



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



# Northern Indiana Community Foundation

Composite Performance Review  
Report for Periods Ending June 30, 2009



Presented by:

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Managing Principal

**Our Insight** / *Your Vision*

# Northern Indiana Community Foundation

## Table of Contents

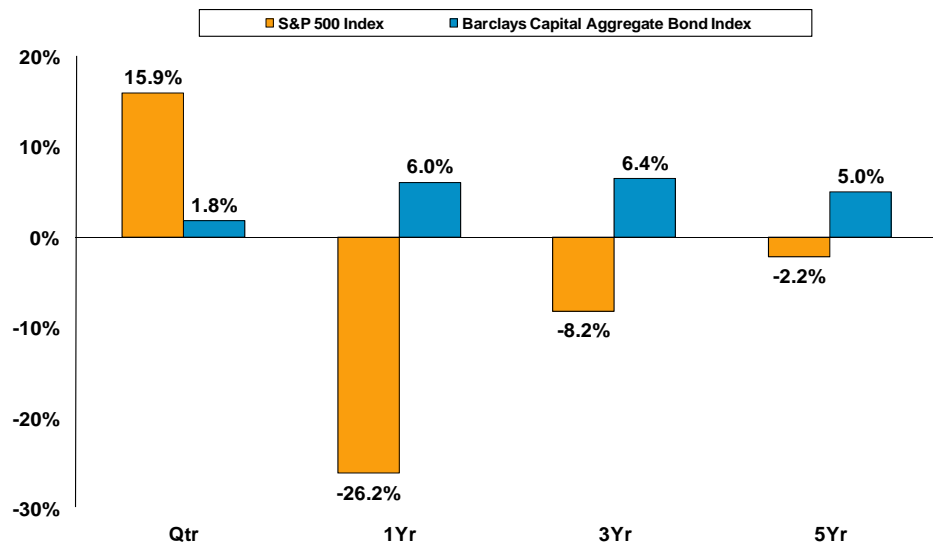
<u>Description</u>	<u>Page</u>
Market Summary	1
Total Composite	2-12



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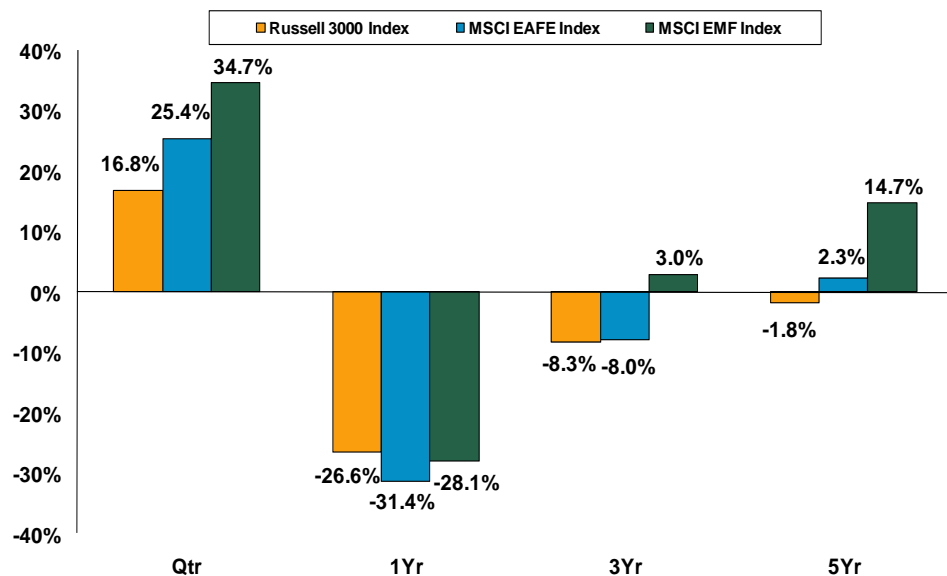
# Second Quarter 2009 – Market Overview

## Stocks vs. Bonds



Sources: Standard & Poor's and Barclays Capital

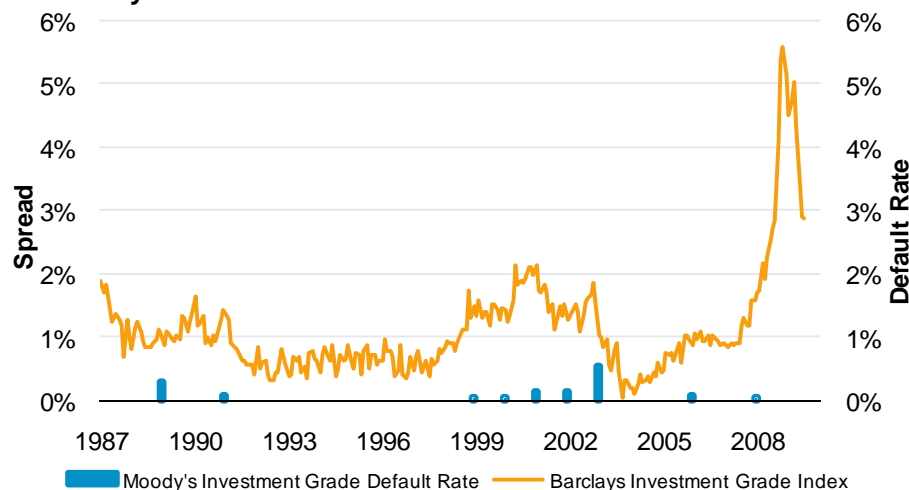
## U.S., International, & Emerging



Sources: MSCI Barra and Russell

- The U.S. stock market posted double-digit returns for the quarter after strong performance in April and May, followed by flat returns in June. Despite recent gains, the trailing twelve-month return for U.S. stocks was down over 25%.
- International equity markets posted strong returns of 25.4% in developed nations and 34.7% in emerging markets, the latter of which benefitted from government stimulus and increased commodity prices.
- The weakening U.S. dollar aided U.S. investors' international equity returns considerably, with the dollar falling most notably against the British pound (13%) and the euro (5%).
- U.S. bonds provided positive returns for the quarter, as the credit sector delivered strong returns, while Treasuries declined and mortgage issues were essentially flat.
- Investment grade credit spreads tightened substantially from their recent peak, as the demand for risk-bearing assets increased. Intermediate and long-dated Treasury yields rose amid increased government bond issuance.
- The stabilization of REIT balance sheets boosted returns in both the U.S., up 28.9%, and overseas, up 38.6%.

## U.S. Investment Grade Bond Yields over 10-year Treasury Yields

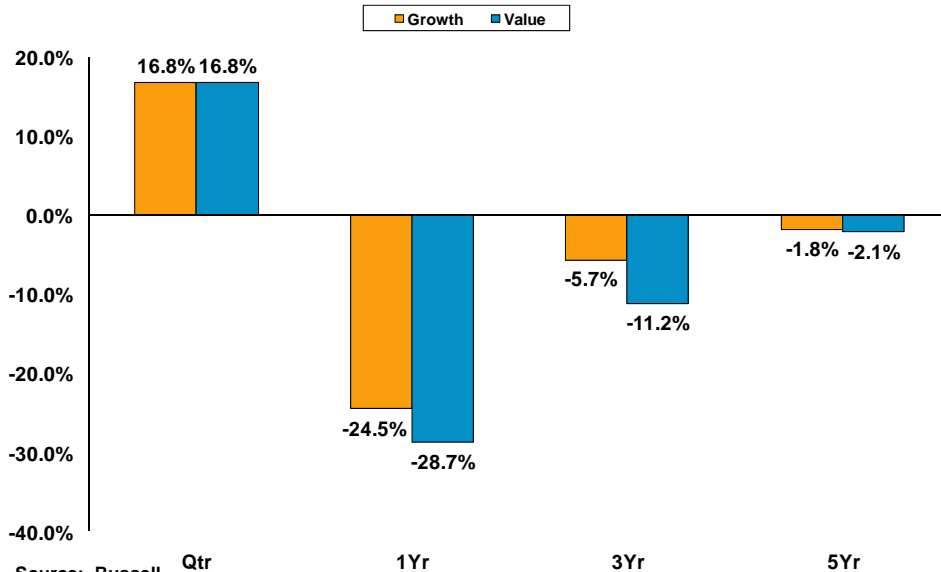


Source: Moody's, Barclays



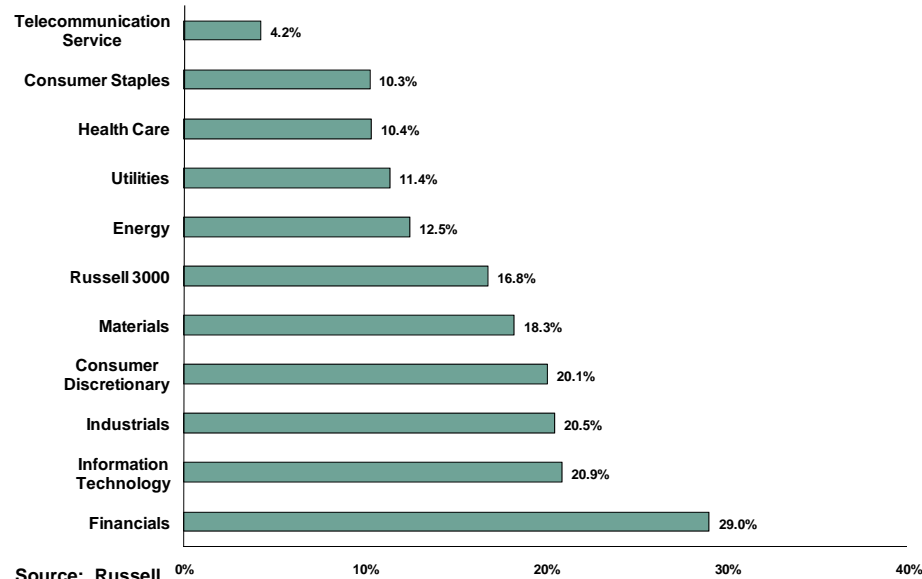
# Second Quarter 2009 – Global Equity, U.S.

