

December 31, 2013



**City of Atlanta General Employees  
Pension Fund**

**Investment Measurement Service  
Quarterly Review**

---

## Table of Contents

### December 31, 2013

---

#### Market Overview

Domestic Equity Overview	2
Domestic Fixed Income Overview	3
International Equity Overview	4
International Fixed Income Overview	5

---

#### Asset Allocation and Performance

Actual vs. Target Asset Allocation	7
Quarterly Total Fund Attribution	8
Asset Distribution Across Investment Managers	9
Manager Performance	10
Manager Performance	11
Manager Performance	12
Manager Performance	13
Total Fund	14
Total Fund Ranking	17

---

#### Large Cap Equity

Composite Performance	19
Morgan Stanley	24
Rhumblin Equal - WTD S&P 500 Index	29
Vanguard S&P 500 Index Fund	32

---

#### Mid Cap Equity

Composite Performance	36
Cornerstone Capital Management	41
Ceredex MidCap Value	46

---

#### Small Cap Equity

Composite Performance	52
Earnest Partners Small Cap Core	57
Jennison	62
Channing Capital Management	65

---

#### International Equity

Composite Performance	69
Johnston Asset Management	72
Artisan Partners	75

---

#### Balanced

Global Tactical ETF	79
---------------------	----

---

**Table of Contents**  
**December 31, 2013**

---

**Fixed Income**

Composite Performance	81
JP Morgan Chase	84
Mesirow Financial	87
NTGI Intermediate Govt/Credit Index	90

---

**Alternative Investment**

GrayCo Alternative Partners II	92
--------------------------------	----

---

**Callan Research/Education**

93

---

**Disclosures**

99



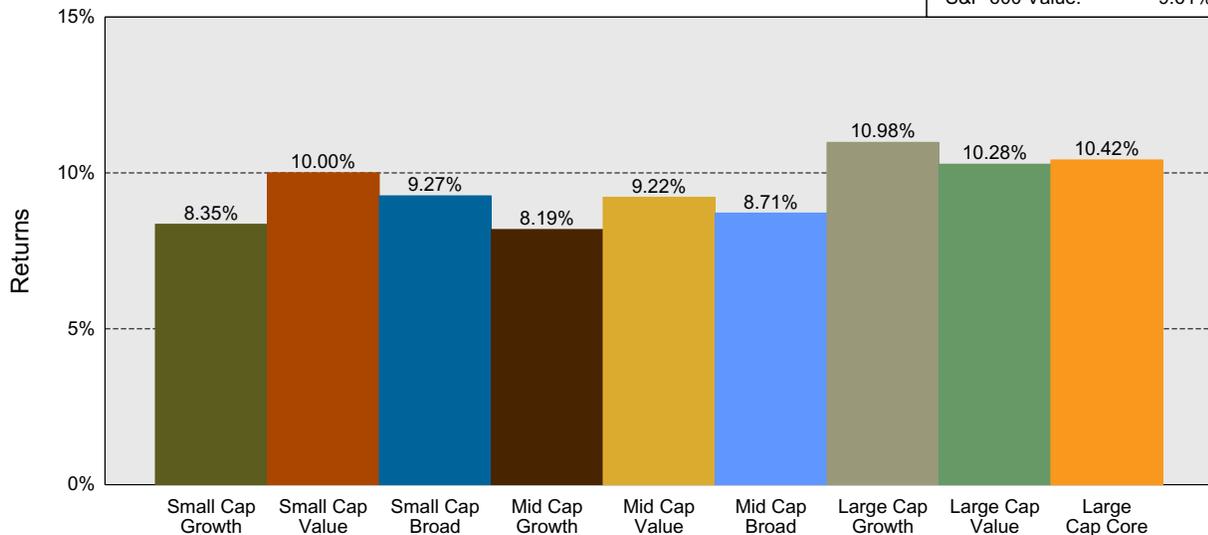
## Domestic Equity Active Management Overview

### Domestic Equity

The strong bull market of 2013 continued through the 4th quarter of the year with all major equity indices posting solid gains. By and large, domestic equity indices outpaced active management with exceptions within the mid cap space as well as the large cap and small cap value spaces, where the median separate account manager outpaced its respective index. For the one year period ending December 31, 2013, the trend was reversed with active management essentially across the domestic equity styles outpacing the indices. Small value was the exception there with modest outperformance by the index relative to the median separate account manager. For the recent quarter, large cap outpaced small cap across the style spectrum, and growth outperformed value within both large cap and small cap. Mid cap was the laggard relative to large and small cap in the 4th quarter, although the S&P Mid Cap index posted a strong 8.3% absolute return. For the 2013 calendar year, small growth was the clear winner with a 42.7% return for the S&P 600 Growth index and a return of 46.7% for the median small growth manager. Returns for the one-year period were quite strong across the domestic equity spectrum. Small cap outpaced large cap by a wide margin, and growth outperformed value within both large cap and small cap, although the spread was modest.

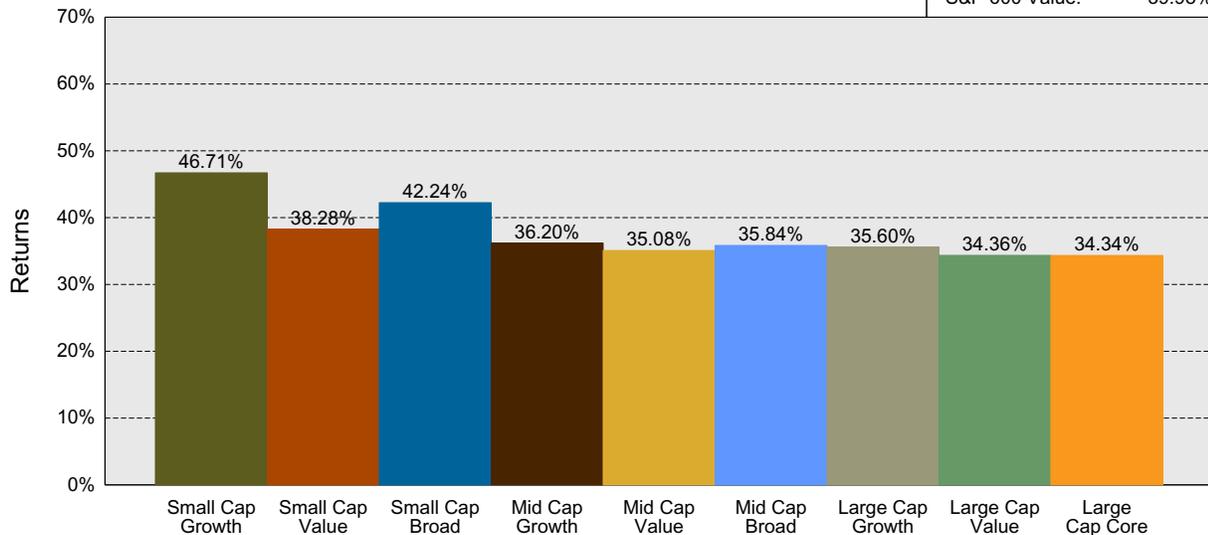
S&P 500:	10.51%
S&P 500 Growth:	11.15%
S&P 500 Value:	9.83%
S&P Mid Cap:	8.33%
S&P 600:	9.83%
S&P 600 Growth:	10.06%
S&P 600 Value:	9.61%

### Separate Account Style Group Median Returns for Quarter Ended December 31, 2013



S&P 500:	32.39%
S&P 500 Growth:	32.75%
S&P 500 Value:	31.99%
S&P Mid Cap:	33.50%
S&P 600:	41.31%
S&P 600 Growth:	42.69%
S&P 600 Value:	39.98%

### Separate Account Style Group Median Returns for One Year Ended December 31, 2013



## Domestic Fixed Income Active Management Overview

### Active vs. the Index

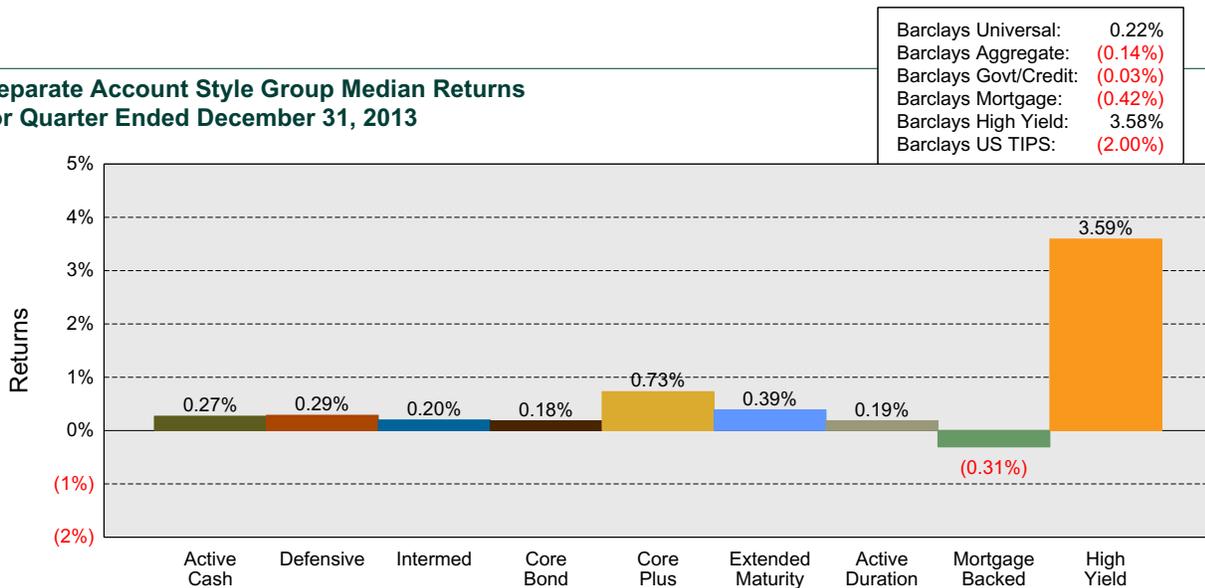
The yield on the 10-year U.S. Treasury Note climbed 40 bps during the 4th quarter to close at 3.04%, its high for 2013 and its highest level since mid-2011. After rallying into October as the government shutdown threatened economic growth, yields climbed steadily through year-end on a fairly continuous string of encouraging economic data. The Barclays Aggregate Index posted a -0.1% result, bringing its 2013 return to -2.0%; its worst return since 1994. Corporate bonds strongly outperformed like-duration Treasuries for both the quarter and the year. High yield corporates continued to post very strong results with the Barclays High Yield Index up 3.6% for the quarter and 7.4% for the full year. Lower quality bonds outperformed among both investment grade and high yield for the quarter and the year.

For the quarter ended December 31, 2013, the median Core Bond manager returned 0.18% and the median Core Plus manager returned 0.73%, both outperforming the Barclays Aggregate Index (-0.14%). For the trailing twelve month period, the median Core Bond manager (-1.52%) underperformed the median Core Plus manager (-0.59%) while both fared better than the Barclays Aggregate Index (-2.02%). The median High Yield manager posted the best returns for both periods; 3.59% for the quarter and 7.46% for the 1-year period with both returns in line with the Barclays High Yield Index.

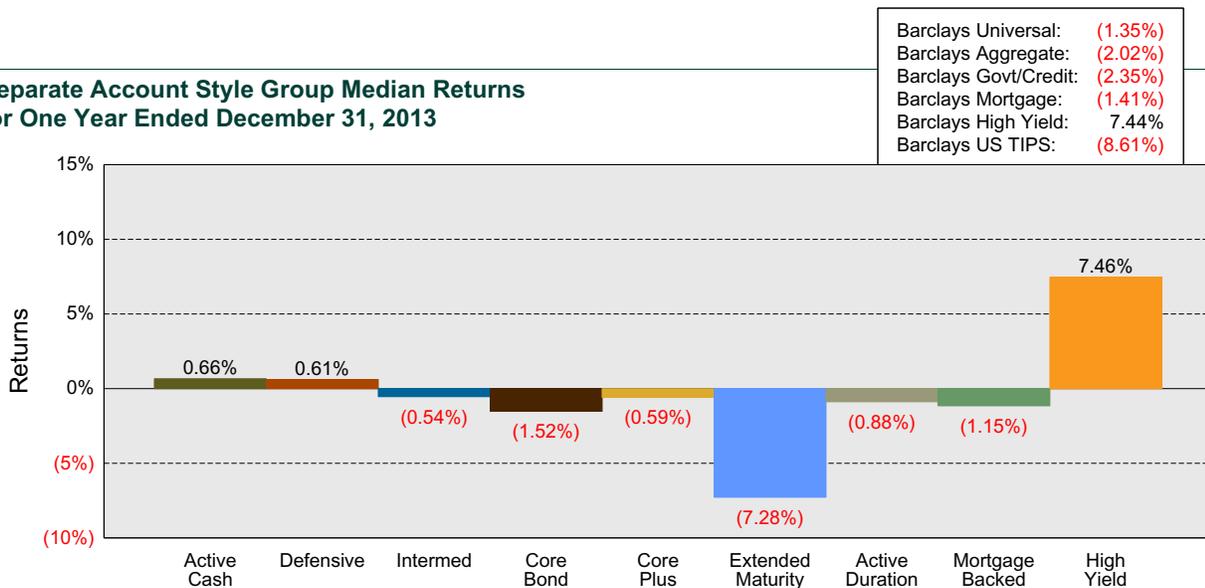
### Intermediate vs. Long Duration

Longer duration managers slightly outperformed intermediate duration managers in the 4th quarter. The median Extended Maturity manager returned 0.39% while the median Intermediate manager posted a 0.20% return. For the trailing twelve month period, the median Extended Maturity manager returned -7.28%, sharply below the median Intermediate manager's return (-0.54%).

### Separate Account Style Group Median Returns for Quarter Ended December 31, 2013



### Separate Account Style Group Median Returns for One Year Ended December 31, 2013



## International Equity Active Management Overview

### Active vs. the Index

Foreign equities lagged their U.S. counterparts in both local currency and U.S. dollar terms (MSCI EAFE US\$: +5.7%, Local: +6.4%). Currency impacts were mixed in the 4th quarter as the euro and UK pound strengthened while the Japanese yen and Australian dollar weakened. Active management outperformed passive by a thin margin within both developed large core and emerging markets.

### Europe

The MSCI Europe Index returned 7.9% for the 4th quarter, trailing the Europe peer group median (+8.5%) by 60 bps. Europe was the top-performing region for the recent quarter, outpacing the other broad regions in some cases by several hundred basis points. MSCI Europe closed the 2013 year among the top performing non-US indices with a return of 25.2%.

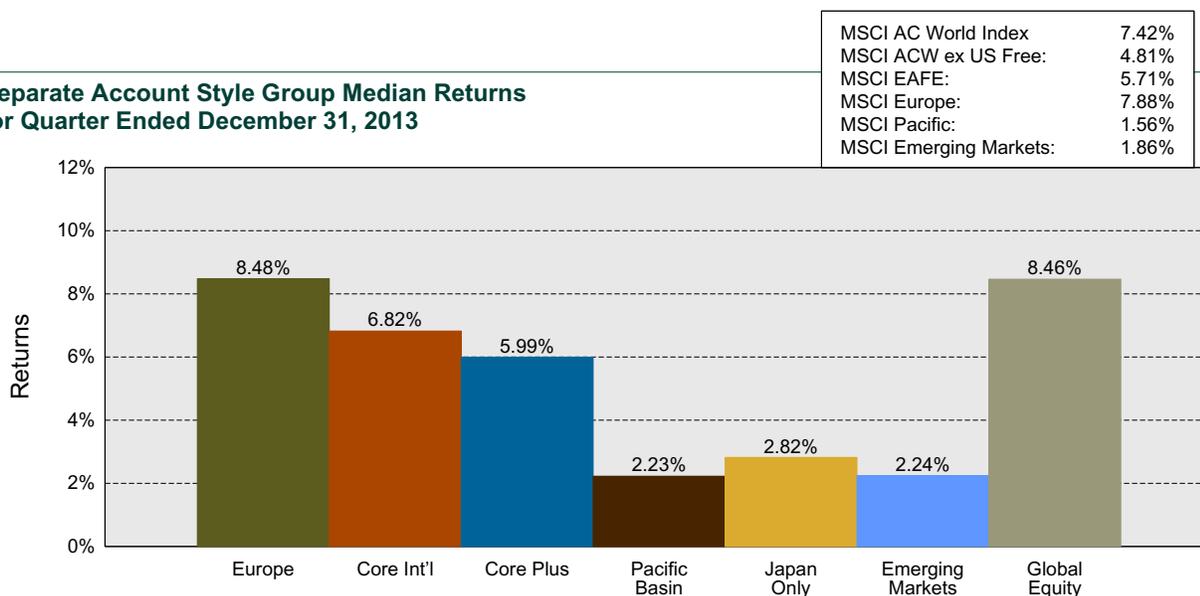
### Pacific

The MSCI Pacific Index posted a return of 1.6% for the 4th quarter. The median of the active Pacific Basin peer group modestly outpaced the index with its 2.2% return. The median of the Japan peer group posted a return of 2.8%.

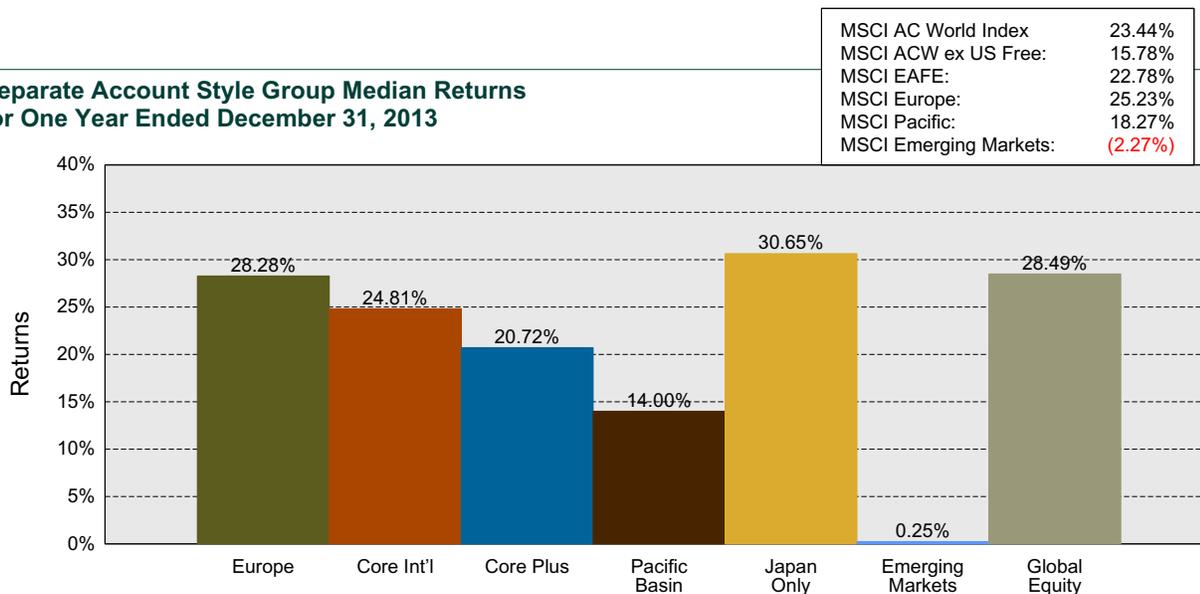
### Emerging Markets

Emerging market equities continued to be significant laggards relative to the rest of the developed world and widely trailed developed market results particularly for the 2013 calendar year. For the 4th quarter, active emerging market managers outpaced the Index by a narrow margin (MSCI EM: 1.9%, median 2.2%). The Index finished the year in negative territory with a -2.3% return and the separate account median eked out a 0.3% positive return.

### Separate Account Style Group Median Returns for Quarter Ended December 31, 2013



### Separate Account Style Group Median Returns for One Year Ended December 31, 2013



## International Fixed Income Active Management Overview

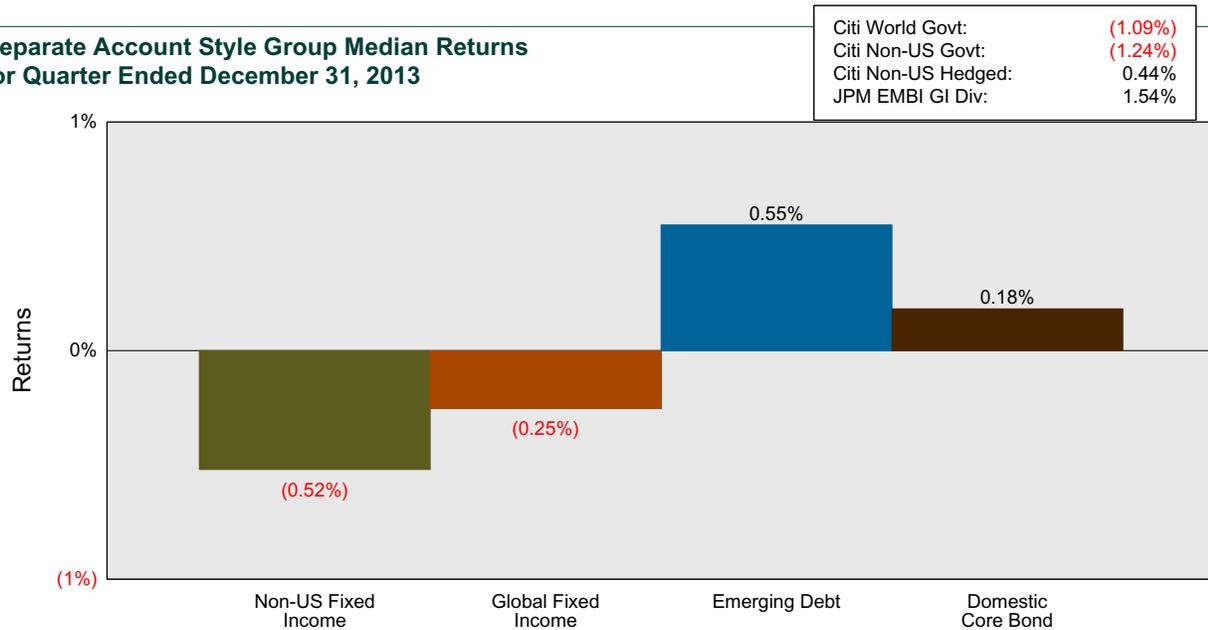
### Active vs. the Index

Performance among developed fixed income markets was mixed in the 4th quarter with Spain and Italy performing well and the UK and Germany posting weaker results. Hedged indices outperformed for both the quarter and the year, due largely to depreciation in the Japanese yen versus the U.S. dollar. The yen sank over 20% versus the U.S. dollar in 2013, the most since 1979, as the Bank of Japan initiated a massive stimulus program to combat its long battle with deflation. The Citi Non-US World Government Bond Index returned -1.2% for the quarter (unhedged) and the hedged version posted a 0.4% return. For the full year, the hedged index (+1.4%) outperformed the unhedged (-4.6%) by 600 bps.

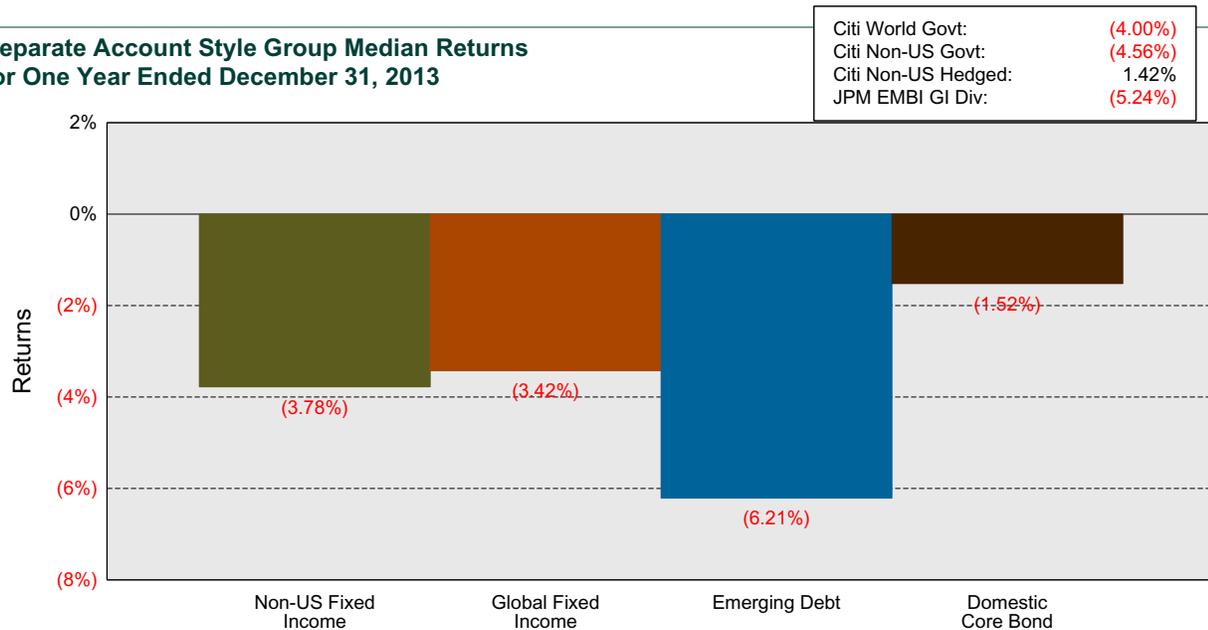
### Emerging Markets

Emerging market debt delivered mixed results over the quarter. U.S. dollar-denominated sovereign debt performed relatively well as measured by the JPM EMBI Global Diversified Index, which returned 1.5% for the quarter, while local currency emerging market debt continued to sell off. The local debt JPM GBI-EM Global Diversified Index fell 1.5% for the quarter. Both benchmark indices remain sharply down for the full year (-5.2%; -9.0%, respectively) on worries over the impact on developing countries of a slowing and eventual cessation of Fed stimulus.

### Separate Account Style Group Median Returns for Quarter Ended December 31, 2013



### Separate Account Style Group Median Returns for One Year Ended December 31, 2013

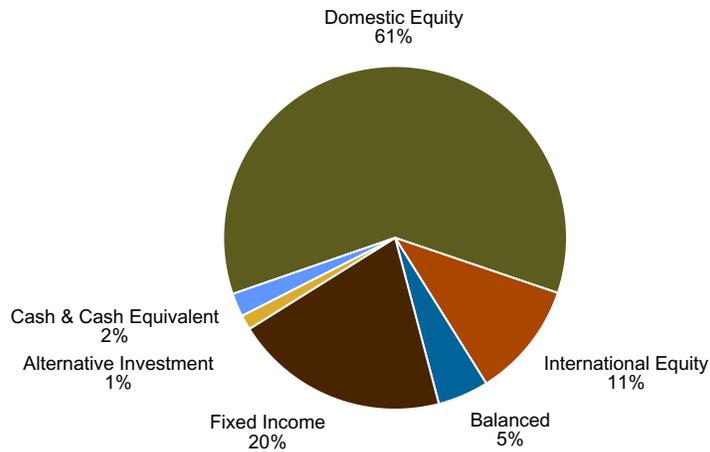




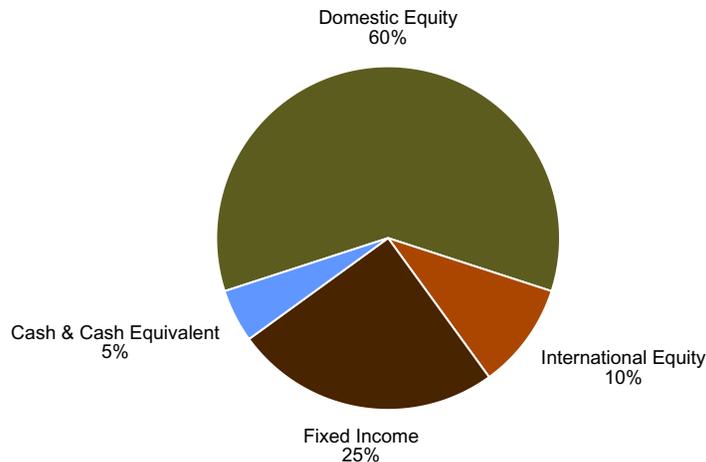
## Actual vs Target Asset Allocation As of December 31, 2013

The first chart below shows the Fund's asset allocation as of December 31, 2013. The second chart shows the Fund's target asset allocation as outlined in the investment policy statement.

### Actual Asset Allocation



### Target Asset Allocation



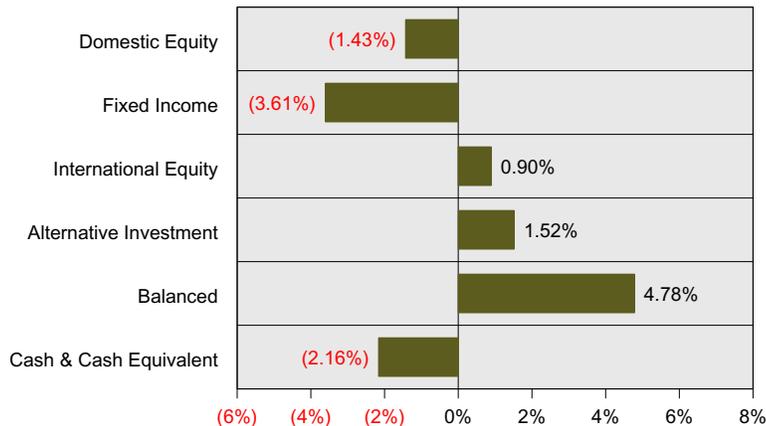
Asset Class	\$000s Actual	Weight Actual	Target	Percent Difference	\$000s Difference
Domestic Equity	746,779	60.5%	60.0%	0.5%	6,635
International Equity	134,553	10.9%	10.0%	0.9%	11,196
Balanced	59,095	4.8%	0.0%	4.8%	59,095
Fixed Income	248,883	20.2%	25.0%	(4.8%)	(59,511)
Alternative Investment	17,677	1.4%	0.0%	1.4%	17,677
Cash & Cash Equivalent	26,586	2.2%	5.0%	(2.8%)	(35,093)
Total	1,233,574	100.0%	100.0%		

\* Current Quarter Target = 60.0% S&P 500 Index, 25.0% Barclays Aggregate Index, 10.0% MSCI EAFE US\$ Gross Div and 5.0% 3-month Treasury Bill.

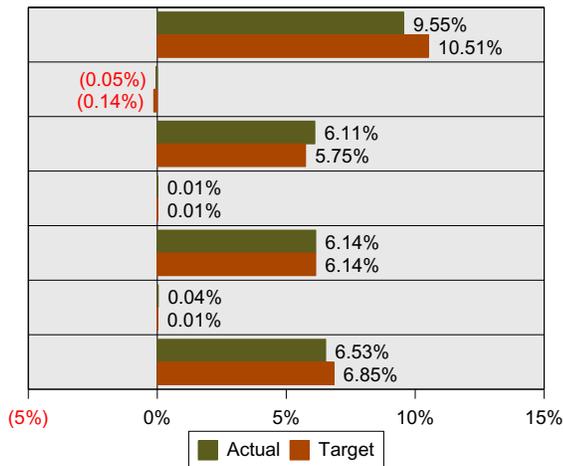
## Quarterly Total Fund Relative Attribution - December 31, 2013

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

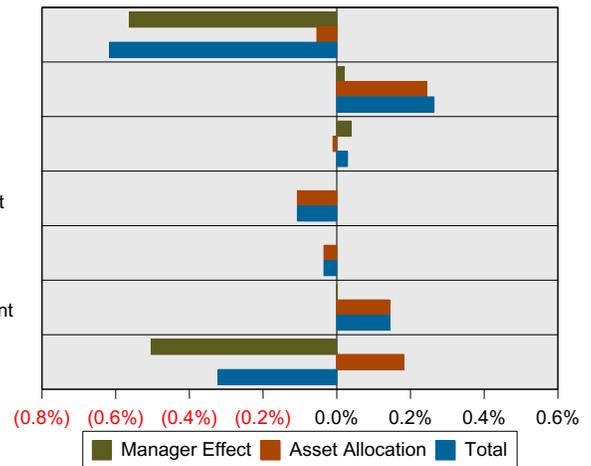
### Asset Class Under or Overweighting



### Actual vs Target Returns



### Relative Attribution by Asset Class



### Relative Attribution Effects for Quarter ended December 31, 2013

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	59%	60%	9.55%	10.51%	(0.56%)	(0.05%)	(0.62%)
Fixed Income	21%	25%	(0.05%)	(0.14%)	0.02%	0.24%	0.26%
International Equity	11%	10%	6.11%	5.75%	0.04%	(0.01%)	0.03%
Alternative Investment	2%	0%	0.01%	0.01%	0.00%	(0.11%)	(0.11%)
Balanced	5%	0%	6.14%	6.14%	0.00%	(0.03%)	(0.03%)
Cash & Cash Equivalent	3%	5%	0.04%	0.01%	0.00%	0.14%	0.14%
<b>Total</b>			<b>6.53%</b>	<b>6.85%</b>	<b>(0.50%)</b>	<b>0.18%</b>	<b>(0.32%)</b>

\* Current Quarter Target = 60.0% S&P 500 Index, 25.0% Barclays Aggregate Index, 10.0% MSCI EAFE US\$ Gross Div and 5.0% 3-month Treasury Bill.

## Investment Fund Balances

The table below compares the fund's investment fund balances as of December 31, 2013 with that of September 30, 2013. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

### Asset Distribution Across Investment Funds

	December 31, 2013		Net New Inv.	Inv. Return	September 30, 2013	
	Market Value	Weight			Market Value	Weight
<b>Domestic Equity</b>	<b>\$746,779,261</b>	<b>60.54%</b>	<b>\$12,623</b>	<b>\$65,101,480</b>	<b>\$681,665,159</b>	<b>58.25%</b>
<b>Large Cap Equity</b>	<b>\$349,132,560</b>	<b>28.30%</b>	<b>\$649</b>	<b>\$33,159,228</b>	<b>\$315,972,683</b>	<b>27.00%</b>
Morgan Stanley Large Cap Core	88,334,194	7.16%	649	8,826,391	79,507,154	6.79%
Rhumbline Equal - WTD S&P 500 Index	81,870,218	6.64%	0	7,325,492	74,544,726	6.37%
Vanguard S&P 500 Index Fund	178,928,148	14.50%	0	17,007,345	161,920,803	13.84%
<b>Mid Cap Equity</b>	<b>\$137,364,676</b>	<b>11.14%</b>	<b>\$1,984</b>	<b>\$12,500,671</b>	<b>\$124,862,020</b>	<b>10.67%</b>
Cornerstone Capital Management	68,986,524	5.59%	1,667	7,099,754	61,885,104	5.29%
Ceredex MidCap Value	68,378,151	5.54%	318	5,400,917	62,976,916	5.38%
<b>Small Cap Equity</b>	<b>\$260,282,026</b>	<b>21.10%</b>	<b>\$9,990</b>	<b>\$19,441,581</b>	<b>\$240,830,456</b>	<b>20.58%</b>
Earnest Partners Small Cap Core	115,488,273	9.36%	4,929	7,021,217	108,462,127	9.27%
Jennison	1	0.00%	(115,294,682)	7,919,968	107,374,714	9.17%
Channing Capital Management	27,174,781	2.20%	399	2,180,768	24,993,615	2.14%
Ishares Russell 2000 ETF	117,618,971	9.53%	115,299,343	2,319,628	-	-
<b>International Equity</b>	<b>\$134,552,922</b>	<b>10.91%</b>	<b>\$0</b>	<b>\$7,745,894</b>	<b>\$126,807,028</b>	<b>10.84%</b>
Johnston Asset Management	62,802,227	5.09%	0	2,949,862	59,852,365	5.11%
Artisan Partners	71,750,695	5.82%	0	4,796,032	66,954,663	5.72%
<b>Balanced</b>	<b>\$59,095,464</b>	<b>4.79%</b>	<b>\$4,639</b>	<b>\$3,420,112</b>	<b>\$55,670,714</b>	<b>4.76%</b>
Globalt Tactical ETF	59,095,464	4.79%	4,639	3,420,112	55,670,714	4.76%
<b>Fixed Income</b>	<b>\$248,882,866</b>	<b>20.18%</b>	<b>\$0</b>	<b>\$(112,746)</b>	<b>\$248,995,612</b>	<b>21.28%</b>
JP Morgan Chase	85,080,107	6.90%	0	(220,545)	85,300,652	7.29%
Mesirow Financial	85,046,027	6.89%	0	132,138	84,913,889	7.26%
NTGI Intermediate Govt/Credit Index	78,756,732	6.38%	0	(24,339)	78,781,071	6.73%
<b>Alternative investment</b>	<b>\$17,677,427</b>	<b>1.43%</b>	<b>\$0</b>	<b>\$2,071</b>	<b>\$17,675,356</b>	<b>1.51%</b>
GrayCo Alternative Partners II	17,677,427	1.43%	0	2,071	17,675,356	1.51%
<b>Cash &amp; Cash Equivalent</b>	<b>\$26,585,970</b>	<b>2.16%</b>	<b>\$(12,722,053)</b>	<b>\$(175,729)</b>	<b>\$39,483,752</b>	<b>3.37%</b>
Certificate of Deposits	-	-	0	(188,925)	188,925	0.02%
Enhanced Cash	11,643,848	0.94%	(15,029,309)	8,369	26,664,788	2.28%
Security Lending	563,514	0.05%	0	214	563,300	0.05%
Cash	14,378,609	1.17%	2,307,256	4,614	12,066,739	1.03%
<b>Total Fund</b>	<b>\$1,233,573,912</b>	<b>100.0%</b>	<b>\$(12,704,792)</b>	<b>\$75,981,082</b>	<b>\$1,170,297,621</b>	<b>100.0%</b>

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods ended December 31, 2013. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2013

	Market Value \$(Dollars)	Ending Weight	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Domestic Equity</b>	<b>\$746,779,261</b>	<b>44.26%</b>	<b>9.55%</b>	-	-	-	-
<b>Large Cap Equity</b>	<b>\$349,132,560</b>	<b>20.69%</b>	<b>10.49%</b>	<b>32.84%</b>	<b>15.97%</b>	<b>18.98%</b>	<b>7.04%</b>
S&P 500 Index	-	-	10.51%	32.39%	16.18%	17.94%	6.13%
Morgan Stanley LC Core	88,334,194	25.30%	11.10%	33.44%	16.54%	17.13%	8.69%
Morgan Stanley LC Core - Net S&P 500 Index	88,334,194	25.30%	11.00%	32.90%	16.06%	16.60%	-
	-	-	10.51%	32.39%	16.18%	17.94%	6.13%
Rhumblin Eq-Wtd S&P500	81,870,218	23.45%	9.83%	-	-	-	-
Rhumblin Eq-Wtd S&P500 - Net S&P 500 Eq-Wtd	81,870,218	23.45%	9.81%	-	-	-	-
	-	-	9.85%	36.16%	16.97%	23.34%	8.29%
Vanguard S&P 500 Index Fund	178,928,148	51.25%	10.50%	32.34%	-	-	-
S&P 500 Index	-	-	10.51%	32.39%	16.18%	17.94%	6.13%
<b>Mid Cap Equity</b>	<b>\$137,364,676</b>	<b>8.14%</b>	<b>10.01%</b>	<b>38.14%</b>	<b>16.46%</b>	<b>22.03%</b>	<b>7.29%</b>
Mid Cap Equity - Net S&P Mid Cap 400 Index	-	-	9.90%	37.46%	15.88%	21.47%	-
	-	-	8.33%	33.50%	15.64%	21.89%	9.21%
Cornerstone Cap Mgt	68,986,524	50.22%	11.48%	43.41%	18.25%	23.21%	8.46%
Cornerstone Cap Mgt - Net Russell MidCap Index	68,986,524	50.22%	11.37%	42.81%	17.77%	22.71%	-
	-	-	8.39%	34.76%	15.88%	22.36%	7.83%
Ceredex MidCap Value	68,378,151	49.78%	8.58%	33.01%	15.18%	-	-
Ceredex MidCap Value - Net Russell MidCap Value Idx	68,378,151	49.78%	8.41%	32.19%	14.49%	-	-
	-	-	8.56%	33.46%	15.97%	21.16%	6.80%
<b>Small Cap Equity</b>	<b>\$260,282,026</b>	<b>15.43%</b>	<b>8.07%</b>	<b>39.83%</b>	<b>16.50%</b>	<b>21.77%</b>	<b>8.76%</b>
Small Cap Equity - Net S&P 600 Small Cap Index	-	-	8.02%	39.04%	15.74%	20.92%	-
	-	-	9.83%	41.31%	18.42%	21.37%	8.84%
Earnest Partners SC Core	115,488,273	44.37%	6.47%	36.89%	16.56%	20.86%	7.21%
Earnest Partners SC Core - Net Russell 2000 Index	115,488,273	44.37%	6.34%	36.15%	15.91%	20.14%	-
	-	-	8.72%	38.82%	15.67%	20.08%	7.20%
Jennison	1	0.00%	7.44%	40.18%	16.19%	22.35%	9.58%
Jennison - Net Russell 2000 Index	1	0.00%	7.21%	39.04%	15.24%	21.32%	-
	-	-	8.72%	38.82%	15.67%	20.08%	7.20%
Channing Cap Mgt	27,174,781	10.44%	8.73%	-	-	-	-
Channing Cap Mgt - Net Russell 2000 Value Index	27,174,781	10.44%	8.50%	-	-	-	-
	-	-	9.30%	34.52%	14.49%	17.64%	5.40%
<b>International Equity</b>	<b>\$134,552,922</b>	<b>7.97%</b>	<b>6.11%</b>	<b>24.45%</b>	<b>11.03%</b>	-	-
International Equity - Net MSCI EAFE Index	-	-	9.16%	27.72%	11.57%	-	-
	-	-	5.71%	22.78%	8.17%	12.44%	1.78%
Johnston Asset Mgt	62,802,227	46.67%	4.93%	18.06%	8.15%	-	-
Johnston Asset Mgt - Net MSCI ACWI ex US Index	62,802,227	46.67%	4.72%	17.82%	8.08%	-	-
	-	-	4.81%	15.78%	5.61%	13.32%	2.62%
Artisan Partners	71,750,695	53.33%	7.16%	30.70%	13.66%	-	-
MSCI EAFE Index	-	-	5.71%	22.78%	8.17%	12.44%	1.78%
<b>Balanced</b>	<b>\$59,095,464</b>	<b>3.50%</b>	<b>6.14%</b>	-	-	-	-
Balanced - Net	59,095,464	100.00%	6.02%	-	-	-	-
Globalt Tactical ETF	59,095,464	100.00%	6.14%	-	-	-	-
Globalt Tactical ETF - Net	59,095,464	100.00%	6.02%	-	-	-	-

(1) From January 1988 to December 2006 the Policy Index was composed of 55% S&P 500 and 45% Barclays U.S. Aggregate Index. From January 2007 to December 2011 the policy Index was composed of 25% S&P 500, 20% S&PMidCap 400 Index, 10% Russell 2000 Index, 30% Barclays U.S. Aggregate Index, and 15% Barclays Intermediate Govt/Credit Index. Since January 2011 the Policy Index has been composed of 60% S&P 500, 10% MSCI EAFE (Net) Index, 25% Barclays U.S. Aggregate Index, and 5% 3-month Treasury Bill.

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods ended December 31, 2013. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

### Returns for Periods Ended December 31, 2013

	Market Value \$(Dollars)	Ending Weight	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Fixed Income</b>	<b>\$248,882,866</b>	<b>20.18%</b>	<b>(0.05%)</b>	<b>(1.50%)</b>	<b>3.54%</b>	<b>4.85%</b>	<b>5.37%</b>
Fixed Income - Net	248,882,866	100.00%	(0.09%)	(1.66%)	3.34%	4.65%	-
Barclays Aggregate Index	-	-	(0.14%)	(2.02%)	3.26%	4.44%	4.91%
JP Morgan Chase	85,080,107	34.18%	(0.26%)	(1.56%)	3.98%	5.22%	5.70%
JP Morgan Chase - Net	85,080,107	34.18%	(0.33%)	(1.63%)	3.95%	5.21%	5.69%
Barclays Aggregate Index	-	-	(0.14%)	(2.02%)	3.26%	4.44%	4.91%
Mesirow Financial	85,046,027	34.17%	0.16%	(1.95%)	4.00%	6.09%	5.79%
Mesirow Financial - Net	85,046,027	34.17%	0.09%	(2.15%)	3.78%	5.88%	-
Barclays Aggregate Index	-	-	(0.14%)	(2.02%)	3.26%	4.44%	4.91%
NTGI Intermediate Govt/Credit Idx	78,756,732	31.64%	(0.03%)	-	-	-	-
Barclays Gov/Credit Inter	-	-	(0.02%)	(0.86%)	2.91%	3.96%	4.60%
<b>Alternative investment</b>	<b>\$17,677,427</b>	<b>1.43%</b>	<b>0.01%</b>	<b>5.30%</b>	<b>-</b>	<b>-</b>	<b>-</b>
GrayCo Alternative Partners II	17,677,427	100.00%	0.01%	5.30%	-	-	-
<b>Cash &amp; Cash Equivalent</b>	<b>\$26,585,970</b>	<b>2.16%</b>	<b>0.04%</b>	<b>0.16%</b>	<b>0.07%</b>	<b>0.10%</b>	<b>-</b>
3-month Treasury Bill	-	-	0.01%	0.07%	0.10%	0.12%	1.08%
Cash	14,378,609	54.08%	0.04%	0.17%	0.07%	0.16%	1.13%
Enhanced Cash	11,643,848	43.80%	0.04%	0.16%	0.07%	0.09%	-
Security Lending	563,514	2.12%	0.04%	0.17%	0.07%	0.10%	1.60%
3-month Treasury Bill	-	-	0.01%	0.07%	0.10%	0.12%	1.08%
6-month Treasury Bill	-	-	0.02%	0.09%	0.12%	0.20%	1.18%
<b>Total Fund</b>	<b>\$1,233,573,912</b>	<b>100.00%</b>	<b>6.53%</b>	<b>23.70%</b>	<b>12.11%</b>	<b>13.71%</b>	<b>7.66%</b>
Policy Index (1)	-	-	6.85%	20.56%	11.61%	13.83%	7.40%

(1) From January 1988 to December 2006 the Policy Index was composed of 55% S&P 500 and 45% Barclays U.S. Aggregate Index. From January 2007 to December 2011 the policy Index was composed of 25% S&P 500, 20% S&PMidCap 400 Index, 10% Russell 2000 Index, 30% Barclays U.S. Aggregate Index, and 15% Barclays Intermediate Govt/Credit Index. Since January 2011 the Policy Index has been composed of 60% S&P 500, 10% MSCI EAFE (Net) Index, 25% Barclays U.S. Aggregate Index, and 5% 3-month Treasury Bill.

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	Market Value \$(Dollars)	Ending Weight	2013	2012	2011	2010	2009
<b>Domestic Equity</b>	<b>\$746,779,261</b>	<b>44.26%</b>	-	-	-	-	-
<b>Large Cap Equity</b>	<b>\$349,132,560</b>	<b>20.69%</b>	<b>32.84%</b>	<b>15.84%</b>	<b>1.36%</b>	<b>16.20%</b>	<b>31.56%</b>
S&P 500 Index	-	-	32.39%	16.00%	2.11%	15.06%	26.47%
Morgan Stanley LC Core	88,334,194	25.30%	33.44%	15.50%	2.71%	14.92%	21.17%
Morgan Stanley LC Core - Net S&P 500 Index	88,334,194	25.30%	32.90%	15.02%	2.28%	14.35%	20.57%
Rhumblin Eq-Wtd S&P500	81,870,218	23.45%	-	-	-	-	-
Rhumblin Eq-Wtd S&P500 - Net S&P 500 Eq-Wtd	81,870,218	23.45%	-	-	-	-	-
Vanguard S&P 500 Index Fund S&P 500 Index	178,928,148	51.25%	32.34%	15.98%	-	-	-
	-	-	32.39%	16.00%	2.11%	15.06%	26.47%
<b>Mid Cap Equity</b>	<b>\$137,364,676</b>	<b>8.14%</b>	<b>38.14%</b>	<b>20.51%</b>	<b>(5.12%)</b>	<b>26.90%</b>	<b>35.01%</b>
S&P Mid Cap 400 Index	-	-	33.50%	17.88%	(1.73%)	26.64%	37.38%
Cornerstone Cap Mgt	68,986,524	50.22%	43.41%	18.09%	(2.36%)	24.25%	38.19%
Cornerstone Cap Mgt - Net Russell MidCap Index	68,986,524	50.22%	42.81%	17.62%	(2.75%)	23.82%	37.54%
	-	-	34.76%	17.28%	(1.55%)	25.48%	40.48%
Ceredex MidCap Value	68,378,151	49.78%	33.01%	22.81%	(6.45%)	24.91%	-
Ceredex MidCap Value - Net Russell MidCap Value Idx	68,378,151	49.78%	32.19%	22.07%	(7.00%)	24.27%	-
	-	-	33.46%	18.51%	(1.38%)	24.75%	34.21%
<b>Small Cap Equity</b>	<b>\$260,282,026</b>	<b>15.43%</b>	<b>39.83%</b>	<b>14.83%</b>	<b>(1.53%)</b>	<b>26.32%</b>	<b>34.04%</b>
S&P 600 Small Cap Index	-	-	41.31%	16.33%	1.02%	26.31%	25.57%
Earnest Partners SC Core	115,488,273	44.37%	36.89%	16.48%	(0.69%)	20.43%	35.22%
Earnest Partners SC Core - Net Russell 2000 Index	115,488,273	44.37%	36.15%	15.83%	(1.24%)	19.68%	34.30%
	-	-	38.82%	16.35%	(4.18%)	26.85%	27.17%
Jennison	1	0.00%	40.18%	13.17%	(1.11%)	31.41%	32.99%
Jennison - Net Russell 2000 Index	1	0.00%	39.04%	12.23%	(1.92%)	30.28%	31.81%
	-	-	38.82%	16.35%	(4.18%)	26.85%	27.17%
Channing Cap Mgt	27,174,781	10.44%	-	-	-	-	-
Channing Cap Mgt - Net Russell 2000 Value Index	27,174,781	10.44%	-	-	-	-	-
	-	-	34.52%	18.05%	(5.50%)	24.50%	20.58%
<b>International Equity</b>	<b>\$134,552,922</b>	<b>7.97%</b>	<b>24.45%</b>	<b>19.91%</b>	<b>(8.29%)</b>	-	-
International Equity - Net MSCI EAFE Index	-	-	27.72%	19.56%	(9.04%)	-	-
	-	-	22.78%	17.32%	(12.14%)	7.75%	31.78%
Johnston Asset Mgt	62,802,227	46.67%	18.06%	16.31%	(7.88%)	-	-
Johnston Asset Mgt - Net MSCI ACWI ex US Index	62,802,227	46.67%	17.82%	16.31%	(7.88%)	-	-
	-	-	15.78%	17.39%	(13.33%)	11.60%	42.14%
Artisan Partners MSCI EAFE Index	71,750,695	53.33%	30.70%	23.04%	(8.68%)	-	-
	-	-	22.78%	17.32%	(12.14%)	7.75%	31.78%
<b>Balanced</b>	<b>\$59,095,464</b>	<b>3.50%</b>	-	-	-	-	-
Global Tactical ETF	59,095,464	100.00%	-	-	-	-	-
Global Tactical ETF - Net	59,095,464	100.00%	-	-	-	-	-

(1) From January 1988 to December 2006 the Policy Index was composed of 55% S&P 500 and 45% Barclays U.S. Aggregate Index. From January 2007 to December 2011 the policy Index was composed of 25% S&P 500, 20% S&PMidCap 400 Index, 10% Russell 2000 Index, 30% Barclays U.S. Aggregate Index, and 15% Barclays Intermediate Govt/Credit Index. Since January 2011 the Policy Index has been composed of 60% S&P 500, 10% MSCI EAFE (Net) Index, 25% Barclays U.S. Aggregate Index, and 5% 3-month Treasury Bill.

## Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	Market Value \$(Dollars)	Ending Weight	2013	2012	2011	2010	2009
<b>Fixed Income</b>	<b>\$248,882,866</b>	<b>20.18%</b>	<b>(1.50%)</b>	<b>5.00%</b>	<b>7.33%</b>	<b>6.71%</b>	<b>7.01%</b>
Barclays Aggregate Index	-	-	(2.02%)	4.21%	7.84%	6.54%	5.93%
JP Morgan Chase	85,080,107	34.18%	(1.56%)	5.00%	8.75%	7.48%	6.77%
JP Morgan Chase - Net	85,080,107	34.18%	(1.63%)	5.00%	8.75%	7.48%	6.77%
Barclays Aggregate Index	-	-	(2.02%)	4.21%	7.84%	6.54%	5.93%
Mesirow Financial	85,046,027	34.17%	(1.95%)	6.37%	7.84%	7.51%	11.12%
Mesirow Financial - Net	85,046,027	34.17%	(2.15%)	6.16%	7.60%	7.36%	10.92%
Barclays Aggregate Index	-	-	(2.02%)	4.21%	7.84%	6.54%	5.93%
NTGI Intermediate Govt/Credit Index	8,756,732	31.64%	-	-	-	-	-
Barclays Gov/Credit Inter	-	-	(0.86%)	3.89%	5.80%	5.89%	5.24%
<b>Alternative investment</b>	<b>\$17,677,427</b>	<b>1.43%</b>	<b>5.30%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
GrayCo Alternative Partners II	17,677,427	100.00%	5.30%	-	-	-	-
<b>Cash &amp; Cash Equivalent</b>	<b>\$26,585,970</b>	<b>2.16%</b>	<b>0.16%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.09%</b>	<b>0.22%</b>
3-month Treasury Bill	-	-	0.07%	0.11%	0.10%	0.13%	0.21%
Cash	14,378,609	54.08%	0.17%	0.02%	0.02%	0.11%	0.46%
Enhanced Cash	11,643,848	43.80%	0.16%	0.02%	0.02%	0.10%	0.15%
Security Lending	563,514	2.12%	0.17%	0.02%	0.02%	0.10%	0.21%
Certificate of Deposites	-	-	-	0.00%	0.00%	0.00%	0.00%
3-month Treasury Bill	-	-	0.07%	0.11%	0.10%	0.13%	0.21%
6-month Treasury Bill	-	-	0.09%	0.11%	0.14%	0.20%	0.47%
<b>Total Fund</b>	<b>\$1,233,573,912</b>	<b>100.00%</b>	<b>23.70%</b>	<b>13.80%</b>	<b>0.10%</b>	<b>14.69%</b>	<b>17.62%</b>
Policy Index(1)	-	-	20.56%	12.53%	2.48%	15.02%	19.51%

(1) From January 1988 to December 2006 the Policy Index was composed of 55% S&P 500 and 45% Barclays U.S. Aggregate Index. From January 2007 to December 2011 the policy Index was composed of 25% S&P 500, 20% S&PMidCap 400 Index, 10% Russell 2000 Index, 30% Barclays U.S. Aggregate Index, and 15% Barclays Intermediate Govt/Credit Index. Since January 2011 the Policy Index has been composed of 60% S&P 500, 10% MSCI EAFE (Net) Index, 25% Barclays U.S. Aggregate Index, and 5% 3-month Treasury Bill.

