



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



# Northern Indiana Community Foundation

Composite Performance Review  
Report for Periods Ending December 31, 2007

Presented by:

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Managing Principal

**Our Insight** / *Your Vision*

# Northern Indiana Community Foundation

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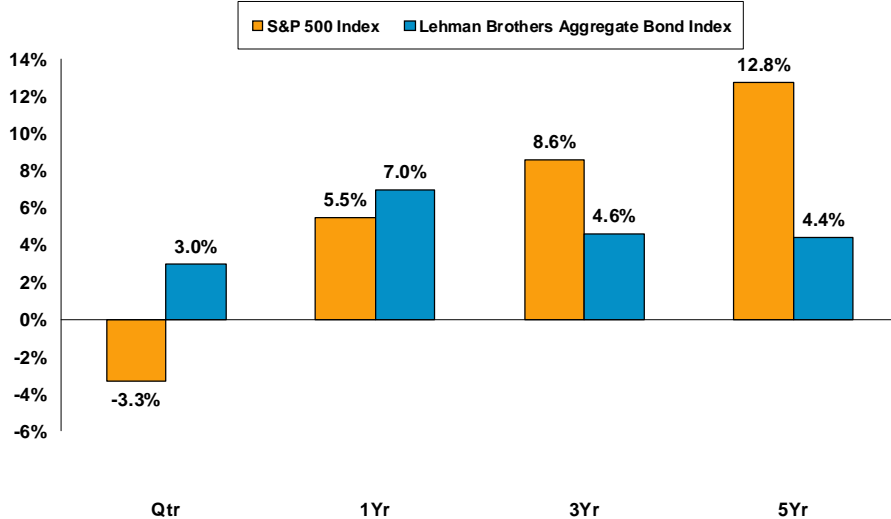
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|---------------------------|--------------------|
| Total Composite           | 2-11               |
| Large Cap Equity          | 12-19              |
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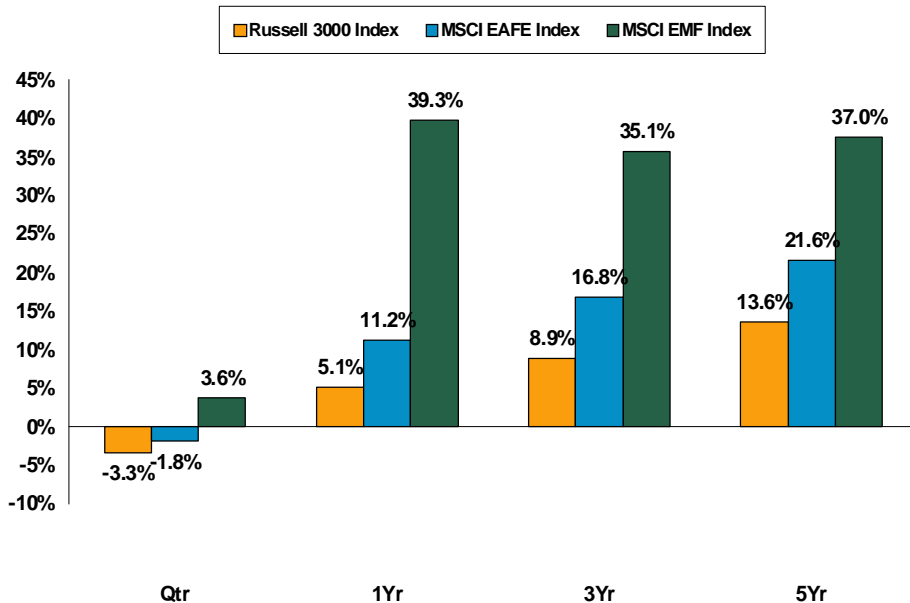
# Fourth Quarter 2007 - Market Overview

## Stocks vs. Bonds

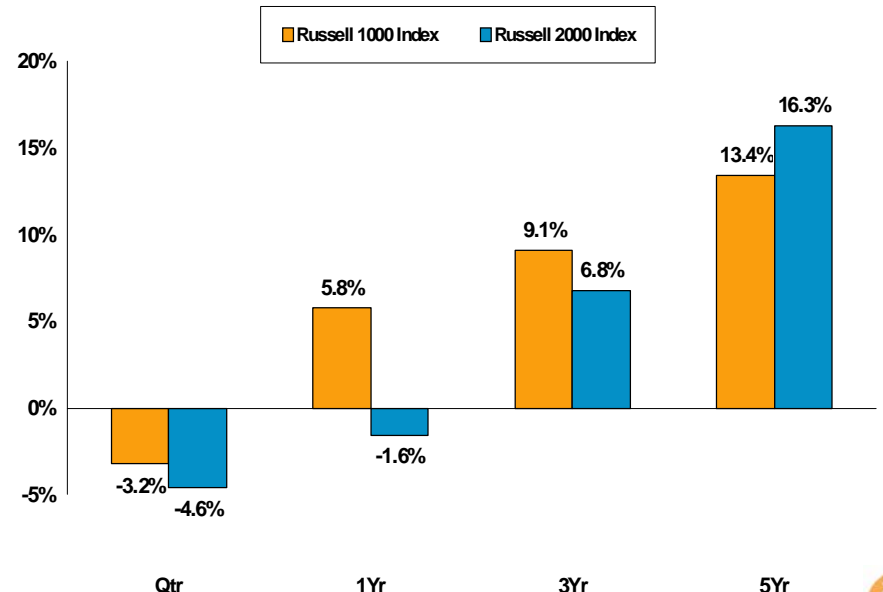


- U.S. stocks declined due to concerns about weaker corporate earnings and a slowing U.S. economy
- U.S. large cap stocks outperformed small cap stocks, as investors preferred higher quality, less risky equity exposure
- Developed foreign stocks underperformed emerging market equities amid stronger relative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

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

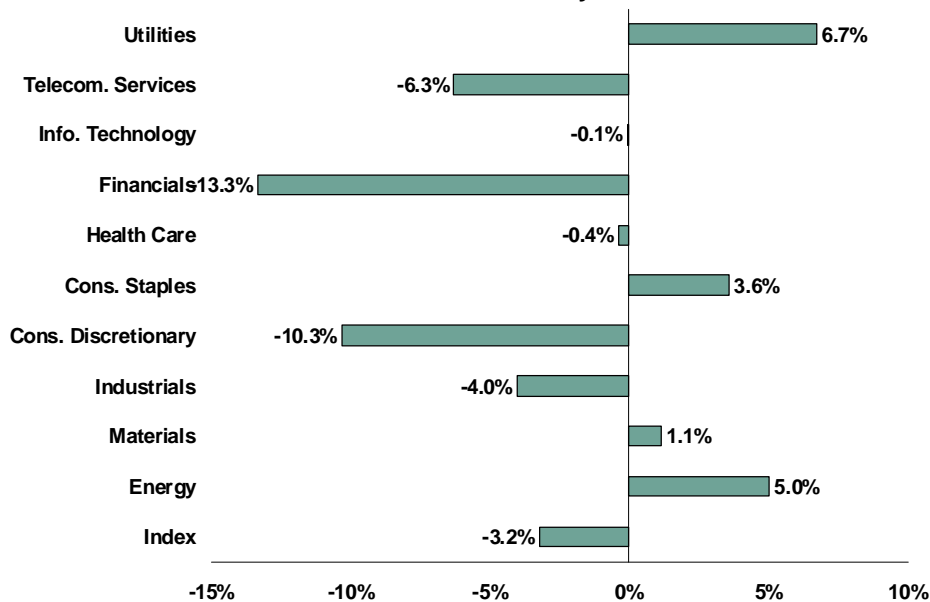


## Large Cap vs. Small Cap



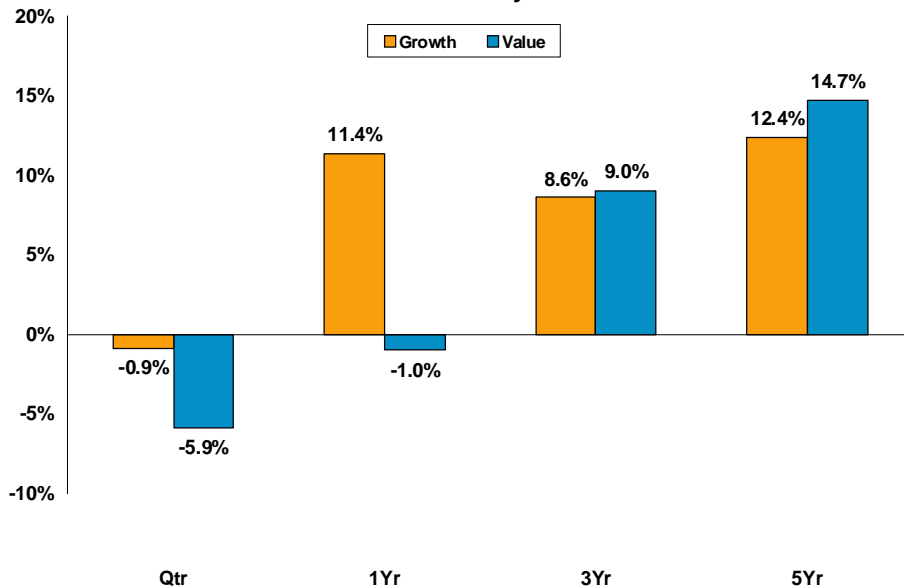
# Fourth Quarter 2007 – Domestic Equity

## Russell 1000 Index Quarterly Returns

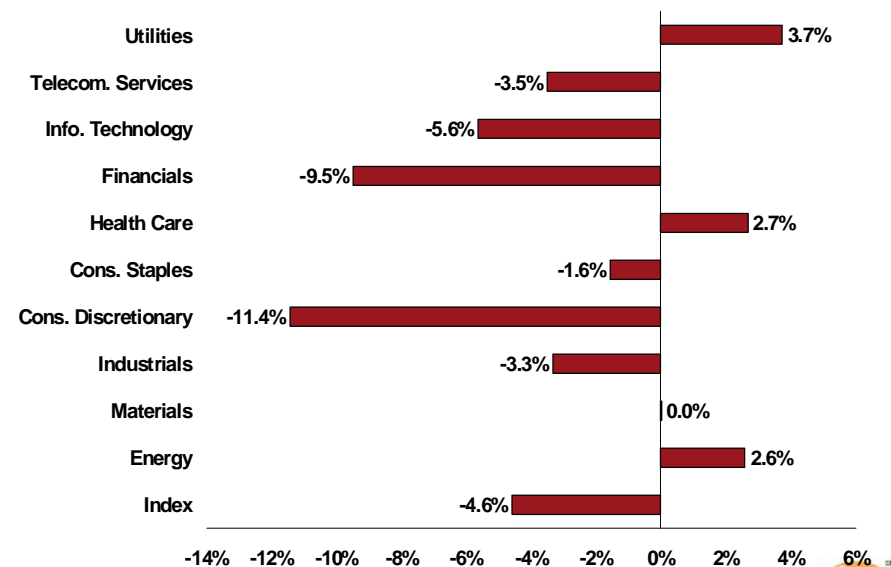


- Both the S&P 500 Index and the Russell 3000 Index declined by more than 3%; however, the NASDAQ fell only 1.8% due to the relative strength of technology stocks
- Large caps outperformed small caps by 1.4% points for the quarter and 7.4% points for the year, while the Russell 3000 Growth Index outperformed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

## Russell 3000 Index Style Returns

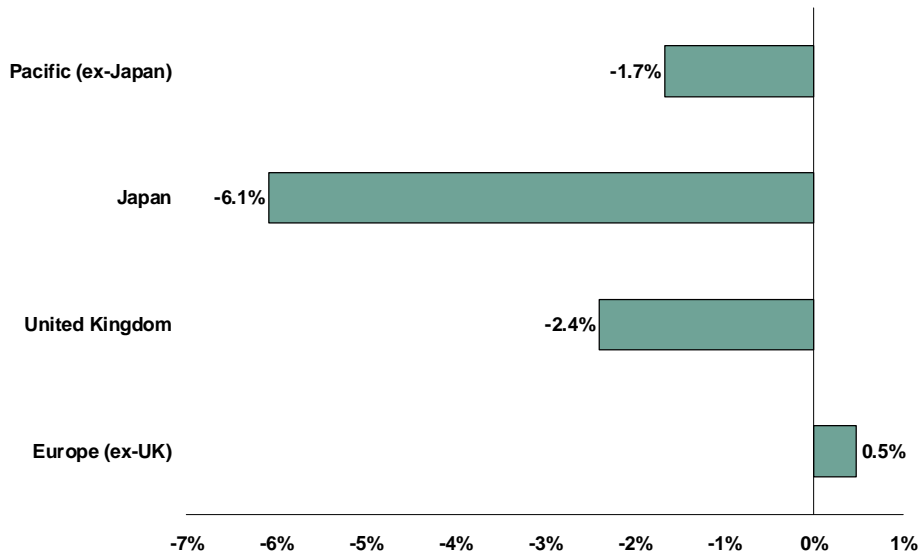


## Russell 2000 Index Quarterly Returns



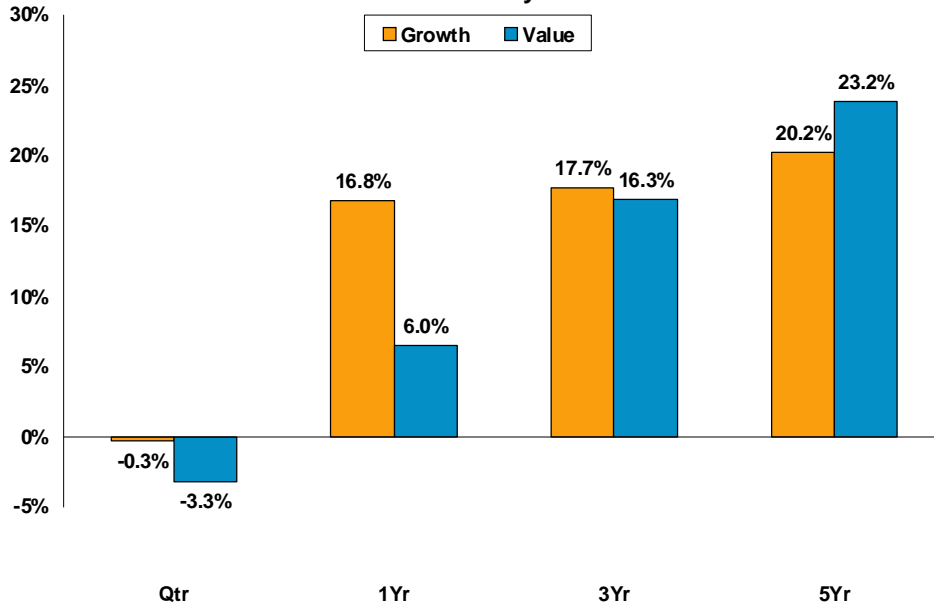
# Fourth Quarter 2007 – International Equity

MSCI EAFE Regional Quarterly Returns

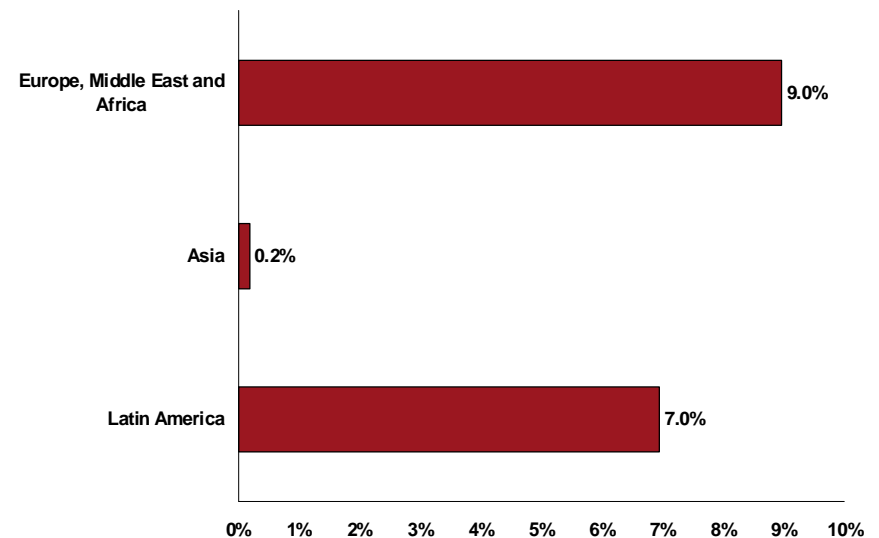


- International equities outperformed U.S. stocks, as the U.S. dollar declined by nearly 3% versus the yen and euro, which positively impacted the returns of foreign stocks in U.S. dollars
- As in the U.S., international growth stocks outperformed international value stocks during the quarter and 2007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