## Russell 3000 Index Style Returns

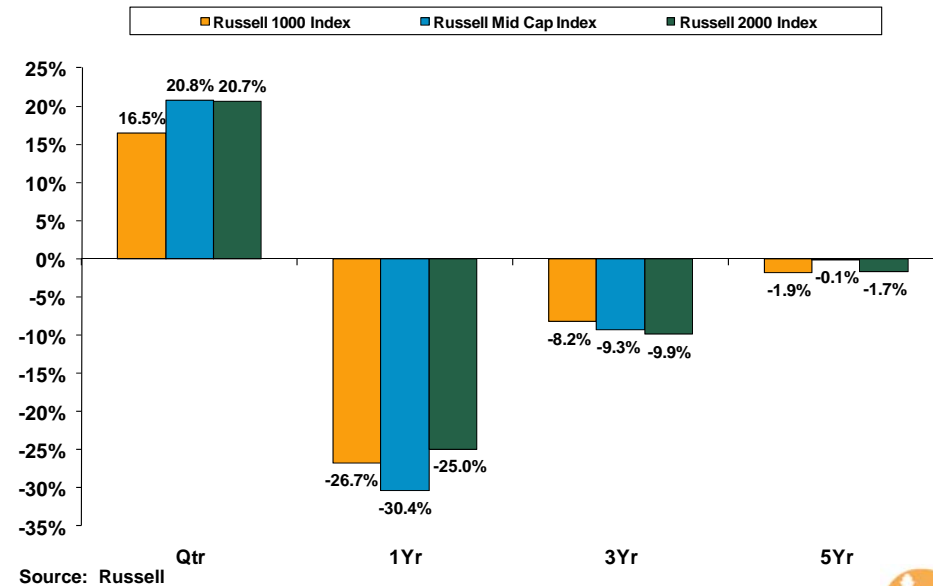


- The S&P 500 Index gained 15.9% for the quarter while the Russell 3000 Index rose 16.8% amid investors' decreased fear in the economic outlook.
- As measured by the Russell Indices, mid cap stocks (20.8%) performed comparably to small cap (20.7%), and both outperformed large cap (16.5%).
- Growth stocks performed in line with value stocks, as both were up 16.8% for the quarter.
- Financials was the best performing sector in the Russell 3000 Index, rising 29.0%. Contributing to the strong performance were diversified financial services companies, as several large banks surprised investors with better than expected quarterly results.
- Defensive sectors, such as telecommunication services (4.2%) and consumer staples (10.3%) lagged, as the broader rally was driven by increased risk taking.
- Other strong performing sectors within the Russell 3000 Index included information technology (20.9%) and industrials (20.5%), aided by hopes of an improved economic outlook from the dire views early in the year.

## Russell 3000 Index Quarterly Returns

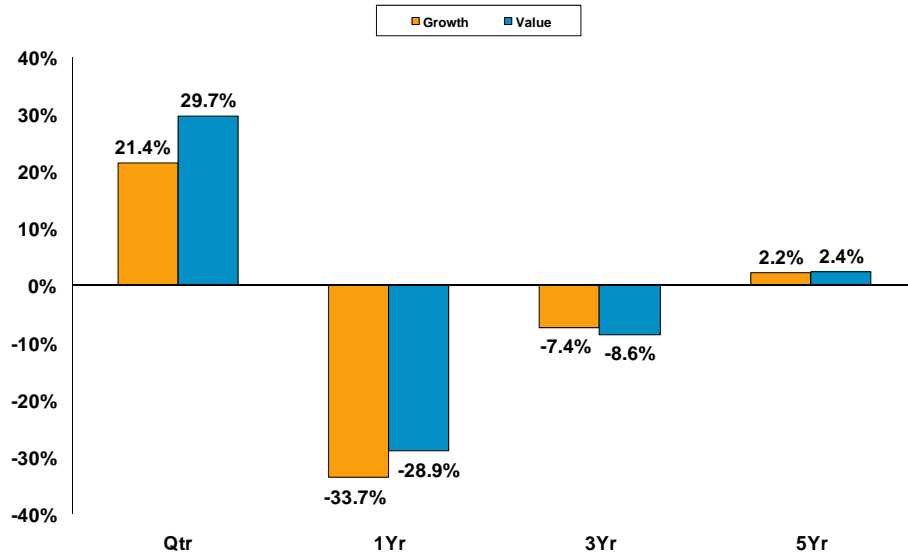


## Large Cap, Mid Cap, & Small Cap



# Second Quarter 2009 – Global Equity, Non-U.S.

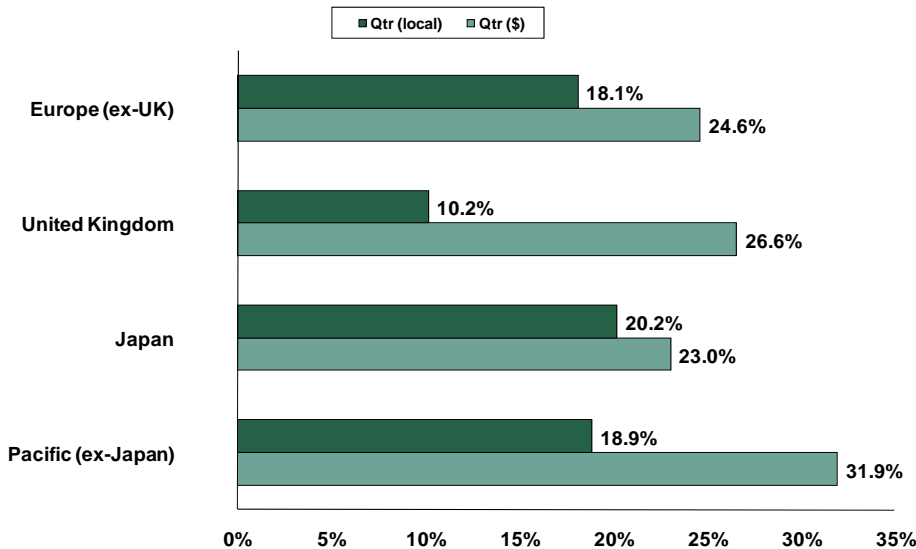
## MSCI EAFE Index Style Returns



- International equities provided outstanding returns, as investors' global economic fears turned to cautious optimism, with the MSCI EAFE Index returning over 25% and emerging markets almost 35%.
- International value stocks (29.7%) outperformed growth stocks (21.4%), as the financials sector, comprising 35% of the MSCI EAFE Value Index, gained almost 40%.
- Currency positively impacted international equity returns for U.S. investors. The U.S. dollar depreciated substantially against the British pound (13%) and also against the euro (5%). U.K. and European stocks returned 26.6% and 24.6% in U.S. dollars and only 10.2% and 18.1% in local currencies, respectively. The U.S. dollar depreciated slightly against the Japanese yen, but more substantially against other Asian currencies.
- Japan gained 23% on record industrial production, while other Asian equities posted stronger positive returns due to better-than-expected earnings.
- Emerging markets climbed 34.7% in U.S. dollars, as Latin America gained more than 38% due primarily to higher commodity prices. Within the MSCI Emerging Markets Index, the BRIC countries (Brazil, Russia, India, and China), which comprise nearly 50% of the index, posted strong returns in U.S. dollars of 40.1% with India returning nearly 60%.