# Total Fund

## Period Ended December 31, 2013

### Investment Philosophy

The Public Fund Sponsor Database consists of public employee pension total funds including both Callan Associates client and surveyed non-client funds.

### Quarterly Summary and Highlights

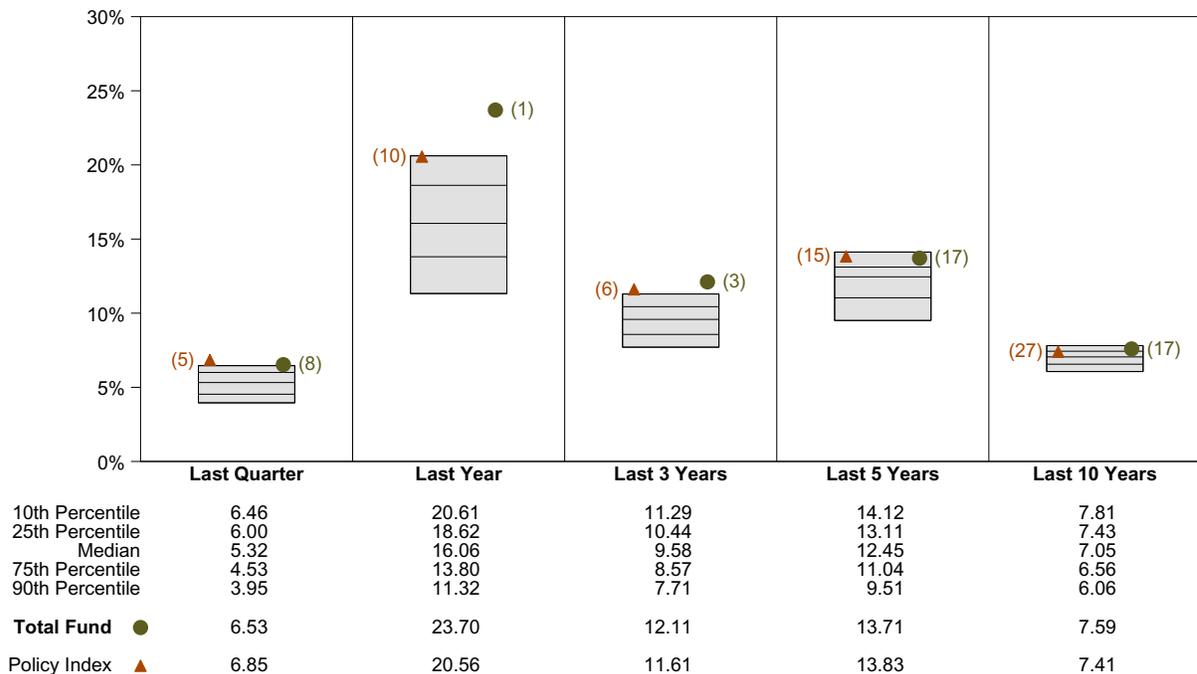
- Total Fund's portfolio posted a 6.53% return for the quarter placing it in the 8 percentile of the Public Fund Sponsor Database group for the quarter and in the 1 percentile for the last year.
- Total Fund's portfolio underperformed the Policy Index by 0.32% for the quarter and outperformed the Policy Index for the year by 3.14%.

### Quarterly Asset Growth

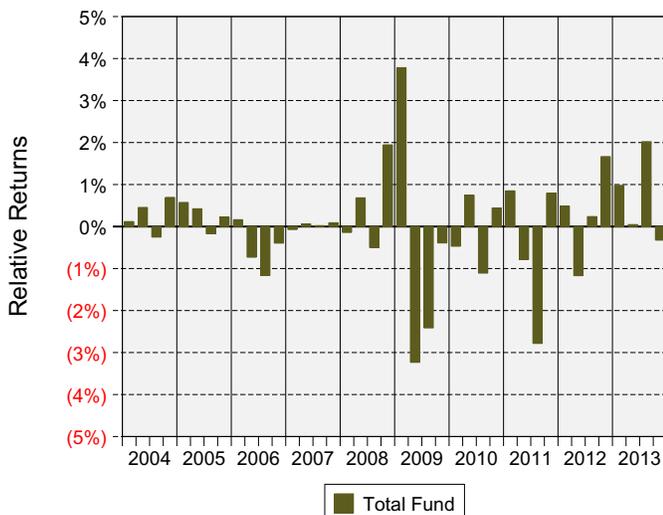
Beginning Market Value	\$1,170,297,621
Net New Investment	\$-12,704,792
Investment Gains/(Losses)	\$75,981,082
Ending Market Value	\$1,233,573,912

**Percent Cash: 3.1%**

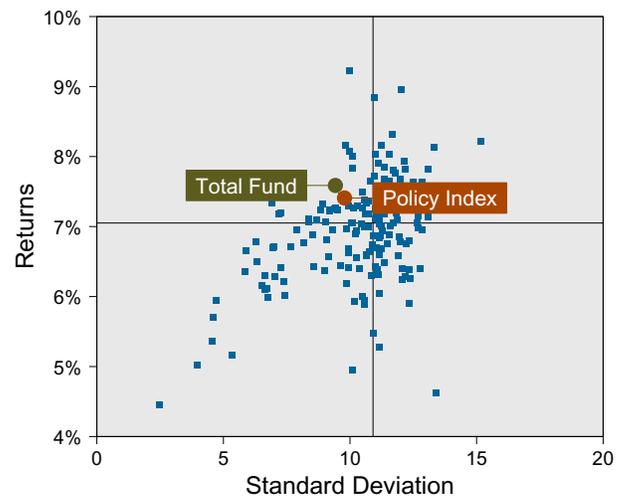
### Performance vs Public Fund Sponsor Database (Gross)



### Relative Return vs Policy Index



### Public Fund Sponsor Database (Gross) Annualized Ten Year Risk vs Return

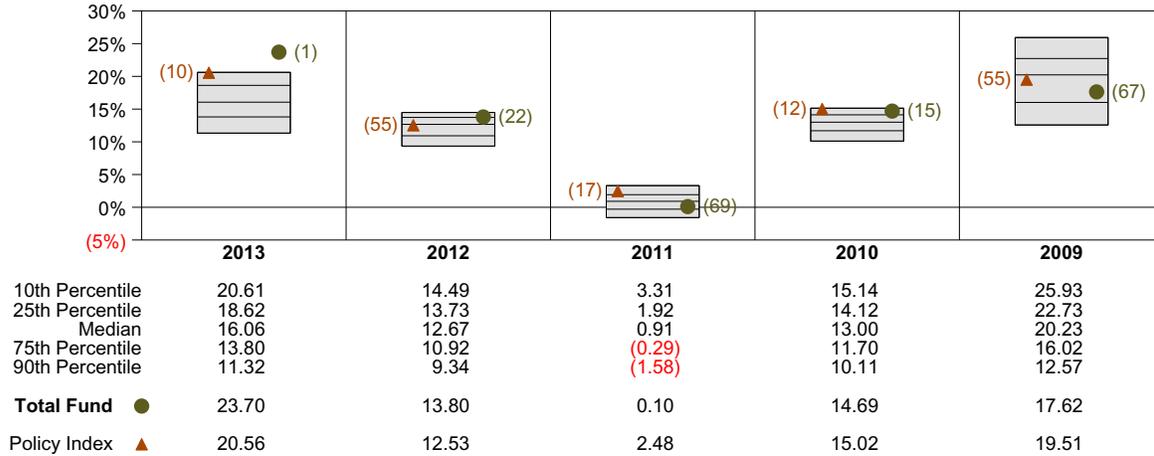


# Total Fund Return Analysis Summary

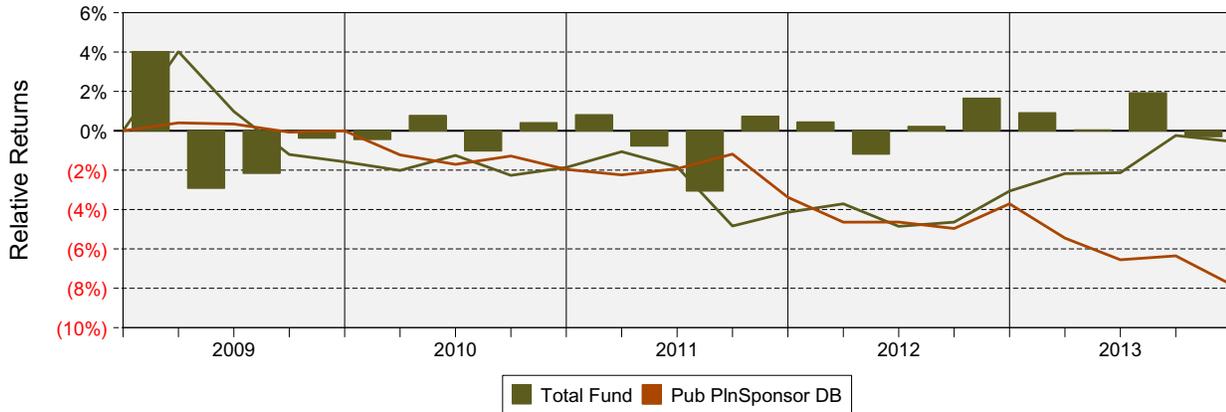
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

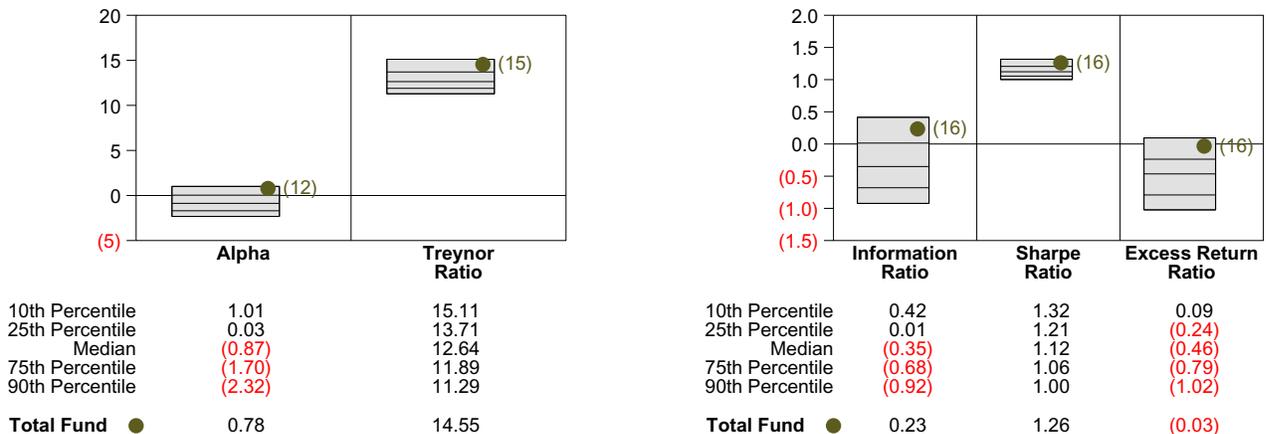
### Performance vs Public Fund Sponsor Database (Gross)



### Cumulative and Quarterly Relative Return vs Policy Index



### Risk Adjusted Return Measures vs Policy Index Rankings Against Public Fund Sponsor Database (Gross) Five Years Ended December 31, 2013

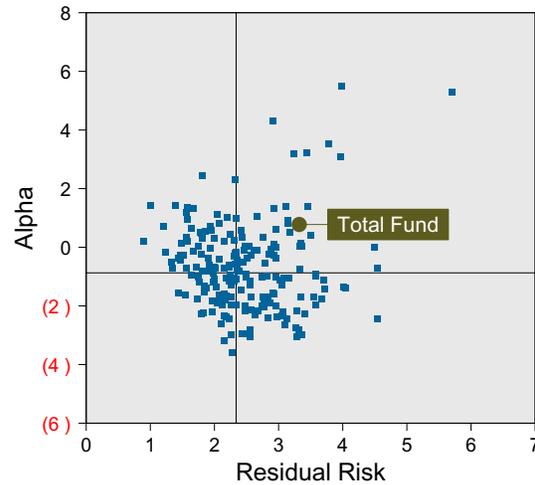
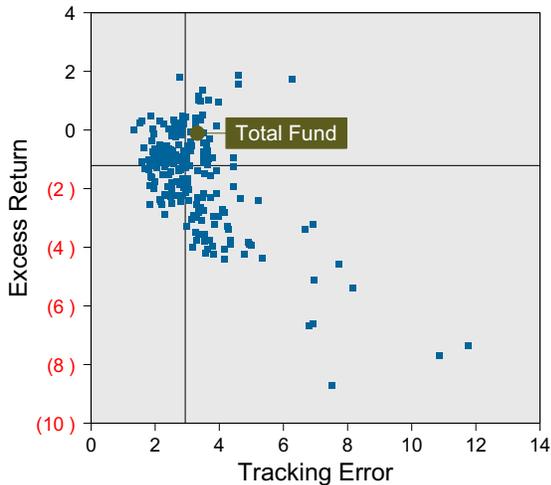


# Total Fund Risk Analysis Summary

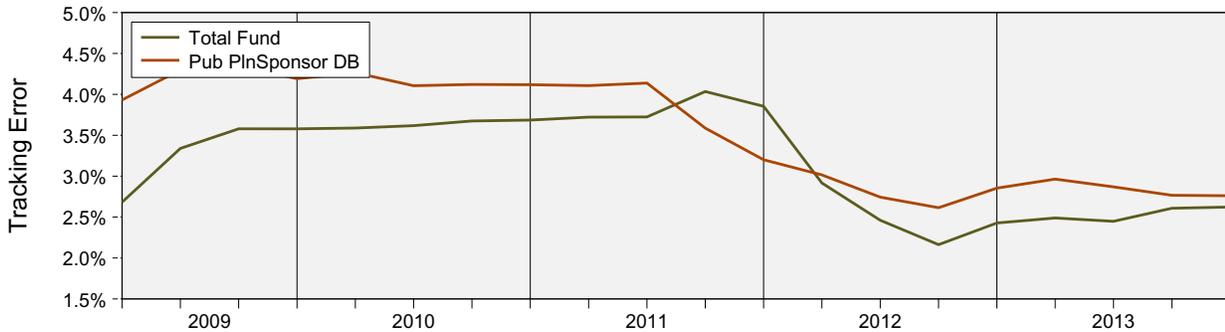
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

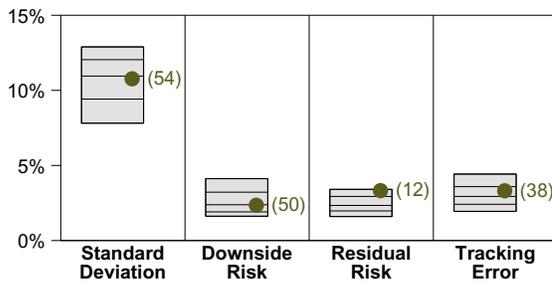
### Risk Analysis vs Public Fund Sponsor Database (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Policy Index

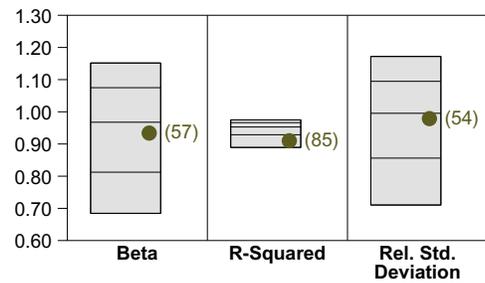


### Risk Statistics Rankings vs Policy Index Rankings Against Public Fund Sponsor Database (Gross) Five Years Ended December 31, 2013



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	12.89	4.12	3.41	4.43
25th Percentile	12.04	3.22	2.94	3.59
Median	10.95	2.38	2.34	2.94
75th Percentile	9.42	1.91	1.97	2.42
90th Percentile	7.82	1.62	1.60	1.94

**Total Fund** ● 10.77    2.35    3.32    3.31



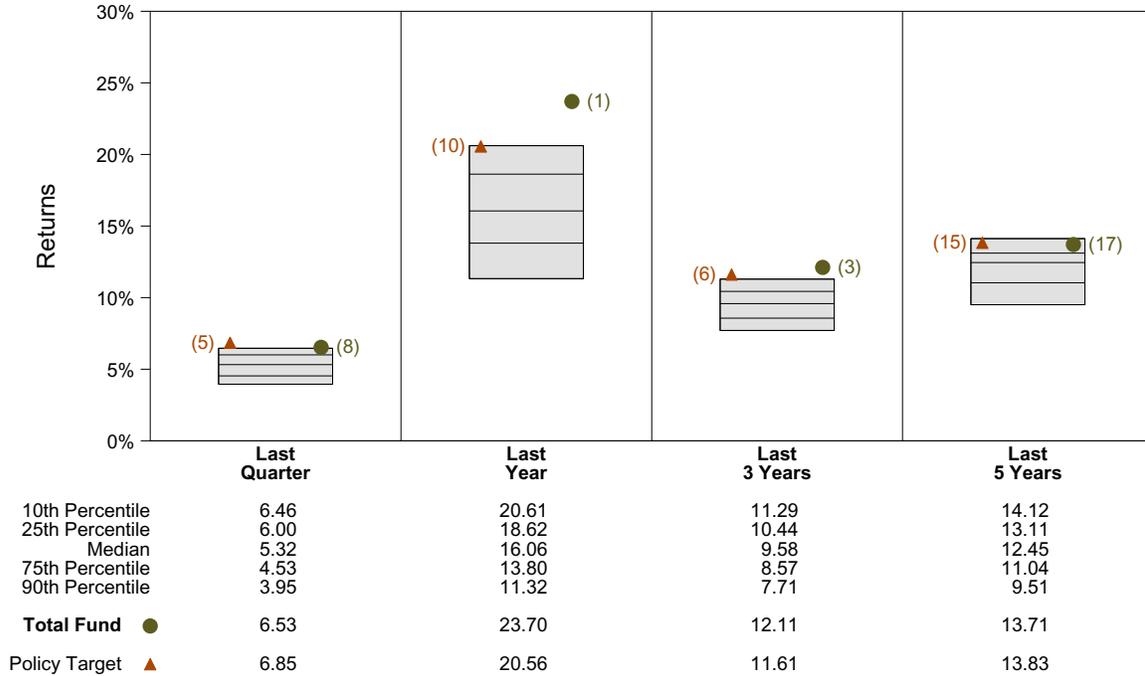
	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.15	0.97	1.17
25th Percentile	1.07	0.97	1.09
Median	0.97	0.95	1.00
75th Percentile	0.81	0.93	0.86
90th Percentile	0.68	0.89	0.71

**Total Fund** ● 0.93    0.91    0.98

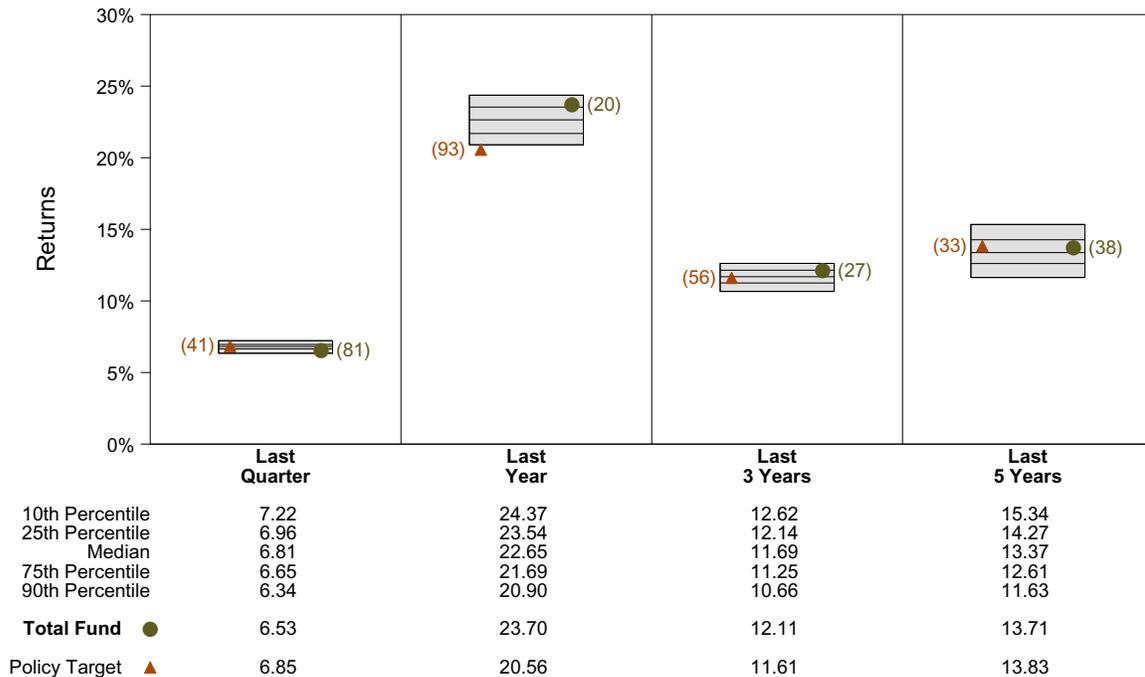
## Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Public Fund Sponsor Database for periods ended December 31, 2013. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

### Public Fund Sponsor Database



### Asset Allocation Adjusted Ranking



\* Current Quarter Target = 60.0% S&P 500 Index, 25.0% Barclays Aggregate Index, 10.0% MSCI EAFE US\$ Gross Div and 5.0% 3-month Treasury Bill.



# Large Cap Equity

## Period Ended December 31, 2013

### Quarterly Summary and Highlights

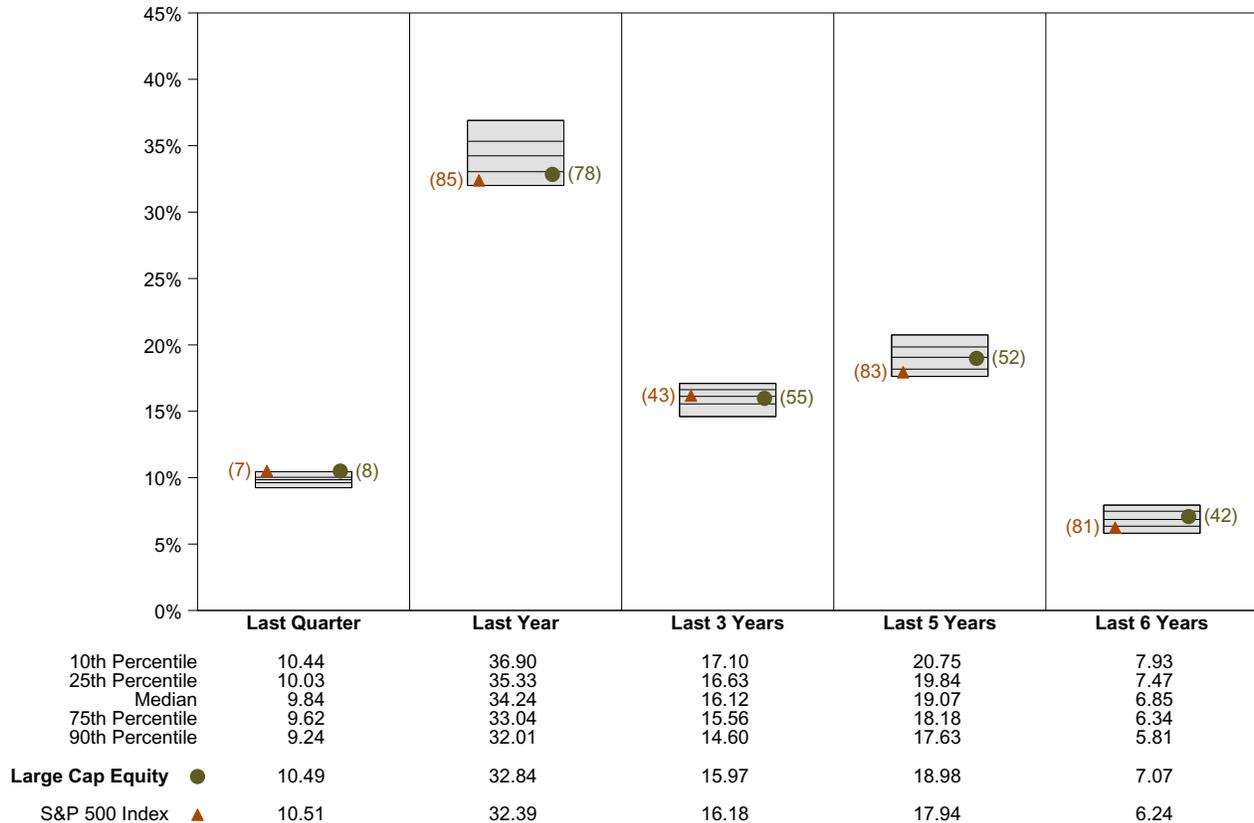
- Large Cap Equity's portfolio posted a 10.49% return for the quarter placing it in the 8 percentile of the Pub Pln-Domestic Equity group for the quarter and in the 78 percentile for the last year.
- Large Cap Equity's portfolio underperformed the S&P 500 Index by 0.02% for the quarter and outperformed the S&P 500 Index for the year by 0.45%.

### Quarterly Asset Growth

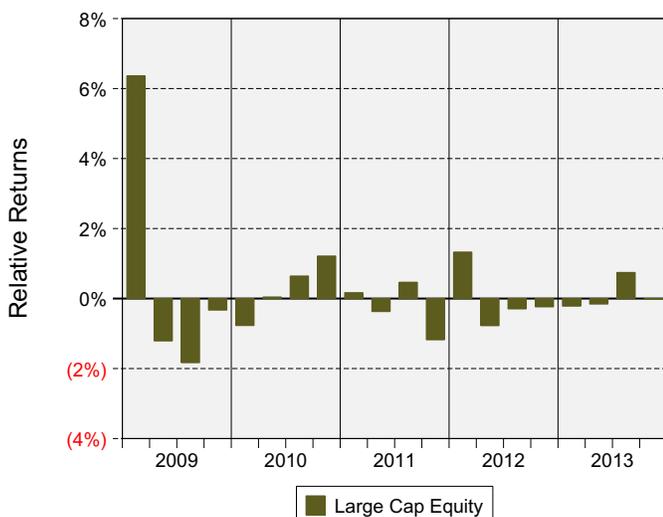
Beginning Market Value	\$315,972,683
Net New Investment	\$649
Investment Gains/(Losses)	\$33,159,228
Ending Market Value	\$349,132,560

**Percent Cash: 0.7%**

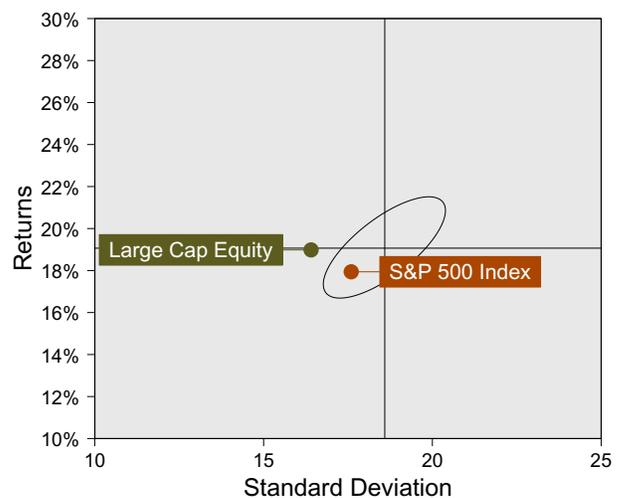
### Performance vs Pub Pln- Domestic Equity (Gross)



### Relative Return vs S&P 500 Index



### Pub Pln- Domestic Equity (Gross) Annualized Five Year Risk vs Return

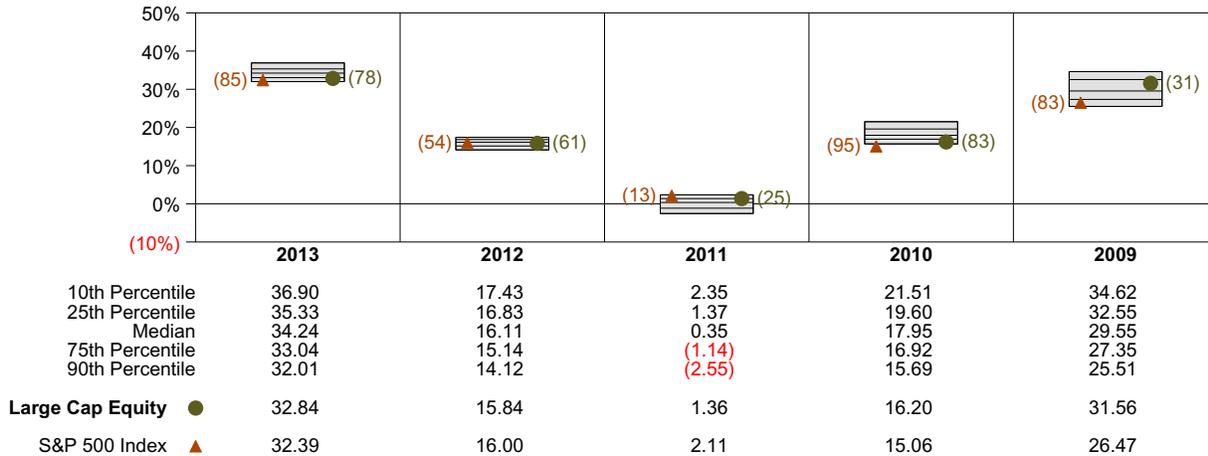


# Large Cap Equity Return Analysis Summary

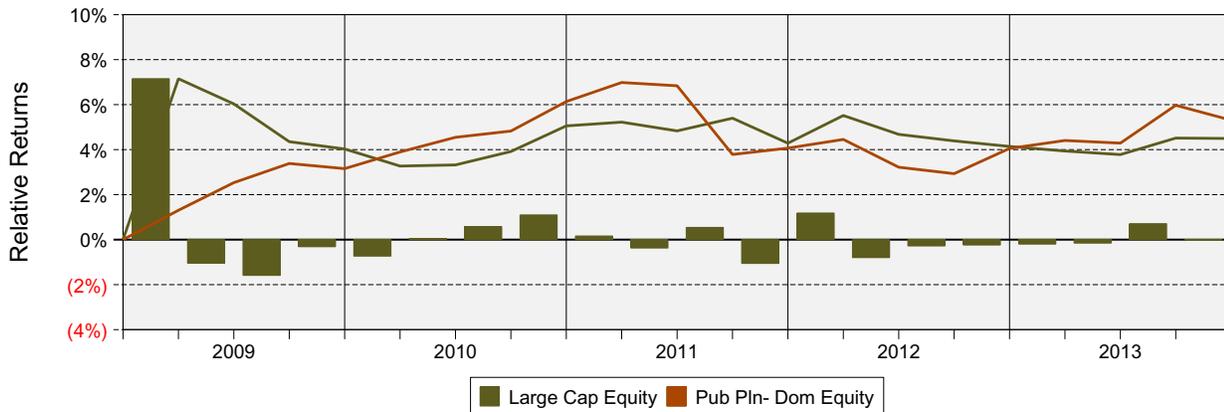
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

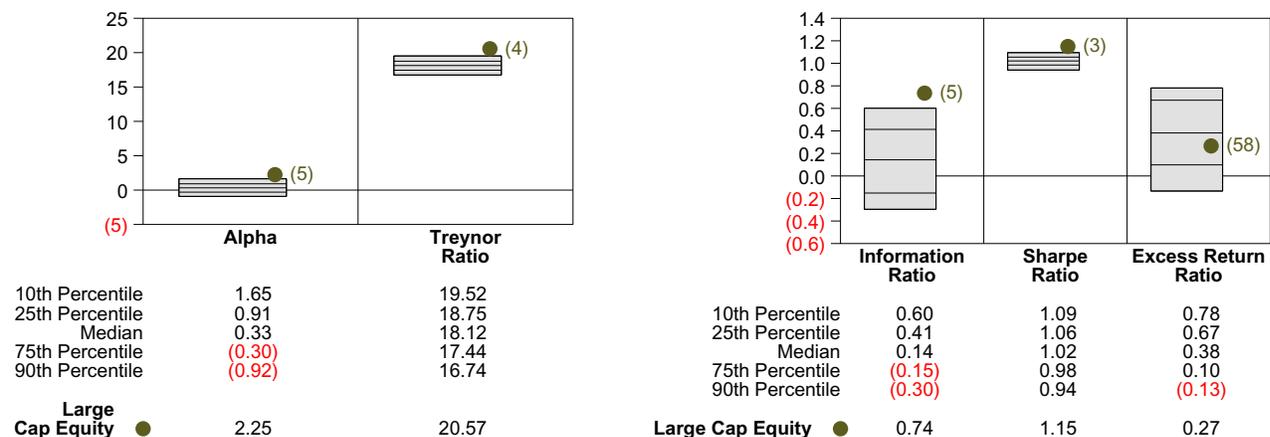
### Performance vs Pub Pln- Domestic Equity (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013

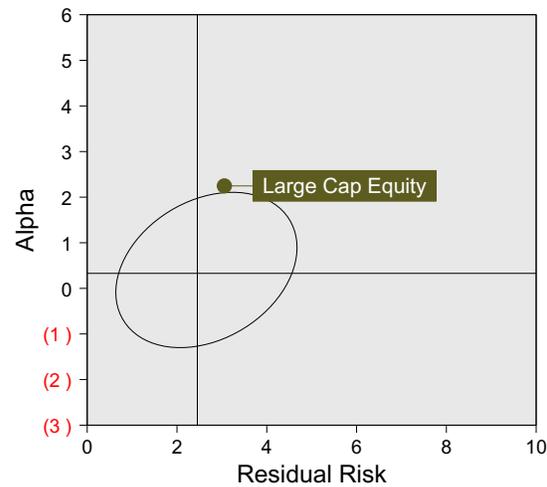
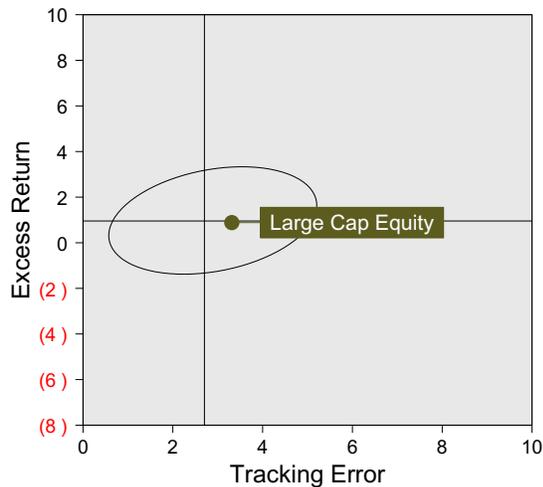


# Large Cap Equity Risk Analysis Summary

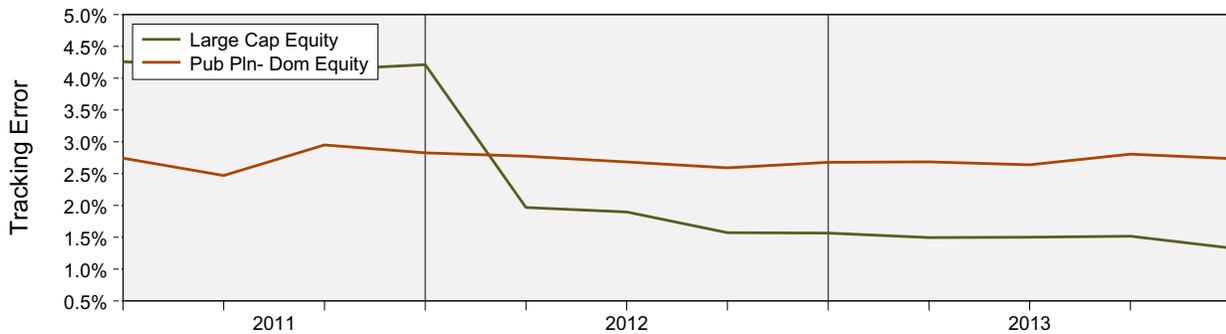
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

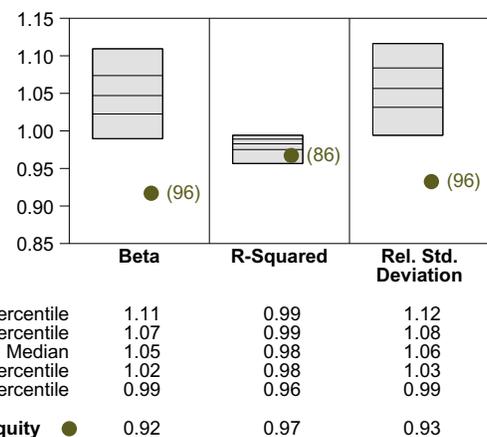
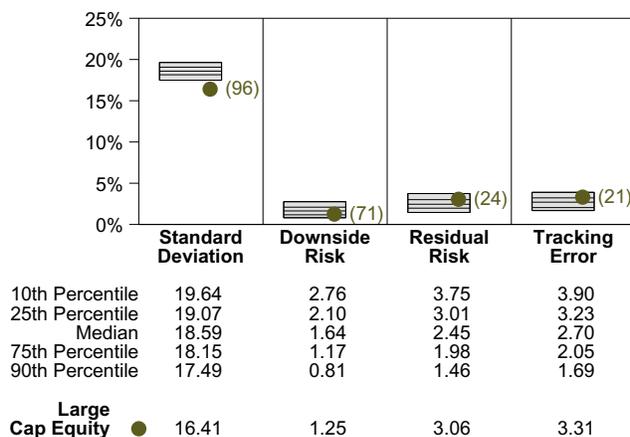
### Risk Analysis vs Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs S&P 500 Index



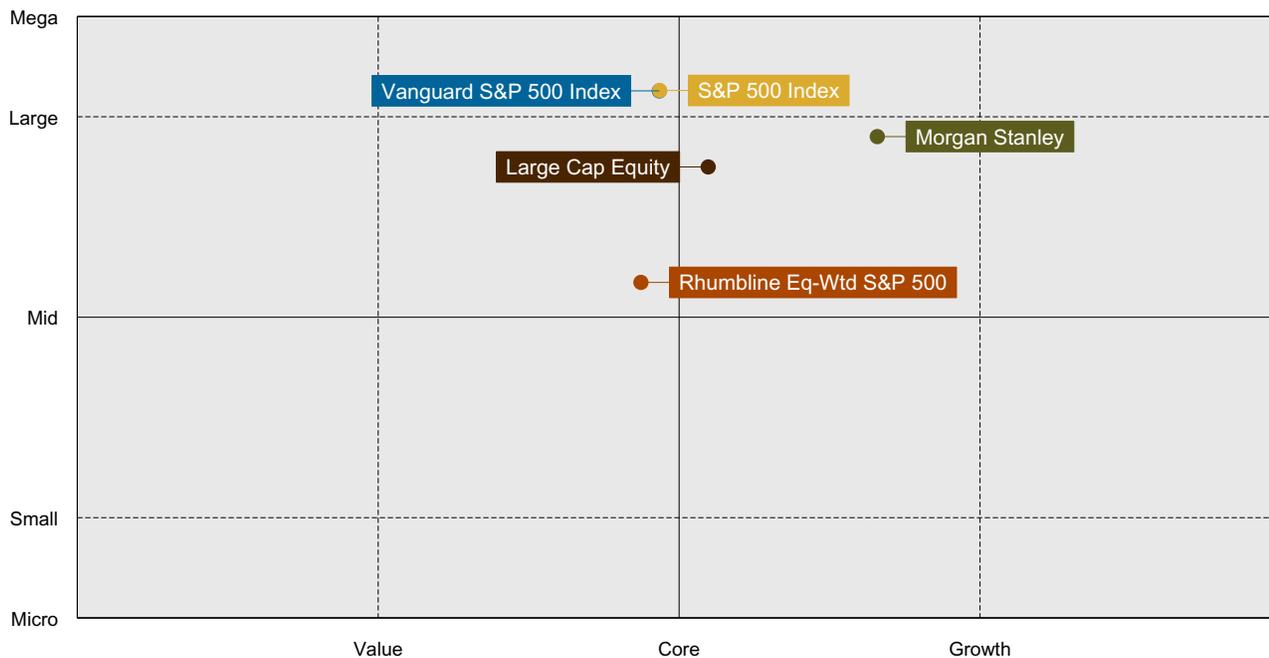
### Risk Statistics Rankings vs S&P 500 Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



## Holdings Based Style Analysis For One Quarter Ended December 31, 2013

This page analyzes and compares the investment styles of multiple portfolios using a detailed holdings-based style analysis methodology. The size component of style is measured by the weighted median market capitalization of the holdings. The value/core/growth style dimension is captured by the "Combined Z-Score" of the portfolio. This score is based on eight fundamental factors used in the MSCI stock style scoring system. The table below gives a more detailed breakdown of several relevant style metrics on the portfolios.

### Style Map Holdings for One Quarter Ended December 31, 2013



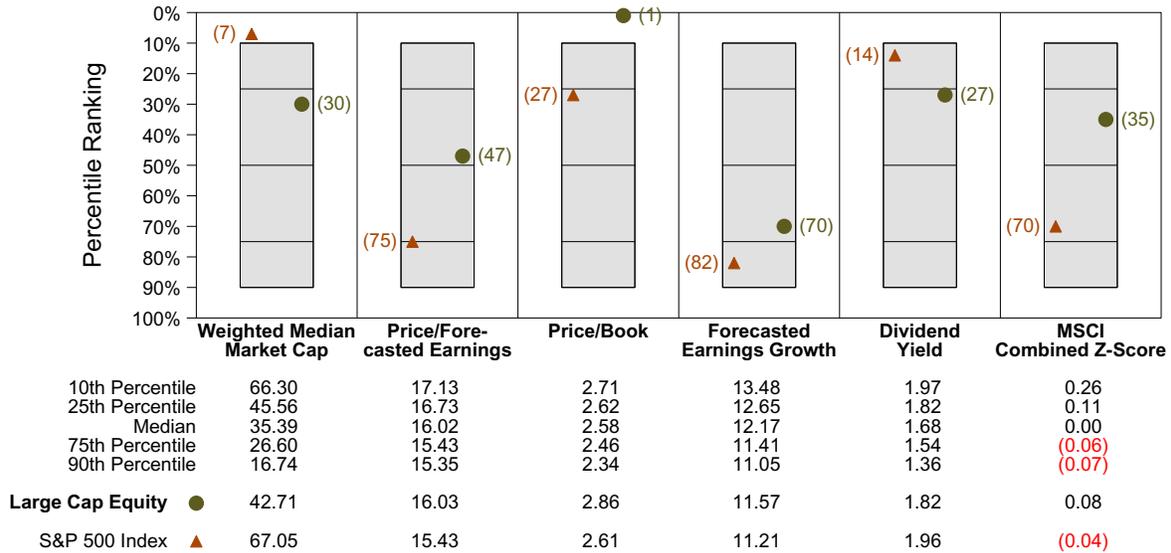
	Weight %	Wtd Median Mkt Cap	Combined Z-Score	Growth Z-Score	Value Z-Score	Number of Securities	Security Diversification
Morgan Stanley	25.30%	49.61	0.47	0.18	(0.29)	49	16.67
Rhumblin Eq-Wtd S&P 500	23.45%	16.48	(0.08)	(0.05)	0.03	501	242.89
Vanguard S&P 500 Index	51.25%	66.87	(0.04)	(0.01)	0.02	502	57.00
Large Cap Equity	100.00%	42.71	0.08	0.03	(0.05)	511	66.87
S&P 500 Index	-	67.05	(0.04)	(0.01)	0.02	500	56.74

# Large Cap Equity Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

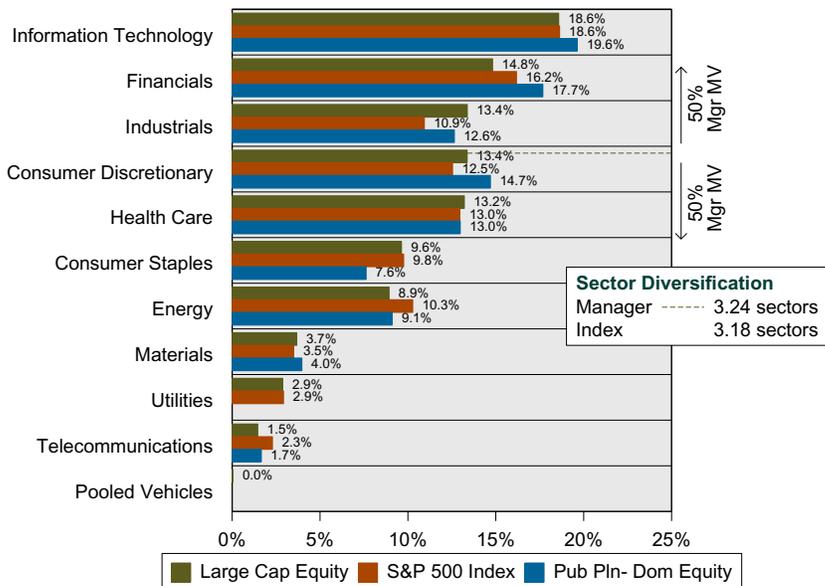
## Portfolio Characteristics Percentile Rankings Rankings Against Pub Pln- Domestic Equity as of December 31, 2013



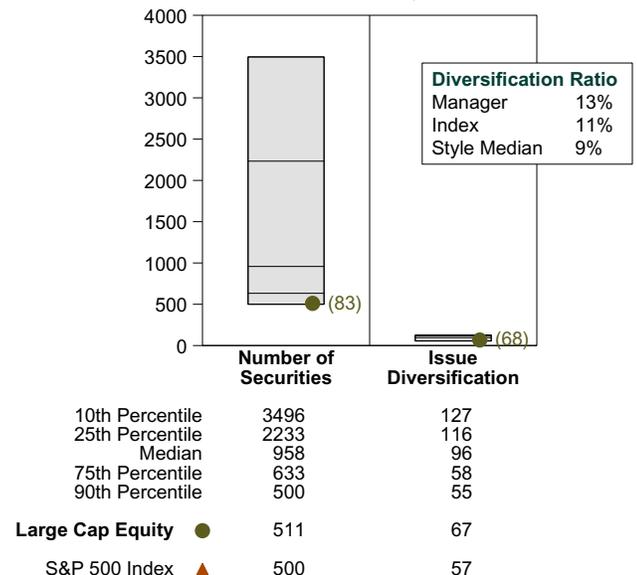
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



# Morgan Stanley LC Core Period Ended December 31, 2013

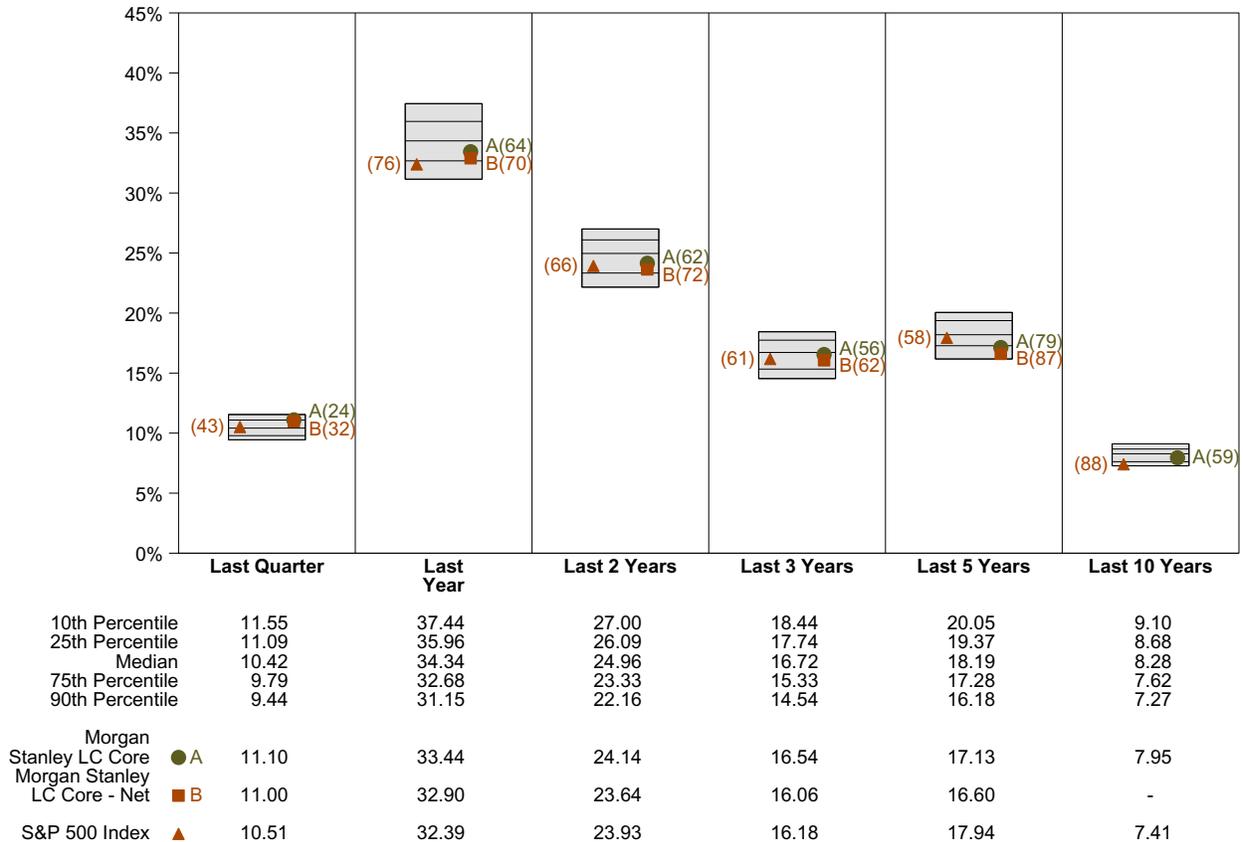
## Quarterly Summary and Highlights

- Morgan Stanley LC Core's portfolio posted a 11.10% return for the quarter placing it in the 24 percentile of the CAI Large Cap Core Style group for the quarter and in the 64 percentile for the last year.
- Morgan Stanley LC Core's portfolio outperformed the S&P 500 Index by 0.59% for the quarter and outperformed the S&P 500 Index for the year by 1.05%.