MSCI EAFE Index Style Returns

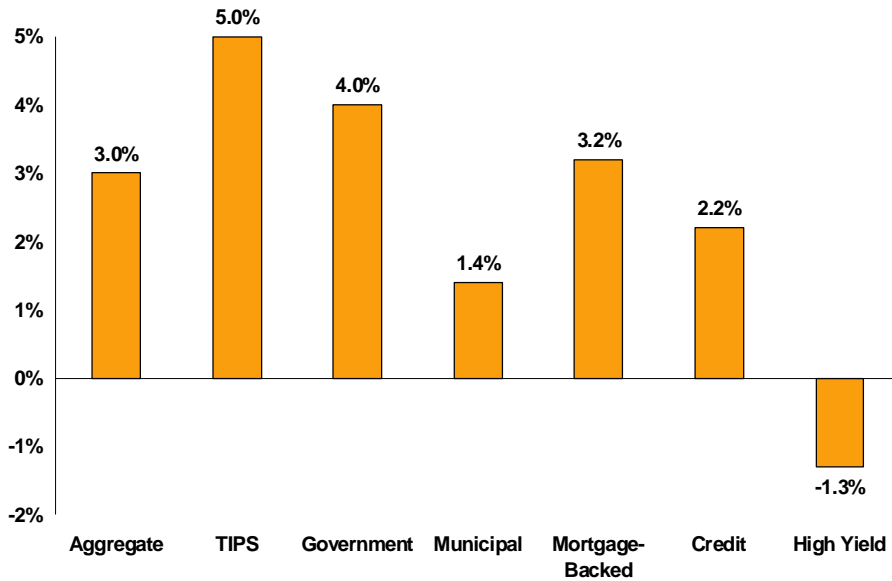


MSCI Emerging Markets Regional Quarterly Returns



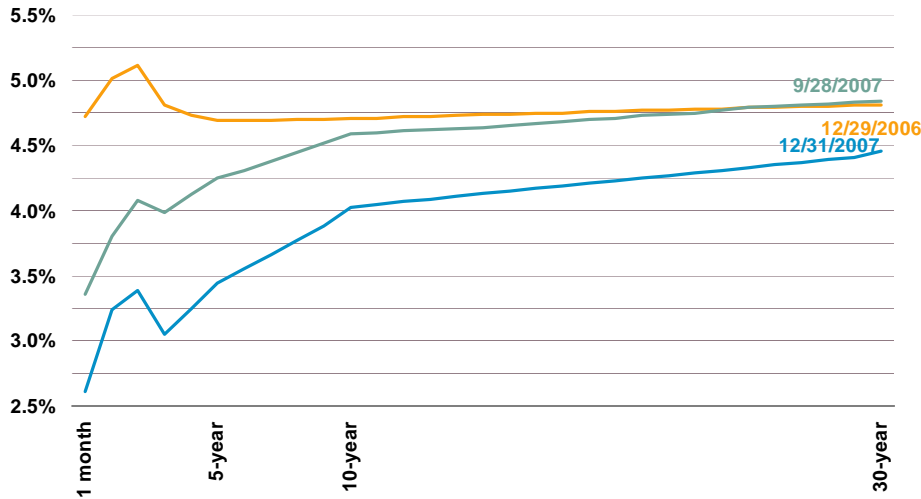
# Fourth Quarter 2007 – Fixed Income

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

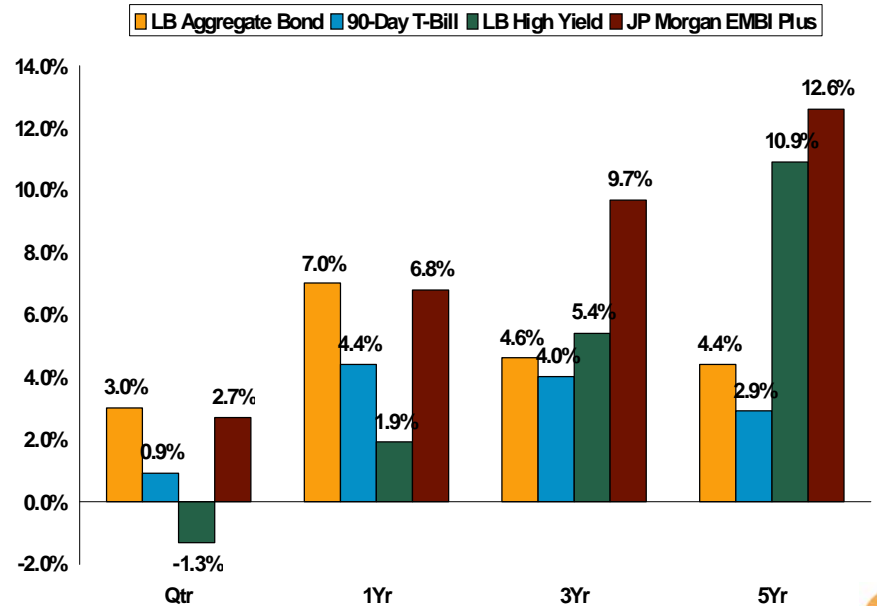


- The Federal Open Market Committee cut the Fed funds rate twice during the quarter by 25 basis points each at their October and December meetings, bringing the rate to 4.25% from 4.75%
- Fears of stagflation (slower growth with inflation) in the U.S., led to a “flight-to-quality” rally in Treasuries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

## US Treasury Yield Curve

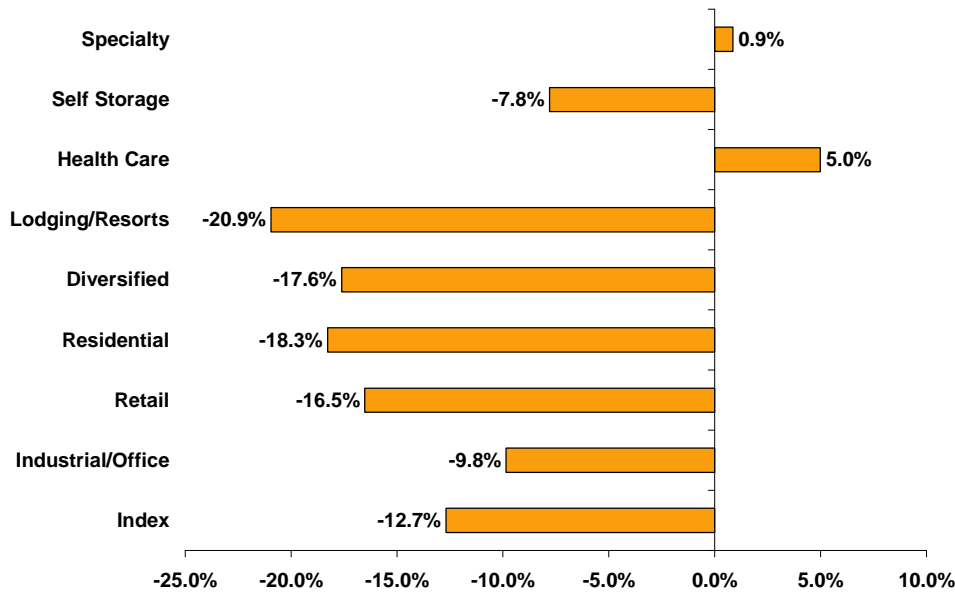


## Broad Fixed Income



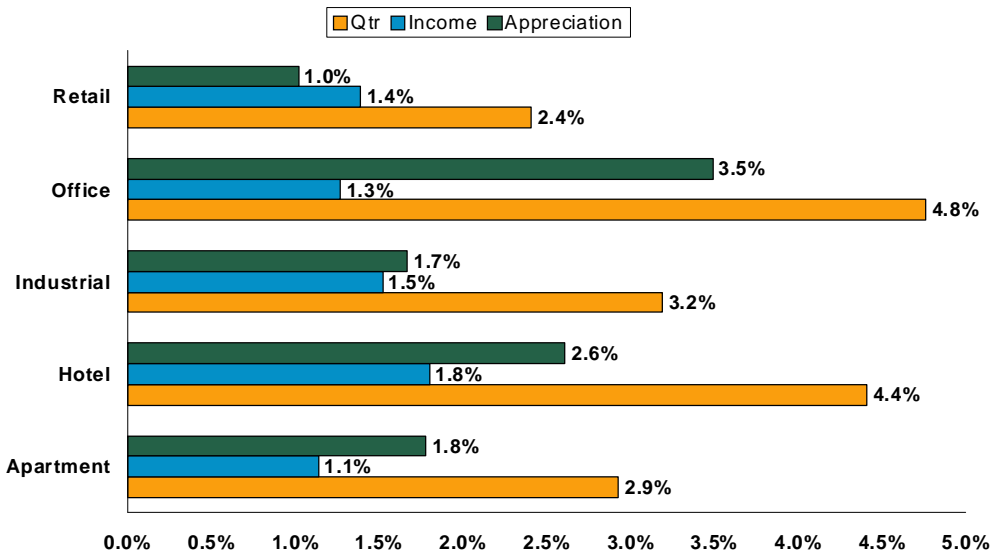
# Fourth Quarter 2007 – Real Estate

## NAREIT Equity REIT Index Sector Returns

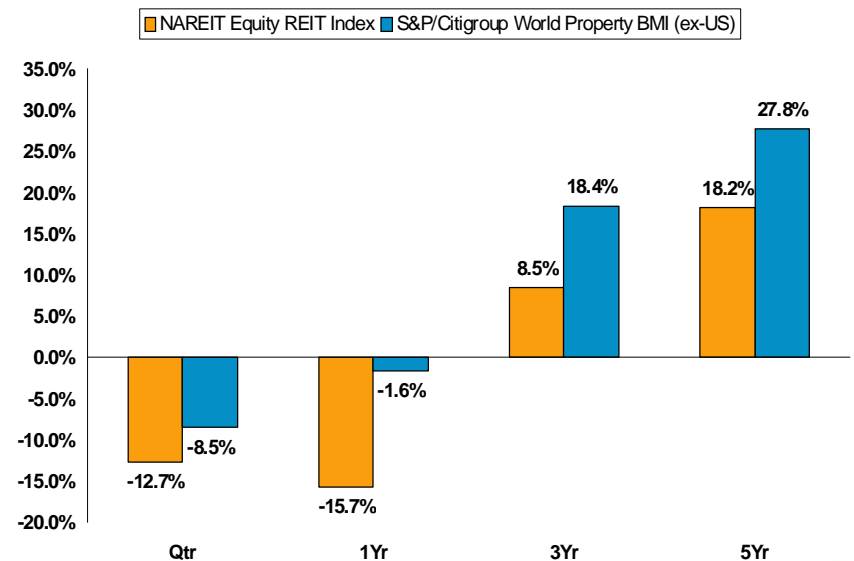


- U.S. REITs declined 12.7% due to stretched valuations while international REITs fell 8.5%; REITs comprise almost 9% of the Russell Small Cap Value Index, which detracted from REIT returns as pressure on small cap stocks negatively impacted REITs
- Lodging/Resorts was the worst performing sector, declining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

## NCREIF National Property Index Sector Returns 3Q07

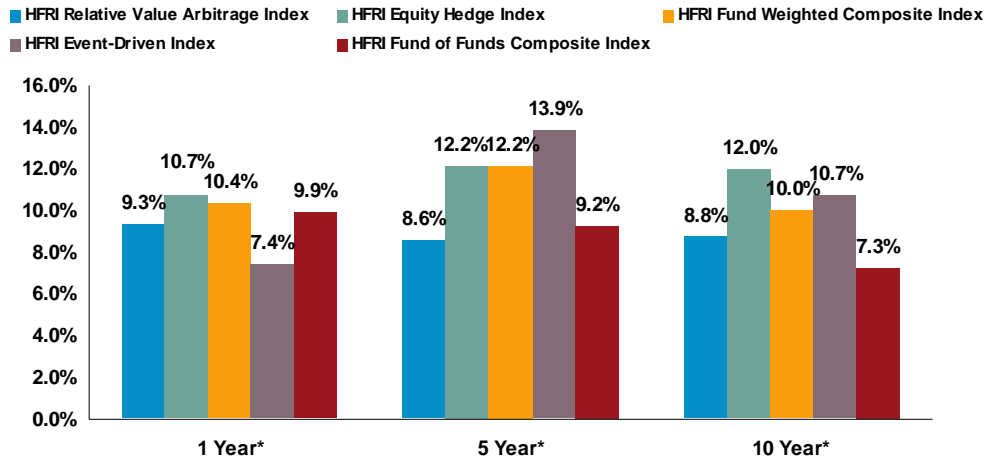


## Public Real Estate U.S. vs. International



# Fourth Quarter 2007 – Hedge Funds

## HFR Indices Style Returns



Source: HedgeFund Research

\*Annualized

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

## Performance Summary (% Return)

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

Source: HedgeFund Research

\*Annualized



# Fourth Quarter 2007 – Private Equity

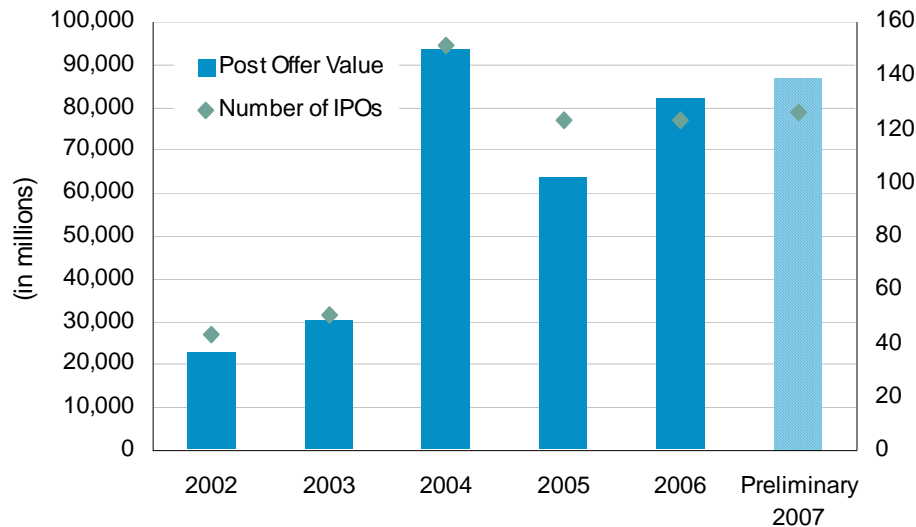
## Venture Economics Data

As of 6/30/07

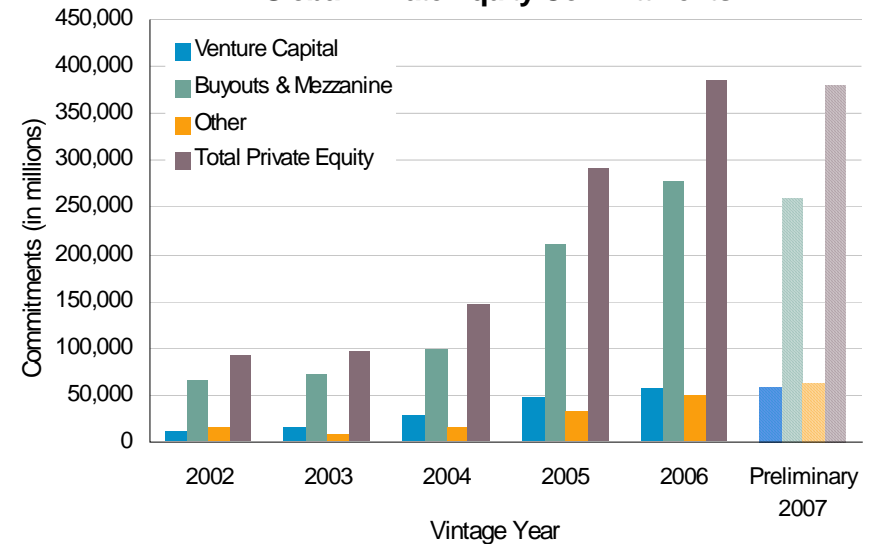
|        | Venture | Buyouts |
|--------|---------|---------|
| 1 Yr.  | 17.5%   | 21.1%   |
| 3 Yr.  | 10.2%   | 14.1%   |
| 5 Yr.  | 4.6%    | 11.8%   |
| 10 Yr. | 19.0%   | 8.4%    |
| 20 Yr. | 16.4%   | 12.9%   |

- Commitments to venture funds slowed through the third quarter of 2007 to \$20.7 billion from \$26.3 billion a year ago while investment activity increased to \$21.8 billion compared to \$20.1 billion a year ago
- The exit market improved in 2007 due to a strong IPO market as 86 venture-backed firms went public for an aggregate post-offer value of \$53.6 billion compared to 57 firms in 2006 for \$22.2 billion
- The number of venture-backed firms acquired in 2007 declined to 304 from 363 in 2006, although the average disclosed value increased to \$175 million from \$111 million in 2006
- Preliminary global commitments to private equity for 2007 have kept pace with 2006, totaling \$379.3 billion, including \$258.2 billion in buyouts, despite recent problems in the credit markets
- Investments in global private equity slowed in the second half of 2007 with investments by buyout managers declining by nearly 20% to \$37.1 billion

## Global Venture Backed Initial Public Offerings



## Global Private Equity Commitments



# Northern Indiana Community Foundation

## Summary of Investment Performance

### Report for Periods Ending December 31, 2007

|   | Annualized   |              |             |              |             |                        |               |                     |
|---|--------------|--------------|-------------|--------------|-------------|------------------------|---------------|---------------------|
|   | <u>Qtr</u>   | <u>1Yr</u>   | <u>3Yr</u>  | <u>5Yr</u>   | <u>7Yr</u>  | <u>Since Inception</u> | <u>(Date)</u> | <u>Market Value</u> |
| <b><u>Total Composite</u></b>                   | <b>-0.8%</b> | <b>7.1%</b>  | <b>9.5%</b> | <b>13.3%</b> | <b>7.5%</b> | <b>6.2%</b>            | (9/00)        | \$15,493,067        |
| Balanced Index <sup>1</sup>                     | -1.5         | 5.8          | 8.6         | 12.3         | 5.9         | 5.3                    |               |                     |
| CPI + 5%  | 2.3          | 8.9          | 8.3         | 8.0          | 7.7         | 7.7                    |               |                     |
| <b><u>Large Cap Equity</u></b>                  | <b>-2.8</b>  | <b>6.1</b>   | <b>9.3</b>  | <b>14.3</b>  | <b>4.8</b>  | <b>2.4</b>             | (9/00)        | 6,016,388           |
| S&P 500 Index                                   | -3.3         | 5.5          | 8.6         | 12.8         | 3.3         | 2.0                    |               |                     |
| <b><u>Vanguard Index 500 Fund</u></b>           | <b>-3.4</b>  | <b>5.4</b>   | -           | -            | -           | <b>9.9</b>             | (9/06)        | 3,012,376           |
| S&P 500 Index                                   | -3.3         | 5.5          | -           | -            | -           | 9.9                    |               |                     |
| <b><u>Marsico Focus Fund</u></b>                | <b>0.2</b>   | <b>12.9</b>  | <b>10.4</b> | -            | -           | <b>10.8</b>            | (10/03)       | 1,578,037           |
| S&P 500 Index                                   | -3.3         | 5.5          | 8.6         | -            | -           | 10.4                   |               |                     |
| Russell 1000 Growth Index                       | -0.8         | 11.8         | 8.7         | -            | -           | 8.9                    |               |                     |
| <b><u>Dodge &amp; Cox Stock Fund</u></b>        | <b>-4.7</b>  | <b>0.2</b>   | <b>9.1</b>  | -            | -           | <b>13.7</b>            | (10/03)       | 1,425,975           |
| S&P 500 Index                                   | -3.3         | 5.5          | 8.6         | -            | -           | 10.4                   |               |                     |
| Russell 1000 Value Index                        | -5.8         | -0.2         | 9.3         | -            | -           | 12.6                   |               |                     |
| <b><u>Small Cap Equity</u></b>                  | <b>-8.0</b>  | <b>-4.4</b>  | <b>6.4</b>  | <b>16.2</b>  | <b>6.1</b>  | <b>4.1</b>             | (9/00)        | 1,941,720           |
| Russell 2000 Index                              | -4.6         | -1.6         | 6.8         | 16.2         | 8.1         | 6.8                    |               |                     |
| <b><u>DFA Small Cap Value Fund</u></b>          | <b>-8.9</b>  | <b>-10.8</b> | <b>5.3</b>  | -            | -           | <b>13.2</b>            | (10/03)       | 995,217             |
| Russell 2000 Index                              | -4.6         | -1.6         | 6.8         | -            | -           | 10.6                   |               |                     |
| Russell 2000 Value Index                        | -7.3         | -9.8         | 5.3         | -            | -           | 10.8                   |               |                     |
| <b><u>NorthPointe Small Cap Growth Fund</u></b> | <b>-7.0</b>  | -            | -           | -            | -           | <b>0.5</b>             | (1/07)        | 946,503             |
| Russell 2000 Index                              | -4.6         | -            | -           | -            | -           | -3.2                   |               |                     |
| Russell 2000 Growth Index                       | -2.1         | -            | -           | -            | -           | 5.1                    |               |                     |
| <b><u>International Equity</u></b>              | <b>1.9</b>   | <b>18.8</b>  | <b>20.3</b> | <b>25.3</b>  | <b>13.6</b> | <b>12.7</b>            | (9/00)        | 2,283,212           |
| MSCI EAFE Index                                 | -1.8         | 11.2         | 16.8        | 21.6         | 8.4         | 7.7                    |               |                     |
| <b><u>Artisan International Fund</u></b>        | <b>2.8</b>   | <b>19.8</b>  | <b>20.5</b> | -            | -           | <b>21.9</b>            | (10/03)       | 1,164,629           |
| MSCI EAFE Index                                 | -1.8         | 11.2         | 16.8        | -            | -           | 19.7                   |               |                     |
| <b><u>Templeton Foreign Equity Fund</u></b>     | <b>1.6</b>   | <b>18.5</b>  | <b>20.2</b> | -            | -           | <b>22.2</b>            | (10/03)       | 1,118,583           |
| MSCI EAFE Index                                 | -1.8         | 11.2         | 16.8        | -            | -           | 19.7                   |               |                     |



