

February 23, 2015

# Asset Allocation Recommendation

Humboldt State University Advancement Foundation



# Agenda

- Asset Allocation Study Overview
- 2015 RVK Capital Market Assumptions
- Proposed Asset Allocation Target
- Potential Green Funds
- Next Steps



# Asset Allocation Study Overview



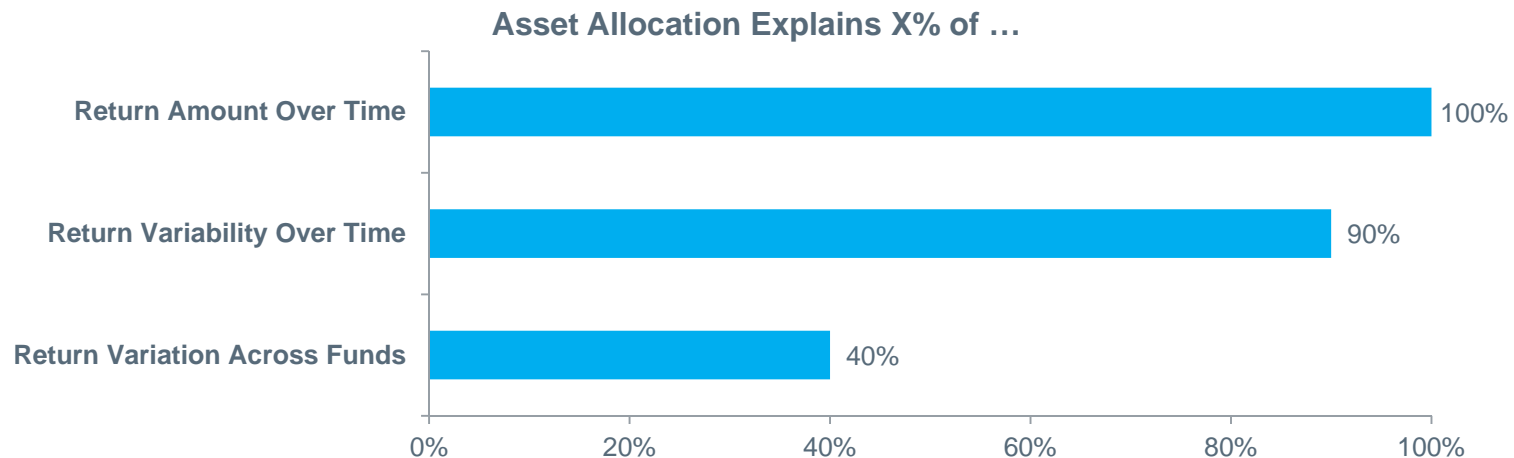
# Asset Allocation Overview

- Selecting an asset allocation is one of the most important investment decisions a fiduciary can make.
- Asset allocation involves the selection and weighting of various asset classes and is widely considered the single largest determinant of portfolio returns.
- There are two steps to the asset allocation decision:
  1. Identification of the asset classes to be considered
  2. Selection of the portfolio mix that best meets the investment policy objectives

# Asset Allocation Overview

## Why Asset Allocation is Important – Effect on Performance

- Strategic asset allocation is the most powerful determinant of total fund performance in the long run:
  - While good manager evaluation decisions will unquestionably add to performance, they cannot make up for a poorly diversified, inefficient allocation
- Multiple studies have estimated asset allocation’s effect on portfolio returns and all have concluded that asset allocation “drives” portfolio return, some findings are summarized below:



Source: Ibbotson, Roger G. and Paul D. Kaplan, 2000. “Does Asset Allocation Policy Explain 40%, 90%, or 100% of Performance?”. Financial Analysts Journal. January/February 2000, Vol.56, No.1, pp.26-33.

# 2015 RVK Capital Market Assumptions



# RVK Assumption Setting Process

## Philosophy

- Each winter, representatives from RVK's general consulting and research teams convene to update long-term forward looking expectations for each asset class utilized by our ~190 clients.
- The components we estimate include:
  - Return
  - Risk (volatility)
  - Correlation (relationship of asset class returns with all other asset classes)
- Annual updates are typically gradual and incorporate historic performance, current valuations, as well as the overall economic environment.

## Notable Themes for 2015

Asset Class	Return Expectation	Reason
US Equity		Valuations Expensive
Non-US Equity		Valuations Flat / Declining
Fixed Income		Lower Interest Rates

# Asset Class Assumptions

Asset Class	Arithmetic Return Assumption	Standard Deviation Assumption	Index	Longest Historical Time Frame	Annualized Arithmetic Return	Annualized Standard Deviation
Large/Mid Cap US Equity	7.00	17.75	S&P 500 (Cap Wtd)	Jan 1926 - Dec 2014	11.45	18.90
Dev'd Large/Mid Int'l Equity	8.00	19.00	MSCI EAFE (Gross)	Jan 1970 - Dec 2014	10.74	17.08
Small Cap US Equity	7.50	21.25	Russell 2000	Jan 1979 - Dec 2014	13.25	19.64
Dev'd Small Int'l Equity	8.50	23.00	MSCI EAFE Small Cap (Gross)	Jan 1999 - Dec 2014	9.77	18.53
Int. Duration Fixed Income	3.50	6.00	Barclays US Agg Bond	Jan 1976 - Dec 2014	7.74	5.46
Diversified Infl Strat	5.65	11.45	Custom Div Infl Strat Index*	Mar 1997 - Dec 2014	5.44	11.26
GTAA	6.50	10.00	Custom GTAA Index*	Jun 1994 - Dec 2014	7.33	9.50
Core Real Estate	6.75	12.50	NCREIF ODCE (Gross) (AWA)	Jan 1978 - Dec 2014 (Q)	8.47	5.46