Source: MSCI Barra

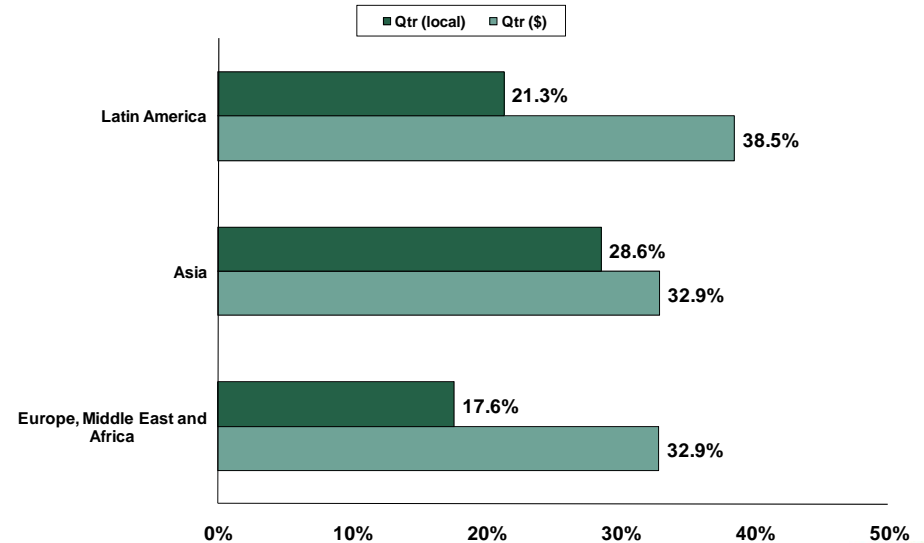
## MSCI EAFE-net Regional Quarterly Returns



Source: MSCI Barra

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## MSCI Emerging Markets Regional Quarterly Returns

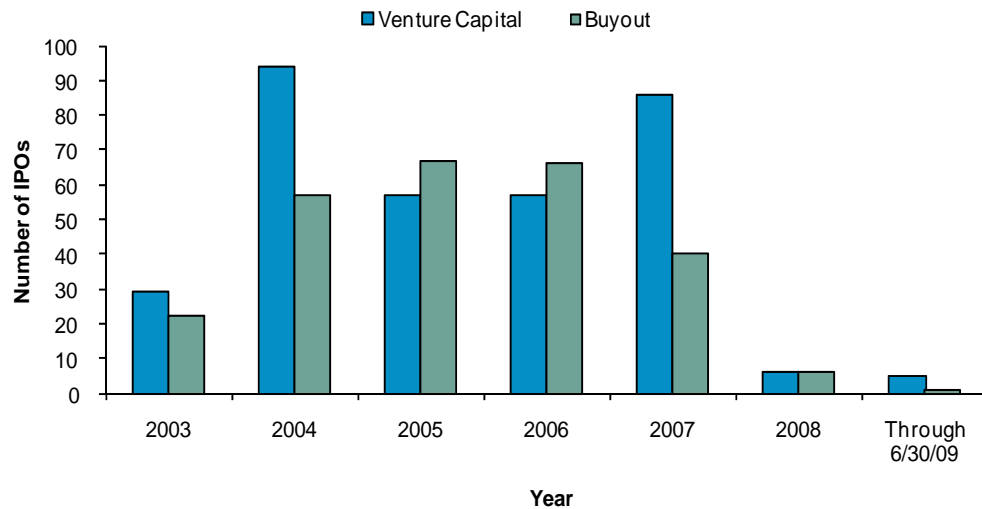


Source: MSCI Barra



# Second Quarter 2009 – Global Equity, Private

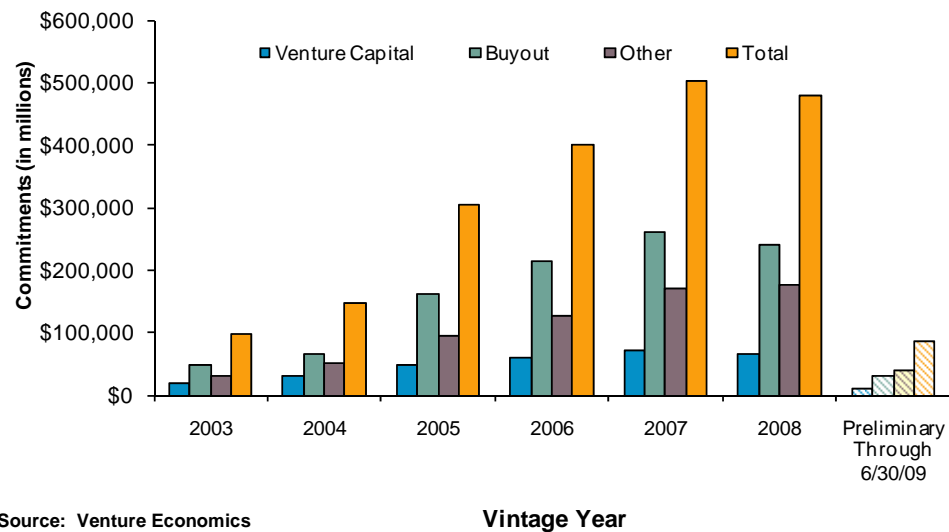
## Global Private Equity IPOs



Source: Venture Economics

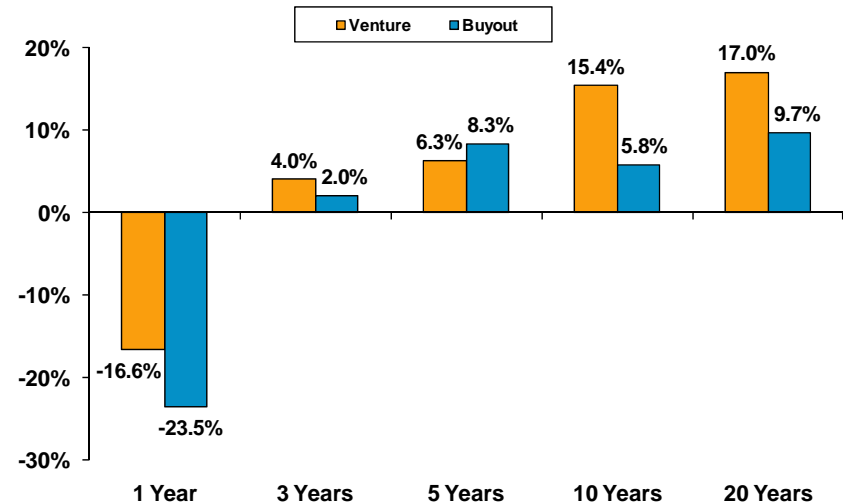
- Private equity performance is reported on a quarter-lag basis and data through March 31, 2009 have not yet been published.
- 2008 private equity performance for both venture and buyout funds was negative due to poor performance in the fourth quarter. The declines reflected the falling public market comparables, weak exit environment, and slowing economy.
- Five venture-backed companies went public in the second quarter of 2009, the first venture-backed IPO since the third quarter of 2008.
- One buyout-backed company went public during the second quarter, which was the first of the year. Acquisition activity of buyout-backed companies in the first quarter of 2009 was approximately 40% of last year's level.
- Preliminary data indicate commitments to private equity funds slowed dramatically in the first half of 2009 as investors reacted to falling portfolio values and demand for liquidity.

## Global Private Equity Commitments



Source: Venture Economics

## Private Equity - Venture Capital & Buyout Returns

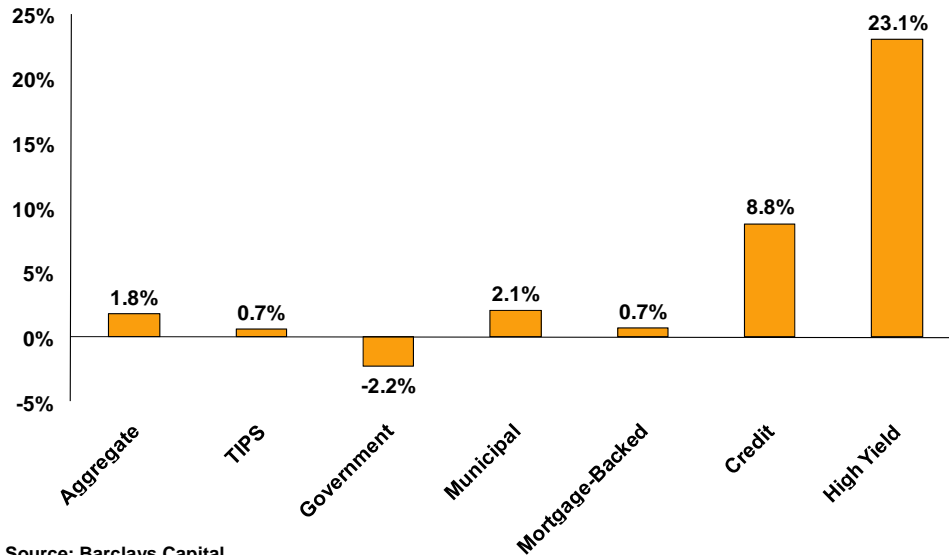


Source: Venture Economics as of December 31, 2008.