# Northern Indiana Community Foundation

## Summary of Investment Performance

### Report for Periods Ending December 31, 2007

|   | Annualized  |             |             |             |             |                  | Since         |                     |  |
|---|-------------|-------------|-------------|-------------|-------------|------------------|---------------|---------------------|--|
|   | <u>Qtr</u>  | <u>1Yr</u>  | <u>3Yr</u>  | <u>5Yr</u>  | <u>7Yr</u>  | <u>Inception</u> | <u>(Date)</u> | <u>Market Value</u> |  |
| <b>Fixed Income</b>                         | <b>3.3%</b> | <b>8.0%</b> | <b>5.0%</b> | <b>4.2%</b> | <b>5.0%</b> | <b>5.4%</b>      | (9/00)        | \$5,183,972         |  |
| LB Aggregate Bond Index                     | 3.0         | 7.0         | 4.6         | 4.4         | 5.8         | 6.2              |               |                     |  |
| <b>PIMCO Total Return Fund</b>              | <b>3.9</b>  | <b>9.1</b>  | <b>5.3</b>  | -           | -           | <b>5.4</b>       | (10/03)       | 3,836,244           |  |
| LB Aggregate Bond Index                     | 3.0         | 7.0         | 4.6         | -           | -           | 4.6              |               |                     |  |
| <b>SEIX Floating Rate High Income</b>       | <b>0.3</b>  | -           | -           | -           | -           | <b>-0.2</b>      | (4/07)        | 300,713             |  |
| CSFB Leveraged Loan Index                   | -0.1        | -           | -           | -           | -           | -0.7             |               |                     |  |
| <b>First Federal - CD</b>                   | <b>1.9</b>  | <b>4.7</b>  | -           | -           | -           | <b>4.7</b>       | (12/06)       | 1,047,015           |  |
| U.S. 91-Day Treasury Bills                  | 0.9         | 4.4         | -           | -           | -           | 4.4              |               |                     |  |
| <b>Non-Permanent Funds</b>                  |             |             |             |             |             |                  |               |                     |  |
| <b>Separate Endowment Fund</b>              | <b>-2.8</b> | -           | -           | -           | -           | <b>0.2</b>       | (4/07)        | 836,482             |  |
| Lipper Inst'l Money Market Index            | 1.2         | -           | -           | -           | -           | 3.5              |               |                     |  |
| <b>Haggerty Memorial Scholarship</b>        | <b>0.3</b>  | -           | -           | -           | -           | <b>0.3</b>       | (9/07)        | 528,535             |  |
| Balanced Index <sup>2</sup>                 | -1.4        | -           | -           | -           | -           | -1.4             |               |                     |  |
| <b>Savings - First Financial Bank</b>       | <b>0.4</b>  | -           | -           | -           | -           | <b>2.2</b>       | (4/07)        | 199,733             |  |
| Lipper Inst'l Money Market Index            | 1.2         | -           | -           | -           | -           | 3.5              |               |                     |  |
| <b>Operating Reserve</b>                    | <b>1.6</b>  | -           | -           | -           | -           | <b>3.5</b>       | (4/07)        | 938,236             |  |
| Lipper Inst'l Money Market Index            | 1.2         | -           | -           | -           | -           | 3.5              |               |                     |  |
| <b>Savings - First Federal Savings Bank</b> | <b>0.5</b>  | -           | -           | -           | -           | <b>1.1</b>       | (4/07)        | 26,632              |  |
| Lipper Inst'l Money Market Index            | 1.2         | -           | -           | -           | -           | 3.5              |               |                     |  |

#### 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 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.



# 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%                                 | 8.9          | 7.5          | 8.4         | 8.3          | 6.9          | 7.5          | 6.6          |
| <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>Vanguard Index 500 Fund</b>           | <b>5.4</b>   | -            | -           | -            | -            | -            | -            |
| S&P 500 Index                            | 5.5          | -            | -           | -            | -            | -            | -            |
| <b>Marsico Focus Fund</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>Dodge &amp; Cox Stock Fund</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>DFA Small Cap Value Fund</b>          | <b>-10.8</b> | <b>21.6</b>  | <b>7.8</b>  | <b>25.5</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>NorthPointe Small Cap Growth Fund</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>Artisan International Fund</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>Templeton Foreign Equity Fund</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>SEIX Floating Rate High Income</u></b>       | -           | -           | -           | -           | -           | -           | -           |
| CSFB Leveraged Loan Index                          | -           | -           | -           | -           | -           | -           | -           |
| <b><u>First Federal - CD</u></b>                   | <b>4.7</b>  | -           | -           | -           | -           | -           | -           |
| U.S. 91-Day Treasury Bills                         | 4.4         | -           | -           | -           | -           | -           | -           |
| <br>   |             |             |             |             |             |             |             |
| <b><u>Non-Permanent Funds</u></b>                  |             |             |             |             |             |             |             |
| <b><u>Separate Endowment Fund</u></b>              | -           | -           | -           | -           | -           | -           | -           |
| Lipper Inst'l Money Market Index                   | -           | -           | -           | -           | -           | -           | -           |
| <b><u>Haggerty Memorial Scholarship</u></b>        | -           | -           | -           | -           | -           | -           | -           |
| Balanced Index <sup>2</sup>                        | -           | -           | -           | -           | -           | -           | -           |
| <b><u>Savings - First Financial Bank</u></b>       | -           | -           | -           | -           | -           | -           | -           |
| Lipper Inst'l Money Market Index                   | -           | -           | -           | -           | -           | -           | -           |
| <b><u>Operating Reserve</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 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.



**Northern Indiana Community Foundation**  
**Schedule of Asset and Style Allocation**  
**Report for Periods Ending December 31, 2007**

| <b>Asset Class</b>   | <b>Current Weight</b> | <b>Target Weight</b> | <b>Target Range</b> |
|----------------------|-----------------------|----------------------|---------------------|
| Large Cap Equity     | 38.9%                 | 42.5%                | 32.5% - 52.5%       |
| Small Cap Equity     | 12.5%                 | 15.0%                | 10.0% - 20.0%       |
| International Equity | 14.7%                 | 15.0%                | 10.0% - 20.0%       |
| Fixed Income         | 31.5%                 | 25.0%                | 15.0% - 35.0%       |
| High Yield           | 1.9%                  | 2.5%                 | 0.0% - 5.0%         |
| Cash                 | 0.4%                  | 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 December 31, 2007

| Asset Class - Style           | Manager                              | Portfolio Invested | Portfolio Cash | Market Value        | Current Weight |
|-------------------------------|--------------------------------------|--------------------|----------------|---------------------|----------------|
| Large Cap Equity - Broad      | Vanguard Index 500 Fund              | 100.0%             | 0.0%           | \$3,012,376         | 19.5%          |
| Large Cap Equity - Growth     | Marsico Focus Fund                   | 100.0%             | 0.0%           | \$1,578,037         | 10.2%          |
| Large Cap Equity - Value      | Dodge & Cox Stock Fund               | 100.0%             | 0.0%           | \$1,425,975         | 9.2%           |
| Small Cap Equity - Growth     | NorthPointe Small Cap Growth Fund    | 100.0%             | 0.0%           | \$946,503           | 6.1%           |
| Small Cap Equity - Value      | DFA Small Cap Value Fund             | 100.0%             | 0.0%           | \$995,217           | 6.4%           |
| International Equity - Growth | Artisan International Fund           | 100.0%             | 0.0%           | \$1,164,629         | 7.5%           |
| International Equity - Value  | Templeton Foreign Equity Fund        | 100.0%             | 0.0%           | \$1,118,583         | 7.2%           |
| Fixed Income - Core Plus      | PIMCO Total Return Fund              | 100.0%             | 0.0%           | \$3,836,244         | 24.8%          |
| Fixed Income - Short Term     | First Federal - CD                   | 0.0%               | 100.0%         | \$1,047,015         | 6.8%           |
| High Yield - Bank Loans       | SEIX Floating Rate High Income       | 100.0%             | 0.0%           | \$300,713           | 1.9%           |
| Cash - Cash                   | Cash                                 | 0.0%               | 100.0%         | \$59,442            | 0.4%           |
| <b>Sub-Total</b>              |                                      |                    |                | <b>\$15,484,734</b> | <b>100.0%</b>  |
| Balanced Account - Balanced   | Haggerty Memorial Scholarship        |                    |                | \$528,535           |                |
| Balanced Account - Balanced   | Separate Endowment Fund              |                    |                | \$836,482           |                |
| Cash - Cash                   | Operating Reserve                    |                    |                | \$938,236           |                |
| Cash - Cash                   | Savings - First Federal Savings Bank |                    |                | \$26,632            |                |
| Cash - Cash                   | Savings - First Financial Bank       |                    |                | \$199,733           |                |
| Cash - Other                  | Stocks                               |                    |                | \$8,333             |                |
| <b>Total</b>                  |                                      |                    |                | <b>\$18,022,685</b> |                |



**Northern Indiana Community Foundation**  
**Investment Policy Adherence**  
**Report for Periods Ending December 31, 2007**

| Performance Objectives                   | Result       | Objective Achieved |
|--|--------------|--------------------|
| <b>Measurement Period:</b> Moving 5 Year |              |                    |
| Beta < 1.20                              | Beta = 0.98  | Yes                |
| Alpha > 0.0%                             | Alpha = 1.1% | Yes                |

| Statistical Measures   | <u>Sharpe Ratio</u> | <u>Standard Deviation</u> | <u>Tracking Error</u> | <u>Information Ratio</u> |
|------------------------|---------------------|---------------------------|-----------------------|--------------------------|
| <b>Total Composite</b> | <b>1.3</b>          | <b>7.8%</b>               | <b>1.4%</b>           | <b>0.7</b>               |
| Balanced Index         | 1.2                 | 7.7                       | 0.0                   | --                       |

| Asset Growth Summary (in thousands)       | Qtr                     | 1Yr                     |
|---|-------------------------|-------------------------|
| Beginning Market Value                    | \$ 15,615               | \$ 13,852               |
| Net Contributions/(Distributions)         | \$ 6                    | \$ 653                  |
| <b>Market Appreciation/(Depreciation)</b> | <u>\$ (128)</u>         | <u>\$ 988</u>           |
| <b>Ending Market Value</b>                | <u><u>\$ 15,493</u></u> | <u><u>\$ 15,493</u></u> |

\*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.

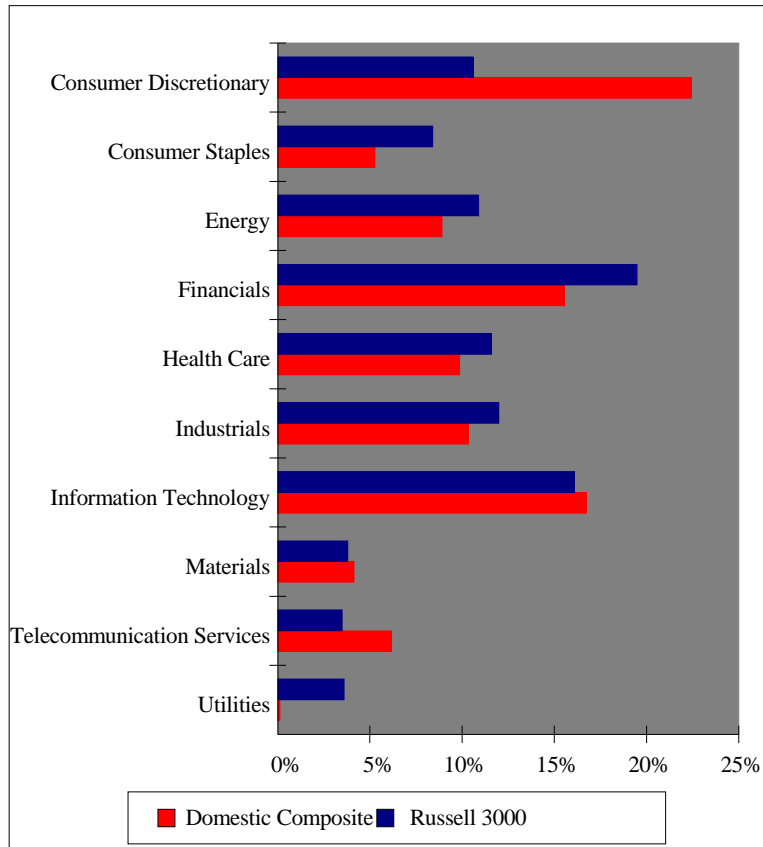


# Northern Indiana Community Foundation

## Domestic Equity Composite Sector

### Report For Periods Ending December 31, 2007

#### Sector Allocation



#### Sector Weightings

| <u>Sector</u>              | <u>Domestic Composite</u> | <u>Russell 3000</u> |
|----------------------------|---------------------------|---------------------|
| Consumer Discretionary     | 22%                       | 11%                 |
| Consumer Staples           | 5                         | 8                   |
| Energy                     | 9                         | 11                  |
| Financials                 | 16                        | 20                  |
| Health Care                | 10                        | 12                  |
| Industrials                | 10                        | 12                  |
| Information Technology     | 17                        | 16                  |
| Materials                  | 4                         | 4                   |
| Telecommunication Services | 6                         | 4                   |
| Utilities                  | 0                         | 4                   |

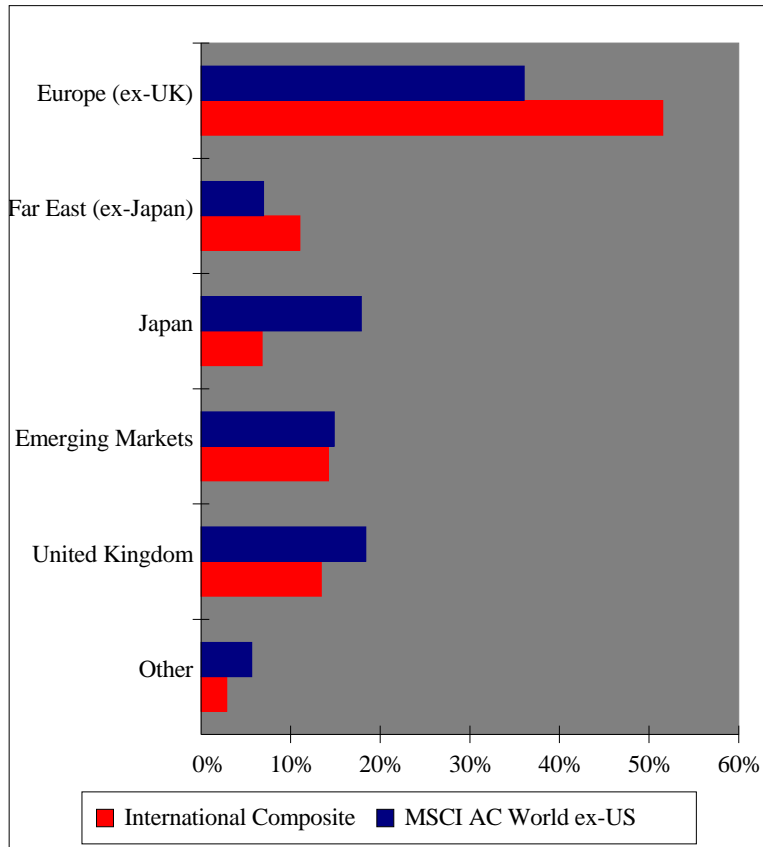
\*Sector weightings may not add up to 100% due to rounding.