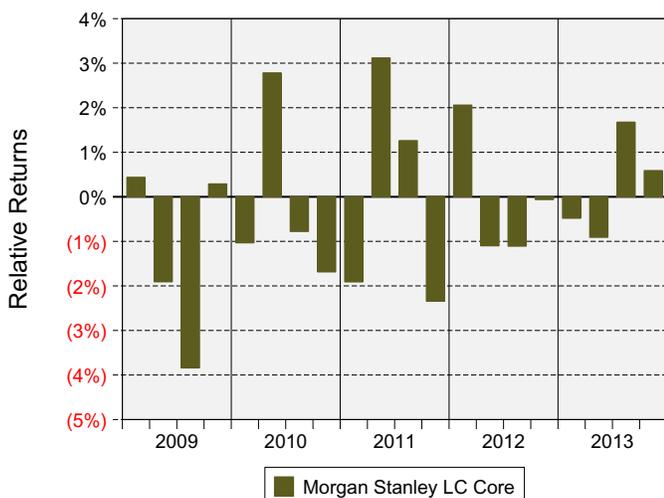
## Quarterly Asset Growth

Beginning Market Value	\$79,507,154
Net New Investment	\$649
Investment Gains/(Losses)	\$8,826,391
Ending Market Value	\$88,334,194

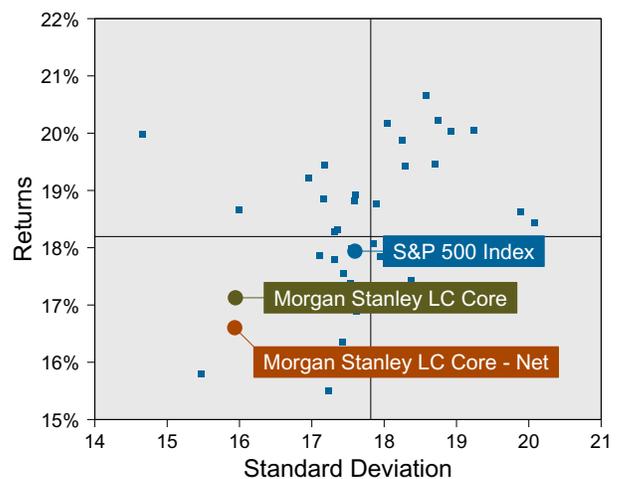
## Performance vs CAI Large Cap Core Style (Gross)



## Relative Return vs S&P 500 Index



## CAI Large Cap Core Style (Gross) Annualized Five Year Risk vs Return

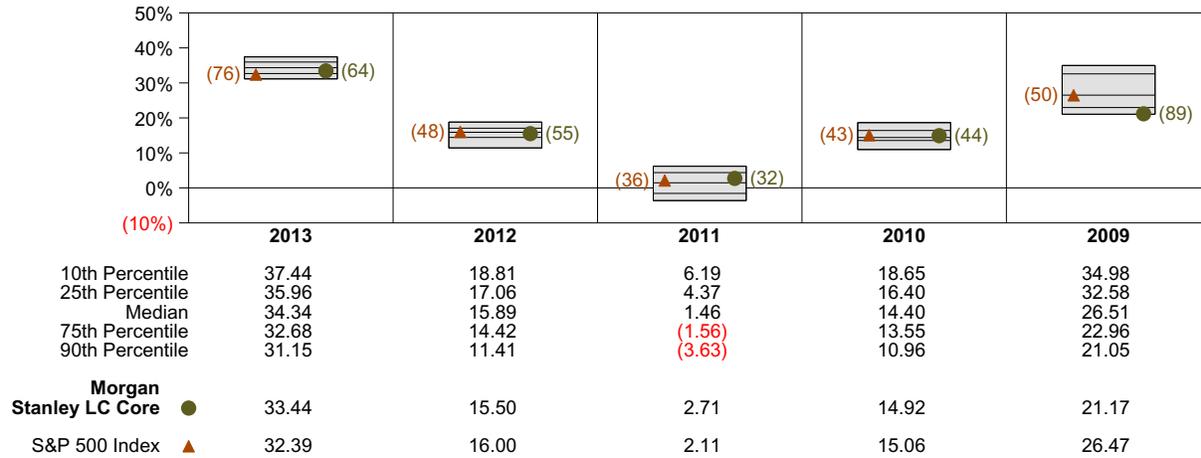


# Morgan Stanley LC Core Return Analysis Summary

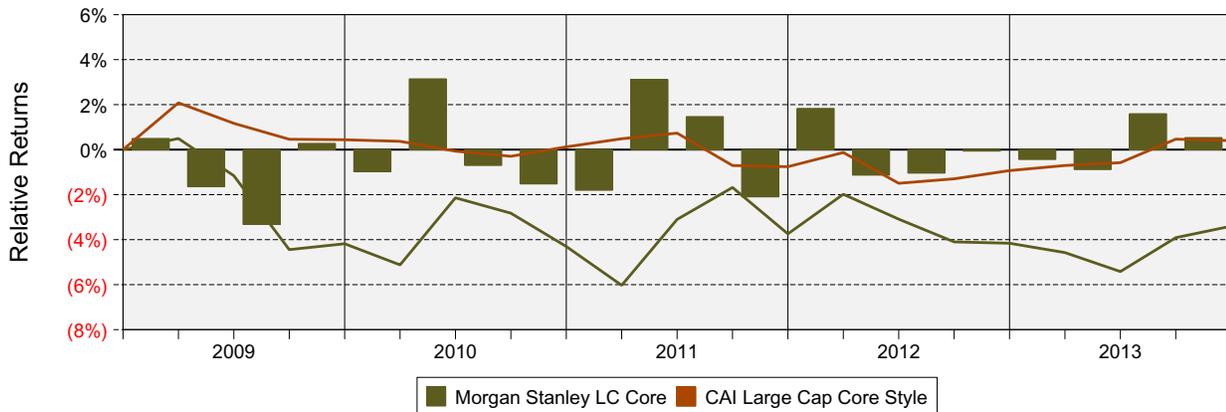
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

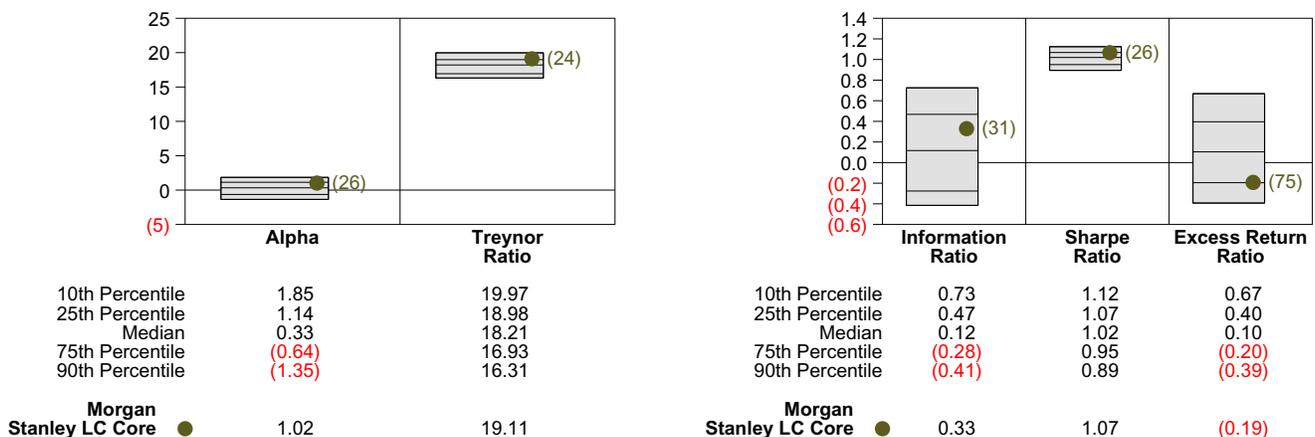
### Performance vs CAI Large Cap Core Style (Gross)



### Cumulative and Quarterly Relative Return vs S&P 500 Index



### Risk Adjusted Return Measures vs S&P 500 Index Rankings Against CAI Large Cap Core Style (Gross) Five Years Ended December 31, 2013

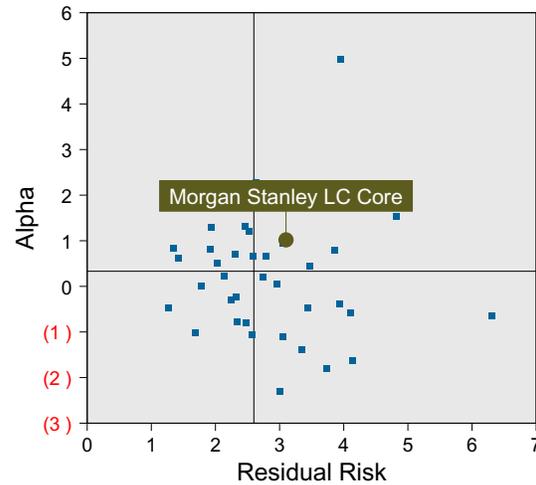
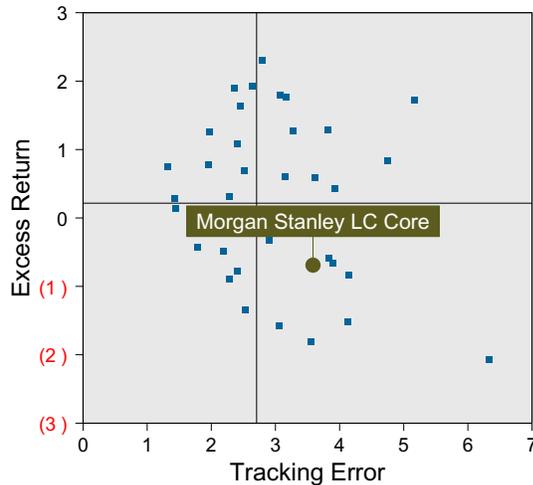


# Morgan Stanley LC Core Risk Analysis Summary

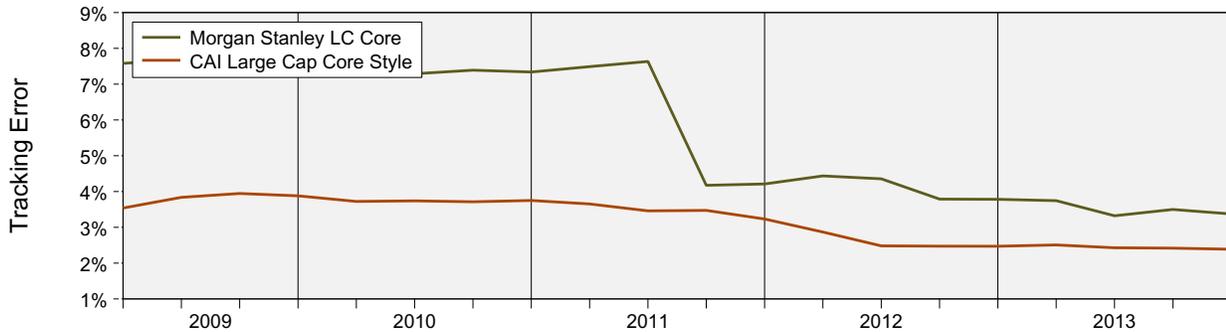
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

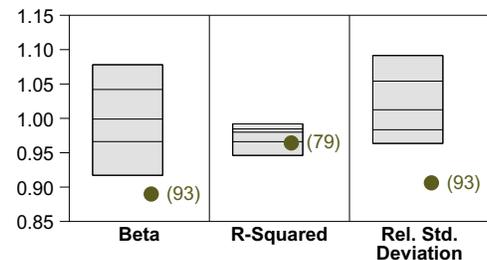
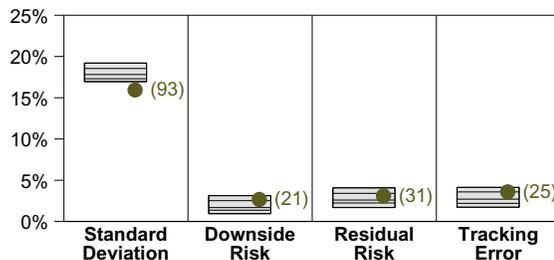
### Risk Analysis vs CAI Large Cap Core Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs S&P 500 Index



### Risk Statistics Rankings vs S&P 500 Index Rankings Against CAI Large Cap Core Style (Gross) Five Years Ended December 31, 2013



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	19.20	3.13	4.08	4.13
25th Percentile	18.55	2.52	3.41	3.59
Median	17.81	1.69	2.60	2.71
75th Percentile	17.30	1.36	2.24	2.20
90th Percentile	16.95	0.95	1.69	1.73

Morgan Stanley LC Core ● 15.94      2.67      3.10      3.59

	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.08	0.99	1.09
25th Percentile	1.04	0.98	1.05
Median	1.00	0.98	1.01
75th Percentile	0.97	0.97	0.98
90th Percentile	0.92	0.95	0.96

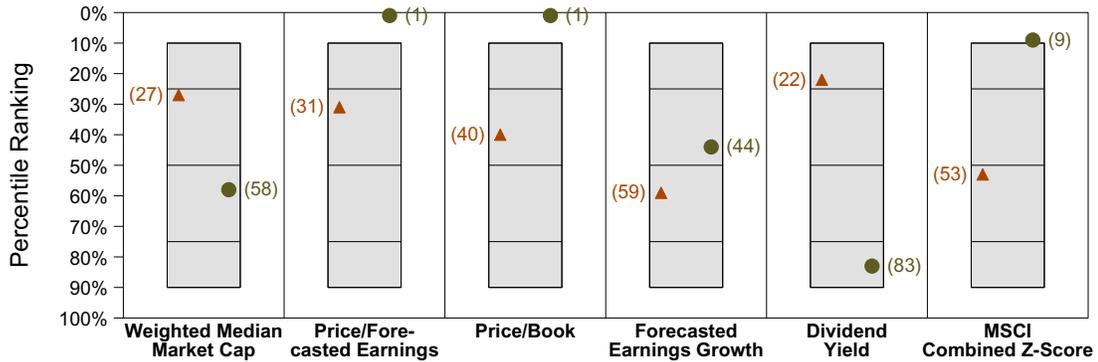
Morgan Stanley LC Core ● 0.89      0.96      0.91

# Morgan Stanley LC Core Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

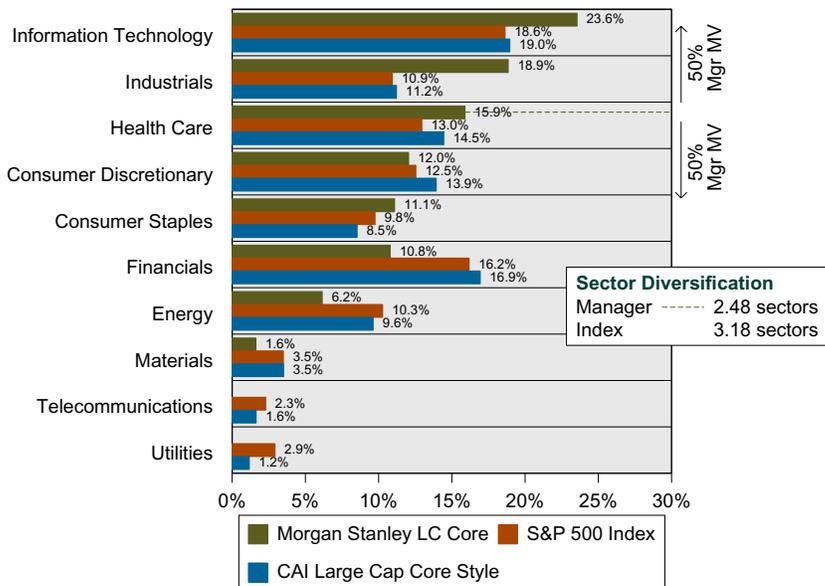
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Large Cap Core Style as of December 31, 2013



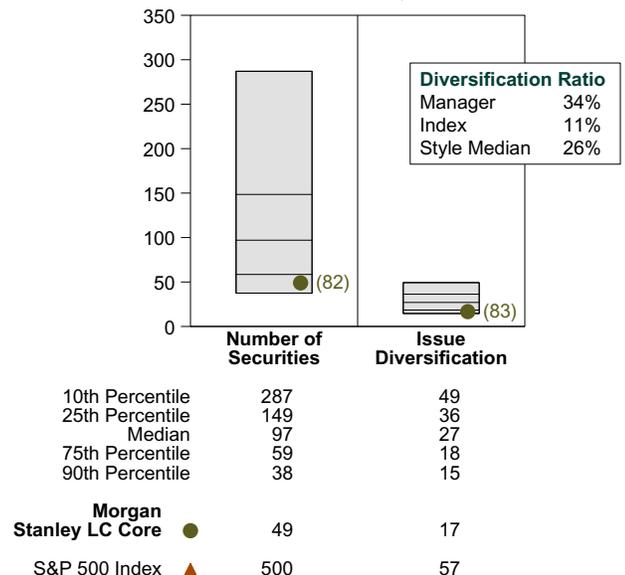
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Morgan Stanley LC Core Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Gilead Sciences	Health Care	\$4,013,010	4.7%	19.53%	115.03	23.12	0.00%	35.00%
Mastercard Inc Cl A	Information Technology	\$3,341,840	3.9%	24.29%	96.91	26.86	0.29%	18.10%
Ametek Inc New	Industrials	\$3,212,870	3.7%	14.59%	12.86	22.51	0.46%	21.22%
Oracle Corp	Information Technology	\$3,167,928	3.7%	15.76%	177.17	12.43	0.63%	10.00%
Mccormick & Co Inc Com Non Vtg	Consumer Staples	\$2,612,068	3.0%	7.66%	8.25	19.82	2.15%	7.20%
Accenture Plc Ireland Shs Class A	Information Technology	\$2,601,605	3.0%	12.86%	53.02	17.80	2.26%	12.00%
Microsoft Corp	Information Technology	\$2,492,838	2.9%	13.33%	311.79	13.42	2.99%	8.85%
Polaris Inds Inc	Consumer Discretionary	\$2,475,880	2.9%	13.10%	10.03	21.93	1.15%	15.00%
Pepsico	Consumer Staples	\$2,330,614	2.7%	5.04%	127.91	17.61	2.74%	8.20%
Nike Inc Cl B	Consumer Discretionary	\$2,233,376	2.6%	8.60%	56.02	23.57	1.22%	12.90%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Alliant Techsystems Inc	Industrials	\$2,165,904	2.5%	25.00%	3.90	11.95	0.85%	0.85%
Mastercard Inc Cl A	Information Technology	\$3,341,840	3.9%	24.29%	96.91	26.86	0.29%	18.10%
Cognizant Tech Solutions	Information Technology	\$2,221,560	2.6%	22.97%	30.43	21.21	0.00%	18.00%
American Express Co	Financials	\$1,052,468	1.2%	20.51%	97.89	16.74	1.01%	12.50%
Gilead Sciences	Health Care	\$4,013,010	4.7%	19.53%	115.03	23.12	0.00%	35.00%
Abbvie Inc Com	Health Care	\$1,182,944	1.4%	19.10%	83.73	16.55	3.03%	13.40%
Exxon Mobil Corp	Energy	\$2,185,920	2.5%	18.43%	445.45	12.88	2.49%	3.75%
Apple Inc	Information Technology	\$1,655,274	1.9%	18.38%	509.77	12.58	2.17%	12.30%
Lockheed Martin Corp	Industrials	\$1,739,322	2.0%	17.63%	47.71	14.56	3.58%	6.75%
Toro Co	Industrials	\$1,399,200	1.6%	17.39%	3.66	21.36	1.26%	30.43%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Altera Corp	Information Technology	\$1,356,501	1.6%	(12.06)%	10.39	21.26	1.84%	10.50%
Expeditors Intl Wash.	Industrials	\$1,539,900	1.8%	1.12%	9.13	22.46	1.36%	15.00%
Philip Morris Intl Inc	Consumer Staples	\$1,437,645	1.7%	1.73%	141.02	15.56	4.32%	6.00%
IBM Corp	Information Technology	\$1,237,962	1.4%	1.83%	205.47	10.41	2.03%	9.84%
Lilly (Eli) & Co	Health Care	\$663,000	0.8%	2.31%	57.46	18.35	3.84%	(2.35)%
Occidental Petroleum	Energy	\$1,531,110	1.8%	2.37%	76.63	13.10	2.69%	6.90%
Silgan Holdings Inc	Materials	\$1,392,580	1.6%	2.48%	3.04	15.15	1.17%	11.80%
Ross Stores Inc	Consumer Discretionary	\$936,625	1.1%	3.17%	16.39	17.34	0.91%	11.90%
Coach Inc	Consumer Discretionary	\$1,448,154	1.7%	3.55%	15.82	15.38	2.41%	11.85%
Chevron Corp New	Energy	\$1,561,375	1.8%	3.67%	241.33	10.53	3.20%	6.00%

# Rhumblin Equal-Wtd S&P 500 Period Ended December 31, 2013

## Investment Philosophy

Rhumblin's investment objective is to produce returns that track, as closely as possible, the client specific benchmark. The proper application of quantitative techniques and computer expertise facilitates the reproduction of all published indexes as well as the creation of unique indexes customized to meet the investment needs of every client. Since the objective of an Index Fund is to track the benchmark as closely as possible, Rhumblin monitors portfolio holdings daily to keep the allocation of assets equal to the index. The team specializes in passive index-based strategies, and does not use a "top - down" or "bottom - up" style. Indexing is a quantitative model-driven approach with no active judgment.

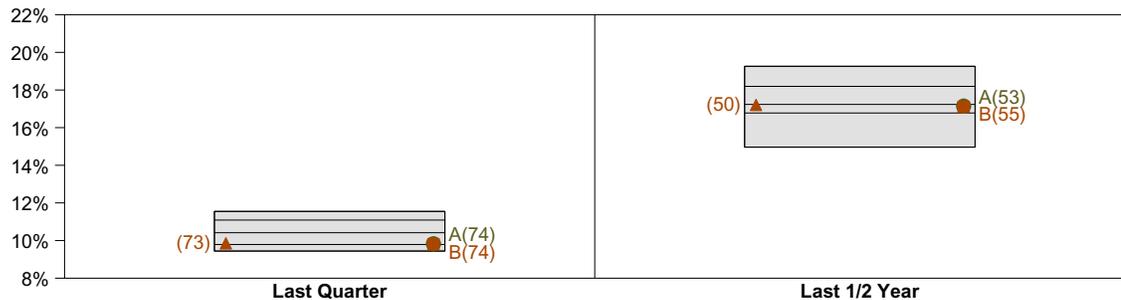
## Quarterly Summary and Highlights

- Rhumblin Equal-Wtd S&P 500's portfolio posted a 9.83% return for the quarter placing it in the 74 percentile of the CAI Large Cap Core Style group for the quarter and in the 53 percentile for the last one-half year.
- Rhumblin Equal-Wtd S&P 500's portfolio underperformed the S&P 500 Eq-Wtd by 0.03% for the quarter and underperformed the S&P 500 Eq-Wtd for the one-half year by 0.06%.

## Quarterly Asset Growth

Beginning Market Value	\$74,544,726
Net New Investment	\$0
Investment Gains/(Losses)	\$7,325,492
Ending Market Value	\$81,870,218

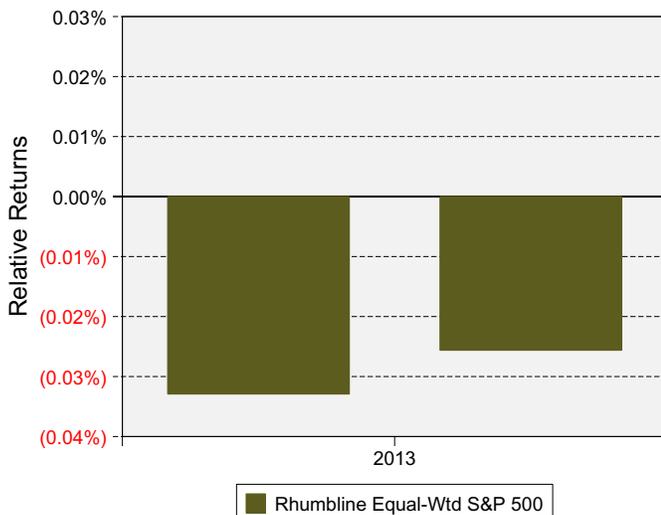
## Performance vs CAI Large Cap Core Style (Gross)



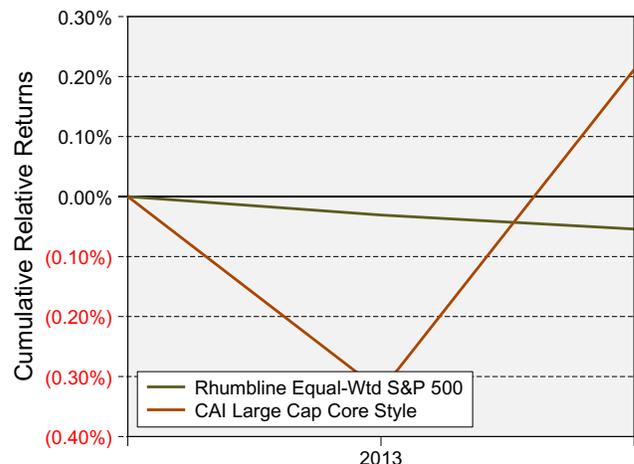
	Last Quarter	Last 1/2 Year
10th Percentile	11.55	19.26
25th Percentile	11.09	18.19
Median	10.42	17.24
75th Percentile	9.79	16.78
90th Percentile	9.44	14.96

	Last Quarter	Last 1/2 Year
Rhumblin Equal-Wtd S&P 500 (A)	9.83	17.14
Rhumblin Equal-Wtd S&P 500 - Net (B)	9.81	17.10
S&P 500 Eq-Wtd (▲)	9.85	17.21

## Relative Return vs S&P 500 Eq-Wtd



## Cumulative Returns vs S&P 500 Eq-Wtd

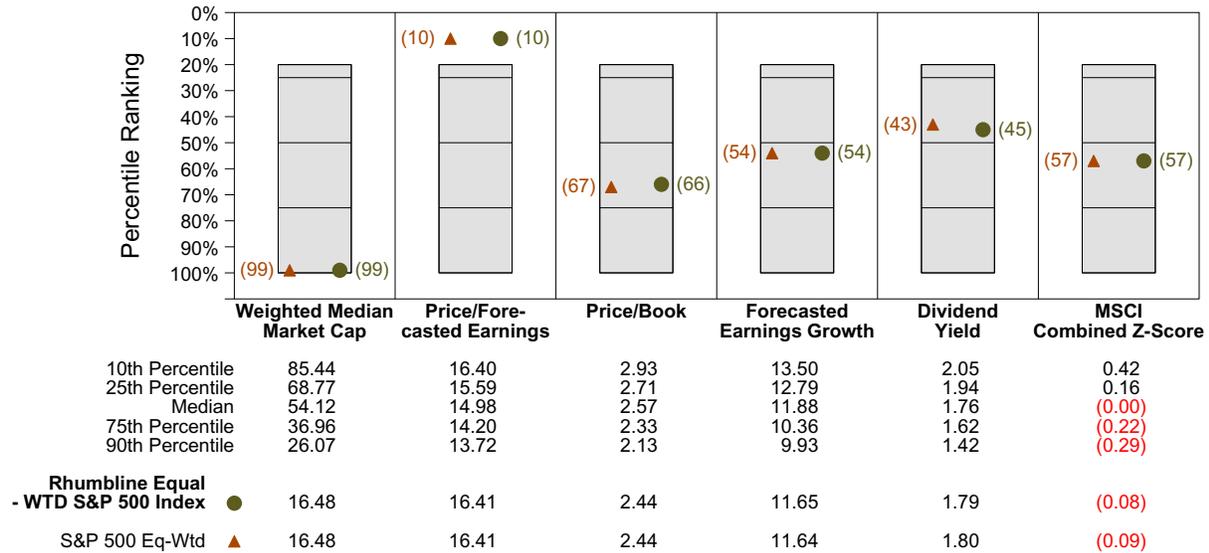


# Rhumblin Equal - WTD S&P 500 Index Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

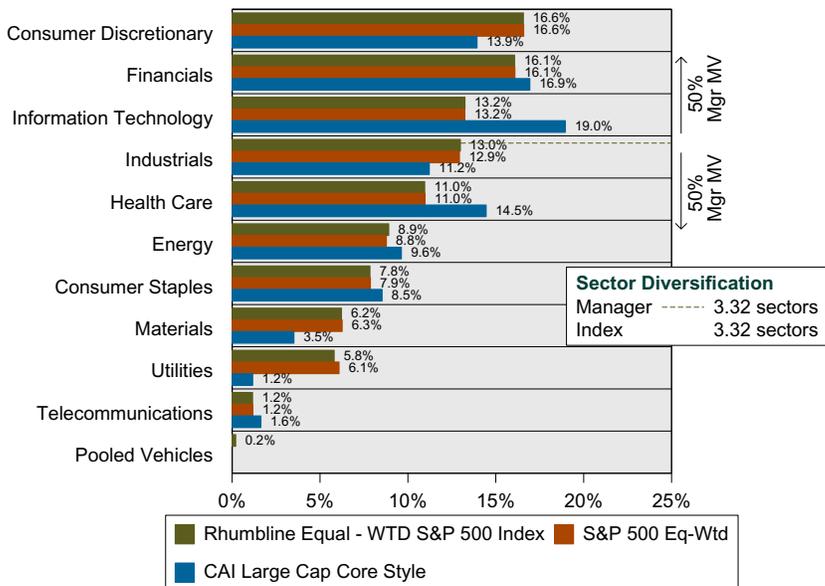
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Large Cap Core Style as of December 31, 2013



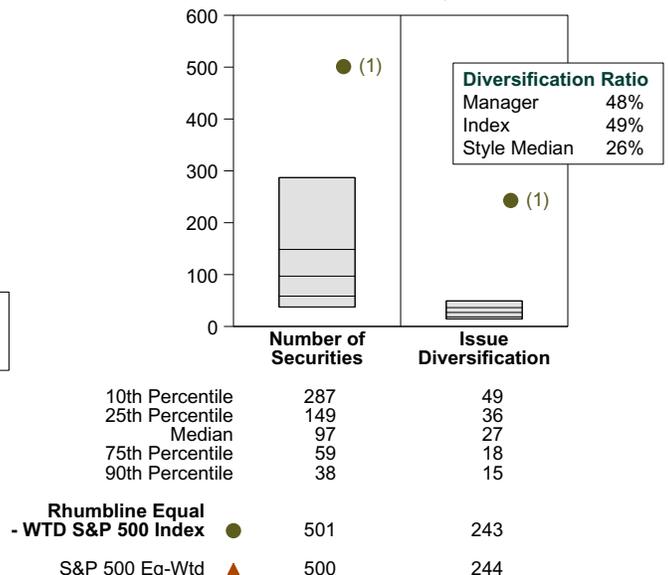
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Rhumblin Equal - WTD S&P 500 Index Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Lsi Corporation	Information Technology	\$218,286	0.3%	41.45%	6.03	15.97	1.09%	18.00%
Red Hat Inc	Information Technology	\$188,211	0.2%	21.46%	10.61	35.99	0.00%	15.40%
D.R. Horton	Consumer Discretionary	\$184,428	0.2%	14.87%	7.21	13.46	0.67%	3.00%
Textron Inc	Industrials	\$183,121	0.2%	33.22%	10.31	16.34	0.22%	9.00%
Pulte Group Inc	Consumer Discretionary	\$182,841	0.2%	23.80%	7.91	17.56	0.98%	24.43%
Vertex Pharmaceuticals	Health Care	\$180,648	0.2%	(2.00)%	17.30	(36.24)	0.00%	19.00%
Allergan Inc	Health Care	\$180,485	0.2%	22.87%	32.97	20.49	0.18%	13.00%
Pentair Ltd Shs	Industrials	\$179,823	0.2%	20.06%	15.47	19.66	1.29%	16.50%
Quanta Services Common	Industrials	\$178,548	0.2%	14.72%	6.64	17.73	0.00%	19.36%
Tyco International Ltd Shs	Industrials	\$178,491	0.2%	17.84%	18.97	18.36	1.56%	13.85%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Valero Energy Corp New	Energy	\$171,235	0.2%	48.33%	27.32	10.66	1.79%	4.85%
Us Steel Corp	Materials	\$169,463	0.2%	43.53%	4.27	25.65	0.68%	19.10%
Marathon Pete Corp	Energy	\$168,934	0.2%	43.39%	28.72	11.01	1.83%	11.00%
Lsi Corporation	Information Technology	\$218,286	0.3%	41.45%	6.03	15.97	1.09%	18.00%
Forest Labs Inc	Health Care	\$169,044	0.2%	40.29%	16.11	26.48	0.00%	45.50%
First Solar Inc	Information Technology	\$159,715	0.2%	35.89%	5.34	16.07	0.00%	(9.90)%
Expedia Inc Del	Consumer Discretionary	\$174,044	0.2%	34.84%	8.58	18.68	0.86%	11.60%
Phillips 66	Energy	\$169,546	0.2%	34.19%	47.13	11.56	2.02%	(7.05)%
Hewlett-Packard Co	Information Technology	\$163,955	0.2%	34.08%	53.96	7.61	2.08%	(3.00)%
Tesoro Corp	Energy	\$163,940	0.2%	33.60%	7.90	9.26	1.71%	9.20%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Jabil Circuit	Information Technology	\$142,935	0.2%	(19.25)%	3.53	12.95	1.83%	12.00%
Teradata Corp Del	Information Technology	\$173,166	0.2%	(17.95)%	7.42	14.87	0.00%	12.50%
Newmont Mining Hldg	Materials	\$154,568	0.2%	(17.34)%	11.46	13.47	3.47%	(20.20)%
Avon Products	Consumer Staples	\$160,269	0.2%	(16.12)%	7.47	15.51	1.39%	14.20%
Anadarko Petroleum Corp	Energy	\$157,737	0.2%	(14.52)%	39.87	15.28	0.91%	5.30%
Quest Diagnostics	Health Care	\$155,140	0.2%	(13.35)%	8.13	12.72	2.24%	10.00%
Health Care Reit	Financials	\$156,199	0.2%	(13.05)%	15.34	57.60	5.71%	(16.98)%
Altera Corp	Information Technology	\$165,030	0.2%	(12.06)%	10.39	21.26	1.84%	10.50%
Regeneron Pharmaceutical	Health Care	\$160,309	0.2%	(12.03)%	26.62	48.80	0.00%	32.00%
Denbury Res Inc	Energy	\$160,861	0.2%	(10.76)%	6.13	12.54	0.00%	(3.60)%

# Vanguard S&P 500 Index Fund

## Period Ended December 31, 2013

### Investment Philosophy

Vanguard Institutional Index Fund is passively administered using a "full replication" approach. Under this method, the fund holds all of the 500 underlying securities in proportion to their weighting in the index. The fund remains fully invested in equities at all times and does not make judgmental calls on the direction of the S&P 500 Index.

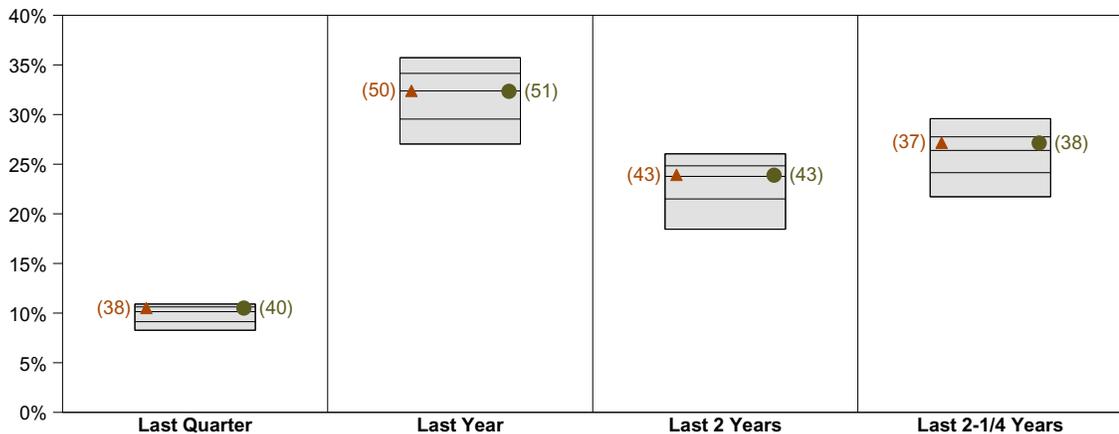
### Quarterly Summary and Highlights

- Vanguard S&P 500 Index Fund's portfolio posted a 10.50% return for the quarter placing it in the 40 percentile of the CAI MF - Core Equity Style group for the quarter and in the 51 percentile for the last year.
- Vanguard S&P 500 Index Fund's portfolio underperformed the S&P 500 Index by 0.01% for the quarter and underperformed the S&P 500 Index for the year by 0.05%.

### Quarterly Asset Growth

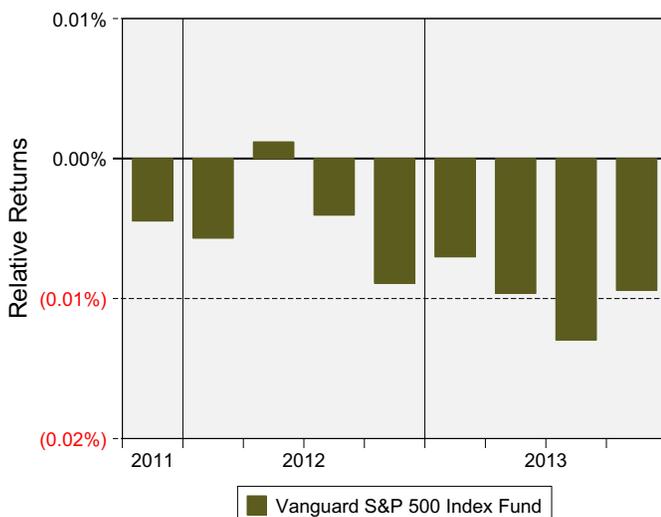
Beginning Market Value	\$161,920,803
Net New Investment	\$0
Investment Gains/(Losses)	\$17,007,345
Ending Market Value	\$178,928,148

### Performance vs CAI MF - Core Equity Style (Net)

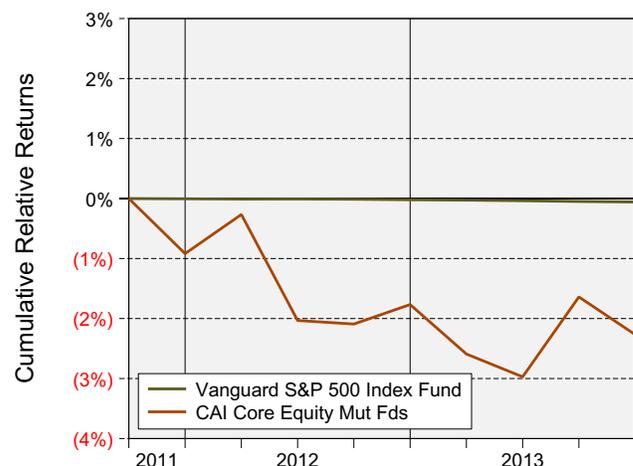


	Last Quarter	Last Year	Last 2 Years	Last 2-1/4 Years
10th Percentile	10.91	35.73	26.04	29.59
25th Percentile	10.62	34.15	24.83	27.76
Median	10.14	32.38	23.77	26.39
75th Percentile	9.14	29.54	21.50	24.15
90th Percentile	8.27	27.03	18.45	21.72
<b>Vanguard S&amp;P 500 Index Fund</b>	<b>10.50</b>	<b>32.34</b>	<b>23.89</b>	<b>27.13</b>
S&P 500 Index	10.51	32.39	23.93	27.16

### Relative Return vs S&P 500 Index



### Cumulative Returns vs S&P 500 Index

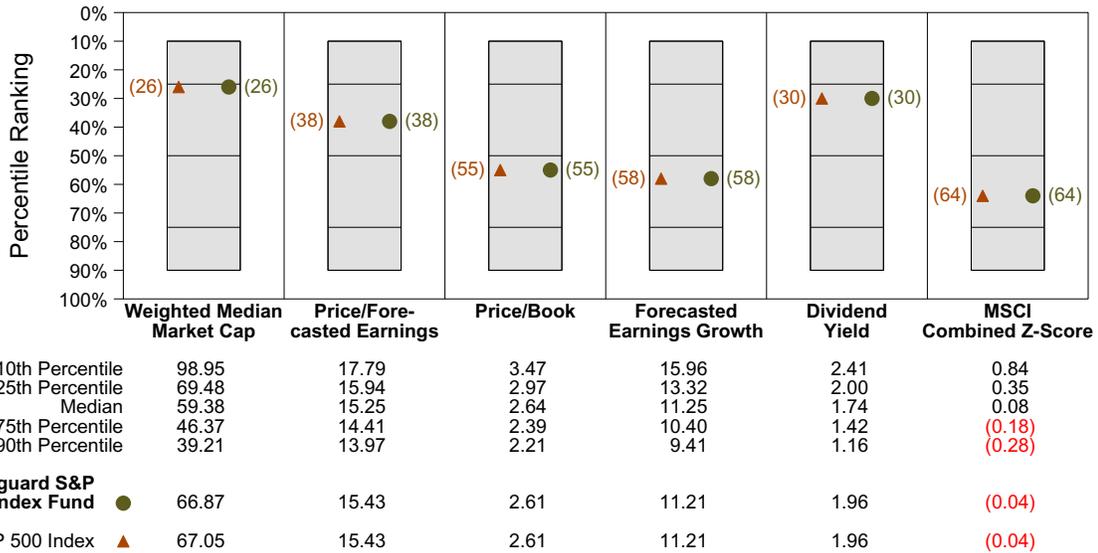


# Vanguard S&P 500 Index Fund Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

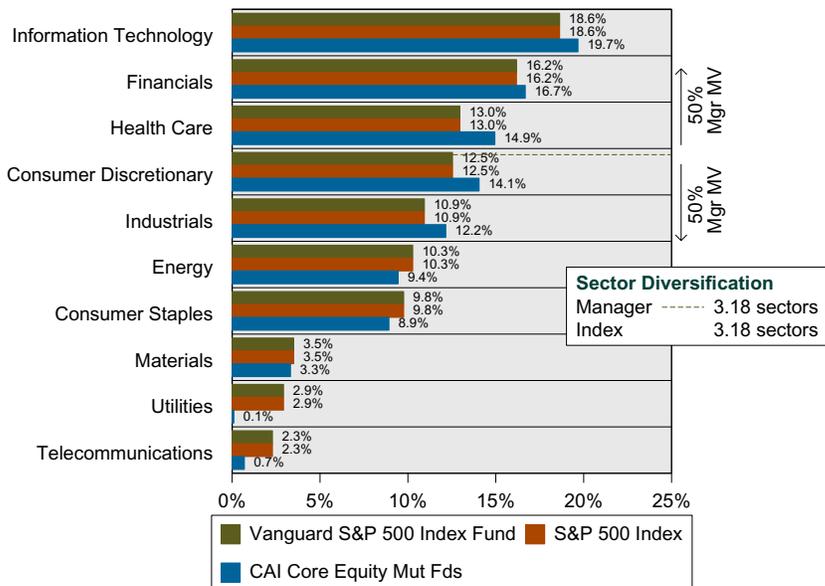
## Portfolio Characteristics Percentile Rankings Rankings Against CAI MF - Core Equity Style as of December 31, 2013



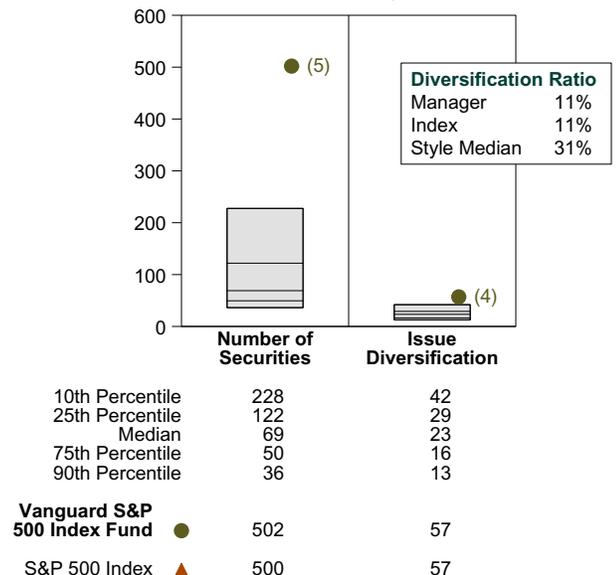
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Vanguard S&P 500 Index Fund Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Apple Inc	Information Technology	\$5,476,446	3.1%	18.38%	509.77	12.58	2.17%	12.30%
Exxon Mobil Corp	Energy	\$4,795,663	2.7%	18.43%	445.45	12.88	2.49%	3.75%
Google Inc Cl A	Information Technology	\$3,411,652	1.9%	27.95%	307.01	21.51	0.00%	16.00%
Microsoft Corp	Information Technology	\$3,084,434	1.7%	13.23%	311.79	13.42	2.99%	8.85%
General Electric Co	Industrials	\$3,076,271	1.7%	18.27%	285.45	16.20	3.14%	9.50%
Johnson & Johnson	Health Care	\$2,803,188	1.6%	6.38%	258.11	15.66	2.88%	6.20%
Chevron Corp New	Energy	\$2,605,836	1.5%	3.67%	241.33	10.53	3.20%	6.00%
Procter & Gamble Co	Consumer Staples	\$2,400,474	1.3%	8.53%	222.93	18.19	2.96%	7.95%
JPMorgan Chase & Co	Financials	\$2,384,705	1.3%	13.96%	220.13	9.73	2.60%	6.00%
Wells Fargo & Co New	Financials	\$2,360,710	1.3%	10.65%	241.06	11.32	2.64%	7.50%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Valero Energy Corp New	Energy	\$294,968	0.2%	48.33%	27.32	10.66	1.79%	4.85%
Us Steel Corp	Materials	\$46,273	0.0%	43.53%	4.27	25.65	0.68%	19.10%
Marathon Pete Corp	Energy	\$299,512	0.2%	43.39%	28.72	11.01	1.83%	11.00%
Lsi Corporation	Information Technology	\$65,193	0.0%	41.45%	6.03	15.97	1.09%	18.00%
Forest Labs Inc	Health Care	\$154,426	0.1%	40.29%	16.11	26.48	0.00%	45.50%
First Solar Inc	Information Technology	\$41,885	0.0%	35.89%	5.34	16.07	0.00%	(9.90)%
Expedia Inc Del	Consumer Discretionary	\$77,875	0.0%	34.84%	8.58	18.68	0.86%	11.60%
Phillips 66	Energy	\$501,594	0.3%	34.19%	47.13	11.56	2.02%	(7.05)%
Hewlett-Packard Co	Information Technology	\$583,287	0.3%	34.08%	53.96	7.61	2.08%	(3.00)%
Tesoro Corp	Energy	\$84,357	0.0%	33.60%	7.90	9.26	1.71%	9.20%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Jabil Circuit	Information Technology	\$34,976	0.0%	(19.25)%	3.53	12.95	1.83%	12.00%
Teradata Corp Del	Information Technology	\$80,609	0.0%	(17.95)%	7.42	14.87	0.00%	12.50%
Newmont Mining Hldg	Materials	\$124,360	0.1%	(17.34)%	11.46	13.47	3.47%	(20.20)%
Avon Products	Consumer Staples	\$81,089	0.0%	(16.12)%	7.47	15.51	1.39%	14.20%
Anadarko Petroleum Corp	Energy	\$433,009	0.2%	(14.52)%	39.87	15.28	0.91%	5.30%
Quest Diagnostics	Health Care	\$84,526	0.0%	(13.35)%	8.13	12.72	2.24%	10.00%
Health Care Reit	Financials	\$167,729	0.1%	(13.05)%	15.34	57.60	5.71%	(16.98)%
Altera Corp	Information Technology	\$113,299	0.1%	(12.06)%	10.39	21.26	1.84%	10.50%
Regeneron Pharmaceutical	Health Care	\$234,483	0.1%	(12.03)%	26.62	48.80	0.00%	32.00%
Denbury Res Inc	Energy	\$65,405	0.0%	(10.76)%	6.13	12.54	0.00%	(3.60)%



# Mid Cap Equity

## Period Ended December 31, 2013

### Quarterly Summary and Highlights

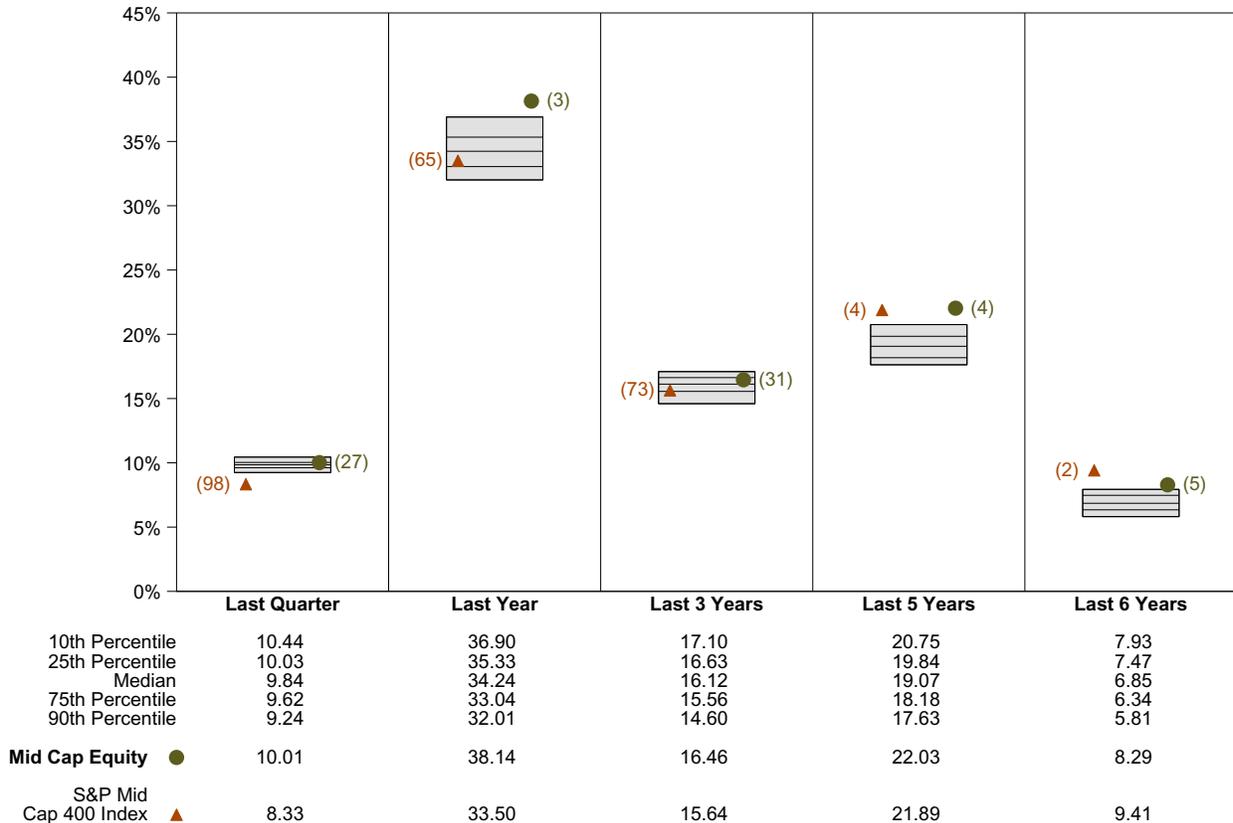
- Mid Cap Equity's portfolio posted a 10.01% return for the quarter placing it in the 27 percentile of the Pub Pln-Domestic Equity group for the quarter and in the 3 percentile for the last year.
- Mid Cap Equity's portfolio outperformed the S&P Mid Cap 400 Index by 1.68% for the quarter and outperformed the S&P Mid Cap 400 Index for the year by 4.64%.