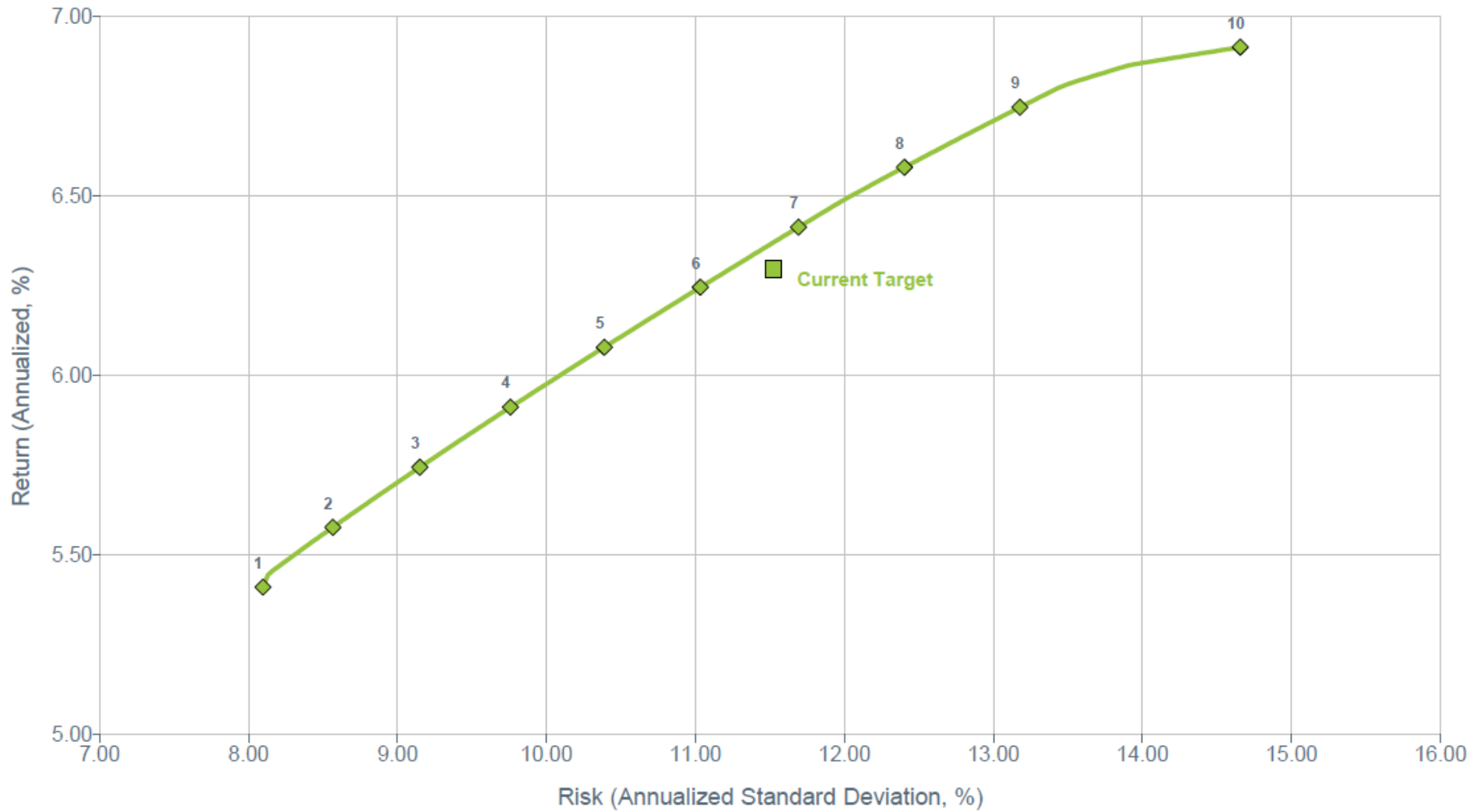
	Large/Mid Cap US Equity	Dev'd Large/Mid Int'l Equity	Small Cap US Equity	Dev'd Small Int'l Equity	Int. Duration Fixed Income	Diversified Infl Strat	GTAA	Core Real Estate
Large/Mid Cap US Equity	1.00	0.83	0.84	0.76	0.17	0.61	0.83	0.22
Dev'd Large/Mid Int'l Equity	0.83	1.00	0.75	0.92	-0.01	0.73	0.90	0.31
Small Cap US Equity	0.84	0.75	1.00	0.74	0.07	0.58	0.77	0.18
Dev'd Small Int'l Equity	0.76	0.92	0.74	1.00	0.05	0.77	0.88	0.35
Int. Duration Fixed Income	0.17	-0.01	0.07	0.05	1.00	0.22	0.26	-0.06
Diversified Infl Strat	0.61	0.73	0.58	0.77	0.22	1.00	0.87	0.37
GTAA	0.83	0.90	0.77	0.88	0.26	0.87	1.00	0.36
Core Real Estate	0.22	0.31	0.18	0.35	-0.06	0.37	0.36	1.00



# Efficient Frontier #1: Current Portfolio

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current Target
Large/Mid Cap US Equity	10	40	15	10	10	10	11	12	14	17	21	35	22
Dev'd Large/Mid Int'l Equity	10	25	10	14	16	18	20	22	24	25	25	25	19
Small Cap US Equity	0	10	0	4	6	8	9	10	10	10	10	10	5
Dev'd Small Int'l Equity	0	10	0	0	0	0	0	0	0	2	6	10	5
Int. Duration Fixed Income	15	40	40	38	33	29	25	21	17	15	15	15	22
Diversified Infl Strat	0	15	15	14	15	15	15	15	15	11	3	0	12
GTAA	0	15	15	15	15	15	15	15	15	15	15	0	10
Core Real Estate	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total</b>			100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			25	29	32	36	40	44	48	54	62	80	51
Capital Preservation			40	38	33	29	25	21	17	15	15	15	22
Alpha			15	15	15	15	15	15	15	15	15	0	10
Inflation			20	19	20	20	20	20	20	16	8	5	17
<b>Expected Return</b>			<b>5.41</b>	<b>5.58</b>	<b>5.74</b>	<b>5.91</b>	<b>6.08</b>	<b>6.24</b>	<b>6.41</b>	<b>6.58</b>	<b>6.75</b>	<b>6.91</b>	<b>6.30</b>
<b>Risk (Standard Deviation)</b>			<b>8.10</b>	<b>8.57</b>	<b>9.15</b>	<b>9.76</b>	<b>10.39</b>	<b>11.03</b>	<b>11.69</b>	<b>12.40</b>	<b>13.18</b>	<b>14.66</b>	<b>11.52</b>
Return (Compound)			5.10	5.23	5.35	5.46	5.57	5.67	5.77	5.87	5.95	5.92	5.68
Return/Risk Ratio			0.67	0.65	0.63	0.61	0.59	0.57	0.55	0.53	0.51	0.47	0.55
RVK Expected Eq Beta (LCUS Eq = 1)			0.40	0.43	0.46	0.49	0.53	0.57	0.60	0.65	0.69	0.79	0.60
RVK Liquidity Metric (T-Bills = 100)			86	85	85	86	86	86	86	86	86	87	86