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



**Northern Indiana Community Foundation**  
**International Composite Sector**  
**Report For Periods Ending December 31, 2007**

**Region Allocation**



| <u>Region</u>       | <u>Region Weightings</u>       |                            |
|---------------------|--------------------------------|----------------------------|
|                     | <u>International Composite</u> | <u>MSCI AC World ex-US</u> |
| Europe (ex-UK)      | 52%                            | 36%                        |
| Far East (ex-Japan) | 11                             | 7                          |
| Japan               | 7                              | 18                         |
| Emerging Markets    | 14                             | 15                         |
| United Kingdom      | 13                             | 18                         |
| Other               | 3                              | 6                          |

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

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

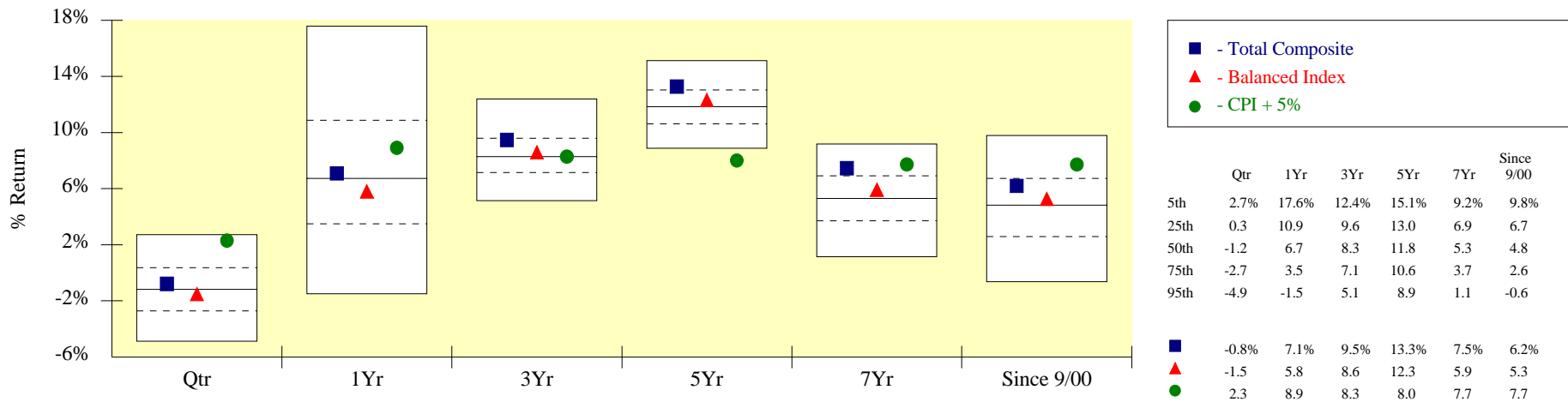


# Northern Indiana Community Foundation

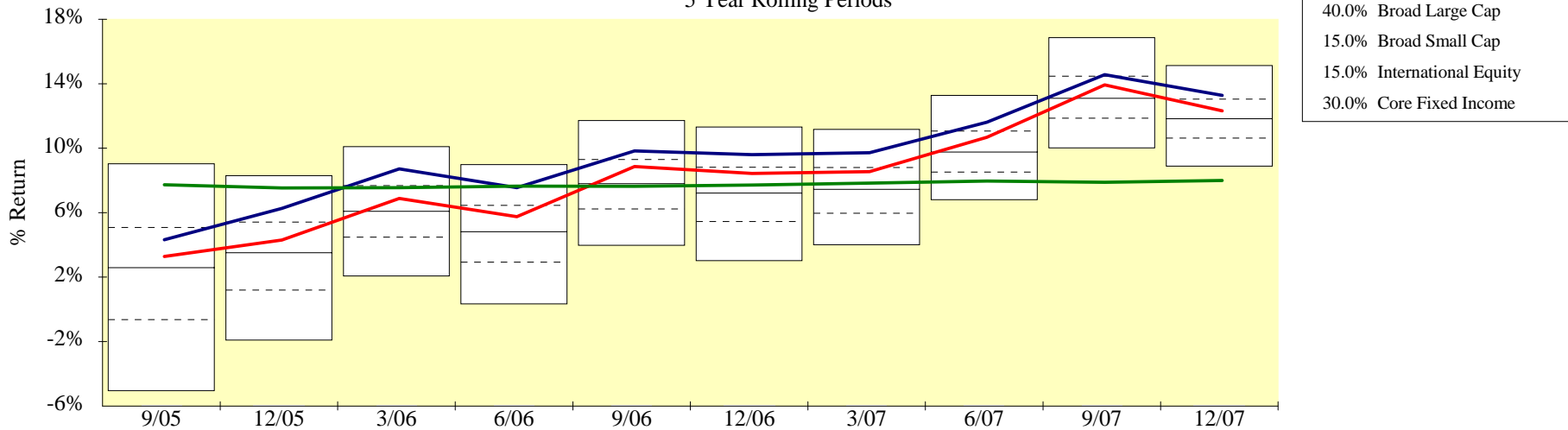
## Total Composite

### Blended Universe

For Report Periods Ending December 31, 2007



Report From September 30, 2000 to December 31, 2007  
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 December 31, 2007

| Performance Results            | <u>Qtr</u>   | <u>1Yr</u>  | <u>Since Inception</u> | <u>Inception Date</u> |
|--------------------------------|--------------|-------------|------------------------|-----------------------|
| <b>Vanguard Index 500 Fund</b> | <b>-3.4%</b> | <b>5.4%</b> | <b>9.9%</b>            | <b>9/06</b>           |
| S&P 500 Index                  | -3.3         | 5.5         | 9.9                    |                       |

| Risk Statistics (Since 9/06)   | <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>0.0%</b>  | <b>0.87</b>          | <b>9.8%</b>               | <b>0.1%</b>           | <b>-1.1</b>              |
| S&P 500 Index                  | 1.00        | 0.0          | 1.00                 | 9.8                       | 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>16.1</b>         | <b>3.5</b>          | <b>107,315.0M</b>      | <b>1.8%</b>          | <b>--%</b>                |
| S&P 500 Index                  | 16.1                | 3.5                 | 107,315.0              | 1.8                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>      | <u>1Yr</u>      |
|---|-----------------|-----------------|
| Beginning Market Value                    | \$ 2,959        | \$ 2,712        |
| Net Contributions/(Distributions)         | \$ 160          | \$ 160          |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ (107)</b> | <b>\$ 140</b>   |
| <b>Ending Market Value</b>                | <b>\$ 3,012</b> | <b>\$ 3,012</b> |

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

\* Risk Statistics are based on monthly data.

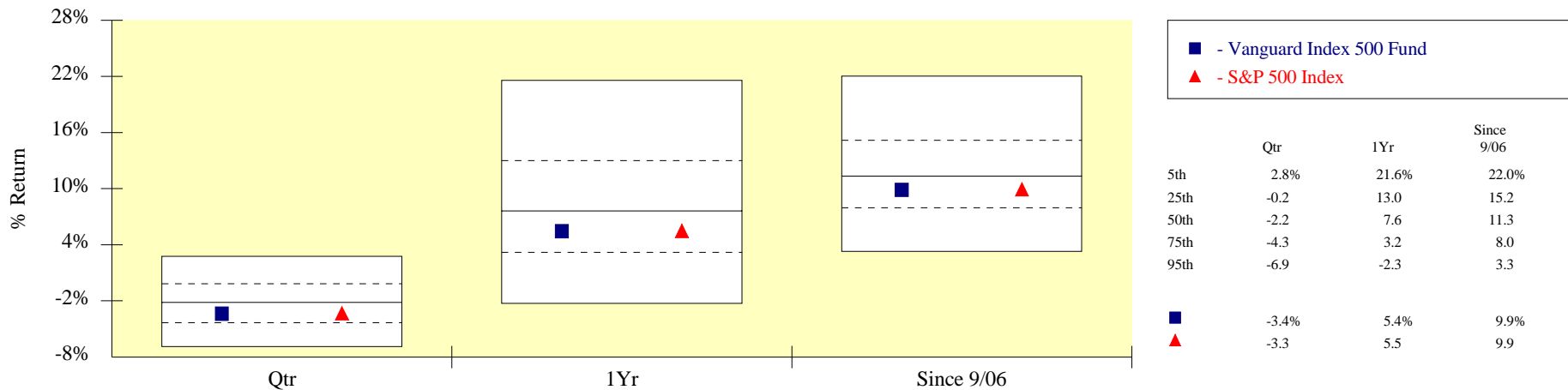


# Northern Indiana Community Foundation

## Vanguard Index 500 Fund

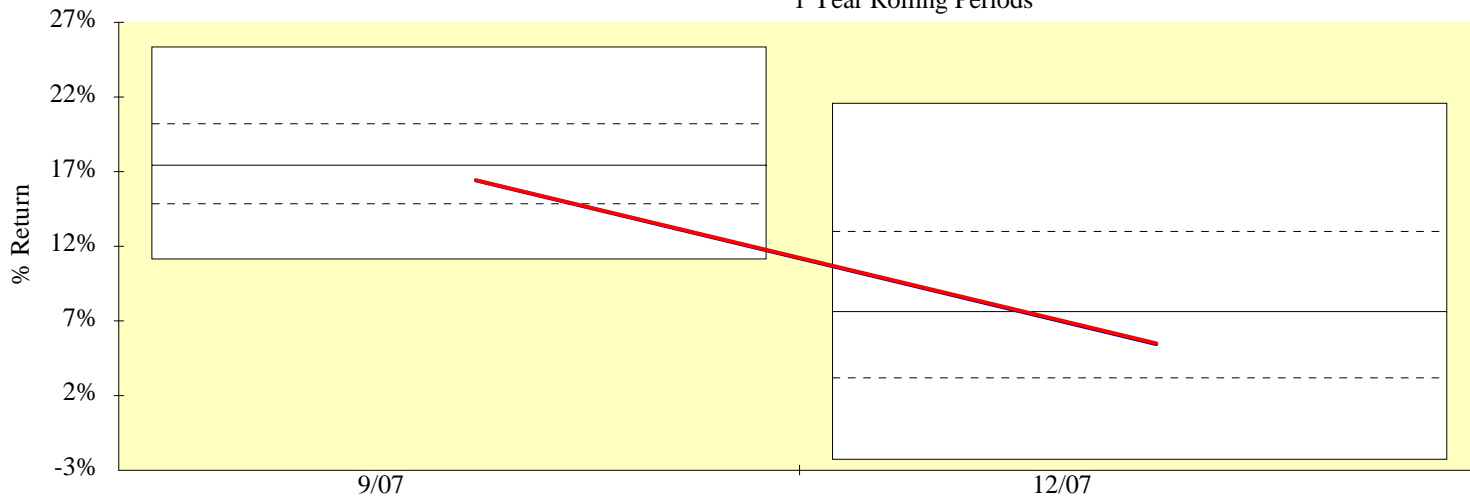
### Broad Large Cap Universe

For Report Periods Ending December 31, 2007



Report From September 30, 2006 to December 31, 2007

1 Year Rolling Periods



# Northern Indiana Community Foundation

## Marsico Focus Fund

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

Report For Periods Ending December 31, 2007

| Performance Results       | <u>Qtr</u>  | <u>1Yr</u>   | <u>3Yr</u>   | <u>Since Inception</u> | <u>Inception Date</u> |
|---------------------------|-------------|--------------|--------------|------------------------|-----------------------|
| <b>Marsico Focus Fund</b> | <b>0.2%</b> | <b>12.9%</b> | <b>10.4%</b> | <b>10.8%</b>           | <i>10/03</i>          |
| S&P 500 Index             | -3.3        | 5.5          | 8.6          | 10.4                   |                       |
| Russell 1000 Growth Index | -0.8        | 11.8         | 8.7          | 8.9                    |                       |

| 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>Marsico Focus Fund</b>     | <b>1.08</b> | <b>-0.1%</b> | <b>0.61</b>          | <b>11.7%</b>              | <b>6.4%</b>           | <b>0.1</b>               |
| S&P 500 Index                 | 1.00        | 0.0          | 1.00                 | 8.5                       | 0.0                   | --                       |
| Russell 1000 Growth Index     | 1.03        | -1.7         | 0.84                 | 9.3                       | 5.7                   | 0.3                      |

| 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>18.3</b>         | <b>3.2</b>          | <b>65,380.0M</b>       | <b>0.7%</b>          | <b>80.0%</b>              |
| S&P 500 Index             | 16.1                | 3.5                 | 107,315.0              | 1.8                  | --                        |
| Russell 1000 Growth Index | 21.0                | 4.4                 | 73,510.0               | 1.1                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>      | <u>1Yr</u>      |
|---|-----------------|-----------------|
| Beginning Market Value                    | \$ 1,585        | \$ 1,280        |
| Net Contributions/(Distributions)         | \$ (10)         | \$ 120          |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ 3</b>     | <b>\$ 178</b>   |
| <b>Ending Market Value</b>                | <b>\$ 1,578</b> | <b>\$ 1,578</b> |

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

\* Risk Statistics are based on monthly data.



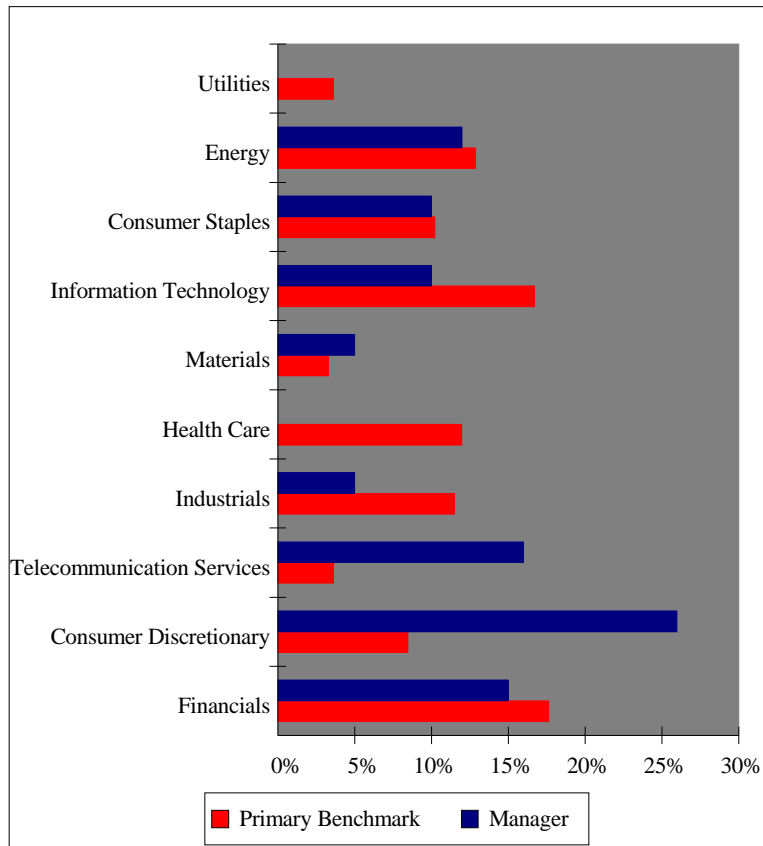
# Northern Indiana Community Foundation

## Marsico Focus Fund

### Equity Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



| <u>Sector</u>              | <u>Sector Weightings</u> |                | <u>Market Total Returns</u> |                  |
|----------------------------|--------------------------|----------------|-----------------------------|------------------|
|                            | <u>Primary Benchmark</u> | <u>Manager</u> | <u>3 Months</u>             | <u>12 Months</u> |
| Utilities                  | 4%                       | 0%             | 7.5%                        | 19.4%            |
| Energy                     | 13                       | 12             | 4.4                         | 34.4             |
| Consumer Staples           | 10                       | 10             | 3.8                         | 14.4             |
| Information Technology     | 17                       | 10             | 0.1                         | 16.3             |
| Materials                  | 3                        | 5              | 0.1                         | 22.5             |
| Health Care                | 12                       | 0              | 0.0                         | 7.3              |
| Industrials                | 12                       | 5              | -4.6                        | 12.0             |
| Telecommunication Services | 4                        | 16             | -5.1                        | 11.9             |
| Consumer Discretionary     | 8                        | 26             | -10.0                       | -13.2            |
| Financials                 | 18                       | 15             | -14.3                       | -18.5            |

#### Top Five Holdings

| <u>Description</u>                      | <u>Weighting</u> |
|---|------------------|
| Schlumberger Limited                    | 6.4%             |
| UnitedHealth Group Inc.                 | 6.1              |
| Apple, Inc.                             | 4.6              |
| Goldman Sachs Group, Inc.               | 4.6              |
| Industrial and Commerical Bank of China | 4.5              |