### Quarterly Asset Growth

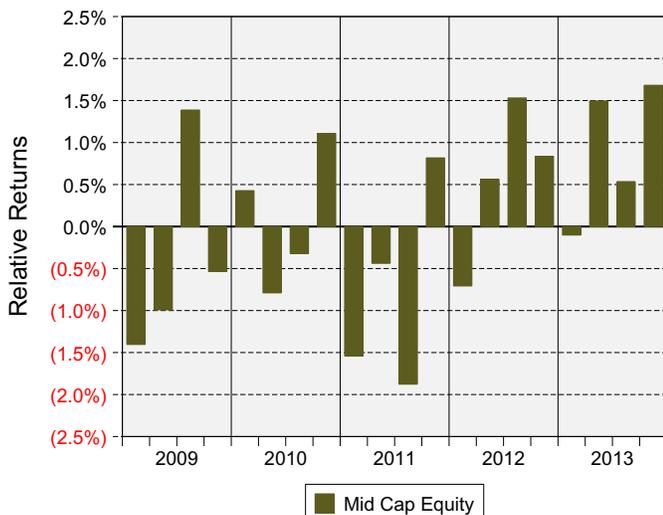
Beginning Market Value	\$124,862,020
Net New Investment	\$1,984
Investment Gains/(Losses)	\$12,500,671
Ending Market Value	\$137,364,676

**Percent Cash: 2.4%**

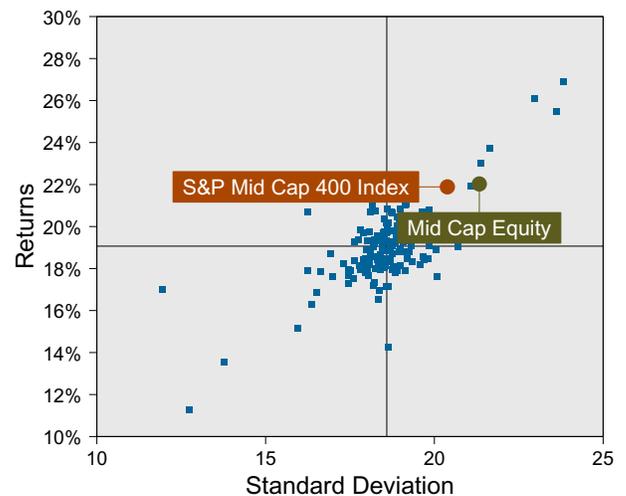
### Performance vs Pub Pln- Domestic Equity (Gross)



### Relative Return vs S&P Mid Cap 400 Index



### Pub Pln- Domestic Equity (Gross) Annualized Five Year Risk vs Return

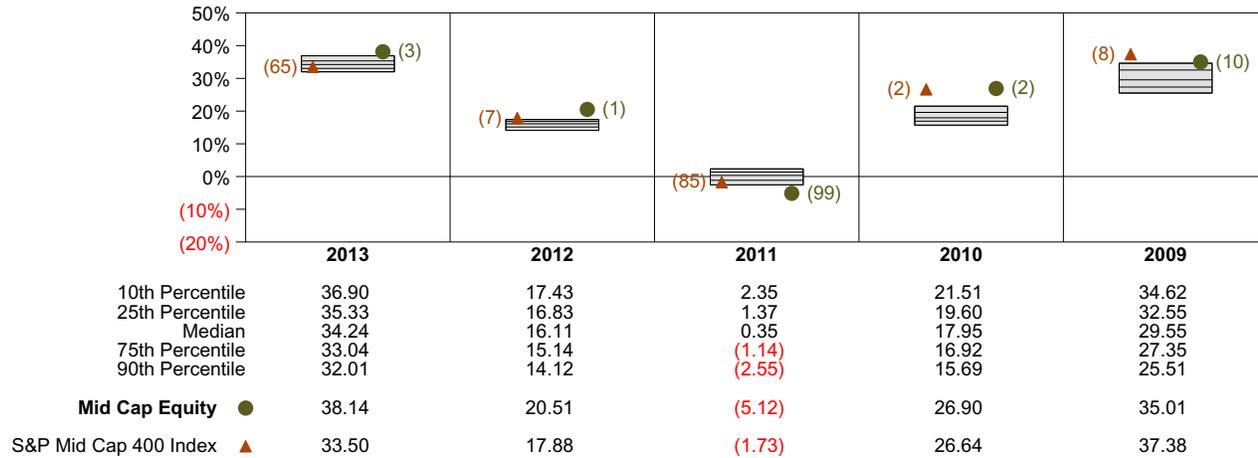


# Mid Cap Equity Return Analysis Summary

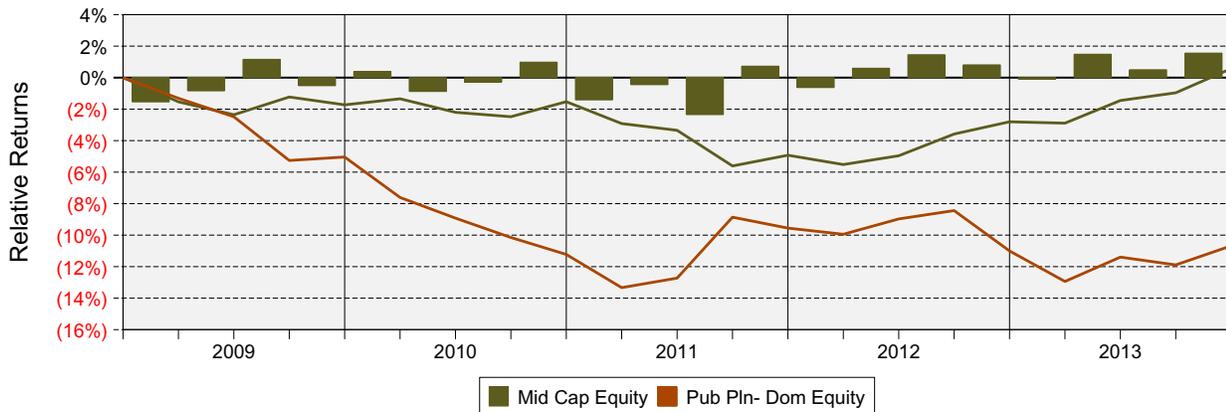
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

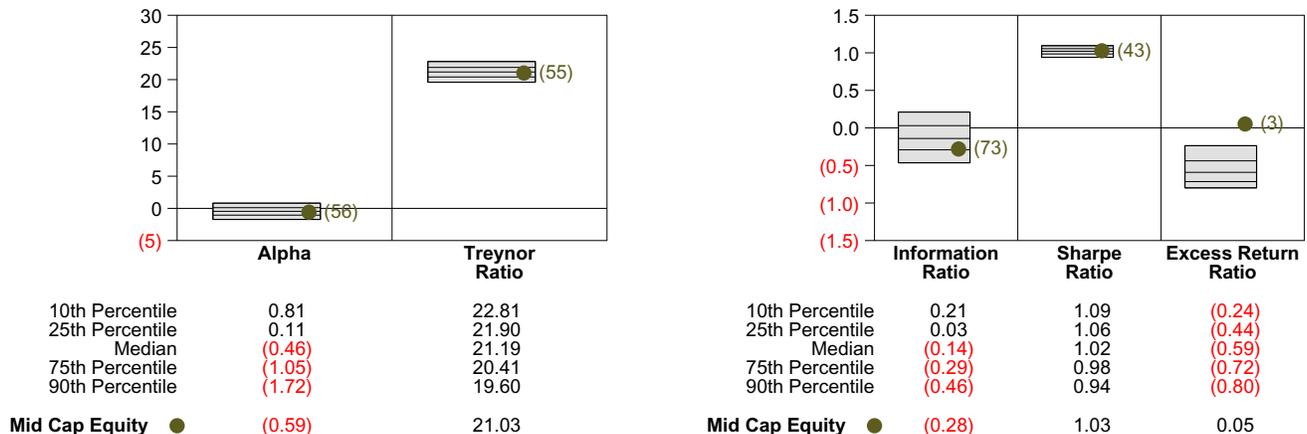
### Performance vs Pub Pln- Domestic Equity (Gross)



### Cumulative and Quarterly Relative Return vs S&P Mid Cap 400 Index



### Risk Adjusted Return Measures vs S&P Mid Cap 400 Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013

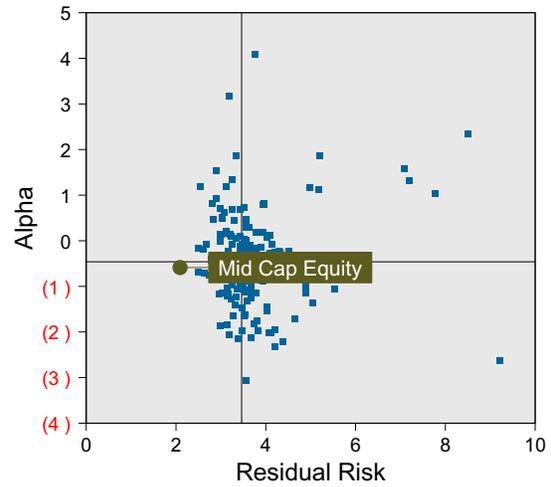
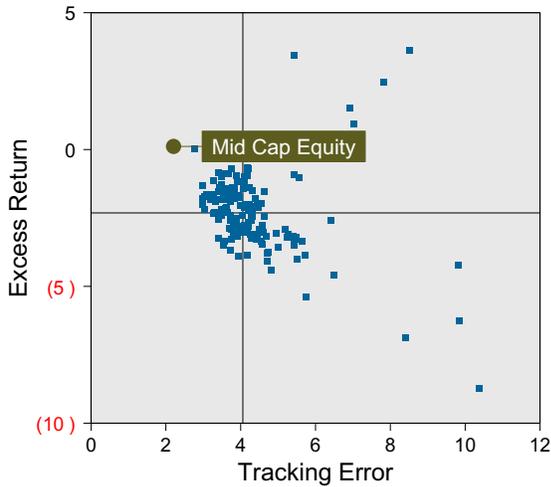


# Mid Cap Equity Risk Analysis Summary

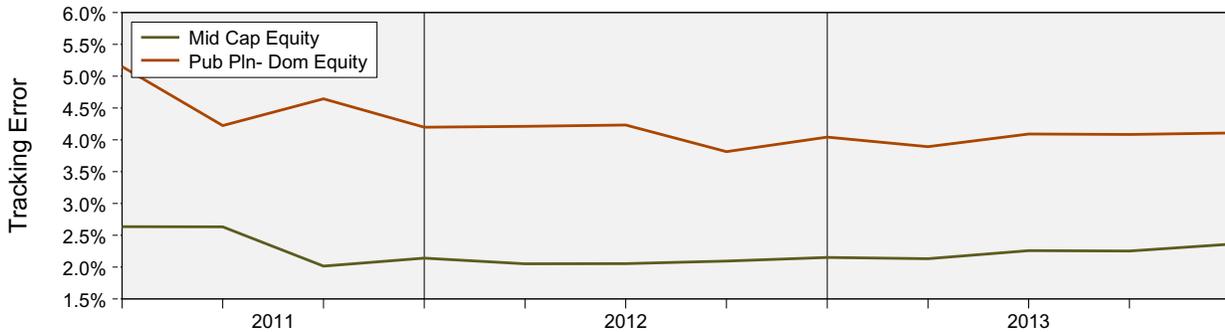
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

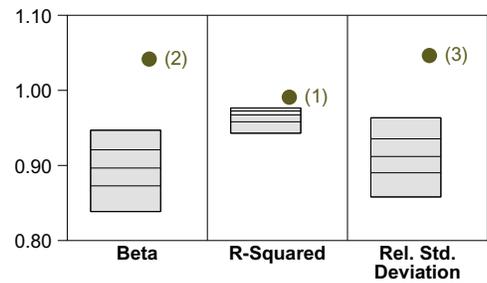
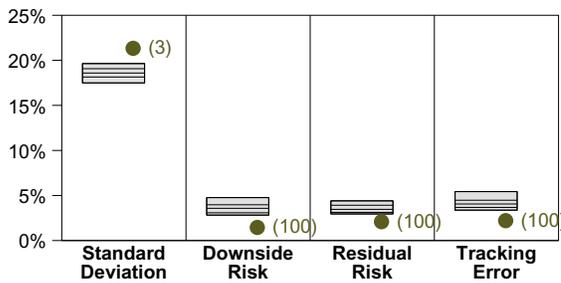
### Risk Analysis vs Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs S&P Mid Cap 400 Index



### Risk Statistics Rankings vs S&P Mid Cap 400 Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	19.64	4.77	4.41	5.43
25th Percentile	19.07	3.97	3.92	4.48
Median	18.59	3.58	3.46	4.06
75th Percentile	18.15	3.08	3.13	3.68
90th Percentile	17.49	2.82	2.95	3.37

	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	0.95	0.98	0.96
25th Percentile	0.92	0.97	0.94
Median	0.90	0.97	0.91
75th Percentile	0.87	0.96	0.89
90th Percentile	0.84	0.94	0.86

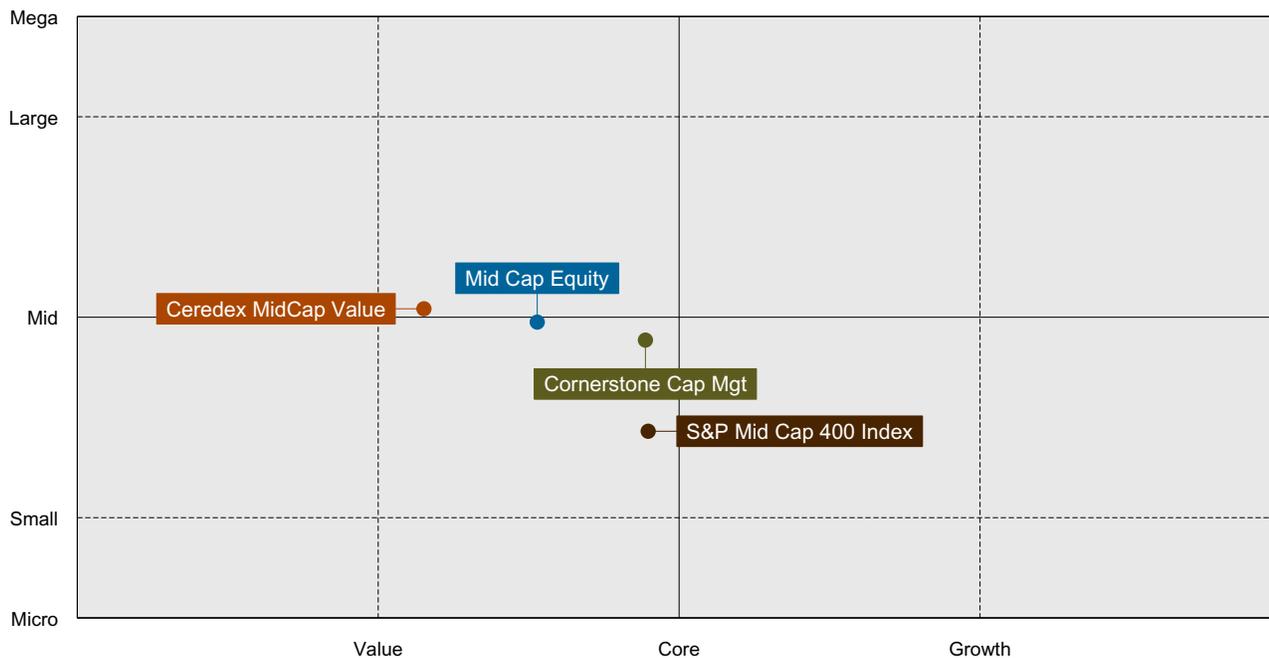
Mid Cap Equity ● 21.33    1.45    2.09    2.21

Mid Cap Equity ● 1.04    0.99    1.05

## Holdings Based Style Analysis For One Quarter Ended December 31, 2013

This page analyzes and compares the investment styles of multiple portfolios using a detailed holdings-based style analysis methodology. The size component of style is measured by the weighted median market capitalization of the holdings. The value/core/growth style dimension is captured by the "Combined Z-Score" of the portfolio. This score is based on eight fundamental factors used in the MSCI stock style scoring system. The table below gives a more detailed breakdown of several relevant style metrics on the portfolios.

### Style Map Holdings for One Quarter Ended December 31, 2013



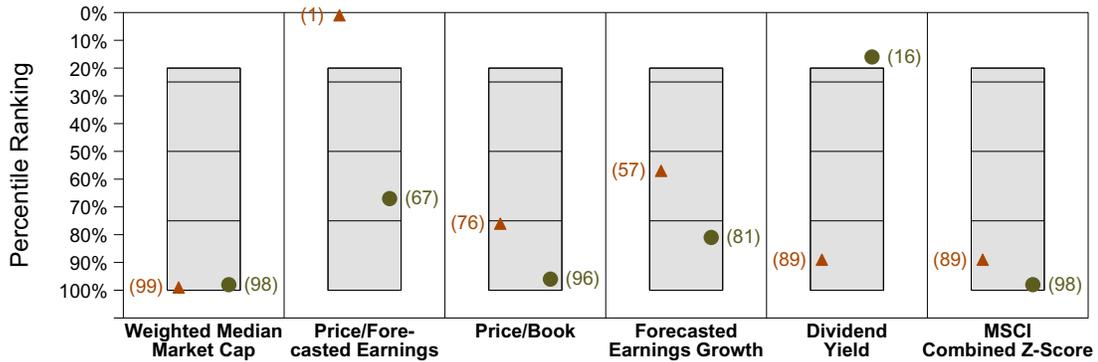
	Weight %	Wtd Median Mkt Cap	Combined Z-Score	Growth Z-Score	Value Z-Score	Number of Securities	Security Diversification
Cornerstone Cap Mgt	50.22%	7.77	(0.07)	0.03	0.10	235	68.28
Ceredex MidCap Value	49.78%	10.48	(0.61)	(0.22)	0.39	75	26.32
Mid Cap Equity	100.00%	8.40	(0.33)	(0.09)	0.24	288	68.04
S&P Mid Cap 400 Index	-	4.61	(0.07)	(0.02)	0.04	400	122.84

# Mid Cap Equity Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

## Portfolio Characteristics Percentile Rankings Rankings Against Pub Pln- Domestic Equity as of December 31, 2013

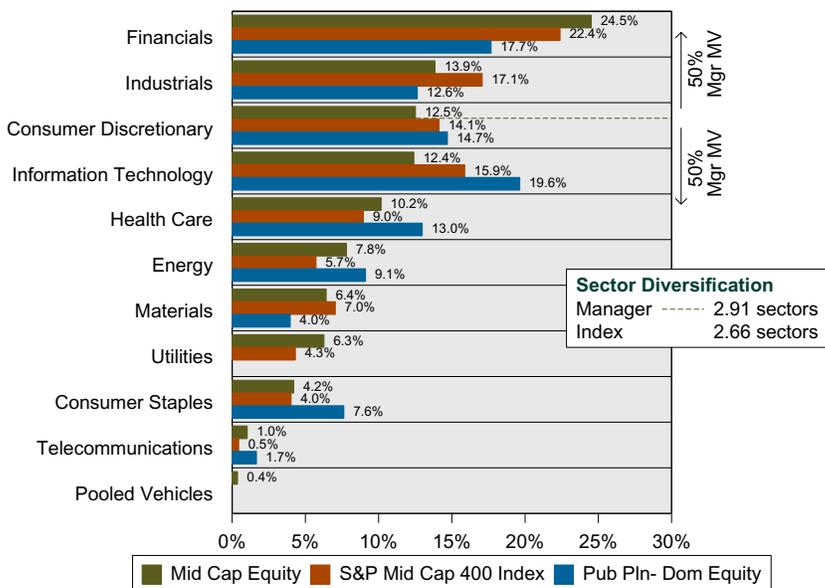


	Weighted Median Market Cap	Price/Forecasted Earnings	Price/Book	Forecasted Earnings Growth	Dividend Yield	MSCI Combined Z-Score
10th Percentile	66.30	17.13	2.71	13.48	1.97	0.26
25th Percentile	45.56	16.73	2.62	12.65	1.82	0.11
Median	35.39	16.02	2.58	12.17	1.68	0.00
75th Percentile	26.60	15.43	2.46	11.41	1.54	(0.06)
90th Percentile	16.74	15.35	2.34	11.05	1.36	(0.07)
<b>Mid Cap Equity</b> ●	8.40	15.74	2.09	11.28	1.95	(0.33)
S&P Mid Cap 400 Index ▲	4.61	18.51	2.43	12.03	1.40	(0.07)

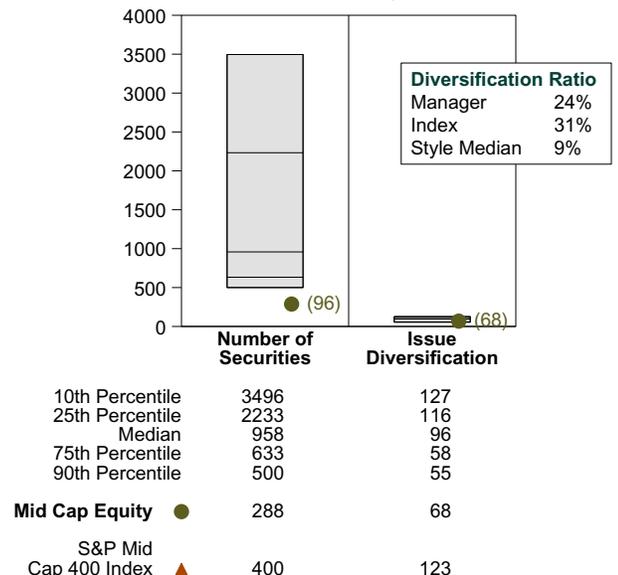
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



# Cornerstone Capital Management Period Ended December 31, 2013

## Investment Philosophy

Cornerstone Capital Management Holdings believes it can achieve consistent excess returns with controlled risk by adhering to the following investment philosophy: Model rationale must be intuitive and based on sound investment principles; The time from idea conception to portfolio action must be swift; Appropriate balance of valuation and momentum metrics; Disciplined review of the model and output ensures process integrity.

## Quarterly Summary and Highlights

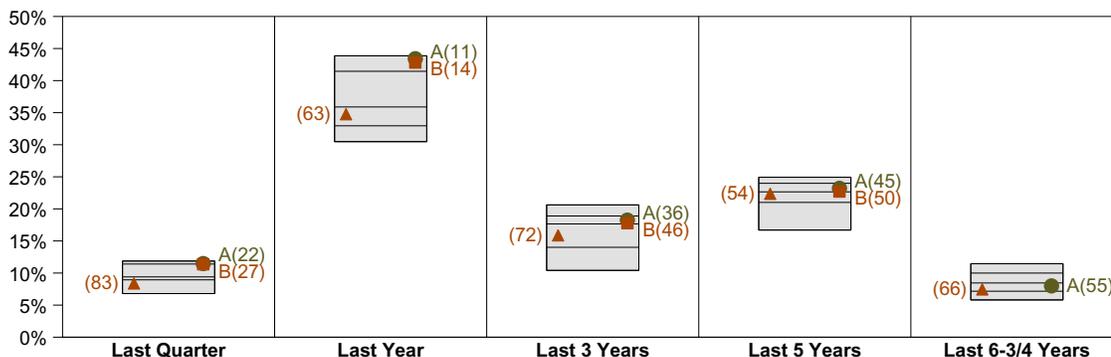
- Cornerstone Capital Management's portfolio posted a 11.48% return for the quarter placing it in the 22 percentile of the CAI Mid Cap Core Style group for the quarter and in the 11 percentile for the last year.
- Cornerstone Capital Management's portfolio outperformed the Russell MidCap Index by 3.09% for the quarter and outperformed the Russell MidCap Index for the year by 8.65%.

## Quarterly Asset Growth

Beginning Market Value	\$61,885,104
Net New Investment	\$1,667
Investment Gains/(Losses)	\$7,099,754
Ending Market Value	\$68,986,524

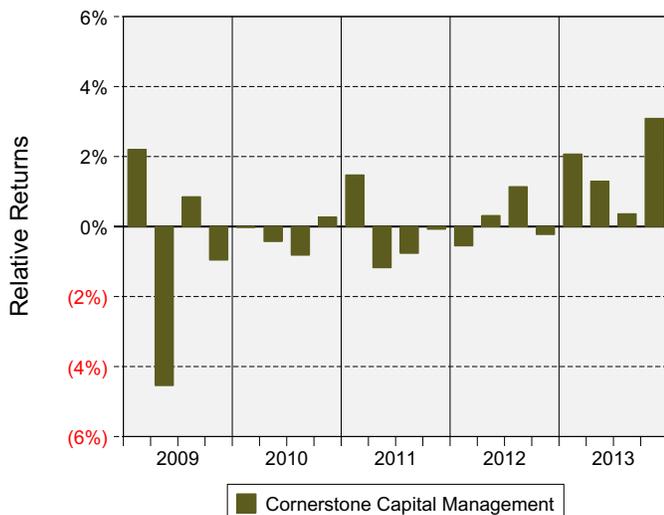
**Percent Cash: 0.2%**

## Performance vs CAI Mid Cap Core Style (Gross)

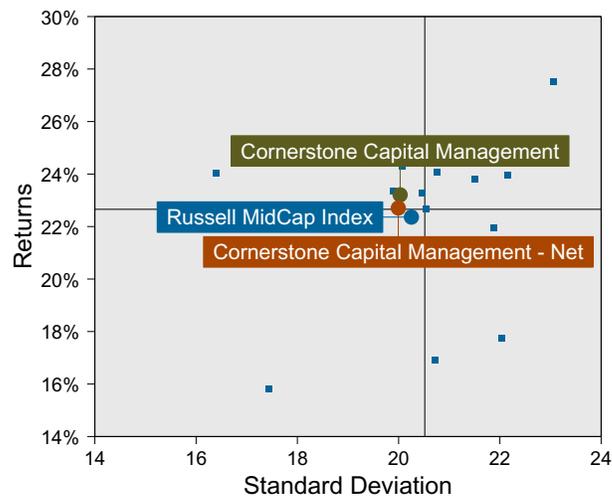


10th Percentile	11.87	43.87	20.62	24.93	11.45	
25th Percentile	11.40	41.45	18.89	23.99	10.00	
Median	9.40	35.89	17.65	22.66	8.45	
75th Percentile	8.94	32.95	14.01	21.01	7.17	
90th Percentile	6.80	30.48	10.41	16.70	5.81	
Cornerstone Capital Management	● A	11.48	43.41	18.25	23.21	7.99
Cornerstone Capital Management - Net	■ B	11.37	42.81	17.77	22.71	-
Russell MidCap Index	▲	8.39	34.76	15.88	22.36	7.45

## Relative Return vs Russell MidCap Index



## CAI Mid Cap Core Style (Gross) Annualized Five Year Risk vs Return

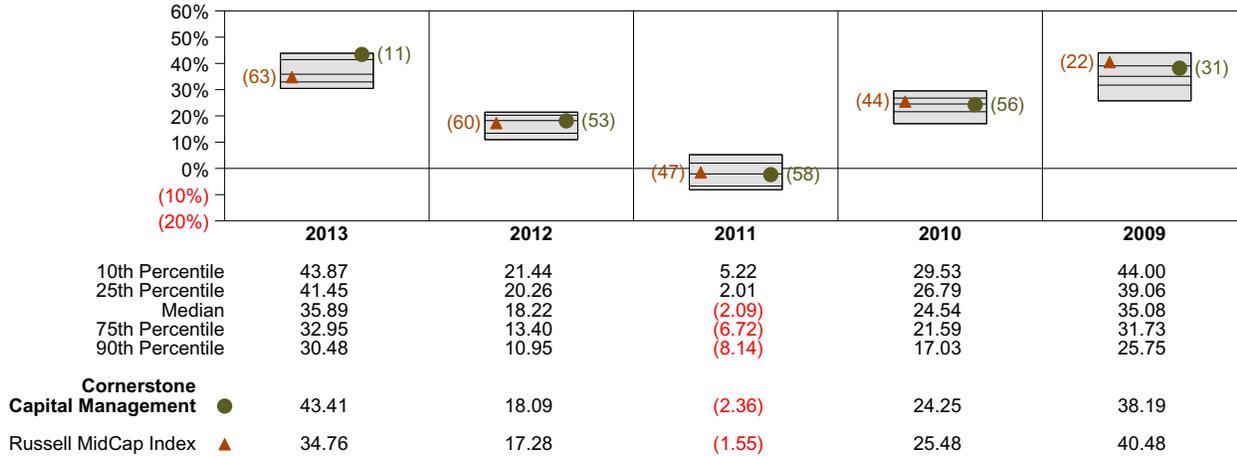


# Cornerstone Capital Management Return Analysis Summary

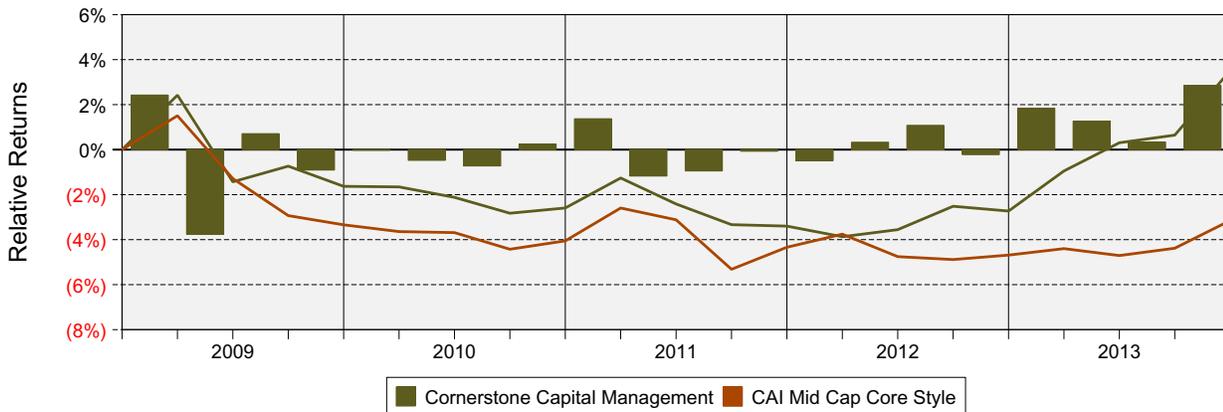
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

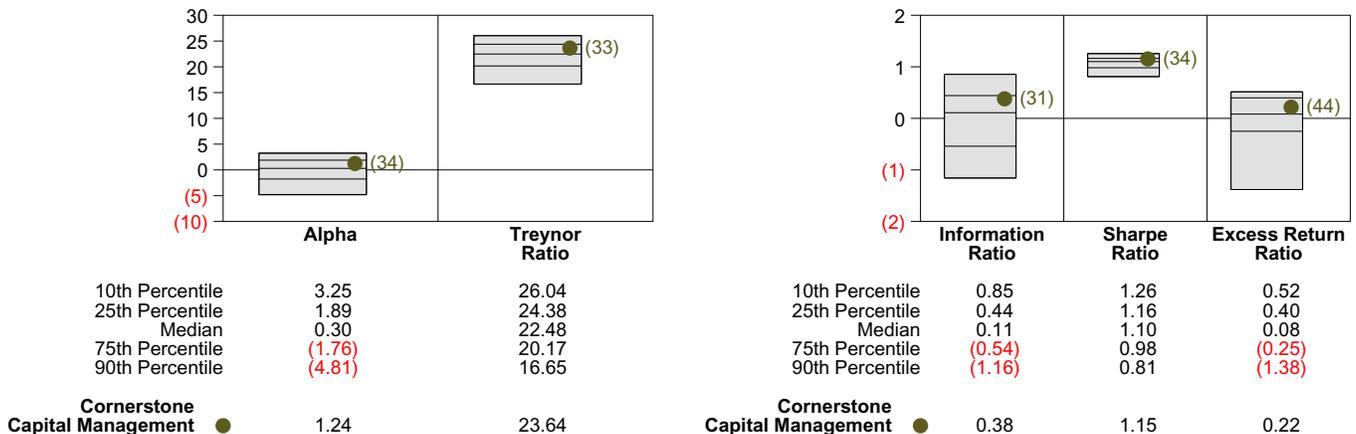
### Performance vs CAI Mid Cap Core Style (Gross)



### Cumulative and Quarterly Relative Return vs Russell MidCap Index



### Risk Adjusted Return Measures vs Russell MidCap Index Rankings Against CAI Mid Cap Core Style (Gross) Five Years Ended December 31, 2013

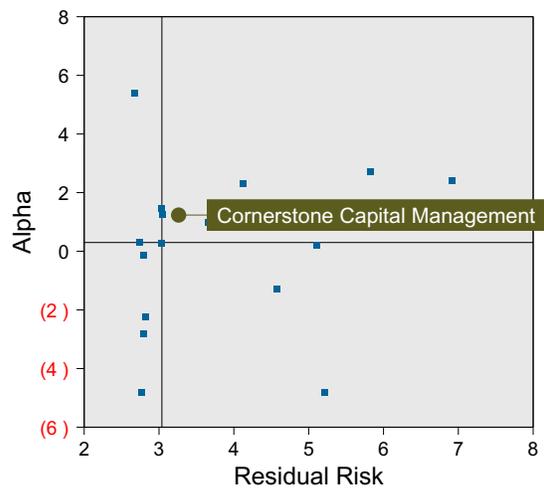
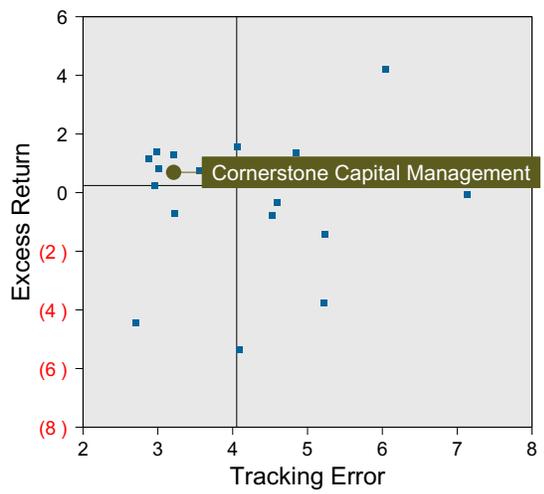


# Cornerstone Capital Management Risk Analysis Summary

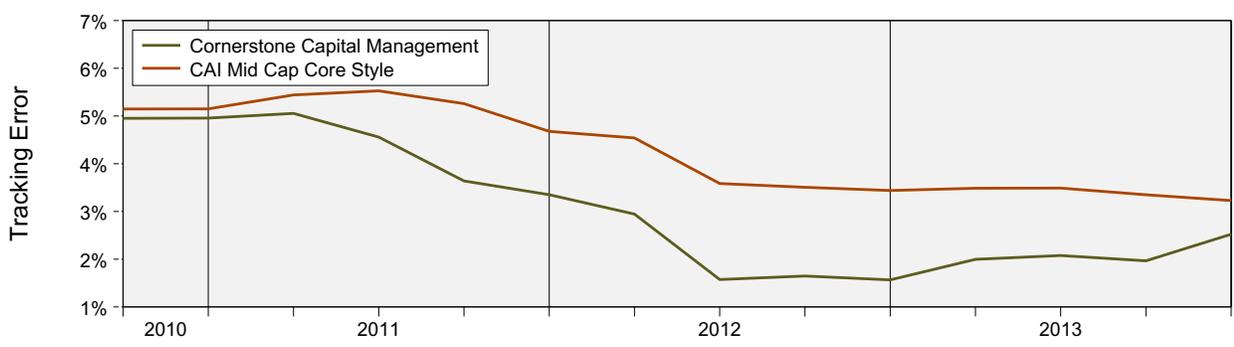
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

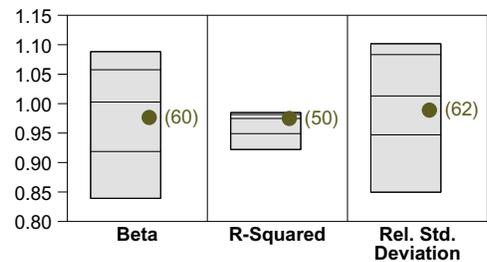
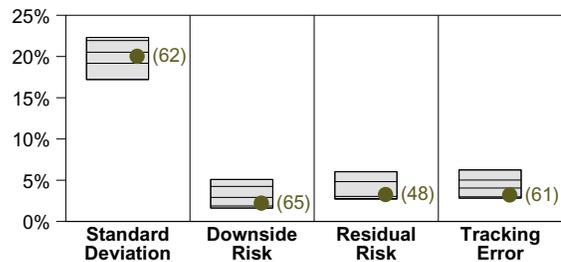
### Risk Analysis vs CAI Mid Cap Core Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Russell MidCap Index



### Risk Statistics Rankings vs Russell MidCap Index Rankings Against CAI Mid Cap Core Style (Gross) Five Years Ended December 31, 2013



10th Percentile	22.31	5.09	6.03	6.25
25th Percentile	21.94	4.25	4.83	5.02
Median	20.52	2.92	3.04	4.05
75th Percentile	19.18	1.88	2.78	2.99
90th Percentile	17.21	1.63	2.72	2.83

10th Percentile	1.09	0.98	1.10
25th Percentile	1.06	0.98	1.08
Median	1.00	0.97	1.01
75th Percentile	0.92	0.95	0.95
90th Percentile	0.84	0.92	0.85

Cornerstone Capital Management ● 20.03      2.22      3.26      3.21

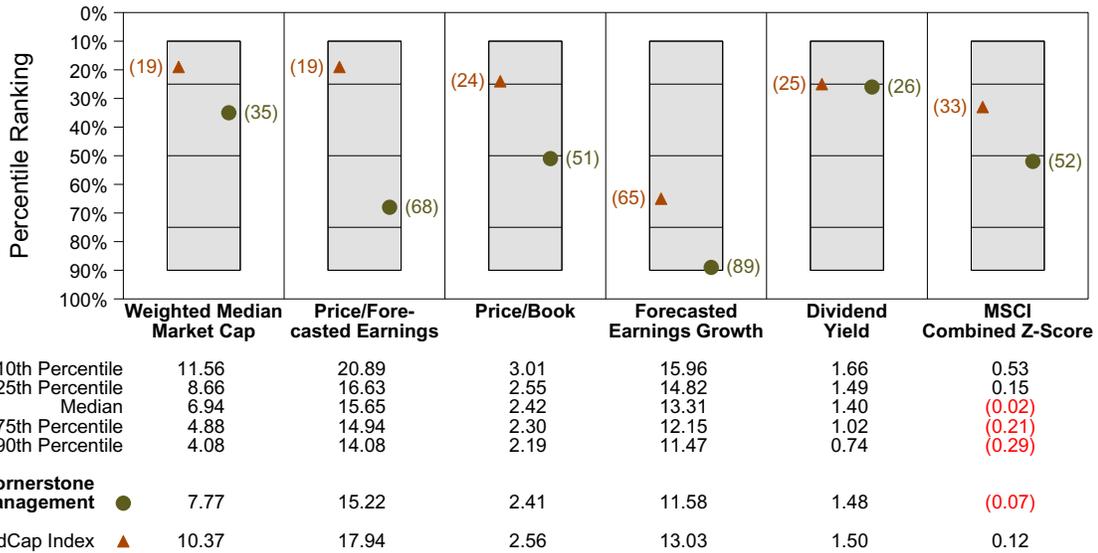
Cornerstone Capital Management ● 0.98      0.97      0.99

# Cornerstone Capital Management Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

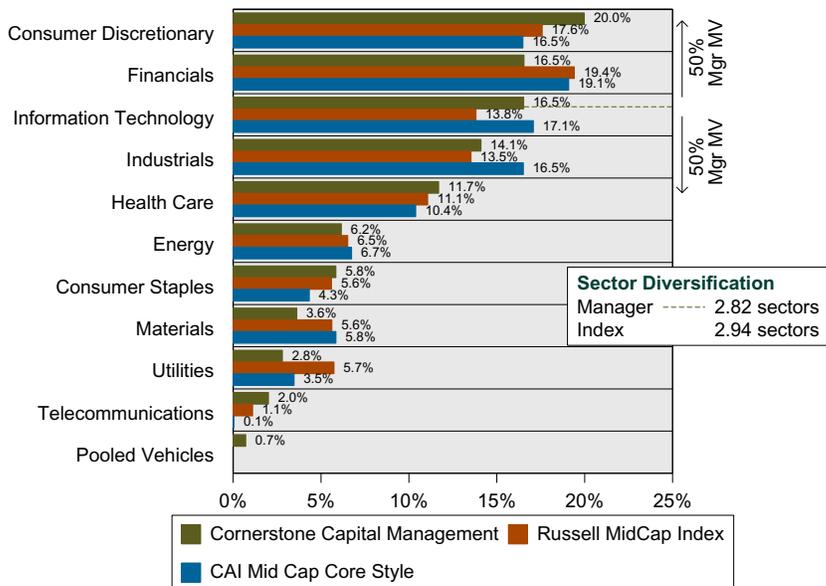
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Mid Cap Core Style as of December 31, 2013



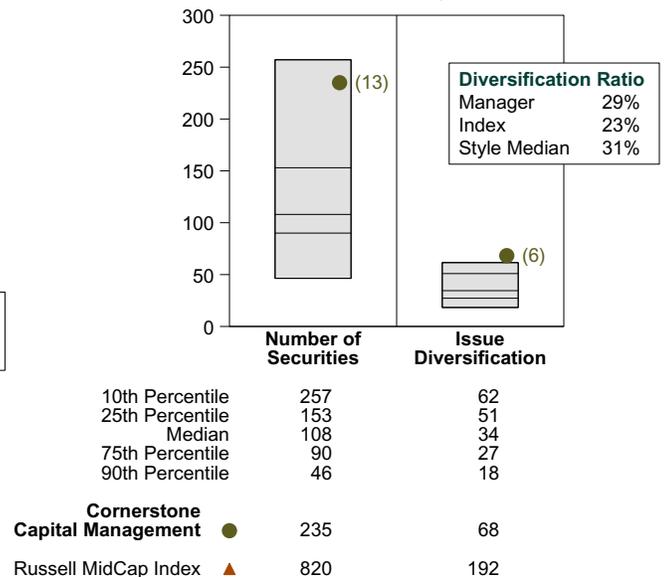
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Cornerstone Capital Management Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Actavis Plc Shs	Health Care	\$714,336	1.0%	7.76%	29.12	13.10	0.00%	19.30%
Ameriprise Finl Inc	Financials	\$661,538	1.0%	26.51%	22.76	14.73	1.81%	19.80%
Mcgraw Hill Finl Inc	Financials	\$644,055	0.9%	18.68%	21.52	20.97	1.43%	19.45%
Cardinal Health	Health Care	\$639,572	0.9%	28.69%	22.68	17.07	1.81%	10.00%
Delta Air Lines Inc Del	Industrials	\$637,798	0.9%	16.66%	23.57	9.99	0.87%	13.15%
Western Digital Corp	Information Technology	\$598,207	0.9%	32.84%	19.88	10.07	1.43%	(2.00)%
Kroger Co	Consumer Staples	\$593,978	0.9%	(1.60)%	20.49	12.82	1.67%	7.20%
Lorillard Inc Com	Consumer Staples	\$587,128	0.9%	14.37%	18.95	14.20	4.34%	12.00%
Rockwell Automation	Industrials	\$571,185	0.8%	11.06%	16.39	18.51	1.96%	11.52%
Mylan Inc	Health Care	\$568,583	0.8%	13.73%	16.57	12.80	0.00%	12.10%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Endo Intl Plc Shs	Health Care	\$466,081	0.7%	48.44%	7.70	16.10	0.00%	3.00%
Nu Skin Asia Inc Cl A	Consumer Staples	\$503,674	0.7%	44.90%	8.11	18.43	0.87%	28.80%
United Therapeutics Corp	Health Care	\$520,960	0.8%	43.47%	5.65	16.06	0.00%	10.00%
Spirit Aerosystems Hldgs Inc Com Cl	Industrials	\$438,269	0.6%	40.54%	4.11	12.81	0.00%	8.50%
Avis Budget Group	Industrials	\$460,586	0.7%	40.15%	4.37	14.86	0.00%	12.10%
Jazz Pharmaceuticals Plc Shs Usd	Health Care	\$492,572	0.7%	36.69%	7.36	15.92	0.00%	25.00%
First Solar Inc	Information Technology	\$376,142	0.6%	36.39%	5.34	16.07	0.00%	(9.90)%
Aol Inc	Information Technology	\$412,913	0.6%	34.86%	3.58	19.51	0.00%	8.00%
Expedia Inc Del	Consumer Discretionary	\$486,505	0.7%	34.82%	8.58	18.68	0.86%	11.60%
United Rentals Inc	Industrials	\$484,537	0.7%	34.56%	7.27	12.99	0.00%	18.70%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Jabil Circuit	Information Technology	\$178,498	0.3%	(20.47)%	3.53	12.95	1.83%	12.00%
Wpx Energy Inc	Energy	\$127,273	0.2%	(13.92)%	4.09	(55.08)	0.00%	-
Big Lots Inc	Consumer Discretionary	\$164,679	0.2%	(13.63)%	1.88	12.85	0.00%	3.55%
Health Care Reit	Financials	\$54,749	0.1%	(12.82)%	15.34	57.60	5.71%	(16.98)%
Telephone & Data Sys Inc	Telecommunications	\$379,301	0.6%	(12.36)%	2.61	(53.71)	1.98%	(27.68)%
Sandridge Energy Inc	Energy	\$17,166	0.0%	(10.06)%	2.98	75.88	0.00%	(15.54)%
Whiting Pete Corp New	Energy	\$28,893	0.0%	(8.87)%	7.34	14.84	0.00%	(0.63)%
United States Cellular Corp	Telecommunications	\$175,309	0.3%	(8.18)%	2.13	(4182.00)	0.00%	7.00%
Laboratory Corp of Amer	Health Care	\$256,658	0.4%	(7.83)%	8.23	13.52	0.00%	11.00%
Apartment Invest & Mgmt	Financials	\$87,576	0.1%	(6.95)%	3.78	66.44	3.71%	74.46%

# Ceredex MidCap Value Period Ended December 31, 2013

## Investment Philosophy

The strategy employs a traditional value style rooted in a fundamental, bottom-up approach. The investment philosophy emphasizes three key characteristics in selecting equities for portfolios: existence of a dividend, low valuation levels, and the existence of a fundamental catalyst that will cause a stock to appreciate upon recognition by the market.

## Quarterly Summary and Highlights

- Ceredex MidCap Value's portfolio posted a 8.58% return for the quarter placing it in the 71 percentile of the CAI Mid Cap Value Style group for the quarter and in the 81 percentile for the last year.
- Ceredex MidCap Value's portfolio outperformed the Russell MidCap Value Idx by 0.02% for the quarter and underperformed the Russell MidCap Value Idx for the year by 0.45%.

## Quarterly Asset Growth

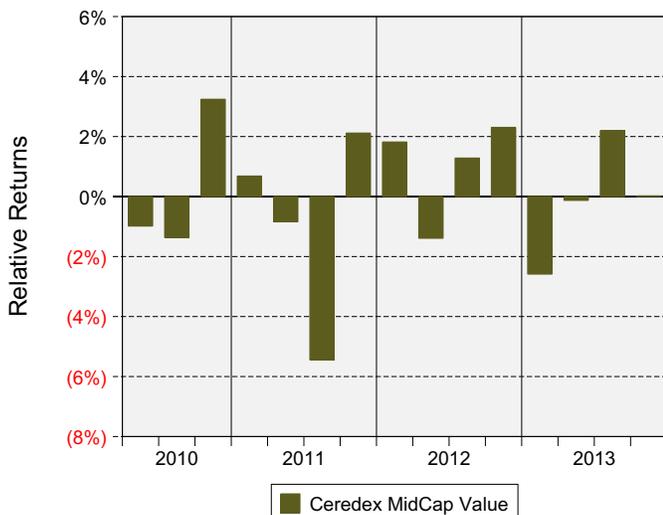
Beginning Market Value	\$62,976,916
Net New Investment	\$318
Investment Gains/(Losses)	\$5,400,917
Ending Market Value	\$68,378,151

**Percent Cash: 4.6%**

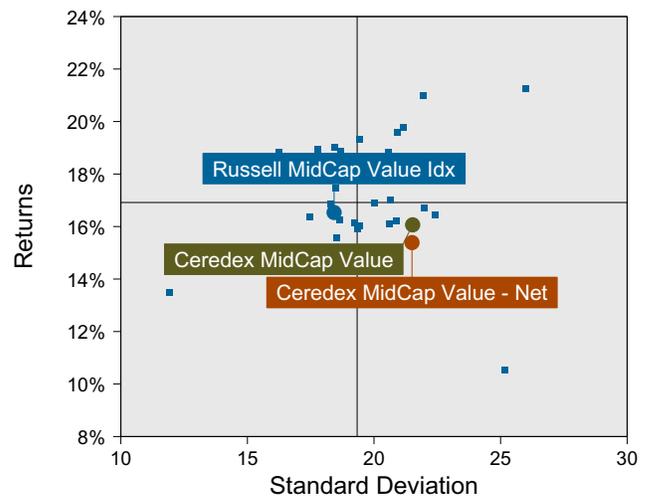
## Performance vs CAI Mid Cap Value Style (Gross)



## Relative Return vs Russell MidCap Value Idx



## CAI Mid Cap Value Style (Gross) Annualized Three and Three-Quarter Year Risk vs Return

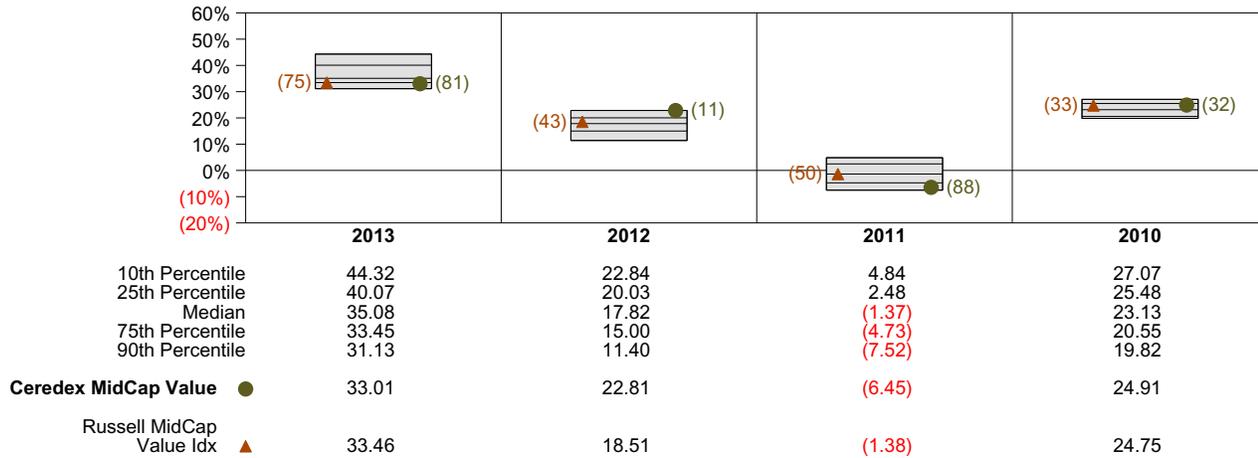


# Ceredex MidCap Value Return Analysis Summary

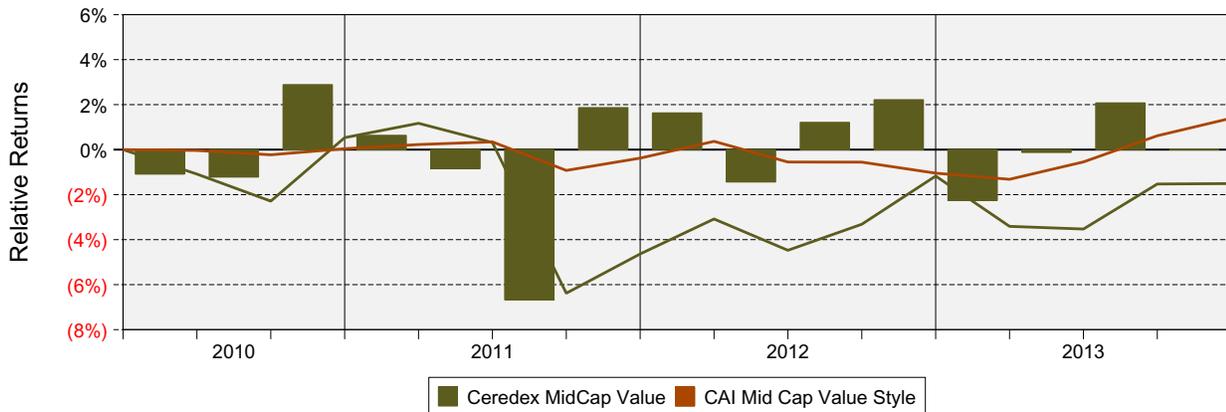
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

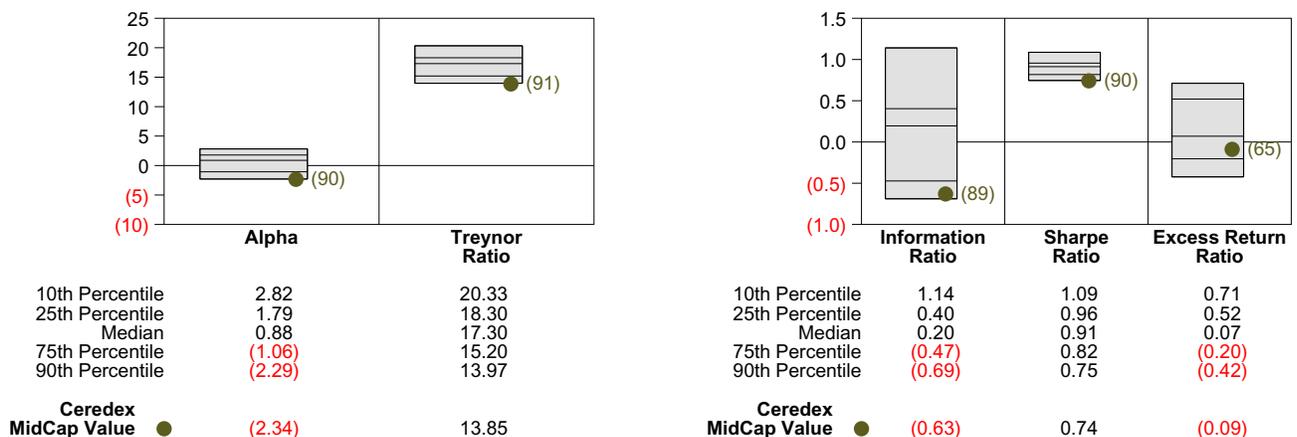
### Performance vs CAI Mid Cap Value Style (Gross)



### Cumulative and Quarterly Relative Return vs Russell MidCap Value Idx



### Risk Adjusted Return Measures vs Russell MidCap Value Idx Rankings Against CAI Mid Cap Value Style (Gross) Three and Three-Quarter Years Ended December 31, 2013

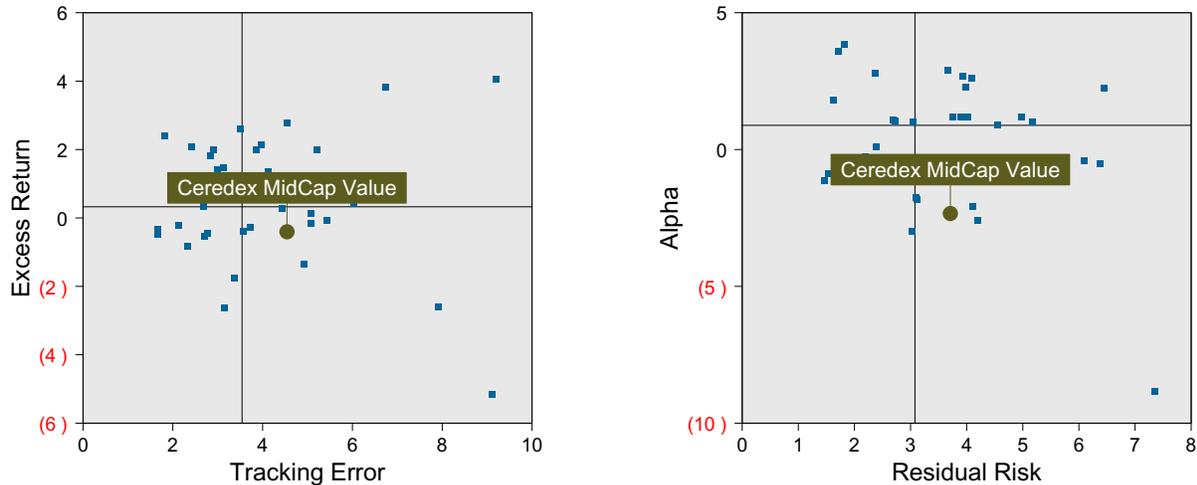


# Ceredex MidCap Value Risk Analysis Summary

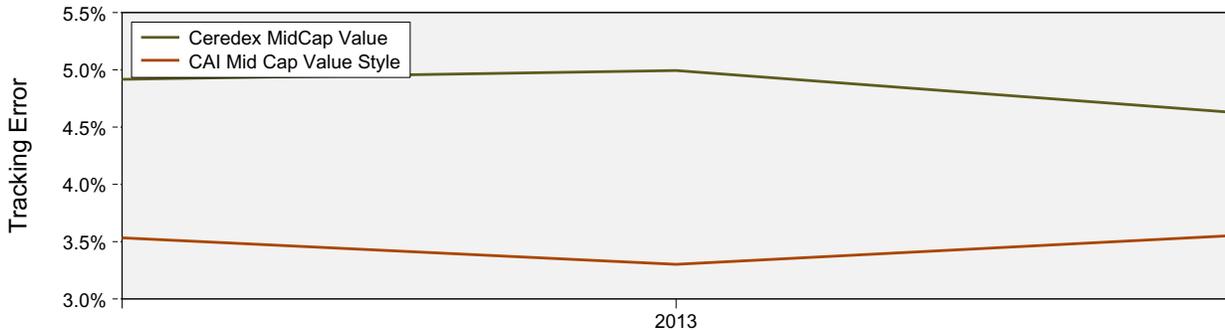
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