# Efficient Frontier #1: Current Portfolio



# Introducing Large Cap US Equity Green Funds

## Assumption Setting

- RVK examined various approaches to estimating long-term performance expectations of green funds. Specifically, we compared three studies in order to address expected performance trade-off.
  - Study #1: Fossil Fuel Strategies – analyzed performance of three fossil fuel free funds whose track recorded varied from 9 to 15 years.
  - Study #2: ESG Strategies – evaluated performance of three ESG strategies from managers of the three fossil fuel free funds in Study #1, track records were significantly longer ranging from 22 to 28 years.
  - Study #3: ESG Index Funds – analyzed performance for ESG Indexes with 11 and 14 years of history.
- Based on these studies, we determined that a -1% adjustment to the expected return of large/mid cap US equity was appropriate for long-term return expectations of large/mid cap US equity green funds.
- Risk and correlations for our green funds assumptions were set to equal those of large/mid cap US equity.
  - Our analysis, based on limited data available, indicates there is not a significant reason to believe that expected risk or correlations of large/mid cap US equity green funds deviate from those of large/mid cap US equity.

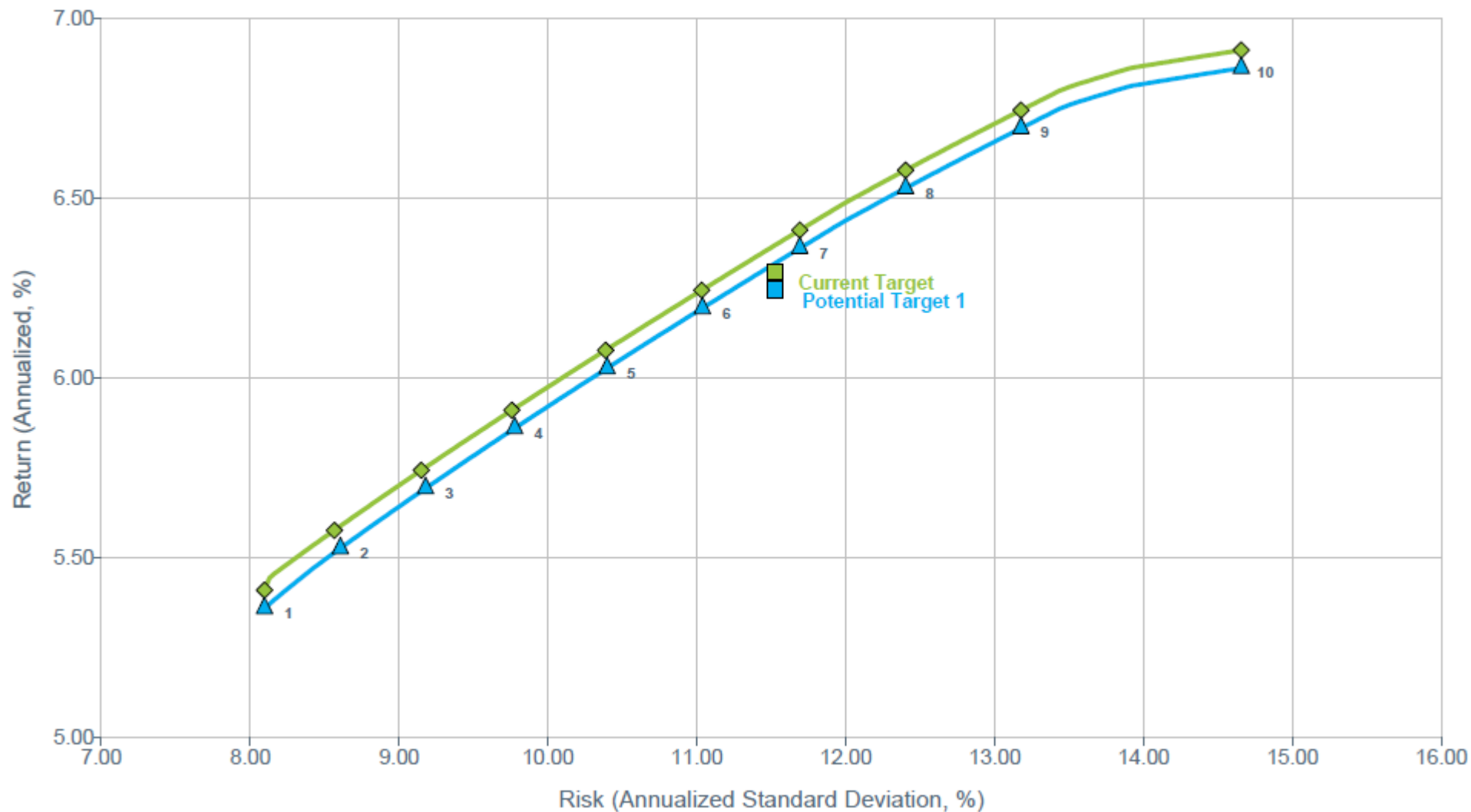
# Performance Trade-Off

- Estimating the performance trade-off generated by green funds requires multiple disclaimers:
  1. Excluding a given sector or industry may result in a performance drag for one time period, but not for another
  2. Energy's relatively poor performance in recent years may unfairly suggest a performance benefit of excluding fossil fuel-related companies
  3. As interest in fossil fuel divestment gains momentum, energy and utilities stocks may become more attractively priced as investors exit, resulting in a potential performance benefit or performance drag, depending on timing of investment