**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.

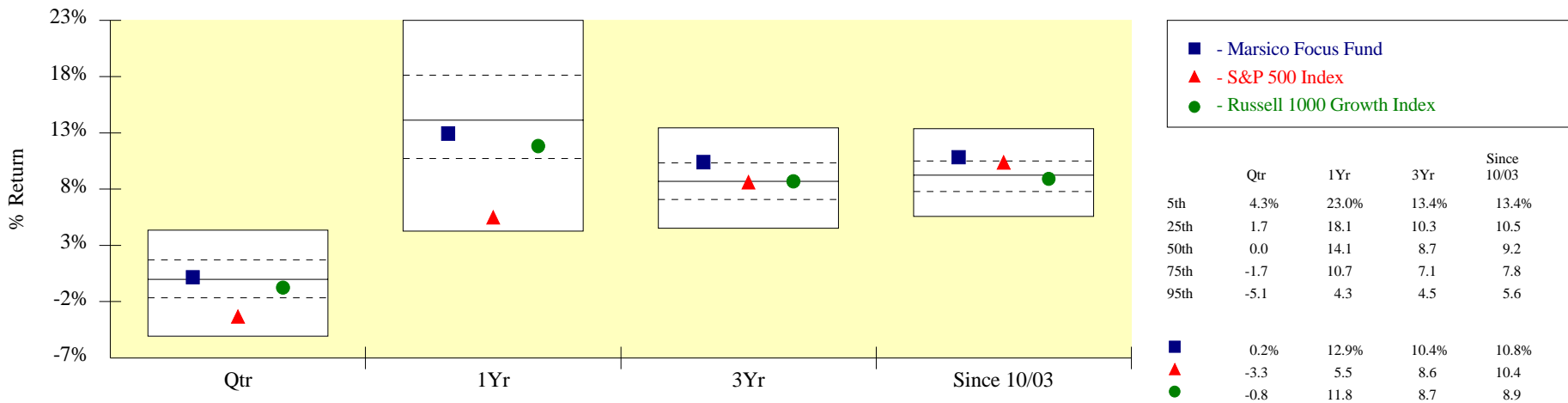


# Northern Indiana Community Foundation

## Marsico Focus Fund

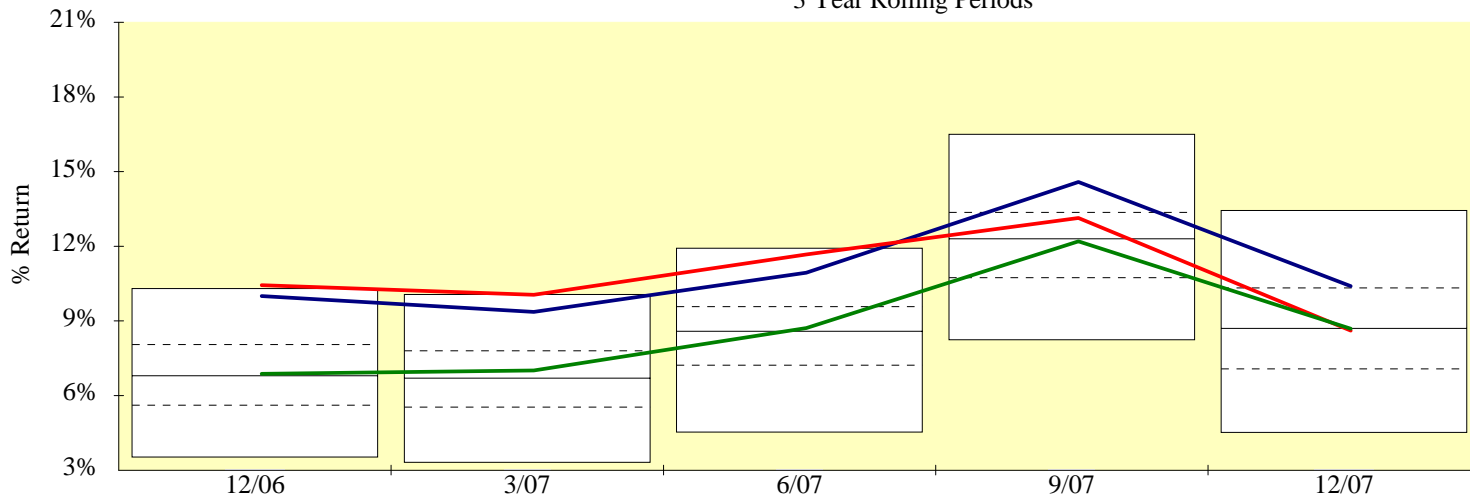
### Large Cap Growth Universe

For Report Periods Ending December 31, 2007



Report From December 31, 2003 to December 31, 2007

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 December 31, 2007

| Performance Results               | <u>Qtr</u>   | <u>1Yr</u>  | <u>3Yr</u>  | <u>Since Inception</u> | <u>Inception Date</u> |
|-----------------------------------|--------------|-------------|-------------|------------------------|-----------------------|
| <b>Dodge &amp; Cox Stock Fund</b> | <b>-4.7%</b> | <b>0.2%</b> | <b>9.1%</b> | <b>13.7%</b>           | <i>10/03</i>          |
| S&P 500 Index                     | -3.3         | 5.5         | 8.6         | 10.4                   |                       |
| Russell 1000 Value Index          | -5.8         | -0.2        | 9.3         | 12.6                   |                       |

| 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>0.95</b> | <b>3.7%</b>  | <b>0.78</b>          | <b>9.3%</b>               | <b>3.7%</b>           | <b>0.9</b>               |
| S&P 500 Index                     | 1.00        | 0.0          | 1.00                 | 8.5                       | 0.0                   | --                       |
| Russell 1000 Value Index          | 0.99        | 2.3          | 0.86                 | 9.1                       | 3.4                   | 0.3                      |

| 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>15.5</b>         | <b>2.1</b>          | <b>87,000.0M</b>       | <b>1.8%</b>          | <b>8.0%</b>               |
| S&P 500 Index                     | 16.1                | 3.5                 | 107,315.0              | 1.8                  | --                        |
| Russell 1000 Value Index          | 14.3                | 2.2                 | 122,140.0              | 2.5                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>      | <u>1Yr</u>      |
|---|-----------------|-----------------|
| Beginning Market Value                    | \$ 1,498        | \$ 1,434        |
| Net Contributions/(Distributions)         | \$ 0            | \$ (11)         |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ (72)</b>  | <b>\$ 3</b>     |
| <b>Ending Market Value</b>                | <b>\$ 1,426</b> | <b>\$ 1,426</b> |

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

\* Risk Statistics are based on monthly data.



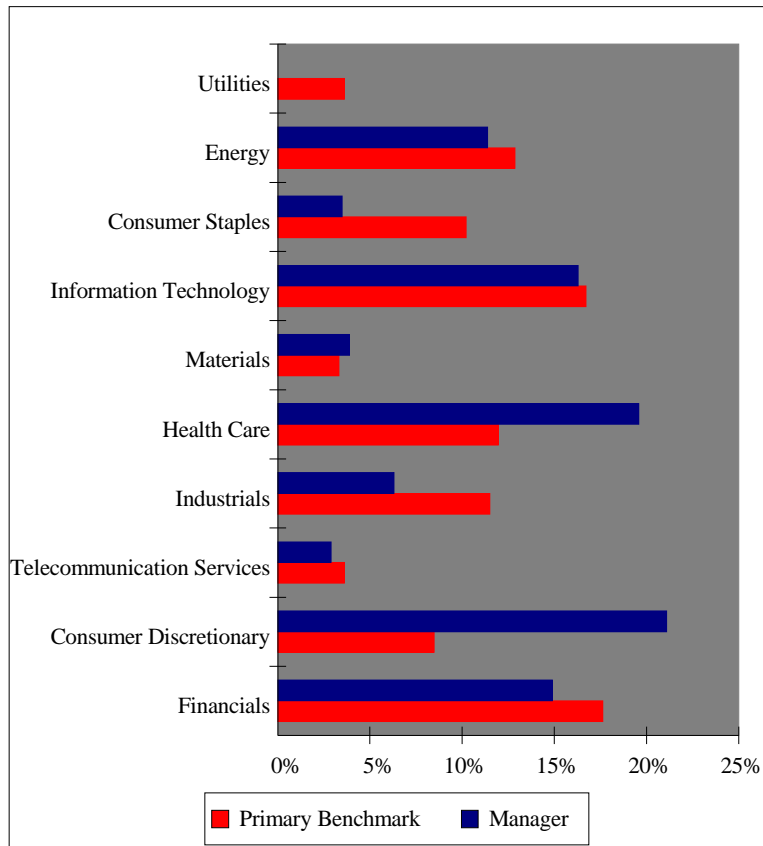
# Northern Indiana Community Foundation

## Dodge & Cox Stock Fund

### Equity Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



| <u>Sector</u>              | <u>Sector Weightings</u> |                | <u>Market Total Returns</u> |                  |
|----------------------------|--------------------------|----------------|-----------------------------|------------------|
|                            | <u>Primary Benchmark</u> | <u>Manager</u> | <u>3 Months</u>             | <u>12 Months</u> |
| Utilities                  | 4%                       | 0%             | 7.5%                        | 19.4%            |
| Energy                     | 13                       | 11             | 4.4                         | 34.4             |
| Consumer Staples           | 10                       | 4              | 3.8                         | 14.4             |
| Information Technology     | 17                       | 16             | 0.1                         | 16.3             |
| Materials                  | 3                        | 4              | 0.1                         | 22.5             |
| Health Care                | 12                       | 20             | 0.0                         | 7.3              |
| Industrials                | 12                       | 6              | -4.6                        | 12.0             |
| Telecommunication Services | 4                        | 3              | -5.1                        | 11.9             |
| Consumer Discretionary     | 8                        | 21             | -10.0                       | -13.2            |
| Financials                 | 18                       | 15             | -14.3                       | -18.5            |

#### Top Five Holdings

| <u>Description</u> | <u>Weighting</u> |
|--------------------|------------------|
| Hewlett-Packard Co | 4.1%             |
| Comcast Corp.      | 3.2              |
| Motorola, Inc.     | 2.9              |
| Chevron Corp.      | 2.9              |
| News Corp.         | 2.9              |

**Number of Holdings: 87**

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

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

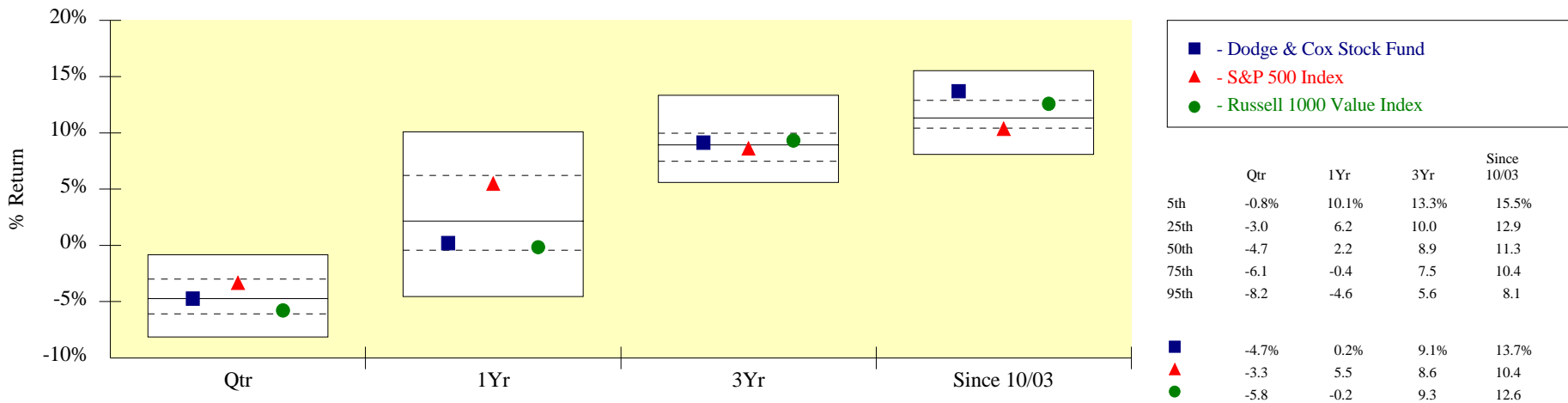


# Northern Indiana Community Foundation

## Dodge & Cox Stock Fund

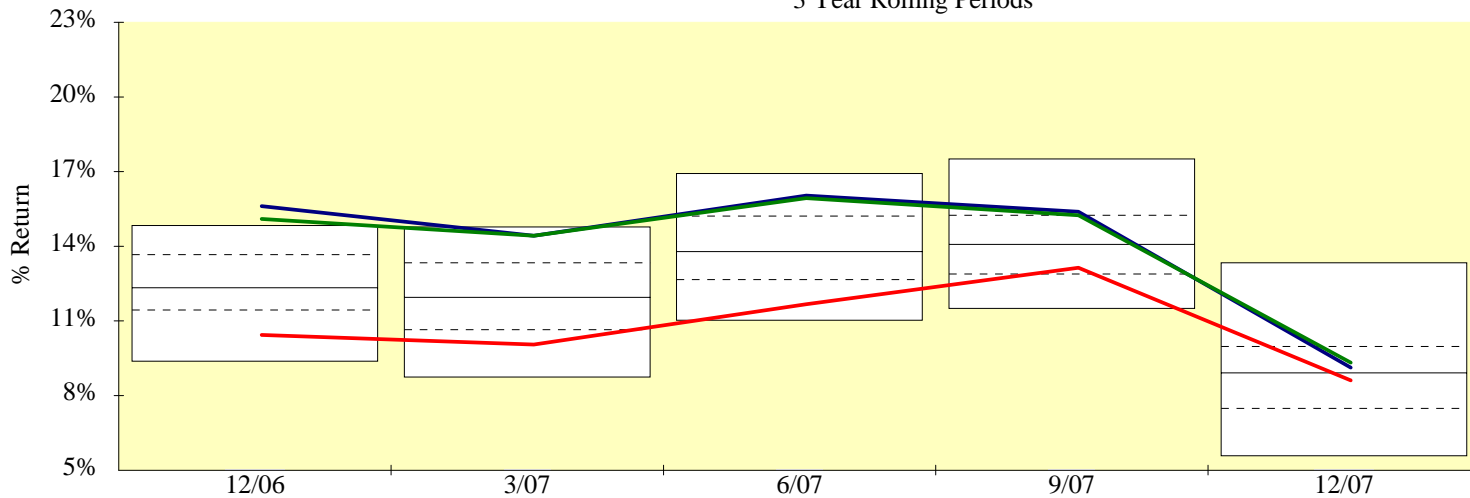
### Large Cap Value Universe

For Report Periods Ending December 31, 2007



Report From December 31, 2003 to December 31, 2007

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 December 31, 2007

| Performance Results             | <u>Qtr</u>   | <u>1Yr</u>    | <u>3Yr</u>  | <u>Since Inception</u> | <u>Inception Date</u> |
|---------------------------------|--------------|---------------|-------------|------------------------|-----------------------|
| <b>DFA Small Cap Value Fund</b> | <b>-8.9%</b> | <b>-10.8%</b> | <b>5.3%</b> | <b>13.2%</b>           | <i>10/03</i>          |
| Russell 2000 Index              | -4.6         | -1.6          | 6.8         | 10.6                   |                       |
| Russell 2000 Value Index        | -7.3         | -9.8          | 5.3         | 10.8                   |                       |

| 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>1.03</b> | <b>2.4%</b>  | <b>0.86</b>          | <b>16.6%</b>              | <b>4.7%</b>           | <b>0.6</b>               |
| Russell 2000 Index              | 1.00        | 0.0          | 1.00                 | 14.9                      | 0.0                   | --                       |
| Russell 2000 Value Index        | 0.93        | 0.7          | 0.92                 | 14.2                      | 4.5                   | 0.5                      |

| 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>DFA Small Cap Value Fund</b> | <b>16.9</b>         | <b>1.5</b>          | <b>1,093.0M</b>        | <b>1.0%</b>          | <b>26.0%</b>              |
| Russell 2000 Index              | 19.9                | 2.4                 | 1,320.0                | 1.2                  | --                        |
| Russell 2000 Value Index        | 16.4                | 1.7                 | 1,210.0                | 1.9                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>     | <u>1Yr</u>      |
|---|----------------|-----------------|
| Beginning Market Value                    | \$ 984         | \$ 1,005        |
| Net Contributions/(Distributions)         | \$ 110         | \$ 110          |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ (99)</b> | <b>\$ (120)</b> |
| <b>Ending Market Value</b>                | <b>\$ 995</b>  | <b>\$ 995</b>   |

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

\* Risk Statistics are based on monthly data.



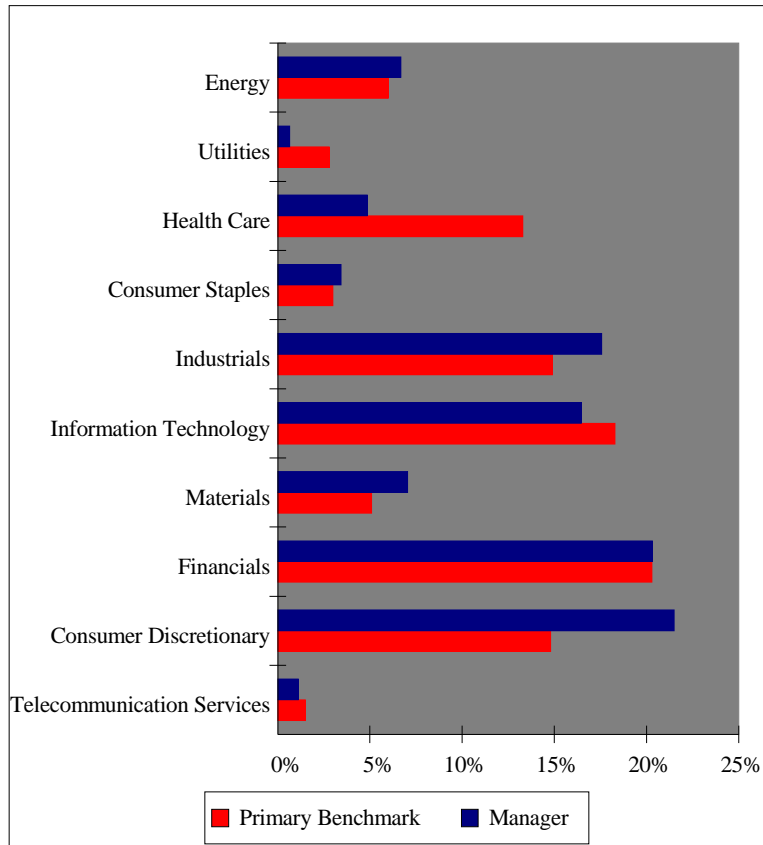
# Northern Indiana Community Foundation

## DFA Small Cap Value Fund

### Equity Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



| <u>Sector</u>              | <u>Sector Weightings</u> |                | <u>Market Total Returns</u> |                  |
|----------------------------|--------------------------|----------------|-----------------------------|------------------|
|                            | <u>Primary Benchmark</u> | <u>Manager</u> | <u>3 Months</u>             | <u>12 Months</u> |
| Energy                     | 6%                       | 7%             | 4.3%                        | 23.6%            |
| Utilities                  | 3                        | 1              | 3.9                         | 3.8              |
| Health Care                | 13                       | 5              | 2.7                         | 19.6             |
| Consumer Staples           | 3                        | 3              | -2.8                        | 4.4              |
| Industrials                | 15                       | 18             | -4.0                        | 10.5             |
| Information Technology     | 18                       | 16             | -7.4                        | 9.5              |
| Materials                  | 5                        | 7              | -8.7                        | 11.0             |
| Financials                 | 20                       | 20             | -12.1                       | -23.3            |
| Consumer Discretionary     | 15                       | 22             | -18.5                       | -23.8            |
| Telecommunication Services | 2                        | 1              | -27.9                       | -27.5            |

#### Top Five Holdings

| <u>Description</u>      | <u>Weighting</u> |
|-------------------------|------------------|
| Quanta Services         | 0.9%             |
| Ohio Casualty Corp      | 0.8              |
| Hanover Coompressor Co. | 0.8              |
| Terra Industries Inc.   | 0.8              |
| Trinity Industries Inc. | 0.7              |

