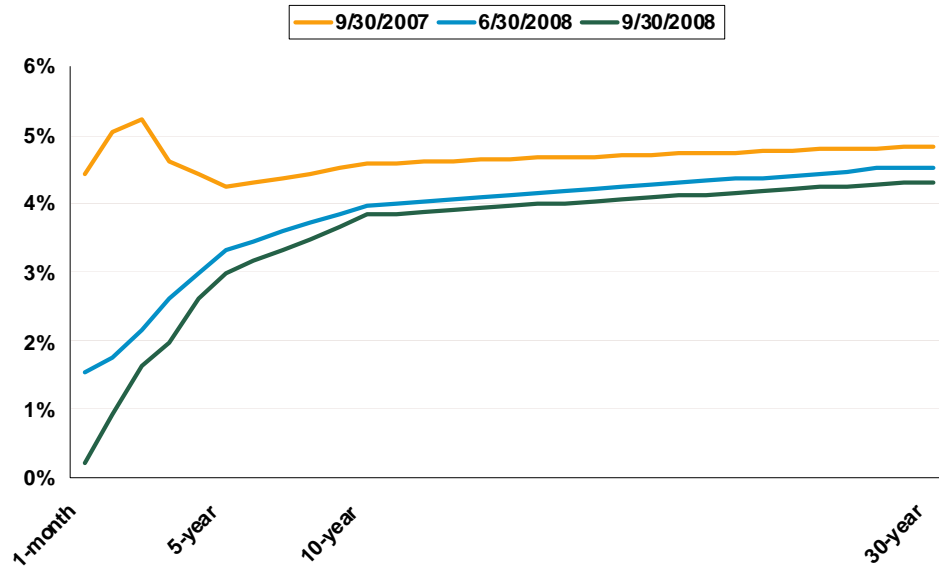
Lehman Brothers U.S. Fixed Income Index Returns



- The Lehman Brothers Aggregate Index (LBAG) declined 0.5% for the quarter as investors seeking safety caused short-term interest rates to plummet after the government placed Fannie Mae and Freddie Mac into conservatorship and credit markets seized.
- Treasuries experienced the strongest investor demand and at times 3-month T-Bills, which provide yield based on a discounted price to par, traded at and above par as investors sought the safest investments.
- Mortgage-backed securities (MBS) benefitted from the Treasury's commitment to purchase new MBS originated by Fannie Mae and Freddie Mac, pushing returns up 2% for the quarter.
- Investment grade credit sectors declined 6.4% amid the lack of liquidity that sent spreads higher by approximately 2% points.
- High yield bonds suffered the largest decline in fixed income during the quarter, as a lack of demand for risk caused spreads on high yield bonds to reach record highs approaching 12%.
- The continued strengthening of the U.S. dollar detracted from performance of non-dollar denominated bonds, which dropped 3.9%.

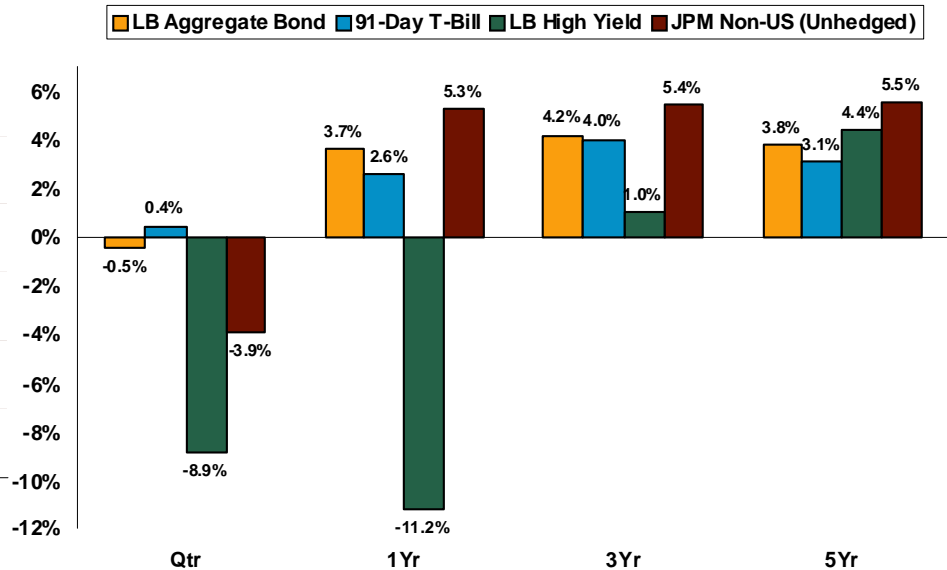
Source: Lehman Brothers

U.S. Treasury Yield Curve



Source: Bloomberg

Broad Fixed Income

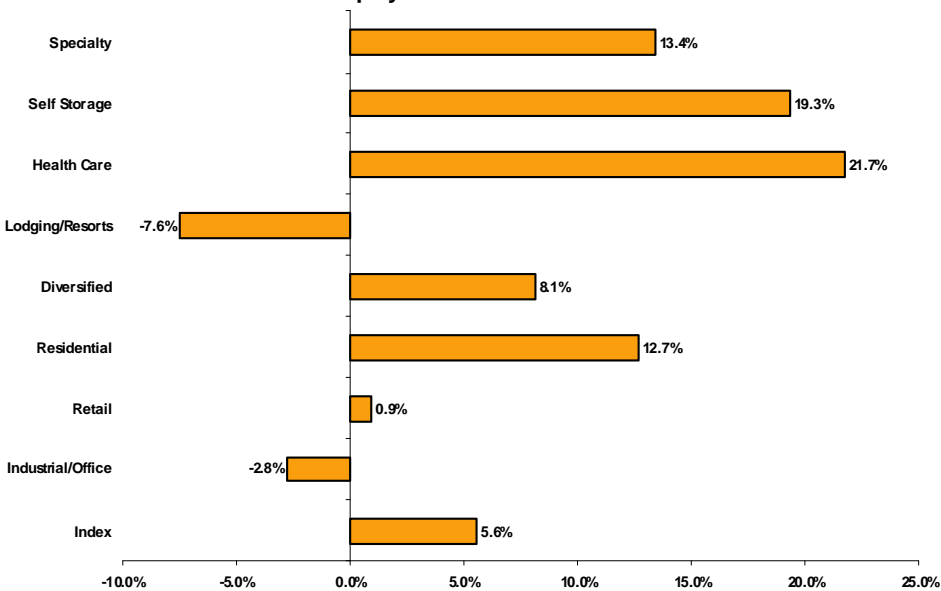


Sources: Lehman Brothers and JP Morgan



# Third Quarter 2008 – Real Estate

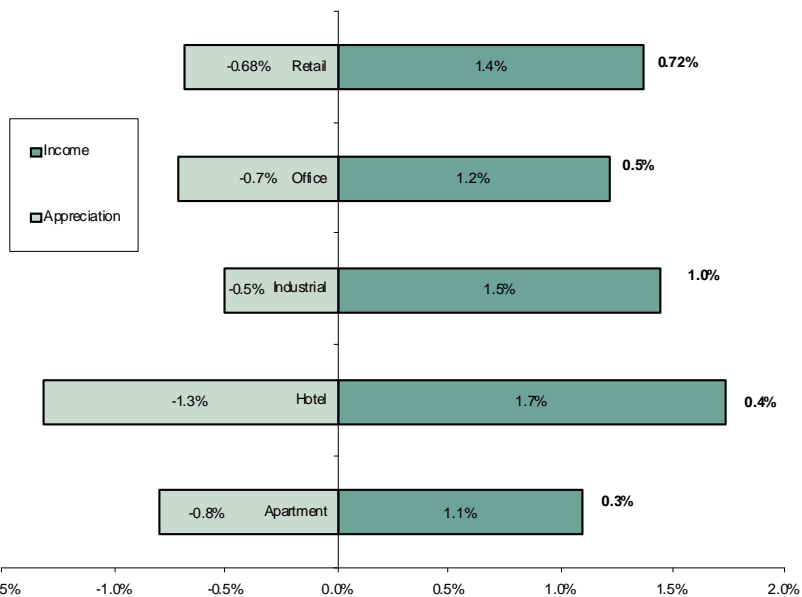
NAREIT Equity REIT Index Sector Returns



- U.S. REITs gained 5.6% in the third quarter, outperforming the broad equity markets due to strength in the apartment and healthcare sectors. These sectors benefited from weakness in residential housing and are considered more defensive sectors.
- Industrial REITs and Lodging/Resorts, the worst performing REIT sectors, declined by 15.4% and 7.6%, respectively during the quarter due to slower economic growth and lower hotel occupancies resulting from decreased business travel.
- International real estate securities declined 20% primarily due to expectations for slower global economic growth. Currency also detracted from returns for U.S. investors as strength in the U.S. dollar versus other developed market currencies led to declines in international REITs.
- Private real estate sector returns were marginally positive in all categories in the second quarter. The income component offset declines in property values and property transactions slowed significantly in the first half of 2008.

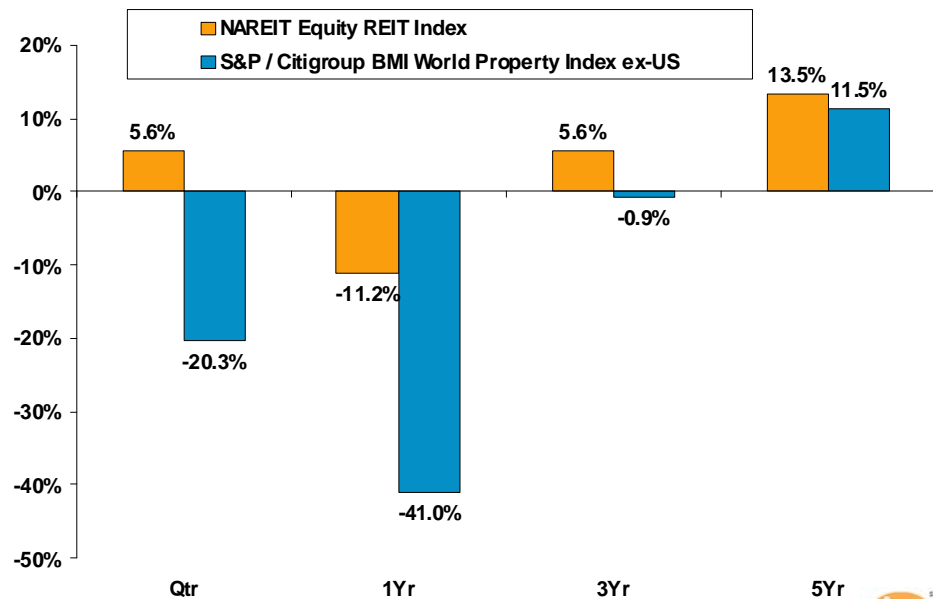
Source: NAREIT

NCREIF National Property Index: Sector Returns



Source: NCREIF

Public Real Estate - U.S. vs. International



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



# Third Quarter 2008 – Hedge Funds

## Performance Summary (% Return)

<u>Strategy</u>	<u>QTD</u>	<u>YTD</u>	<u>1 Year*</u>	<u>3 Year*</u>	<u>5 Year*</u>	<u>10 Year*</u>
HFRI Fund Weighted Composite Index	-8.1%	-9.4%	-8.4%	4.7%	7.2%	9.4%
HFRI Fund of Funds Composite Index	-8.8%	-11.0%	-9.3%	3.4%	5.2%	6.7%
HFRI Equity Hedge (Total) Index	-12.0%	-15.3%	-14.8%	2.3%	5.8%	9.7%
HFRI Emerging Markets (Total) Index	-16.1%	-21.9%	-18.9%	8.2%	13.8%	15.0%
HFRI Event-Driven (Total) Index	-6.9%	-9.7%	-10.2%	3.9%	7.8%	10.1%
HFRI ED: Distressed/Restructuring Index	-6.6%	-9.1%	-9.6%	3.9%	8.7%	10.3%
HFRI Relative Value (Total) Index	-5.9%	-7.2%	-5.1%	5.0%	5.5%	7.8%
HFRI RV: Multi-Strategy Index	-9.0%	-11.3%	-11.5%	-0.2%	3.1%	5.3%
HFRI ED: Merger Arbitrage Index	-3.1%	-4.0%	-3.9%	6.0%	5.7%	7.4%
HFRI EH: Equity Market Neutral Index	-6.0%	-3.7%	-2.6%	3.2%	4.0%	5.4%
HFRI Macro (Total) Index	-3.0%	3.3%	6.8%	8.2%	7.9%	9.1%

Source: HedgeFund Research

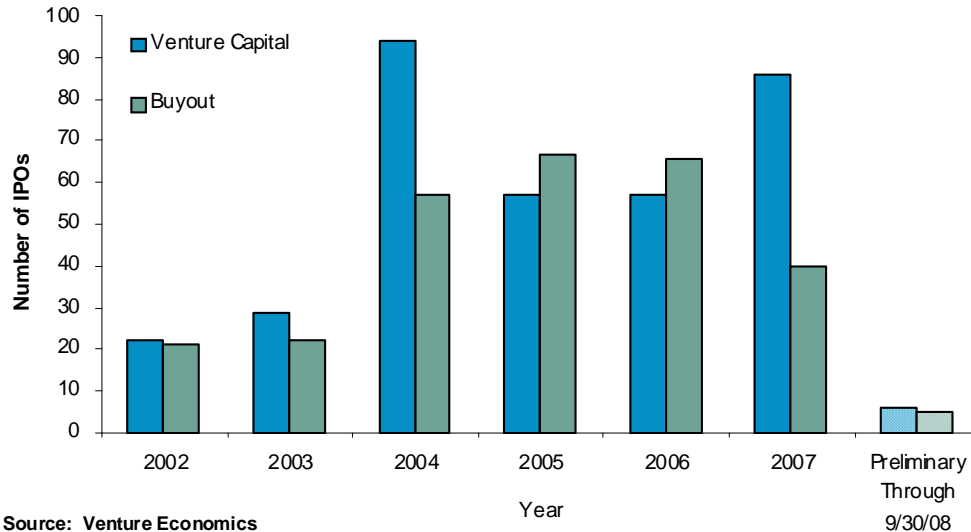
\*Annualized

- The third quarter of 2008 proved challenging for hedged funds as the broad indices of the HFRI Fund Weighted and HFRI Fund of Funds Composites declined 8.1% and 8.8% respectively. Although most strategies fell less than the stock indexes, few hedge funds outperformed the bond market.
- The short sale ban imposed in the U.S. and U.K. created challenges for several hedge fund strategies that use short selling to produce alpha or to hedge equity exposure. Strategies impacted the most include convertible bond arbitrage (inability to hedge common stock), statistical arbitrage, and managed futures (complicated trading models requiring modification).
- The HFRI Macro (Total) Index provided the best performance among the sub-strategies during the quarter declining only 3.0%. The ability of these managers to tactically allocate capital over several asset classes was beneficial. In addition, the HFRI Macro (Total) was the only HFRI sub-strategy that posted a positive return (3.3%) year-to-date.
- Global deleveraging and risk reduction continued during the third quarter, placing downward pressure on several areas of the market, including high yield bonds and bank loans. High yield bond spreads widened to levels not seen since 2002 and bank loans values traded at historic lows. The HFRI Event Driven (Total) and HFRI ED: Distressed/Restructuring indices were down 6.9% and 6.6%, respectively, during the quarter.
- Hedge fund managers continued to decrease net exposures to their respective markets during the third quarter. The impetus for the decline is anticipation of upcoming investor redemptions, a general trepidation of near term market conditions, and a reserve of capital for investment opportunities.
- Redemptions for the end of the fourth quarter are a major concern for the industry as managers are maintaining reserves in anticipation of these requests.