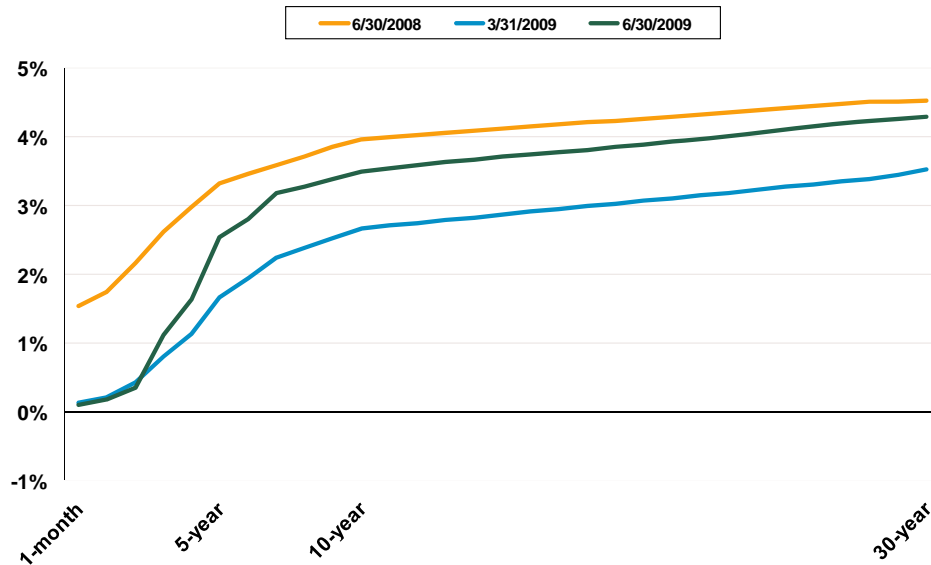
# Second Quarter 2009 – Global Fixed Income

## Barclays Capital U.S. Fixed Income Index Returns



Source: Barclays Capital

## U.S. Treasury Yield Curve

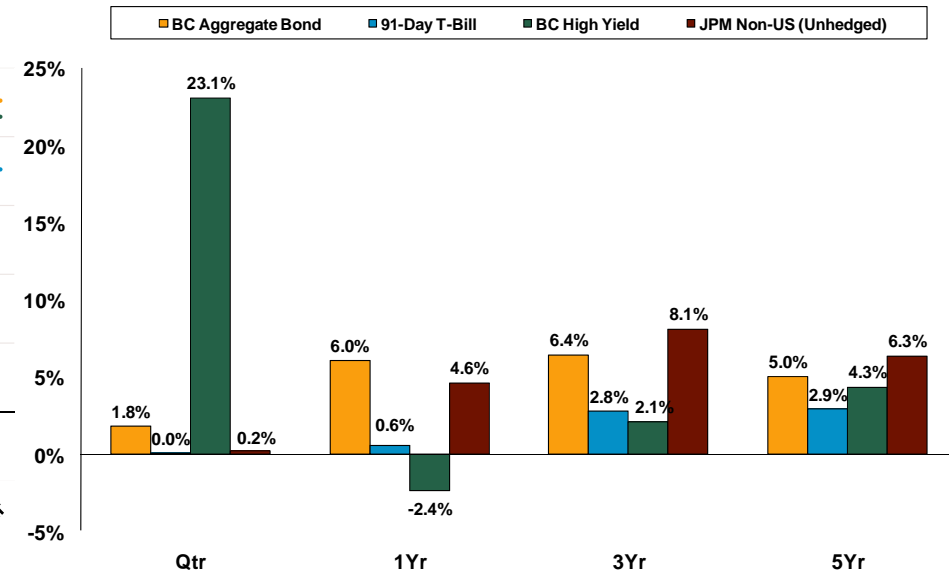


Source: Bloomberg

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- The Barclays Capital Aggregate Bond Index gained 1.8% during the second quarter, as an 8.8% gain in investment grade credit offset a 2.2% decline in Treasuries. Mortgage-backed securities provided a modest gain of 0.5% for the quarter.
- Investment grade credit outperformed, as investors grew more confident in the financial sector, raising the prices of those bonds from the low 80s to the low 90s following successful capital raising by key banks following the government's "stress tests" on the 19 largest banks in the U.S. Financials comprise nearly 35% of the credit index.
- The decline in Treasuries was due to an increase in intermediate and long-term interest rates, further steepening the yield curve.
- Bank loans and high yield bonds extended strong rebounds in the first quarter providing even better performance in the second quarter, with bank loans gaining 18.6% and high yield bonds gaining 23.1%. Lower quality credits strongly outperformed higher quality during the quarter.
- The U.S. dollar weakened during the quarter, positively impacting non-dollar denominated bonds, as the "flight-to-quality" trade reversed.

## Broad Fixed Income

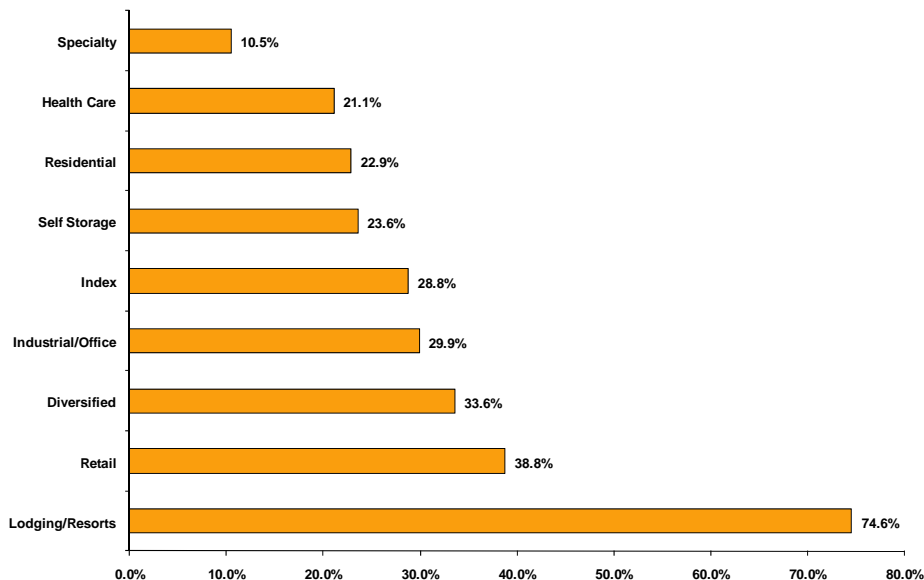


Sources: Barclays Capital and JP Morgan



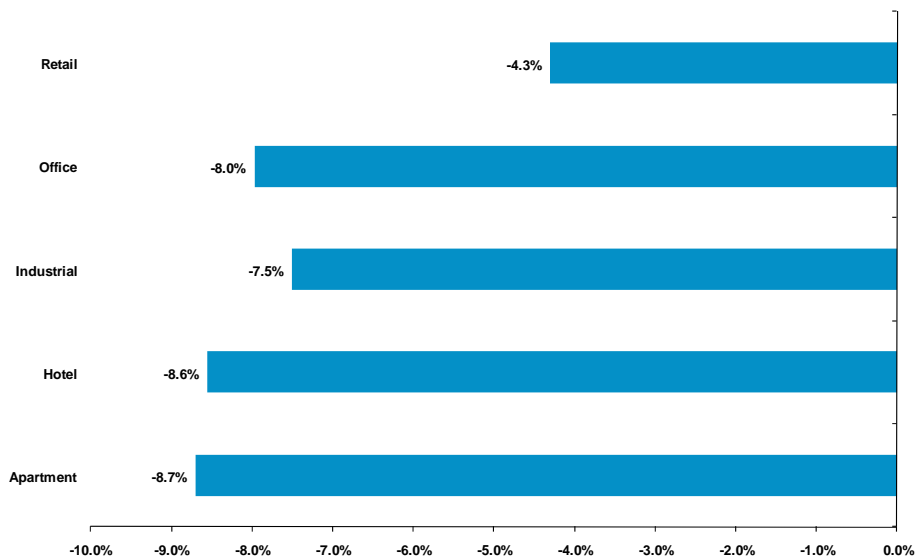
# Second Quarter 2009 – Real Assets, Real Estate