**Number of Holdings: 1349**

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

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

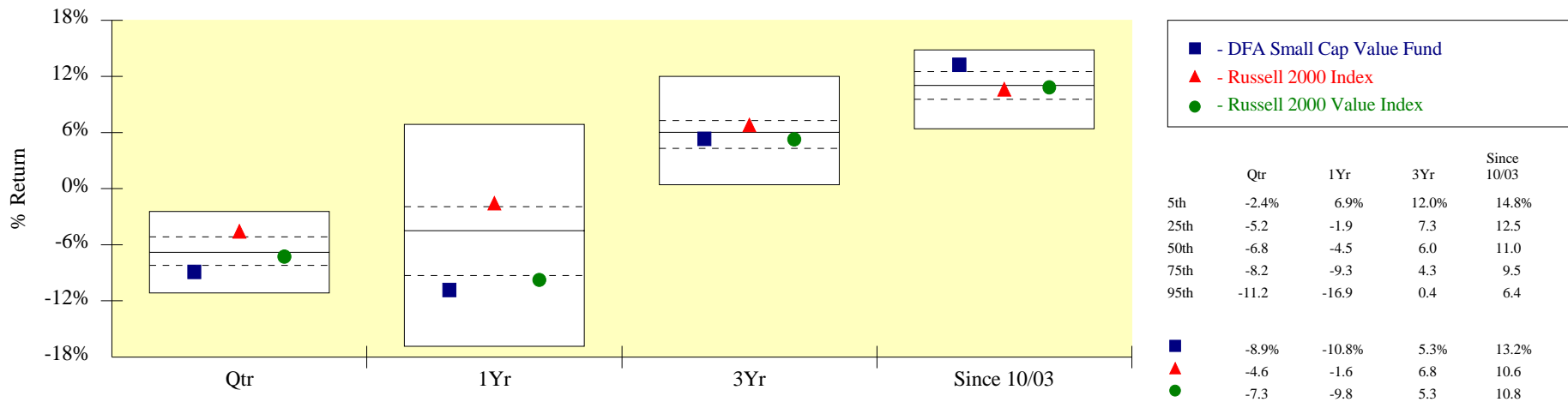


# Northern Indiana Community Foundation

## DFA Small Cap Value Fund

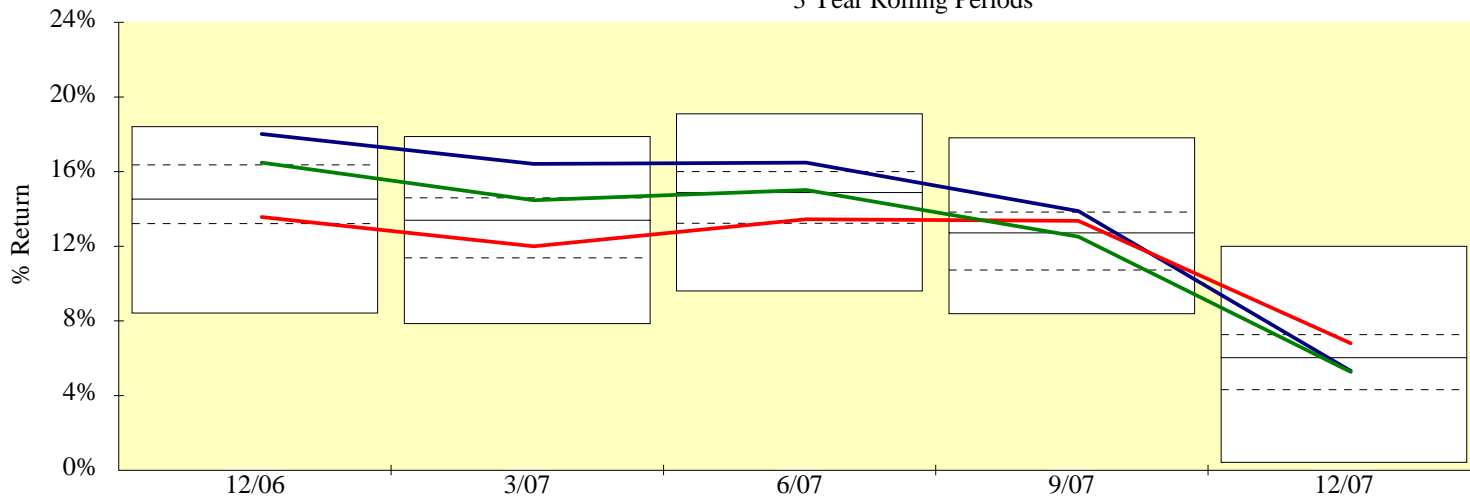
### Small Cap Value Universe

For Report Periods Ending December 31, 2007



Report From December 31, 2003 to December 31, 2007

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 December 31, 2007

| <b>Performance Results</b>               | <b><u>Qtr</u></b> | <b><u>Since Inception</u></b> | <b><u>Inception Date</u></b> |
|--|-------------------|-------------------------------|------------------------------|
| <b>NorthPointe Small Cap Growth Fund</b> | <b>-7.0%</b>      | <b>0.5%</b>                   | <b>1/07</b>                  |
| Russell 2000 Index                       | -4.6              | -3.2                          |                              |
| Russell 2000 Growth Index                | -2.1              | 5.1                           |                              |

| <b>Portfolio Statistics</b>              | <b><u>Trailing P/E</u></b> | <b><u>Trailing P/B</u></b> | <b><u>Wtd Avg Mkt Cap</u></b> | <b><u>Current Yield</u></b> | <b><u>Eqty Annl Turnover</u></b> |
|--|----------------------------|----------------------------|-------------------------------|-----------------------------|----------------------------------|
| <b>NorthPointe Small Cap Growth Fund</b> | <b>23.9</b>                | <b>2.5</b>                 | <b>965.0M</b>                 | <b>0.3%</b>                 | <b>99.0%</b>                     |
| Russell 2000 Index                       | 19.9                       | 2.4                        | 1,320.0                       | 1.2                         | --                               |
| Russell 2000 Growth Index                | 24.9                       | 3.7                        | 1,430.0                       | 0.5                         | --                               |

| <b>Asset Growth Summary (in thousands)</b> | <b><u>Qtr</u></b> | <b><u>Since 1/07</u></b> |
|--|-------------------|--------------------------|
| Beginning Market Value                     | \$ 1,017          | \$ 942                   |
| Net Contributions/(Distributions)          | \$ 0              | \$ 0                     |
| <b>Market Appreciation/(Depreciation)</b>  | <b>\$ (70)</b>    | <b>\$ 5</b>              |
| <b>Ending Market Value</b>                 | <b>\$ 947</b>     | <b>\$ 947</b>            |

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

\* Risk Statistics are based on monthly data.



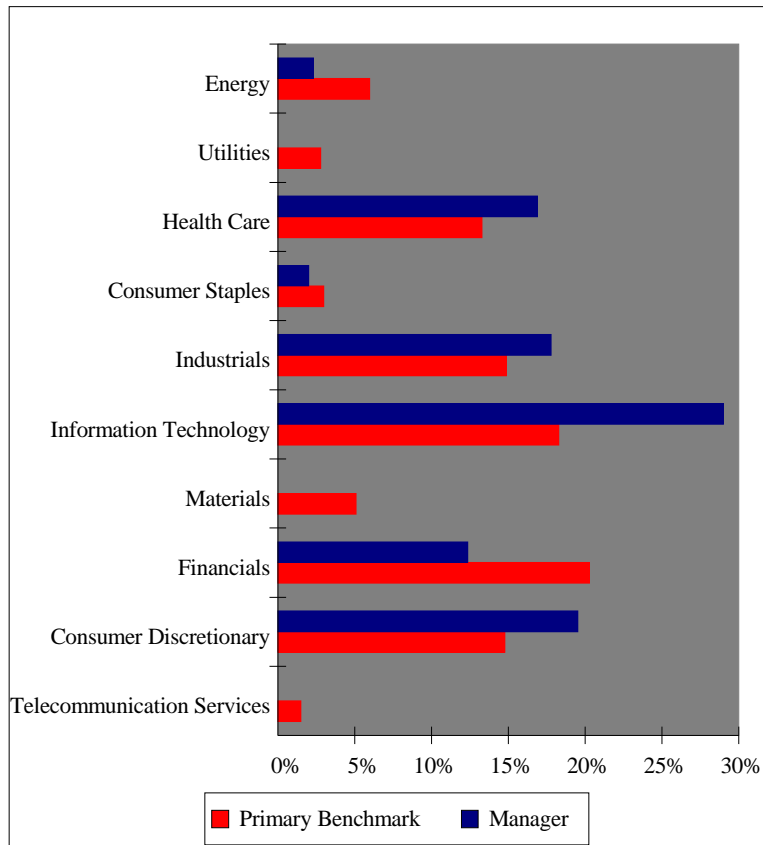
# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

### Equity Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



| Sector                     | Sector Weightings |         | Market Total Returns |           |
|----------------------------|-------------------|---------|----------------------|-----------|
|                            | Primary Benchmark | Manager | 3 Months             | 12 Months |
| Energy                     | 6%                | 2%      | 4.3%                 | 23.6%     |
| Utilities                  | 3                 | 0       | 3.9                  | 3.8       |
| Health Care                | 13                | 17      | 2.7                  | 19.6      |
| Consumer Staples           | 3                 | 2       | -2.8                 | 4.4       |
| Industrials                | 15                | 18      | -4.0                 | 10.5      |
| Information Technology     | 18                | 29      | -7.4                 | 9.5       |
| Materials                  | 5                 | 0       | -8.7                 | 11.0      |
| Financials                 | 20                | 12      | -12.1                | -23.3     |
| Consumer Discretionary     | 15                | 20      | -18.5                | -23.8     |
| Telecommunication Services | 2                 | 0       | -27.9                | -27.5     |

#### Top Five Holdings

| Description              | Weighting |
|--------------------------|-----------|
| SIRENZA MICRODEVICES INC | 2.0%      |
| J2 GLOBAL COMMUNICATIONS | 2.0       |
| DIODES INC.              | 2.0       |
| CROCS, INC.              | 2.0       |
| TTM TECHNOLOGIES         | 2.0       |

Number of Holdings: 70

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

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

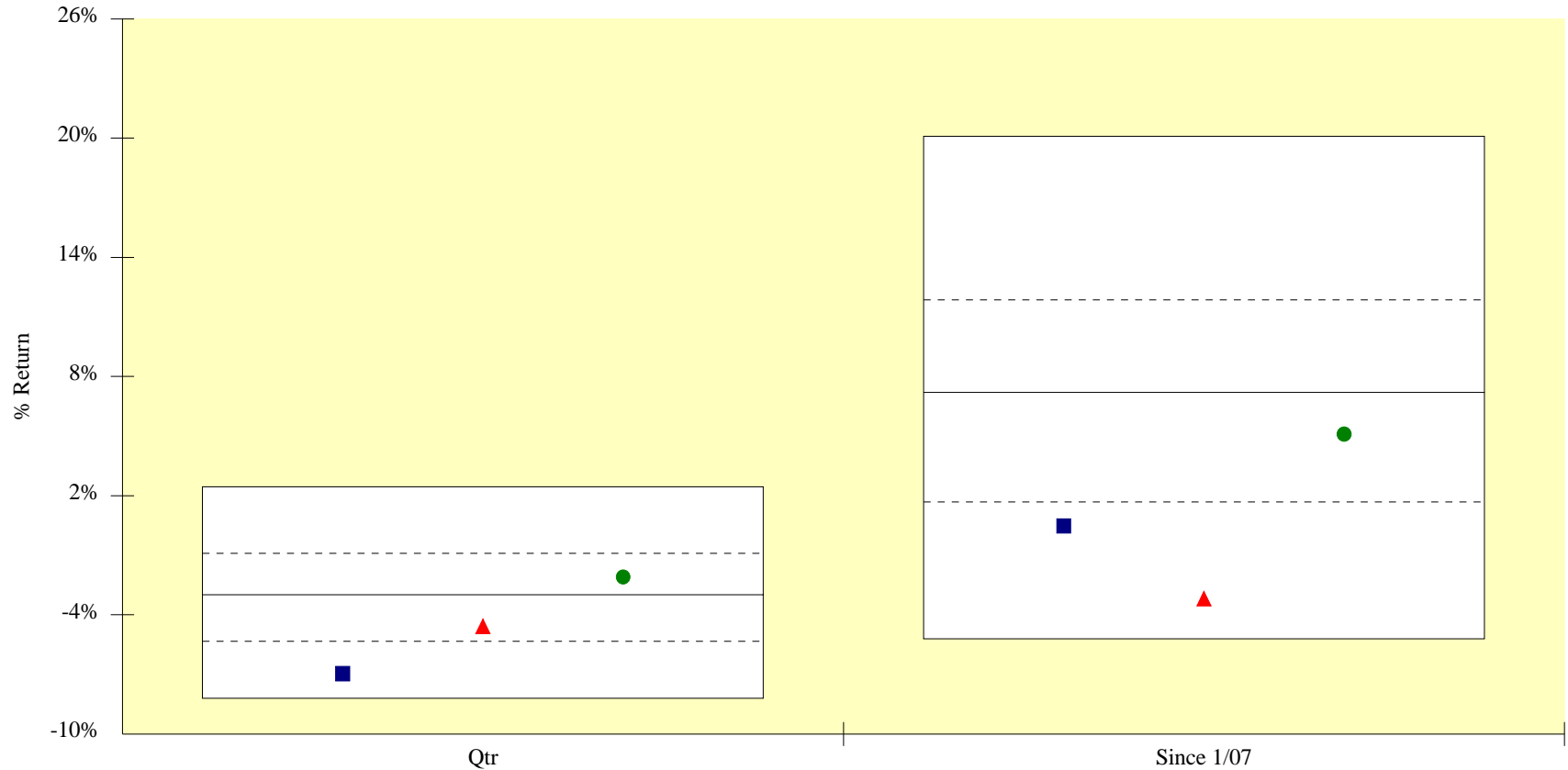


# Northern Indiana Community Foundation

## NorthPointe Small Cap Growth Fund

### Small Cap Growth Universe

For Report Periods Ending December 31, 2007



|                                       |       |
|---------------------------------------|-------|
| 5th Percentile                        | 2.4%  |
| 25th Percentile                       | -0.9  |
| 50th Percentile                       | -3.0  |
| 75th Percentile                       | -5.3  |
| 95th Percentile                       | -8.2  |
| ■ - NorthPointe Small Cap Growth Fund | -7.0% |
| ▲ - Russell 2000 Index                | -4.6  |
| ● - Russell 2000 Growth Index         | -2.1  |

|                                       |       |
|---------------------------------------|-------|
| 5th Percentile                        | 20.1% |
| 25th Percentile                       | 11.9  |
| 50th Percentile                       | 7.2   |
| 75th Percentile                       | 1.7   |
| 95th Percentile                       | -5.2  |
| ■ - NorthPointe Small Cap Growth Fund | 0.5%  |
| ▲ - Russell 2000 Index                | -3.2  |
| ● - Russell 2000 Growth Index         | 5.1   |



# Northern Indiana Community Foundation

## Artisan International Fund

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

Report For Periods Ending December 31, 2007

| Performance Results               | <u>Qtr</u>  | <u>1Yr</u>   | <u>3Yr</u>   | <u>Since Inception</u> | <u>Inception Date</u> |
|-----------------------------------|-------------|--------------|--------------|------------------------|-----------------------|
| <b>Artisan International Fund</b> | <b>2.8%</b> | <b>19.8%</b> | <b>20.5%</b> | <b>21.9%</b>           | <i>10/03</i>          |
| MSCI EAFE Index                   | -1.8        | 11.2         | 16.8         | 19.7                   |                       |

| 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>Artisan International Fund</b> | <b>1.07</b> | <b>1.2%</b>  | <b>0.85</b>          | <b>13.4%</b>              | <b>3.8%</b>           | <b>0.6</b>               |
| MSCI EAFE Index                   | 1.00        | 0.0          | 1.00                 | 11.6                      | 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>Artisan International Fund</b> | <b>18.4</b>         | <b>4.2</b>          | <b>59,196.0M</b>       | <b>1.9%</b>          | <b>66.3%</b>              |
| MSCI EAFE Index                   | 14.5                | 2.5                 | 56,862.0               | 2.6                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>      | <u>1Yr</u>      |
|---|-----------------|-----------------|
| Beginning Market Value                    | \$ 1,132        | \$ 995          |
| Net Contributions/(Distributions)         | \$ 0            | \$ (25)         |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ 33</b>    | <b>\$ 195</b>   |
| <b>Ending Market Value</b>                | <b>\$ 1,165</b> | <b>\$ 1,165</b> |

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

\* Risk Statistics are based on monthly data.