# Third Quarter 2008 – Private Equity

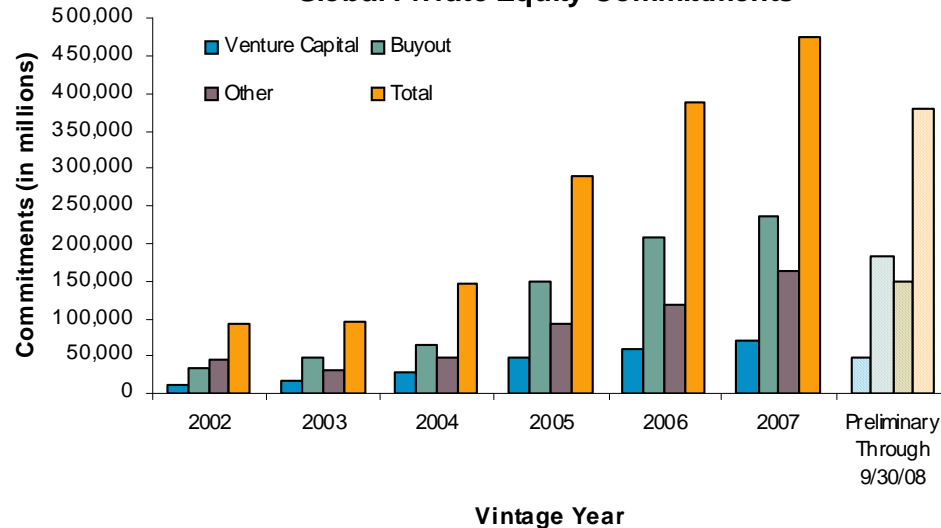
## Global Private Equity IPOs



Source: Venture Economics

- Private equity performance is reported on a quarter-lag basis and performance for June 30, 2008, is not yet published.
- The exit market remained dismal and this year is on pace to be one of the worst IPO markets for venture-backed companies. A single venture-backed company went public in the 3<sup>rd</sup> quarter, which brings the annual total to 6 IPOs. For comparison, in 2001, the year after the technology bubble burst, 41 venture-backed companies went public.
- Acquisition activity continued at a slow rate as only 60 venture-backed companies were acquired in the third quarter of 2008, the lowest quarterly level since 1999.
- Preliminary data showed the investment pace of buyout funds continued to slow, down 10.2% or \$2.3 billion during the third quarter of 2008, contrasted to the same timeframe in 2007.
- The focus of new commitments to private equity shifted from buyout funds to distressed funds in 2008. Commitments to distressed funds increased nearly 28% to \$33 billion while buyout funds fell 18%.

## Global Private Equity Commitments



Source: Venture Economics

Venture Economics Data		
As of 3/31/08		
	Venture	Buyout
1 Year	13.3%	10.8%
3 Years	9.5%	13.0%
5 Years	9.1%	15.6%
10 Years	17.2%	8.4%
20 Years	16.8%	11.9%

Source: Venture Economics



# Northern Indiana Community Foundation

## Summary of Investment Performance

Report for Periods Ending September 30, 2008

	Annualized						Since	(Date)	Market Value
	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>Inception</u>		
<b><u>Total Composite</u></b>	<b>-9.0%</b>	<b>-17.0%</b>	<b>-17.7%</b>	<b>1.3%</b>	<b>6.5%</b>	<b>6.1%</b>	<b>3.2%</b>	(9/00)	\$13,096,485
Balanced Index <sup>1</sup>	-7.1	-14.3	-15.6	1.9	6.0	5.7	2.8		
CPI + 5%	1.9	7.0	10.0	8.2	8.4	8.0	7.9		
<b><u>Total Composite since FEG Inception</u></b>	<b>-9.0</b>	<b>-17.0</b>	<b>-17.7</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>5.7</b>	(10/03)	13,096,485
Balanced Index <sup>2</sup>	-7.1	-14.3	-15.6	1.9	-	-	5.3		
CPI + 5%	1.9	7.0	10.0	8.2	-	-	8.5		
<b><u>Large Cap Equity</u></b>	<b>-10.3</b>	<b>-21.9</b>	<b>-24.1</b>	<b>-0.8</b>	<b>5.8</b>	<b>4.8</b>	<b>-1.0</b>	(9/00)	6,472,390
S&P 500 Index	-8.4	-19.3	-22.0	0.2	5.2	3.5	-0.9		
<b><u>Vanguard Index 500 Fund</u></b>	<b>-8.3</b>	<b>-19.3</b>	<b>-22.0</b>	<b>0.2</b>	<b>-</b>	<b>-</b>	<b>4.5</b>	(10/03)	2,747,817
S&P 500 Index	-8.4	-19.3	-22.0	0.2	-	-	4.1		
<b><u>Marsico Focus Fund</u></b>	<b>-11.1</b>	<b>-22.8</b>	<b>-22.6</b>	<b>-0.4</b>	<b>-</b>	<b>-</b>	<b>3.5</b>	(10/03)	2,464,016
S&P 500 Index	-8.4	-19.3	-22.0	0.2	-	-	4.1		
Russell 1000 Growth Index	-12.3	-20.3	-20.9	0.0	-	-	2.7		
<b><u>Dodge &amp; Cox Stock Fund</u></b>	<b>-12.1</b>	<b>-26.1</b>	<b>-29.6</b>	<b>-3.3</b>	<b>-</b>	<b>-</b>	<b>4.8</b>	(10/03)	1,260,557
S&P 500 Index	-8.4	-19.3	-22.0	0.2	-	-	4.1		
Russell 1000 Value Index	-6.1	-18.9	-23.6	0.1	-	-	6.0		
<b><u>Small Cap Equity</u></b>	<b>-7.7</b>	<b>-22.1</b>	<b>-28.3</b>	<b>-3.8</b>	<b>5.9</b>	<b>6.4</b>	<b>0.6</b>	(9/00)	771,957
Russell 2000 Index	-1.1	-10.4	-14.5	1.8	8.1	9.0	4.7		
<b><u>DFA Small Cap Value Fund</u></b>	<b>-1.0</b>	<b>-11.3</b>	<b>-19.2</b>	<b>-0.8</b>	<b>-</b>	<b>-</b>	<b>7.5</b>	(10/03)	409,651
Russell 2000 Index	-1.1	-10.4	-14.5	1.8	-	-	6.5		
Russell 2000 Value Index	5.0	-5.4	-12.3	2.0	-	-	7.9		
<b><u>NorthPointe Small Cap Growth Fund</u></b>	<b>-14.3</b>	<b>-30.2</b>	<b>-35.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-19.2</b>	(1/07)	362,306
Russell 2000 Index	-1.1	-10.4	-14.5	-	-	-	-8.2		
Russell 2000 Growth Index	-7.0	-15.3	-17.1	-	-	-	-6.7		
<b><u>International Equity</u></b>	<b>-18.8</b>	<b>-29.7</b>	<b>-28.4</b>	<b>3.6</b>	<b>11.9</b>	<b>11.6</b>	<b>6.7</b>	(9/00)	1,656,365
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	9.7	7.8	2.4		
<b><u>Artisan International Fund</u></b>	<b>-22.1</b>	<b>-31.9</b>	<b>-30.0</b>	<b>2.6</b>	<b>-</b>	<b>-</b>	<b>9.4</b>	(10/03)	831,264
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	-	-	8.5		
<b><u>Templeton Foreign Equity Fund</u></b>	<b>-15.2</b>	<b>-27.5</b>	<b>-26.4</b>	<b>4.8</b>	<b>-</b>	<b>-</b>	<b>11.0</b>	(10/03)	825,101
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	-	-	8.5		



# Northern Indiana Community Foundation

## Summary of Investment Performance

### Report for Periods Ending September 30, 2008

	Annualized						Since	(Date)	Market Value
	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>Inception</u>		
<b>Fixed Income</b>	<b>-2.1%</b>	<b>-0.9%</b>	<b>2.4%</b>	<b>3.9%</b>	<b>3.8%</b>	<b>3.7%</b>	<b>4.8%</b>	(9/00)	\$3,937,519
LB Aggregate Bond Index	-0.5	0.6	3.7	4.2	3.8	4.7	5.7		
<b>PIMCO Total Return Fund</b>	<b>-2.1</b>	<b>-0.1</b>	<b>3.8</b>	<b>4.4</b>	<b>-</b>	<b>-</b>	<b>4.5</b>	(10/03)	3,937,519
LB Aggregate Bond Index	-0.5	0.6	3.7	4.2	-	-	4.0		
<b>Non-Permanent Funds</b>									
<b>Separate Endowment Fund</b>	<b>-8.5</b>	<b>-15.8</b>	<b>-18.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-11.3</b>	(4/07)	679,867
Balanced Index <sup>3</sup>	-5.2	-11.6	-12.3	-	-	-	-6.9		
<b>Haggerty Memorial Scholarship</b>	<b>-11.0</b>	<b>-15.3</b>	<b>-15.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-15.1</b>	(9/07)	425,521
Balanced Index <sup>4</sup>	-6.0	-13.5	-14.8	-	-	-	-14.8		
<b>Savings - First Financial Bank</b>	<b>0.4</b>	<b>1.5</b>	<b>1.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.6</b>	(4/07)	109,101
Lipper Inst'l Money Market Index	0.6	2.3	3.6	-	-	-	4.1		
<b>Short Term Investments</b>	<b>0.8</b>	<b>2.2</b>	<b>3.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.1</b>	(4/07)	857,189
Lipper Inst'l Money Market Index	0.6	2.3	3.6	-	-	-	4.1		
<b>Savings - First Federal Savings Bank</b>	<b>2.5</b>	<b>5.6</b>	<b>6.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.7</b>	(4/07)	37,407
Lipper Inst'l Money Market Index	0.6	2.3	3.6	-	-	-	4.1		

#### Footnotes:

\* Performance returns are net of investment management fees.

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

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

\* The fiscal year ends in December.

<sup>1</sup> Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>2</sup> Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>3</sup> Balanced Index is comprised of: 60.0% S&P 500 Index and 40.0% LB Aggregate Bond Index.

<sup>4</sup> Balanced Index is comprised of: 70.0% S&P 500 Index and 30.0% LB Aggregate Bond Index.

<sup>A</sup> Since inception mutual fund returns do not match published returns due to timing of initial purchases.

<sup>B</sup> The 9/00 inception date represents when the Foundation started with Capital City Consulting.



# Northern Indiana Community Foundation

## Calendar Year Performance

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b><u>Total Composite</u></b>	<b>7.1%</b>	<b>14.0%</b>	<b>7.4%</b>	<b>13.5%</b>	<b>25.2%</b>	<b>-9.2%</b>	<b>-2.3%</b>
Balanced Index <sup>1</sup>	5.8	14.5	5.7	11.4	25.2	-11.3	-5.7
CPI + 5%	9.3	7.5	8.3	8.5	6.9	7.6	6.5
<b><u>Total Composite since FEG Inception</u></b>	<b>7.1</b>	<b>14.0</b>	<b>7.4</b>	<b>13.5</b>	-	-	-
Balanced Index <sup>2</sup>	5.8	14.5	5.7	11.4	-	-	-
CPI + 5%	9.3	7.5	8.3	8.5	-	-	-
<b><u>Large Cap Equity</u></b>	<b>6.1</b>	<b>14.7</b>	<b>7.3</b>	<b>13.1</b>	<b>32.4</b>	<b>-20.5</b>	<b>-10.3</b>
S&P 500 Index	5.5	15.8	4.9	10.9	28.7	-22.1	-11.9
<b><u>Vanguard Index 500 Fund</u></b>	<b>5.4</b>	<b>15.7</b>	<b>4.9</b>	<b>10.8</b>	-	-	-
S&P 500 Index	5.5	15.8	4.9	10.9	-	-	-
<b><u>Marsico Focus Fund</u></b>	<b>12.9</b>	<b>8.6</b>	<b>9.7</b>	<b>11.7</b>	-	-	-
S&P 500 Index	5.5	15.8	4.9	10.9	-	-	-
Russell 1000 Growth Index	11.8	9.1	5.3	6.3	-	-	-
<b><u>Dodge &amp; Cox Stock Fund</u></b>	<b>0.2</b>	<b>18.5</b>	<b>9.4</b>	<b>19.2</b>	-	-	-
S&P 500 Index	5.5	15.8	4.9	10.9	-	-	-
Russell 1000 Value Index	-0.2	22.2	7.1	16.5	-	-	-
<b><u>Small Cap Equity</u></b>	<b>-4.4</b>	<b>16.5</b>	<b>8.1</b>	<b>23.9</b>	<b>41.9</b>	<b>-22.0</b>	<b>-8.0</b>
Russell 2000 Index	-1.6	18.4	4.6	18.3	47.3	-20.5	2.5
<b><u>DFA Small Cap Value Fund</u></b>	<b>-10.7</b>	<b>21.5</b>	<b>7.8</b>	<b>25.4</b>	-	-	-
Russell 2000 Index	-1.6	18.4	4.6	18.3	-	-	-
Russell 2000 Value Index	-9.8	23.5	4.7	22.2	-	-	-
<b><u>NorthPointe Small Cap Growth Fund</u></b>	-	-	-	-	-	-	-
Russell 2000 Index	-	-	-	-	-	-	-
Russell 2000 Growth Index	-	-	-	-	-	-	-
<b><u>International Equity</u></b>	<b>18.8</b>	<b>27.4</b>	<b>15.0</b>	<b>19.5</b>	<b>48.5</b>	<b>-9.1</b>	<b>-13.0</b>
MSCI EAFE Index	11.2	26.3	13.5	20.2	38.6	-15.9	-21.4
<b><u>Artisan International Fund</u></b>	<b>19.8</b>	<b>25.6</b>	<b>16.3</b>	<b>17.8</b>	-	-	-
MSCI EAFE Index	11.2	26.3	13.5	20.2	-	-	-
<b><u>Templeton Foreign Equity Fund</u></b>	<b>18.5</b>	<b>29.0</b>	<b>13.6</b>	<b>21.2</b>	-	-	-
MSCI EAFE Index	11.2	26.3	13.5	20.2	-	-	-



# Northern Indiana Community Foundation

## Calendar Year Performance

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
<b><u>Fixed Income</u></b>	<b>8.0%</b>	<b>4.3%</b>	<b>2.8%</b>	<b>5.7%</b>	<b>0.5%</b>	<b>8.7%</b>	<b>5.0%</b>
LB Aggregate Bond Index	7.0	4.3	2.4	4.3	4.1	10.3	8.4
<b><u>PIMCO Total Return Fund</u></b>	<b>9.1</b>	<b>4.0</b>	<b>2.9</b>	<b>5.1</b>	-	-	-
LB Aggregate Bond Index	7.0	4.3	2.4	4.3	-	-	-
<b><u>Non-Permanent Funds</u></b>							
<b><u>Separate Endowment Fund</u></b>	-	-	-	-	-	-	-
Balanced Index <sup>3</sup>	-	-	-	-	-	-	-
<b><u>Haggerty Memorial Scholarship</u></b>	-	-	-	-	-	-	-
Balanced Index <sup>4</sup>	-	-	-	-	-	-	-
<b><u>Savings - First Financial Bank</u></b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	-	-	-	-	-	-	-
<b><u>Short Term Investments</u></b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	-	-	-	-	-	-	-
<b><u>Savings - First Federal Savings Bank</u></b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	-	-	-	-	-	-	-

**Footnotes:**

\* Performance returns are net of investment management fees.