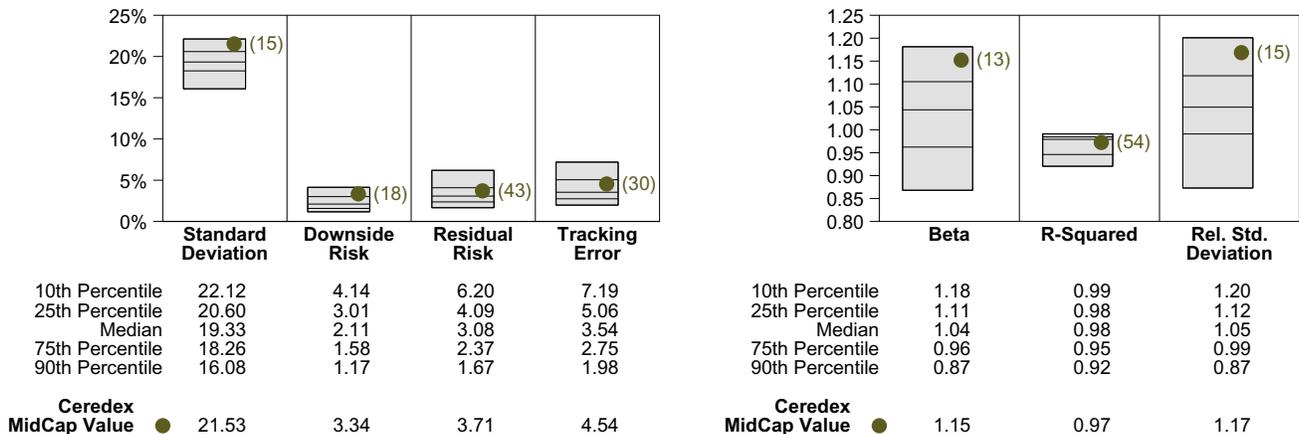
### Risk Analysis vs CAI Mid Cap Value Style (Gross) Three and Three-Quarter Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Russell MidCap Value Idx



### Risk Statistics Rankings vs Russell MidCap Value Idx Rankings Against CAI Mid Cap Value Style (Gross) Three and Three-Quarter Years Ended December 31, 2013

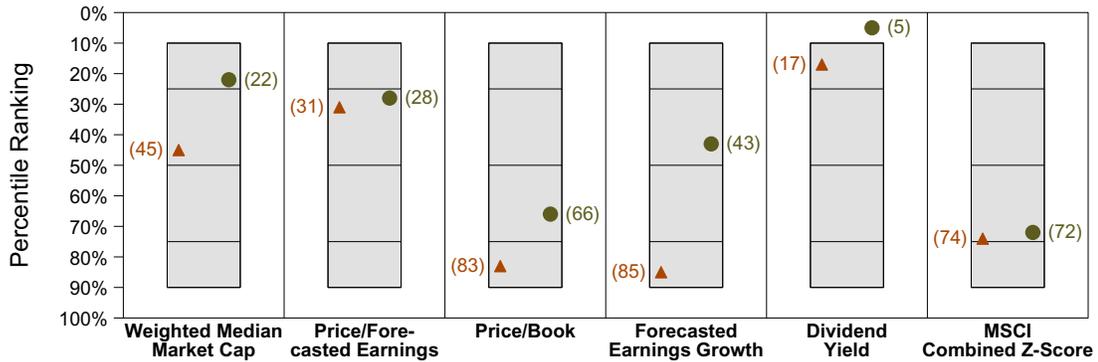


# Ceredex MidCap Value Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

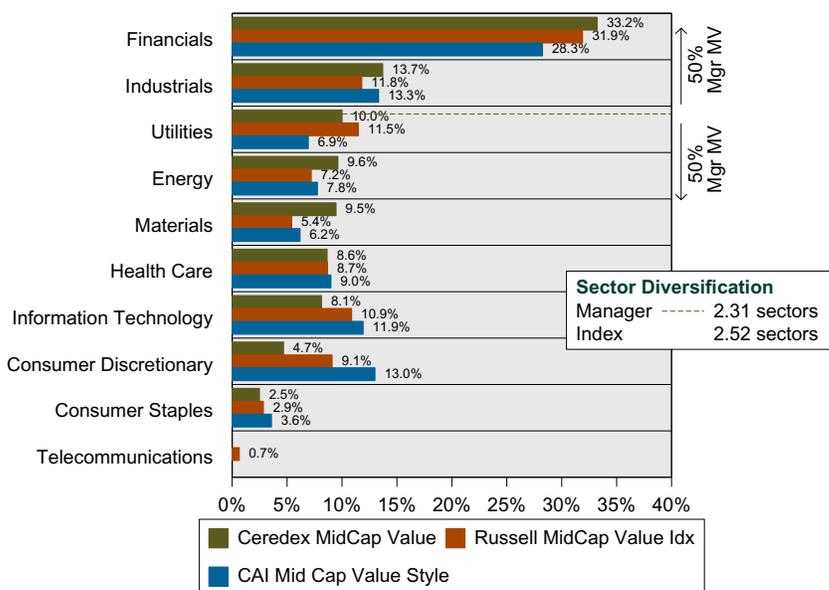
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Mid Cap Value Style as of December 31, 2013



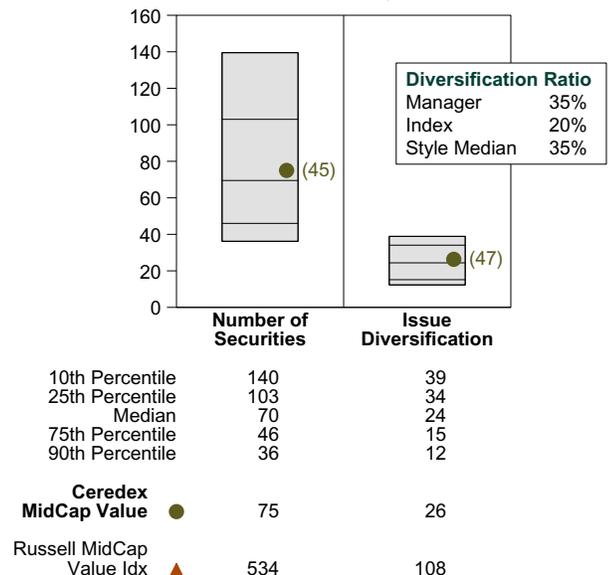
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Ceredex MidCap Value Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Intersil Hldg Corp Cl A	Information Technology	\$1,814,554	2.8%	3.34%	1.46	16.62	4.18%	5.00%
Hartford Finl Svcs Group Inc	Financials	\$1,797,008	2.8%	16.96%	16.49	9.90	1.66%	9.25%
Netapp Inc	Information Technology	\$1,731,994	2.7%	(2.86)%	13.99	14.09	1.46%	15.00%
Cigna Corporation	Health Care	\$1,618,380	2.5%	14.24%	24.74	11.95	0.05%	11.00%
Steris Corp	Health Care	\$1,455,915	2.2%	12.40%	2.84	17.63	1.75%	11.50%
Price T Rowe Group Inc	Financials	\$1,415,713	2.2%	17.66%	21.79	19.62	1.81%	13.40%
Nrg Energy Inc	Utilities	\$1,413,024	2.2%	5.54%	9.27	15.28	1.67%	(11.92)%
Maxim Integrated Prods Inc	Information Technology	\$1,373,172	2.1%	(5.02)%	7.95	14.77	3.73%	11.10%
Health Care Reit	Financials	\$1,371,392	2.1%	(12.77)%	15.34	57.60	5.71%	(16.98)%
Lazard Ltd Shs A	Financials	\$1,241,768	1.9%	27.58%	5.85	18.65	2.21%	(12.44)%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Valero Energy Corp New	Energy	\$1,023,120	1.6%	48.45%	27.32	10.66	1.79%	4.85%
Lazard Ltd Shs A	Financials	\$1,241,768	1.9%	27.58%	5.85	18.65	2.21%	(12.44)%
Ameriprise Finl Inc	Financials	\$471,705	0.7%	26.67%	22.76	14.73	1.81%	19.80%
Axiall Corp	Materials	\$626,208	1.0%	26.15%	3.31	10.83	1.35%	7.00%
Johnson Ctls Inc	Consumer Discretionary	\$687,420	1.1%	24.90%	35.10	14.99	1.72%	15.50%
Comerica	Financials	\$679,822	1.0%	21.38%	8.79	16.12	1.43%	5.20%
Cabot Corp	Materials	\$683,620	1.0%	20.68%	3.28	13.50	1.56%	14.00%
Pentair Ltd Shs	Industrials	\$403,884	0.6%	20.56%	15.47	19.66	1.29%	16.50%
Manitowoc Inc	Industrials	\$755,568	1.2%	19.76%	3.11	15.55	0.34%	15.00%
Ingersoll-Rand Plc Shs	Industrials	\$652,960	1.0%	19.46%	17.93	19.19	1.08%	3.38%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Health Care Reit	Financials	\$1,371,392	2.1%	(12.77)%	15.34	57.60	5.71%	(16.98)%
Energy Xxi Bermuda Ltd Usd Unrs Shs	Energy	\$730,620	1.1%	(9.73)%	2.05	12.62	1.77%	24.06%
Seadrill Limited Shs	Energy	\$928,408	1.4%	(6.14)%	19.15	11.15	6.71%	13.80%
Maxim Integrated Prods Inc	Information Technology	\$1,373,172	2.1%	(5.02)%	7.95	14.77	3.73%	11.10%
American Campus Cmnty Inc	Financials	\$917,985	1.4%	(4.64)%	3.37	51.13	4.47%	116.49%
Taubman Centers	Financials	\$773,432	1.2%	(3.84)%	4.08	35.12	3.13%	52.92%
Pinnacle West Capital	Utilities	\$735,588	1.1%	(3.83)%	5.82	14.30	4.29%	4.00%
Netapp Inc	Information Technology	\$1,731,994	2.7%	(2.86)%	13.99	14.09	1.46%	15.00%
Centerpoint Energy	Utilities	\$818,254	1.3%	(2.49)%	9.94	18.85	3.58%	5.00%
Equity Residential	Financials	\$783,237	1.2%	(1.71)%	18.69	1296.75	5.01%	32.24%



# Small Cap Equity

## Period Ended December 31, 2013

### Quarterly Summary and Highlights

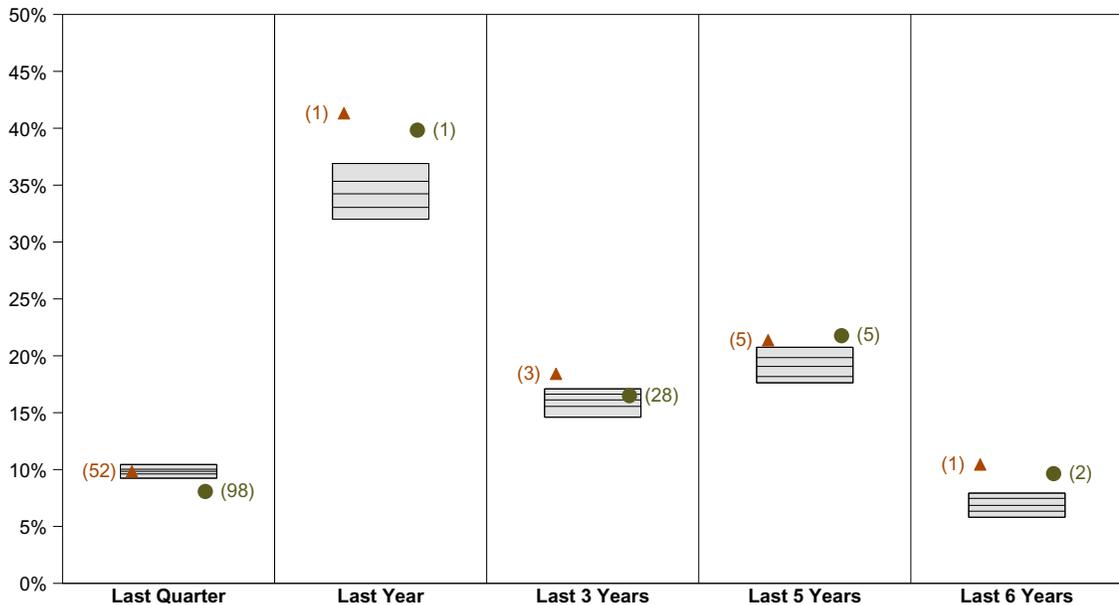
- Small Cap Equity's portfolio posted a 8.07% return for the quarter placing it in the 98 percentile of the Pub Pln-Domestic Equity group for the quarter and in the 1 percentile for the last year.
- Small Cap Equity's portfolio underperformed the S&P 600 Small Cap Index by 1.76% for the quarter and underperformed the S&P 600 Small Cap Index for the year by 1.48%.

### Quarterly Asset Growth

Beginning Market Value	\$240,830,456
Net New Investment	\$9,990
Investment Gains/(Losses)	\$19,441,581
Ending Market Value	\$260,282,026

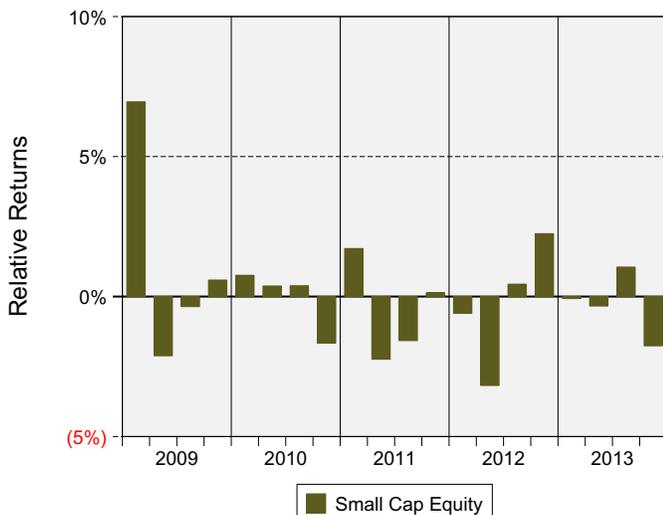
**Percent Cash: 1.6%**

### Performance vs Pub Pln- Domestic Equity (Gross)

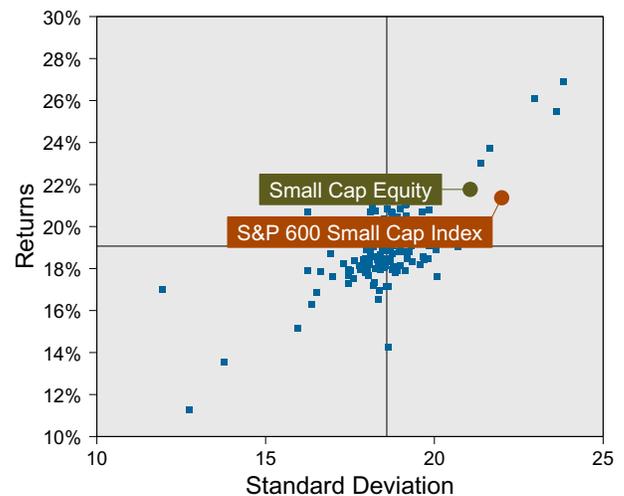


	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 6 Years
10th Percentile	10.44	36.90	17.10	20.75	7.93
25th Percentile	10.03	35.33	16.63	19.84	7.47
Median	9.84	34.24	16.12	19.07	6.85
75th Percentile	9.62	33.04	15.56	18.18	6.34
90th Percentile	9.24	32.01	14.60	17.63	5.81
<b>Small Cap Equity</b> ●	8.07	39.83	16.50	21.77	9.64
S&P 600 Small Cap Index ▲	9.83	41.31	18.42	21.37	10.45

### Relative Return vs S&P 600 Small Cap Index



### Pub Pln- Domestic Equity (Gross) Annualized Five Year Risk vs Return



# Small Cap Equity Return Analysis Summary

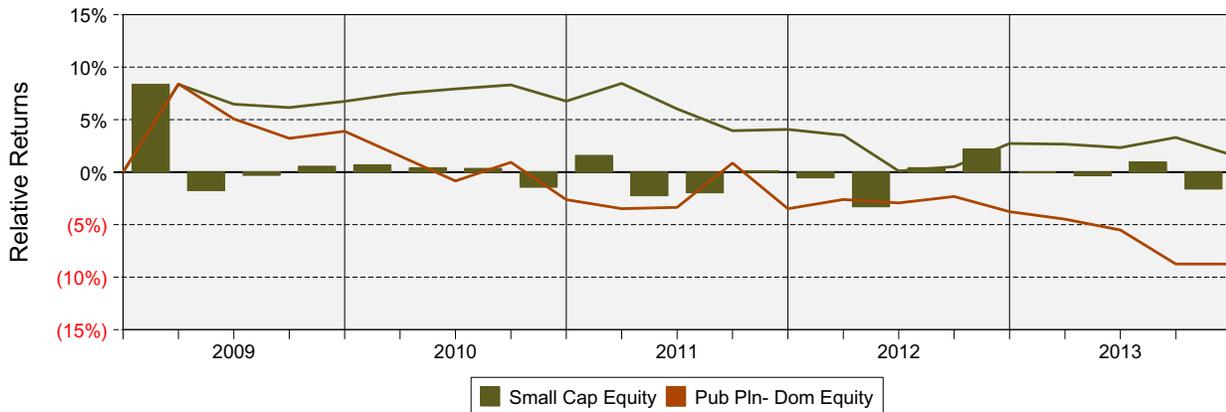
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

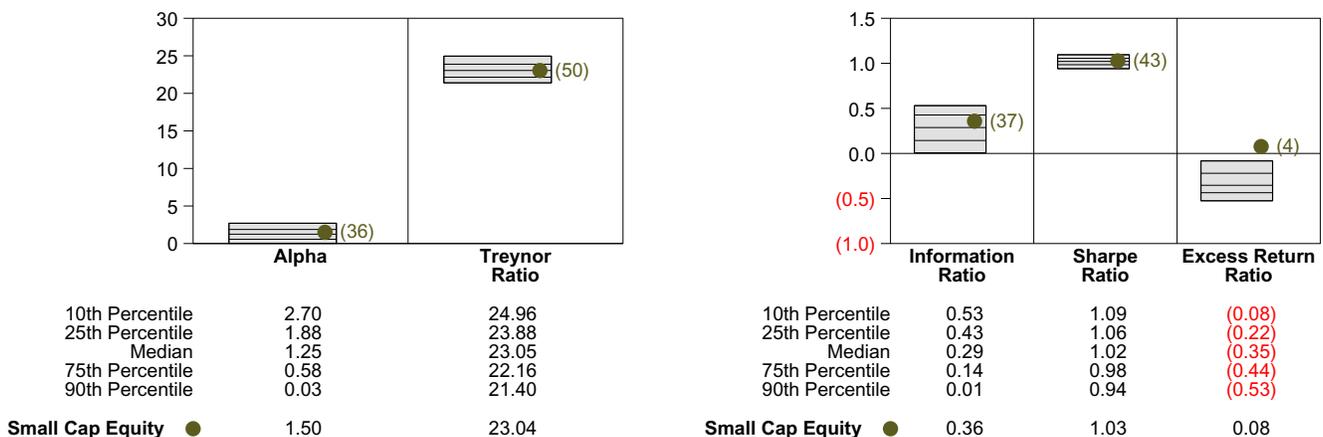
### Performance vs Pub Pln- Domestic Equity (Gross)



### Cumulative and Quarterly Relative Return vs S&P 600 Small Cap Index



### Risk Adjusted Return Measures vs S&P 600 Small Cap Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013

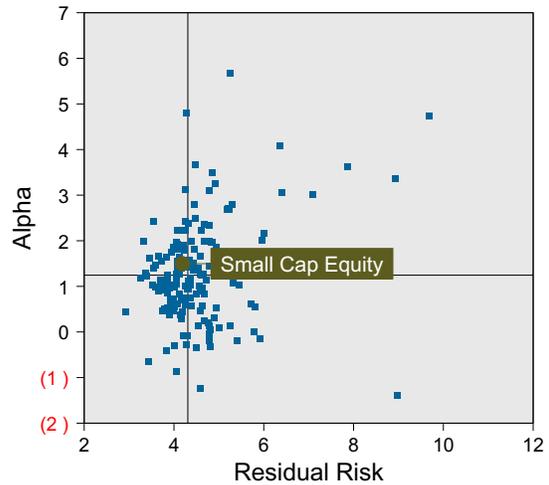
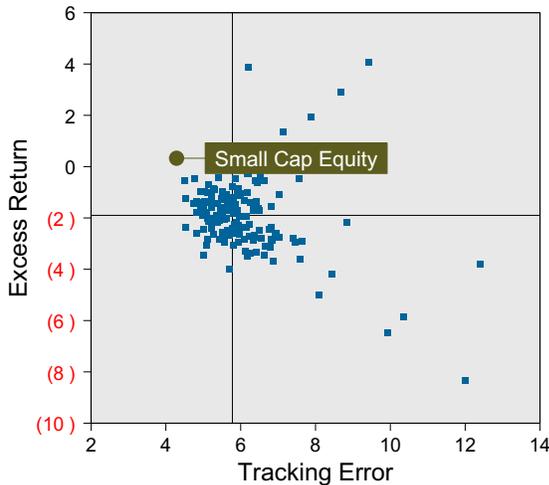


# Small Cap Equity Risk Analysis Summary

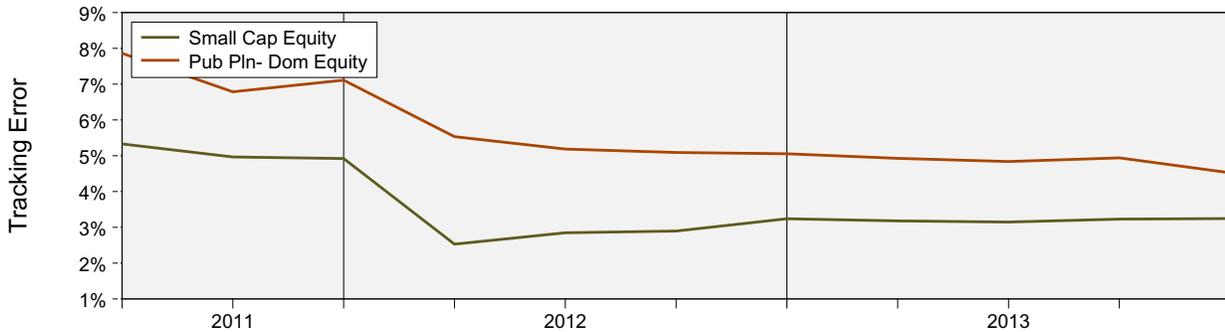
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

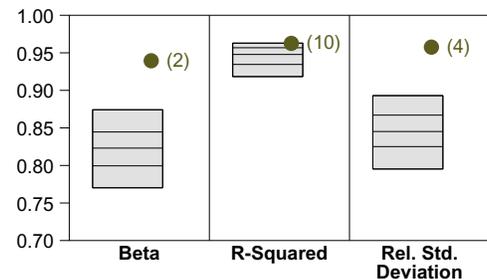
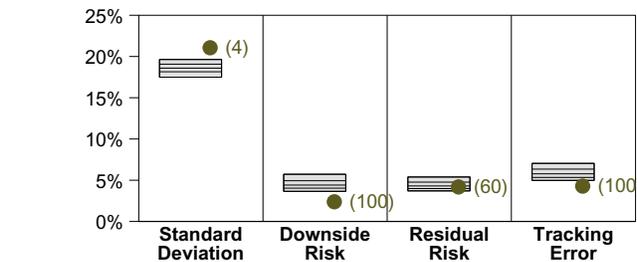
### Risk Analysis vs Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs S&P 600 Small Cap Index



### Risk Statistics Rankings vs S&P 600 Small Cap Index Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2013



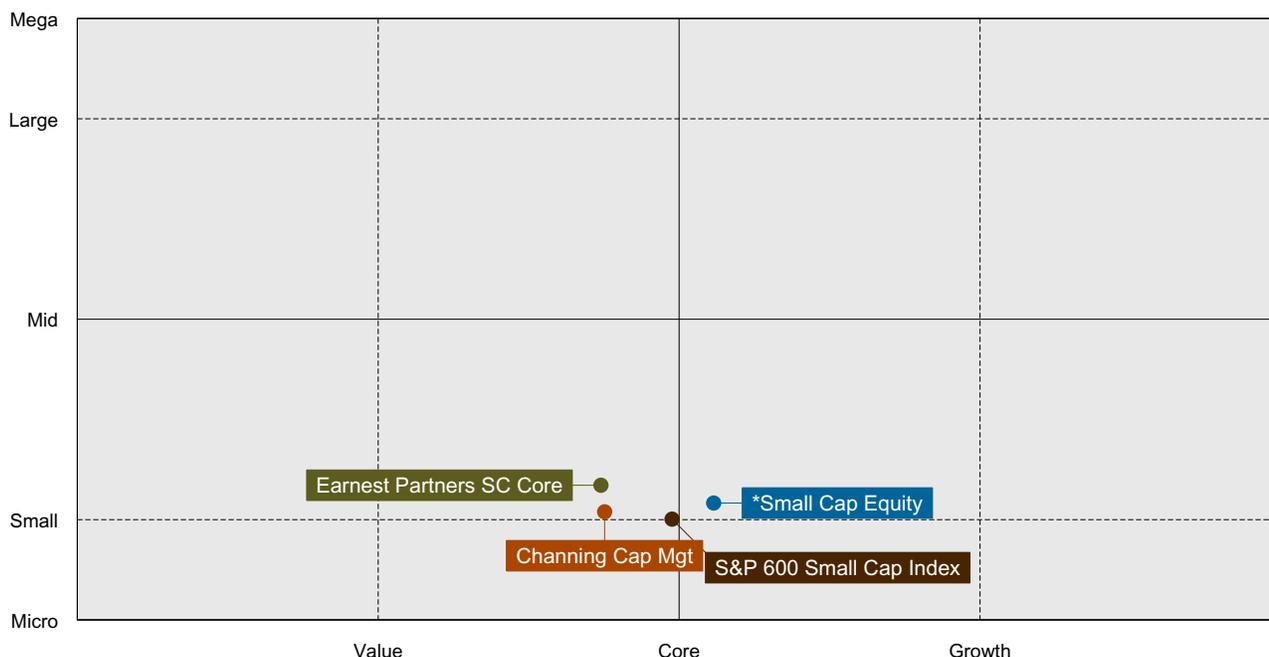
	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	19.64	5.72	5.39	7.04
25th Percentile	19.07	4.94	4.77	6.35
Median	18.59	4.41	4.31	5.78
75th Percentile	18.15	4.04	3.99	5.34
90th Percentile	17.49	3.65	3.71	4.98
<b>Small Cap Equity</b>	<b>21.06</b>	<b>2.39</b>	<b>4.19</b>	<b>4.29</b>

	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	0.87	0.96	0.89
25th Percentile	0.84	0.96	0.87
Median	0.82	0.95	0.85
75th Percentile	0.80	0.93	0.83
90th Percentile	0.77	0.92	0.80
<b>Small Cap Equity</b>	<b>0.94</b>	<b>0.96</b>	<b>0.96</b>

## Holdings Based Style Analysis For One Quarter Ended December 31, 2013

This page analyzes and compares the investment styles of multiple portfolios using a detailed holdings-based style analysis methodology. The size component of style is measured by the weighted median market capitalization of the holdings. The value/core/growth style dimension is captured by the "Combined Z-Score" of the portfolio. This score is based on eight fundamental factors used in the MSCI stock style scoring system. The table below gives a more detailed breakdown of several relevant style metrics on the portfolios.

### Style Map Holdings for One Quarter Ended December 31, 2013



	Weight %	Wtd Median Mkt Cap	Combined Z-Score	Growth Z-Score	Value Z-Score	Number of Securities	Security Diversification
Earnest Partners SC Core	44.37%	2.80	(0.18)	(0.11)	0.07	50	18.52
Channing Cap Mgt	10.44%	1.88	(0.17)	(0.01)	0.16	37	16.58
*Small Cap Equity	100.00%	2.18	0.09	(0.05)	(0.14)	2061	66.42
S&P 600 Small Cap Index	-	1.63	(0.01)	(0.02)	(0.01)	600	157.59

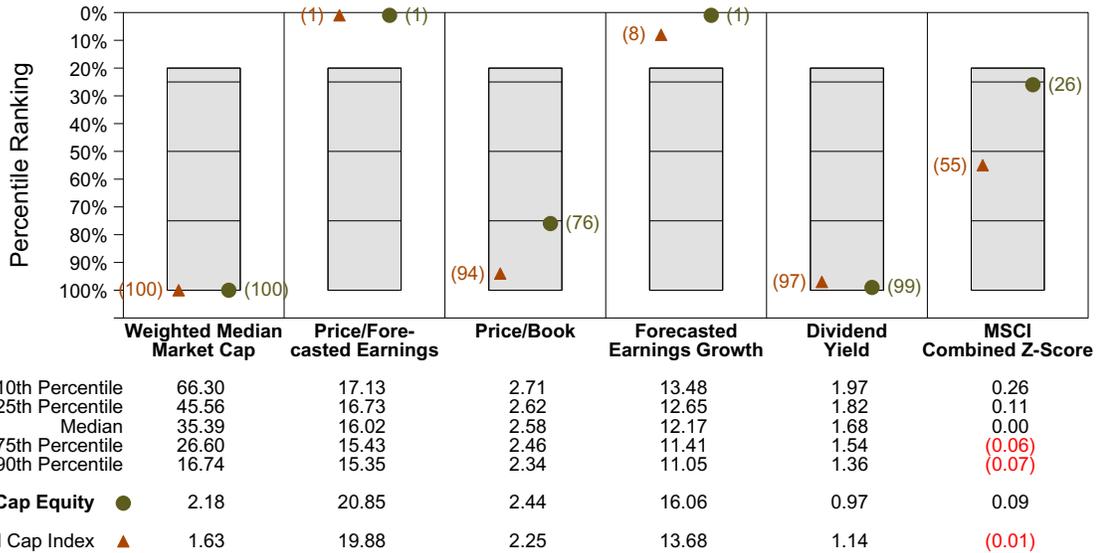
\* 12/31/13 portfolio characteristics generated using most recently available holdings (9/30/13) modified based on a "buy-and-hold" assumption (repriced and adjusted for corporate actions). Analysis is then done using current market and company financial data.

# Small Cap Equity Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

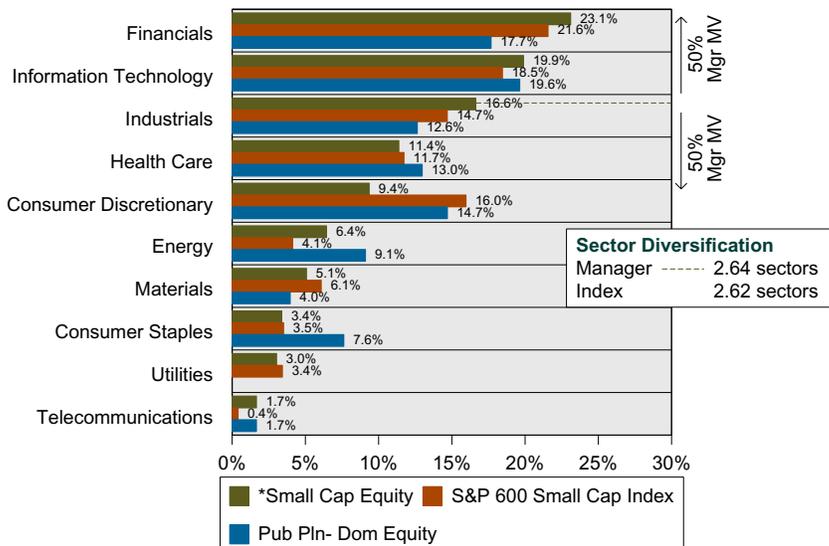
## Portfolio Characteristics Percentile Rankings Rankings Against Pub Pln- Domestic Equity as of December 31, 2013



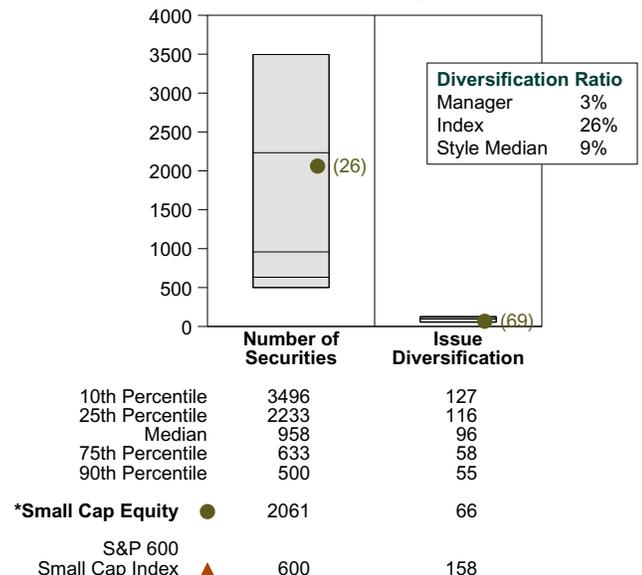
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



\*12/31/13 portfolio characteristics generated using most recently available holdings (9/30/13) modified based on a "buy-and-hold" assumption (repriced and adjusted for corporate actions). Analysis is then done using current market and company financial data.

# Earnest Partners Small Cap Core Period Ended December 31, 2013

## Investment Philosophy

EARNEST Partners is a fundamental, bottom-up investment manager. The firm's investment objective is to outperform the benchmark while controlling volatility and risk. EARNEST Partners implements this philosophy using a screen developed in-house called Return Pattern Recognition, thorough fundamental analysis, and risk management that minimizes the likelihood of meaningfully underperforming the benchmark.

## Quarterly Summary and Highlights

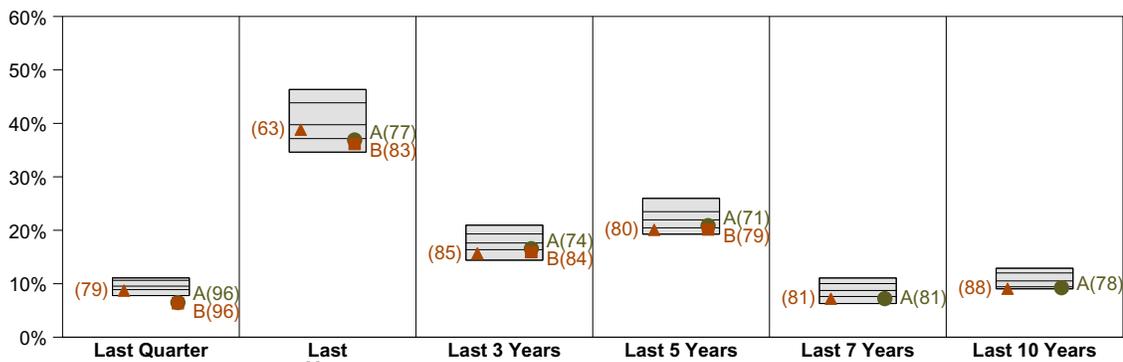
- Earnest Partners Small Cap Core's portfolio posted a 6.47% return for the quarter placing it in the 96 percentile of the CAI Small Cap Core Style group for the quarter and in the 77 percentile for the last year.
- Earnest Partners Small Cap Core's portfolio underperformed the Russell 2000 Index by 2.25% for the quarter and underperformed the Russell 2000 Index for the year by 1.93%.

## Quarterly Asset Growth

Beginning Market Value	\$108,462,127
Net New Investment	\$4,929
Investment Gains/(Losses)	\$7,021,217
Ending Market Value	\$115,488,273

**Percent Cash: 2.4%**

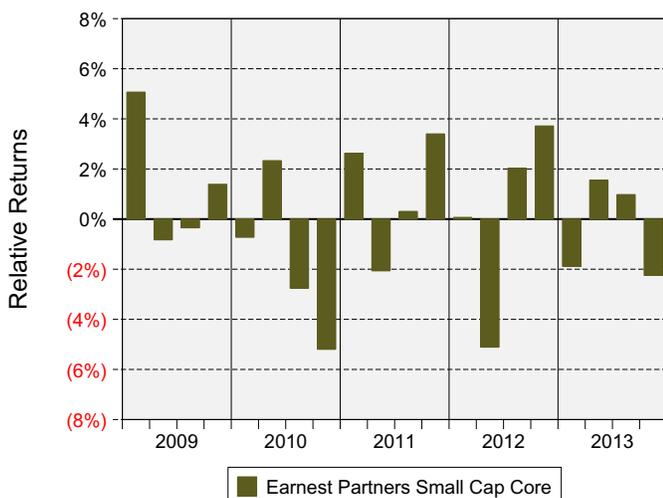
## Performance vs CAI Small Cap Core Style (Gross)



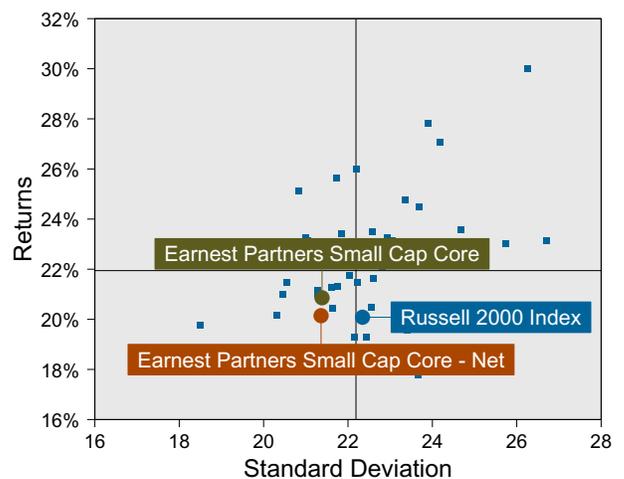
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
10th Percentile	11.09	46.34	20.95	25.97	11.07	12.90
25th Percentile	10.64	43.85	19.31	23.48	10.02	12.01
Median	9.55	39.75	17.62	21.94	8.73	10.53
75th Percentile	8.90	37.15	16.37	20.46	7.62	9.43
90th Percentile	7.78	34.62	14.40	19.28	6.29	9.05

Earnest Partners Small Cap Core	● A	6.47	36.89	16.56	20.86	7.21	9.25
Earnest Partners Small Cap Core - Net	■ B	6.34	36.15	15.91	20.14	-	-
Russell 2000 Index	▲	8.72	38.82	15.67	20.08	7.20	9.07

## Relative Return vs Russell 2000 Index



## CAI Small Cap Core Style (Gross) Annualized Five Year Risk vs Return

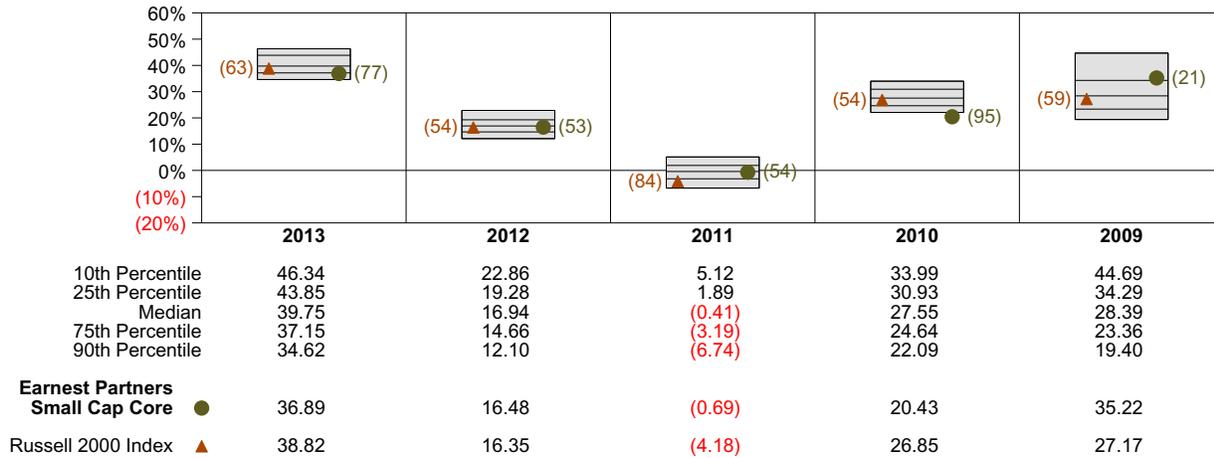


# Earnest Partners Small Cap Core Return Analysis Summary

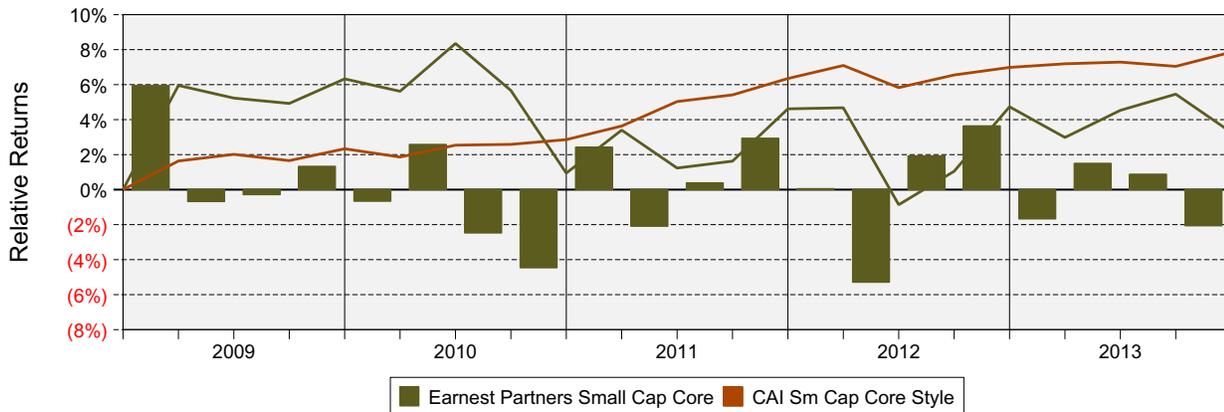
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

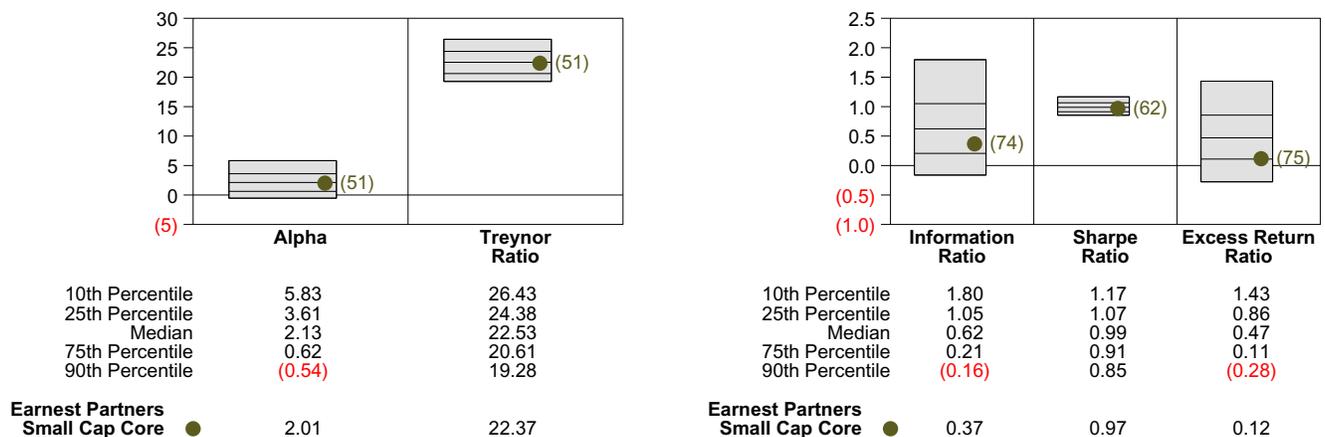
### Performance vs CAI Small Cap Core Style (Gross)



### Cumulative and Quarterly Relative Return vs Russell 2000 Index



### Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against CAI Small Cap Core Style (Gross) Five Years Ended December 31, 2013

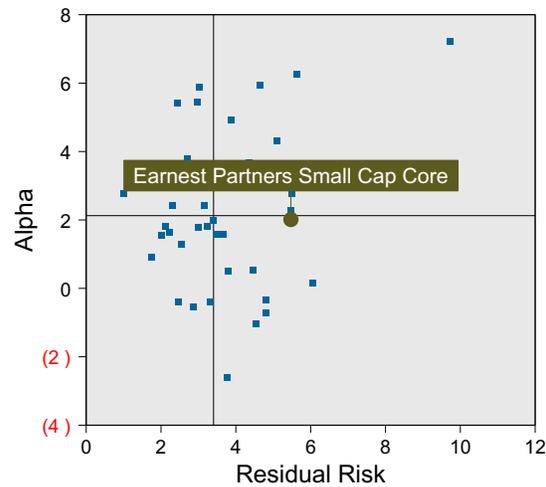
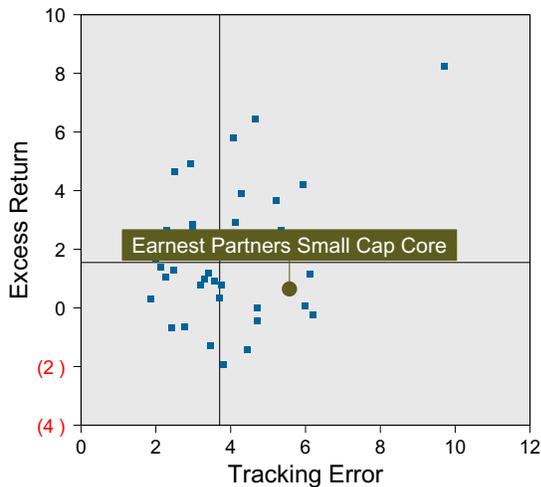


# Earnest Partners Small Cap Core Risk Analysis Summary

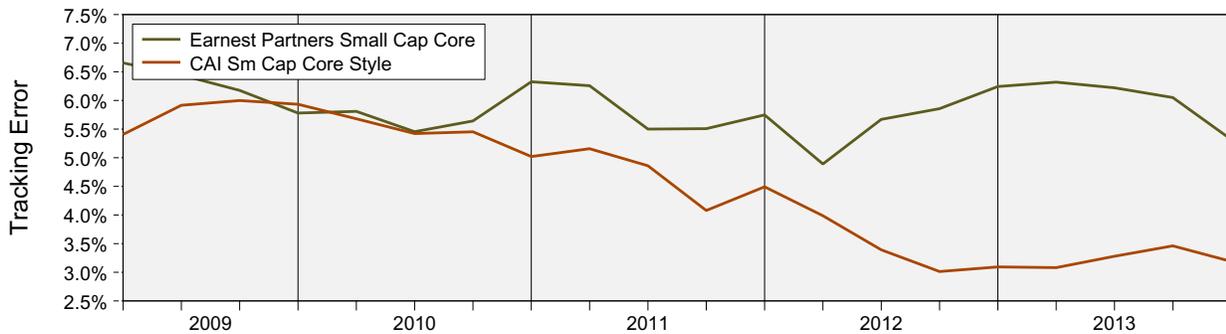
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

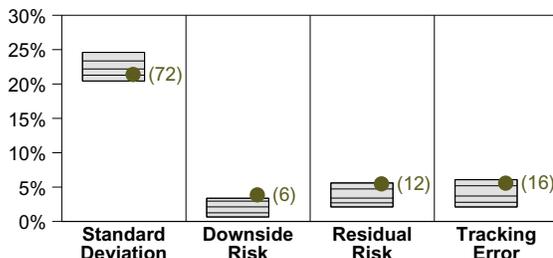
### Risk Analysis vs CAI Small Cap Core Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Russell 2000 Index

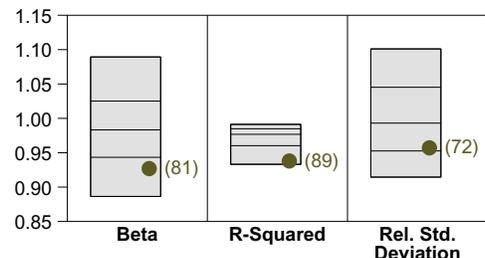


### Risk Statistics Rankings vs Russell 2000 Index Rankings Against CAI Small Cap Core Style (Gross) Five Years Ended December 31, 2013



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	24.60	3.38	5.60	6.08
25th Percentile	23.35	2.96	4.74	5.19
Median	22.19	2.12	3.40	3.70
75th Percentile	21.29	1.26	2.71	2.79
90th Percentile	20.43	0.65	2.11	2.11

Earnest Partners Small Cap Core ● 21.38      3.87      5.47      5.57



	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.09	0.99	1.10
25th Percentile	1.03	0.98	1.05
Median	0.98	0.98	0.99
75th Percentile	0.94	0.96	0.95
90th Percentile	0.89	0.93	0.91

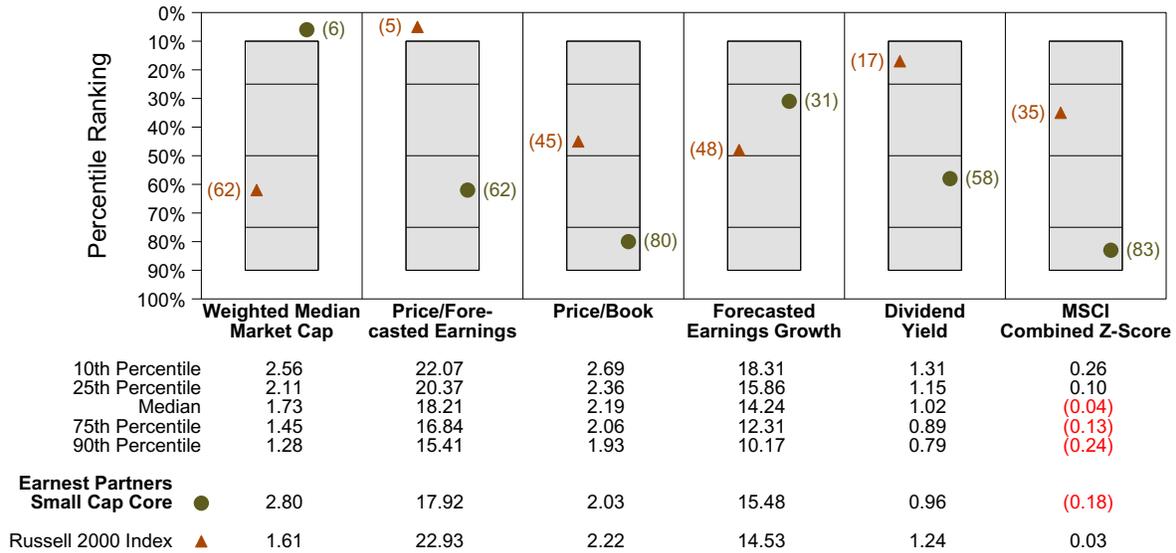
Earnest Partners Small Cap Core ● 0.93      0.94      0.96

# Earnest Partners Small Cap Core Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

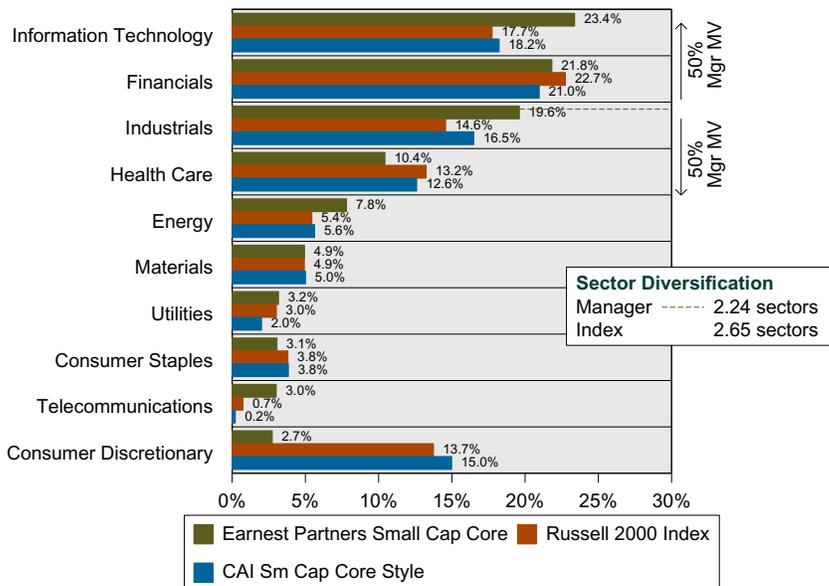
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Small Cap Core Style as of December 31, 2013



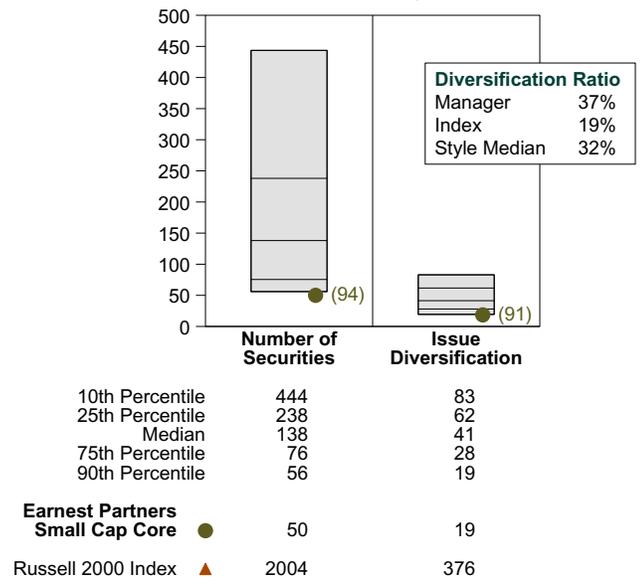
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Earnest Partners Small Cap Core Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Hexcel Corp New	Industrials	\$4,267,895	3.8%	15.18%	4.45	21.18	0.00%	15.75%
Energys	Industrials	\$3,763,833	3.3%	15.81%	3.34	16.83	0.71%	22.07%
Raymond James Financial Inc	Financials	\$3,758,985	3.3%	25.63%	7.30	15.96	1.23%	17.00%
Whiting Pete Corp New	Energy	\$3,520,403	3.1%	3.38%	7.34	14.84	0.00%	(0.63)%
United Natural Foods	Consumer Staples	\$3,452,862	3.1%	12.08%	3.72	28.24	0.00%	13.20%
Sba Communications Corp	Telecommunications	\$3,395,952	3.0%	11.66%	11.48	(204.18)	0.00%	-
Monolithic Pwr Sys Inc	Information Technology	\$3,365,486	3.0%	14.46%	1.30	24.07	0.00%	17.50%
American Eqty Invt Life Hld	Financials	\$3,042,168	2.7%	25.27%	1.71	11.62	0.68%	6.22%
Franklin Elec Inc	Industrials	\$2,981,952	2.6%	13.53%	2.12	23.13	0.69%	26.44%
Snap-On	Industrials	\$2,836,568	2.5%	10.53%	6.37	16.82	1.61%	10.00%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Global Pmts Inc	Information Technology	\$1,879,316	1.7%	27.25%	4.91	15.32	0.12%	10.00%
Raymond James Financial Inc	Financials	\$3,758,985	3.3%	25.63%	7.30	15.96	1.23%	17.00%
American Eqty Invt Life Hld	Financials	\$3,042,168	2.7%	25.27%	1.71	11.62	0.68%	6.22%
Coherent Inc	Information Technology	\$2,410,236	2.1%	21.24%	1.82	18.24	0.00%	12.50%
Protective Life Corp	Financials	\$2,436,746	2.2%	19.58%	3.98	10.69	1.58%	8.00%
Littelfuse	Information Technology	\$2,396,665	2.1%	19.12%	2.08	18.97	0.95%	10.00%
Cabot Microelectronics Corp	Information Technology	\$1,866,525	1.7%	18.56%	1.06	17.91	0.00%	27.81%
Swift Energy Co	Energy	\$1,201,108	1.1%	18.21%	0.59	22.50	0.00%	11.40%
Energys	Industrials	\$3,763,833	3.3%	15.81%	3.34	16.83	0.71%	22.07%
Moog Inc When Issued A	Industrials	\$2,228,432	2.0%	15.80%	2.82	16.29	0.00%	6.70%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Healthways Inc	Health Care	\$2,460,605	2.2%	(17.07)%	0.53	49.52	0.00%	25.76%
Cash Amer Intl Inc	Financials	\$1,641,844	1.5%	(15.34)%	1.08	8.97	0.37%	15.00%
Life Time Fitness Inc	Consumer Discretionary	\$1,445,673	1.3%	(8.77)%	2.01	14.97	0.00%	13.00%
Akamai Technologies Inc	Information Technology	\$2,778,902	2.5%	(8.74)%	8.41	21.94	0.00%	13.50%
Centene Corp Del	Health Care	\$2,523,060	2.2%	(7.83)%	3.22	16.38	0.00%	16.50%
First Potomac Real.Tst.	Financials	\$1,221,173	1.1%	(6.32)%	0.68	(129.22)	5.16%	231.66%
Checkpoint Sys Inc	Information Technology	\$1,859,283	1.6%	(5.57)%	0.65	19.71	0.00%	45.00%
Wgl Hldgs Inc	Utilities	\$1,872,685	1.7%	(5.38)%	2.07	16.88	4.19%	5.00%
United Fire & Cas Co	Financials	\$1,665,777	1.5%	(5.36)%	0.73	11.94	2.51%	10.00%
Sanmina Corporation	Information Technology	\$2,645,698	2.3%	(4.52)%	1.40	10.04	0.00%	9.68%

# Jennison Period Ended December 31, 2013

## Investment Philosophy

Jennison's US Small Cap Equity is a blended small cap portfolio that holds both growth and value stocks that the team believes have above-average earnings potential and are available at reasonable prices.

