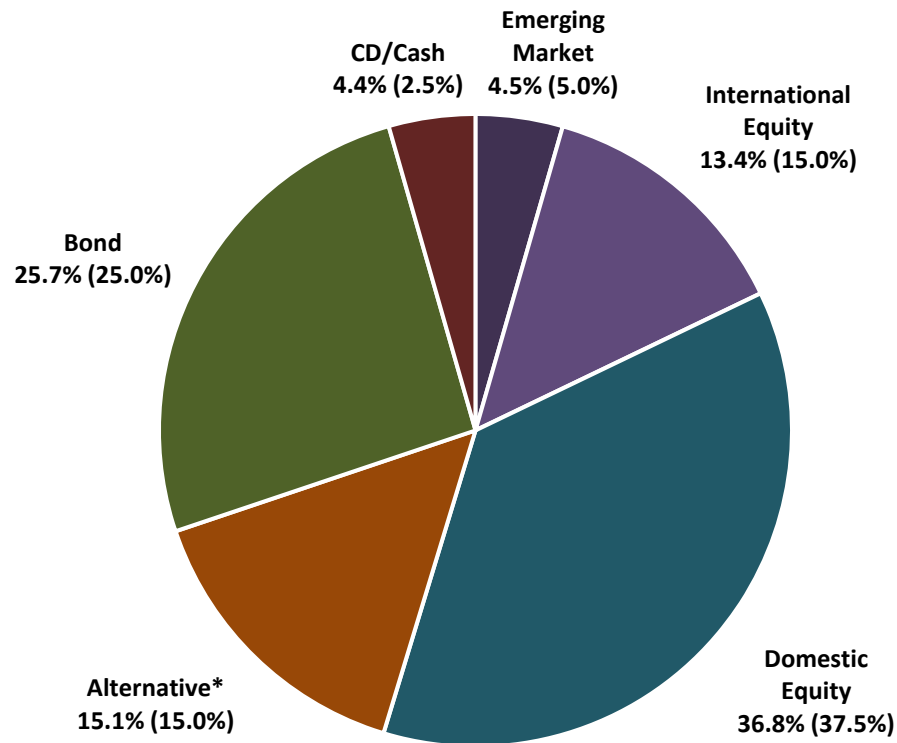


### Current (Target) Asset Allocation



### Commentary

U.S. stocks ended the second quarter with gains despite the turmoil caused by the U.K.'s vote to exit the European Union. The Standard & Poor's 500 Composite Index rose 2.46% for the quarter and is up 3.80% year-to-date through June 30. The Dow Jones Industrial Average also advanced 2.07% boosting its mid-year its return to 4.30%. In the predominant U.S. equity groups, value outperformed growth. The top performers were the Russell Mid Cap Value Index, up 4.77% for the quarter and 8.87% from the start of the year, the Russell 1000 Value Index with a gain of 4.58% for the quarter and 6.30% mid-year and among small caps, the Russell 2000 Value Index gained 4.31% the quarter and 6.08% year-to-date.

Although the Fed had signaled in May that it may raise rates over the summer, ongoing economic unease heightened by the Brexit referendum instead drove Treasury yields down. The yield on the benchmark 10-year Treasury note fell 29 basis points to 1.49%. Even with June's better than expected job gain, expectations for a Fed rate hike in 2016 remain fairly low. The FOMC ended its recent June meeting on interest rate policy without change, maintaining a target range of 0.25% to 0.50% for the fed funds rate. In bond markets, the Barclays U.S. Aggregate Index rose 2.21% for the quarter and 5.31% through June 30.

### Performance

	Qtr	Calendar YTD	Fiscal YTD	3 Years	5 Years	10 Years	Since Inception (9/30/99)
Foundation	1.3%	2.0%	-3.0%	5.0%	4.8%	3.9%	3.8%
Benchmark**	2.0%	3.3%	0.2%	6.1%	6.2%	5.5%	5.4%

Returns longer than 1 year are annualized. Past performance does not guarantee future performance. Returns are net of investment fees.

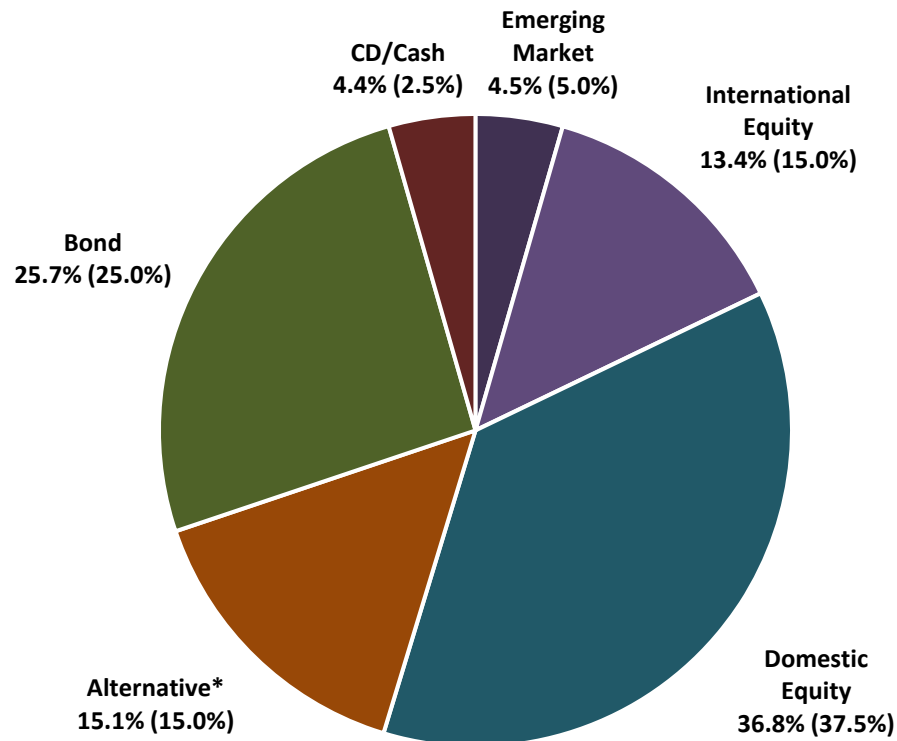
Fiscal year ends June 30. \*Alternative assets include hedge fund, real estate, and inflation hedged assets.

\*\*As of 3/31/12, the policy is 5% Barclays Global Agg, 15% Barclays US Agg, 5% BofAML US HY Master II, 2.5% BofAML US 3 Month Treasury Bill, 5% CPI + 5%, 5% FTSE EPRA/NAREIT Developed, 5% HFRI FOF Diversified, 15% MSCI EAFE, 5% MSCI EM, 22.5% Russell 1000, 7.5% Russell 2000, 7.5% Russell Mid Cap.



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### Current (Target) Asset Allocation



### Commentary

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### Performance

	Qtr	Calendar YTD	Fiscal YTD	3 Years	5 Years	Since Inception (6/30/08)
Foundation	1.3%	2.0%	-3.0%	5.0%	4.8%	4.0%
Benchmark**	2.0%	3.3%	0.2%	6.1%	6.2%	5.7%

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Fiscal year ends June 30. \*Alternative assets include hedge fund, real estate, and inflation hedged assets.

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