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

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

\* The fiscal year ends in December.

<sup>1</sup> Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>2</sup> Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.

<sup>3</sup> Balanced Index is comprised of: 60.0% S&P 500 Index and 40.0% LB Aggregate Bond Index.

<sup>4</sup> Balanced Index is comprised of: 70.0% S&P 500 Index and 30.0% LB Aggregate Bond Index.

<sup>A</sup> Since inception mutual fund returns do not match published returns due to timing of initial purchases.

<sup>B</sup> The 9/00 inception date represents when the Foundation started with Capital City Consulting.



# Northern Indiana Community Foundation

## Schedule of Asset and Style Allocation

Report for Periods Ending September 30, 2008

Asset Class	Current Weight	Target Weight	Target Range
Large Cap Equity	49.4%	40.0%	20.0% - 60.0%
Small Cap Equity	5.9%	10.0%	0.0% - 20.0%
International Equity	12.6%	10.0%	0.0% - 20.0%
Emerging Markets	0.0%	5.0%	0.0% - 10.0%
Fixed Income	30.1%	30.0%	10.0% - 50.0%
High Yield	0.0%	5.0%	0.0% - 10.0%
Cash	2.0%	0.0%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	



# Northern Indiana Community Foundation

## Schedule of Asset and Style Allocation

Report for Periods Ending September 30, 2008

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Vanguard Index 500 Fund	100.0%	0.0%	\$2,747,817	21.0%
Large Cap Equity - Growth	Marsico Focus Fund	100.0%	0.0%	\$2,464,016	18.8%
Large Cap Equity - Value	Dodge & Cox Stock Fund	100.0%	0.0%	\$1,260,557	9.6%
Small Cap Equity - Growth	NorthPointe Small Cap Growth Fund	100.0%	0.0%	\$362,306	2.8%
Small Cap Equity - Value	DFA Small Cap Value Fund	100.0%	0.0%	\$409,651	3.1%
International Equity - Growth	Artisan International Fund	100.0%	0.0%	\$831,264	6.3%
International Equity - Value	Templeton Foreign Equity Fund	100.0%	0.0%	\$825,101	6.3%
Fixed Income - Core Plus	PIMCO Total Return Fund	100.0%	0.0%	\$3,937,519	30.1%
Cash - Cash	Cash	0.0%	100.0%	\$258,254	2.0%
<b>Sub-Total</b>				<b>\$13,096,485</b>	<b>100.0%</b>
Balanced Account - Balanced	Haggerty Memorial Scholarship			\$425,521	
Balanced Account - Balanced	Separate Endowment Fund			\$679,867	
Cash - Cash	Savings - First Federal Savings Bank			\$37,407	
Cash - Cash	Savings - First Financial Bank			\$109,101	
Cash - Cash	Short Term Investments			\$857,189	
<b>Total</b>				<b>\$15,205,570</b>	



**Northern Indiana Community Foundation**  
**Investment Policy Adherence**  
**Report for Periods Ending September 30, 2008**

Performance Objectives	Result	Objective Achieved
<b>Measurement Period:</b> Moving 5 Year		
Beta < 1.20	Beta = 1.06	Yes
Alpha > 0.0%	Alpha = 0.2%	Yes

Statistical Measures	<u>Sharpe Ratio</u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Total Composite</b>	<b>0.4</b>	<b>9.3%</b>	<b>1.6%</b>	<b>0.3</b>
Balanced Index	0.4	8.6	0.0	--

Asset Growth Summary (in thousands)	Qtr	YTD
Beginning Market Value	\$ 14,209	\$ 15,493
Net Contributions/(Distributions)	\$ 163	\$ 256
<b>Market Appreciation/(Depreciation)</b>	<b><u>\$ (1,276)</u></b>	<b><u>\$ (2,653)</u></b>
<b>Ending Market Value</b>	<b><u><u>\$ 13,096</u></u></b>	<b><u><u>\$ 13,096</u></u></b>

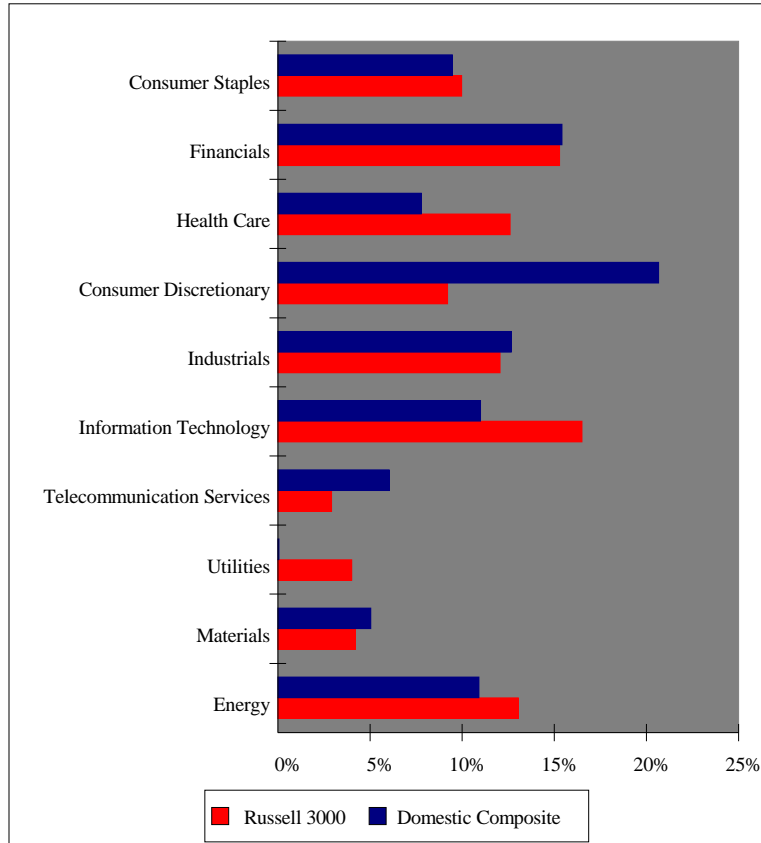
\* Risk Statistics are based on monthly data.

<sup>1</sup> Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.



**Northern Indiana Community Foundation**  
**Domestic Equity Composite Sector**  
**Report For Periods Ending September 30, 2008**

**Sector Allocation**



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Domestic Composite</u>	<u>Russell 3000</u>	<u>3 Months</u>	<u>12 Months</u>
Consumer Staples	9%	10%	4.2%	-0.7%
Financials	15	15	3.6	-34.3
Health Care	8	13	1.3	-11.2
Consumer Discretionary	21	9	-2.0	-25.8
Industrials	13	12	-9.9	-23.8
Information Technology	11	17	-12.0	-23.5
Telecommunication Services	6	3	-15.3	-33.9
Utilities	0	4	-17.6	-14.8
Materials	5	4	-24.1	-21.5
Energy	11	13	-27.0	-13.6

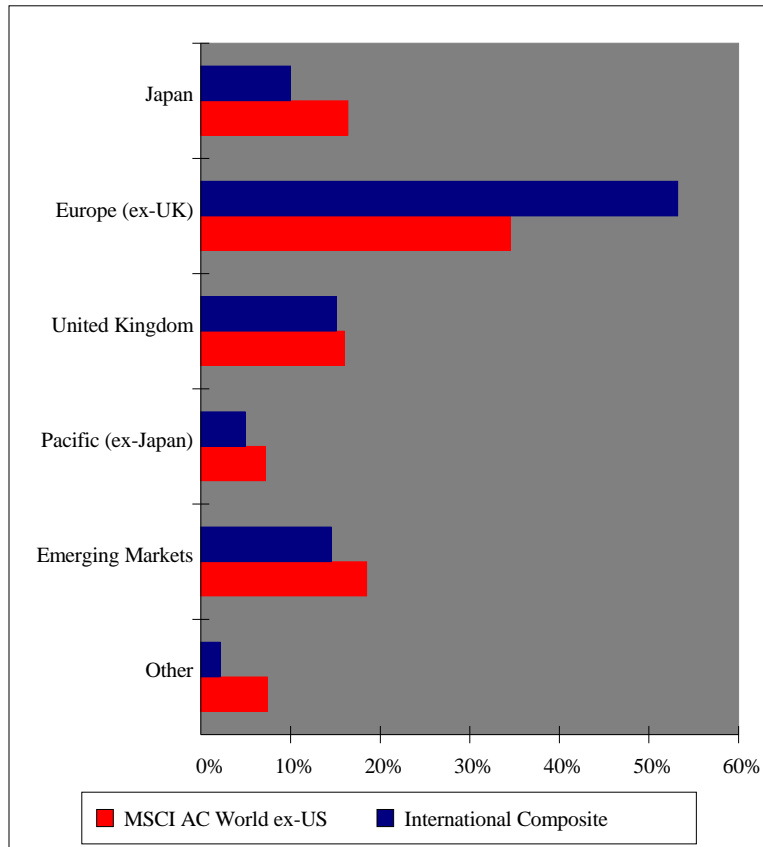
\*Sector weightings may not add up to 100% due to rounding.

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



**Northern Indiana Community Foundation**  
**International Composite Sector**  
**Report For Periods Ending September 30, 2008**

**Region Allocation**



<u>Region</u>	<u>Region Weightings</u>		<u>Market Total Returns</u>	
	<u>International Composite</u>	<u>MSCI AC World ex-US</u>	<u>3 Months</u>	<u>12 Months</u>
Japan	10%	16%	-17.6%	-26.9%
Europe (ex-UK)	53	35	-20.7	-30.6
United Kingdom	15	16	-21.0	-31.5
Pacific (ex-Japan)	5	7	-25.2	-35.1
Emerging Markets	15	19	-27.0	-33.2
Other	2	7	-	-

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

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

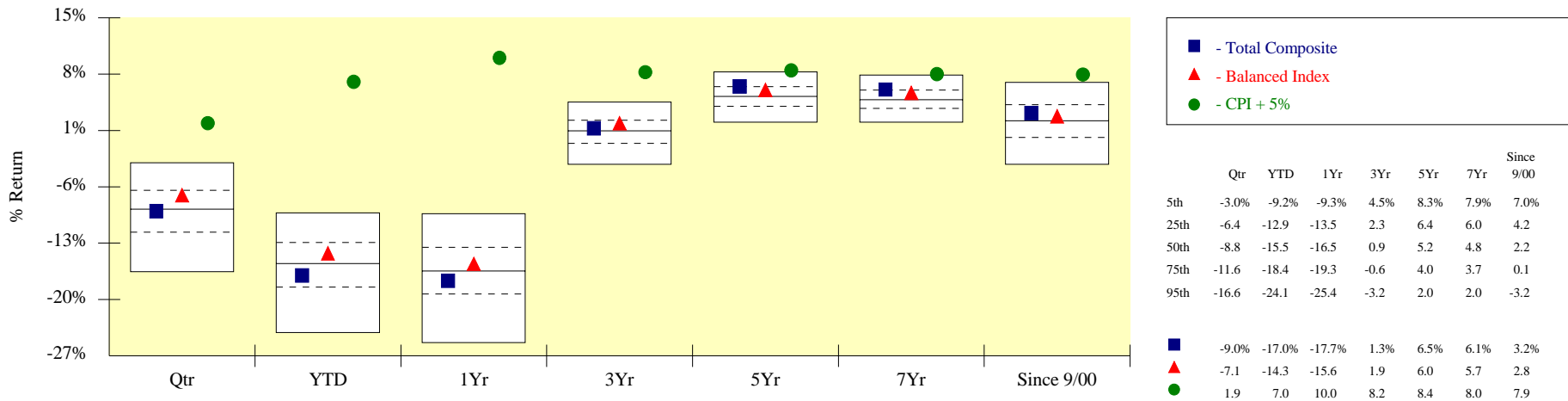


# Northern Indiana Community Foundation

## Total Composite

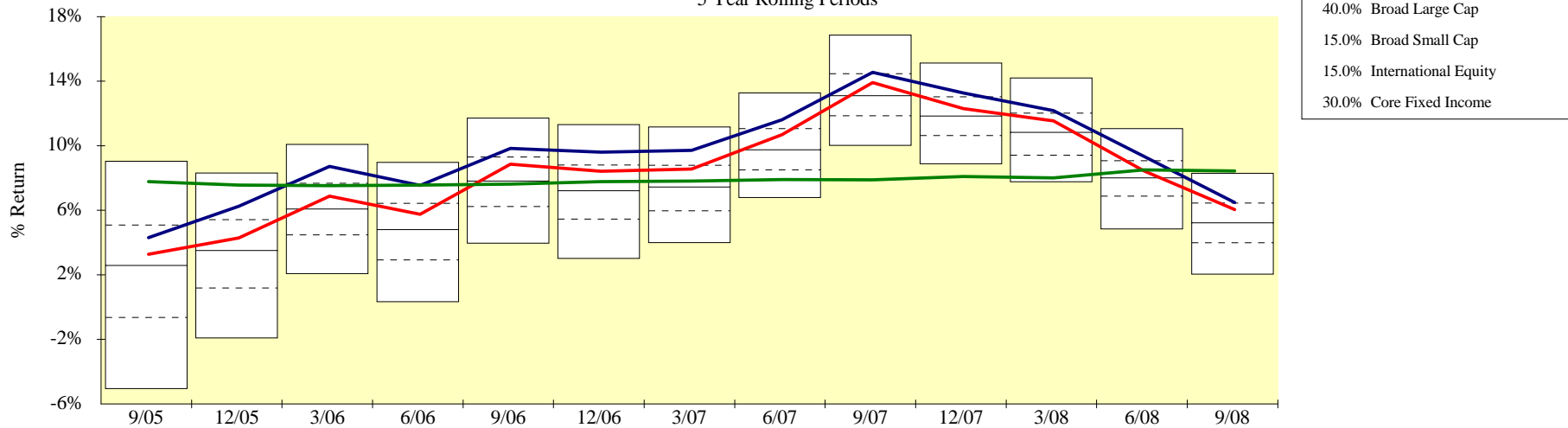
## Blended Universe

For Report Periods Ending September 30, 2008



Report From September 30, 2000 to September 30, 2008

5 Year Rolling Periods



Balanced Index is currently comprised of: 42.5% S&P 500 Index, 15.0% Russell 2000 Index, 15.0% MSCI EAFE Index, and 27.5% LB Aggregate Bond Index. Please see Appendix for benchmark history.