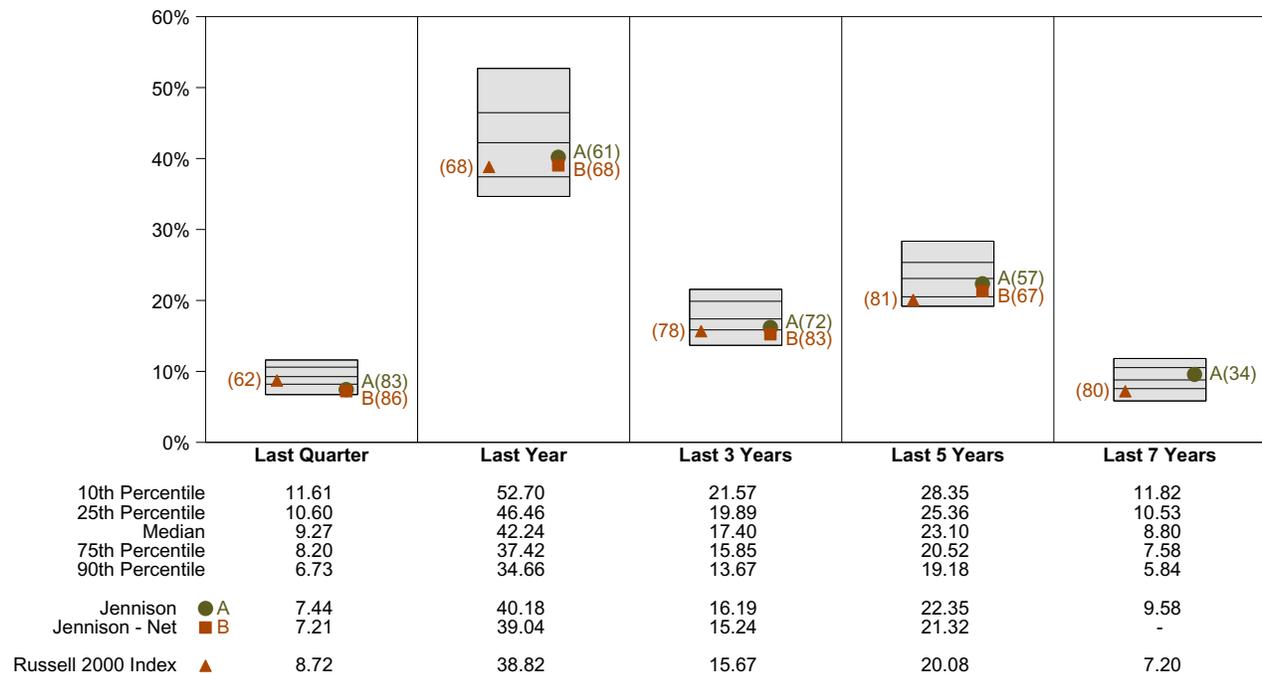
## Quarterly Summary and Highlights

- Jennison's portfolio posted a 7.44% return for the quarter placing it in the 83 percentile of the CAI Small Capitalization Style group for the quarter and in the 61 percentile for the last year.
- Jennison's portfolio underperformed the Russell 2000 Index by 1.28% for the quarter and outperformed the Russell 2000 Index for the year by 1.36%.

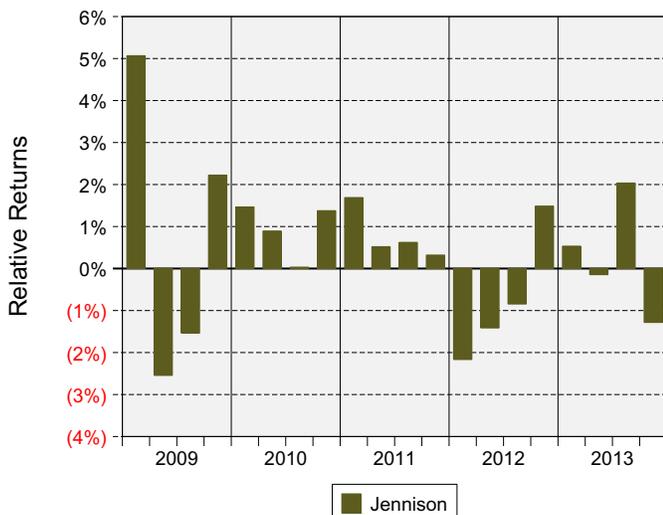
## Quarterly Asset Growth

Beginning Market Value	\$107,374,714
Net New Investment	\$-115,294,682
Investment Gains/(Losses)	\$7,919,968
Ending Market Value	\$1

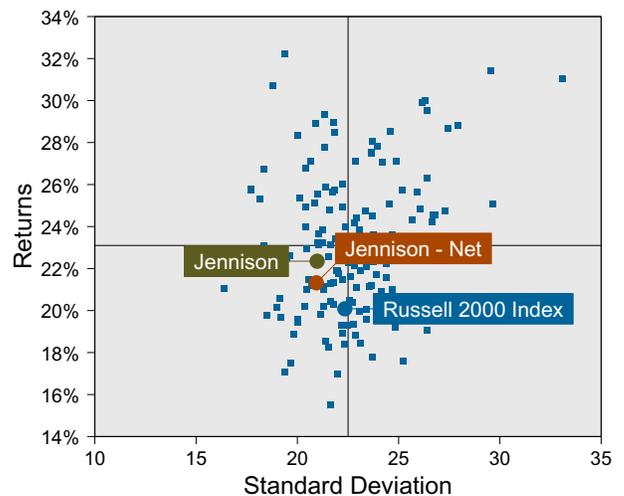
## Performance vs CAI Small Capitalization Style (Gross)



## Relative Return vs Russell 2000 Index



## CAI Small Capitalization Style (Gross) Annualized Five Year Risk vs Return

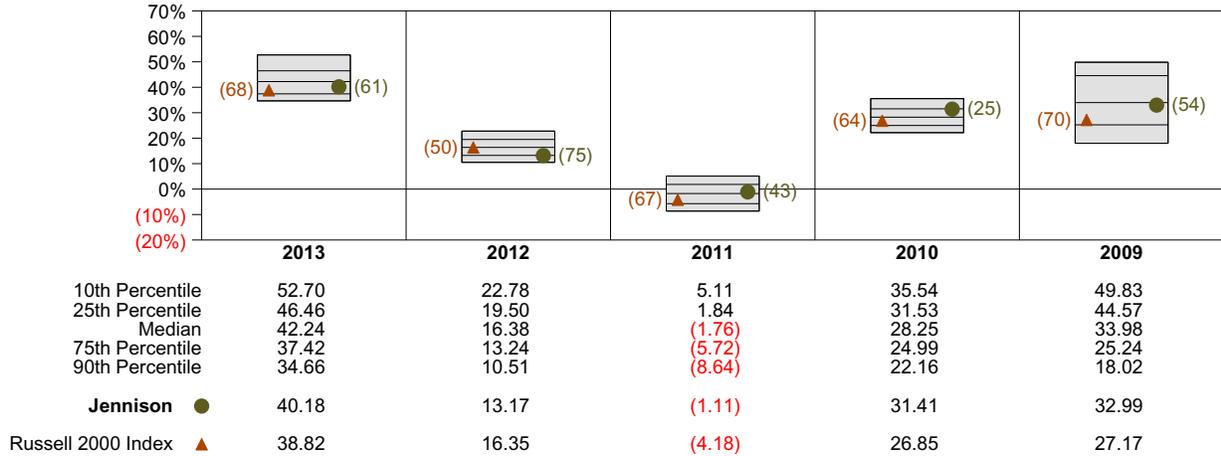


# Jennison Return Analysis Summary

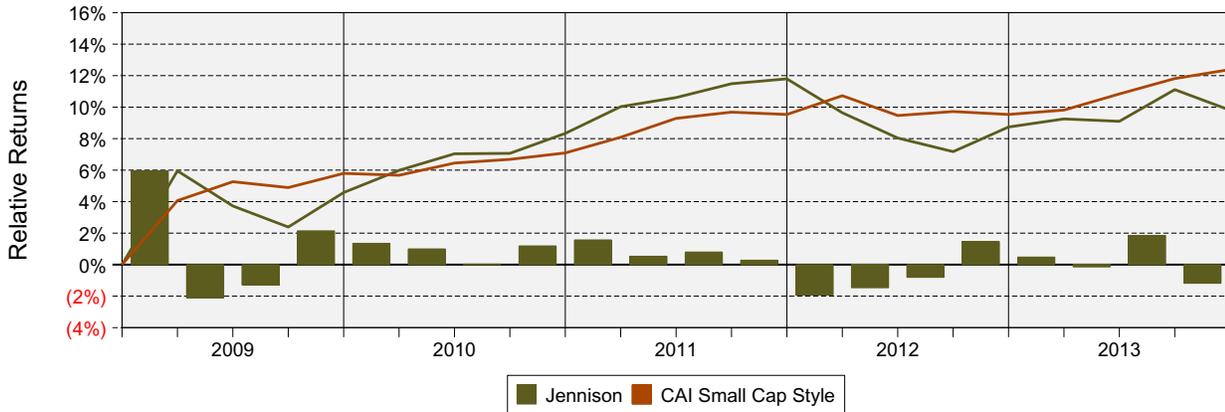
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

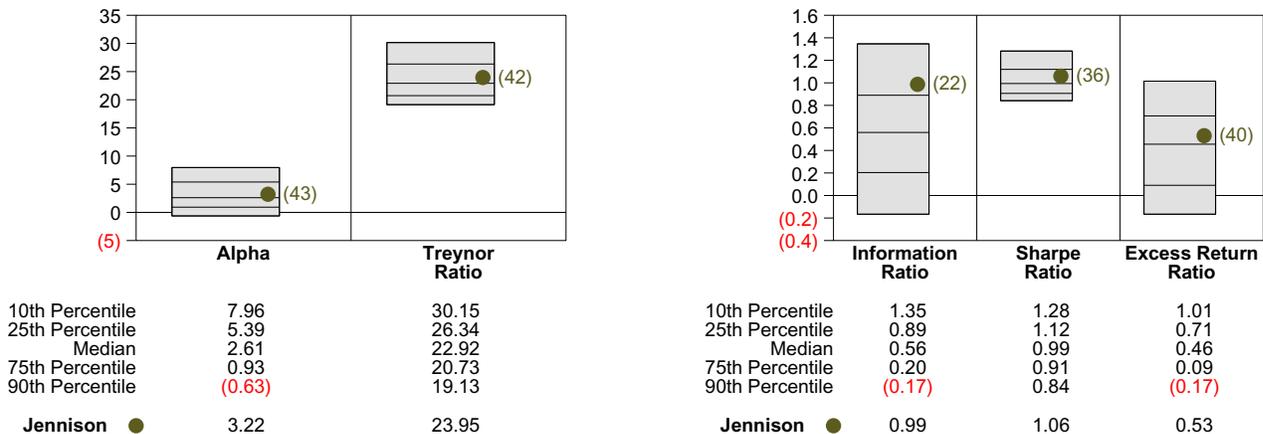
### Performance vs CAI Small Capitalization Style (Gross)



### Cumulative and Quarterly Relative Return vs Russell 2000 Index



### Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against CAI Small Capitalization Style (Gross) Five Years Ended December 31, 2013

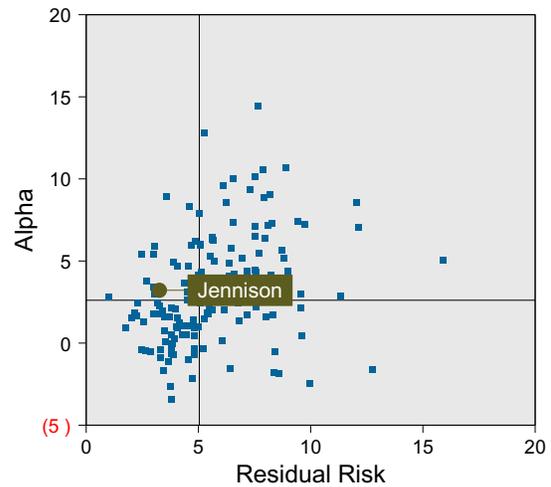
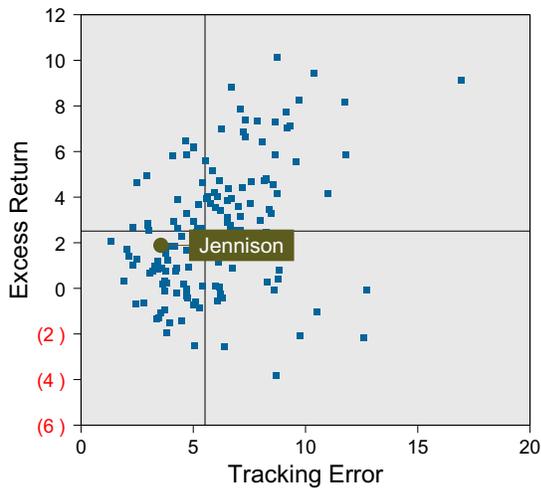


# Jennison Risk Analysis Summary

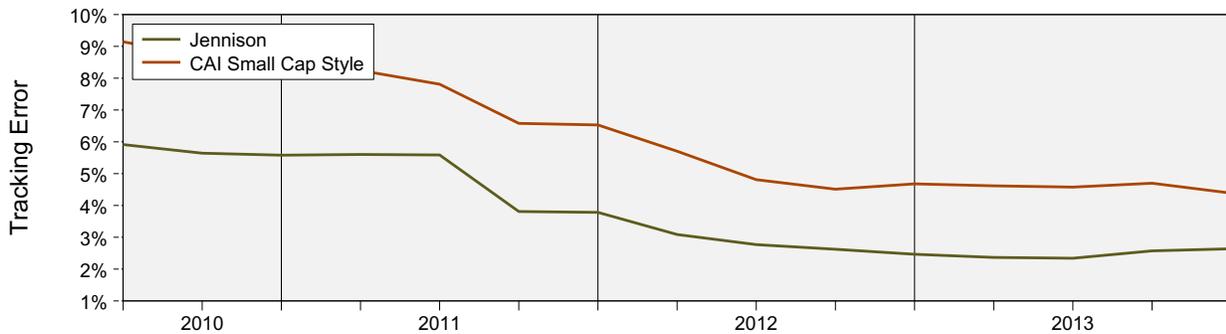
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

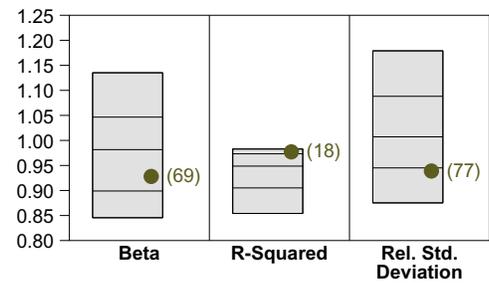
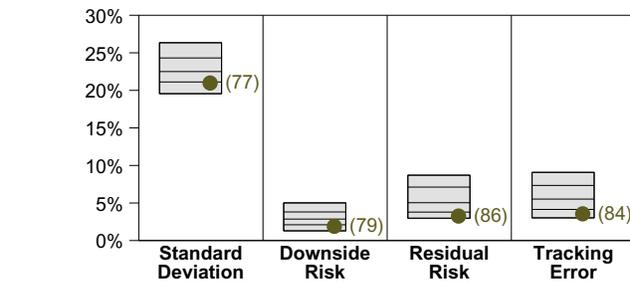
### Risk Analysis vs CAI Small Capitalization Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Russell 2000 Index



### Risk Statistics Rankings vs Russell 2000 Index Rankings Against CAI Small Capitalization Style (Gross) Five Years Ended December 31, 2013



Statistic	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Jennison
Standard Deviation	26.34	24.31	22.50	21.12	19.56	20.98
Downside Risk	5.02	3.81	2.86	2.10	1.29	1.89
Residual Risk	8.71	7.12	5.04	3.79	2.97	3.26
Tracking Error	9.08	7.34	5.52	4.15	3.02	3.56

Statistic	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Jennison
Beta	1.14	1.05	0.98	0.90	0.85	0.93
R-Squared	0.98	0.97	0.95	0.91	0.85	0.98
Rel. Std. Deviation	1.18	1.09	1.01	0.95	0.88	0.94

# Channing Capital Management Period Ended December 31, 2013

## Investment Philosophy

The Channing investment team utilizes a fundamental, concentrated, bottom-up value investment philosophy that focuses on undervalued and neglected small capitalization companies.

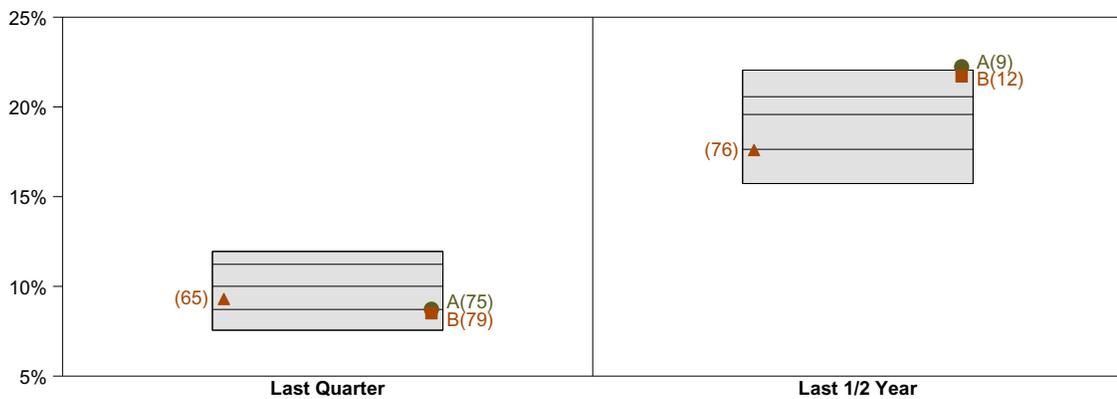
## Quarterly Summary and Highlights

- Channing Capital Management's portfolio posted a 8.73% return for the quarter placing it in the 75 percentile of the CAI Small Cap Value Style group for the quarter and in the 9 percentile for the last one-half year.
- Channing Capital Management's portfolio underperformed the Russell 2000 Value Index by 0.58% for the quarter and outperformed the Russell 2000 Value Index for the one-half year by 4.64%.

## Quarterly Asset Growth

Beginning Market Value	\$24,993,615
Net New Investment	\$399
Investment Gains/(Losses)	\$2,180,768
Ending Market Value	\$27,174,781

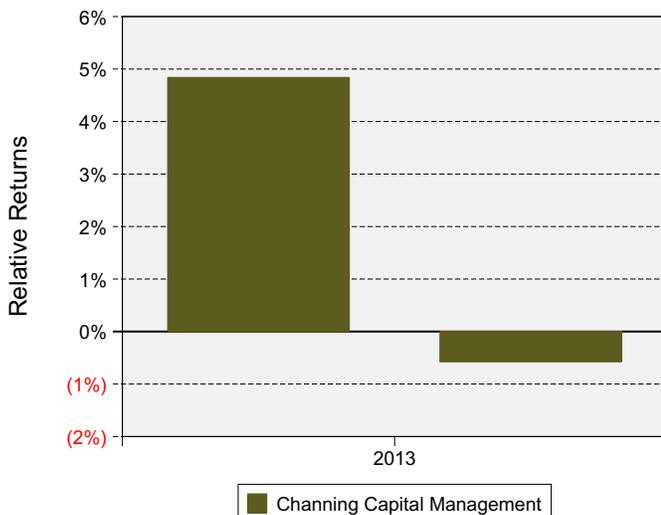
## Performance vs CAI Small Cap Value Style (Gross)



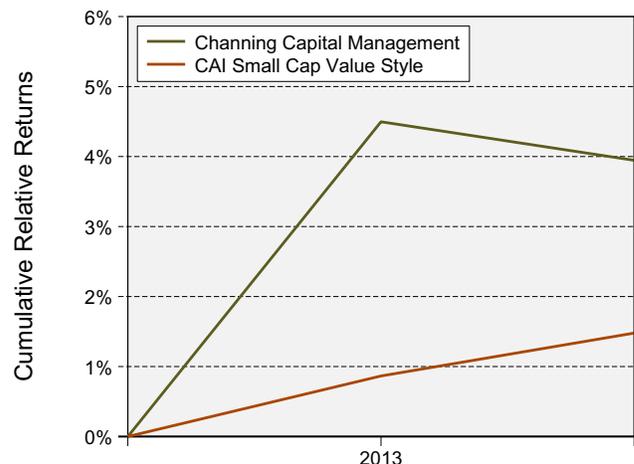
10th Percentile	11.95	22.05
25th Percentile	11.23	20.57
Median	10.00	19.58
75th Percentile	8.71	17.64
90th Percentile	7.56	15.73

Channing Capital Management	● A	8.73	22.24
Channing Capital Management - Net	■ B	8.50	21.71
Russell 2000 Value Index	▲	9.30	17.60

## Relative Return vs Russell 2000 Value Index



## Cumulative Returns vs Russell 2000 Value Index

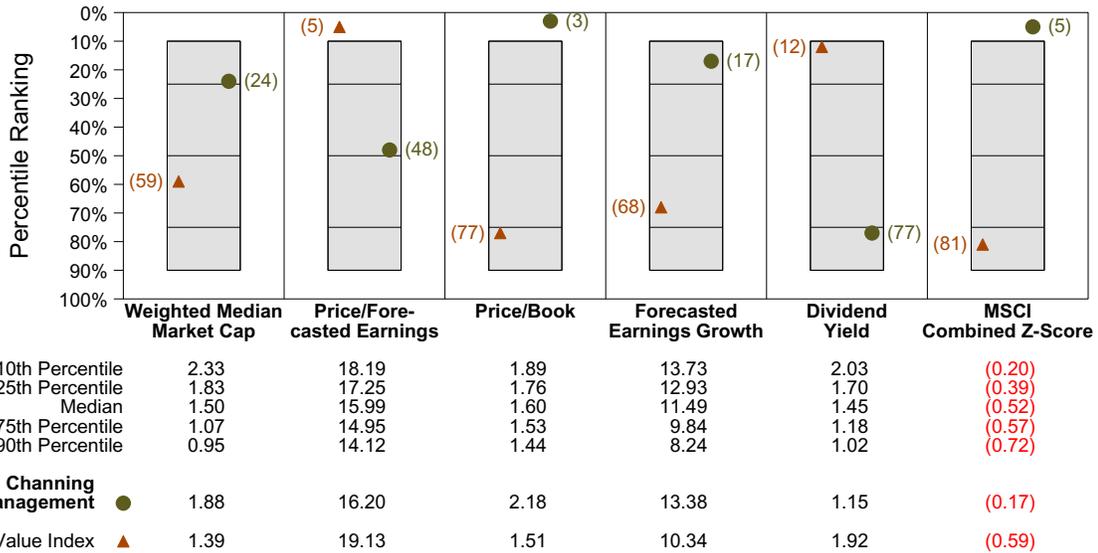


# Channing Capital Management Equity Characteristics Analysis Summary

## Portfolio Characteristics

This graph compares the manager's portfolio characteristics with the range of characteristics for the portfolios which make up the manager's style group. This analysis illustrates whether the manager's current holdings are consistent with other managers employing the same style.

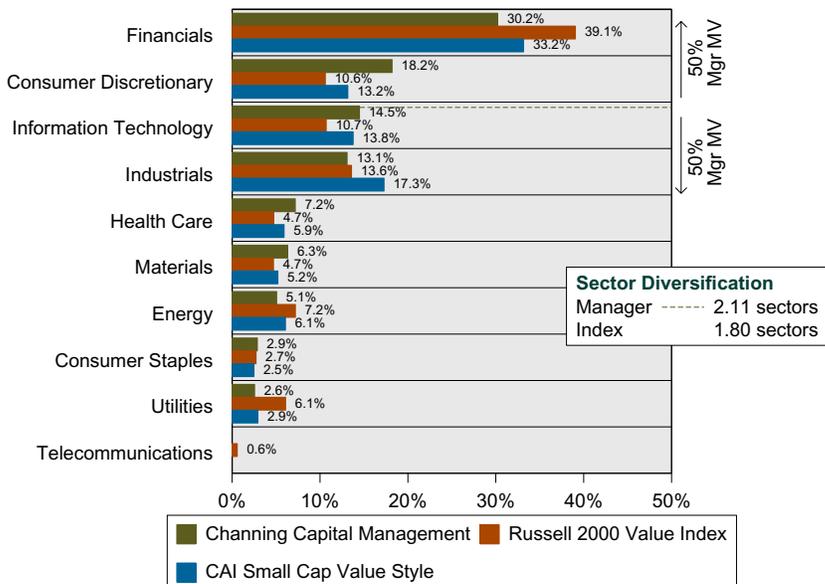
## Portfolio Characteristics Percentile Rankings Rankings Against CAI Small Cap Value Style as of December 31, 2013



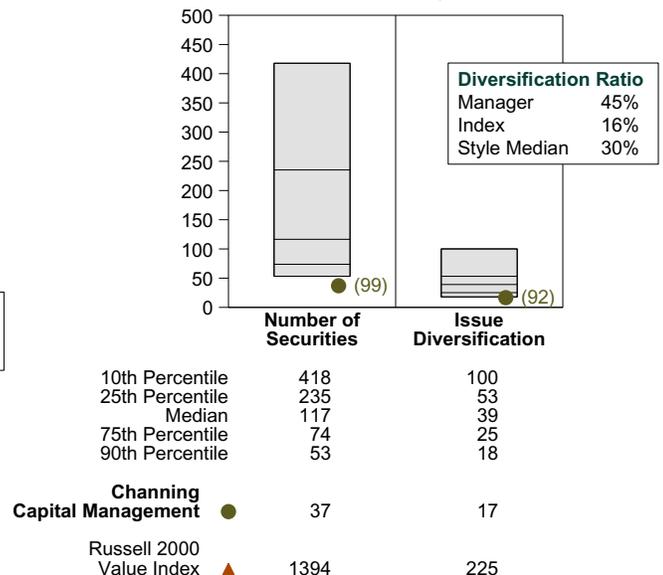
## Sector Weights

The graph below contrasts the manager's sector weights with those of the benchmark and median sector weights across the members of the peer group. The magnitude of sector weight differences from the index and the manager's sector diversification are also shown. Diversification by number and concentration of holdings are also compared to the benchmark and peer group. Issue Diversification represents by count, and Diversification Ratio by percent, the number of holdings that comprise half of the portfolio's market value.

### Sector Allocation December 31, 2013



### Diversification December 31, 2013



## Channing Capital Management Top 10 Portfolio Holdings Characteristics as of December 31, 2013

### 10 Largest Holdings

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Evercore Partners Inc Class A	Financials	\$897,059	3.4%	21.98%	1.87	21.74	1.67%	40.08%
Cytec Industries	Materials	\$881,294	3.3%	14.68%	3.40	16.29	0.54%	15.00%
First Amern Finl Corp	Financials	\$848,651	3.2%	16.33%	3.02	15.24	1.70%	(13.00)%
Belden Inc	Information Technology	\$821,940	3.1%	10.08%	3.07	17.35	0.28%	27.98%
Iberiabank Corp	Financials	\$817,616	3.1%	21.75%	1.87	17.56	2.16%	8.00%
Encore Cap Group Inc	Financials	\$813,358	3.1%	9.81%	1.27	11.69	0.00%	15.00%
Ethan Allen Interiors Inc	Consumer Discretionary	\$799,529	3.0%	10.50%	0.88	18.44	1.31%	4.75%
Polyone Corp	Materials	\$786,184	3.0%	15.38%	3.43	20.43	0.91%	22.00%
Pacwest Bancorp	Financials	\$782,294	3.0%	23.59%	1.87	17.16	2.37%	10.00%
Mb Financial Inc New	Financials	\$781,359	3.0%	14.20%	1.76	16.46	1.50%	6.50%

### 10 Best Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Pacwest Bancorp	Financials	\$782,294	3.0%	23.59%	1.87	17.16	2.37%	10.00%
Evercore Partners Inc Class A	Financials	\$897,059	3.4%	21.98%	1.87	21.74	1.67%	40.08%
Iberiabank Corp	Financials	\$817,616	3.1%	21.75%	1.87	17.56	2.16%	8.00%
Smith A O	Industrials	\$735,957	2.8%	19.62%	4.28	23.66	0.89%	18.03%
Tesco Corp	Energy	\$729,605	2.8%	19.52%	0.77	15.10	0.00%	30.28%
Littelfuse	Information Technology	\$743,161	2.8%	19.12%	2.08	18.97	0.95%	10.00%
First Amern Finl Corp	Financials	\$848,651	3.2%	16.33%	3.02	15.24	1.70%	(13.00)%
Stifel Finl Cap	Financials	\$742,425	2.8%	16.02%	3.05	17.55	0.00%	12.00%
Polyone Corp	Materials	\$786,184	3.0%	15.38%	3.43	20.43	0.91%	22.00%
Hexcel Corp New	Industrials	\$693,633	2.6%	15.20%	4.45	21.18	0.00%	15.75%

### 10 Worst Performers

Stock	Sector	Ending Market Value	Percent of Portfolio	Qtrly Return	Market Capital	Price/Forecasted Earnings Ratio	Dividend Yield	Forecasted Growth in Earnings
Medassets Inc	Health Care	\$703,945	2.7%	(22.02)%	1.21	14.16	0.00%	12.37%
Steiner Leisure Ltd Ord	Consumer Discretionary	\$535,777	2.0%	(15.81)%	0.72	13.33	0.00%	10.00%
Sanchez Energy Corp	Energy	\$606,745	2.3%	(7.29)%	1.10	13.77	0.00%	-
Lithia Mtrs Inc Cl A	Consumer Discretionary	\$715,443	2.7%	(4.84)%	1.62	15.78	0.75%	41.90%
Steelcase Inc Cl A	Industrials	\$743,406	2.8%	(3.98)%	1.40	15.28	2.52%	34.82%
Iconix Brand Group Inc	Consumer Discretionary	\$714,005	2.7%	(1.36)%	2.15	15.45	0.00%	13.35%
Icu Med Inc	Health Care	\$432,336	1.6%	0.38%	0.93	23.17	0.00%	10.00%
Ann Inc	Consumer Discretionary	\$678,810	2.6%	0.91%	1.68	14.43	0.00%	11.00%
Phh Corp	Financials	\$555,497	2.1%	2.47%	1.39	14.58	0.00%	2.00%
Microsemi Corp	Information Technology	\$743,410	2.8%	2.88%	2.32	11.42	0.00%	12.00%



# International Equity Period Ended December 31, 2013

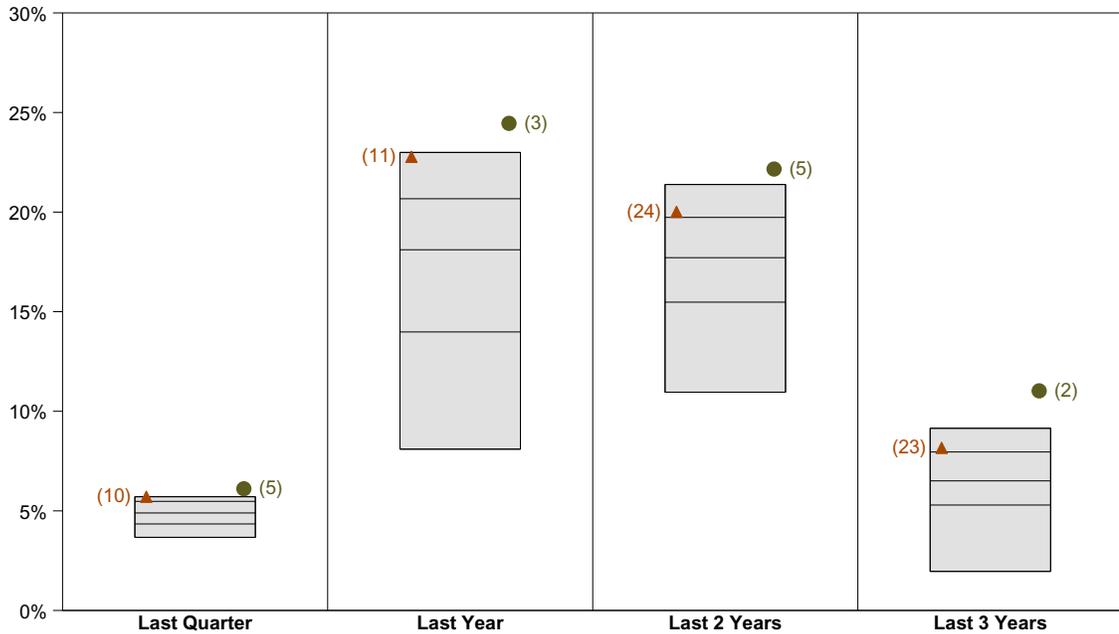
## Quarterly Summary and Highlights

- International Equity's portfolio posted a 6.11% return for the quarter placing it in the 5 percentile of the Pub Pln-International Equity group for the quarter and in the 3 percentile for the last year.
- International Equity's portfolio outperformed the MSCI EAFE Index by 0.40% for the quarter and outperformed the MSCI EAFE Index for the year by 1.68%.

## Quarterly Asset Growth

Beginning Market Value	\$126,807,028
Net New Investment	\$0
Investment Gains/(Losses)	\$7,745,894
Ending Market Value	\$134,552,922

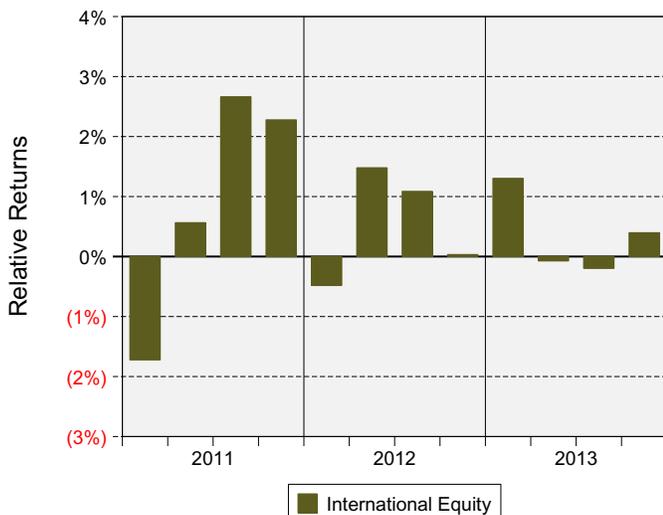
## Performance vs Pub Pln- International Equity (Gross)



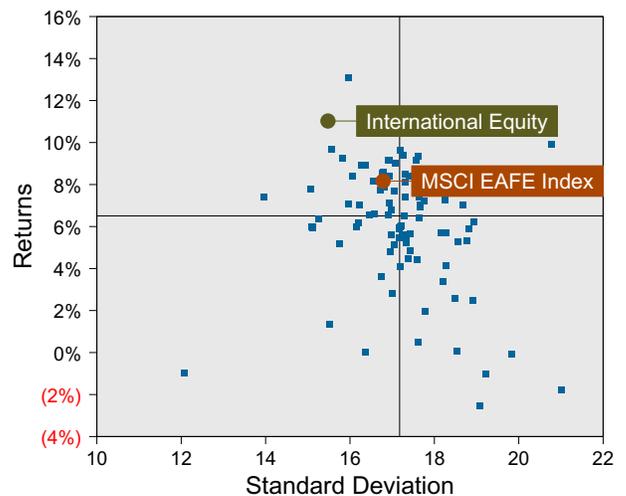
	Last Quarter	Last Year	Last 2 Years	Last 3 Years
10th Percentile	5.71	23.00	21.39	9.15
25th Percentile	5.48	20.67	19.73	7.96
Median	4.89	18.11	17.71	6.51
75th Percentile	4.34	13.98	15.48	5.29
90th Percentile	3.67	8.10	10.96	1.96

<b>International Equity</b> ●	6.11	24.45	22.16	11.03
<b>MSCI EAFE Index</b> ▲	5.71	22.78	20.02	8.17

## Relative Return vs MSCI EAFE Index



## Pub Pln- International Equity (Gross) Annualized Three Year Risk vs Return

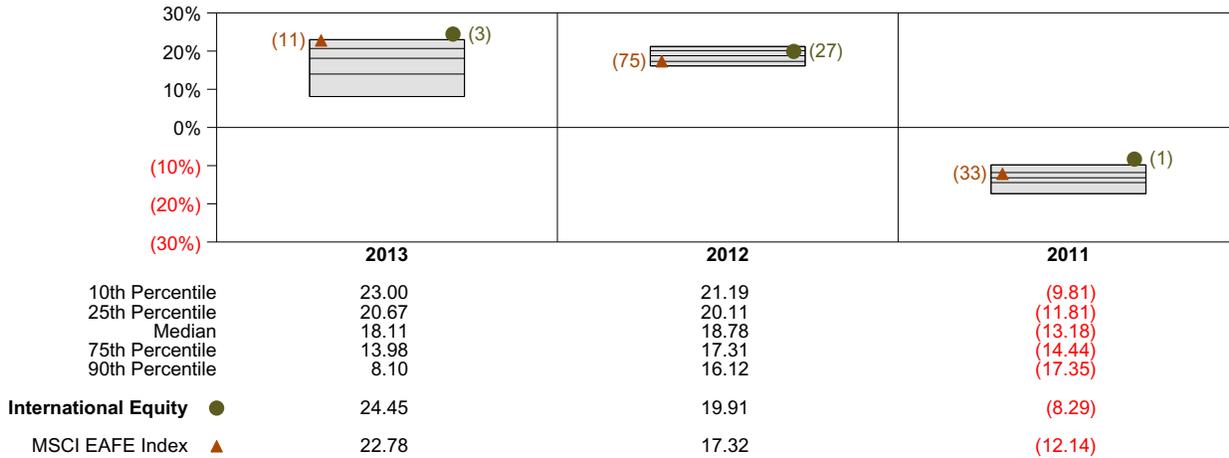


# International Equity Return Analysis Summary

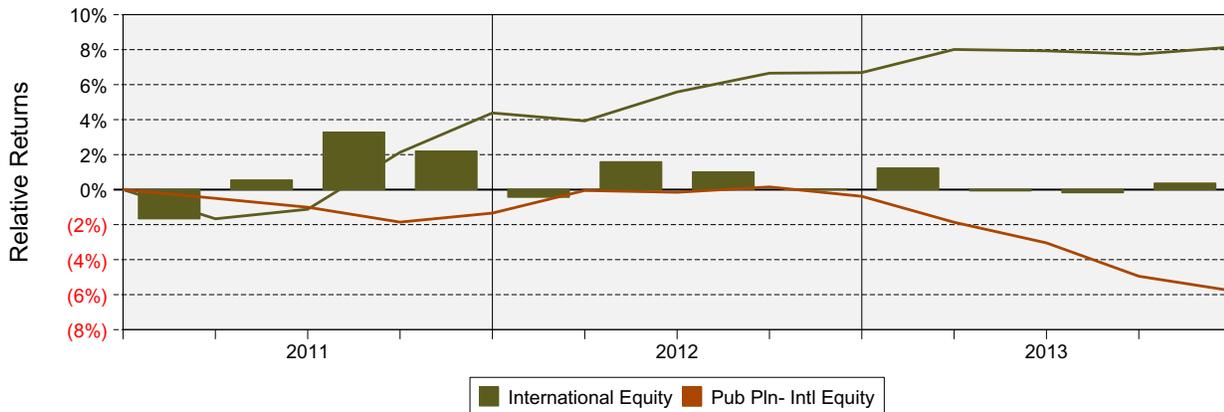
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

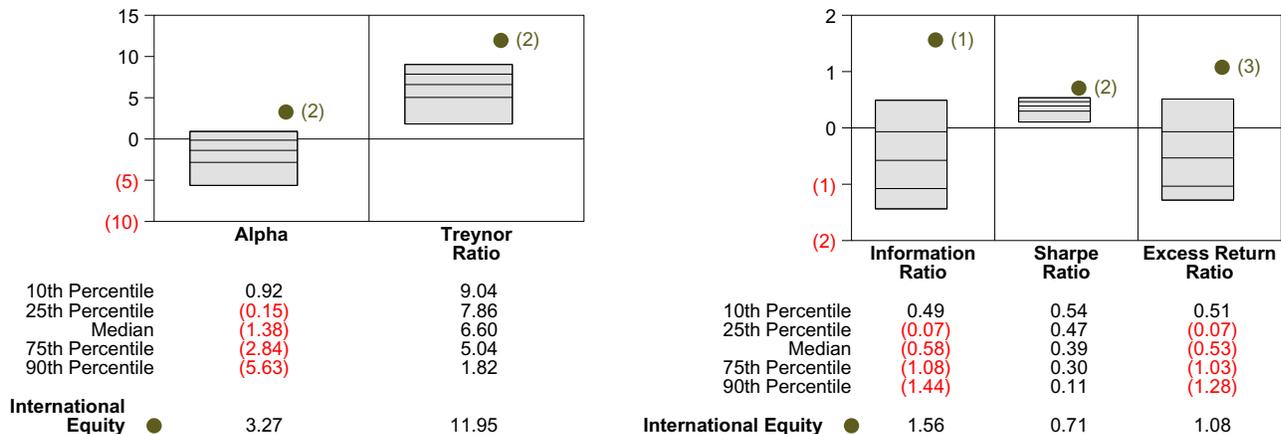
### Performance vs Pub Pln- International Equity (Gross)



### Cumulative and Quarterly Relative Return vs MSCI EAFE Index



### Risk Adjusted Return Measures vs MSCI EAFE Index Rankings Against Pub Pln- International Equity (Gross) Three Years Ended December 31, 2013

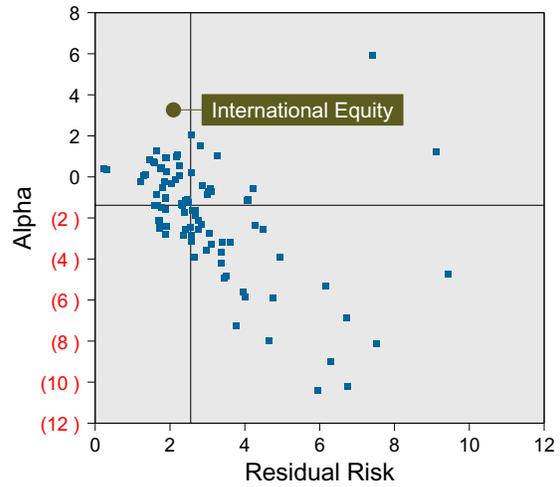
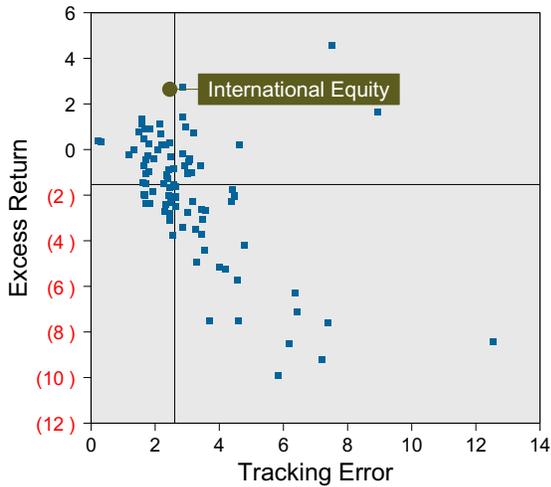


# International Equity Risk Analysis Summary

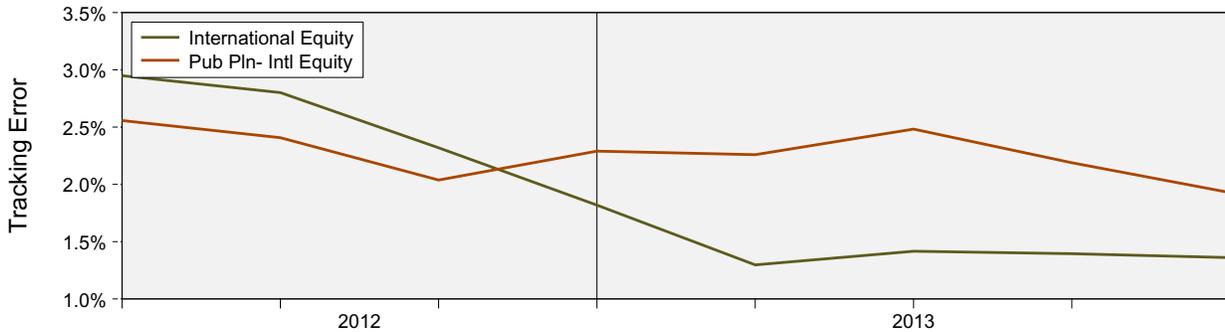
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

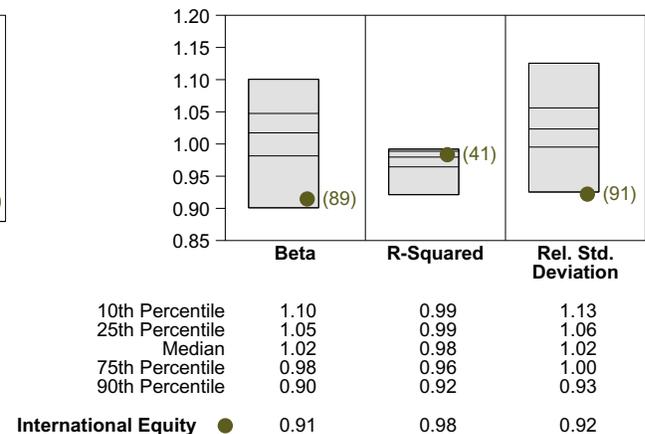
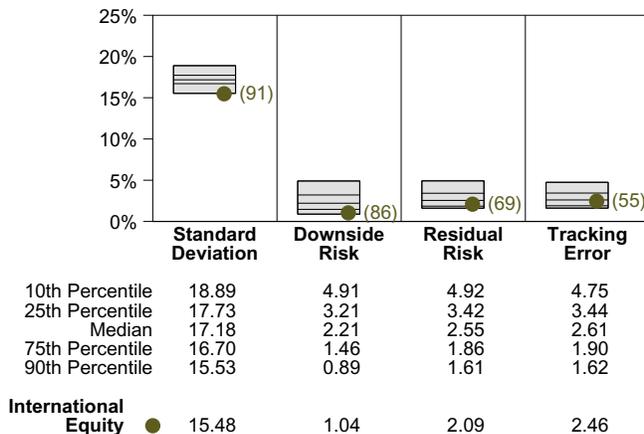
### Risk Analysis vs Pub Pln- International Equity (Gross) Three Years Ended December 31, 2013



### Rolling 4 Quarter Tracking Error vs MSCI EAFE Index



### Risk Statistics Rankings vs MSCI EAFE Index Rankings Against Pub Pln- International Equity (Gross) Three Years Ended December 31, 2013



# Johnston Asset Management Period Ended December 31, 2013

## Investment Philosophy

Johnston Asset Management believes that stock selection is the key to superior investment performance. In particular, growth stocks, purchased when they are trading below their fundamental value, have the greatest potential for capital appreciation over time. The firm believes that shares of high-quality, well-managed companies that can grow their earnings faster than the average company should outperform the broad market over time. Their approach is designed to take advantage of inefficiencies that occur over shorter time horizons, and to buy extraordinary high-quality growth companies when they can be purchased below their fundamental value.

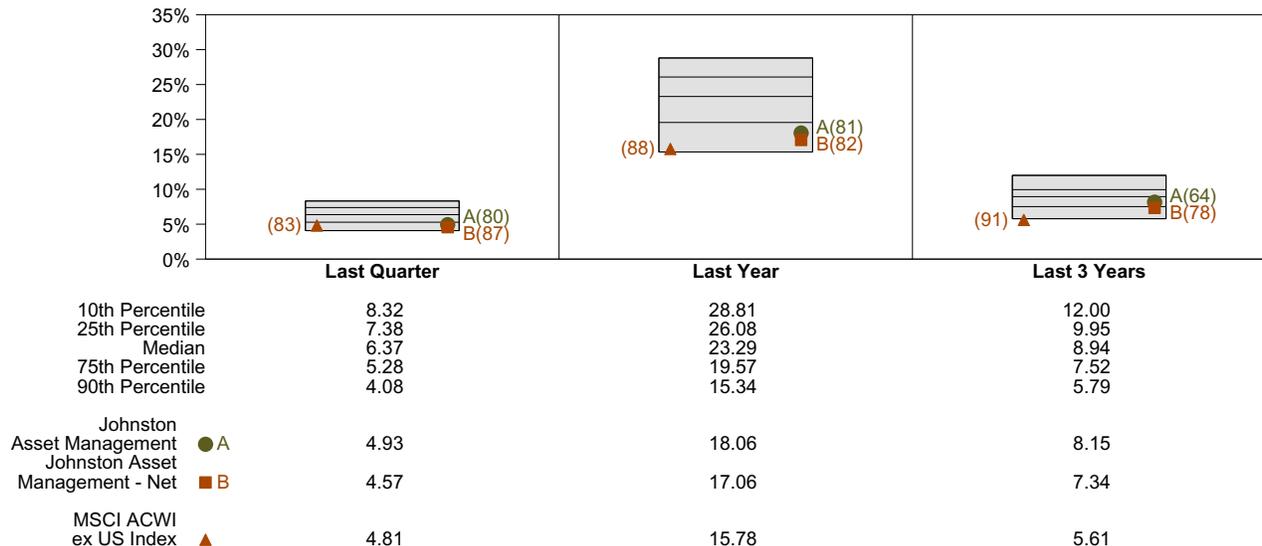
## Quarterly Summary and Highlights

- Johnston Asset Management's portfolio posted a 4.93% return for the quarter placing it in the 80 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 81 percentile for the last year.
- Johnston Asset Management's portfolio outperformed the MSCI ACWI ex US Index by 0.12% for the quarter and outperformed the MSCI ACWI ex US Index for the year by 2.28%.