## Efficient Frontier #2: Introducing Green Funds (5%)

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current Target	Potential Target 1
Large/Mid Cap US Equity	10	40	10	10	10	10	10	10	10	12	16	30	22	17
Large/Mid Cap US Equity - GREEN	5	5	5	5	5	5	5	5	5	5	5	5	0	5
Dev'd Large/Mid Int'l Equity	10	25	10	15	16	18	20	22	24	25	25	25	19	19
Small Cap US Equity	0	10	0	0	1	3	5	7	9	10	10	10	5	5
Dev'd Small Int'l Equity	0	10	0	0	0	0	0	0	0	2	6	10	5	5
Int. Duration Fixed Income	15	40	40	38	33	29	25	21	17	15	15	15	22	22
Diversified Infl Strat	0	15	15	12	14	15	15	15	15	11	3	0	12	12
GTAA	0	15	15	15	15	15	15	15	15	15	15	0	10	10
Core Real Estate	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total</b>			100	100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			25	30	33	36	40	44	48	54	62	80	51	51
Capital Preservation			40	38	33	29	25	21	17	15	15	15	22	22
Alpha			15	15	15	15	15	15	15	15	15	0	10	10
Inflation			20	17	19	20	20	20	20	16	8	5	17	17
<b>Expected Return</b>			<b>5.36</b>	<b>5.53</b>	<b>5.69</b>	<b>5.86</b>	<b>6.03</b>	<b>6.19</b>	<b>6.36</b>	<b>6.53</b>	<b>6.70</b>	<b>6.86</b>	<b>6.30</b>	<b>6.25</b>
<b>Risk (Standard Deviation)</b>			<b>8.10</b>	<b>8.61</b>	<b>9.18</b>	<b>9.78</b>	<b>10.40</b>	<b>11.04</b>	<b>11.69</b>	<b>12.40</b>	<b>13.18</b>	<b>14.66</b>	<b>11.52</b>	<b>11.52</b>
Return (Compound)			5.05	5.18	5.29	5.41	5.52	5.62	5.72	5.82	5.90	5.87	5.68	5.63
Return/Risk Ratio			0.66	0.64	0.62	0.60	0.58	0.56	0.54	0.53	0.51	0.47	0.55	0.54
RVK Expected Eq Beta (LCUS Eq = ')			0.40	0.43	0.46	0.50	0.53	0.57	0.60	0.65	0.69	0.79	0.60	0.60
RVK Liquidity Metric (T-Bills = 100)			86	86	86	86	86	86	86	86	86	87	86	86

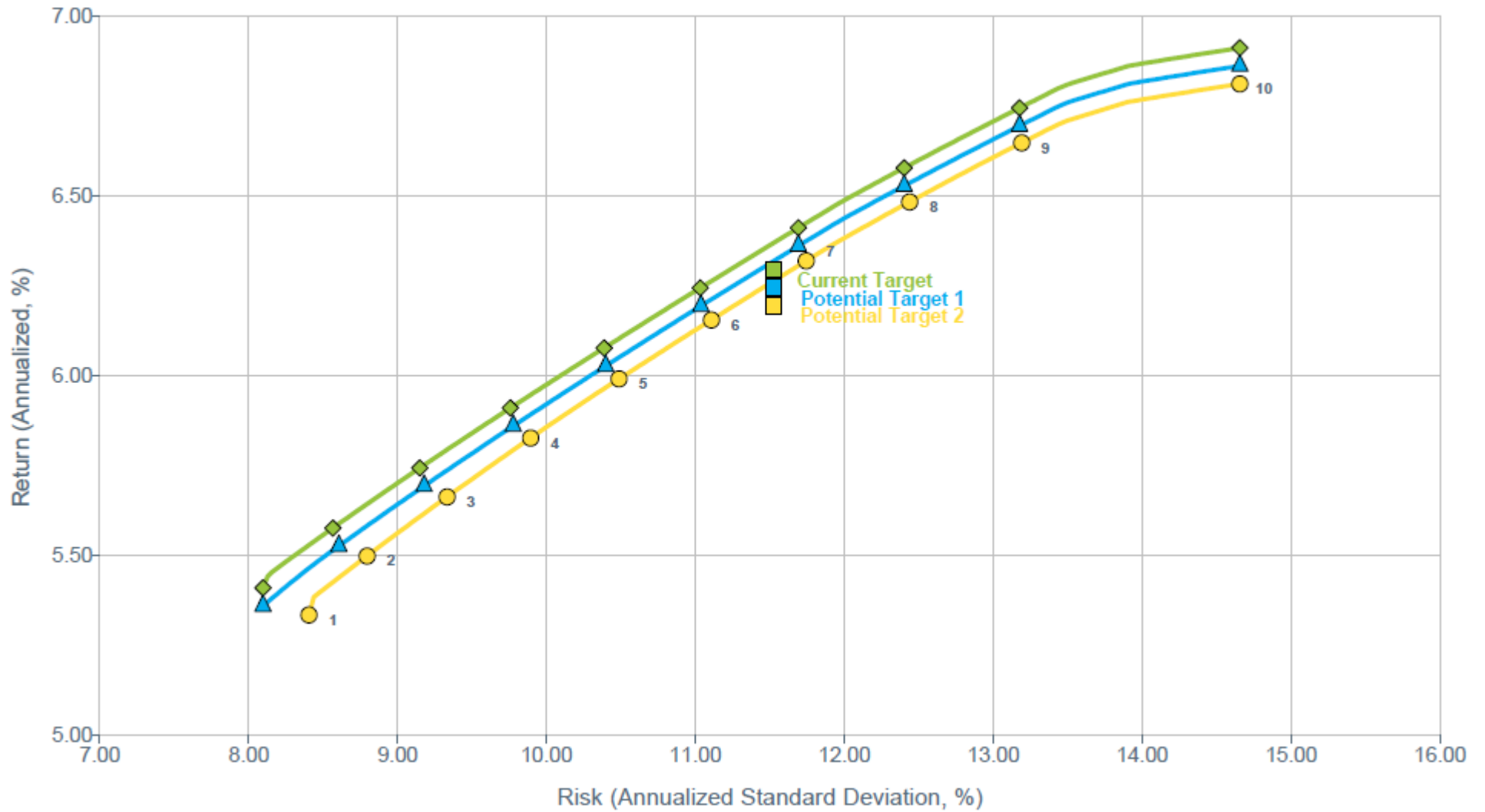
## Efficient Frontier #2: Introducing Green Funds (5%)