# Northern Indiana Community Foundation

## Vanguard Index 500 Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Vanguard Index 500 Fund</b>	<b>-8.3%</b>	<b>-19.3%</b>	<b>-22.0%</b>	<b>0.2%</b>	<b>4.5%</b>	<b>10/03</b>
S&P 500 Index	-8.4	-19.3	-22.0	0.2	4.1	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Vanguard Index 500 Fund</b>	<b>1.00</b>	<b>0.4%</b>	<b>0.96</b>	<b>10.7%</b>	<b>1.0%</b>	<b>0.4</b>
S&P 500 Index	1.00	0.0	1.00	10.6	0.0	--

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Vanguard Index 500 Fund</b>	<b>14.5</b>	<b>3.1</b>	<b>87,093.0M</b>	<b>2.3%</b>	<b>--%</b>
S&P 500 Index	14.5	3.1	87,093.0	2.3	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 2,998	\$ 3,012
Net Contributions/(Distributions)	\$ 0	\$ 359
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (250)</b>	<b>\$ (623)</b>
<b>Ending Market Value</b>	<b>\$ 2,748</b>	<b>\$ 2,748</b>

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

\* Risk Statistics are based on monthly data.

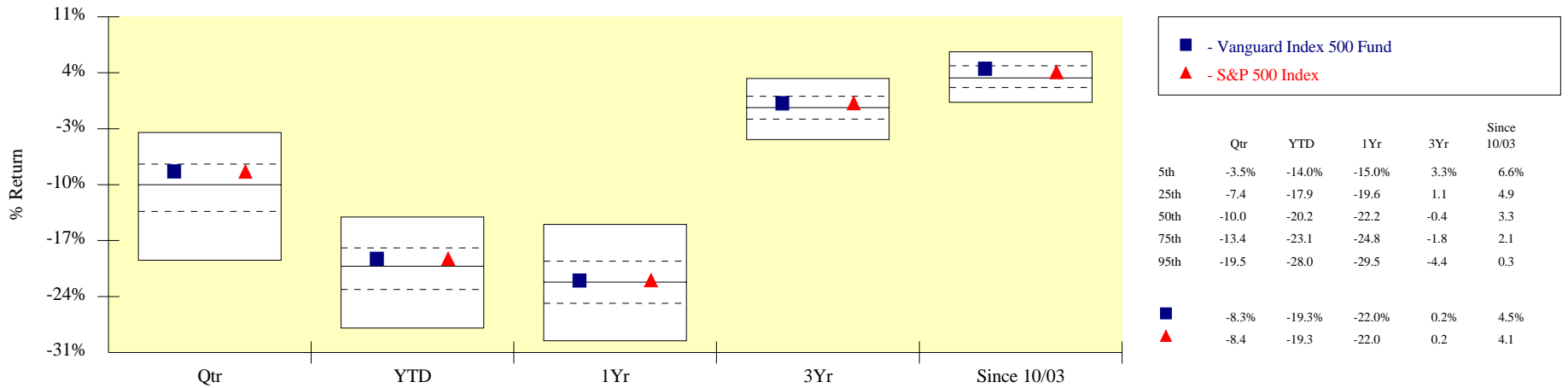


# Northern Indiana Community Foundation

## Vanguard Index 500 Fund

### Broad Large Cap Universe

For Report Periods Ending September 30, 2008

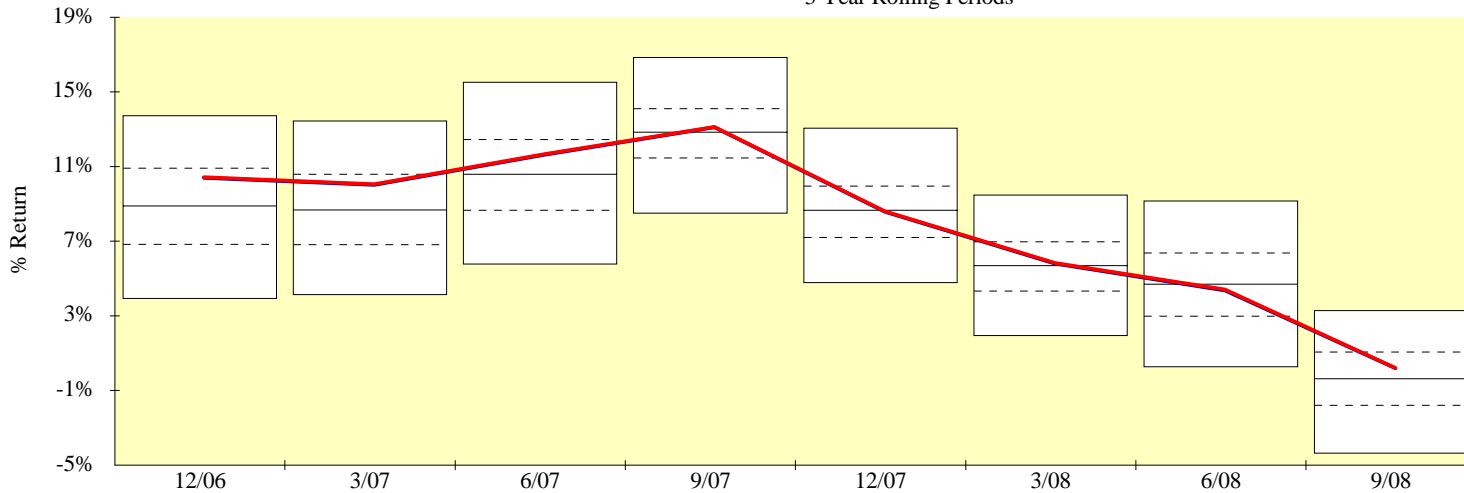


■ - Vanguard Index 500 Fund  
▲ - S&P 500 Index

	Qtr	YTD	1Yr	3Yr	Since 10/03
5th	-3.5%	-14.0%	-15.0%	3.3%	6.6%
25th	-7.4	-17.9	-19.6	1.1	4.9
50th	-10.0	-20.2	-22.2	-0.4	3.3
75th	-13.4	-23.1	-24.8	-1.8	2.1
95th	-19.5	-28.0	-29.5	-4.4	0.3

Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



# Northern Indiana Community Foundation

## Marsico Focus Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Marsico Focus Fund</b>	<b>-11.1%</b>	<b>-22.8%</b>	<b>-22.6%</b>	<b>-0.4%</b>	<b>3.5%</b>	<b>10/03</b>
S&P 500 Index	-8.4	-19.3	-22.0	0.2	4.1	
Russell 1000 Growth Index	-12.3	-20.3	-20.9	0.0	2.7	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Marsico Focus Fund</b>	<b>1.14</b>	<b>-0.7%</b>	<b>0.75</b>	<b>13.7%</b>	<b>6.4%</b>	<b>-0.1</b>
S&P 500 Index	1.00	0.0	1.00	10.6	0.0	--
Russell 1000 Growth Index	1.06	-1.5	0.88	11.7	5.8	0.1

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Marsico Focus Fund</b>	<b>19.9</b>	<b>3.6</b>	<b>71,855.0M</b>	<b>0.0%</b>	<b>69.0%</b>
S&P 500 Index	14.5	3.1	87,093.0	2.3	--
Russell 1000 Growth Index	18.5	4.1	66,490.0	1.3	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 2,799	\$ 1,578
Net Contributions/(Distributions)	\$ (18)	\$ 1,466
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (317)</b>	<b>\$ (580)</b>
<b>Ending Market Value</b>	<b>\$ 2,464</b>	<b>\$ 2,464</b>

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

\* Risk Statistics are based on monthly data.



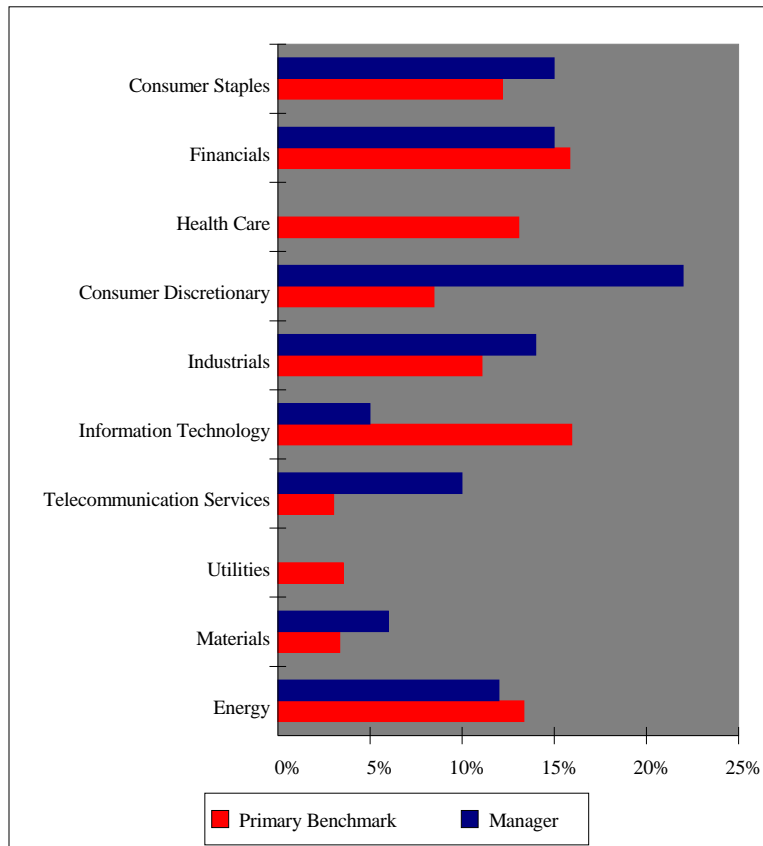
# Northern Indiana Community Foundation

## Marsico Focus Fund

### Equity Sector

Report For Periods Ending September 30, 2008

#### Sector Allocation



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Consumer Staples	12%	15%	4.8%	0.7%
Financials	16	15	0.9	-39.3
Health Care	13	0	0.5	-12.2
Consumer Discretionary	8	22	-0.7	-22.4
Industrials	11	14	-8.5	-24.7
Information Technology	16	5	-11.9	-23.4
Telecommunication Services	3	10	-14.8	-33.1
Utilities	4	0	-18.0	-14.3
Materials	3	6	-22.5	-21.4
Energy	13	12	-24.6	-14.3

#### Top Five Holdings

<u>Description</u>	<u>Weighting</u>
McDonald's Corporation	7.5%
Visa, Inc.	5.4
Apple, Inc.	5.1
Transocean Energy	4.8
Industrial & Commerical Bank of China	4.8

**Number of Holdings: 30**

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

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

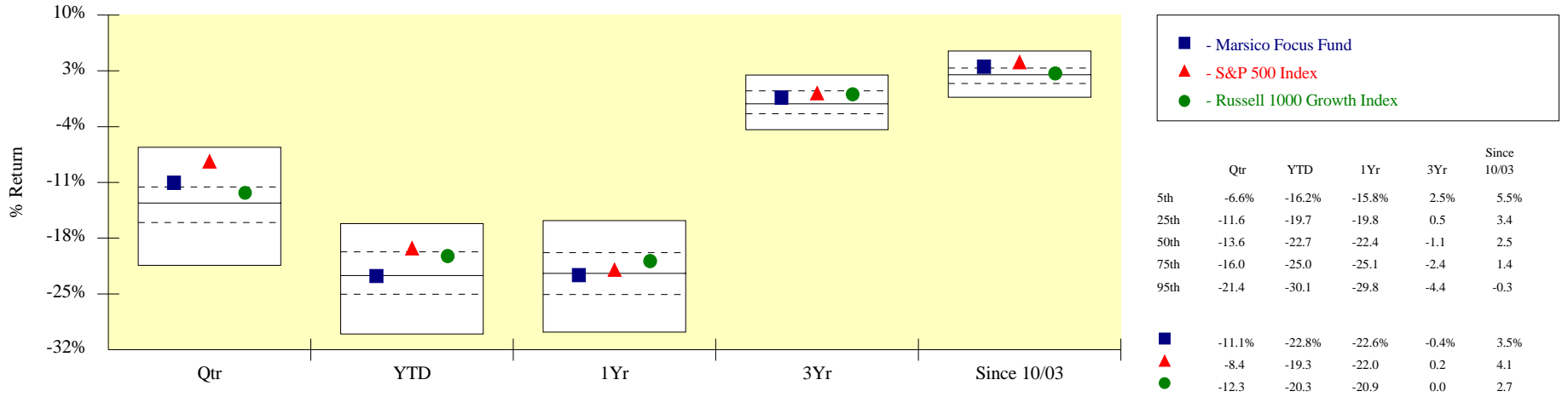


# Northern Indiana Community Foundation

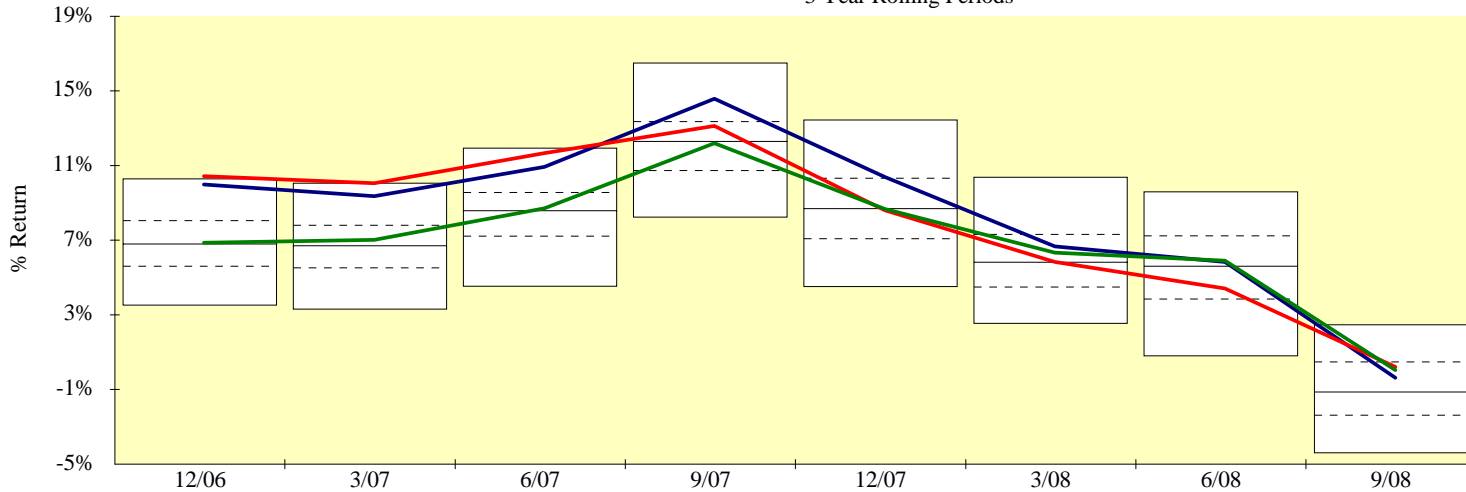
## Marsico Focus Fund

### Large Cap Growth Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008  
3 Year Rolling Periods



# Northern Indiana Community Foundation

## Dodge & Cox Stock Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Dodge &amp; Cox Stock Fund</b>	<b>-12.1%</b>	<b>-26.1%</b>	<b>-29.6%</b>	<b>-3.3%</b>	<b>4.8%</b>	<b>10/03</b>
S&P 500 Index	-8.4	-19.3	-22.0	0.2	4.1	
Russell 1000 Value Index	-6.1	-18.9	-23.6	0.1	6.0	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Dodge &amp; Cox Stock Fund</b>	<b>1.13</b>	<b>0.6%</b>	<b>0.85</b>	<b>12.9%</b>	<b>4.5%</b>	<b>0.2</b>
S&P 500 Index	1.00	0.0	1.00	10.6	0.0	--
Russell 1000 Value Index	0.97	1.9	0.89	10.9	4.6	-0.2

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Dodge &amp; Cox Stock Fund</b>	<b>11.8</b>	<b>1.6</b>	<b>65,000.0M</b>	<b>1.9%</b>	<b>27.0%</b>
S&P 500 Index	14.5	3.1	87,093.0	2.3	--
Russell 1000 Value Index	13.1	1.7	92,110.0	3.1	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 1,434	\$ 1,426
Net Contributions/(Distributions)	\$ 0	\$ 258
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (173)</b>	<b>\$ (423)</b>
<b>Ending Market Value</b>	<b>\$ 1,261</b>	<b>\$ 1,261</b>

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

\* Risk Statistics are based on monthly data.



