

# Emerging & Diverse Manager Data Report

March 2013



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CalPERS is the largest public pension fund in the U.S. with approximately \$231.9 billion in assets, providing retirement benefits to more than 1.6 million State, public school, and local public agency employees, retirees, and their families, and health benefits to more than 1.3 million members. The average CalPERS pension is \$2,332 per month. The average benefit for those who retired in the most recent fiscal year that ended June 30, 2011, is \$3,065 per month.

For more information about CalPERS, visit [www.calpers.ca.gov](http://www.calpers.ca.gov).

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## Section 1: Introduction

CalPERS has a legacy of leadership and innovation in emerging manager investment strategies. We have been investing with emerging managers directly and through fund of funds for more than 20 years.

At CalPERS, emerging managers are generally defined as newly formed or relatively small firms. Each CalPERS asset class has emerging manager definitions based on assets under management and/or length of track record. An overview of current CalPERS Emerging Manager Programs and definitions across asset classes can be found in Section 3 of this Report.

Our objective for investing in emerging manager programs is to generate appropriate risk adjusted investment returns by identifying early stage funds with strong potential for success; accessing unique investment opportunities that may otherwise be overlooked; and cultivating the next generation of external portfolio management talent.

CalPERS is committed to equality of access and opportunity for our investment managers. We seek to provide equality of access for investment managers by establishing an internet-based investment proposal submittal process and by applying consistent decision criteria for investment proposals. We are also committed to open communication of our exposures, investment strategies, and criteria for making investment decisions. Consistent with our commitment to open communication, this Report provides our exposures and outcomes with emerging and diverse managers.

As the nation's largest public pension fund, within the nation's most ethnically and culturally diverse state, we recognize diversity is a competitive advantage.

CalPERS broadly interprets diversity to mean differences such as age, ethnicity, culture, or gender that result in diversity of thinking. CalPERS seeks diversity of internal staff, corporate boards, and external investment managers in an effort to secure high functioning teams that incorporate different ways of seeing and solving problems. Our data shows that women and minority managers make up a higher proportion of emerging managers than all external managers; as a result, an ancillary benefit of our emerging manager strategies is greater ethnic and gender diversity among CalPERS external fund managers.

It is important to note in this context that California State Law (enacted through passage of Proposition 209 in 1996) prohibits State agencies from discriminating against or granting preferential treatment to any individual or group on the basis of race, sex, color, ethnicity or national origin in public contracting. As such, CalPERS cannot establish any investment targets for external managers based on race, sex, color, ethnicity or national origin.

Consistent with Senate Bill 294 (Price) enacted in 2011, CalPERS has adopted the *Emerging Manager Five-Year Plan - Pathway to the Future (Emerging Manager Plan)*. Implementation of the Plan objectives is through ten work streams centered on two major areas: Portfolio Management and External Outreach. The first Portfolio Management work stream outlined in the Plan requires CalPERS to establish performance, cost and diversity of the existing emerging manager investments portfolio.

This Emerging and Diverse Manager Data Report (Report) provides the performance and diversity deliverables for the first Portfolio Management work stream in the Emerging Manager Plan. Additional work will be undertaken to identify and report costs associated with oversight and management of the emerging manager investments.

**There are five sections in the Report:**

- Section 1:** Introduction, Summary and Observations - Exposure and Performance of Emerging and Diverse Managers
- Section 2:** Data Collection and Analysis Methodology
- Section 3:** Definition of Emerging Manager
- Section 4:** External Manager Diversity Survey Process
- Section 5:** Summary Data Tables
  - A. Total Emerging Manager Summary Table
  - B. Total Diverse Manager Summary Table
  - C. Diversity Survey Results Women and Minority Ownership
  - D. Emerging and Diverse Manager Performance by Asset Class:  
ARS/Hedge Funds, Global Equity, Private Equity and Real Estate

## Summary

The Emerging & Diverse Manager Data Report provides information on the current number, market value and performance of emerging and diverse managers in CalPERS investment portfolio. The information regarding emerging managers encompasses CalPERS investments made through direct relationships including with fund of fund advisors, as well as with underlying funds in fund of funds. Information regarding diverse managers encompasses CalPERS investments with both emerging and non-emerging managers.

CalPERS surveyed nearly all current external managers in the investment portfolio. Survey respondents were asked on a voluntary basis to indicate if they met the definition established for the survey of a Diverse Investment Management Business by identifying the gender, ethnicity, and race classification of the ownership of the entity. The results of this survey are incorporated into this Report.

Based on a comprehensive review of the data in this Report, staff has reached the following conclusions:

- CalPERS has significant assets under management with emerging and diverse managers as a result of commitments made during the past two decades. This commitment has been across almost all asset classes and covers direct mandates including fund of fund advisors, as well as underlying funds in fund of funds investment structures.
- Among diverse managers, the number of women and minority owned managers varies by asset classes. Women make up the majority of diverse managers, with Asian American, African American and Hispanic American classifications following in declining order.
- CalPERS emerging manager programs investments have higher levels of diversity than our non-emerging manager investments. This validates CalPERS belief that women and minority owned managers are more likely to be emerging managers; as a result, an ancillary benefit of our emerging manager strategies is increased diversification of CalPERS external managers.
- There is a wide range of performance outcomes of emerging and diverse managers in CalPERS portfolio. Based on our experience, it is not possible to reach broad conclusions about the performance of emerging and diverse managers.
- As with CalPERS established managers, performance of emerging managers varies. Manager and strategy selection are critical to success. A rigorous process of diligence and risk analysis on a manager-by-manager basis is needed for manager selection decisions.

The observations on emerging and diverse managers in this Report are not intended to be used to draw industry-wide conclusions. The observations reflect CalPERS experience, and some of the summary performance data is based on small populations. The following is a summary of Report observations regarding CalPERS investments with emerging and diverse managers.