## Efficient Frontier #3: Introducing Green Funds (10%)

	Min	Max	1	2	3	4	5	6	7	8	9	10	Current Target	Potential Target 1	Potential Target 2
Large/Mid Cap US Equity	10	40	15	10	10	10	11	12	14	17	21	35	22	17	12
Large/Mid Cap US Equity - GREEN	10	10	0	0	0	0	0	0	0	0	0	0	0	5	10
Dev'd Large/Mid Int'l Equity	10	25	10	14	16	18	20	22	24	25	25	25	19	19	19
Small Cap US Equity	0	10	0	4	6	8	9	10	10	10	10	10	5	5	5
Dev'd Small Int'l Equity	0	10	0	0	0	0	0	0	0	2	6	10	5	5	5
Int. Duration Fixed Income	15	40	40	38	33	29	25	21	17	15	15	15	22	22	22
Diversified Infl Strat	0	15	15	14	15	15	15	15	15	11	3	0	12	12	12
GTAA	0	15	15	15	15	15	15	15	15	15	15	0	10	10	10
Core Real Estate	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total</b>			100	100	100	100	100	100	100	100	100	100	100	100	100
Capital Appreciation			25	29	32	36	40	44	48	54	62	80	51	51	51
Capital Preservation			40	38	33	29	25	21	17	15	15	15	22	22	22
Alpha			15	15	15	15	15	15	15	15	15	0	10	10	10
Inflation			20	19	20	20	20	20	20	16	8	5	17	17	17
<b>Expected Return</b>			<b>5.41</b>	<b>5.58</b>	<b>5.74</b>	<b>5.91</b>	<b>6.08</b>	<b>6.24</b>	<b>6.41</b>	<b>6.58</b>	<b>6.75</b>	<b>6.91</b>	<b>6.30</b>	<b>6.25</b>	<b>6.20</b>
<b>Risk (Standard Deviation)</b>			<b>8.10</b>	<b>8.57</b>	<b>9.15</b>	<b>9.76</b>	<b>10.39</b>	<b>11.03</b>	<b>11.69</b>	<b>12.40</b>	<b>13.18</b>	<b>14.66</b>	<b>11.52</b>	<b>11.52</b>	<b>11.52</b>
Return (Compound)			5.10	5.23	5.35	5.46	5.57	5.67	5.77	5.87	5.95	5.92	5.68	5.63	5.58
Return/Risk Ratio			0.67	0.65	0.63	0.61	0.59	0.57	0.55	0.53	0.51	0.47	0.55	0.54	0.54
RVK Expected Eq Beta (LCUS Eq =			0.40	0.43	0.46	0.49	0.53	0.57	0.60	0.65	0.69	0.79	0.60	0.60	0.60
RVK Liquidity Metric (T-Bills = 100)			86	85	85	86	86	86	86	86	86	87	86	86	86

# Efficient Frontier #3: Introducing Green Funds (10%)





# Potential Green Funds



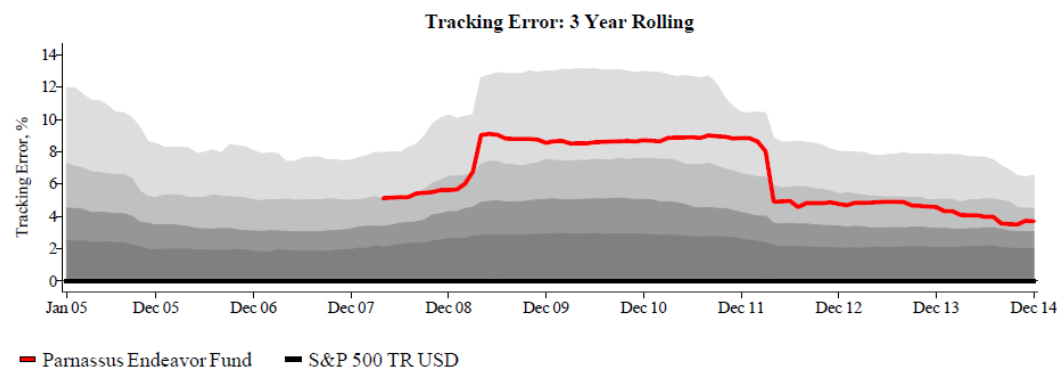
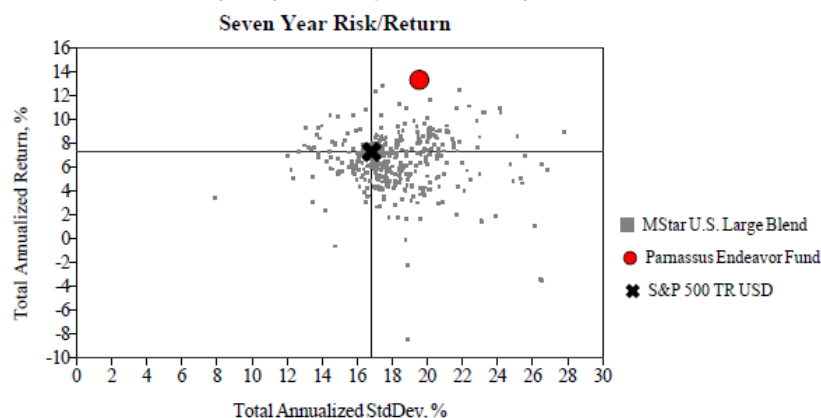
# Parnassus Endeavor

## Firm and Product Facts

Year Founded:	1984	Management Style:	Active Large Cap US Equity with a growth tilt
Firm AUM:	\$14.7 billion	ESG Screening Process:	Research Team
Product Inception:	April 2005	Holdings:	35
Product AUM:	\$770 million	Min. Investment:	\$2,000
Vehicle:	Mutual Fund	Fees:	0.95%

## ESG Focus

- Fossil Fuel Free as of May 2014. Portfolio excludes extraction, exploration, production, manufacturing, and refining companies as well as integrated oil companies and utilities with majority of assets in natural gas.
- This strategy also overweight's companies that are "good work places," with the philosophy that it will be easy to recruit and retain better employees and perform at a higher level than competitors in terms of innovation, productivity and customer loyalty, and profitability.