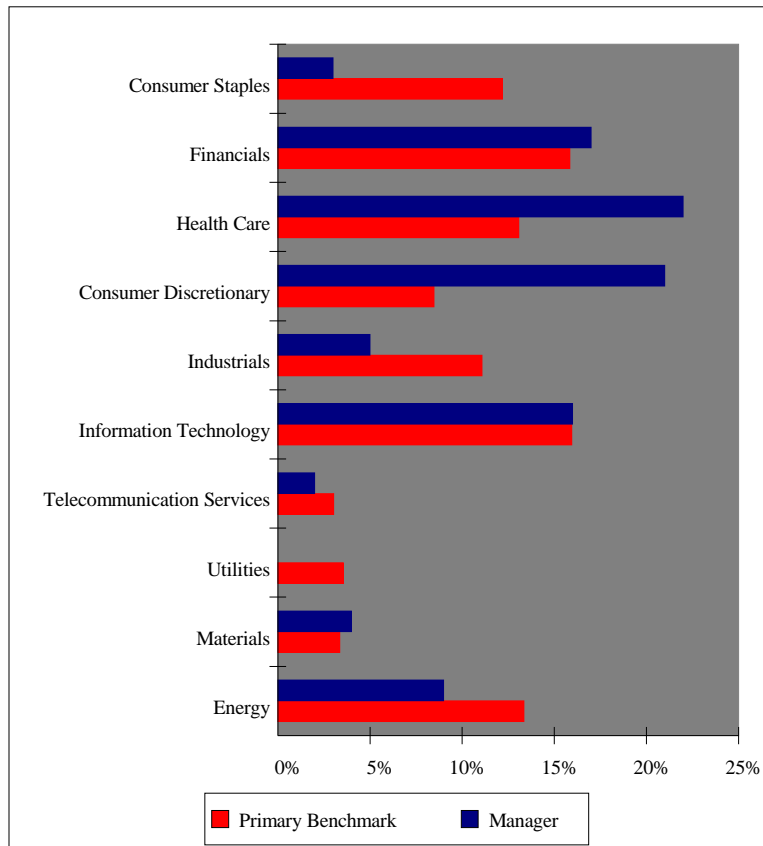
# Northern Indiana Community Foundation

## Dodge & Cox Stock Fund

### Equity Sector

Report For Periods Ending September 30, 2008

#### Sector Allocation



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Consumer Staples	12%	3%	4.8%	0.7%
Financials	16	17	0.9	-39.3
Health Care	13	22	0.5	-12.2
Consumer Discretionary	8	21	-0.7	-22.4
Industrials	11	5	-8.5	-24.7
Information Technology	16	16	-11.9	-23.4
Telecommunication Services	3	2	-14.8	-33.1
Utilities	4	0	-18.0	-14.3
Materials	3	4	-22.5	-21.4
Energy	13	9	-24.6	-14.3

#### Top Five Holdings

<u>Description</u>	<u>Weighting</u>
Comcast Corporation	4.5%
Hewlett-Packard Company	4.5
Wachovia Corporation	3.2
Novartis AGA	3.1
Time Warner Telecom Inc.	2.9

**Number of Holdings: 81**

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

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

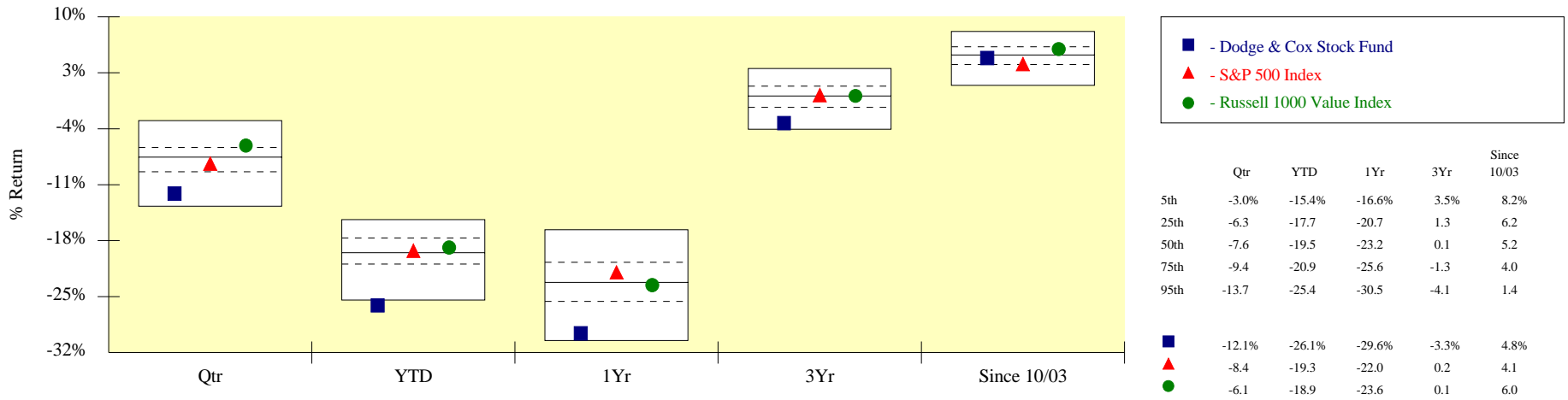


# Northern Indiana Community Foundation

## Dodge & Cox Stock Fund

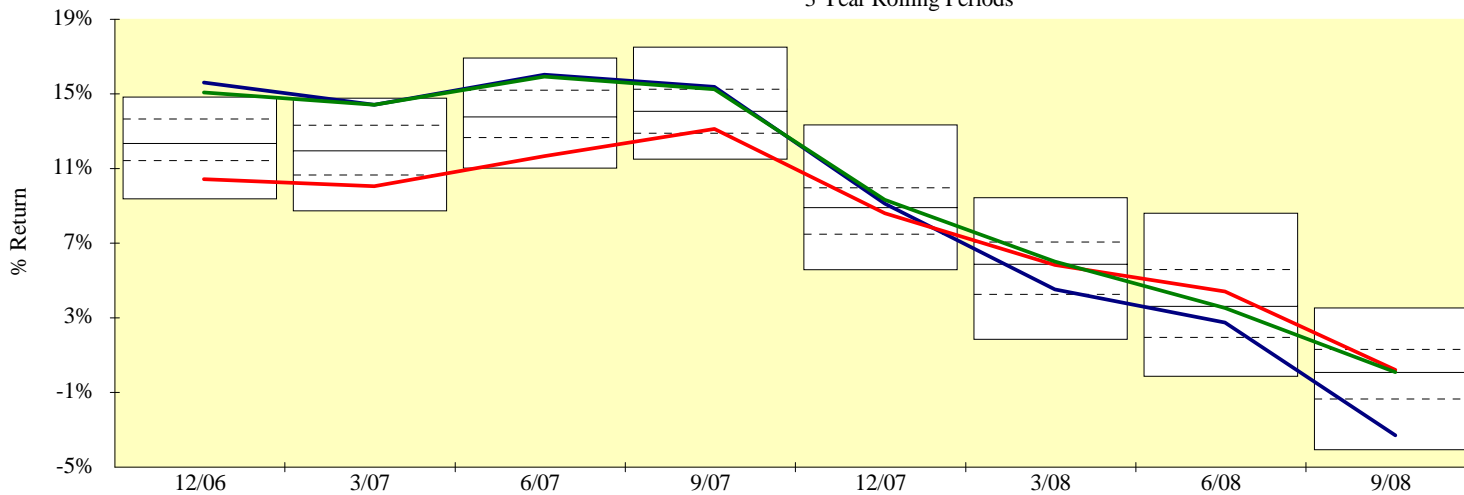
### Large Cap Value Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



# Northern Indiana Community Foundation

## DFA Small Cap Value Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>DFA Small Cap Value Fund</b>	<b>-1.0%</b>	<b>-11.3%</b>	<b>-19.2%</b>	<b>-0.8%</b>	<b>7.5%</b>	<b>10/03</b>
Russell 2000 Index	-1.1	-10.4	-14.5	1.8	6.5	
Russell 2000 Value Index	5.0	-5.4	-12.3	2.0	7.9	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>DFA Small Cap Value Fund</b>	<b>0.99</b>	<b>1.0%</b>	<b>0.88</b>	<b>16.1%</b>	<b>4.3%</b>	<b>0.2</b>
Russell 2000 Index	1.00	0.0	1.00	15.5	0.0	--
Russell 2000 Value Index	0.92	1.6	0.91	14.8	4.0	-0.1

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>DFA Small Cap Value Fund</b>	<b>13.2</b>	<b>1.5</b>	<b>1,105.0M</b>	<b>1.4%</b>	<b>28.0%</b>
Russell 2000 Index	16.6	1.9	1,070.0	1.5	--
Russell 2000 Value Index	13.9	1.3	930.0	2.5	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 414	\$ 995
Net Contributions/(Distributions)	\$ 0	\$ (475)
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (4)</b>	<b>\$ (110)</b>
<b>Ending Market Value</b>	<b>\$ 410</b>	<b>\$ 410</b>

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

\* Risk Statistics are based on monthly data.



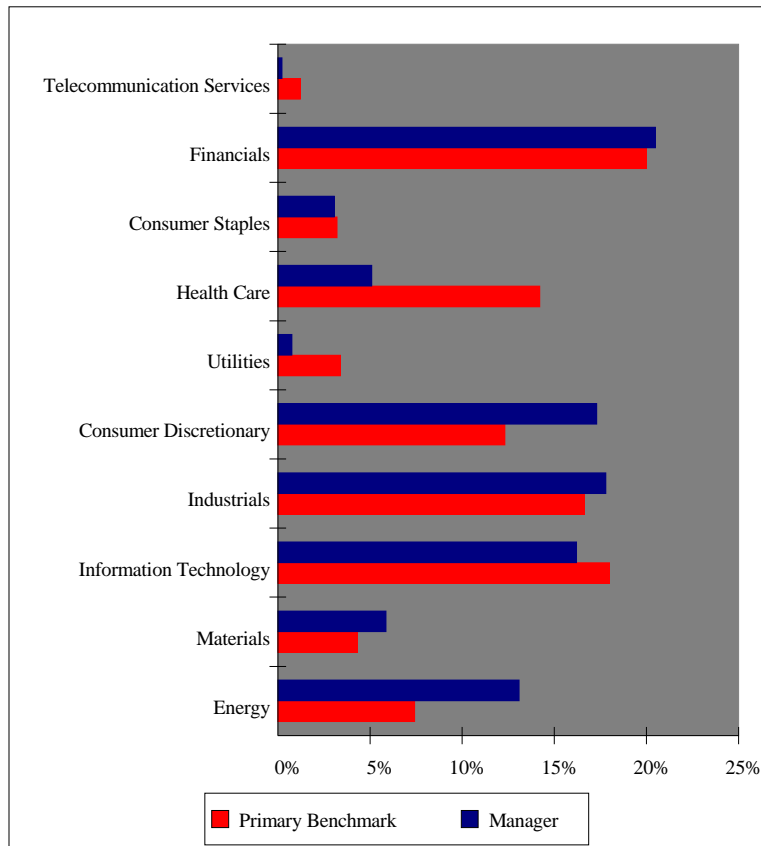
# Northern Indiana Community Foundation

## DFA Small Cap Value Fund

### Equity Sector

Report For Periods Ending September 30, 2008

#### Sector Allocation



<u>Sector</u>	<u>Sector Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Telecommunication Services	1%	0%	27.4%	-41.9%
Financials	20	21	18.7	-14.9
Consumer Staples	3	3	13.5	0.1
Health Care	14	5	5.2	-6.9
Utilities	3	1	4.4	5.8
Consumer Discretionary	12	17	1.9	-30.9
Industrials	17	18	-2.3	-11.4
Information Technology	18	16	-6.1	-22.3
Materials	4	6	-15.4	-33.5
Energy	7	13	-31.2	6.2

#### Top Five Holdings

<u>Description</u>	<u>Weighting</u>
EXTERRAN HOLDINGS INC	2.0%
WHITING PETROLEUM CORP	1.5
ENCORE ACQUISITION CO	1.4
SWIFT ENERGY CO	1.1
COMSTOCK RESOURCES INC	1.1