## Investments with Current Emerging Managers

- Of CalPERS 1,103 current external managers, 371 or 34% meet CalPERS definition of emerging manager.
- Of CalPERS total externally managed capital, approximately \$10.6 billion or 13% of our net asset value is invested with emerging managers.
- CalPERS has nine fund of funds that are dedicated to emerging manager strategies. These fund of funds have investments with 100 underlying fund managers and have a net asset value of \$2.7 billion.

## Investments with Women and Minority Owned Managers

- Of CalPERS 1,103 external managers, 98 have voluntarily disclosed that they are woman or minority-owned firms.
- Women and minority owned managers comprise 9% of external manager relationships and 19% of emerging manager relationships.
- On a net asset value basis, approximately \$7.4 billion or 9% of externally managed capital is invested with women and minority managers in direct relationships including women and minority owned fund of fund advisors.
- CalPERS emerging managers are more diverse than the remainder of the investment portfolio. Of CalPERS emerging managers, 19% are diverse compared to 9.7% of total managers. Of the net asset value managed by emerging managers in direct relationships including fund of fund advisors, 32% is with woman and minority owned managers compared to 9% of the total portfolio.

## Performance of Emerging and Diverse Managers

Performance of emerging managers varies, and based on CalPERS experience, we cannot draw a broad conclusion about performance of emerging managers. In some cases successful emerging managers transitioned to direct mandates with CalPERS. In other cases underperformance of emerging managers was significant. As a group, emerging managers outperformed non-emerging managers in certain asset classes and underperformed non-emerging managers in others.

Similarly, performance of woman and minority owned managers was mixed across the asset classes. This is consistent with CalPERS experience with non-emerging and non-women and minority-owned managers. There is typically significant dispersion of performance across managers and strategies in the CalPERS investment portfolio. There appears to be some evidence of better performance of emerging and diverse managers in actively managed fund of funds compared to performance in direct relationships. However this performance benefit may be offset by the additional level of fees associated with fund of funds.

## Observations

### Exposure and Performance of Emerging and Diverse Managers

This Report provides information related to CalPERS investment with emerging and diverse managers. This Report outlines the number, asset value and performance of diverse and emerging managers. Information is provided by asset class and across the total fund.

In the context of this Report, a reference to ‘manager’ includes both managers and partnerships. More detailed information on how managers are counted is in SECTION 2: Data Collection and Analysis Methodology of this Report.

A reference to a ‘diverse’ manager means minority or woman owned firm as defined in *Section 4: External Manager Diversity Survey Process* of this Report.

#### **The following are key observations resulting from the data analysis.**

##### A. Number of Emerging Managers and Diverse Managers

1. Of CalPERS 1,103 current external managers, 371 or 34% meet CalPERS definition of emerging manager.
2. Of the 371 current emerging managers, the majority (248) resides within fund of funds, but a significant number of emerging managers (123) are in direct relationships.
3. Based on the responses to the external manager diversity survey 98, or 9% of the total number of managers are diverse. Of the total number of emerging managers 71, or 19% are diverse.
4. Across the total fund, there are 27 diverse managers that are not emerging managers.

##### B. Net Asset Value of Current Emerging and Diverse Managers

1. The total net asset value held by emerging managers is approximately \$10.6 billion or 13.2% of externally managed capital.
2. The net asset value being managed by women and minority managers is approximately \$7.4 billion or 9% of externally managed capital in direct relationships including women and minority owned fund of funds advisors.
3. Of the net asset value managed by emerging managers, approximately \$3.4 billion or 32% is managed by women and minority owned managers.
4. Of the net asset value of underlying fund of funds, approximately \$1.6 billion or 22% is managed by women and minority managers.



C. Number and Net Asset Value of Investments with Women and Minority Owned Managers in Direct Relationships Including Fund of Fund Advisors (as defined in Section 4 External Manager Diversity Survey Process)

1. There are 65 managers that are owned by women and the total net asset value they are managing is \$5.9 billion including those that may be classified as owned by a minority group.
2. There are 32 managers that are owned by Asian-Americans with net asset value of \$2.2 billion.
3. There are 13 African-American managers with \$1.3 billion of net asset value and the majority of them are pursuing Private Equity strategies.
4. There are 12 Hispanic-American managers with \$291 million of net asset value and the majority of them are pursuing Private Equity strategies.
5. There are 19 managers owned by both a woman and multiple minority groups managing about \$1.9 billion in net asset value.

D. Investment Performance of Emerging and Diverse Managers

1. Absolute Return Strategies (ARS)/Hedge Funds

- Since inception, current emerging managers underperformed against the policy benchmark and non-emerging managers in the asset class.
- Current emerging managers generally out-performed the Hedge Fund Research Inc. (HFRI) industry benchmark.
- Since inception, current diverse managers generally under-performed non-diverse managers in the asset class and the policy benchmark.
- Current diverse managers out-performed the Hedge Fund Research Inc. (HFRI) industry benchmark.
- Performance of diverse managers in underlying fund of funds is stronger against all benchmarks than direct and fund of funds advisors.

2. Global Equity

- On an inception to date basis, the Global Equity Emerging Manager program underperformed its benchmark by 129 basis points. This was driven by significant underperformance of the Manager Development Program which has a 6/30/12 NAV of \$1.3 billion in capital. Three smaller Global Equity emerging manager fund of funds met or exceeded their benchmarks.
- Of the current Global Equity emerging managers, 24 have outperformed their benchmarks on an inception to date basis and 15 have underperformed.
- Of the current diverse managers, 12 outperformed and 6 under-performed their benchmarks on a since inception basis.