Annualized Performance	QTD		YTD		1 year		3 years		5 years		7 years		10 years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Parnassus Endeavor Fund	7.4	3	18.5	1	18.5	1	23.8	2	16.1	14	13.3	1	—	—
S&P 500 TR USD	4.9	38	13.7	16	13.7	16	20.4	29	15.5	25	7.3	34	7.7	33
MStar U.S. Large Blend Median	4.6	50	10.7	50	10.7	50	19.4	50	14.4	50	6.8	50	7.3	50

Calendar Year Performance	2014		2013		2012		2011		2010		2009		2008		2007		2006		2005	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Parnassus Endeavor Fund	18.5	1	31.2	64	22.0	3	-1.6	60	12.9	76	62.2	2	-29.9	10	5.6	47	14.9	55	—	—
S&P 500 TR USD	13.7	16	32.4	47	16.0	40	2.1	20	15.1	46	26.5	61	-37.0	43	5.5	48	15.8	33	4.9	65
MStar U.S. Large Blend Median	10.7	50	32.2	50	15.5	50	-0.3	50	14.9	50	28.3	50	-37.3	50	5.4	50	15.2	50	6.2	50

Performance shown is net of fees.

# Trillium Fossil Fuel Free

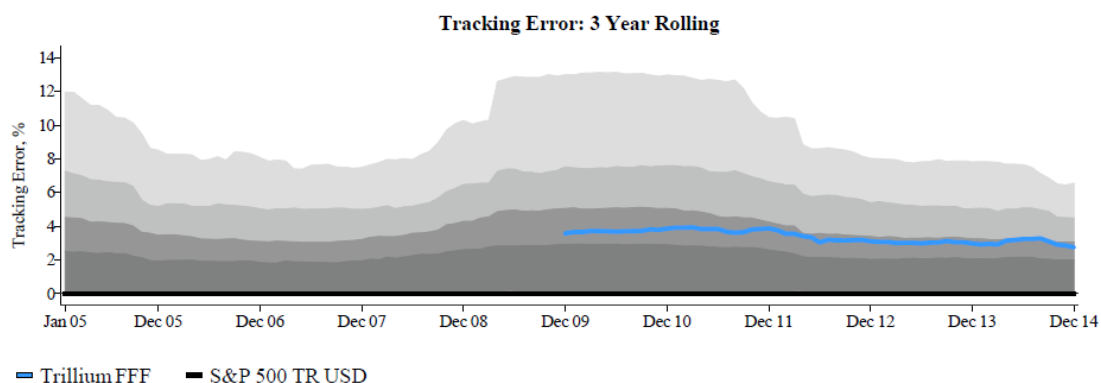
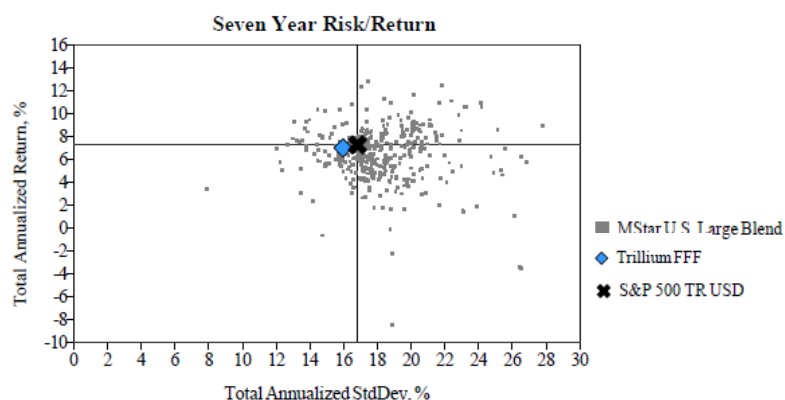
## Firm and Product Facts

Year Founded: 1982  
 Firm AUM: \$2.2 billion  
 Product Inception: January 2007  
 Product AUM: \$186 million  
 Vehicle: Separate Account

Management Style: Active All Cap US Equity  
 ESG Screening Process: Research Team  
 Holdings: 70  
 Min. Investment: \$2 million  
 Fees: 1.00%

## ESG Focus

- Integrated ESG and fundamental research. Research includes documenting ESG strengths and risks to evaluate on a sector by sector basis for issues that are most sensitive to that sector.
- Excludes 200 Fossil Fuel companies listed on the 360.org website as well as coal based companies. Negative screens are imposed to eliminate exposure to common SRI restricted industries.



Annualized Performance	QTD		YTD		1 year		3 years		5 years		7 years		10 years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TrilliumFFF	6.2	15	12.2	35	12.2	35	20.0	38	13.2	70	7.0	44	—	—
S&P 500 TR USD	4.9	38	13.7	16	13.7	16	20.4	29	15.5	25	7.3	34	7.7	33
MStar U.S. Large Blend Median	4.6	50	10.7	50	10.7	50	19.4	50	14.4	50	6.8	50	7.3	50

Calendar Year Performance	2014		2013		2012		2011		2010		2009		2008		2007		2006		2005	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TrilliumFFF	12.2	35	34.7	28	14.3	64	-1.6	60	9.2	95	30.1	38	-33.5	20	6.4	39	—	—	—	—
S&P 500 TR USD	13.7	16	32.4	47	16.0	40	2.1	20	15.1	46	26.5	61	-37.0	43	5.5	48	15.8	33	4.9	65
MStar U.S. Large Blend Median	10.7	50	32.2	50	15.5	50	-0.3	50	14.9	50	28.3	50	-37.3	50	5.4	50	15.2	50	6.2	50

Performance shown is net of fees.