## NAREIT Equity REIT Index Sector Returns



Source: NAREIT

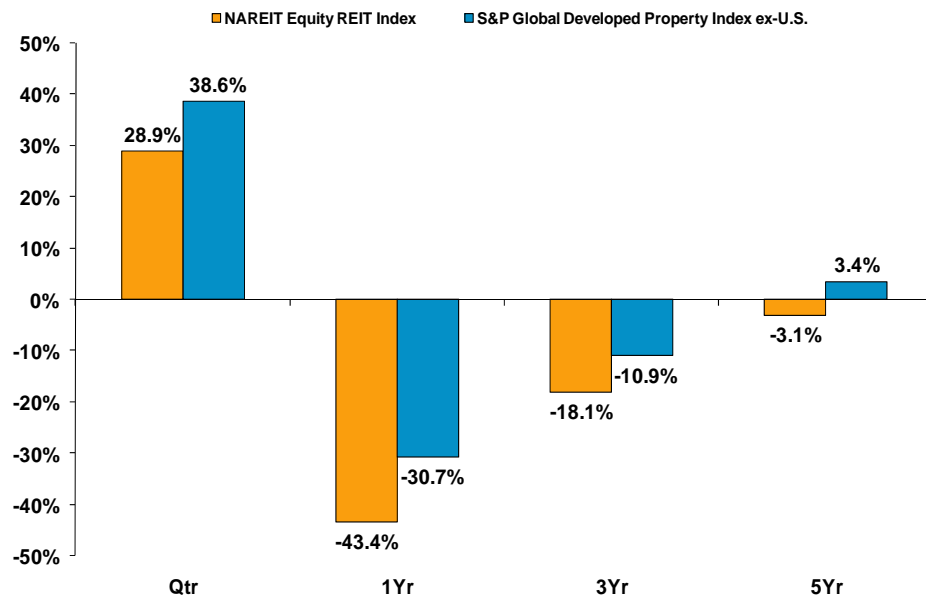
## NCREIF National Property Index: Sector Returns First Quarter 2009



Source: NCREIF

- U.S. REITs gained 28.9% in the second quarter, significantly outperforming U.S. equity markets. All property sectors experienced double-digit gains, as REITs benefited from the stabilizing effects of their ability to raise capital.
- Regional malls and hotel/lodging were among the best performing REIT sectors, gaining 59.2% and 74.6%, respectively. Both sectors benefited from expectations of an economic recovery in the second half of 2009, improving sector outlooks.
- International real estate securities, aided by a declining U.S. dollar, gained 38.6% during the second quarter, outperforming domestic REITs.
- The Asia Pacific region outperformed amid strength in Hong Kong, where development companies benefited from improved liquidity and low interest rates.
- Private real estate returns, measured on a one quarter lag by the NCREIF Property Index, showed modest declines, however, commercial real estate transaction activity in the second quarter indicated significantly lower valuations.

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



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



# Second Quarter 2009 – Diversifying Strategies, Hedge Funds

## Performance Summary (% Return)

<u>Strategy</u>	<u>QTR</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year*</u>	<u>5 Year*</u>	<u>10 Year*</u>
HFRI Fund Weighted Composite Index	9.1%	9.4%	-10.2%	1.2%	5.0%	7.0%
HFRI Fund of Funds Composite Index	4.9%	5.2%	-15.2%	-1.1%	2.6%	4.8%
HFRI Equity Hedge (Total) Index	12.3%	11.9%	-14.7%	-1.3%	3.4%	6.4%
HFRI Emerging Markets (Total) Index	19.1%	20.4%	-18.9%	2.4%	10.0%	11.3%
HFRI Event-Driven (Total) Index	9.8%	10.1%	-11.6%	-0.7%	4.5%	7.4%
HFRI ED: Distressed/Restructuring Index	10.6%	9.9%	-15.4%	-2.6%	3.6%	7.8%
HFRI Relative Value (Total) Index	9.0%	13.0%	-6.1%	2.2%	4.6%	6.7%
HFRI RV: Multi-Strategy Index	9.0%	13.4%	-7.4%	-1.3%	2.2%	5.0%
HFRI ED: Merger Arbitrage Index	2.2%	4.0%	-0.7%	3.5%	5.7%	6.3%
HFRI EH: Equity Market Neutral Index	0.8%	0.1%	-8.1%	0.6%	3.0%	4.8%
HFRI Macro (Total) Index	2.2%	1.3%	-0.3%	7.1%	7.3%	8.5%

Source: HedgeFund Research

\*Annualized

- The broad hedge fund indices of the HFRI Fund Weighted Composite and HFRI Fund of Funds Composite gained 9.1% and 4.9%, respectively for the second quarter of 2009. All major hedge fund sub-strategies posted positive returns during the quarter as well.
- The HFRI Equity Hedge (Total) Index increased 12.3% as equity markets enjoyed a broad based rally. April and May contributed the majority of positive returns as investors surmised the worst of the economic downturn had passed. Returns in June plateaued as investors recognized gains and evaluated the developing economic landscape. Equity hedge fund managers remain defensively positioned, but cautiously increased gross and net market exposures from historic lows. Their returns for the quarter, as has been the case for the year, were driven by individual security selection, as opposed to high beta exposure.
- The HFRI Emerging Markets (Total) Index (+19.1%) was the strongest performing sub-strategy during the second quarter as fears of a worst-case global economic slowdown waned. Again, returns were strong in the first two months of the quarter and were marginal in June. The largest sub-strategy contributors were Russian/Eastern Europe and Latin America.
- The HFRI Relative Value (Total) Index continued to perform well during the second quarter, gaining 9.0%. Convertible arbitrageurs built upon a strong first quarter and returned nearly 17% in the second quarter. The index returned 29.9% year-to-date, as liquidity and support from non-traditional buyers spurred gains. Multi-Strategy managers, up 9.0% in the second quarter, benefitted from credit allocations to high yield, distressed, and leveraged loans. Managers specializing in distressed experienced a strong quarter as default rates climbed to 9.2% providing ample investment opportunities. The HFRI ED: Distressed/ Restructuring Index gained 10.6% during the quarter.
- The HFRI Macro (Total) Index performed modestly for the second quarter, up 2.2%. Managers benefitted in key themes including yield curve steepening, long positions in oil and the British Pound, and short positions in the U.S. Dollar. Systematic trading managers struggled, however, as major trends reversed early in the quarter and were nearly non-existent since. One exception was in oil, which closed at approximately \$70 per barrel at the end of June, up nearly 40% during the second quarter. The HFRI Macro: Systematic Diversified Index posted positive returns in May, but was down 0.7% for the second quarter.



# Northern Indiana Community Foundation

## Summary of Investment Performance

### Report for Periods Ending June 30, 2009

	Annualized						Since	(Date)	Market Value
	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>Inception</u>		
<b><u>Total Composite</u></b>	<b>14.0%</b>	<b>6.3%</b>	<b>-16.8%</b>	<b>-3.6%</b>	<b>1.8%</b>	<b>4.2%</b>	<b>1.8%</b>	(9/00)	\$11,723,702
Balanced Index <sup>1</sup>	14.1	3.9	-18.3	-4.1	0.9	3.3	1.0		
CPI + 5%	1.3	3.2	3.1	6.9	7.5	7.5	7.4		
<b><u>Total Composite since FEG Inception</u></b>	<b>14.0</b>	<b>6.3</b>	<b>-16.8</b>	<b>-3.6</b>	<b>1.8</b>	<b>-</b>	<b>3.3</b>	(10/03)	11,723,702
Balanced Index <sup>2</sup>	14.1	3.9	-18.3	-4.1	0.9	-	2.2		
CPI + 5%	1.3	3.2	3.1	6.9	7.5	-	7.6		
<b><u>Large Cap Equity</u></b>	<b>17.0</b>	<b>4.6</b>	<b>-26.7</b>	<b>-8.9</b>	<b>-1.8</b>	<b>1.7</b>	<b>-3.1</b>	(9/00)	5,943,875
S&P 500 Index	15.9	3.2	-26.2	-8.2	-2.2	0.9	-3.2		
<b><u>Vanguard Index 500 Fund</u></b>	<b>16.0</b>	<b>3.2</b>	<b>-26.1</b>	<b>-8.2</b>	<b>-2.2</b>	<b>-</b>	<b>0.0</b>	(10/03)	2,467,767
S&P 500 Index	15.9	3.2	-26.2	-8.2	-2.2	-	-0.3		
<b><u>Marsico Focus Fund</u></b>	<b>15.2</b>	<b>5.8</b>	<b>-26.0</b>	<b>-7.5</b>	<b>-0.5</b>	<b>-</b>	<b>-0.4</b>	(10/03)	2,246,009
S&P 500 Index	15.9	3.2	-26.2	-8.2	-2.2	-	-0.3		
Russell 1000 Growth Index	16.3	11.5	-24.5	-5.5	-1.8	-	-0.4		
<b><u>Dodge &amp; Cox Stock Fund</u></b>	<b>23.1</b>	<b>4.8</b>	<b>-29.4</b>	<b>-12.8</b>	<b>-2.8</b>	<b>-</b>	<b>0.2</b>	(10/03)	1,230,099
S&P 500 Index	15.9	3.2	-26.2	-8.2	-2.2	-	-0.3		
Russell 1000 Value Index	16.7	-2.9	-29.0	-11.1	-2.1	-	0.1		
<b><u>Small Cap Equity</u></b>	<b>21.5</b>	<b>6.0</b>	<b>-31.6</b>	<b>-15.6</b>	<b>-4.8</b>	<b>0.8</b>	<b>-2.9</b>	(9/00)	687,784
Russell 2000 Index	20.7	2.6	-25.0	-9.9	-1.7	2.7	1.0		
<b><u>DFA Small Cap Value Fund</u></b>	<b>23.9</b>	<b>2.4</b>	<b>-27.7</b>	<b>-14.2</b>	<b>-3.1</b>	<b>-</b>	<b>0.7</b>	(10/03)	329,691
Russell 2000 Index	20.7	2.6	-25.0	-9.9	-1.7	-	0.6		
Russell 2000 Value Index	18.0	-5.2	-25.2	-12.1	-2.3	-	0.6		
<b><u>Wasatch Small Cap Growth Fund</u></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.4</b>	(5/09)	358,093
Russell 2000 Index	-	-	-	-	-	-	1.5		
Russell 2000 Growth Index	-	-	-	-	-	-	3.2		
<b><u>International Equity</u></b>	<b>24.3</b>	<b>9.8</b>	<b>-29.7</b>	<b>-5.4</b>	<b>4.0</b>	<b>7.4</b>	<b>4.3</b>	(9/00)	1,816,044
MSCI EAFE Index	25.4	8.0	-31.4	-8.0	2.3	4.8	0.5		
<b><u>Artisan International Fund</u></b>	<b>23.0</b>	<b>10.9</b>	<b>-32.7</b>	<b>-6.8</b>	<b>3.0</b>	<b>-</b>	<b>5.4</b>	(10/03)	907,045
MSCI EAFE Index	25.4	8.0	-31.4	-8.0	2.3	-	4.6		
<b><u>Templeton Foreign Equity Fund</u></b>	<b>25.7</b>	<b>8.6</b>	<b>-26.5</b>	<b>-3.8</b>	<b>5.0</b>	<b>-</b>	<b>6.8</b>	(10/03)	908,999
MSCI EAFE Index	25.4	8.0	-31.4	-8.0	2.3	-	4.6		