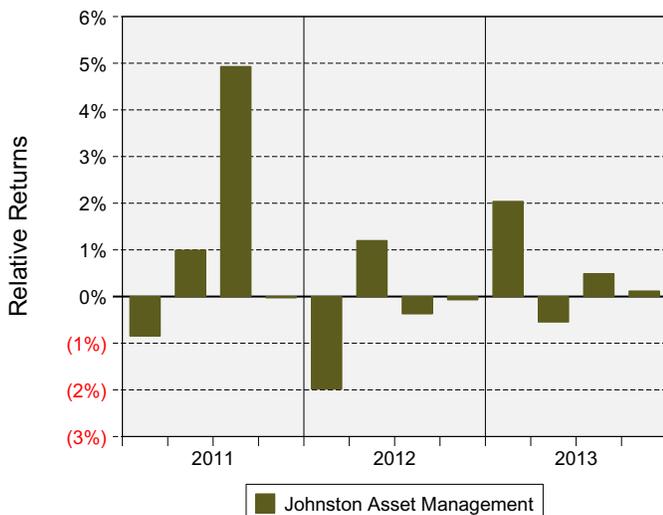
## Quarterly Asset Growth

Beginning Market Value	\$59,852,365
Net New Investment	\$0
Investment Gains/(Losses)	\$2,949,862
Ending Market Value	\$62,802,227

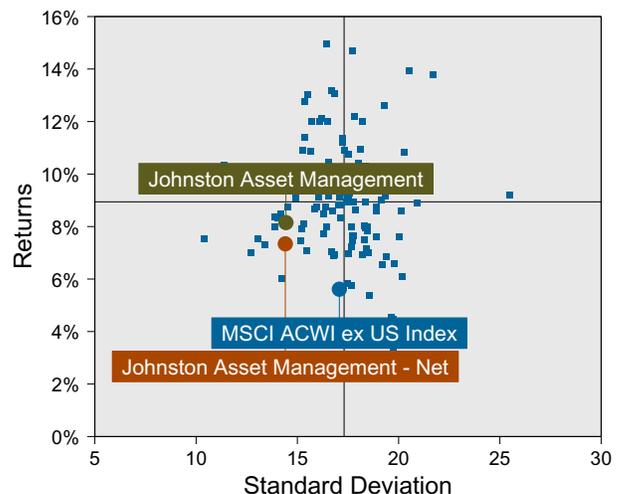
## Performance vs CAI Non-U.S. Equity Style (Gross)



## Relative Return vs MSCI ACWI ex US Index



## CAI Non-U.S. Equity Style (Gross) Annualized Three Year Risk vs Return

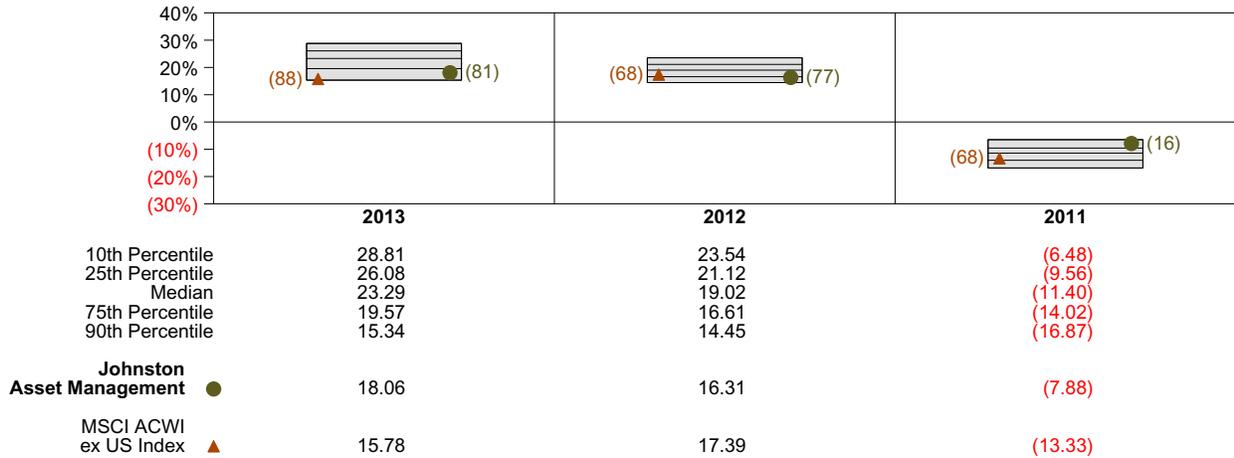


# Johnston Asset Management Return Analysis Summary

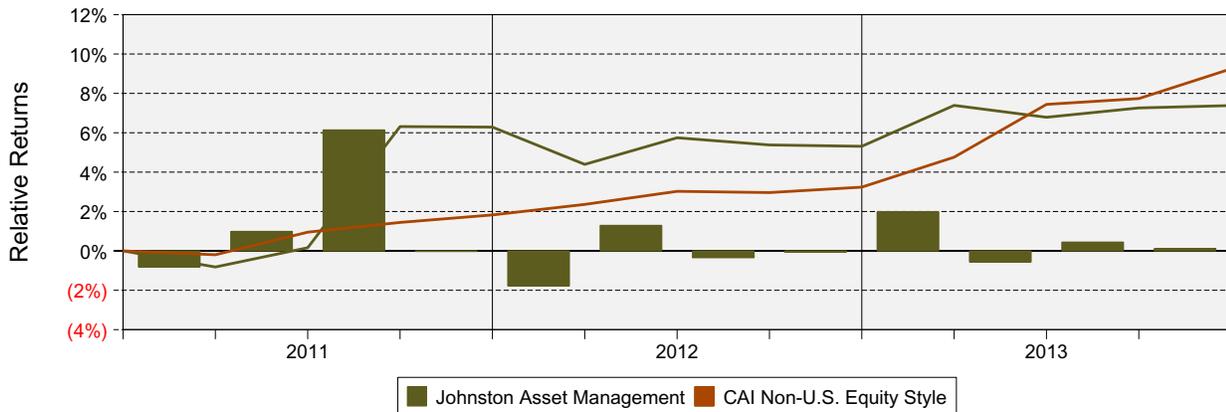
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

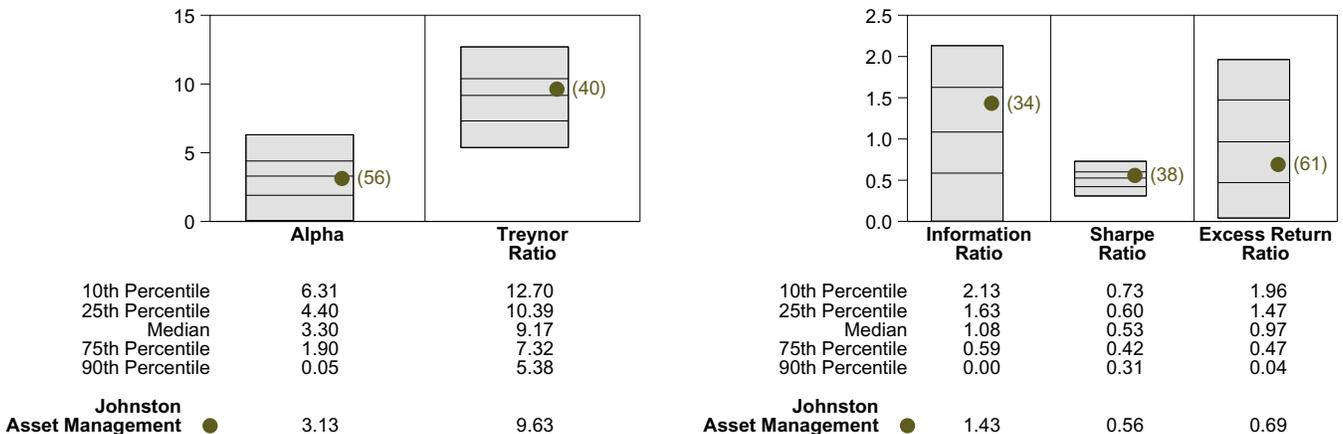
### Performance vs CAI Non-U.S. Equity Style (Gross)



### Cumulative and Quarterly Relative Return vs MSCI ACWI ex US Index



### Risk Adjusted Return Measures vs MSCI ACWI ex US Index Rankings Against CAI Non-U.S. Equity Style (Gross) Three Years Ended December 31, 2013

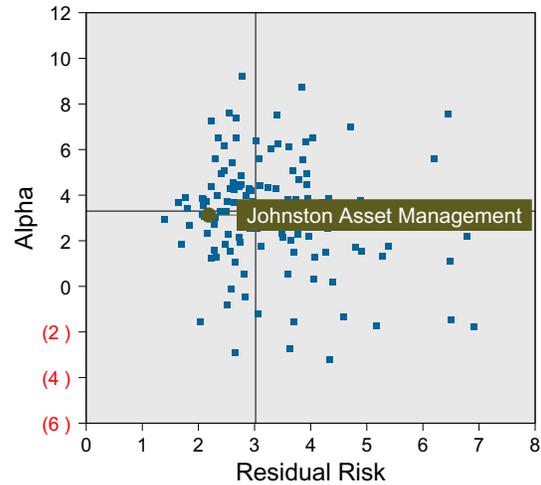
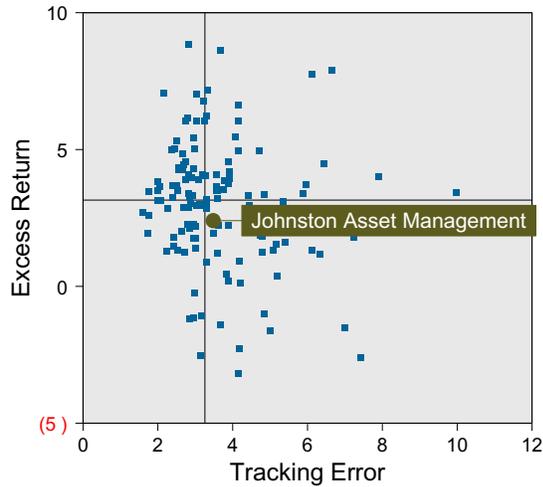


# Johnston Asset Management Risk Analysis Summary

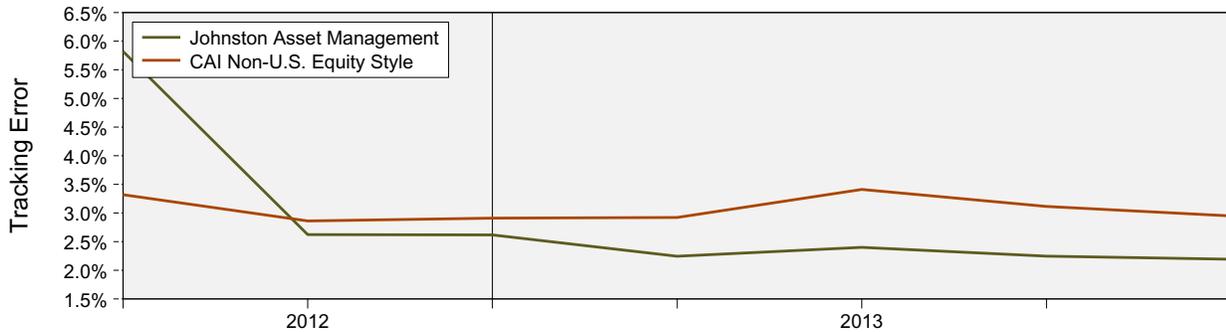
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

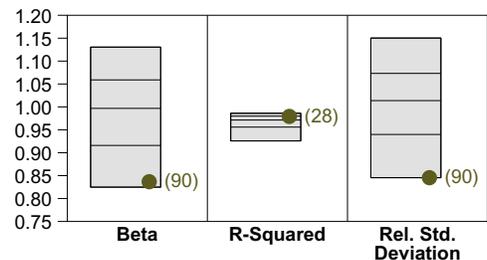
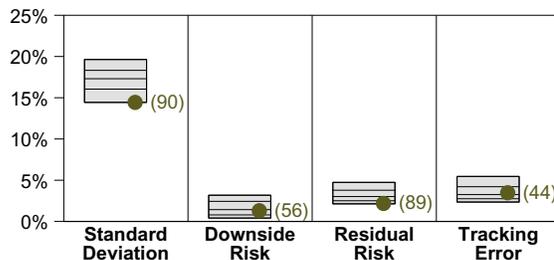
### Risk Analysis vs CAI Non-U.S. Equity Style (Gross) Three Years Ended December 31, 2013



### Rolling 4 Quarter Tracking Error vs MSCI ACWI ex US Index



### Risk Statistics Rankings vs MSCI ACWI ex US Index Rankings Against CAI Non-U.S. Equity Style (Gross) Three Years Ended December 31, 2013



	Standard Deviation	Downside Risk	Residual Risk	Tracking Error
10th Percentile	19.64	3.18	4.74	5.46
25th Percentile	18.32	2.44	3.79	4.21
Median	17.31	1.43	3.02	3.26
75th Percentile	16.05	0.80	2.51	2.76
90th Percentile	14.43	0.41	2.14	2.35

	Beta	R-Squared	Rel. Std. Deviation
10th Percentile	1.13	0.99	1.15
25th Percentile	1.06	0.98	1.07
Median	1.00	0.97	1.01
75th Percentile	0.92	0.96	0.94
90th Percentile	0.82	0.93	0.85

**Johnston Asset Management** ● 14.44      1.30      2.18      3.48

**Johnston Asset Management** ● 0.84      0.98      0.85

# Artisan Partners

## Period Ended December 31, 2013

### Investment Philosophy

The Artisan International Value strategy uses a bottom-up investment process to build a diversified portfolio of stocks of undervalued non-U.S. companies. The strategy is premised on the belief that, over the long-term, the price of a company's stock will converge with the economic value of the business.

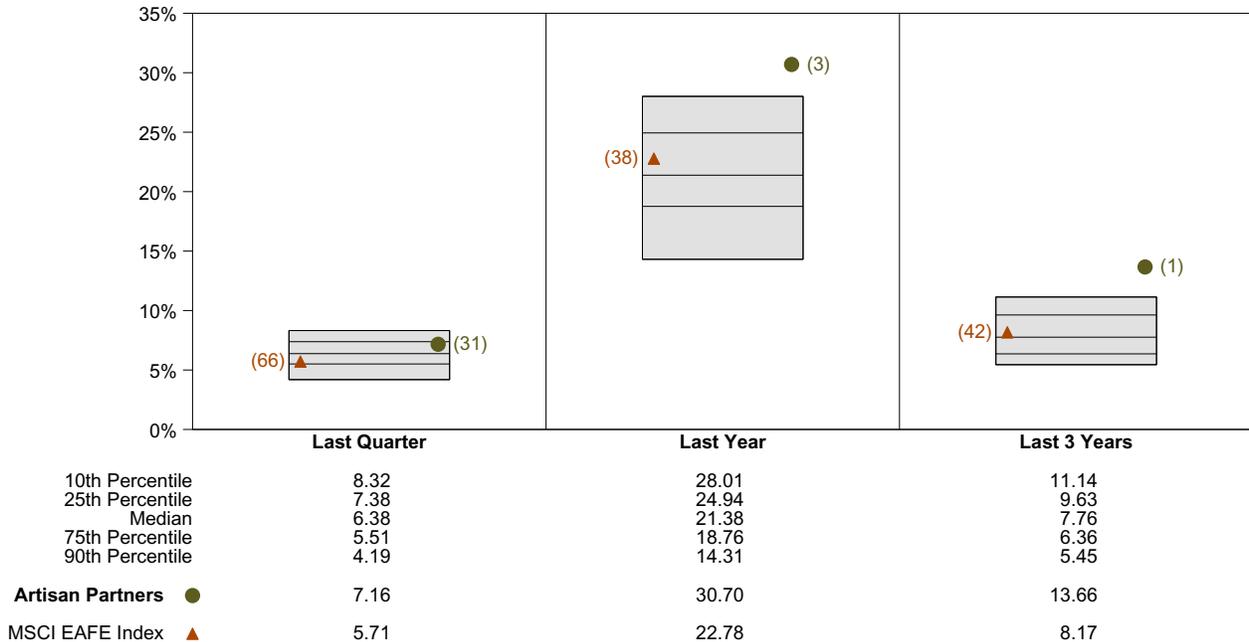
### Quarterly Summary and Highlights

- Artisan Partners's portfolio posted a 7.16% return for the quarter placing it in the 31 percentile of the CAI MF - Non-US Equity Style group for the quarter and in the 3 percentile for the last year.
- Artisan Partners's portfolio outperformed the MSCI EAFE Index by 1.45% for the quarter and outperformed the MSCI EAFE Index for the year by 7.92%.

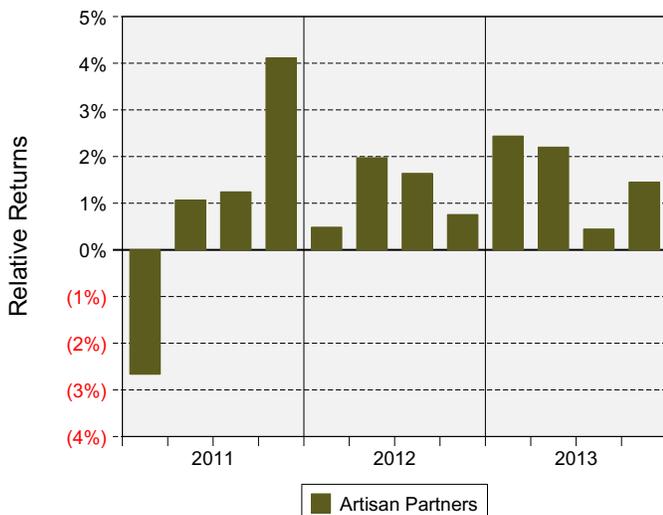
### Quarterly Asset Growth

Beginning Market Value	\$66,954,663
Net New Investment	\$0
Investment Gains/(Losses)	\$4,796,032
Ending Market Value	\$71,750,695

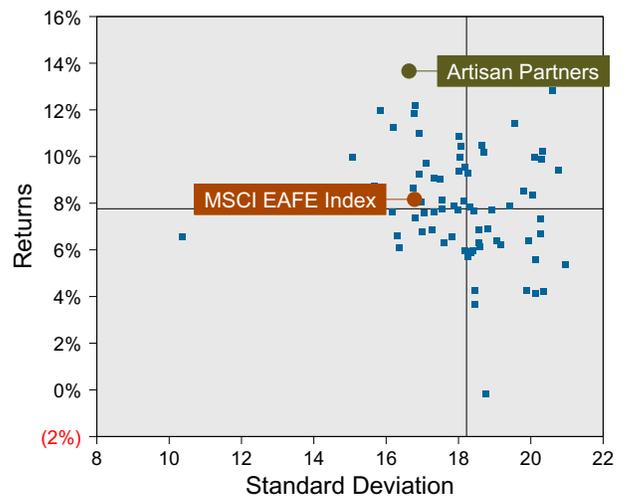
### Performance vs CAI MF - Non-US Equity Style (Cheapest Net)



### Relative Return vs MSCI EAFE Index



### CAI MF - Non-US Equity Style (Cheapest Net) Annualized Three Year Risk vs Return

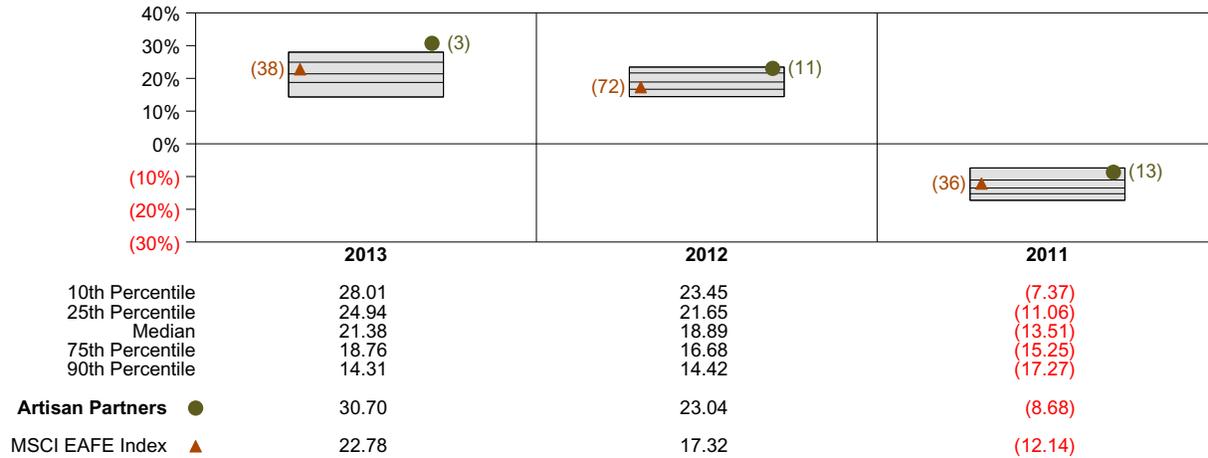


# Artisan Partners Return Analysis Summary

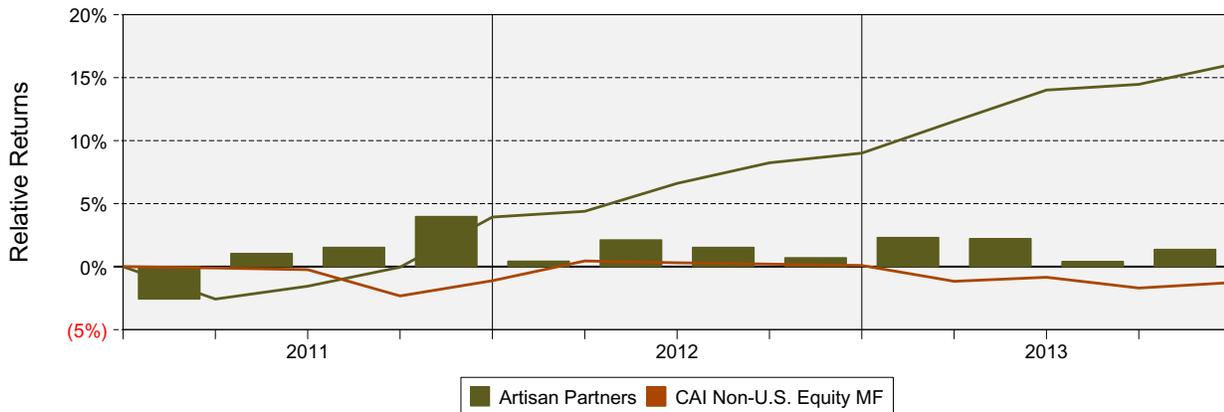
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

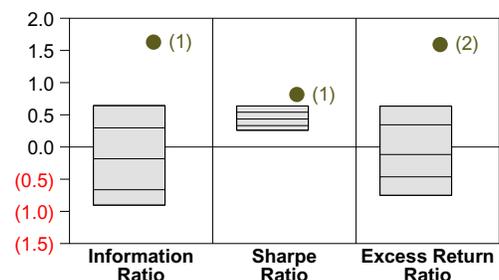
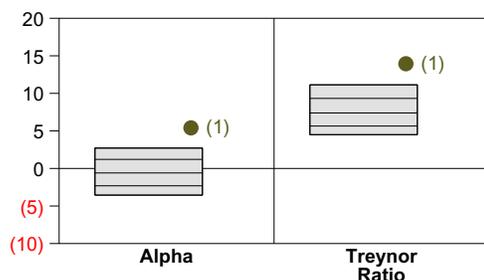
### Performance vs CAI MF - Non-US Equity Style (Cheapest Net)



### Cumulative and Quarterly Relative Return vs MSCI EAFE Index



### Risk Adjusted Return Measures vs MSCI EAFE Index Rankings Against CAI MF - Non-US Equity Style (Cheapest Net) Three Years Ended December 31, 2013

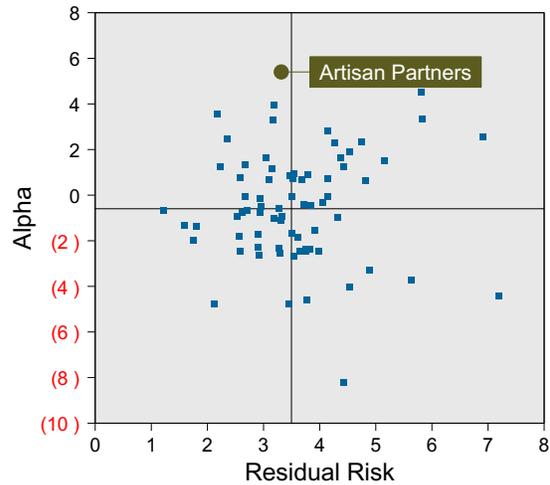
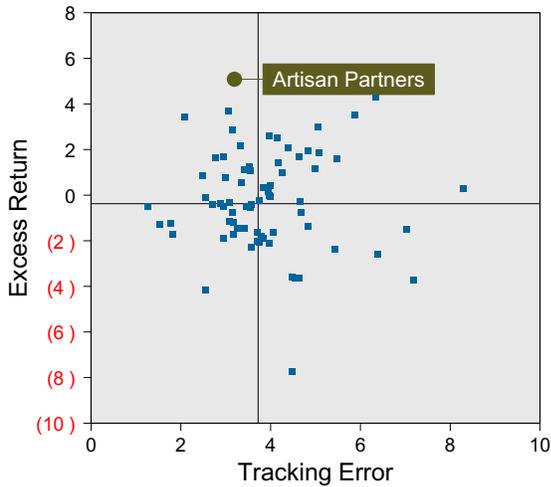


# Artisan Partners Risk Analysis Summary

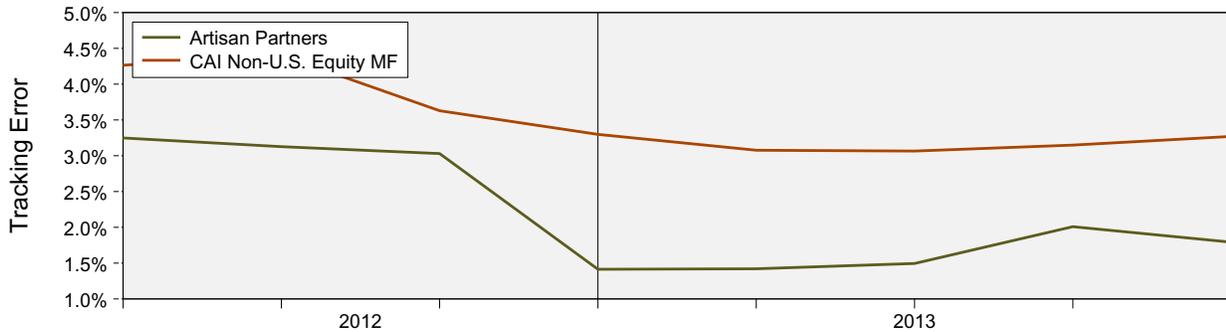
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

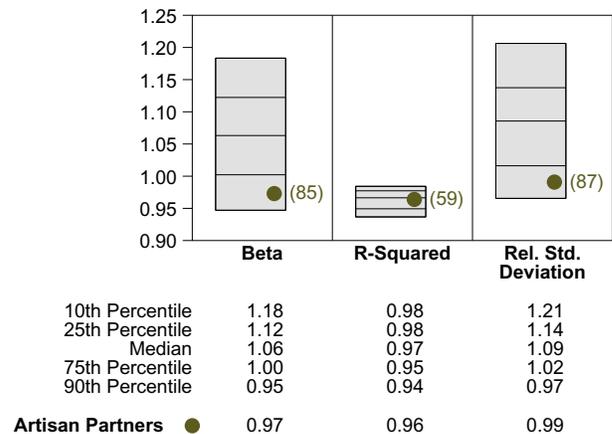
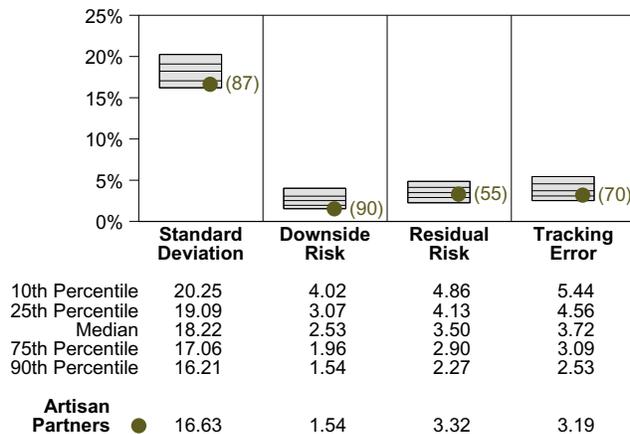
### Risk Analysis vs CAI MF - Non-US Equity Style (Cheapest Net) Three Years Ended December 31, 2013



### Rolling 4 Quarter Tracking Error vs MSCI EAFE Index



### Risk Statistics Rankings vs MSCI EAFE Index Rankings Against CAI MF - Non-US Equity Style (Cheapest Net) Three Years Ended December 31, 2013





# Globalt Tactical ETF

## Period Ended December 31, 2013

### Investment Philosophy

GLOBALT believes that the trend toward globalization is the single most important opportunity in today's financial markets and attempts to capture those opportunities in a disciplined and risk-controlled manner.

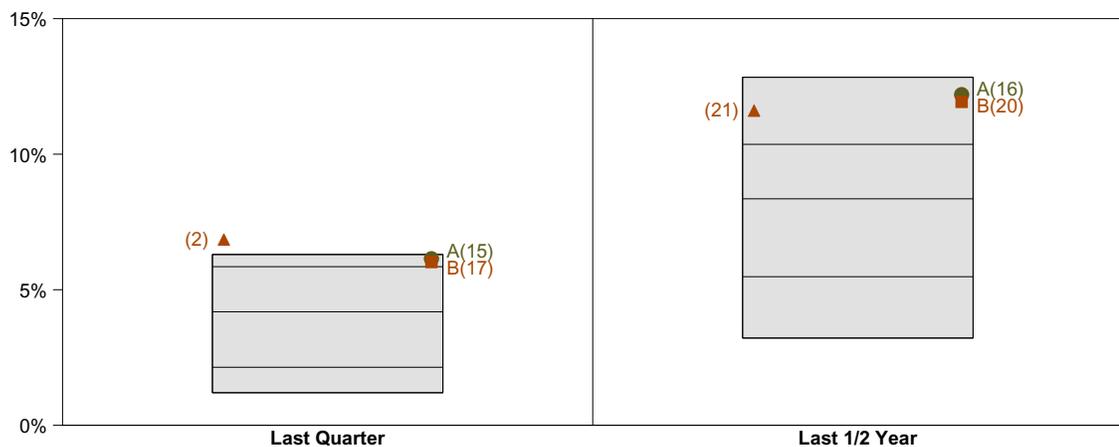
### Quarterly Summary and Highlights

- Globalt Tactical ETF's portfolio posted a 6.14% return for the quarter placing it in the 15th percentile of the CAI Global - Balanced DB group for the quarter and in the 16th percentile for the last one-half year.
- Globalt Tactical ETF's portfolio underperformed the Policy Index by 0.71% for the quarter and outperformed the Policy Index for the one-half year by 0.59%.

### Quarterly Asset Growth

Beginning Market Value	\$55,670,714
Net New Investment	\$4,639
Investment Gains/(Losses)	\$3,420,112
Ending Market Value	\$59,095,464

### Performance vs CAI Global - Balanced DB (Gross)



10th Percentile 6.30  
 25th Percentile 5.85  
 Median 4.19  
 75th Percentile 2.14  
 90th Percentile 1.20

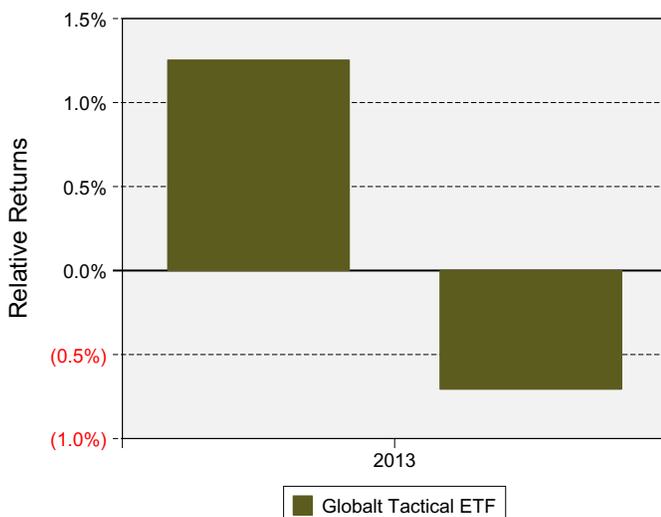
12.84  
 10.36  
 8.35  
 5.48  
 3.22

Globalt Tactical ETF ● A  
 Globalt Tactical ETF - Net ■ B  
 Policy Index ▲

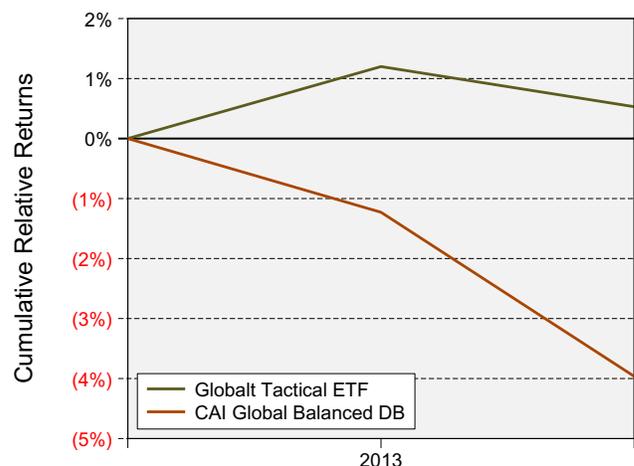
Last Quarter

Last 1/2 Year

### Relative Return vs Policy Index



### Cumulative Returns vs Policy Index





# Fixed Income Period Ended December 31, 2013

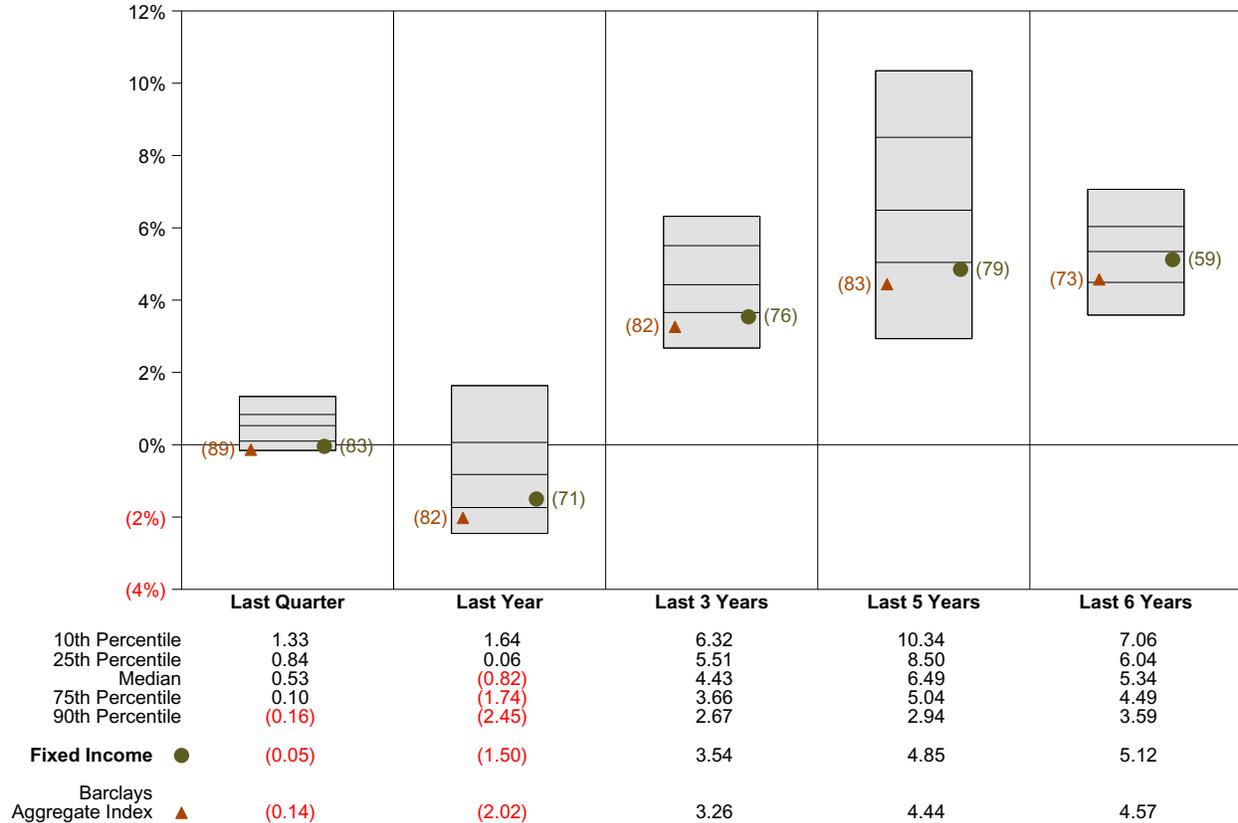
## Quarterly Summary and Highlights

- Fixed Income's portfolio posted a (0.05)% return for the quarter placing it in the 83 percentile of the Pub Pln-Domestic Fixed group for the quarter and in the 71 percentile for the last year.
- Fixed Income's portfolio outperformed the Barclays Aggregate Index by 0.09% for the quarter and outperformed the Barclays Aggregate Index for the year by 0.52%.

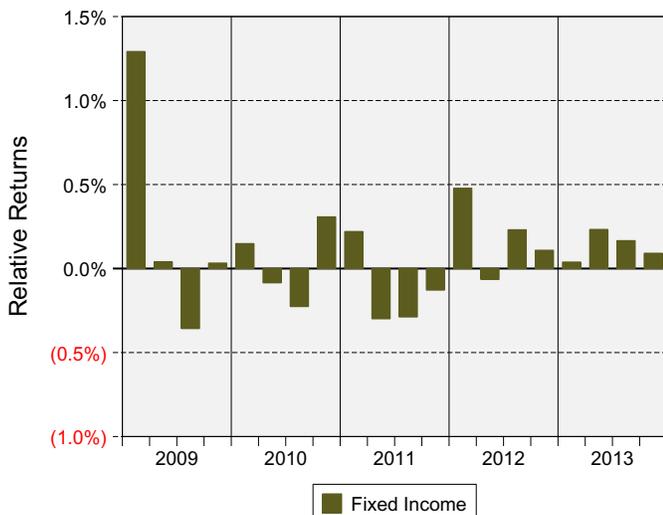
## Quarterly Asset Growth

Beginning Market Value	\$248,995,612
Net New Investment	\$0
Investment Gains/(Losses)	\$-112,746
Ending Market Value	\$248,882,866

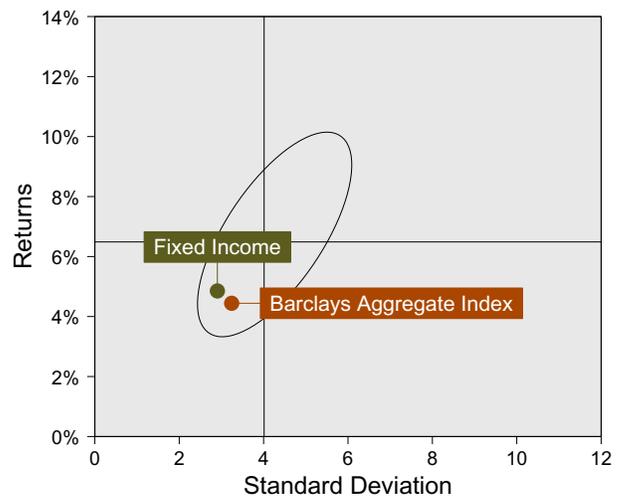
## Performance vs Pub Pln- Domestic Fixed (Gross)



## Relative Return vs Barclays Aggregate Index



## Pub Pln- Domestic Fixed (Gross) Annualized Five Year Risk vs Return

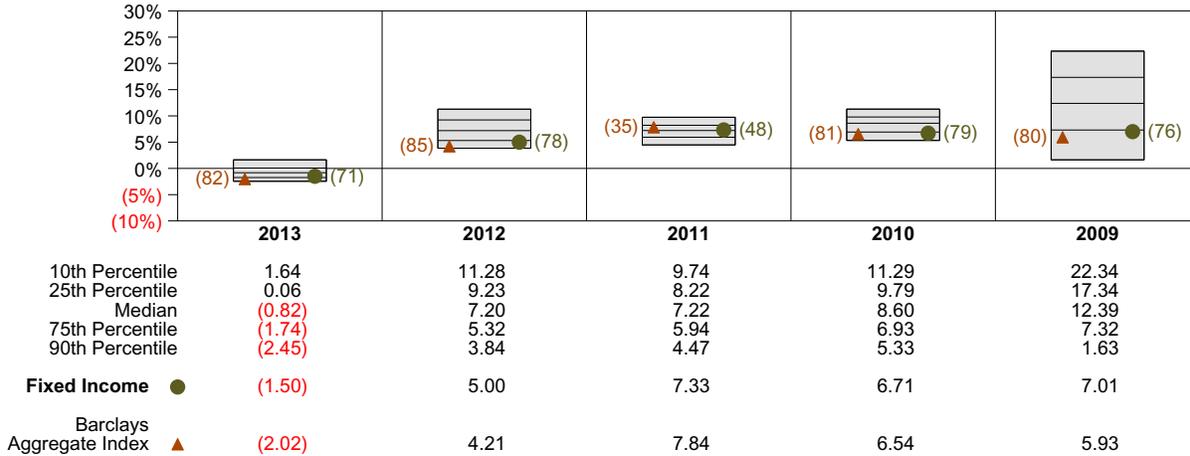


# Fixed Income Return Analysis Summary

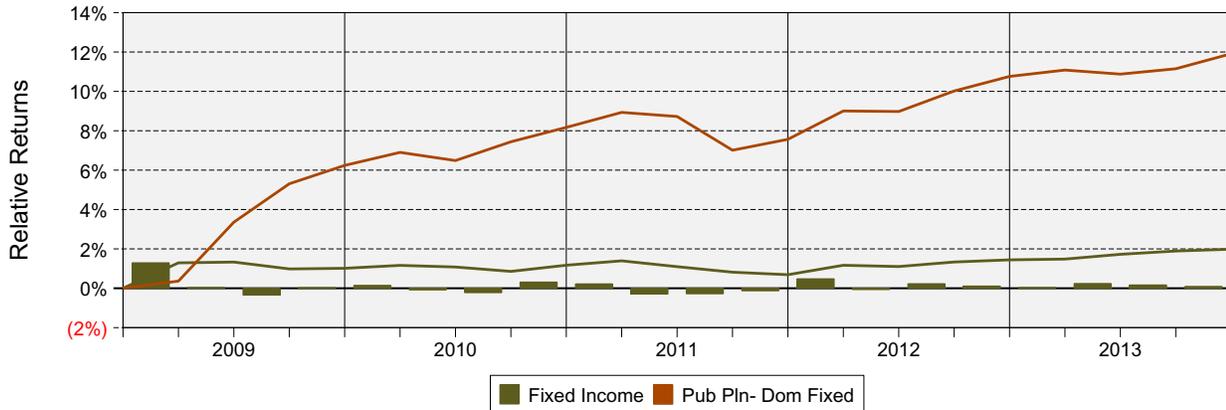
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

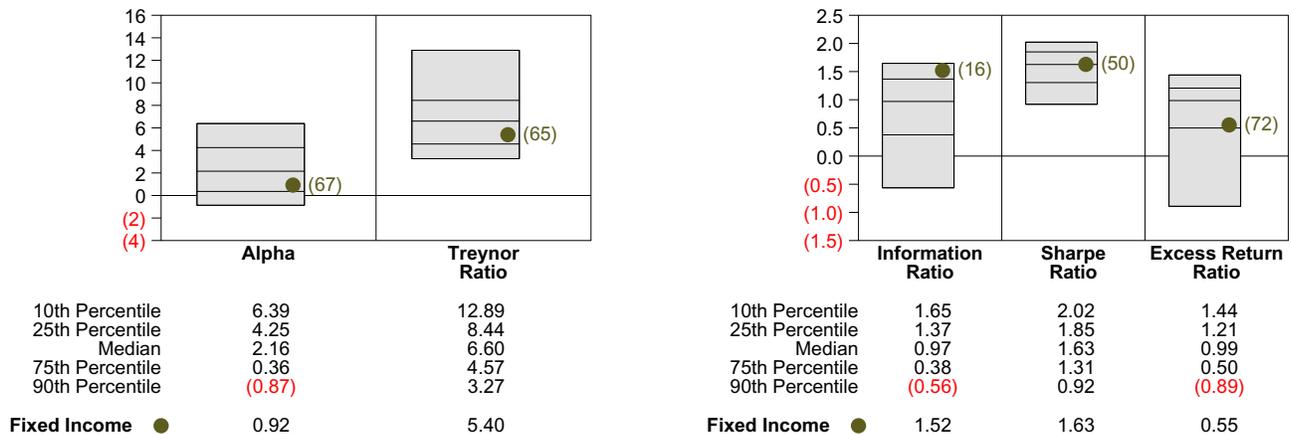
### Performance vs Pub Pln- Domestic Fixed (Gross)



### Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



### Risk Adjusted Return Measures vs Barclays Aggregate Index Rankings Against Pub Pln- Domestic Fixed (Gross) Five Years Ended December 31, 2013

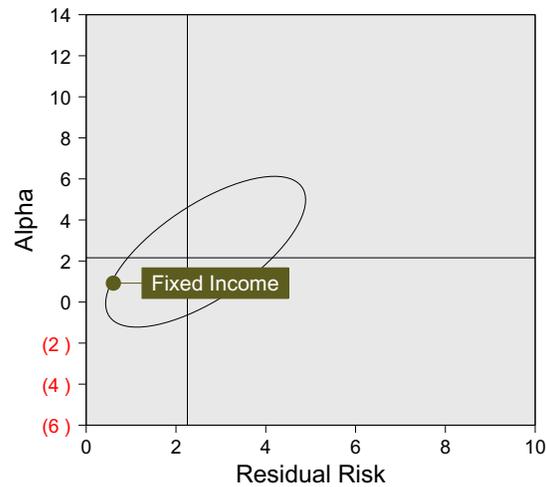
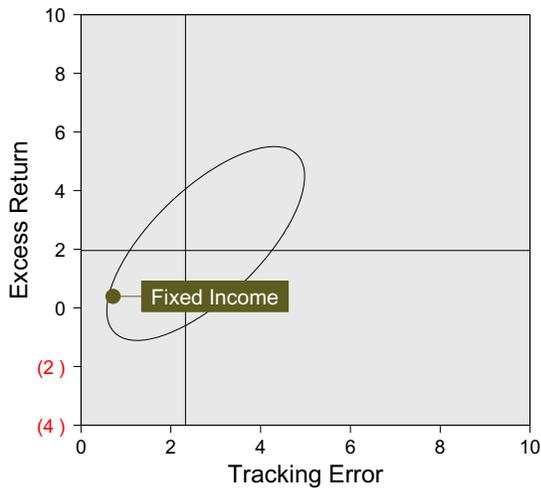


# Fixed Income Risk Analysis Summary

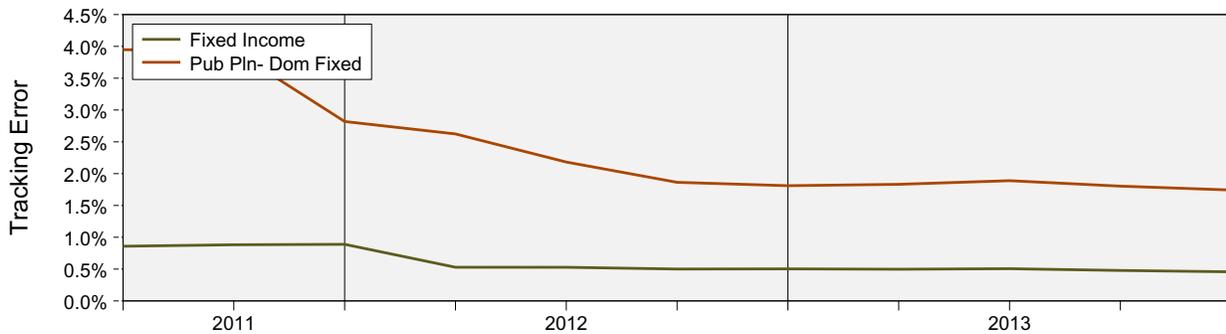
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

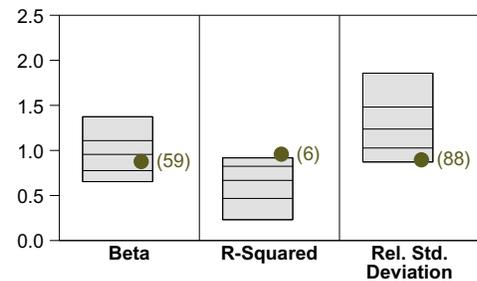
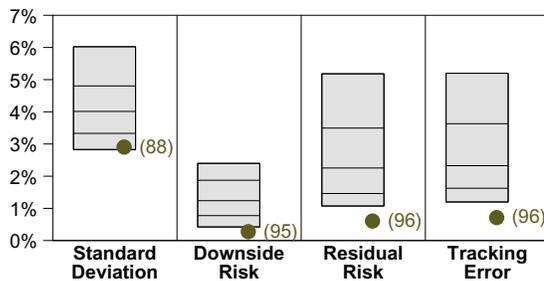
### Risk Analysis vs Pub Pln- Domestic Fixed (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Barclays Aggregate Index



### Risk Statistics Rankings vs Barclays Aggregate Index Rankings Against Pub Pln- Domestic Fixed (Gross) Five Years Ended December 31, 2013



10th Percentile	6.02	2.40	5.18	5.20
25th Percentile	4.80	1.87	3.49	3.63
Median	4.01	1.24	2.25	2.33
75th Percentile	3.33	0.77	1.46	1.63
90th Percentile	2.83	0.42	1.07	1.20

**Fixed Income** ● 2.90 0.28 0.61 0.71

10th Percentile	1.37	0.92	1.86
25th Percentile	1.11	0.82	1.48
Median	0.96	0.67	1.24
75th Percentile	0.78	0.47	1.03
90th Percentile	0.65	0.23	0.87

**Fixed Income** ● 0.88 0.96 0.90

# JP Morgan Chase Period Ended December 31, 2013

## Investment Philosophy

J.P. Morgan Asset Management believes inefficiencies in the fixed income market are pervasive and will continue; however, the identification of individual undervalued securities is difficult and requires advanced analytical skills and extensive experience in order to capitalize successfully. The team strives to identify inefficiencies through a combination of active investment management and disciplined risk control. It incorporates a bottom-up, value-oriented approach to fixed income investment management. All fixed income portfolios are run using this approach. However, the maturity and duration structure can vary according to each client's specific benchmark. In terms of issuer quality, portfolio holdings are restricted to investment grade securities at purchase, with approximately 75% of the holdings rated AAA. Portfolios are well-diversified across sectors, sub-sectors and individual security holdings in order to manage overall portfolio risk.

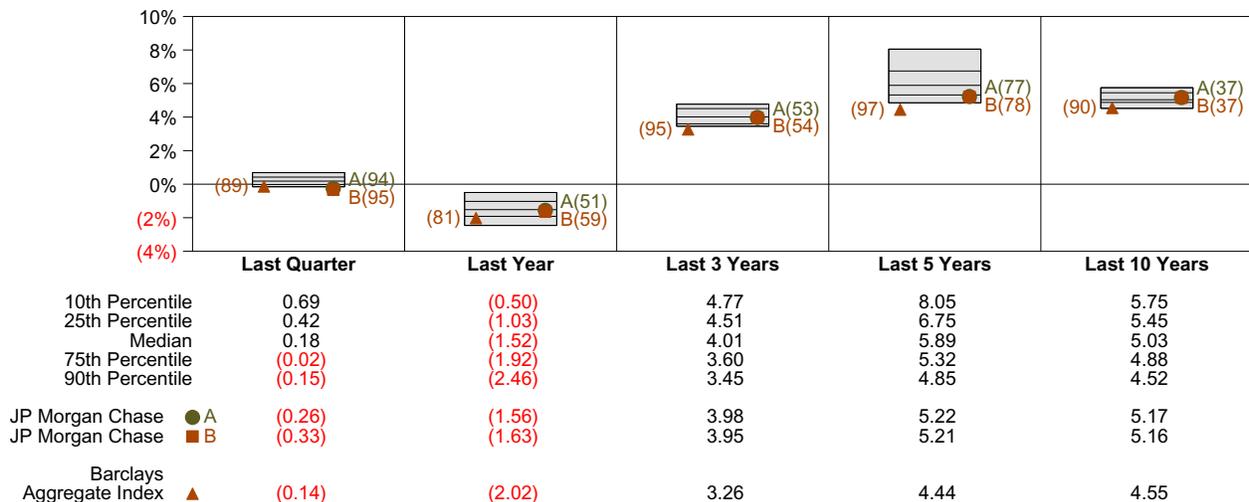
## Quarterly Summary and Highlights

- JP Morgan Chase's portfolio posted a (0.26)% return for the quarter placing it in the 94 percentile of the CAI Core Bond Fixed-Inc Style group for the quarter and in the 51 percentile for the last year.
- JP Morgan Chase's portfolio underperformed the Barclays Aggregate Index by 0.12% for the quarter and outperformed the Barclays Aggregate Index for the year by 0.46%.