### 3. Private Equity

- In Private Equity several managers either were wound down or sold and no longer are in the portfolio. Accordingly, performance data is presented for current managers, prior managers, and all managers combining current and prior managers.
- For Private Equity emerging and diverse manager performance is provided against non-emerging managers in the asset class, and the Cambridge Private Equity Index. These performance comparisons are different from the more precise performance data by vintage year that is used by Private Equity to evaluate individual manager performance and make investment decisions.
- Private Equity's policy benchmark is a time weighted return while individual manager performance data is Internal Rate of Return (IRR). Therefore this Report does not provide performance comparisons against the Private Equity policy benchmark.
- Since inception, emerging managers in direct relationships including fund of fund advisors generally underperformed against non-emerging managers in the asset class and the Cambridge Index.
- Since inception, current diverse managers in direct relationships including fund of fund advisors underperformed non-diverse managers in the asset class and the Cambridge Private Equity Index.
- Diverse managers in fund of funds consistently outperformed non-diverse managers and the Cambridge Index.

### 4. Real Estate

- Over the course of the past five years, restructuring has resulted in managers exiting the Real Estate portfolio. It was not possible to survey prior managers for women and minority ownership of their firms. However based on observation, staff has identified 17 women and minority owned firms that are either no longer diverse, or are no longer in the portfolio. Accordingly, performance data is presented for three categories of managers: current managers, managers that transitioned out of emerging manager status, and prior managers that are no longer in the portfolio.
- Current and prior emerging managers under-performed non-emerging managers and the policy benchmark with one exception of five year performance against non-emerging managers in the asset class.
- The 24 emerging managers that transitioned to non-emerging managers out-performed non-emerging managers. Performance of transitioned managers was mixed against the policy benchmark.
- Current diverse managers under-performed both non-emerging managers and the policy benchmark.
- Prior diverse managers significantly under-performed non-diverse managers and the Real Estate policy benchmarks.

## Section 2: Data Collection and Analysis Methodology

The Emerging and Diverse Manager Data Report is as of June 30, 2012.

Performance data is sourced from State Street Bank's official fund account, State Street Private Edge, State Street International Fund Services, or the internally managed Automated Real Estate Investment System database in Real Estate.

The determination of an emerging manager is based on whether the manager met the definition of emerging manager at the time an initial investment decision was made. Please see *Section 3 Definition of Emerging Manager by asset class*.

CalPERS investments with emerging and diverse managers are made through direct relationships as well as through fund of funds advisors. Fund of funds fall into the following categories:

- Fund of funds that have exposure to emerging managers but are not dedicated emerging manager programs. There are two funds in this category.
- Fund of funds that are dedicated to emerging manager programs. There are nine funds in this category.

Asset classes with current emerging and diverse manager exposure that are included in this Report are: Global Equity, Private Equity, ARS/Hedge Funds, and Real Estate.

- Global Equity and ARS/Hedge Funds data is counted by management firms currently in portfolio. CalPERS contracts with management firms, and each strategy of a management firm has the same ownership structure. Because the ownership structure remains the same, multiple relationships with the same firm are counted once.
- Private Equity and Real Estate data is counted by individual partnerships based on ownership of carried interest. Each partnership has its own partnership agreement. Therefore, if a manager has multiple partnerships with CalPERS, each partnership is counted.

For example, in Real Estate a manager has three partnerships with CalPERS. Two partnerships have diverse ownership of the carried interest, while one does not. Therefore, only two partnerships are determined to be diverse for the purpose of this Report.

The Data Report provides the number, asset value and performance of current emerging and diverse managers compared to non-emerging and non-diverse managers in the underlying asset class. Performance information is provided with comparison to non-emerging and non-diverse managers in the asset class, the policy benchmark, and relevant industry benchmarks.

The data on the number and market value of emerging and diverse managers is separated into two categories: 1) Direct Managers including Fund of Fund Advisors; and 2) Underlying Managers Selected by Fund of Funds. Fund of fund advisors may invest in emerging and non-emerging managers, and in diverse and non-diverse managers.

When counting the number of managers, staff “looked through” fund of fund structures. Thus manager counts include managers in direct relationships, fund of fund advisors, and managers in underlying fund of funds.

When aggregating net asset value, staff analyzed the data using two methodologies. The net asset value of the two methodologies cannot be added together, as doing so would result in double counting.

1. Net asset value managed by managers in direct relationships with CalPERS which include relationships with fund of fund advisors. In this methodology, if a fund of fund advisors is woman or minority-owned, the entire assets under management of the fund of funds are reported as woman or minority owned.
2. Net asset value managed by managers within fund of fund structures. In this methodology, the net asset value is based on the status of each fund underlying the fund of funds being an emerging or women/minority owned manager.

Detailed reporting varies by asset class based on data availability. In some cases reporting includes exposure with emerging and diverse managers that: 1) have transitioned to direct relationships with CalPERS; or 2) are longer in the program.

The determination that a manager is diverse or not is based on results from CalPERS External Manager Diversity Survey. Please see *Section 4: External Manager Diversity Survey Process* for information on the survey process.

## Section 3: Emerging Manager Definitions

The definition of emerging manager varies by asset class as illustrated in the chart below.