# Northern Indiana Community Foundation

## Summary of Investment Performance

### Report for Periods Ending June 30, 2009

	Annualized						Since		
	<u>Qtr</u>	<u>YTD</u>	<u>1Yr</u>	<u>3Yr</u>	<u>5Yr</u>	<u>7Yr</u>	<u>Inception</u>	<u>(Date)</u>	<u>Market Value</u>
<b><u>Fixed Income</u></b>	<b>6.6%</b>	<b>7.8%</b>	<b>10.8%</b>	<b>8.4%</b>	<b>6.4%</b>	<b>5.6%</b>	<b>5.8%</b>	(9/00)	\$3,275,996
Barclays Capital Aggregate Bond Index	1.8	1.9	6.0	6.4	5.0	5.1	6.0		
<b><u>PIMCO Total Return Fund</u></b>	<b>4.7</b>	<b>6.3</b>	<b>9.3</b>	<b>8.4</b>	<b>6.4</b>	<b>-</b>	<b>5.9</b>	(10/03)	2,663,949
Barclays Capital Aggregate Bond Index	1.8	1.9	6.0	6.4	5.0	-	4.7		
<b><u>Loomis Sayles Bond Fund</u></b>	<b>17.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.5</b>	(1/09)	612,047
Barclays Capital Aggregate Bond Index	1.8	-	-	-	-	-	2.8		
<b><u>Non-Permanent Funds</u></b>									
<b><u>Separate Endowment Fund</u></b>	<b>14.2</b>	<b>8.6</b>	<b>-15.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-10.6</b>	(4/07)	610,709
Balanced Index <sup>3</sup>	10.2	3.1	-13.9	-	-	-	-8.7		
<b><u>Haggerty Memorial Scholarship</u></b>	<b>7.9</b>	<b>2.2</b>	<b>-20.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-14.5</b>	(9/07)	365,637
Balanced Index <sup>4</sup>	11.6	3.2	-17.0	-	-	-	-15.0		
<b><u>Savings - First Financial Bank</u></b>	<b>0.0</b>	<b>0.1</b>	<b>0.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.8</b>	(4/07)	142,234
Lipper Inst'l Money Market Index	0.1	0.4	1.6	-	-	-	3.1		
<b><u>Short Term Investments</u></b>	<b>0.6</b>	<b>0.9</b>	<b>2.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.6</b>	(4/07)	951,282
Lipper Inst'l Money Market Index	0.1	0.4	1.6	-	-	-	3.1		
<b><u>Savings - First Federal Savings Bank</u></b>	<b>0.6</b>	<b>1.4</b>	<b>5.4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.4</b>	(4/07)	162,038
Lipper Inst'l Money Market Index	0.1	0.4	1.6	-	-	-	3.1		



**Northern Indiana Community Foundation**  
**Summary of Investment Performance**  
**Report for Periods Ending June 30, 2009**

**Footnotes:**

\* Performance returns are net of investment management fees.

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

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

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

\* The fiscal year ends in December.

<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% Barclays Capital Aggregate Bond Index. Please see Appendix for benchmark history.

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

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

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

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

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



# Northern Indiana Community Foundation

## Calendar Year Performance

	<u>2008</u>	<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>-28.6%</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>	-27.4	5.8	14.5	5.7	11.4	25.2	-11.3	-5.7
CPI + 5%	5.0	9.3	7.5	8.3	8.5	6.9	7.6	6.5
<b><u>Total Composite since FEG Inception</u></b>	<b>-28.6</b>	<b>7.1</b>	<b>14.0</b>	<b>7.4</b>	<b>13.5</b>	<b>-</b>	<b>-</b>	<b>-</b>
Balanced Index <sup>2</sup>	-27.4	5.8	14.5	5.7	11.4	-	-	-
CPI + 5%	5.0	9.3	7.5	8.3	8.5	-	-	-
<b><u>Large Cap Equity</u></b>	<b>-39.0</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	-37.0	5.5	15.8	4.9	10.9	28.7	-22.1	-11.9
<b><u>Vanguard Index 500 Fund</u></b>	<b>-36.9</b>	<b>5.4</b>	<b>15.7</b>	<b>4.9</b>	<b>10.8</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P 500 Index	-37.0	5.5	15.8	4.9	10.9	-	-	-
<b><u>Marsico Focus Fund</u></b>	<b>-39.6</b>	<b>13.4</b>	<b>8.7</b>	<b>9.8</b>	<b>11.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P 500 Index	-37.0	5.5	15.8	4.9	10.9	-	-	-
Russell 1000 Growth Index	-38.4	11.8	9.1	5.3	6.3	-	-	-
<b><u>Dodge &amp; Cox Stock Fund</u></b>	<b>-43.4</b>	<b>0.2</b>	<b>18.5</b>	<b>9.4</b>	<b>19.2</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P 500 Index	-37.0	5.5	15.8	4.9	10.9	-	-	-
Russell 1000 Value Index	-36.8	-0.2	22.2	7.1	16.5	-	-	-
<b><u>Small Cap Equity</u></b>	<b>-45.5</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	-33.8	-1.6	18.4	4.6	18.3	47.3	-20.5	2.5
<b><u>DFA Small Cap Value Fund</u></b>	<b>-36.8</b>	<b>-10.7</b>	<b>21.5</b>	<b>7.8</b>	<b>25.4</b>	<b>-</b>	<b>-</b>	<b>-</b>
Russell 2000 Index	-33.8	-1.6	18.4	4.6	18.3	-	-	-
Russell 2000 Value Index	-28.9	-9.8	23.5	4.7	22.2	-	-	-
<b><u>Wasatch Small Cap Growth Fund</u></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Russell 2000 Index	-	-	-	-	-	-	-	-
Russell 2000 Growth Index	-	-	-	-	-	-	-	-
<b><u>International Equity</u></b>	<b>-44.6</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	-43.4	11.2	26.3	13.5	20.2	38.6	-15.9	-21.4
<b><u>Artisan International Fund</u></b>	<b>-46.9</b>	<b>19.8</b>	<b>25.6</b>	<b>16.3</b>	<b>17.8</b>	<b>-</b>	<b>-</b>	<b>-</b>
MSCI EAFE Index	-43.4	11.2	26.3	13.5	20.2	-	-	-
<b><u>Templeton Foreign Equity Fund</u></b>	<b>-42.1</b>	<b>18.5</b>	<b>29.0</b>	<b>13.6</b>	<b>21.2</b>	<b>-</b>	<b>-</b>	<b>-</b>
MSCI EAFE Index	-43.4	11.2	26.3	13.5	20.2	-	-	-