**Number of Holdings: 1421**

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

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

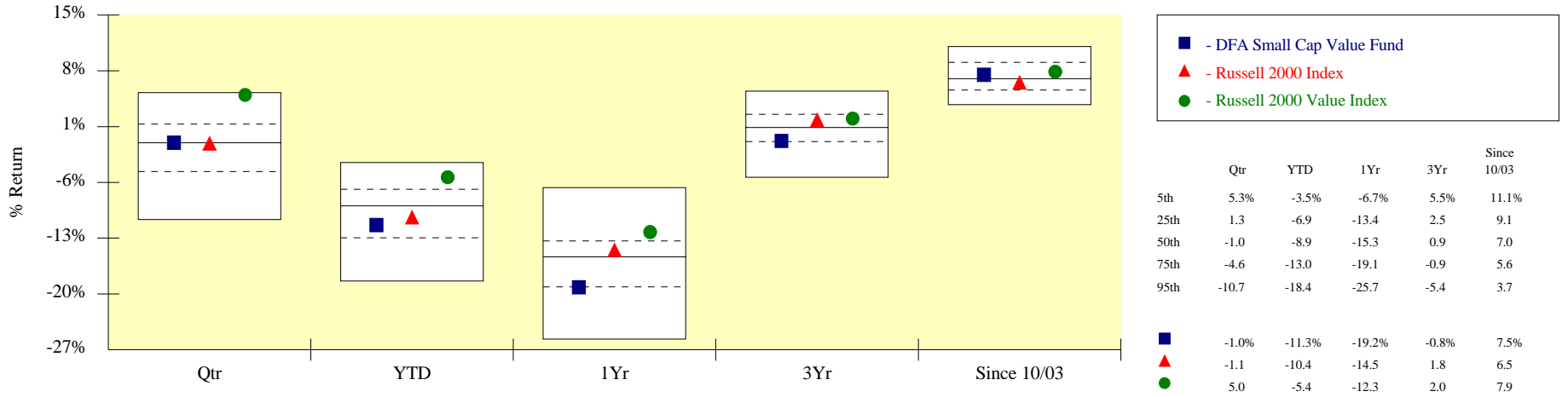


# Northern Indiana Community Foundation

## DFA Small Cap Value Fund

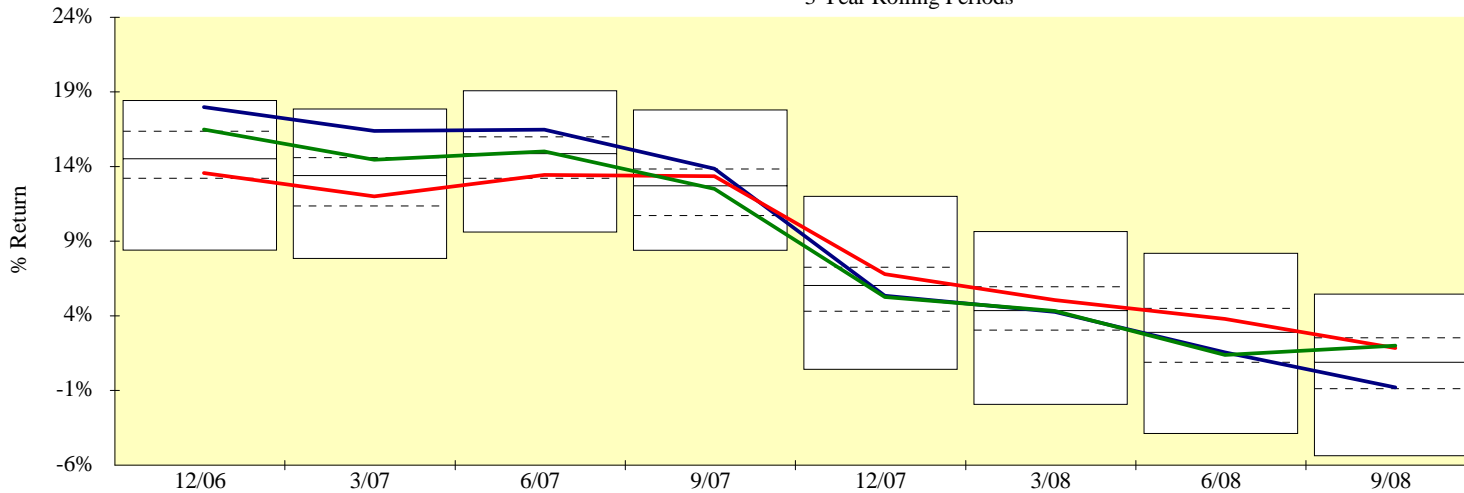
### Small Cap Value Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>NorthPointe Small Cap Growth Fund</b>	<b>-14.3%</b>	<b>-30.2%</b>	<b>-35.0%</b>	<b>-19.2%</b>	<i>1/07</i>
Russell 2000 Index	-1.1	-10.4	-14.5	-8.2	
Russell 2000 Growth Index	-7.0	-15.3	-17.1	-6.7	

Risk Statistics (Since 1/07)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>NorthPointe Small Cap Growth Fund</b>	<b>1.21</b>	<b>-8.6%</b>	<b>0.71</b>	<b>18.0%</b>	<b>10.9%</b>	<b>-1.0</b>
Russell 2000 Index	1.00	0.0	1.00	14.6	0.0	--
Russell 2000 Growth Index	1.07	2.2	0.84	16.4	8.3	-1.5

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>NorthPointe Small Cap Growth Fund</b>	<b>23.0</b>	<b>2.3</b>	<b>1,115.0M</b>	<b>0.4%</b>	<b>125.0%</b>
Russell 2000 Index	16.6	1.9	1,070.0	1.5	--
Russell 2000 Growth Index	20.6	3.3	1,210.0	0.5	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 423	\$ 947
Net Contributions/(Distributions)	\$ 0	\$ (369)
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (61)</b>	<b>\$ (216)</b>
<b>Ending Market Value</b>	<b>\$ 362</b>	<b>\$ 362</b>

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

\* Risk Statistics are based on monthly data.



# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

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

Report For Periods Ending September 30, 2008

Performance Objectives	Result	Objective Achieved
Time Period From 1/07 To 9/08		
Return > Benchmark	Return over benchmark = -11.0%	No
Beta < 1.20	Beta = 1.21	No
Alpha > 0.0%	Alpha = -8.6%	No
Peer Group Rank > 50th Percentile	Ranks in Bottom 25th Percentile	No



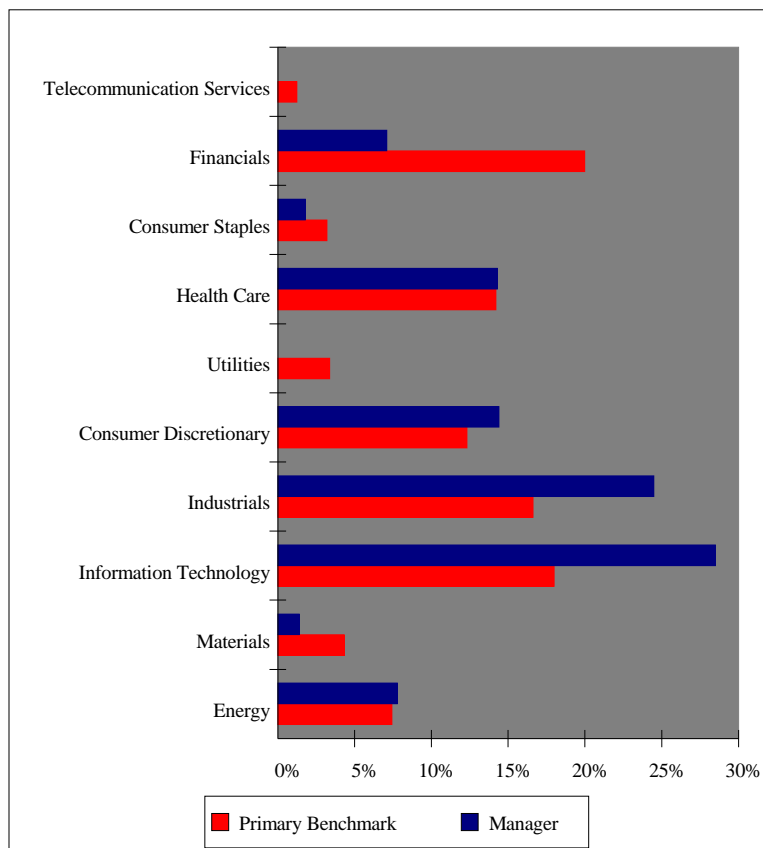
# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

### Equity Sector

Report For Periods Ending September 30, 2008

#### Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Primary Benchmark	Manager	3 Months	12 Months
Telecommunication Services	1%	0%	27.4%	-41.9%
Financials	20	7	18.7	-14.9
Consumer Staples	3	2	13.5	0.1
Health Care	14	14	5.2	-6.9
Utilities	3	0	4.4	5.8
Consumer Discretionary	12	14	1.9	-30.9
Industrials	17	25	-2.3	-11.4
Information Technology	18	29	-6.1	-22.3
Materials	4	1	-15.4	-33.5
Energy	7	8	-31.2	6.2

#### Top Five Holdings

Description	Weighting
Internoven Software Inc.	2.0%
Central Euro Distribution	1.9
Diodes Inc.	1.9
Silicon Motion Tech	1.8
Cybersource Corp.	1.8

Number of Holdings: 69

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

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

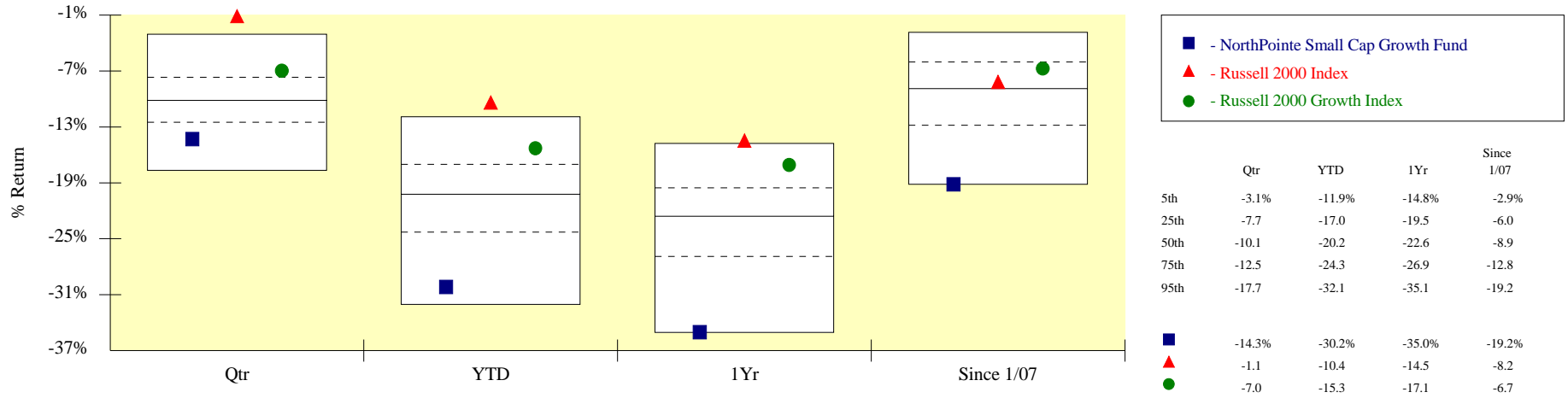


# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

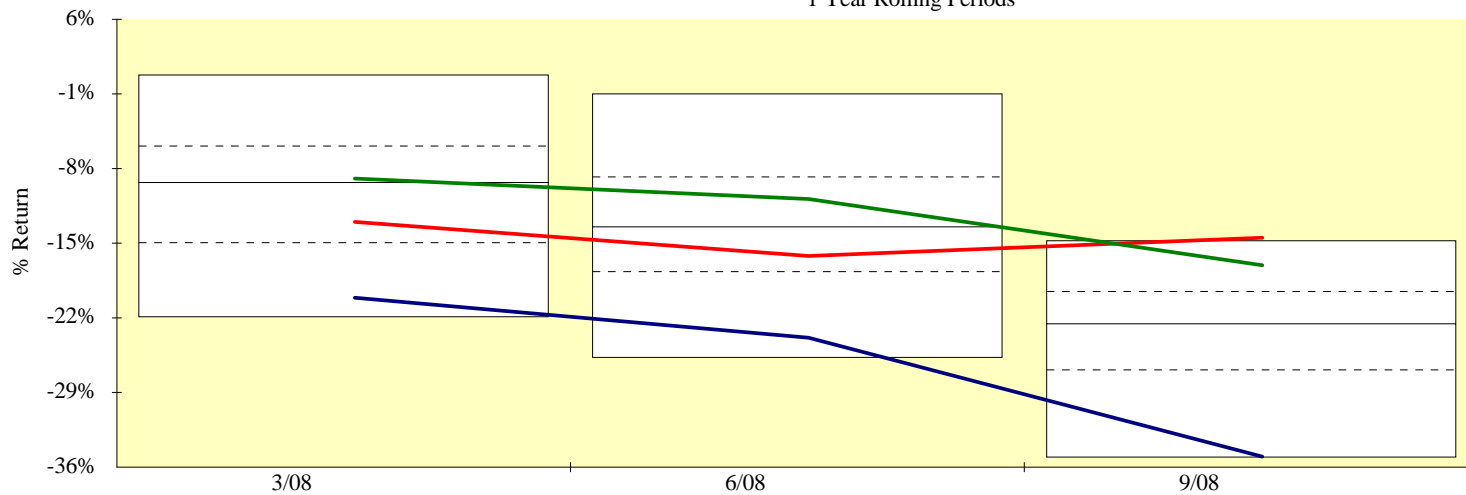
### Small Cap Growth Universe

For Report Periods Ending September 30, 2008



Report From March 31, 2007 to September 30, 2008

1 Year Rolling Periods



# Northern Indiana Community Foundation

## Artisan International Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Artisan International Fund</b>	<b>-22.1%</b>	<b>-31.9%</b>	<b>-30.0%</b>	<b>2.6%</b>	<b>9.4%</b>	<b>10/03</b>
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	8.5	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Artisan International Fund</b>	<b>1.07</b>	<b>0.5%</b>	<b>0.91</b>	<b>16.6%</b>	<b>3.8%</b>	<b>0.2</b>
MSCI EAFE Index	1.00	0.0	1.00	14.9	0.0	--

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Artisan International Fund</b>	<b>11.8</b>	<b>2.9</b>	<b>46,825.0M</b>	<b>0.7%</b>	<b>27.7%</b>
MSCI EAFE Index	10.8	1.5	31,498.9	4.1	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 1,067	\$ 1,165
Net Contributions/(Distributions)	\$ 0	\$ 50
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (236)</b>	<b>\$ (384)</b>
<b>Ending Market Value</b>	<b>\$ 831</b>	<b>\$ 831</b>

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

\* Risk Statistics are based on monthly data.