Asset Class Parameters	Global Equity	ARS	Global Fixed Income	Private Equity			Real Assets
	Fund of Funds	Fund of Funds	Direct	Direct	Fund of Funds		Mentoring Manager
<b>Emerging Manager Program Name</b>	Emerging Manager Fund of Funds	Fund of Emerging Hedge Funds	None	None	Emerging Domestic Private Equity Managers		Real Estate Emerging Managers
<b>Investment Strategy</b>	Long Only-Publicly Traded Securities	Hedge Funds	All	Private Equity	Private Equity-Buyout and Special Situations	Venture Capital	Real Estate Separate Accounts and Commingled Funds
<b>Product Size</b>	No Requirement	< \$1B	No Requirement	No Requirement	< \$1B	< \$500M	No Requirement
<b>Firm AUM</b>	< \$2B	< \$2B	< \$2B	No Requirement	No Requirement	No Requirement	< \$1B
<b>Length of Track Record</b>	No Requirement	No Requirement	No Requirement	First or Second Institutional Fund	First or Second Institutional Fund	First or Second Institutional Fund	First, Second, or Third Separate Account or Institutional Fund
<b>Geographic Focus</b>	No Requirement	No Requirement	No Requirement	No Requirement	Domestic US	Domestic US	Urban California

## Section 4: External Manager Diversity Survey Process

CalPERS established definitions for women and minority owned firms as the basis for the External Manager Diversity Survey (Survey). The definitions were developed with the input of several stakeholder groups including the Association of Asian American Investment Managers, National Association of Securities Professionals, National Association of Investment Companies, New America Alliance, and Toigo Foundation. Staff also reached out to diversity consultants and conducted research into diversity definitions used by peer investors and public agencies.

**The definition of woman- and minority-owned firms used in the Survey is as follows:**

- ***Diverse Investment Management Business:*** A for-profit enterprise, regardless of size, physically headquartered in the United States or its trust territories, which is owned and operated by women and/or ethnic minority group members.
- ***Ethnic Minority Group Members:*** United States citizens and permanent residents who are African American, Asian American, Hispanic American or Native American based on 2010 US Census classifications.

**The Report data includes Diverse Investment Management Businesses in the following categories at the time of CalPERS investment:**

- ***Substantially Diverse:*** A firm that is 25% to 49% women and/or ethnic minority group member owned
- ***Majority Diverse:*** A firm that is 50% or greater women and/or ethnic minority group member owned

In private market asset classes such as Private Equity and Real Estate, Diverse Investment Management Businesses should determine employee ownership by women and/or ethnic minority group members based on carried interest participation in each of the funds managed by the business.

In public market asset classes such as Global Equity, and ARS/Hedge Funds, Diverse Investment Management Businesses should determine employee ownership by woman and/or minority group based on participation in the investment advisor entity for each of the funds managed by the business.

CalPERS staff administered the survey between November 2 and 9, 2012 to a total of 175 manager contacts with direct investment relationships within the ARS/Hedge Funds, Public Equity, Private Equity and Real Estate asset classes. Simultaneously, CalPERS fund of funds advisors in these asset classes were asked to administer the same survey to underlying managers in CalPERS portfolios over the same timeframe.

All survey responses were voluntary and relied on self-identification. A formal certification process for identification of women and minority owned firms is not possible without commitment of significant additional resources. Absent a formal certification process, there is a risk of inaccurate survey responses being incorporated in to this Report. However, in an effort to reduce that risk, staff confirmed many survey responses to make sure they were complete, and consistent with survey instructions.

A total of 136 responses were received containing complete answers to the survey. Staff evaluated an additional 40 responses that were blank, incomplete, unclear, or duplicate entries.

Based on the results from the Survey, 98 of CalPERS external managers are woman or minority owned entities. This figure counts responses by direct investment managers including fund of fund advisors, and underlying managers selected by fund of funds. This Report includes a more detailed breakout of the number and market value of CalPERS investments with women and minority owned investment management firms, see Section 5-C: Survey Results for Women and Minority Ownership for more detailed information.

Asset classes with current diverse manager exposure are: Global Equity, Private Equity, ARS/Hedge Funds, and Real Estate.

- Global Equity and ARS/Hedge Funds data is counted by management firms currently in portfolio. Multiple relationships with the same firm are counted once.
- Private Equity and Real Estate data is counted by individual partnerships. If a manager has multiple partnerships with CalPERS, each partnership is counted.

Results of the Survey identified 29 managers as diverse that were not previously identified by staff as diverse. Conversely, 34 managers that were previously identified by staff as diverse did not self-identify as diverse. Reasons for differences between survey results and previous staff assumptions may include:

- Managers may have met the diversity definition but elected not to self-identify.
- Managers may have indicated they were diverse organizations but failed to meet all parameters of the survey's definition of diversity. For example, ownership by diverse employees may fall below 25% ownership, thereby not meeting the definition of diversity included in the survey.
- Respondents may have inaccurately completed the survey.

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<sup>1</sup> In order to provide information on previous exposure with diverse managers, staff made determinations of diverse ownership for several managers that were not surveyed because they are no longer in CalPERS investment portfolio. Staff's identification of diverse managers was based on both prior knowledge and research such as Altura Capital's Emerging Manager Platform database.

## Section 5: Summary Data Tables

### Total Emerging Manager Summary Tables

As of 6/30/2012

Summary of Number of Emerging Managers	Total		
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	All Managers/ Partnerships
<b>Total External Managers</b>	525	578	1103
<b>Current Emerging Managers</b>	123	248	371
<b>Current Number of Emerging Managers as % of Total Current Managers</b>	23%	43%	34%
<b>Total Current Emerging Managers Within Fund of Funds EM Program <sup>2</sup></b>	0	100%	100%

Summary of Number of Emerging Managers	Total		
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	All Managers/ Partnerships <sup>1</sup>
<b>Total External Managers - Market Value</b>	80,372,142,363	7,154,572,122	—
<b>Current Emerging Managers - Market Value</b>	10,579,284,460	4,070,929,388	—
<b>Market Value of Current Emerging Managers as % of Total Current Managers</b>	13%	57%	—
<b>Current Emerging Managers within Fund of Funds EM Program- Market Value</b>	0	2,695,716,678	—

<sup>1</sup> Market Values and Commitment for the “Direct and Fund of Funds Advisors” and Underlying Funds in Fund of Funds cannot be added. Doing so would result in double counting of some market values and commitments.

<sup>2</sup> Percentage includes current funds within the Real Estate Fund of Funds EM Program that were Emerging Managers at time of investment but have transitioned out of Emerging Manager Status.