# Next Steps



# Next Steps

## Manager Presentations

- RVK recommends the Finance Committee interview both Green Fund managers profiled.
- Presentations can be coordinated via conference call, either at the next Finance Committee meeting, or during an interim meeting.

## Portfolio Restructuring

- Once managers are vetted and approved, RVK will be prepared to coordinate a restructuring of the equity portfolio (example below based on Potential Target 1).
- RVK will begin researching and interviewing appropriate green funds in the fixed income and multi-asset class space.

Equity Segment	Target Allocation (%)	Change (%)	Proposed Target	Change (\$)
Large/Mid Cap US Equity	43%	-10%	33%	-1.2m
Large/Mid Cap US Equity - Green	0%	+10%	10%	+1.2m
Developed Large/Mid International Equity	37%	-	37%	-
Global Small Cap Equity	20%	-	20%	-

Change (\$) based on valuation as of December 31, 2014.

# Appendix



# Concerning Sectors & Industries - Current

	Asset Allocation		% of Market Value in Screened Stocks(1)								
	% of Total Global Equity	Market Value	Concerning Industries				Concerning Sectors				
			Aerospace/ Defense	Alcoholic Beverages	Casinos & Gaming	Tobacco	Total Excluding Defense	Energy	Utilities	Total	
<b>U.S. Equity Investment</b>											
T Rowe Price I LgCp Val (TILCX)	14%	\$1,796,211	6.19%	0.00%	0.00%	1.04%	7.23%	1.04%	9.44%	7.53%	16.97%
Vanguard 500 Index;Adm (VFIAX)	14%	\$1,824,389	2.67%	0.24%	0.07%	1.46%	4.44%	1.77%	8.44%	3.23%	11.67%
INTECH Risk-Mgd Large Cap Growth (CF)	13%	\$1,743,494	4.36%	1.03%	0.31%	2.81%	8.51%	4.15%	7.52%	0.80%	8.32%
DFA US Small Cap;I (DFSTX)	9%	\$1,141,720	2.28%	0.21%	0.36%	0.16%	3.01%	0.73%	3.01%	3.24%	6.25%
<b>International Equity Investments</b>											
Dodge & Cox Intl Stock (DODFX)	10%	\$1,357,681	0.00%	0.45%	0.00%	1.63%	2.08%	2.08%	5.16%	0.00%	5.16%
American Funds EuPc;F-2 (AEPFX)	11%	\$1,392,048	1.56%	1.65%	1.18%	2.09%	6.48%	4.92%	2.08%	2.17%	4.25%
Vanguard Tot I Stk;Adm (VTIAX)	10%	\$1,334,240	0.80%	1.72%	0.48%	1.03%	4.03%	3.23%	7.20%	3.50%	10.70%
DFA Intl Sm Co;I (DFISX)	8%	\$1,004,861	1.40%	0.44%	1.38%	0.00%	3.22%	1.82%	4.02%	2.04%	6.06%
<b>Global Equity Investments</b>											
BlackRock:GI Alloc;I (MALOX) - Equity Only	12%	\$1,633,878	2.22%	0.70%	0.00%	0.00%	2.92%	0.70%	7.19%	3.72%	10.91%
Humboldt State Total U.S. Equity	49%	\$6,505,814	4.03%	0.38%	0.17%	1.48%	6.05%	2.02%	7.52%	3.77%	11.28%
Humboldt State Total International Equity	38%	\$5,088,831	0.91%	1.11%	0.72%	1.28%	4.02%	3.11%	4.63%	1.91%	6.54%
Humboldt State Total Global Equity	100%	\$13,228,523	2.61%	0.70%	0.36%	1.22%	4.88%	2.28%	6.36%	3.05%	9.41%
Humboldt State Total Investment Portfolio		\$25,921,902	1.33%	0.36%	0.18%	0.62%	2.49%	1.16%	3.25%	1.56%	4.80%
Total in U.S. Equity Market (\$ Billions) (2)		\$25,146	\$598	\$49	\$88	\$301	\$1,036	\$438	\$2,249	\$796	\$3,045
Screened Industries as a % of Total U.S. Equity Market			2.38%	0.19%	0.35%	1.20%	4.12%	1.74%	8.94%	3.17%	12.11%
Total in Global Equity Market (\$ Billions) (2)		\$68,470	\$896	\$915	\$323	\$639	\$2,773	\$1,877	\$5,220	\$2,470	\$7,690
Screened Industries as a % of Global Equity Market			1.31%	1.34%	0.47%	0.93%	4.05%	2.74%	7.62%	3.61%	11.23%