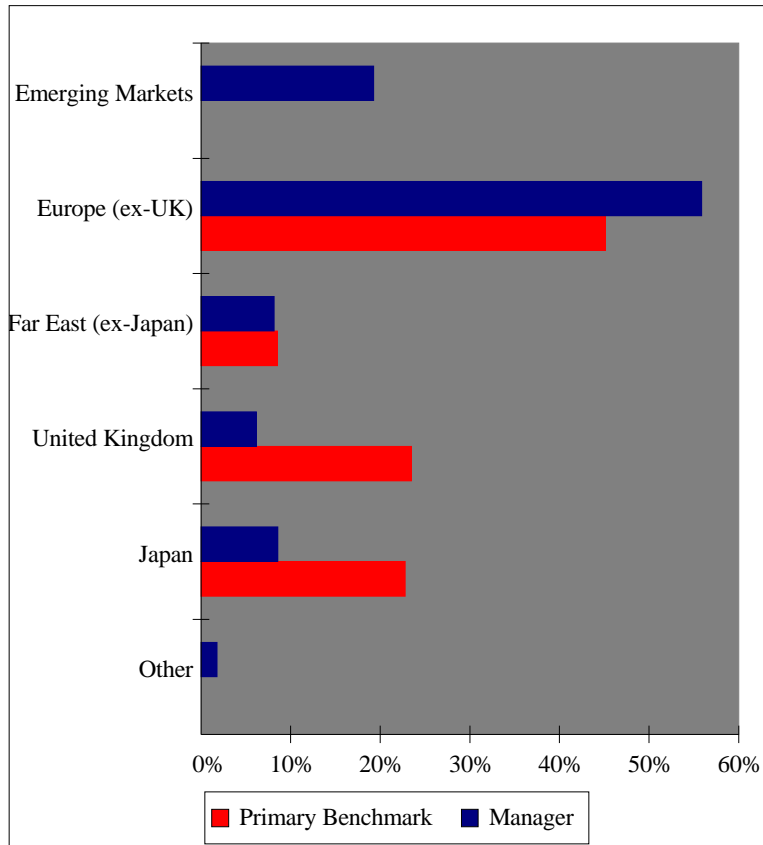
# Northern Indiana Community Foundation

## Artisan International Fund

### International Sector

Report For Periods Ending December 31, 2007

#### Region Allocation



| <u>Region</u>       | <u>Region Weightings</u> |                | <u>Market Total Returns</u> |                  |
|---------------------|--------------------------|----------------|-----------------------------|------------------|
|                     | <u>Benchmark</u>         | <u>Manager</u> | <u>3 Months</u>             | <u>12 Months</u> |
| Emerging Markets    | 0%                       | 19%            | 3.6%                        | 39.4%            |
| Europe (ex-UK)      | 45                       | 56             | 0.5                         | 16.7             |
| Far East (ex-Japan) | 9                        | 8              | -1.7                        | 30.7             |
| United Kingdom      | 23                       | 6              | -2.4                        | 8.4              |
| Japan               | 23                       | 9              | -6.1                        | -4.2             |
| Other               | 0                        | 2              | -                           | -                |

#### Top Five Countries

| <u>Country</u> | <u>Weighting</u> |
|----------------|------------------|
| Germany        | 17.4%            |
| France         | 12.4             |
| Japan          | 8.4              |
| Switzerland    | 8.1              |
| Hong Kong      | 7.9              |

**Number of Holdings: 95**

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

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

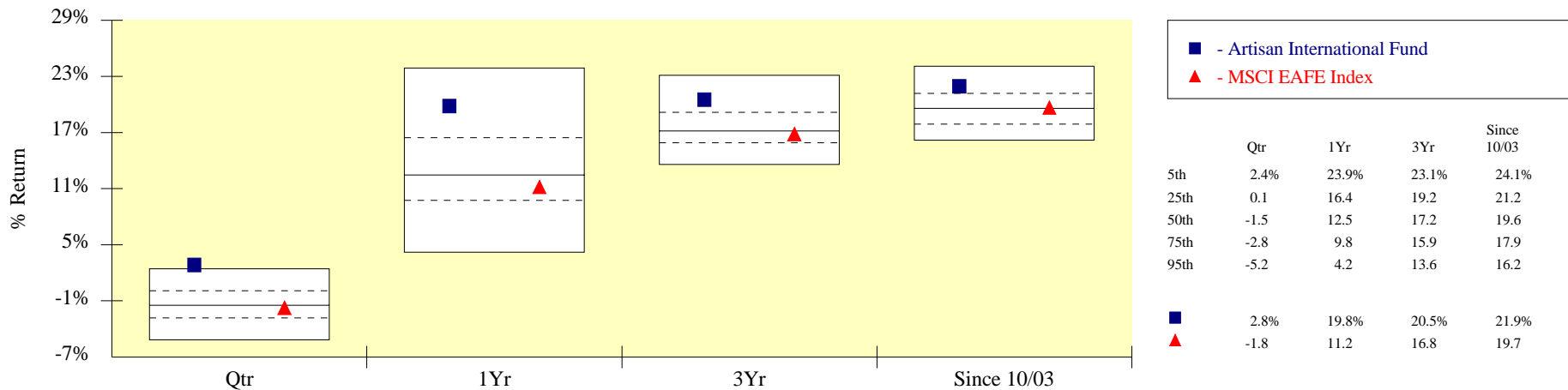


# Northern Indiana Community Foundation

## Artisan International Fund

### International Equity Universe

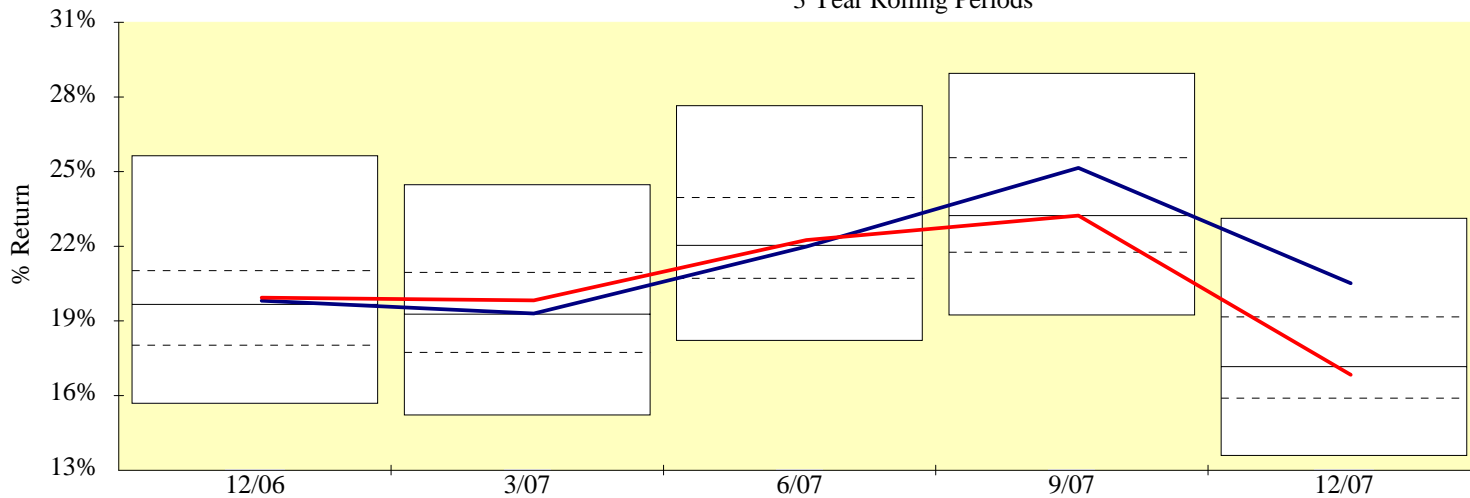
For Report Periods Ending December 31, 2007



■ - Artisan International Fund  
▲ - MSCI EAFE Index

|      | Qtr  | 1Yr   | 3Yr   | Since 10/03 |
|------|------|-------|-------|-------------|
| 5th  | 2.4% | 23.9% | 23.1% | 24.1%       |
| 25th | 0.1  | 16.4  | 19.2  | 21.2        |
| 50th | -1.5 | 12.5  | 17.2  | 19.6        |
| 75th | -2.8 | 9.8   | 15.9  | 17.9        |
| 95th | -5.2 | 4.2   | 13.6  | 16.2        |

Report From December 31, 2003 to December 31, 2007  
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 December 31, 2007

| Performance Results                  | <u>Qtr</u>  | <u>1Yr</u>   | <u>3Yr</u>   | <u>Since Inception</u> | <u>Inception Date</u> |
|--------------------------------------|-------------|--------------|--------------|------------------------|-----------------------|
| <b>Templeton Foreign Equity Fund</b> | <b>1.6%</b> | <b>18.5%</b> | <b>20.2%</b> | <b>22.2%</b>           | <i>10/03</i>          |
| MSCI EAFE Index                      | -1.8        | 11.2         | 16.8         | 19.7                   |                       |

| 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>Templeton Foreign Equity Fund</b> | <b>0.98</b> | <b>2.8%</b>  | <b>0.89</b>          | <b>12.1%</b>              | <b>2.8%</b>           | <b>0.9</b>               |
| MSCI EAFE Index                      | 1.00        | 0.0          | 1.00                 | 11.6                      | 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>Templeton Foreign Equity Fund</b> | <b>14.4</b>         | <b>2.0</b>          | <b>46,603.7M</b>       | <b>3.6%</b>          | <b>8.0%</b>               |
| MSCI EAFE Index                      | 14.5                | 2.5                 | 56,862.0               | 2.6                  | --                        |

| Asset Growth Summary (in thousands)       | <u>Qtr</u>      | <u>1Yr</u>      |
|---|-----------------|-----------------|
| Beginning Market Value                    | \$ 1,325        | \$ 1,150        |
| Net Contributions/(Distributions)         | \$ (224)        | \$ (238)        |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ 18</b>    | <b>\$ 207</b>   |
| <b>Ending Market Value</b>                | <b>\$ 1,119</b> | <b>\$ 1,119</b> |

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

\* Risk Statistics are based on monthly data.



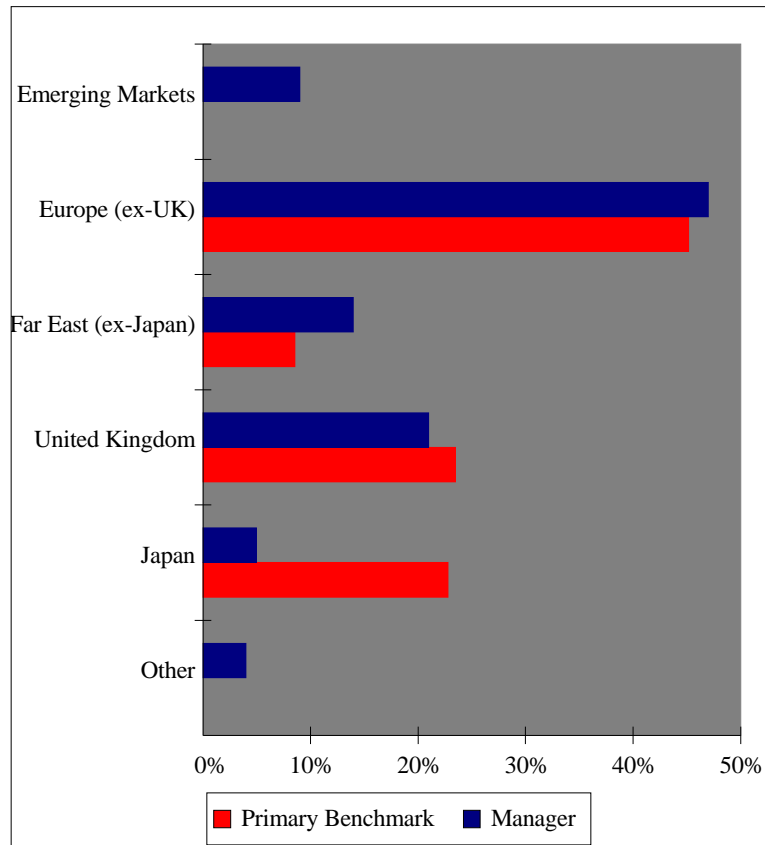
# Northern Indiana Community Foundation

## Templeton Foreign Equity Fund

### International Sector

Report For Periods Ending December 31, 2007

#### Region Allocation



| <u>Region</u>       | <u>Region Weightings</u> |                | <u>Market Total Returns</u> |                  |
|---------------------|--------------------------|----------------|-----------------------------|------------------|
|                     | <u>Benchmark</u>         | <u>Manager</u> | <u>3 Months</u>             | <u>12 Months</u> |
| Emerging Markets    | 0%                       | 9%             | 3.6%                        | 39.4%            |
| Europe (ex-UK)      | 45                       | 47             | 0.5                         | 16.7             |
| Far East (ex-Japan) | 9                        | 14             | -1.7                        | 30.7             |
| United Kingdom      | 23                       | 21             | -2.4                        | 8.4              |
| Japan               | 23                       | 5              | -6.1                        | -4.2             |
| Other               | 0                        | 4              | -                           | -                |

#### Top Five Countries

| <u>Country</u> | <u>Weighting</u> |
|----------------|------------------|
| United Kingdom | 21.1%            |
| Germany        | 10.2             |
| France         | 9.3              |
| South Korea    | 6.7              |
| Netherlands    | 6.4              |

**Number of Holdings: 121**

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

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

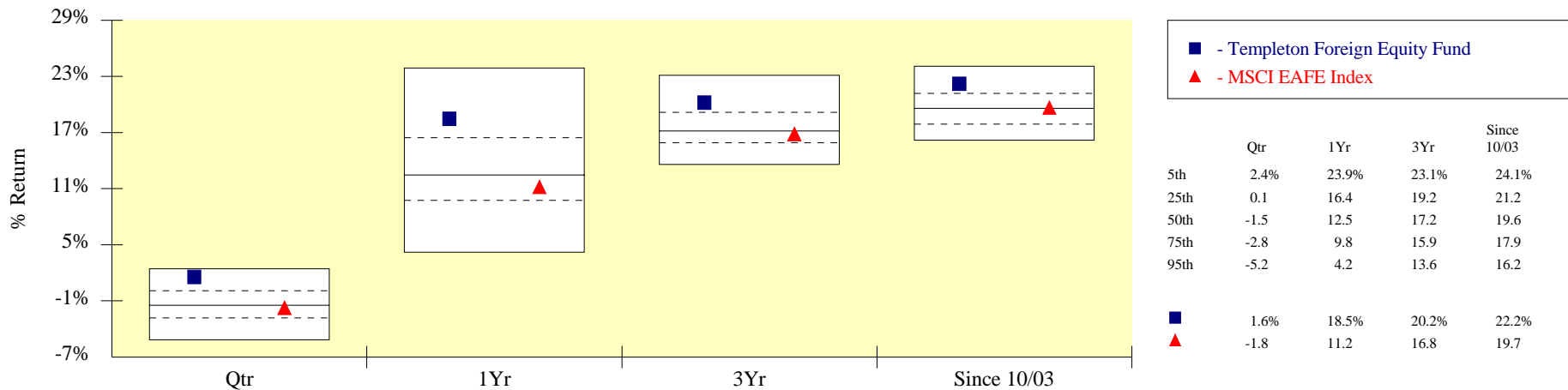


# Northern Indiana Community Foundation

## Templeton Foreign Equity Fund

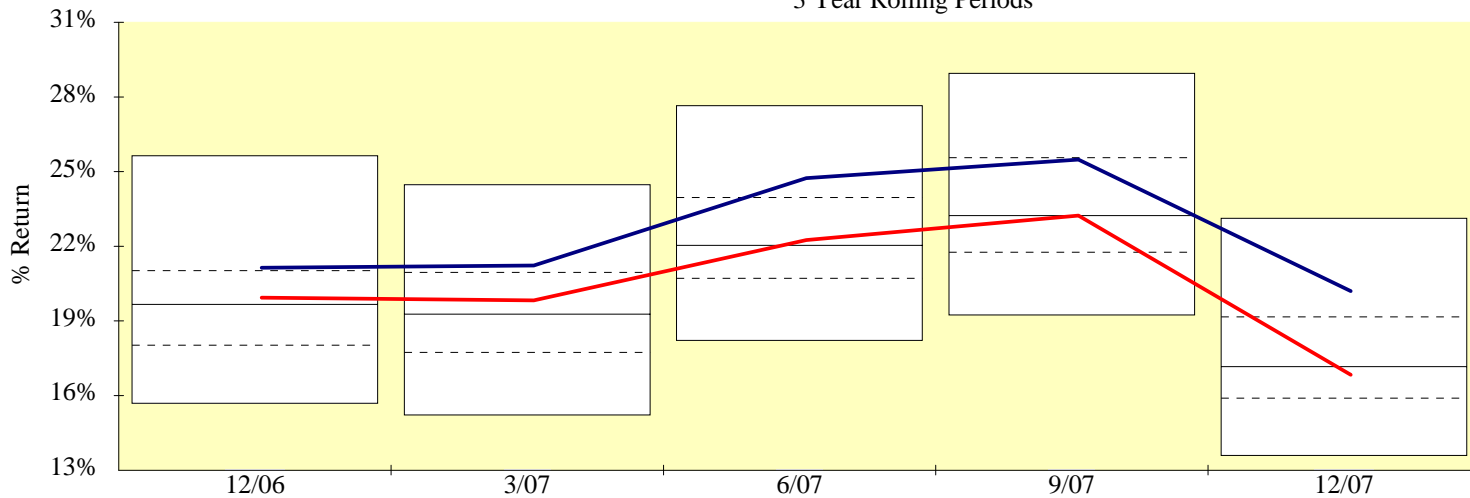
### International Equity Universe

For Report Periods Ending December 31, 2007



Report From December 31, 2003 to December 31, 2007

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 December 31, 2007

| <b>Performance Results</b>     | <b><u>Qtr</u></b> | <b><u>1Yr</u></b> | <b><u>3Yr</u></b> | <b><u>Since Inception</u></b> | <b><u>Inception Date</u></b> |
|--------------------------------|-------------------|-------------------|-------------------|-------------------------------|------------------------------|
| <b>PIMCO Total Return Fund</b> | <b>3.9%</b>       | <b>9.1%</b>       | <b>5.3%</b>       | <b>5.4%</b>                   | <b>10/03</b>                 |
| LB Aggregate Bond Index        | 3.0               | 7.0               | 4.6               | 4.6                           |                              |

| <b>Risk Statistics (Since 10/03)</b> | <b><u>Beta</u></b> | <b><u>Alpha</u></b> | <b><u>R<sup>2</sup></u></b> | <b><u>Standard Deviation</u></b> | <b><u>Tracking Error</u></b> | <b><u>Information Ratio</u></b> |
|--------------------------------------|--------------------|---------------------|-----------------------------|----------------------------------|------------------------------|---------------------------------|
| <b>PIMCO Total Return Fund</b>       | <b>1.03</b>        | <b>0.7%</b>         | <b>0.88</b>                 | <b>3.5%</b>                      | <b>1.0%</b>                  | <b>0.8</b>                      |
| LB Aggregate Bond Index              | 1.00               | 0.0                 | 1.00                        | 3.2                              | 0.0                          | --                              |

| <b>Portfolio Statistics</b>    | <b><u>Wtd Avg Duration</u></b> | <b><u>Wtd Avg Maturity</u></b> | <b><u>Wtd Avg Credit</u></b> | <b><u>Yield to Worst</u></b> | <b><u>FI Annl Turnover</u></b> |
|--------------------------------|--------------------------------|--------------------------------|------------------------------|------------------------------|--------------------------------|
| <b>PIMCO Total Return Fund</b> | <b>5.3yrs</b>                  | <b>6.6yrs</b>                  | <b>AA</b>                    | <b>5.4%</b>                  | <b>257.0%</b>                  |
| LB Aggregate Bond Index        | 4.4                            | 7.1                            | AA+                          | 4.9                          | --                             |

| <b>Asset Growth Summary (in thousands)</b> | <b><u>Qtr</u></b> | <b><u>1Yr</u></b> |
|--|-------------------|-------------------|
| Beginning Market Value                     | \$ 3,771          | \$ 3,069          |
| Net Contributions/(Distributions)          | \$ (82)           | \$ 443            |
| <b>Market Appreciation/(Depreciation)</b>  | <b>\$ 147</b>     | <b>\$ 324</b>     |
| <b>Ending Market Value</b>                 | <b>\$ 3,836</b>   | <b>\$ 3,836</b>   |

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

\* Risk Statistics are based on monthly data.