**Note:** Due to time constraints, historical data was not compiled for ARS and Global Equity which only includes current managers as of 06/30/12.



## Total Diverse Manager Summary Tables

As of 6/30/2012

Based on CalPERS External Manager Diversity Survey Results

Number of Diverse Managers	Total		
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	All Managers/ Partnerships
<b>Total External Managers</b>	525	578	1103
<b>Current Diverse Managers</b>	43	55	98
<b>Number of Current Diverse Managers as % of Total Current Managers</b>	8%	10%	9%
<b>Current Diverse and Emerging Managers</b>	22	49	71
<b>Number of Current Diverse Managers as % of Current Emerging Managers</b>	18%	20%	19%

Summary of Market Values and Commitments for Diverse Managers (USD)	Total		
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	All Managers/ Partnerships <sup>1</sup>
<b>Total Current Managers - Market Value</b>	80,372,142,363	7,154,572,122	—
<b>Current Diverse Managers - Market Value</b>	7,418,025,866	1,553,164,637	—
<b>Market Value of Current Diverse Managers as % of Total</b>	9%	22%	—
<b>Current Diverse and Emerging Managers - Market Value</b>	3,414,327,634	1,434,689,044	—
<b>Market Value of Current Diverse Managers as % of Current Emerging Managers</b>	32%	35%	—

<sup>1</sup> Market Values and Commitment for the “Direct and Fund of Funds Advisors” and Underlying Funds in Fund of Funds cannot be added. Doing so would result in double counting of some market values and commitments.

**Note:** Due to time constraints, historical data was not compiled for ARS and Global Equity which only includes current managers as of 06/30/12.

## Diversity Survey Results Women and Minority Ownership

As of 6/30/2012

Values as of 06/30/2012	ARS		Global Equity		Private Equity		Real Estate		Total	
	Direct and FoF Advisors	Underlying Funds in Fund of Funds	Direct and FoF Advisors	Underlying Funds in Fund of Funds	Direct and FoF Advisors	Underlying Funds in Fund of Funds	Direct and FoF Advisors	Underlying Funds in Fund of Funds	Direct and FoF Advisors	Underlying Funds in Fund of Funds
<b>Women Owned<sup>1</sup></b>										
Count	2	6	5	11	19	14	6	2	32	33
Market Value	353,688,445	57,271,733	2,077,552,159	899,666,205	2,242,898,405	156,934,505	1,249,952,418	6,747,950	5,924,091,427	1,120,620,393
<b>African American</b>										
Count	—	—	2	2	3	5	1	—	6	7
Market Value	—	—	1,203,550,459	105,866,006	34,615,989	160,744,871	57,240,821	—	1,295,407,269	266,610,877
<b>Asian American</b>										
Count	1	9	1	4	8	6	3	—	13	19
Market Value	208,405,048	84,510,412	383,480,190	237,763,110	521,580,240	88,357,565	1,040,784,712	—	2,154,250,190	410,631,087
<b>Hispanic American</b>										
Count	—	1	—	1	5	4	1	—	6	6
Market Value	—	6,499,462	—	41,270,144	262,934,847	32,217,876	27,691,279	—	290,626,126	79,987,482
<b>Multiple<sup>2</sup></b>										
Count	1	2	3	3	4	4	—	2	8	11
Market Value	145,283,396	30,060,310	874,001,700	242,463,085	918,239,079	45,120,599	—	6,747,950	1,937,524,175	324,391,944

<sup>1</sup> A Manager may be included as women owned and also have a minority ownership classification.

<sup>2</sup> Managers who identified more than one minority classification.

**Note:** No manager self-identified as solely Native American. Market Values and Commitments are in US Dollars.

## ARS Emerging Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current and Transitioned Emerging Managers	Counts		Market Values (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	25	128	5,094,016,581	1,491,371,084
<b>Current Emerging Managers</b>	3	63	382,656,196	564,265,072
<b>Current Emerging Managers as % of Total Current Managers</b>	12%	49%	8%	38%

Net Emerging Manager Performance	ARS	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Performance Against Non-Emerging Managers in the Asset Class</b>	Inception Date Used: 04/01/2007	
<b>Emerging Managers - 3-Year</b>	0.75	2.60
<b>Non-Emerging Managers - 3-Year<sup>1</sup></b>	3.30	
<b>Emerging Managers - 5-Year</b>	-2.33	-1.27
<b>Non-Emerging Managers - 5-Year<sup>1</sup></b>	-0.69	
<b>Emerging Managers - ITD</b>	-1.38	-0.25
<b>Non-Emerging Managers - ITD<sup>1</sup></b>	0.04	
<b>Performance Against Policy Benchmark<sup>2</sup></b>		
<b>Emerging Managers - 3-Year</b>	0.75	2.60
<b>ARS Policy Benchmark</b>	5.67	
<b>Emerging Managers - 5-Year</b>	-2.33	-1.27
<b>ARS Policy Benchmark</b>	7.16	
<b>Emerging Managers - ITD</b>	-1.38	-0.25
<b>ARS Policy Benchmark</b>	7.29	
<b>Performance Against Industry Benchmark<sup>3</sup></b>		
<b>Emerging Managers - 3-Year</b>	0.75	2.60
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	2.15	
<b>Emerging Managers - 5-Year</b>	-2.33	-1.27
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	-2.05	
<b>Emerging Managers - ITD</b>	-1.38	-0.25
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	-1.45	

<sup>1</sup> At Direct and Fund of Funds Advisor level.

<sup>2</sup> Returns for ARS funds include funds open as of 6/30/12. ARS Benchmark returns include historical data.