# Northern Indiana Community Foundation

## Calendar Year Performance

	<u>2008</u>	<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>4.0%</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>
Barclays Capital Aggregate Bond Index	5.2	7.0	4.3	2.4	4.3	4.1	10.3	8.4
<b>PIMCO Total Return Fund</b>	<b>4.8</b>	<b>9.1</b>	<b>4.0</b>	<b>2.9</b>	<b>5.1</b>	-	-	-
Barclays Capital Aggregate Bond Index	5.2	7.0	4.3	2.4	4.3	-	-	-
<b>Loomis Sayles Bond Fund</b>	-	-	-	-	-	-	-	-
Barclays Capital Aggregate Bond Index	-	-	-	-	-	-	-	-
<b><u>Non-Permanent Funds</u></b>								
<b>Separate Endowment Fund</b>	<b>-28.0</b>	-	-	-	-	-	-	-
Balanced Index <sup>3</sup>	-22.1	-	-	-	-	-	-	-
<b>Haggerty Memorial Scholarship</b>	<b>-25.9</b>	-	-	-	-	-	-	-
Balanced Index <sup>4</sup>	-26.0	-	-	-	-	-	-	-
<b>Savings - First Financial Bank</b>	<b>1.7</b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	2.9	-	-	-	-	-	-	-
<b>Short Term Investments</b>	<b>3.3</b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	2.9	-	-	-	-	-	-	-
<b>Savings - First Federal Savings Bank</b>	<b>7.1</b>	-	-	-	-	-	-	-
Lipper Inst'l Money Market Index	2.9	-	-	-	-	-	-	-



# Northern Indiana Community Foundation

## Calendar Year Performance

### **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% Barclays Capital Aggregate Bond Index. Please see Appendix for benchmark history.

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

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

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

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

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



# Northern Indiana Community Foundation

## Schedule of Asset and Style Allocation

Report for Periods Ending June 30, 2009

Asset Class	Current Weight	Target Weight	Target Range
Large Cap Equity	50.7%	51.5%	20.0% - 60.0%
Small Cap Equity	5.9%	6.0%	0.0% - 20.0%
International Equity	15.5%	15.0%	0.0% - 20.0%
Fixed Income	27.9%	27.5%	10.0% - 50.0%
Cash	0.0%	0.0%	
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

Asset Class - Style	Manager	Portfolio Invested	Portfolio Cash	Market Value	Current Weight
Large Cap Equity - Broad	Vanguard Index 500 Fund	100.0%	0.0%	\$2,467,767	21.0%
Large Cap Equity - Growth	Marsico Focus Fund	100.0%	0.0%	\$2,246,009	19.2%
Large Cap Equity - Value	Dodge & Cox Stock Fund	100.0%	0.0%	\$1,230,099	10.5%
Small Cap Equity - Growth	Wasatch Small Cap Growth Fund	100.0%	0.0%	\$358,093	3.1%
Small Cap Equity - Value	DFA Small Cap Value Fund	100.0%	0.0%	\$329,691	2.8%
International Equity - Growth	Artisan International Fund	100.0%	0.0%	\$907,045	7.7%
International Equity - Value	Templeton Foreign Equity Fund	100.0%	0.0%	\$908,999	7.8%
Fixed Income - Core Plus	Loomis Sayles Bond Fund	100.0%	0.0%	\$612,047	5.2%
Fixed Income - Core Plus	PIMCO Total Return Fund	100.0%	0.0%	\$2,663,949	22.7%
Cash - Cash	Cash	0.0%	100.0%	\$3	0.0%
<b>Sub-Total</b>				<b>\$11,723,702</b>	<b>100.0%</b>
Balanced Account - Balanced	Haggerty Memorial Scholarship			\$365,637	
Balanced Account - Balanced	Separate Endowment Fund			\$610,709	
Cash - Cash	Savings - First Federal Savings Bank			\$162,038	
Cash - Cash	Savings - First Financial Bank			\$142,234	
Cash - Cash	Short Term Investments			\$951,282	
<b>Total</b>				<b>\$13,955,602</b>	



# Northern Indiana Community Foundation

## Investment Policy Adherence

Report for Periods Ending June 30, 2009

Performance Objectives	Result	Objective Achieved
<b>Measurement Period:</b> Moving 5 Year		
Beta < 1.20	Beta = 0.96	Yes
Alpha > 0.0%	Alpha = 0.8%	Yes

Statistical Measures	Sharpe Ratio	Standard Deviation	Tracking Error	Information Ratio
<b>Total Composite</b>	<b>-0.1</b>	<b>12.5 %</b>	<b>2.1 %</b>	<b>0.4</b>
Balanced Index	-0.2	12.7	0.0	--

Asset Growth Summary (in thousands)	Qtr	YTD
Beginning Market Value	\$ 10,421	\$ 11,258
Net Contributions/(Distributions)	\$ (165)	\$ (238)
<b>Market Appreciation/(Depreciation)</b>	<b>\$ 1,468</b>	<b>\$ 704</b>
<b>Ending Market Value</b>	<b>\$ 11,724</b>	<b>\$ 11,724</b>

\* Risk Statistics are based on monthly data.

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



## Northern Indiana Community Foundation Summary of Universe Rankings

<u>Ticker</u>	<u>Fund Name</u>	<u>5-Yr or since Inc.</u>	<u>% Rank</u>
VIFSX	Vanguard Index 500 Signal <b>Broad Large Cap Universe</b>	5-Year	55
NFEPX	Columbia Marsico Focused Z <b>Large Cap Growth Universe</b>	5-Year	28
DODGX	Dodge & Cox Stock <b>Large Cap Value Universe</b>	5-Year	75
DFSVX	DFA US Small Cap Value <b>Small Cap Value Universe</b>	5-Year	73
WAAEX	Wasatch Small Cap Growth <b>Small Cap Growth Universe</b>	May-09	38
ARTIX	Artisan International	5-Year	37
TFEQX	Templeton Inst'l Foreign Equity <b>International Equity Universe</b>	5-Year	12
LSBDX	Loomis Sayles Bond	Jan-09	2
PTTRX	PIMCO Total Return <b>Core Fixed Income Universe</b>	5-Year	3

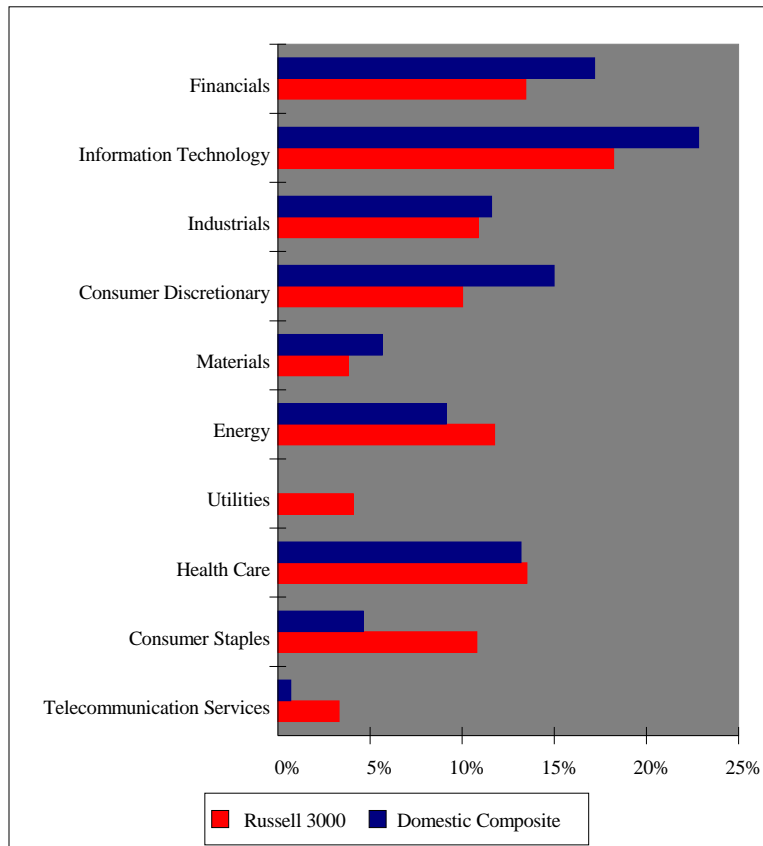


# Northern Indiana Community Foundation

## Domestic Equity Composite Sector

Report For Periods Ending June 30, 2009

### Sector Allocation



Sector	Sector Weightings		Market Total Returns	
	Domestic Composite	Russell 3000	3 Months	12 Months
Financials	17%	13%	29.0%	-35.2%
Information Technology	23	18	20.9	-18.2
Industrials	12	11	20.5	-34.8
Consumer Discretionary	15	10	20.1	-18.3
Materials	6	4	18.3	-40.4
Energy	9	12	12.5	-44.4
Utilities	0	4	11.4	-27.2
Health Care	13	14	10.4	-10.7
Consumer Staples	5	11	10.3	-10.4
Telecommunication Services	1	3	4.2	-21.6