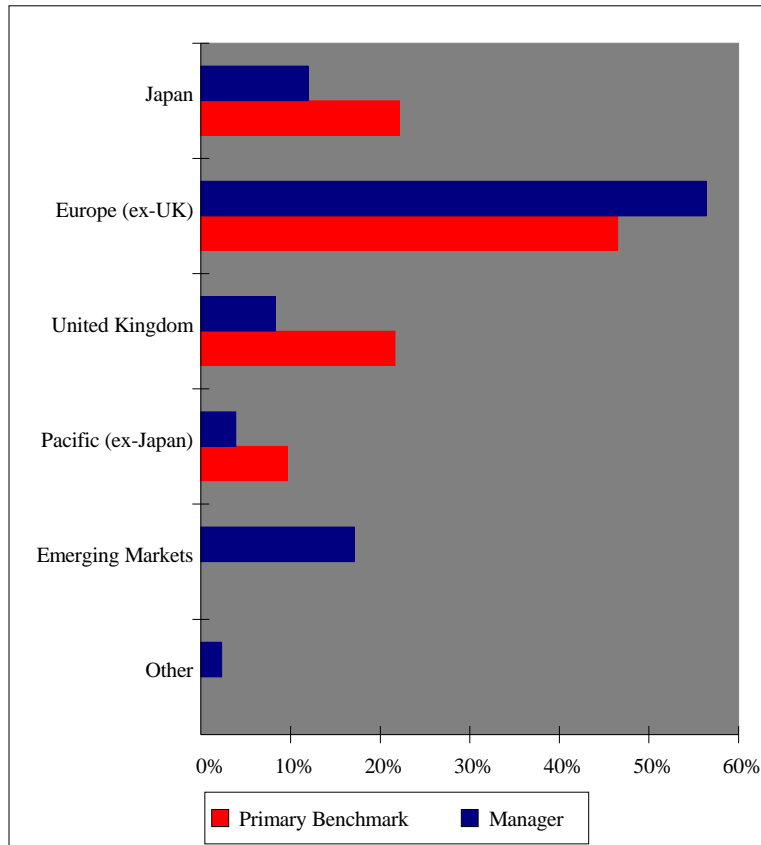
# Northern Indiana Community Foundation

## Artisan International Fund

### International Sector

Report For Periods Ending September 30, 2008

#### Region Allocation



<u>Region</u>	<u>Region Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Japan	22%	12%	-17.6%	-26.9%
Europe (ex-UK)	47	56	-20.7	-30.6
United Kingdom	22	8	-21.0	-31.5
Pacific (ex-Japan)	10	4	-25.2	-35.1
Emerging Markets	0	17	-27.0	-33.2
Other	0	2	-	-

#### Top Five Countries

<u>Country</u>	<u>Weighting</u>
Germany	13.6%
France	12.9
Japan	12.0
Switzerland	10.4
United Kingdom	8.3

Number of Holdings: 79

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

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

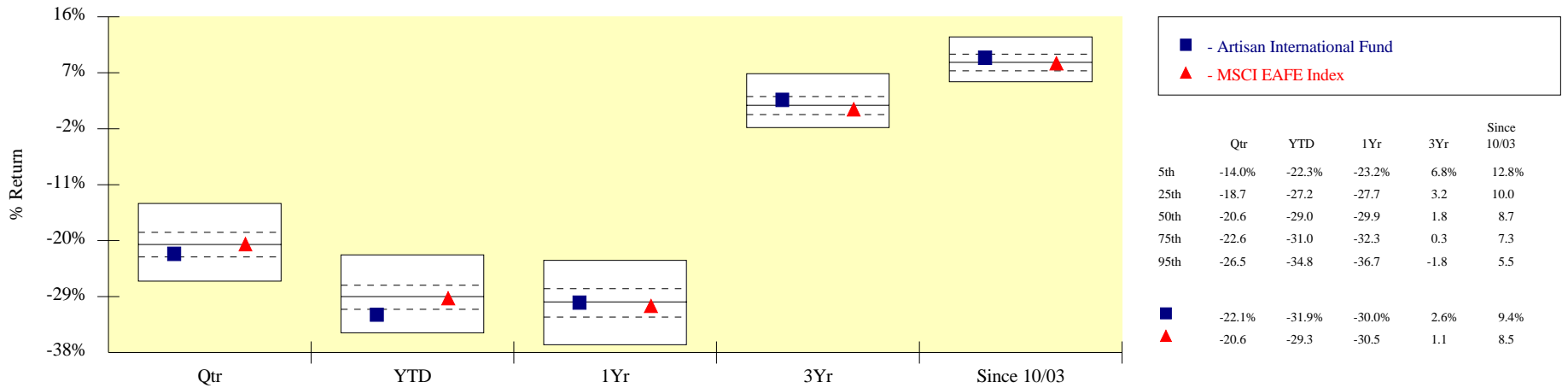


# Northern Indiana Community Foundation

## Artisan International Fund

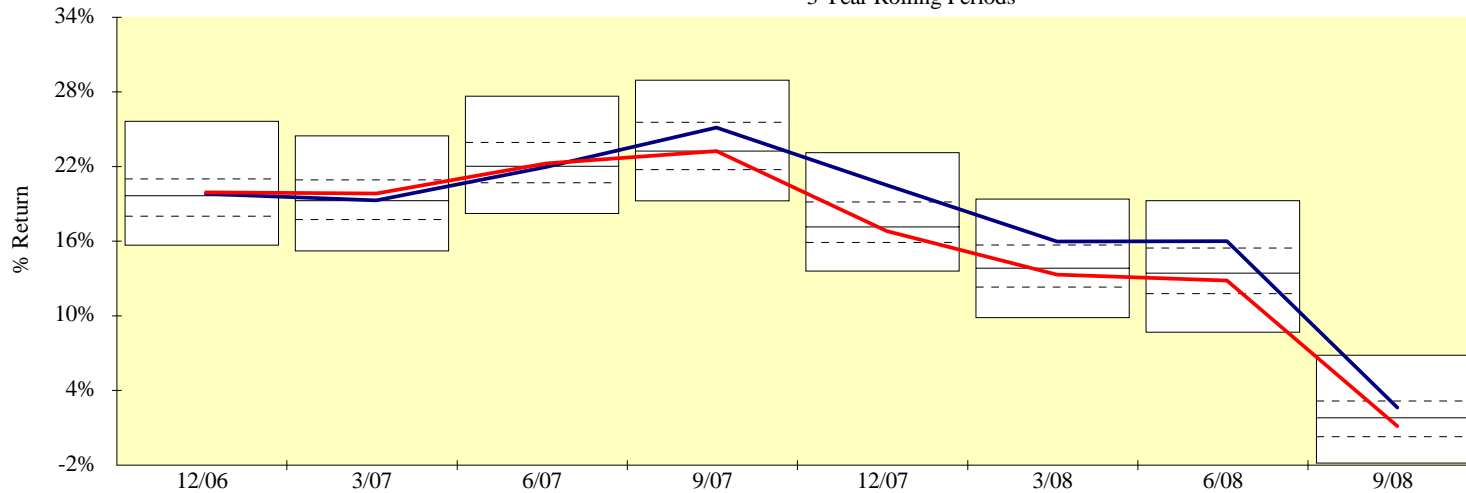
### International Equity Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



# Northern Indiana Community Foundation

## Templeton Foreign Equity Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Templeton Foreign Equity Fund</b>	<b>-15.2%</b>	<b>-27.5%</b>	<b>-26.4%</b>	<b>4.8%</b>	<b>11.0%</b>	<b>10/03</b>
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	8.5	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>Templeton Foreign Equity Fund</b>	<b>0.94</b>	<b>2.8%</b>	<b>0.91</b>	<b>14.7%</b>	<b>3.4%</b>	<b>0.7</b>
MSCI EAFE Index	1.00	0.0	1.00	14.9	0.0	--

Portfolio Statistics	<u>Trailing P/E</u>	<u>Trailing P/B</u>	<u>Wtd Avg Mkt Cap</u>	<u>Current Yield</u>	<u>Eqty Annl Turnover</u>
<b>Templeton Foreign Equity Fund</b>	<b>10.9</b>	<b>1.7</b>	<b>63,118.0M</b>	<b>3.9%</b>	<b>12.0%</b>
MSCI EAFE Index	10.8	1.5	31,498.9	4.1	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 1,003	\$ 1,119
Net Contributions/(Distributions)	\$ (29)	\$ 21
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (149)</b>	<b>\$ (315)</b>
<b>Ending Market Value</b>	<b>\$ 825</b>	<b>\$ 825</b>

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

\* Risk Statistics are based on monthly data.



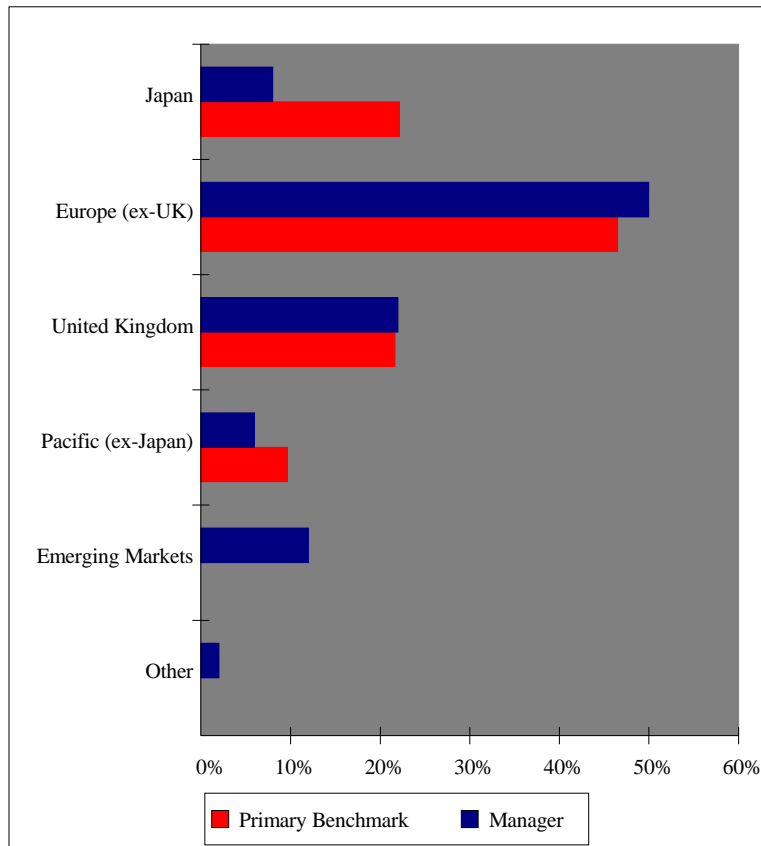
# Northern Indiana Community Foundation

## Templeton Foreign Equity Fund

### International Sector

Report For Periods Ending September 30, 2008

#### Region Allocation



<u>Region</u>	<u>Region Weightings</u>		<u>Market Total Returns</u>	
	<u>Primary Benchmark</u>	<u>Manager</u>	<u>3 Months</u>	<u>12 Months</u>
Japan	22%	8%	-17.6%	-26.9%
Europe (ex-UK)	47	50	-20.7	-30.6
United Kingdom	22	22	-21.0	-31.5
Pacific (ex-Japan)	10	6	-25.2	-35.1
Emerging Markets	0	12	-27.0	-33.2
Other	0	2	-	-

#### Top Five Countries

<u>Country</u>	<u>Weighting</u>
United Kingdom	22.0%
Germany	11.0
France	9.9
Japan	7.9
Switzerland	6.5

Number of Holdings: 96

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

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

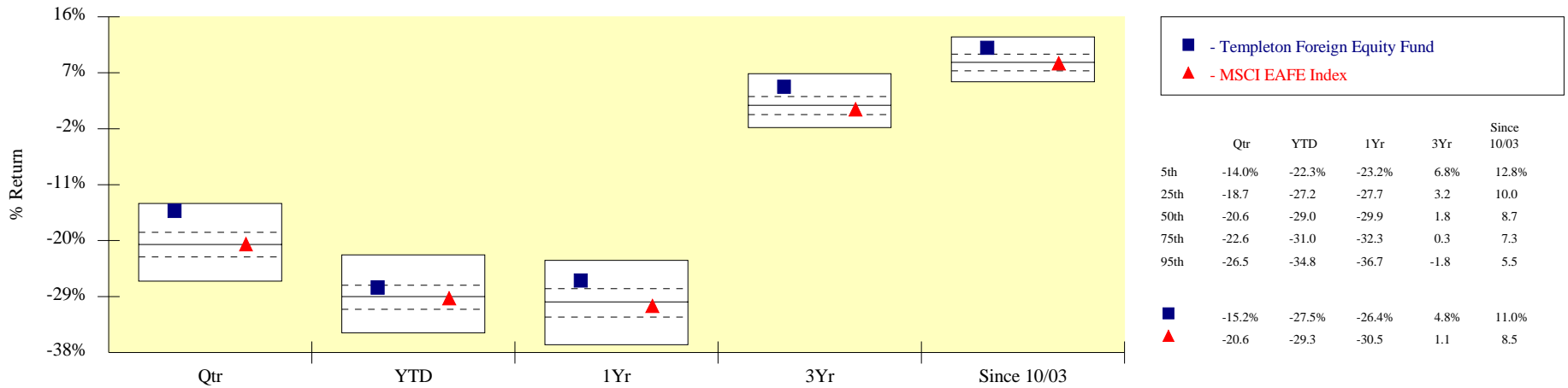


# Northern Indiana Community Foundation

## Templeton Foreign Equity Fund

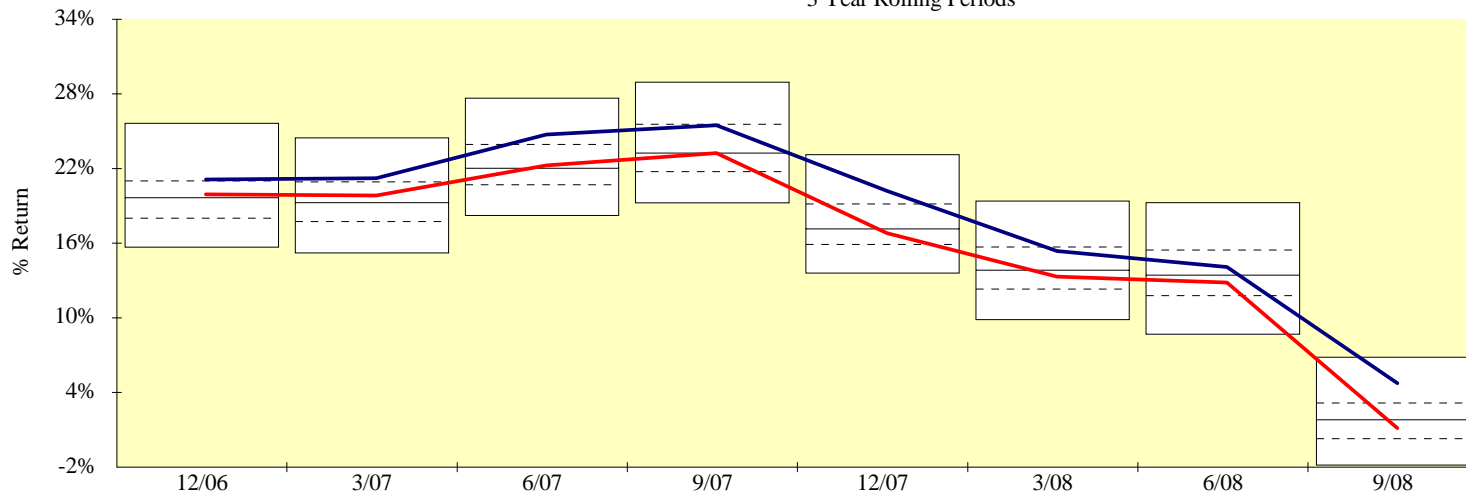
### International Equity Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



# Northern Indiana Community Foundation

## PIMCO Total Return Fund

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

Report For Periods Ending September 30, 2008

Performance Results	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>PIMCO Total Return Fund</b>	<b>-2.1%</b>	<b>-0.1%</b>	<b>3.8%</b>	<b>4.4%</b>	<b>4.5%</b>	<b>10/03</b>
LB Aggregate Bond Index	-0.5	0.6	3.7	4.2	4.0	

Risk Statistics (Since 10/03)	<u>Beta</u>	<u>Alpha</u>	<u>R<sup>2</sup></u>	<u>Standard Deviation</u>	<u>Tracking Error</u>	<u>Information Ratio</u>
<b>PIMCO Total Return Fund</b>	<b>1.15</b>	<b>0.3%</b>	<b>0.83</b>	<b>4.0%</b>	<b>1.5%</b>	<b>0.3</b>
LB Aggregate Bond Index	1.00	0.0	1.00	3.2	0.0	--

Portfolio Statistics	<u>Wtd Avg Duration</u>	<u>Wtd Avg Maturity</u>	<u>Wtd Avg Credit</u>	<u>Yield to Worst</u>	<u>FI Annl Turnover</u>
<b>PIMCO Total Return Fund</b>	<b>4.5 yrs</b>	<b>5.3 yrs</b>	<b>AA</b>	<b>5.4%</b>	<b>226.0%</b>
LB Aggregate Bond Index	4.5	7.1	AA+	5.3	--

Asset Growth Summary (in thousands)	<u>Qtr</u>	<u>YTD</u>
Beginning Market Value	\$ 4,068	\$ 3,836
Net Contributions/(Distributions)	\$ (46)	\$ 113
<b>Market Appreciation/(Depreciation)</b>	<b>\$ (84)</b>	<b>\$ (11)</b>
<b>Ending Market Value</b>	<b>\$ 3,938</b>	<b>\$ 3,938</b>

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

\* Risk Statistics are based on monthly data.