<sup>3</sup> The Hedge Fund Research Inc. Monthly Indices (HFRI) are a series of benchmarks designed to reflect hedge fund industry performance by constructing equally weighted composites of constituent funds, as reported by the hedge fund managers listed within HFR Database. The HFRI are fund-weighted (equal-weighted) indices. Unlike asset-weighting, the equal-weighting of indices presents a more general picture of performance of the hedge fund industry. “

**Notes:** Returns are Time Weighted. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Due to time constraints, historical data was not compiled for ARS which only includes current managers as of 06/30/12.

## ARS Diverse Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current Diverse Managers	Counts		Market Values (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	25	128	5,094,016,581	1,491,371,084
<b>Current Diverse Managers</b>	2	16	353,688,445	161,544,022
<b>Current Diverse Managers as % of Total Current Managers</b>	8%	13%	7%	11%
<b>Current Diverse and Emerging Managers</b>	0	16	0	161,544,022
<b>Current Diverse Managers as % of Current Emerging Managers</b>	0%	25%	0%	29%

Net Diverse Manager Performance	ARS	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Performance Against Non-Diverse Managers in the Asset Class</b>	Inception Date Used: 04/01/2007	
<b>Diverse Managers - 3-Year</b>	4.65	12.00
<b>Non-Diverse Managers - 3-Year<sup>1</sup></b>	3.60	
<b>Diverse Managers - 5-Year</b>	-0.55	N/A
<b>Non-Diverse Managers - 5-Year<sup>1</sup></b>	0.09	
<b>Diverse Managers - ITD</b>	0.33	5.22
<b>Non-Diverse Managers - ITD<sup>1</sup></b>	0.78	
<b>Performance Against Policy Benchmark<sup>2</sup></b>		
<b>Diverse Managers - 3-Year</b>	4.65	12.00
<b>ARS Policy Benchmark</b>	5.67	
<b>Diverse Managers - 5-Year</b>	-0.55	N/A
<b>ARS Policy Benchmark</b>	7.16	
<b>Diverse Managers - ITD</b>	0.33	5.22
<b>ARS Policy Benchmark</b>	7.29	
<b>Performance Against Industry Benchmark<sup>3</sup></b>		
<b>Diverse Managers - 3-Year</b>	4.65	12.00
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	2.15	
<b>Diverse Managers - 5-Year</b>	-0.55	N/A
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	-2.05	
<b>Diverse Managers - ITD</b>	0.33	5.22
<b>Hedge Fund Research Inc. Fund of Funds Composite Benchmark</b>	-1.45	

<sup>1</sup> At Direct and Fund of Funds Advisor level.

<sup>2</sup> Returns for ARS funds include funds open as of 6/30/12. ARS Benchmark returns include historical data.

<sup>3</sup> The Hedge Fund Research Inc. Monthly Indices (HFRI) are a series of benchmarks designed to reflect hedge fund industry performance by constructing equally weighted composites of constituent funds, as reported by the hedge fund managers listed within HFR Database. The HFRI are fund-weighted (equal-weighted) indices. Unlike asset-weighting, the equal-weighting of indices presents a more general picture of performance of the hedge fund industry. “Notes: Returns are Time Weighted. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Due to time constraints, historical data was not compiled for ARS which only includes current managers as of 06/30/12.”

## Global Equity Emerging Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current Emerging Managers <sup>2</sup>	Counts		Market Values (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	30	32	19,534,225,746	2,143,282,615
<b>Current Emerging Managers<sup>3</sup></b>	3	32	1,772,504,398	2,143,282,615
<b>Current Emerging Managers as % of Total Current Managers</b>	10%	100%	9%	100%

Emerging Manager Program Historical Performance	ITD Net Returns	Inception Date	Market Value as of 06/30/12 (USD)
<b>Manager Development Program<sup>4</sup></b>	1.31	6/1/00	1,293,842,080
<b>Manager Development Program Benchmark<sup>1</sup></b>	2.81		
<b>FIS Emerging Manager Fund of Funds</b>	0.95	2/1/08	329,503,247
<b>FIS Emerging Manager Fund of Funds Benchmark<sup>1</sup></b>	0.90		
<b>Leading Edge Emerging Manager Fund of Funds</b>	4.02	3/1/08	383,480,190
<b>Leading Edge Emerging Manager Fund of Funds Benchmark<sup>1</sup></b>	3.98		
<b>Progress Emerging Manager Fund of Funds</b>	19.88	9/1/10	138,878,932
<b>Progress Emerging Manager Fund of Funds Benchmark<sup>1</sup></b>	17.07		
<b>Total Emerging Manager Program</b>	1.65	6/1/00	2,145,704,449
<b>Emerging Manager Program Benchmark - ITD<sup>1</sup></b>	2.94		

Counts of Funds that Performed Over/ Under Benchmark <sup>5</sup>	Direct and Fund of Funds Advisors			Underlying Funds in Fund of Funds		
	3-Year	5-Year	ITD	3-Year	5-Year	ITD
<b>Global Equity Current Emerging Managers - Out Performed Benchmark</b>	1	N/A	1	10	N/A	24
<b>Global Equity Current Emerging Managers - Under Performed Benchmark</b>	1	1	2	5	N/A	15

<sup>1</sup> The composite benchmarks combine the asset-weighted individual benchmark of each underlying manager.

<sup>2</sup> Data is counted by management firms currently in portfolio. Multiple relationships with the same firm are counted as one.

<sup>3</sup> Current Emerging Managers include Legato Capital Management, Leading Edge and Stux, a direct relationship that graduated from the Manager Development Program.

<sup>4</sup> The Manager Development Program historically includes: Strategic Investment Management I, Strategic Investment Management II, Legato Capital Management, and Progress-Lovell Minnick.

<sup>5</sup> For the purposes of reflecting over and underperformance, funds are compared to their assigned benchmarks. A manager may have more than one fund and be counted more than once.

Notes: Returns are Time Weighted.