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

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

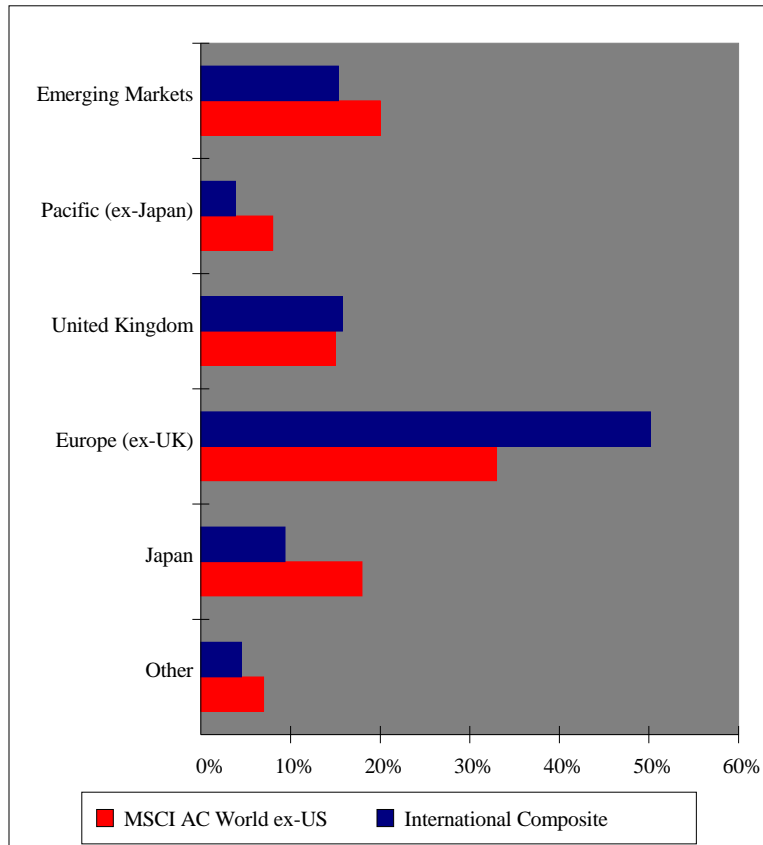


# Northern Indiana Community Foundation

## International Composite Sector

Report For Periods Ending June 30, 2009

### Region Allocation



<u>Region</u>	<u>Region Weightings</u>		<u>Market Total Returns</u>	
	<u>International Composite</u>	<u>MSCI AC World ex-US</u>	<u>3 Months</u>	<u>12 Months</u>
Emerging Markets	15%	20%	34.7%	-28.1%
Pacific (ex-Japan)	4	8	31.9	-27.7
United Kingdom	16	15	26.6	-34.2
Europe (ex-UK)	50	33	24.6	-34.7
Japan	9	18	23.0	-23.1
Other	5	7	-	-

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

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

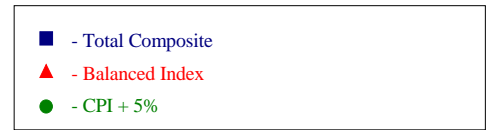
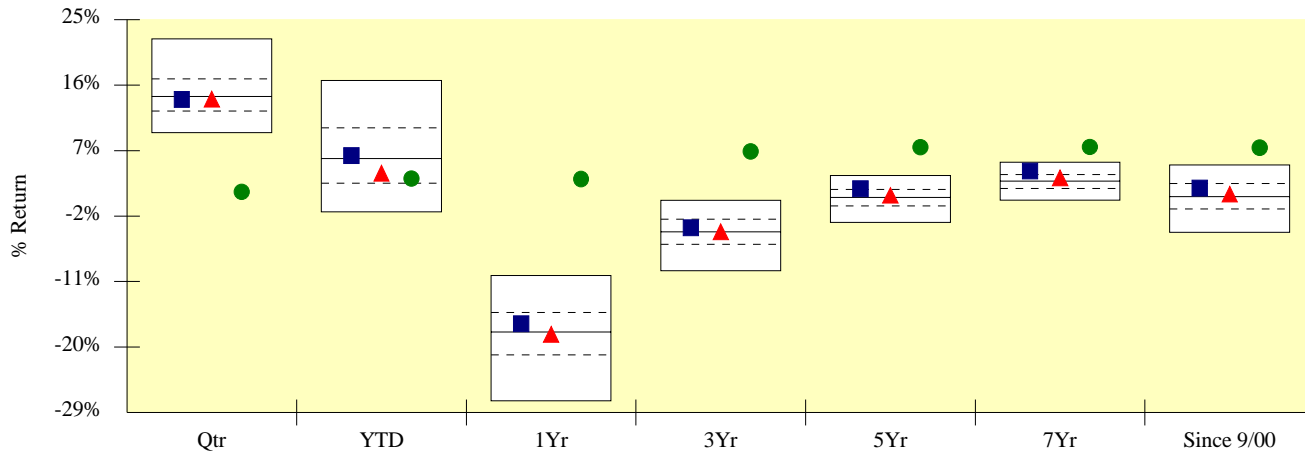


# Northern Indiana Community Foundation

## Total Composite

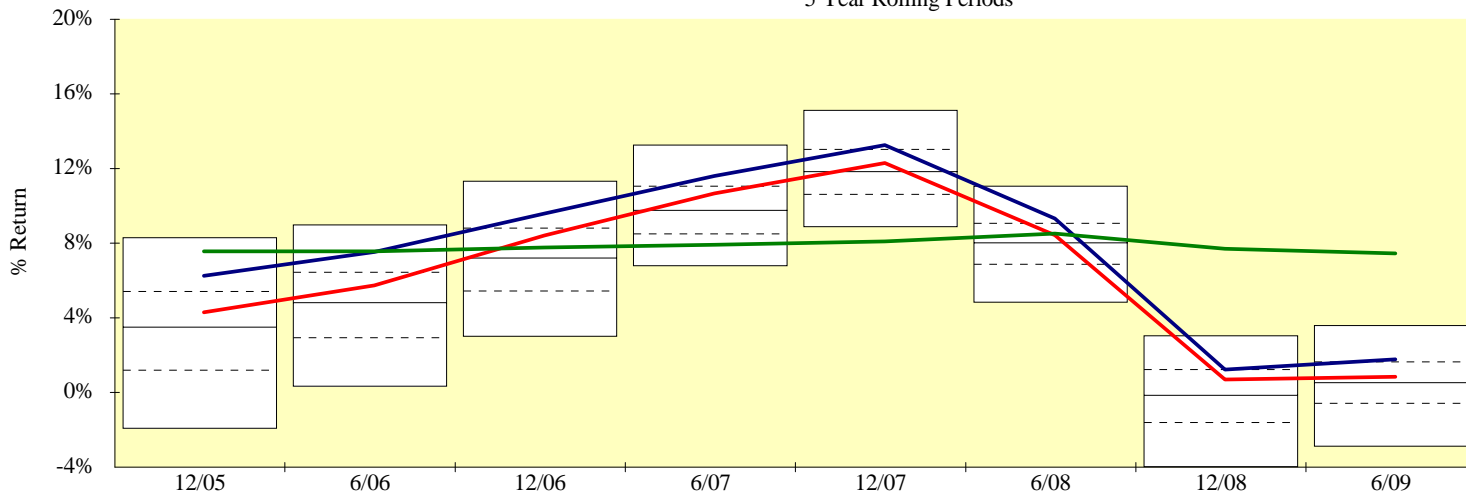
## Blended Universe

For Report Periods Ending June 30, 2009



	Qtr	YTD	1Yr	3Yr	5Yr	7Yr	Since 9/00
5th	22.4%	16.7%	-10.2%	0.2%	3.6%	5.4%	5.0%
25th	16.9	10.1	-15.2	-2.4	1.6	3.7	2.5
50th	14.4	5.9	-17.9	-4.2	0.5	2.8	0.7
75th	12.5	2.5	-21.1	-5.9	-0.6	1.8	-1.0
95th	9.5	-1.4	-27.4	-9.5	-2.9	0.2	-4.2
■	14.0%	6.3%	-16.8%	-3.6%	1.8%	4.2%	1.8%
▲	14.1	3.9	-18.3	-4.1	0.9	3.3	1.0
●	1.3	3.2	3.1	6.9	7.5	7.5	7.4

Report From December 31, 2000 to June 30, 2009  
5 Year Rolling Periods



**Blended Universe**

- 40.0% Broad Large Cap
- 15.0% Broad Small Cap
- 15.0% International Equity
- 30.0% Core Fixed Income

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% Barclays Capital Aggregate Bond Index. Please see Appendix for benchmark history.



# 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%
Barclays Capital 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%
Barclays Capital 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%
Barclays Capital Aggregate Bond Index	27.50%

### Balanced Index

Since Inception	Weight
S&P 500 Index	40.00%
Russell 2000 Index	15.00%
MSCI EAFE Index	15.00%
Barclays Capital 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%
Barclays Capital Aggregate Bond Index	27.50%





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



## CLIENT PERFORMANCE REPORTS

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