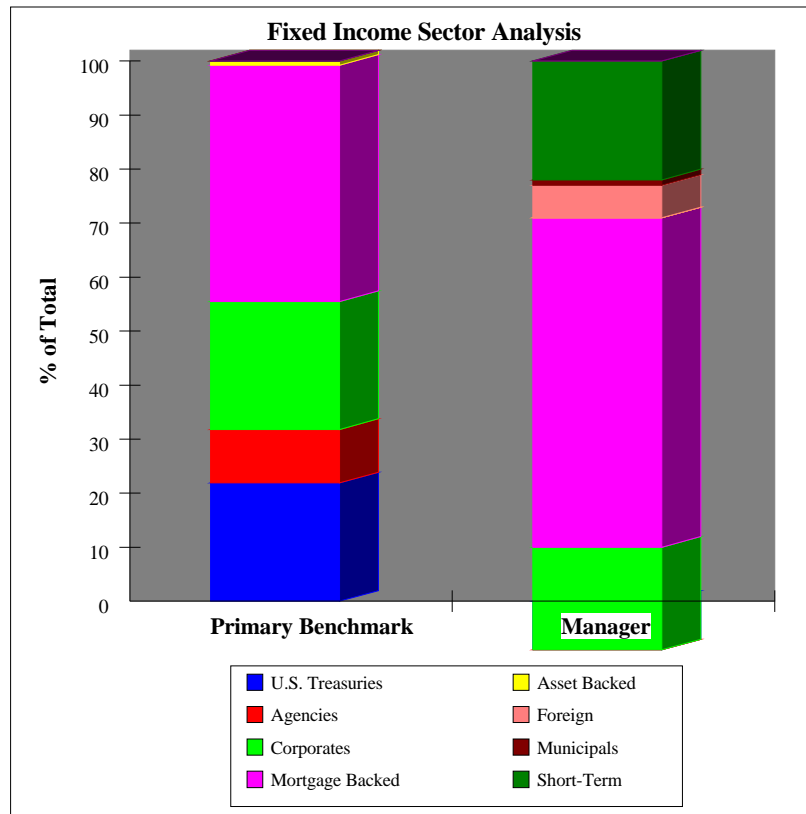
# Northern Indiana Community Foundation

## PIMCO Total Return Fund

### Fixed Income Sector

Report For Periods Ending September 30, 2008

#### Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Primary Benchmark	Manager	3 Months	12 Months
Total Weighting	100%	100%	-0.5%	3.7%
U.S. Treasuries	22	-9	2.3	8.7
Agencies	10	0	1.1	6.0
Corporates	24	19	-6.4	-4.8
Mortgage Backed	44	61	1.9	7.0
Asset Backed	1	0	-3.7	-7.0
Foreign	0	6	-2.4	4.8
Municipals	0	1	-3.2	-1.9
Short-Term	0	22	0.4	2.9

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

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

\*Municipals performance returns are represented by the LB 5 Year Municipal Index

\*Foreign performance returns are represented by the JP Morgan Non US Index

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

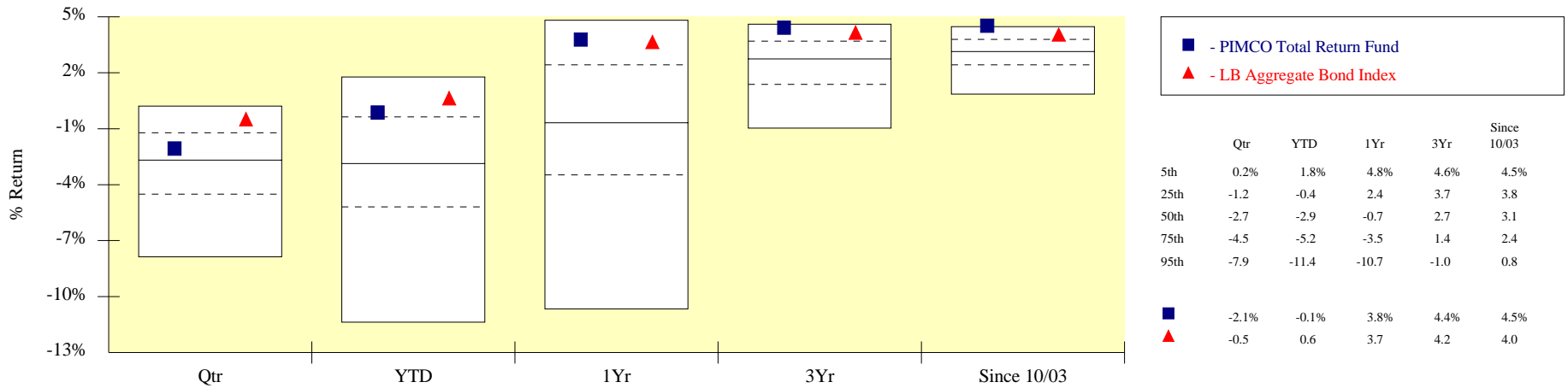


# Northern Indiana Community Foundation

## PIMCO Total Return Fund

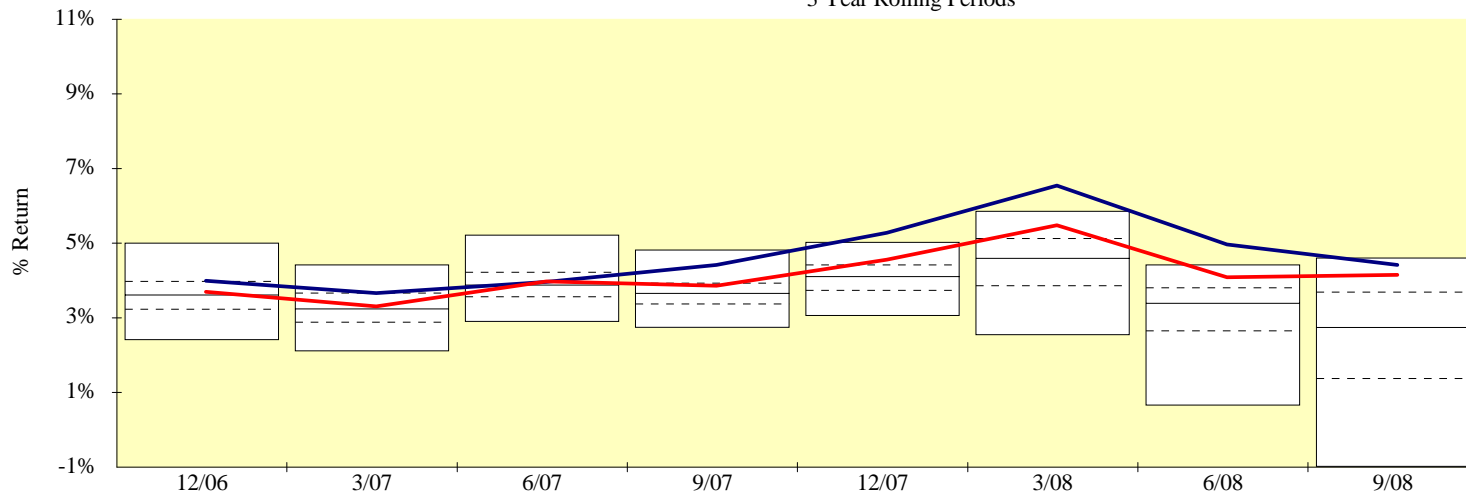
### Core Fixed Income Universe

For Report Periods Ending September 30, 2008



Report From December 31, 2003 to September 30, 2008

3 Year Rolling Periods



## Index Summary Sheet for Periods Ending September 30, 2008

<u>U.S. Equity Indices</u>	<u>Qtr</u>	<u>YTD</u>	<u>1 Yr</u>	<u>Annualized</u>		
				<u>3 Yr</u>	<u>5 Yr</u>	<u>10 Yr</u>
Russell 3000 Index	-8.7%	-18.8%	-21.5%	0.3%	5.7%	3.8%
S&P 500 Index	-8.4	-19.3	-22.0	0.2	5.2	3.1
Russell 1000 Growth Index	-12.3	-20.3	-20.9	0.0	3.7	0.6
Russell 1000 Value Index	-6.1	-18.9	-23.6	0.1	7.1	5.5
Russell Midcap Index	-12.9	-19.5	-22.4	0.1	8.6	8.3
Russell Midcap Growth Index	-17.7	-23.4	-24.7	-0.8	6.5	5.5
Russell Midcap Value Index	-7.5	-15.5	-20.5	0.5	10.0	9.2
Russell 2000 Index	-1.1	-10.4	-14.5	1.8	8.1	7.8
Russell 2000 Growth Index	-7.0	-15.3	-17.1	1.5	6.6	4.7
Russell 2000 Value Index	5.0	-5.4	-12.3	2.0	9.4	10.1
<b><u>International Equity Indices</u></b>						
MSCI AC World Index ex-US	-21.9	-29.9	-30.3	2.6	11.3	6.5
MSCI EAFE Index	-20.6	-29.3	-30.5	1.1	9.7	5.0
MSCI EAFE Growth Index	-21.9	-28.3	-28.5	2.2	9.2	3.0
MSCI EAFE Value Index	-19.1	-30.3	-32.6	0.0	10.1	6.9
MSCI Emerging Markets Free Index	-27.0	-35.5	-33.2	8.4	18.7	14.5
MSCI Small Cap EAFE Index	-24.0	-31.9	-35.2	-3.9	9.2	7.9
<b><u>Fixed Income Indices</u></b>						
LB Aggregate Bond Index	-0.5	0.6	3.7	4.2	3.8	5.2
LB Interm GV/CR Bond Index	-1.2	0.2	3.1	4.0	3.2	5.0
ML 1-3 Yr Govt Bond Index	1.7	3.8	6.3	5.3	3.5	4.5
LB Municipals Index	-3.2	-3.2	-1.9	1.9	2.8	4.2
LB TIPS Index	-3.5	1.2	6.2	4.3	5.2	7.1
ML High Yield Bond Index	-9.5	-10.6	-11.6	0.9	4.3	4.3
CSFB Leveraged Loan Index	-5.9	-7.6	-7.7	0.8	2.9	3.7
JP Morgan Non-US \$ Govt Hedge Index	2.6	2.4	4.5	3.6	3.2	1.8
JP Morgan EMBI Plus Index	-4.6	-5.3	-2.7	4.4	6.9	12.0
<b><u>Alternative Investment Indices</u></b>						
HFRI Fund of Funds Index	-8.8	-11.0	-9.3	3.4	5.2	6.7
HFRI Fund Weighted Index	-8.1	-9.4	-8.4	4.7	7.2	9.4
NAREIT Equity REIT Index	5.6	1.7	-11.1	5.1	13.1	12.3
NCREIF Property Index	0.0	2.2	5.4	13.3	14.3	11.8
FTSE EPRA/NAREIT Global Real Estate	-10.4	-22.7	-30.6	2.3	12.8	12.1
<b><u>Other Indices</u></b>						
Consumer Price Index - US	0.7	3.3	5.0	3.2	3.4	3.0
U.S. 91-Day Treasury Bills	0.4	1.3	2.2	3.8	3.0	3.3
Dow Jones AIG Commodities Index	-27.7	-8.0	-3.7	1.9	10.1	10.0



# Northern Indiana Community Foundation

## Benchmark Composition Summary

### Balanced Index

Since Inception	Weight
S&P 500 Index	35.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	20.00%
LB Aggregate Bond Index	30.00%

October 31, 2003	Weight
S&P 500 Index	40.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	30.00%

January 31, 2005	Weight
S&P 500 Index	42.50%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	27.50%

### Balanced Index

Since Inception	Weight
S&P 500 Index	40.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	30.00%

January 31, 2005	Weight
S&P 500 Index	42.50%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
LB Aggregate Bond Index	27.50%



# Definitions

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

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

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

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

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

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

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

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

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

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

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

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



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6. Performance analysis is calculated using monthly and/or quarterly market values.
7. Performance analysis and asset valuations includes accrued interest and dividend income.
8. Portfolio holdings are subject to change.
9. The indices displayed in this report are unmanaged indices. An investor cannot invest directly in an index.
10. FEG's universes are updated monthly and the traditional asset classes are constructed from Lipper data feeds encompassing over 19,000 mutual funds. Lipper classifies approximately 50 asset classes according to the funds' investment objectives and portfolio attributes. FEG screens the Lipper universes to include only institutional and no-load funds. However, because the Lipper data may treat multiple share classes of the same fund as separate funds for the purpose of constructing their universes, FEG further screens the universes to eliminate multiple share classes within the institutional and no-load funds (examples include retirement-share classes and 529-share classes) in an effort to present pure-institutional universes.
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We may disclose information to nonaffiliated third parties as allowed by law. For example, this may include a lawful order or requirement of a court or governmental authority having competent jurisdiction, including subpoena or other legal process.

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