## Global Equity Diverse Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current Diverse Managers	Counts		Market Values (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	30	32	19,534,225,746	2,143,282,615
<b>Current Diverse Managers<sup>1</sup></b>	6	15	2,461,032,349	1,017,242,194
<b>Current Diverse Managers as % of Total Current Managers</b>	20%	47%	13%	47%
<b>Current Diverse and Emerging Managers</b>	2	15	1,271,701,729	1,017,242,194
<b>Current Diverse Managers as % of Current Emerging Managers</b>	67%	47%	72%	47%

Counts of Funds that Performed Over/Under Benchmark <sup>2</sup>	Direct and Fund of Funds Advisors			Underlying Funds in Fund of Funds		
	3-Year	5-Year	ITD	3-Year	5-Year	ITD
<b>Global Equity Current Diverse Managers - Out Performed Benchmark</b>	3	N/A	4	6	N/A	12
<b>Global Equity Current Diverse Managers - Under Performed Benchmark</b>	1	1	2	2	N/A	6

<sup>1</sup> Data is counted by management firms currently in portfolio. Multiple relationships with the same firm are counted as one.

<sup>2</sup> For the purposes of reflecting over and underperformance, funds are compared to their assigned benchmarks.

A manager may have more than one fund and be counted more than once.

Notes: Returns are Time Weighted.

## Private Equity Emerging Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current and Prior Diverse Managers	Counts		Market Values (USD)		Total Commitments (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	332	410	34,178,892,949	3,475,986,623	58,423,977,262	6,540,573,286
<b>Current Emerging Managers</b>	105	148	7,579,846,324	1,342,194,062	14,845,166,708	2,532,897,506
<b>Current Emerging Managers as % of Total Managers</b>	32%	36%	22%	39%	25%	39%

Net Emerging Managers Performance	Direct and Fund of Funds Advisors			Underlying Funds in Fund of Funds		
	All	Current	Prior	All	Current	Prior
<b>Performance Against Non-Diverse Managers in Asset Class</b>						
Inception Date Used: 3/01/90						
<b>Emerging Managers - 3-year</b>	13.84	13.98	19.22	13.70	13.70	None
<b>Non-Emerging Managers - 3-year<sup>1</sup></b>	19.24	19.24	19.24	19.24	19.24	19.24
<b>Emerging Managers-5-year</b>	4.18	4.50	-9.98	5.02	5.02	None
<b>Non-Emerging Managers - 5-year<sup>1</sup></b>	6.33	6.33	6.33	6.33	6.33	6.33
<b>Emerging Managers - ITD</b>	9.55	7.93	13.46	7.04	7.04	None
<b>Non-Emerging Managers - ITD<sup>1</sup></b>	10.65	10.65	10.65	10.65	10.65	10.65
<b>Performance Against Private Equity Industry Benchmark<sup>2</sup></b>						
Inception Date Used: 3/01/90						
<b>Emerging Managers - 3-year</b>	13.84	13.98	19.22	13.70	13.70	None
<b>Cambridge Private Equity Index</b>	15.29	15.29	15.29	15.29	15.29	15.29
<b>Emerging Managers - 5-year</b>	4.18	4.50	-9.98	5.02	5.02	None
<b>Cambridge Private Equity Index</b>	4.91	4.91	4.91	4.91	4.91	4.91
<b>Emerging Managers - ITD</b>	9.55	7.93	13.46	7.04	7.04	None
<b>Cambridge Private Equity Index</b>	14.45	14.45	14.45	14.45	14.45	14.45

<sup>1</sup> At Direct and Fund of Funds Advisor level.

<sup>2</sup> The Cambridge Associates LLC U.S. Private Equity Index<sup>®</sup> is an end-to-end calculation based on data compiled from 1,017 U.S. private equity funds (buyout, growth equity, private equity energy and mezzanine funds), including fully liquidated partnerships, formed between 1986 and 2012. Pooled end-to-end return, net of fees, expenses, and carried interest. Historic quarterly returns are updated in each year-end report to adjust for changes in the index sample.

Notes: Returns are IRRs. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Prior indicates funds that have been exited.

## Private Equity Diverse Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current and Prior Diverse Managers	Counts		Market Values (USD)		Total Commitments (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	332	410	34,178,892,949	3,475,986,623	58,423,977,262	6,540,573,286
<b>Current Diverse Managers</b>	28	22	3,296,111,833	360,882,520	5,873,031,375	438,891,407
<b>Current Diverse Managers as % of Total Managers</b>	8%	5%	10%	10%	10%	7%
<b>Current Diverse and Emerging Managers</b>	17	17	2,013,213,556	242,406,927	4,153,225,763	340,042,721
<b>Current Diverse Managers as % of Current Emerging Managers</b>	16%	11%	27%	18%	28%	13%

Net Diverse Managers Performance	Direct and Fund of Funds Advisors			Underlying Funds in Fund of Funds		
	All	Current	Prior <sup>3</sup>	All	Current	Prior
<b>Performance Against Non-Diverse Managers in Asset Class</b>						
Inception Date Used: 3/01/90						
<b>Diverse Managers - 3-year</b>	14.10	14.10	N/A	20.95	20.95	None
<b>Non-Diverse Managers - 3-year<sup>1</sup></b>	18.43	18.43	18.43	18.43	18.43	18.43
<b>Diverse Managers - 5-year</b>	5.33	5.36	N/A	12.14	12.14	None
<b>Non-Diverse Managers - 5-year<sup>1</sup></b>	5.89	5.89	5.89	5.89	5.89	5.89
<b>Diverse Managers - ITD</b>	5.95	5.68	15.76	14.54	14.54	None
<b>Non-Diverse Managers - ITD<sup>1</sup></b>	10.85	10.85	10.85	10.85	10.85	10.85
<b>Performance Against Private Equity Industry Benchmark<sup>2</sup></b>						
Inception Date Used: 3/01/90						
<b>Diverse Managers - 3-year</b>	14.10	14.10	N/A	20.95	20.95	None
<b>Cambridge Private Equity Index</b>	15.29	15.29	15.29	15.29	15.29	15.29
<b>Diverse Managers - 5-year</b>	5.33	5.36	N/A	12.14	12.14	None
<b>Cambridge Private Equity Index</b>	4.91	4.91	4.91	4.91	4.91	4.91
<b>Diverse Managers - ITD</b>	5.95	5.68	15.76	14.54	14.54	None
<b>Cambridge Private Equity Index</b>	14.45	14.45	14.45	14.45	14.45	14.45

<sup>1</sup> At Direct and Fund of Funds Advisor level.