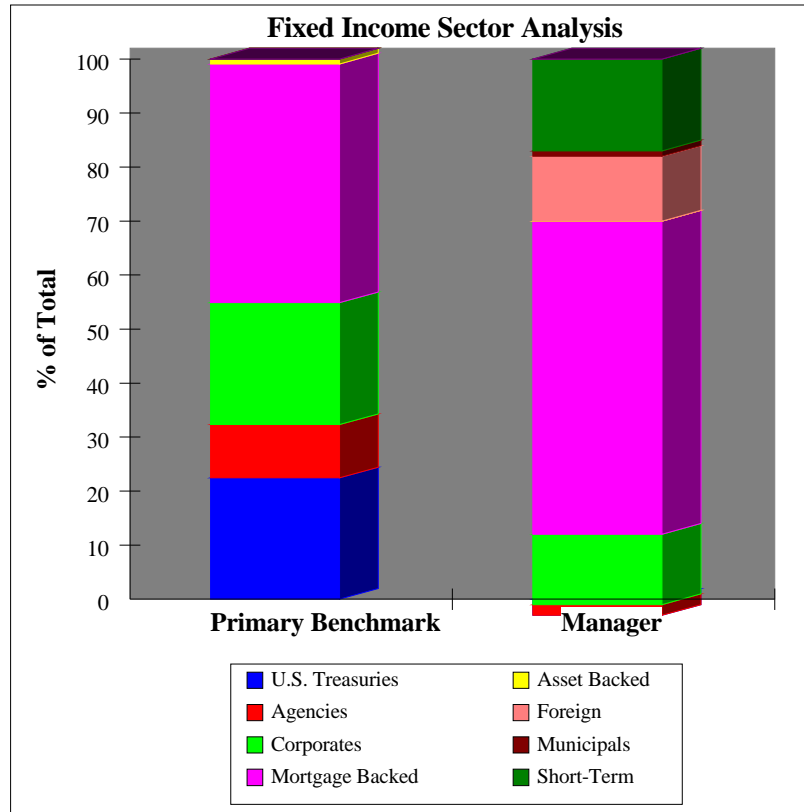
# Northern Indiana Community Foundation

## PIMCO Total Return Fund

### Fixed Income Sector

Report For Periods Ending December 31, 2007

#### Sector Allocation



| Sector          | Sector Weightings |         | Market Total Returns |           |
|-----------------|-------------------|---------|----------------------|-----------|
|                 | Primary Benchmark | Manager | 3 Months             | 12 Months |
| Total Weighting | 100%              | 100%    | 3.0%                 | 7.0%      |
| U.S. Treasuries | 22                | -3      | 4.4                  | 8.0       |
| Agencies        | 10                | 2       | 3.5                  | 6.9       |
| Corporates      | 23                | 13      | 2.7                  | 5.0       |
| Mortgage Backed | 44                | 58      | 3.6                  | 6.3       |
| Asset Backed    | 1                 | 0       | 2.2                  | 3.5       |
| Foreign         | 0                 | 12      | 2.4                  | 3.3       |
| Municipals      | 0                 | 1       | 2.4                  | 4.5       |
| Short-Term      | 0                 | 17      | 1.0                  | 4.7       |

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

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

\*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

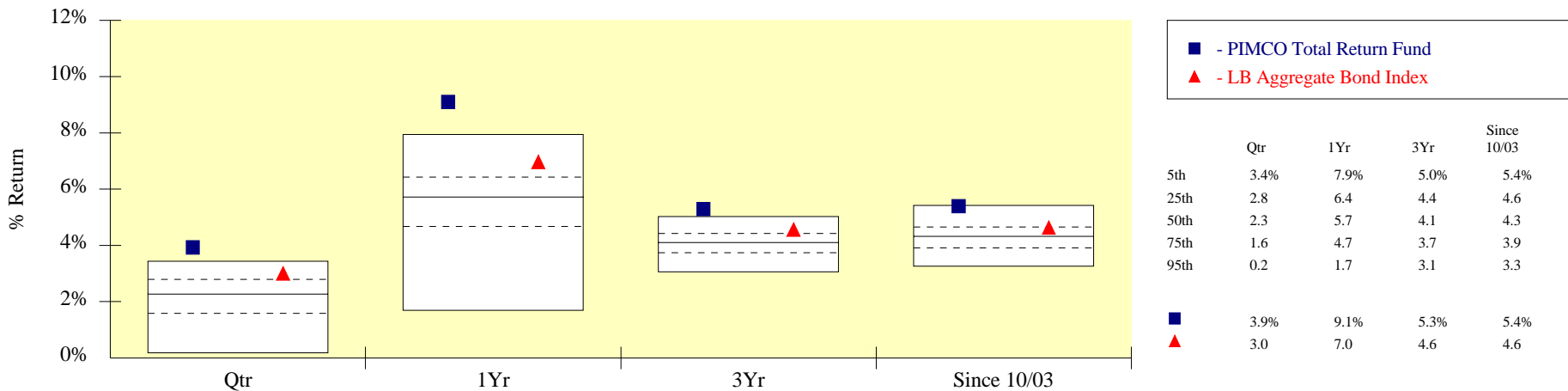


# Northern Indiana Community Foundation

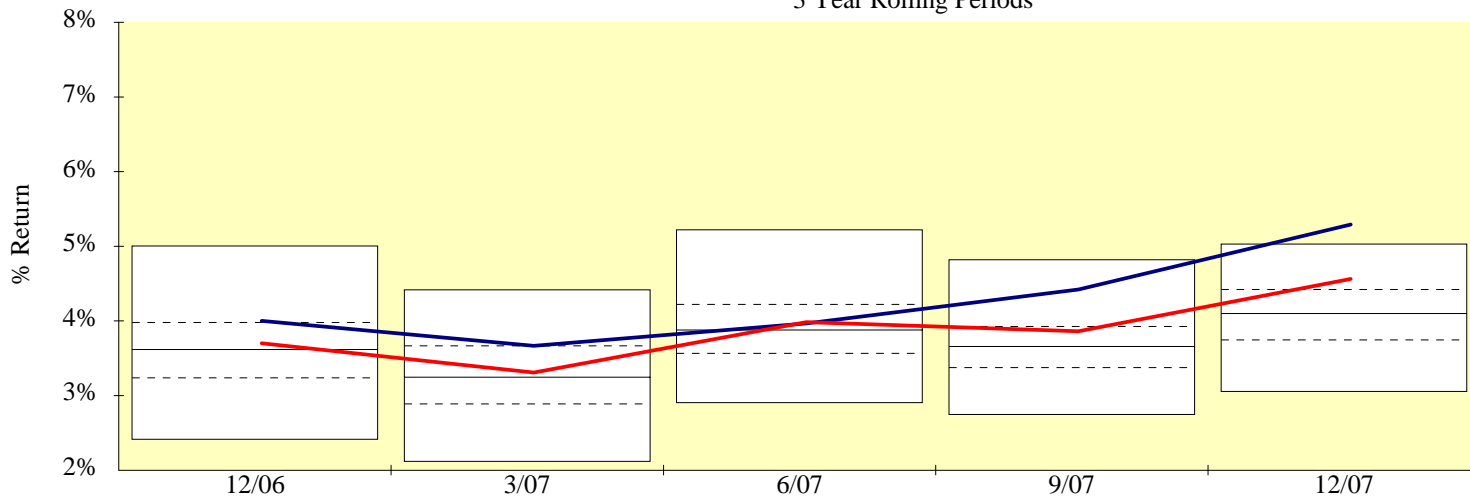
## PIMCO Total Return Fund

### Core Fixed Income Universe

For Report Periods Ending December 31, 2007



Report From December 31, 2003 to December 31, 2007  
3 Year Rolling Periods



# Northern Indiana Community Foundation

## SEIX Floating Rate High Income

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

Report For Periods Ending December 31, 2007

| Performance Results                   | <u>Qtr</u>  | <u>Since Inception</u> | <u>Inception Date</u> |
|---------------------------------------|-------------|------------------------|-----------------------|
| <b>SEIX Floating Rate High Income</b> | <b>0.3%</b> | <b>-0.2%</b>           | <b>4/07</b>           |
| CSFB Leveraged Loan Index             | -0.1        | -0.7                   |                       |

| 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>SEIX Floating Rate High Income</b> | <b>0.4yrs</b>           | <b>5.7yrs</b>           | <b>BB-</b>            | <b>6.8%</b>           | <b>100.0%</b>           |
| CSFB Leveraged Loan Index             | 0.5                     | 5.7                     | B+                    | --                    | --                      |

| Asset Growth Summary (in thousands)       | Qtr           | Since 4/07    |
|---|---------------|---------------|
| Beginning Market Value                    | \$ 300        | \$ 301        |
| Net Contributions/(Distributions)         | \$ 0          | \$ 0          |
| <b>Market Appreciation/(Depreciation)</b> | <b>\$ 1</b>   | <b>\$ 0</b>   |
| <b>Ending Market Value</b>                | <b>\$ 301</b> | <b>\$ 301</b> |

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

\* Risk Statistics are based on monthly data.

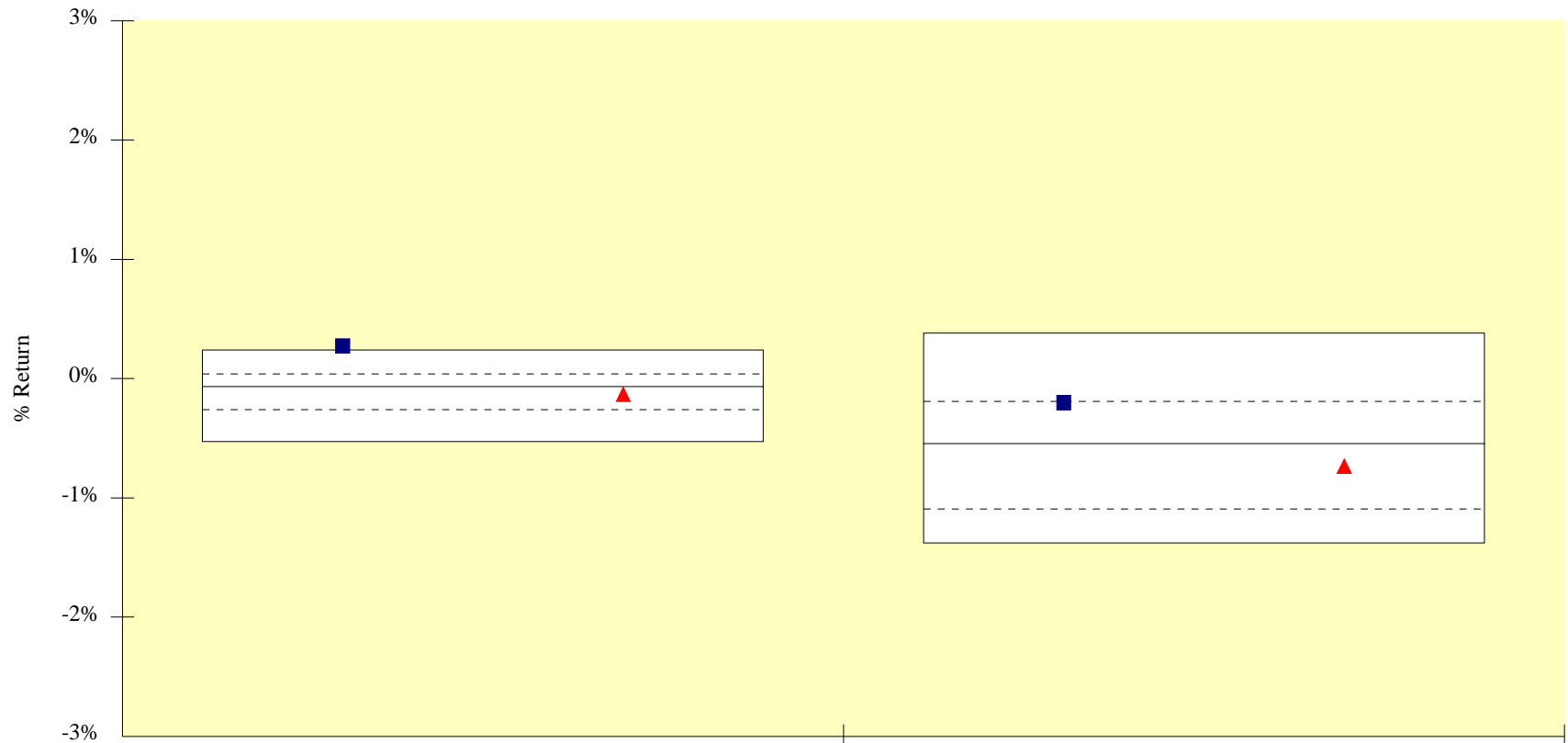


# Northern Indiana Community Foundation

## SEIX Floating Rate High Income

### Bank Loan Universe

For Report Periods Ending December 31, 2007



|                                    | Qtr  | Since 4/07 |
|------------------------------------|------|------------|
| 5th Percentile                     | 0.2% | 0.4%       |
| 25th Percentile                    | 0.0  | -0.2       |
| 50th Percentile                    | -0.1 | -0.5       |
| 75th Percentile                    | -0.3 | -1.1       |
| 95th Percentile                    | -0.5 | -1.4       |
| ■ - SEIX Floating Rate High Income | 0.3% | -0.2%      |
| ▲ - CSFB Leveraged Loan Index      | -0.1 | -0.7       |



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

|                                       | <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> |
| <b>U.S. Equity Indices</b>            |            |            |             |                   |             |              |
| Russell 3000 Index                    | -3.3%      | 5.1%       | 5.1%        | 8.9%              | 13.6%       | 6.2%         |
| S&P 500 Index                         | -3.3       | 5.5        | 5.5         | 8.6               | 12.8        | 5.9          |
| Russell 1000 Growth Index             | -0.8       | 11.8       | 11.8        | 8.7               | 12.1        | 3.8          |
| Russell 1000 Value Index              | -5.8       | -0.2       | -0.2        | 9.3               | 14.6        | 7.7          |
| Russell Midcap Index                  | -3.5       | 5.6        | 5.6         | 11.1              | 18.2        | 9.9          |
| Russell Midcap Growth Index           | -1.7       | 11.4       | 11.4        | 11.4              | 17.9        | 7.6          |
| Russell Midcap Value Index            | -6.0       | -1.4       | -1.4        | 10.1              | 17.9        | 10.2         |
| Russell 2000 Index                    | -4.6       | -1.6       | -1.6        | 6.8               | 16.2        | 7.1          |
| Russell 2000 Growth Index             | -2.1       | 7.0        | 7.0         | 8.1               | 16.5        | 4.3          |
| Russell 2000 Value Index              | -7.3       | -9.8       | -9.8        | 5.3               | 15.8        | 9.1          |
| <b>International Equity Indices</b>   |            |            |             |                   |             |              |
| MSCI AC World Index ex-US             | -0.7       | 16.7       | 16.7        | 19.9              | 24.0        | 9.8          |
| MSCI EAFE Index                       | -1.8       | 11.2       | 11.2        | 16.8              | 21.6        | 8.7          |
| MSCI EAFE Growth Index                | -0.3       | 16.5       | 16.5        | 17.3              | 19.9        | 6.5          |
| MSCI EAFE Value Index                 | -3.3       | 6.0        | 6.0         | 16.3              | 23.2        | 10.7         |
| MSCI Emerging Markets Free Index      | 3.6        | 39.4       | 39.4        | 35.2              | 37.0        | 14.3         |
| MSCI Small Cap EAFE Index             | -4.8       | 1.4        | 1.4         | 15.2              | 26.4        | 11.3         |
| <b>Fixed Income Indices</b>           |            |            |             |                   |             |              |
| LB Aggregate Bond Index               | 3.0        | 7.0        | 7.0         | 4.6               | 4.4         | 6.0          |
| LB Interm GV/CR Bond Index            | 2.9        | 7.4        | 7.4         | 4.3               | 4.1         | 5.8          |
| ML 1-3 Yr Govt Bond Index             | 2.4        | 7.3        | 7.3         | 4.3               | 3.1         | 4.8          |
| LB Municipals Index                   | 1.4        | 3.4        | 3.4         | 3.9               | 4.3         | 5.2          |
| LB TIPS Index                         | 5.0        | 11.6       | 11.6        | 4.9               | 6.3         | 7.5          |
| ML High Yield Bond Index              | -1.1       | 2.2        | 2.2         | 5.5               | 10.8        | 5.5          |
| CSFB Leveraged Loan Index             | -0.1       | 1.9        | 1.9         | 5.0               | 6.3         | 5.0          |
| JP Morgan Non-US \$ Govt Hedge Index  | 2.1        | 3.8        | 3.8         | 2.7               | 3.1         | 2.8          |
| JP Morgan EMBI Plus Index             | 2.7        | 6.5        | 6.5         | 9.6               | 12.5        | 9.8          |
| <b>Alternative Investment Indices</b> |            |            |             |                   |             |              |
| HFRI Fund of Funds Index              | 1.7        | 9.9        | 9.9         | 9.3               | 9.2         | 7.3          |
| HFRI Fund Weighted Index              | 1.5        | 10.3       | 10.3        | 10.8              | 12.1        | 10.0         |
| NAREIT Equity REIT Index              | -12.7      | -15.7      | -15.7       | 8.5               | 18.2        | 10.5         |
| NCREIF Property Index                 | --         | --         | --          | --                | --          | --           |
| FTSE EPRA/NAREIT Global Real Estate   | --         | --         | --          | --                | --          | --           |
| <b>Other Indices</b>                  |            |            |             |                   |             |              |
| Consumer Price Index - US             | 1.1        | 3.9        | 3.9         | 3.3               | 3.0         | 2.7          |
| U.S. 91-Day Treasury Bills            | 0.9        | 4.4        | 4.4         | 4.0               | 2.9         | 3.5          |
| Dow Jones AIG Commodities Index       | 4.7        | 16.2       | 16.2        | 12.9              | 14.3        | 9.0          |



# 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% |



# 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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1. Information is believed reliable but accuracy, completeness and opinions are not expressly or impliedly guaranteed or warranted.
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4. The accompanying performance results are net of investment manager fees.
5. Performance results are calculated using information provided by the custodian.
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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