# Concerning Sectors & Industries - Potential Target 1

	Asset Allocation		% of Market Value in Screened Stocks(1)								
	% of Total Global Equity	Market Value	Concerning Industries				Total Excluding Defense	Concerning Sectors			
			Aerospace/ Defense	Alcoholic Beverages	Casinos & Gaming	Tobacco		Energy	Utilities	Total	
<b>U.S. Equity Investment</b>											
T Rowe Price I LgCp Val (TILCX)	10%	\$1,468,908	6.19%	0.00%	0.00%	1.04%	7.23%	1.04%	9.44%	7.53%	16.97%
Vanguard 500 Index;Adm (VFIAX)	10%	\$1,468,908	2.67%	0.24%	0.07%	1.46%	4.44%	1.77%	8.44%	3.23%	11.67%
INTECH Risk-Mgd Large Cap Growth (CF)	10%	\$1,468,908	4.36%	1.03%	0.31%	2.81%	8.51%	4.15%	7.52%	0.80%	8.32%
DFA US Small Cap;I (DFSTX)	9%	\$1,296,095	2.28%	0.21%	0.36%	0.16%	3.01%	0.73%	3.01%	3.24%	6.25%
Green Fund (PENDING)	9%	\$1,296,095	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>International Equity Investments</b>											
Dodge & Cox Intl Stock (DODFX)	11%	\$1,641,720	0.00%	0.45%	0.00%	1.63%	2.08%	2.08%	5.16%	0.00%	5.16%
American Funds EuPc;F-2 (AEPFX)	11%	\$1,641,720	1.56%	1.65%	1.18%	2.09%	6.48%	4.92%	2.08%	2.17%	4.25%
Vanguard Tot I Stk;Adm (VTIAX)	11%	\$1,641,720	0.80%	1.72%	0.48%	1.03%	4.03%	3.23%	7.20%	3.50%	10.70%
DFA Intl Sm Co;I (DFISX)	9%	\$1,296,095	1.40%	0.44%	1.38%	0.00%	3.22%	1.82%	4.02%	2.04%	6.06%
<b>Global Equity Investments</b>											
BlackRock:Gl Alloc;I (MALOX) - Equity Only	11%	\$1,633,878	2.22%	0.70%	0.00%	0.00%	2.92%	0.70%	7.19%	3.72%	10.91%
Humboldt State Total U.S. Equity	47%	\$5,702,818	3.92%	0.37%	0.18%	1.40%	5.88%	1.96%	7.23%	3.71%	10.94%
Humboldt State Total International Equity	42%	\$6,221,256	0.91%	1.10%	0.73%	1.25%	3.99%	3.08%	4.65%	1.92%	6.57%
Humboldt State Total Global Equity	100%	\$14,854,048	2.13%	0.68%	0.37%	1.06%	4.25%	2.12%	5.51%	2.64%	8.15%
Humboldt State Total Investment Portfolio		\$25,921,902	1.22%	0.39%	0.21%	0.61%	2.44%	1.21%	3.16%	1.51%	4.67%
Total in U.S. Equity Market (\$ Billions) (2)		\$25,146	\$598	\$49	\$88	\$301	\$1,036	\$438	\$2,249	\$798	\$3,045
Screened Industries as a % of Total U.S. Equity Market			2.38%	0.19%	0.35%	1.20%	4.12%	1.74%	8.94%	3.17%	12.11%
Total in Global Equity Market (\$ Billions) (2)		\$68,470	\$896	\$915	\$323	\$639	\$2,773	\$1,877	\$5,220	\$2,470	\$7,690
Screened Industries as a % of Global Equity Market			1.31%	1.34%	0.47%	0.93%	4.05%	2.74%	7.62%	3.61%	11.23%



# Concerning Sectors & Industries - Potential Target 2

	Asset Allocation		% of Market Value in Screened Stocks(1)								
	% of Total Global Equity	Market Value	Concerning Industries				Concerning Sectors				
			Aerospace/ Defense	Alcoholic Beverages	Casinos & Gaming	Tobacco	Total Excluding Defense	Energy	Utilities	Total	
<b>U.S. Equity Investment</b>											
T Rowe Price I LgCp Val (TILCX)	7%	\$1,036,876	6.19%	0.00%	0.00%	1.04%	7.23%	1.04%	9.44%	7.53%	16.97%
Vanguard 500 Index;Adm (VFIAX)	7%	\$1,036,876	2.67%	0.24%	0.07%	1.46%	4.44%	1.77%	8.44%	3.23%	11.67%
INTECH Risk-Mgd Large Cap Growth (CF)	7%	\$1,036,876	4.36%	1.03%	0.31%	2.81%	8.51%	4.15%	7.52%	0.80%	8.32%
DFA US Small Cap;I (DFSTX)	9%	\$1,296,095	2.28%	0.21%	0.36%	0.16%	3.01%	0.73%	3.01%	3.24%	6.25%
Green Fund (PENDING)	17%	\$2,592,190	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>International Equity Investments</b>											
Dodge & Cox Intl Stock (DODFX)	11%	\$1,641,720	0.00%	0.45%	0.00%	1.83%	2.08%	2.08%	5.16%	0.00%	5.16%
American Funds EuPc;F-2 (AEPFX)	11%	\$1,641,720	1.56%	1.65%	1.18%	2.09%	6.48%	4.92%	2.08%	2.17%	4.25%
Vanguard Tot I Stk;Adm (VTIAX)	11%	\$1,641,720	0.80%	1.72%	0.48%	1.03%	4.03%	3.23%	7.20%	3.50%	10.70%
DFA Intl Sm Co;I (DFISX)	9%	\$1,296,095	1.40%	0.44%	1.38%	0.00%	3.22%	1.82%	4.02%	2.04%	6.06%
<b>Global Equity Investments</b>											
BlackRock:GI Alloc;I (MALOX) - Equity Only	11%	\$1,633,878	2.22%	0.70%	0.00%	0.00%	2.92%	0.70%	7.19%	3.72%	10.91%
Humboldt State Total U.S. Equity	47%	\$4,406,723	3.78%	0.36%	0.20%	1.30%	5.63%	1.85%	6.86%	3.67%	10.53%
Humboldt State Total International Equity	42%	\$6,221,256	0.91%	1.10%	0.73%	1.25%	3.99%	3.08%	4.65%	1.92%	6.57%
Humboldt State Total Global Equity	100%	\$14,854,048	1.75%	0.64%	0.36%	0.91%	3.67%	1.92%	4.77%	2.30%	7.08%
Humboldt State Total Investment Portfolio		\$25,921,902	1.00%	0.37%	0.21%	0.52%	2.10%	1.10%	2.74%	1.32%	4.05%
Total in U.S. Equity Market (\$ Billions) (2)		\$25,146	\$598	\$49	\$88	\$301	\$1,036	\$438	\$2,249	\$796	\$3,045
Screened Industries as a % of Total U.S. Equity Market			2.38%	0.19%	0.35%	1.20%	4.12%	1.74%	8.94%	3.17%	12.11%
Total in Global Equity Market (\$ Billions) (2)		\$68,470	\$896	\$915	\$323	\$639	\$2,773	\$1,877	\$5,220	\$2,470	\$7,690
Screened Industries as a % of Global Equity Market			1.31%	1.34%	0.47%	0.93%	4.05%	2.74%	7.62%	3.61%	11.23%

PORTLAND

CHICAGO

NEW YORK