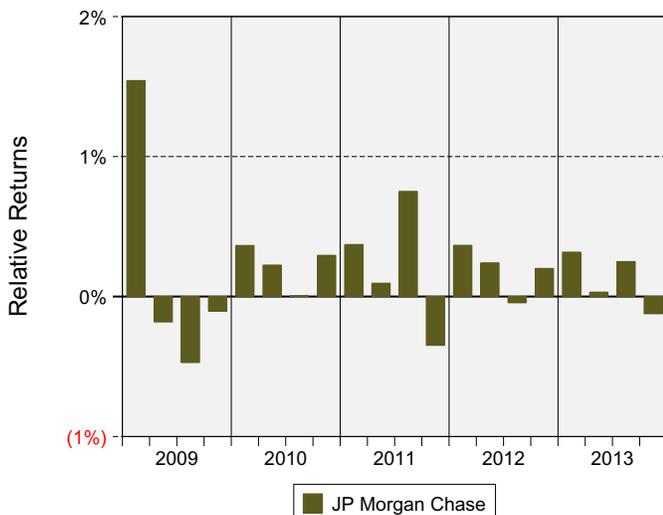
## Quarterly Asset Growth

Beginning Market Value	\$85,300,652
Net New Investment	\$0
Investment Gains/(Losses)	\$-220,545
Ending Market Value	\$85,080,107

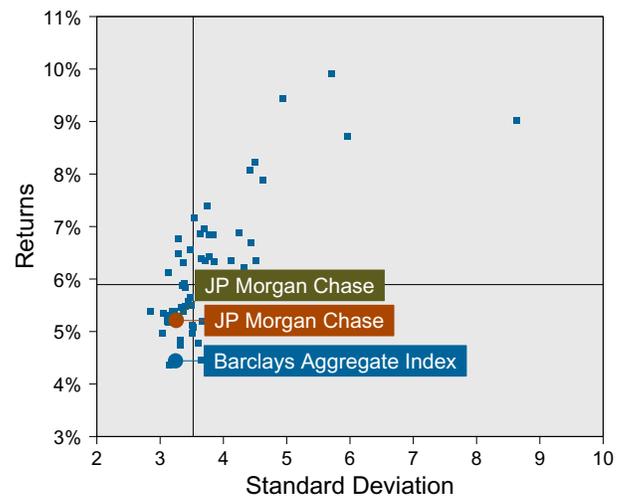
## Performance vs CAI Core Bond Fixed-Inc Style (Gross)



## Relative Return vs Barclays Aggregate Index



## CAI Core Bond Fixed-Inc Style (Gross) Annualized Five Year Risk vs Return

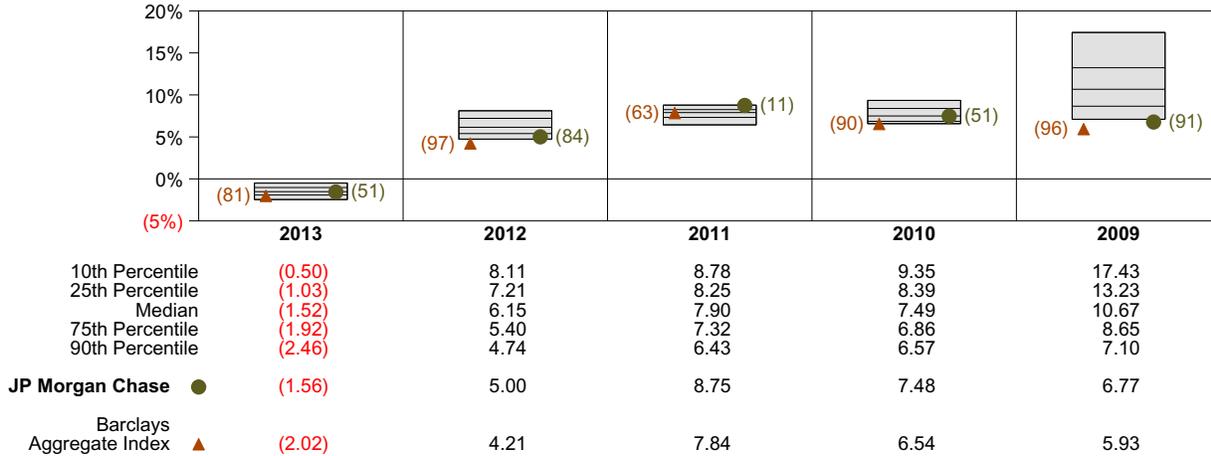


# JP Morgan Chase Return Analysis Summary

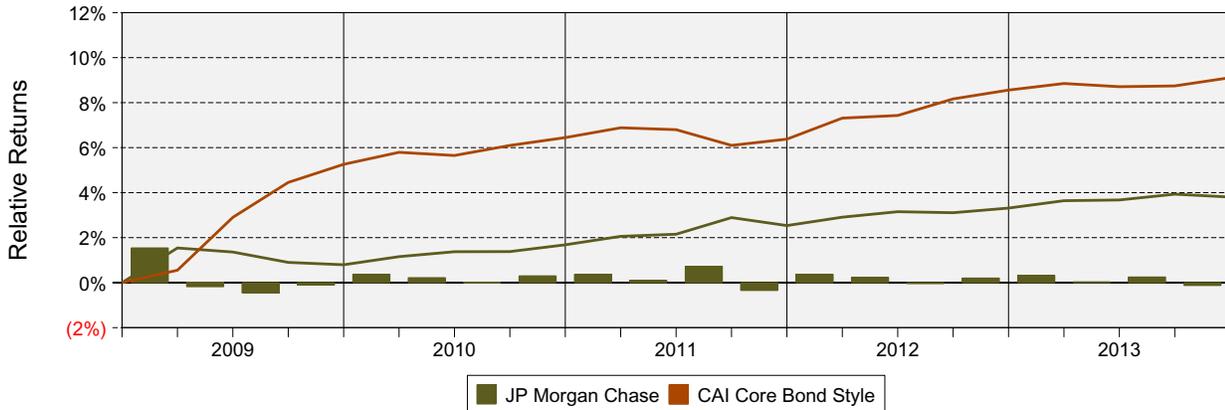
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

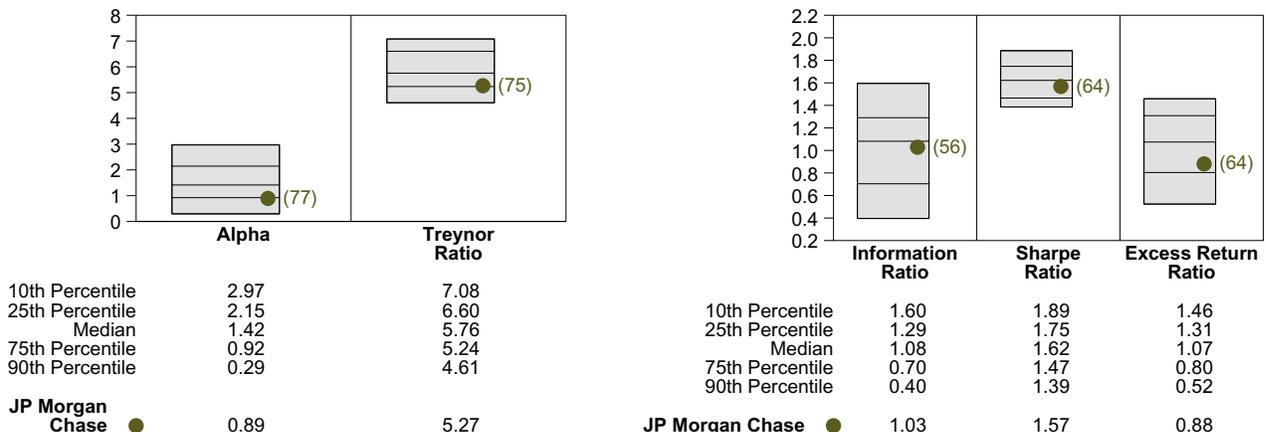
### Performance vs CAI Core Bond Fixed-Inc Style (Gross)



### Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



### Risk Adjusted Return Measures vs Barclays Aggregate Index Rankings Against CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013

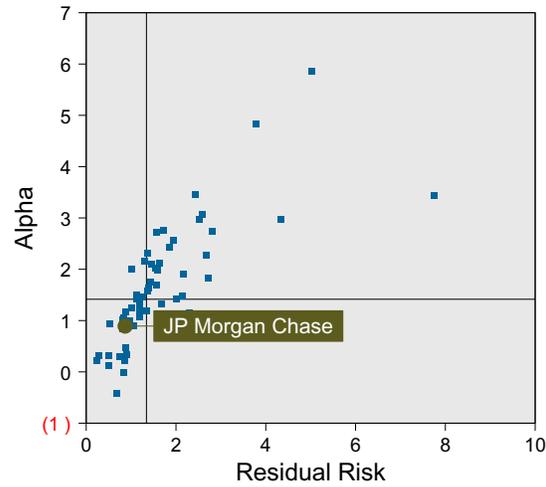
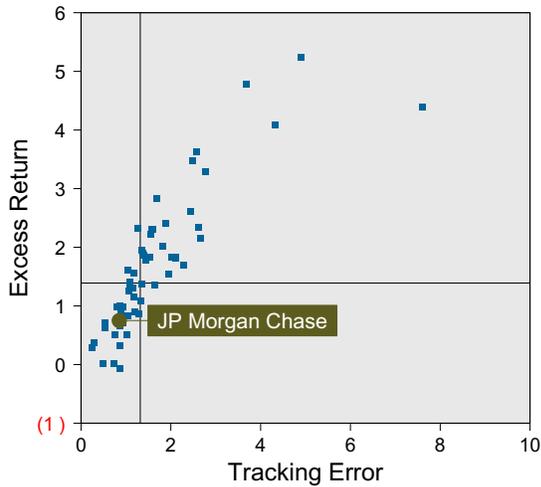


# JP Morgan Chase Risk Analysis Summary

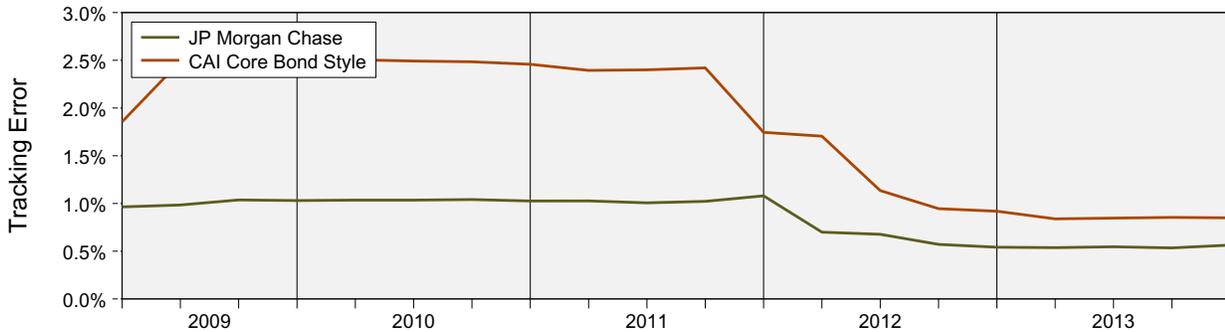
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

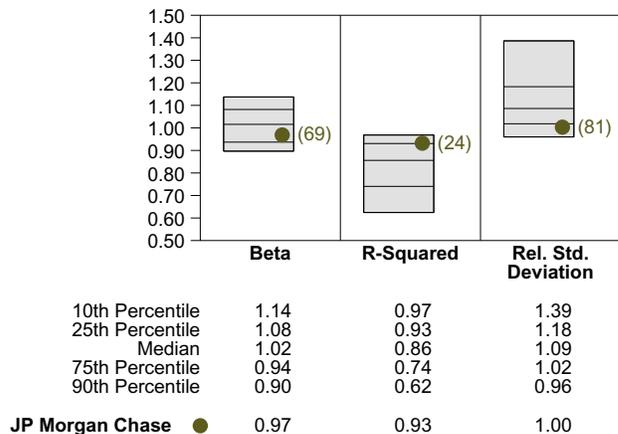
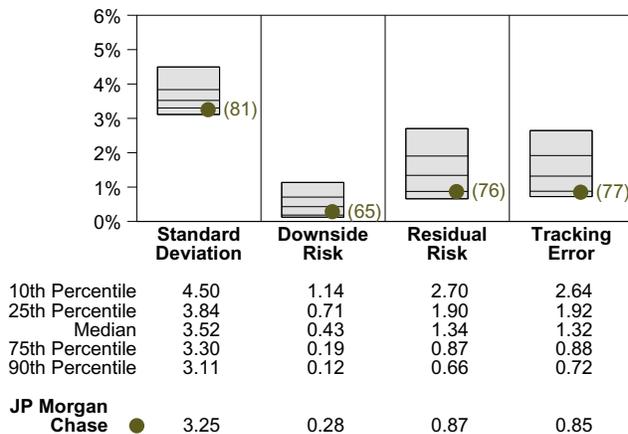
### Risk Analysis vs CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Barclays Aggregate Index



### Risk Statistics Rankings vs Barclays Aggregate Index Rankings Against CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013



# Mesirow Financial

## Period Ended December 31, 2013

### Investment Philosophy

At Mesirow Financial, we believe the bulk of available incremental returns can be captured through careful sector rotation, yield curve management and issue selection. We believe that an emphasis on yield, keeping duration neutral to the benchmark, can produce consistent, predictable returns over time. We believe that prudent use of non-benchmark securities, when appropriate, can augment returns and often reduce volatility as a result of increased diversification. Finally, we believe independent fixed income research and trading are critical to effective risk management.

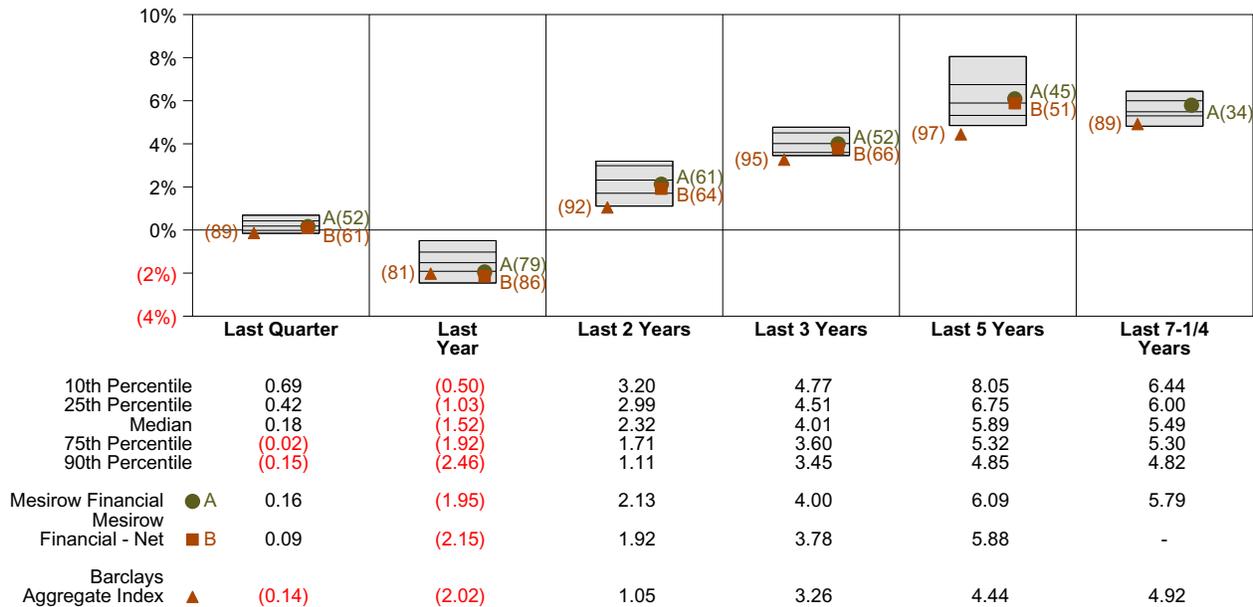
### Quarterly Summary and Highlights

- Mesirow Financial's portfolio posted a 0.16% return for the quarter placing it in the 52 percentile of the CAI Core Bond Fixed-Inc Style group for the quarter and in the 79 percentile for the last year.
- Mesirow Financial's portfolio outperformed the Barclays Aggregate Index by 0.29% for the quarter and outperformed the Barclays Aggregate Index for the year by 0.08%.

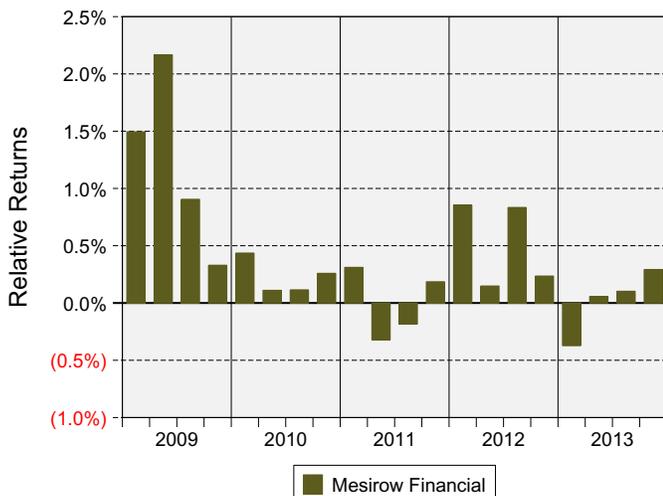
### Quarterly Asset Growth

Beginning Market Value	\$84,913,889
Net New Investment	\$0
Investment Gains/(Losses)	\$132,138
Ending Market Value	\$85,046,027

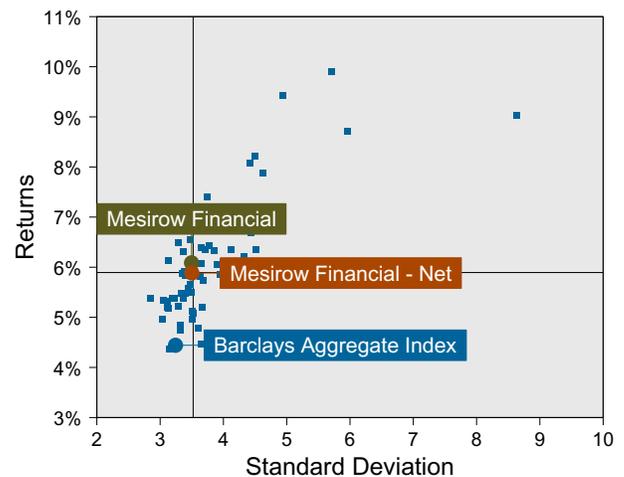
### Performance vs CAI Core Bond Fixed-Inc Style (Gross)



### Relative Return vs Barclays Aggregate Index



### CAI Core Bond Fixed-Inc Style (Gross) Annualized Five Year Risk vs Return

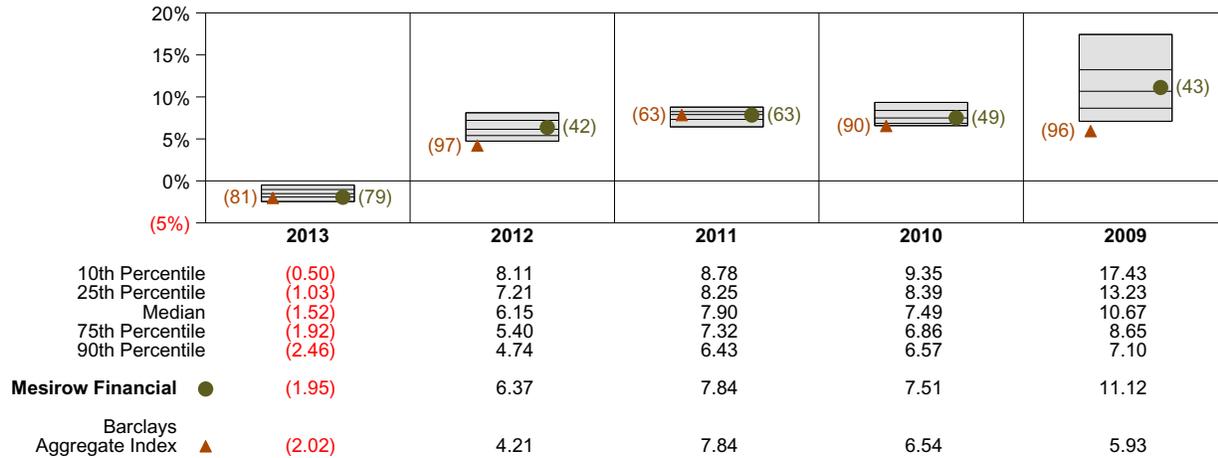


# Mesirow Financial Return Analysis Summary

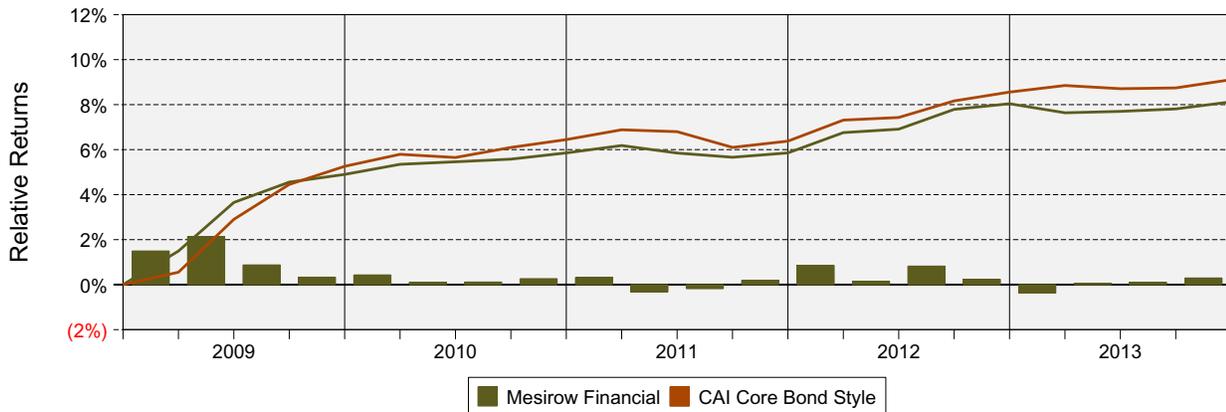
## Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

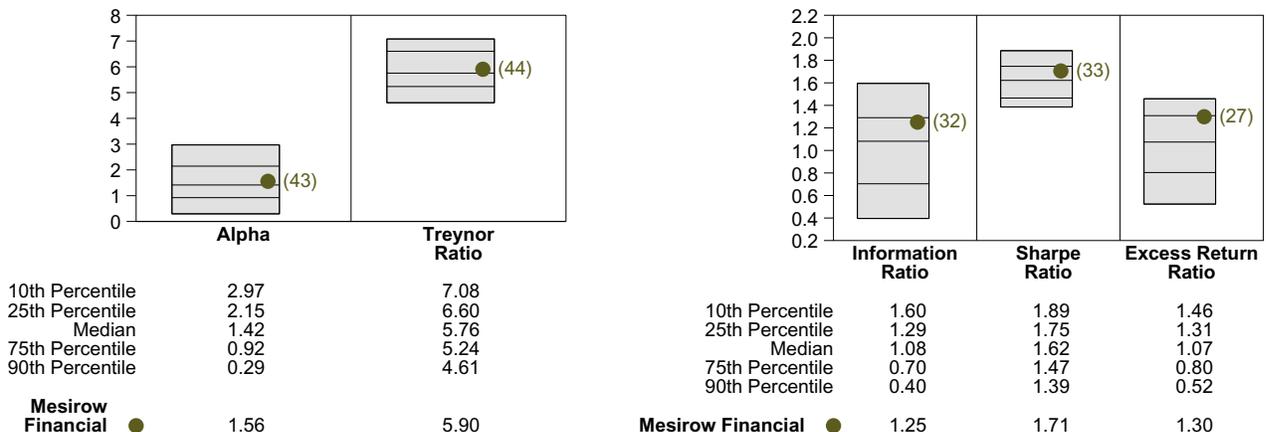
### Performance vs CAI Core Bond Fixed-Inc Style (Gross)



### Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



### Risk Adjusted Return Measures vs Barclays Aggregate Index Rankings Against CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013

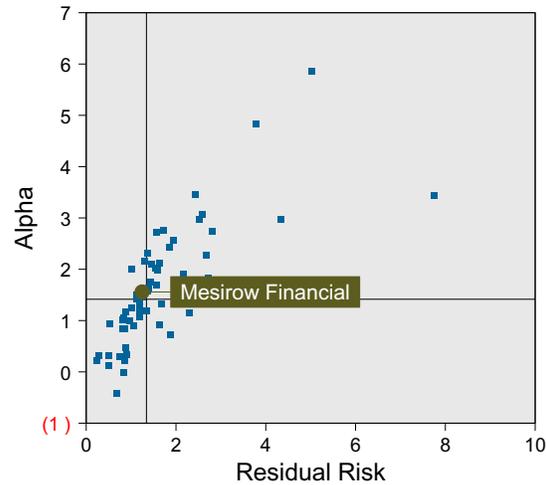
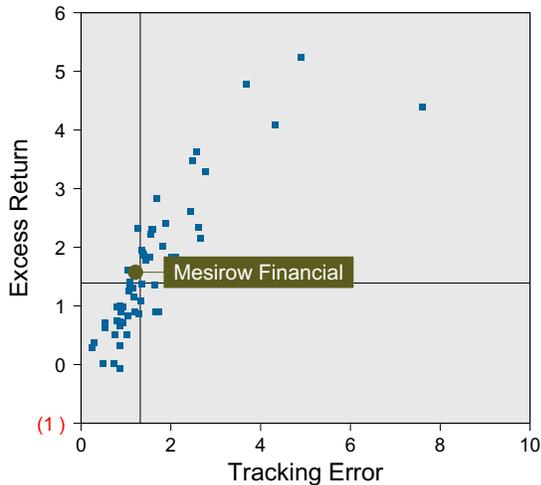


# Mesirow Financial Risk Analysis Summary

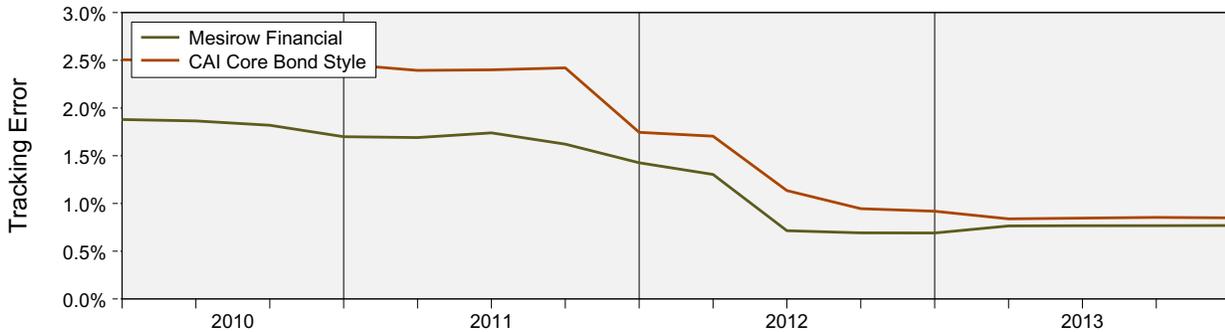
## Risk Analysis

The graphs below analyze the risk or variation of a manager's return pattern. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the benchmark. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns versus the benchmark over time. The last two charts show the ranking of the manager's risk statistics versus the peer group.

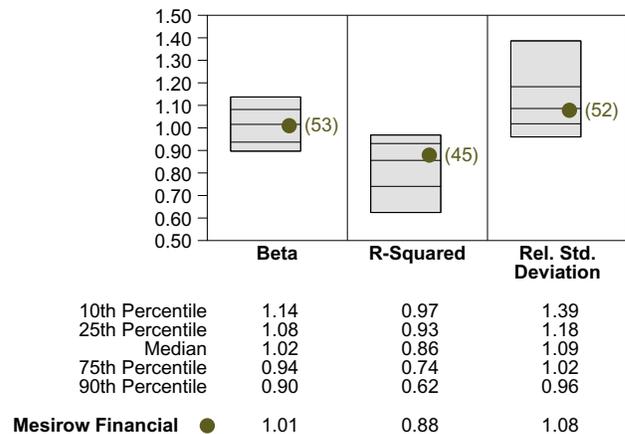
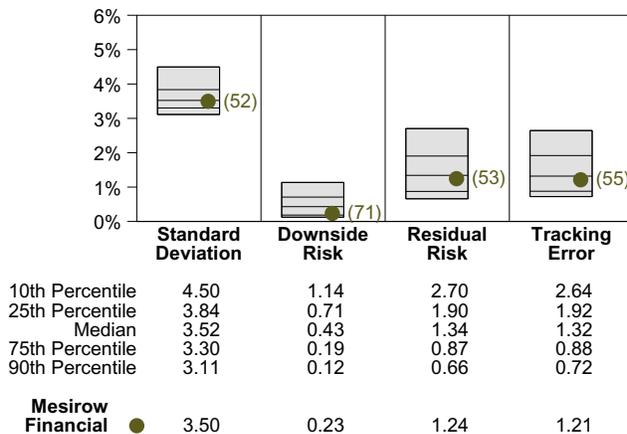
### Risk Analysis vs CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013



### Rolling 12 Quarter Tracking Error vs Barclays Aggregate Index



### Risk Statistics Rankings vs Barclays Aggregate Index Rankings Against CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2013



# NTGI Intermediate Govt/Credit Index Period Ended December 31, 2013

## Investment Philosophy

The objective of Northern Trust's Intermediate Government Bond Index portfolio is to provide risk and return characteristics that closely approximate those of the securities in the underlying index while minimizing the "wealth erosion" for its investors.

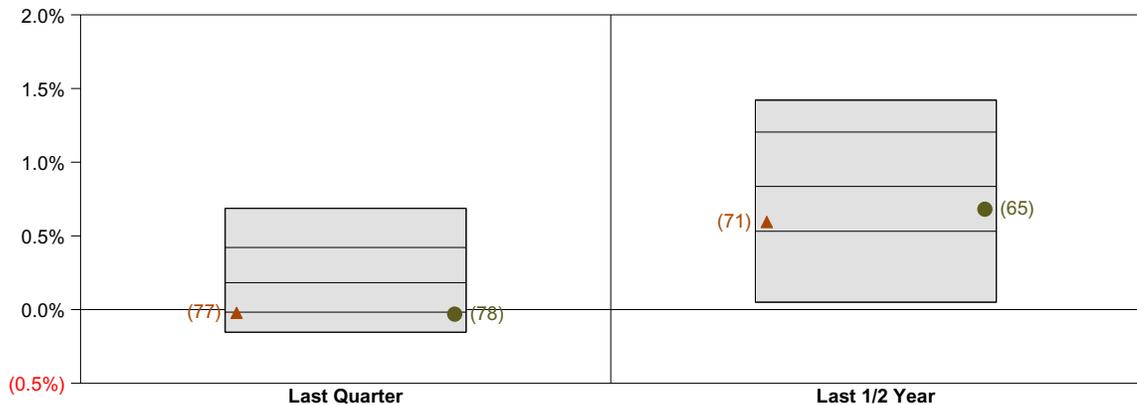
## Quarterly Summary and Highlights

- NTGI Intermediate Govt/Credit Index's portfolio posted a (0.03)% return for the quarter placing it in the 78 percentile of the CAI Core Bond Fixed-Inc Style group for the quarter and in the 65 percentile for the last one-half year.
- NTGI Intermediate Govt/Credit Index's portfolio underperformed the Barclays Gov/Credit Inter by 0.01% for the quarter and outperformed the Barclays Gov/Credit Inter for the one-half year by 0.09%.

## Quarterly Asset Growth

Beginning Market Value	\$78,781,071
Net New Investment	\$0
Investment Gains/(Losses)	\$-24,339
Ending Market Value	\$78,756,732

## Performance vs CAI Core Bond Fixed-Inc Style (Gross)

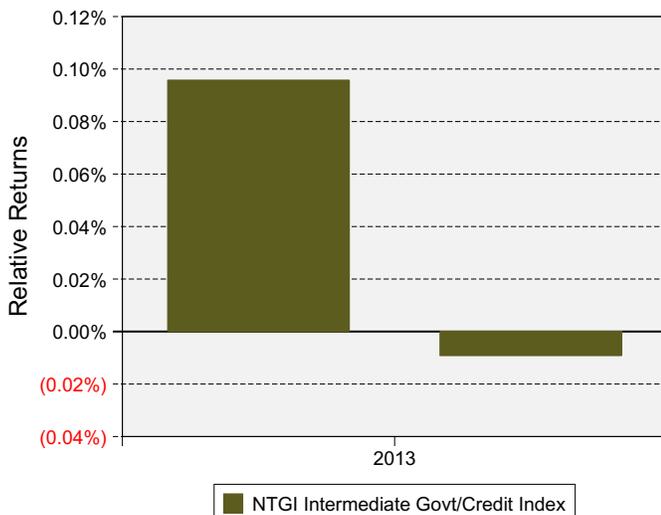


10th Percentile  
25th Percentile  
Median  
75th Percentile  
90th Percentile

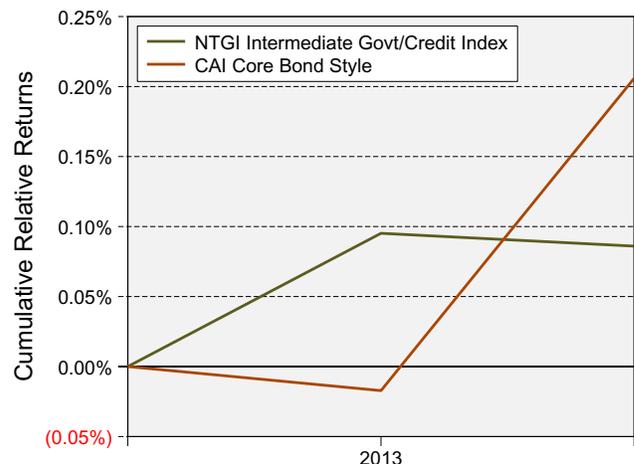
NTGI Intermediate Govt/Credit Index ●

Barclays Gov/Credit Inter ▲

## Relative Return vs Barclays Gov/Credit Inter



## Cumulative Returns vs Barclays Gov/Credit Inter





# GrayCo Alternative Partners II Period Ended December 31, 2013

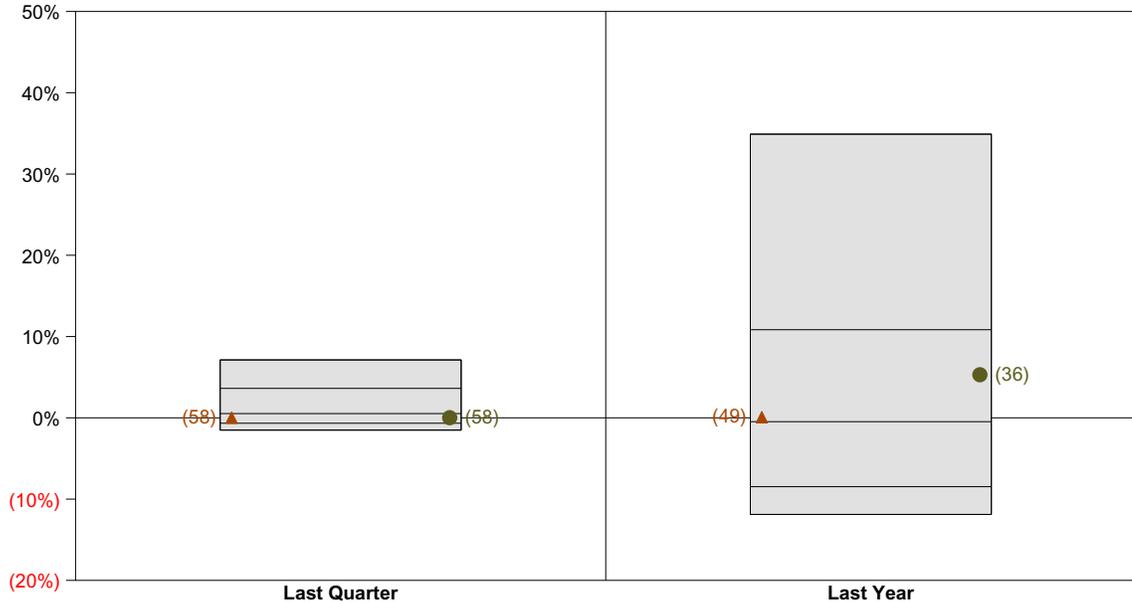
## Quarterly Summary and Highlights

- GrayCo Alternative Partners II's portfolio posted a 0.01% return for the quarter placing it in the 58 percentile of the CAI Alternative Investments DB group for the quarter and in the 36 percentile for the last year.
- GrayCo Alternative Partners II's portfolio underperformed the 3-month Treasury Bill by 0.00% for the quarter and outperformed the 3-month Treasury Bill for the year by 5.23%.

## Quarterly Asset Growth

Beginning Market Value	\$17,675,356
Net New Investment	\$0
Investment Gains/(Losses)	\$2,071
Ending Market Value	\$17,677,427

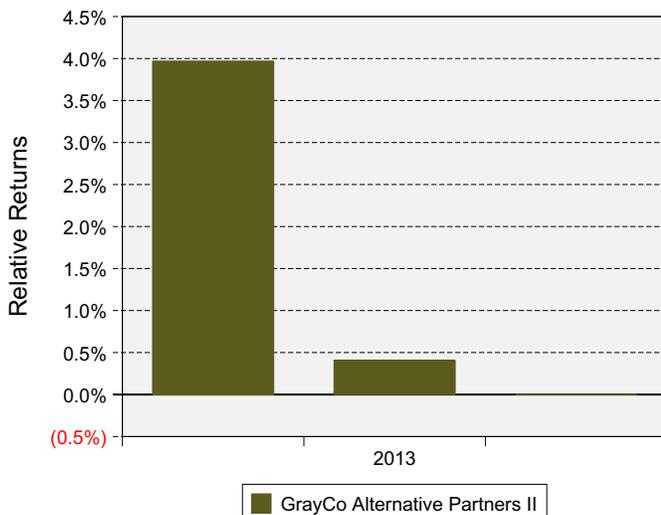
## Performance vs CAI Alternative Investments DB (Gross)



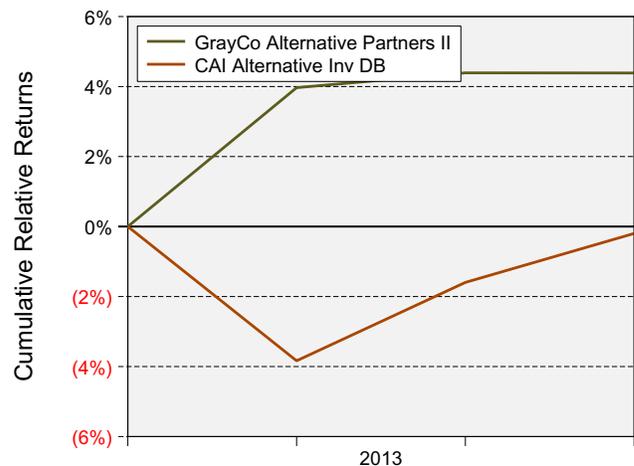
	Last Quarter	Last Year
10th Percentile	7.12	34.90
25th Percentile	3.62	10.84
Median	0.52	(0.47)
75th Percentile	(0.66)	(8.48)
90th Percentile	(1.51)	(11.89)

<b>GrayCo Alternative Partners II</b> ●	0.01	5.30
3-month Treasury Bill ▲	0.01	0.07

## Relative Return vs 3-month Treasury Bill



## Cumulative Returns vs 3-month Treasury Bill





## Research and Educational Programs

The Callan Investments Institute provides research that keeps clients updated on the latest industry trends while helping them learn through carefully structured educational programs. Below are the Institute's recent publications – all of which can be found at [www.callan.com/research](http://www.callan.com/research).

### White Papers



#### **Tune Up Your DC Plan in 2014**

Defined contribution plan sponsors may wish to “tune up” their plans in 2014 to protect them from common pitfalls: out of date IPS, fee reviews, auto-enrollment, plan leakage, etc. In this piece, Callan poses seven questions for DC plan sponsors to consider as they review their plan in the new year.



#### **Fixed Income Benchmark Review: Year Ended June 30, 2013**

The Fixed Income Benchmark Review is designed to aid in portfolio monitoring and evaluation by helping readers assess the similarities and differences in coverage, performance, and characteristics of popular fixed income indices alongside comparable Callan Associates' manager style groups.



#### **Beyond Revenue Sharing: Exploring DC Fee Payments**

Many plan sponsors are rethinking revenue sharing due to regulatory changes, lawsuits, and fairness to participants, among other reasons. Lori Lucas explores trends in fee payments, alternatives to revenue sharing, and implications for plan sponsors and participants.



#### **GASB Update: Toward Transparency**

This paper provides a brief overview of Governmental Accounting Standards Board (GASB) statements 67 and 68, which apply to public sector pension plans. Karen Harris summarizes both measurement and disclosure requirements and comments on their investment implications.



#### **Self-Borrow Structures: Key Considerations**

In a self-borrow structure, the internal long portfolios of the fund sponsor serve as the source of securities to cover shorts, as opposed to a prime broker. Bo Abesamis describes best practices and key questions that fund sponsors should consider when exploring this model.

## Quarterly Publications

---

**Quarterly Data:** The *Market Pulse* reference guide covers the U.S. economy and investment trends in domestic and international equities and fixed income, and alternatives. Our *Inside Callan's Database* report provides performance information gathered from Callan's proprietary database, allowing you to compare your funds with your peers.

**Capital Market Review:** A quarterly macroeconomic indicator newsletter that provides thoughtful insights on the economy as well as recent performance in the equity, fixed income, alternatives, international, real estate, and other capital markets.

**Private Markets Trends:** A seasonal newsletter that discusses the market environment, recent events, performance, and other issues involving private equity.

**Hedge Fund Monitor:** A quarterly newsletter that provides a current view of hedge fund industry trends and detailed quarterly performance commentary.

**DC Observer & Callan DC Index™:** A quarterly newsletter that offers Callan's observations on a variety of topics pertaining to the defined contribution industry. Each issue is updated with the latest Callan DC Index™ returns.

## Surveys

---



### ESG Interest and Implementation Survey

In September 2013, Callan conducted a brief survey to assess the status of ESG, including responsible and sustainable investment strategies and SRI, in the U.S. institutional market. We collected responses from 129 U.S. funds representing approximately \$830 billion in assets.



### 2013 Cost of Doing Business Survey

Callan compares the costs of administering funds and trusts across all types of tax-exempt and tax-qualified organizations in the U.S., and we identify ways to help institutional investors manage expenses. We fielded this survey in April and May of 2013. The results incorporate responses from 49 fund sponsors representing \$219 billion in assets.



### 2013 Risk Management Survey

The 2008 market crisis put risk in the spotlight and prompted fund fiduciaries to look at risk management in a new light. Callan fielded this survey in November 2012. Responses came from 53 fund sponsors representing \$576 billion in assets. The vast majority of this group has taken concrete steps in the past five years to address investment risks.



### 2012 Investment Management Compensation Survey

Callan conducted this survey of investment management firms to report on compensation practices and trends in the U.S. institutional investment market from 2010 to 2011. This survey provides an update to Callan's 2007 Investment Management Compensation Survey, which captured compensation practices from 2005 to 2006.

## Events

---

Did you miss out on a Callan conference or workshop? If so, you can catch up on what you missed by reading our “Event Summaries” and downloading the actual presentation slides from our website. Our most recent programs:



Our October 2013 Regional Workshop, **Unitization: The (Continuing) Odyssey**, covered the basics of unitization, real-life successes and failures, and explained some of the simple things that can trip up implementation. Our speakers were Callan’s Bo Abesamis, James Veneruso, CFA, and Matt Shirilla.



Our June 2013 Regional Workshop, **Anchor to Windward or Albatross? Sea Change in Fixed Income**, is captured in this summary. Featured in this workshop were Callan’s Jason Ellement, FSA, CFA, Brett Cornwell, CFA, and Bill Howard, CFA, discussing the role of fixed income exposure and how it should be structured.

## Upcoming Educational Programs

---

### The 34th National Conference

January 27-29, 2014 in San Francisco

Speakers include: David Gergen, Janet Hill, Laura Carstensen, Leon Panetta, Adam Savage, and the 2014 Capital Markets Panel. Workshops on managing pension risk, real assets, and Defined Contribution.

### June and October 2014 Regional Workshops

June 24, Atlanta

June 25, San Francisco

October 21, Chicago

October 22, New York

**Our research can be found at [www.callan.com/research](http://www.callan.com/research) or feel free to contact us for hard copies.**

**For more information about research or educational events, please contact Ray Combs or Gina Falsetto at [institute@callan.com](mailto:institute@callan.com) or 415-974-5060.**

## The Center for Investment Training Educational Sessions

This educational forum offers basic-to-intermediate level instruction on all components of the investment management process. The “Callan College” courses cover topics that are key to understanding your responsibilities, the roles of everyone involved in this process, how the process works, and how to incorporate these strategies and concepts into an investment program. Listed below are the different types of sessions Callan offers.

### An Introduction to Investments

**April 16-17, 2014 in San Francisco**

**October 28-29, 2014 in San Francisco**

This one-and-one-half-day session is designed for individuals who have less than two years’ experience with institutional asset management oversight and/or support responsibilities. The session will familiarize fund sponsor trustees, staff, and asset management advisors with basic investment theory, terminology, and practices.

Participants in the introductory session will gain a basic understanding of the different types of institutional funds, including a description of their objectives and investment session structures. The session includes:

- A description of the different parties involved in the investment management process, including their roles and responsibilities
- A brief outline of the types and characteristics of different plans (e.g., defined benefit, defined contribution, endowments, foundations, operating funds)
- An introduction to fiduciary issues as they pertain to fund management and oversight
- An overview of capital market theory, characteristics of various asset classes, and the processes by which fiduciaries implement their investment sessions

Tuition for the Introductory “Callan College” session is \$2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

## Standard Session

---

### July 15-16, 2014 in Chicago

This is a two-day session designed for individuals with more than two years' experience with institutional asset management oversight and/or support responsibilities. The session will provide attendees with a thorough overview of prudent investment practices for both defined benefit and defined contribution funds. We cover the key concepts needed to successfully meet a fund's investment objectives.

The course work addresses the primary components of the investment management process: the role of the fiduciary; capital market theory; asset allocation; manager structure; investment policy statements; manager search; custody, securities lending, fees; and performance measurement.

This course is beneficial to anyone involved in the investment management process, including: trustees and staff members of public, corporate and Taft-Hartley retirement funds (defined benefit and/or defined contribution); trustees and staff members of endowment and foundation funds; representatives of family trusts; and investment management professionals and staff involved in client service, business development, consultant relations, and portfolio management.

Tuition for the Standard "Callan College" session is \$2,500 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

## Customized Sessions

---

A unique feature of the "Callan College" is its ability to educate on a specialized level through its customized sessions. These sessions are tailored to meet the training and educational needs of the participants, whether you are a plan sponsor or you provide services to institutional tax-exempt plans. Past customized "Callan College" sessions have covered topics such as: custody, industry trends, sales and marketing, client service, international, fixed income, and managing the RFP process. Instruction can be tailored to be basic or advanced.

**For more information please contact Kathleen Cunnie, at 415.274.3029 or [cunnie@callan.com](mailto:cunnie@callan.com).**



## List of Managers That Do Business with Callan Associates Inc.

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/13, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the “Callan College.” Per strict policy these manager relationships do not affect the outcome or process by which any of Callan’s services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan’s Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG’s Chief Investment Officer.

Manager Name	Educational Services	Consulting Services
1607 Capital Partners, LLC		Y
Aberdeen Asset Management	Y	Y
Acadian Asset Management, Inc.	Y	
Advisory Research	Y	
Affiliated Managers Group		Y
AllianceBernstein	Y	
Allianz Global Investors U.S. LLC	Y	
Allianz Life Insurance Company of North America		Y
American Century Investment Management	Y	
Apollo Global Management	Y	
AQR Capital Management	Y	
Ares Management	Y	
Ariel Investments	Y	
Aronson + Johnson + Ortiz	Y	
Atlanta Sosnoff Capital, LLC	Y	
Atlanta Capital Management Co., L.L.C.	Y	Y
AXA Rosenberg Investment Management	Y	
Babson Capital Management LLC	Y	
Baillie Gifford International LLC	Y	Y
Baird Advisors	Y	Y
Bank of America		Y
Barclays Capital Inc.	Y	
Baring Asset Management	Y	
Barrow, Hanley, Mewhinney & Strauss, Inc.		Y
Batterymarch Financial Management, Inc.	Y	
BlackRock	Y	
BMO Asset Management	Y	
BNY Mellon Asset Management	Y	Y
Boston Company Asset Management, LLC (The)	Y	Y
Brandes Investment Partners, L.P.	Y	Y
Brandywine Global Investment Management, LLC	Y	
Brown Brothers Harriman & Company	Y	
Cadence Capital Management	Y	
Capital Group	Y	
CastleArk Management, LLC		Y

## List of Managers That Do Business with Callan Associates Inc. (continued)

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/13, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the "Callan College." Per strict policy these manager relationships do not affect the outcome or process by which any of Callan's services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG's Chief Investment Officer.

Causeway Capital Management	Y	
Central Plains Advisors, Inc.		Y
Chartwell Investment Partners	Y	
ClearBridge Investments, LLC (fka ClearBridge Advisors)	Y	
Columbia Management Investment Advisors, LLC	Y	Y
Columbus Circle Investors	Y	Y
Corbin Capital Partners	Y	
Cornerstone Capital Management Holdings (fka Madison Square)	Y	
Cramer Rosenthal McGlynn, LLC	Y	
Crawford Investment Council	Y	Y
Credit Suisse Asset Management	Y	
Crestline Investors	Y	Y
Cutwater Asset Management	Y	
DB Advisors	Y	Y
Delaware Investments	Y	Y
DePrince, Race & Zollo, Inc.	Y	Y
Deutsche Asset & Wealth Management	Y	Y
Diamond Hill Investments	Y	
DSM Capital Partners		Y
Duff & Phelps Investment Mgmt.	Y	Y
Eagle Asset Management, Inc.		Y
EARNEST Partners, LLC	Y	
Eaton Vance Management	Y	Y
Echo Point Investment Management	Y	
Epoch Investment Partners	Y	
Evanston Capital Management	Y	
Fayez Sarofim & Company		Y
Federated Investors		Y
Fidelity Investments		Y
First Eagle Investment Management	Y	
Fisher Investments	Y	
Flag Capital Management	Y	
Franklin Templeton	Y	Y
Fred Alger Management Co., Inc.	Y	
GAM (USA) Inc.	Y	
GE Asset Management	Y	Y
Geneva Capital Management	Y	
Goldman Sachs Asset Management	Y	Y
Grand-Jean Capital Management	Y	Y
GMO (fka Grantham, Mayo, Van Otterloo & Co., LLC)	Y	
Great Lakes Advisors, Inc.		Y
Guardian Capital	Y	
The Guardian Life Insurance Company of America		Y
Guggenheim Investments Asset Management (fka Security Global)	Y	
Harbor Capital		Y
Hartford Investment Management Co.	Y	Y

## List of Managers That Do Business with Callan Associates Inc. (continued)

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/13, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the "Callan College." Per strict policy these manager relationships do not affect the outcome or process by which any of Callan's services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG's Chief Investment Officer.

Henderson Global Investors	Y	Y
Hermes Investment Management (North America) Ltd.	Y	
Hotchkis & Wiley	Y	
Income Research & Management	Y	
ING Investment Management	Y	Y
Institutional Capital LLC	Y	
INTECH Investment Management	Y	
Invesco	Y	Y
Investec Asset Management	Y	
Janus Capital Group (fka Janus Capital Management, LLC)	Y	Y
Jensen Investment Management		Y
J.M. Hartwell	Y	
J.P. Morgan Asset Management	Y	Y
KeyCorp		Y
Lazard Asset Management	Y	Y
Lee Munder Capital Group	Y	
Lincoln National Corporation		Y
Logan Circle Partners, L.P.	Y	
Longview Partners	Y	
Loomis, Sayles & Company, L.P.	Y	Y
Lord Abbett & Company	Y	Y
Los Angeles Capital Management	Y	
LSV Asset Management	Y	
Lyrical Partners	Y	
MacKay Shields LLC	Y	Y
Man Investments	Y	
Manulife Asset Management	Y	
Marvin & Palmer Associates, Inc.	Y	
Metropolitan West Capital Management, LLC		Y
MFS Investment Management	Y	Y
Mondrian Investment Partners Limited	Y	Y
Montag & Caldwell, Inc.	Y	Y
Morgan Stanley Alternative Investment Partners	Y	
Morgan Stanley Investment Management	Y	Y
Mountain Lake Investment Management LLC		Y
Nationwide Financial	Y	
Neuberger Berman, LLC (fka, Lehman Brothers)	Y	Y
Newton Capital Management	Y	
Northern Lights Capital Group		Y
Northern Trust Global Investment Services	Y	Y
Nuveen Investments Institutional Services Group LLC	Y	
Old Mutual Asset Management	Y	Y
Old Mutual International	Y	
OppenheimerFunds, Inc.	Y	
Pacific Investment Management Company	Y	
Palisade Capital Management LLC	Y	

## List of Managers That Do Business with Callan Associates Inc. (continued)

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/13, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the "Callan College." Per strict policy these manager relationships do not affect the outcome or process by which any of Callan's services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG's Chief Investment Officer.

Partners Group	Y	
Peregrine Capital Management, Inc.		Y
Perkins Investment Management	Y	
Philadelphia International Advisors, LP	Y	
PineBridge Investments (formerly AIG)	Y	
Pioneer Investment Management, Inc.	Y	
PNC Capital Advisors (fka Allegiant Asset Mgmt)	Y	Y
Principal Global Investors	Y	Y
Private Advisors	Y	
Prudential Fixed Income Management	Y	
Prudential Investment Management, Inc.	Y	Y
Putnam Investments, LLC		Y
Pyramis Global Advisors	Y	
Rainier Investment Management	Y	
RBC Global Asset Management (U.S.) Inc.		Y
Regions Financial Corporation		Y
RCM		Y
Robeco Investment Management	Y	Y
Robotti & Company Advisors, LLC	Y	
Rothschild Asset Management, Inc.	Y	Y
Russell Investment Management	Y	
Santander Global Facilities		Y
Schroder Investment Management North America Inc.	Y	Y
Scottish Widows Investment Partnership	Y	
SEI Investments		Y
SEIX Investment Advisors, Inc.	Y	
Select Equity Group	Y	
Smith Graham and Company		Y
Smith Group Asset Management		Y
Standard Life Investments	Y	
Standish (fka, Standish Mellon Asset Management)	Y	
State Street Global Advisors	Y	
Stone Harbor Investment Partners, L.P.		Y
Systematic Financial Management	Y	
T. Rowe Price Associates, Inc.	Y	Y
Taplin, Canida & Habacht	Y	
TCW Asset Management Company	Y	
Thompson, Siegel & Walmsley LLC	Y	
Turner Investment Partners	Y	
UBP Asset Management LLC	Y	
UBS	Y	Y
Union Bank of California		Y
Van Eck	Y	
Victory Capital Management Inc.	Y	
Vulcan Value Partners, LLC		Y

## List of Managers That Do Business with Callan Associates Inc. (continued)

---

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/13, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the "Callan College." Per strict policy these manager relationships do not affect the outcome or process by which any of Callan's services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan's Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG's Chief Investment Officer.

---

Waddell & Reed Asset Management Group	Y	Y
WCM Investment Management	Y	
WEDGE Capital Management		Y
Wellington Management Company, LLP	Y	
Wells Capital Management	Y	
Western Asset Management Company	Y	
William Blair & Co., Inc.	Y	Y