<sup>2</sup> The Cambridge Associates LLC U.S. Private Equity Index<sup>®</sup> is an end-to-end calculation based on data compiled from 1,017 U.S. private equity funds (buyout, growth equity, private equity energy and mezzanine funds), including fully liquidated partnerships, formed between 1986 and 2012. Pooled end-to-end return, net of fees, expenses, and carried interest. Historic quarterly returns are updated in each year-end report to adjust for changes in the index sample.

<sup>3</sup> Consists of two partnerships that were wound down.

**Notes:** Returns are IRRs. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Prior indicates funds that have been exited either due to funds that were wound down or were sold and no longer in portfolio.



## Real Estate Emerging Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current and Prior Emerging Managers	Counts		Market Values (USD)		Total Commitments (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	138	8	21,565,007,087	43,931,800	39,773,398,976	79,245,000
<b>Current Emerging Managers</b>	12	5	844,277,542	21,187,639	1,660,366,323	45,349,000
<b>Current Emerging Managers as % of Total Current Managers</b>	9%	63%	4%	48%	4%	57%
<b>All (Current, Transitioned) Emerging Managers</b>	36	8	6,594,706,074	43,931,800	9,874,512,002	79,245,000

Net Emerging Managers Performance	Direct and Fund of Funds Advisors			
	All	Current	Transitioned	Prior
<b>Performance Against Non-Emerging Managers in Asset Class</b>				
Inception Date Used: 12/84				
<b>Emerging Managers - 3-year</b>	4.58	-1.08	9.44	-19.90
<b>Non-Emerging Managers - 3-year<sup>1</sup></b>	3.47	3.47	3.47	3.47
<b>Emerging Managers-5-year</b>	-12.57	-13.14	-1.57	-48.24
<b>Non-Emerging Managers - 5-year<sup>1</sup></b>	-15.80	-15.80	-15.80	-15.80
<b>Emerging Managers - ITD</b>	6.33	-3.07	12.26	-0.29
<b>Non-Emerging Managers - ITD<sup>1</sup></b>	5.36	5.36	5.36	5.36
<b>Performance Against Policy Benchmark<sup>2</sup></b>				
<b>Emerging Managers - 3-year</b>	4.58	-1.08	9.44	-19.90
<b>Cambridge Private Equity Index</b>	10.42	10.42	10.42	10.42
<b>Emerging Managers - 5-year</b>	-12.57	-13.14	-1.57	-48.24
<b>Cambridge Private Equity Index</b>	4.14	4.14	4.14	4.14
<b>Emerging Managers - ITD</b>	6.33	-3.07	12.26	-0.29
<b>Cambridge Private Equity Index</b>	7.85	7.85	7.85	7.85

<sup>1</sup> At Direct and Fund of Funds Advisor level, includes historical information.

<sup>2</sup> The historical composition of the Real Estate Program Policy Benchmark changed since inception and has included NCREIF Property Index (NPI), NPI + 200 BPS, FTSE ERPA NAREIT Global Return Index and NCREIF Open-Ended Diversified Core Equity indices.

Notes: Returns are Time Weighted. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Individual Returns are not available for the Underlying Funds in Fund of Funds.

## Real Estate Diverse Manager Summary Table

As of 6/30/2012

Number, Market Value and Commitments for Current and Prior Diverse Managers	Counts		Market Values (USD)		Total Commitments (USD)	
	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds	Direct and Fund of Funds Advisors	Underlying Funds in Fund of Funds
<b>Total External Managers</b>	138	8	21,565,007,087	43,931,800	39,773,398,976	79,245,000
<b>Current Diverse Managers</b>	7	2	1,307,193,239	13,495,901	2,231,814,145	24,688,000
<b>Current Diverse Managers as % of Total Current Managers</b>	5%	25%	6%	31%	6%	31%
<b>Current Diverse and Emerging Managers</b>	3	1	129,412,349	13,495,901	250,000,000	24,688,000
<b>Current Diverse Managers as % of Total Emerging Managers</b>	25%	40%	15%	64%	15%	54%

Net Diverse Managers Performance	Direct and Fund of Funds Advisors	Number, Market Value and Net Performance <sup>2</sup> (Periods Ending 6/30/08) Inception Date Used: Quarter End 12/84	Direct and Fund of Funds Advisors As Identified by Staff**
	Current		
<b>Performance Against Non-Diverse Managers in Asset Class</b> Inception Date Used: Quarter End 12/84		<b>Count</b>	17
<b>Diverse Managers - 3-year</b>		<b>Market Value</b>	1,243,678,111
<b>All Non-Diverse Managers - 3-year<sup>1</sup></b>		<b>Diverse Managers - 3-year</b>	-43.31
<b>Diverse Managers - 5-year</b>		<b>All Non-Diverse Managers - 3-year<sup>1</sup></b>	12.01
<b>All Non-Diverse Managers - 5-year<sup>1</sup></b>		<b>Diverse Managers - 5-year</b>	-22.31
<b>Diverse Managers - ITD</b>		<b>All Non-Diverse Managers - 5-year<sup>1</sup></b>	17.59
<b>All Non-Diverse Managers - ITD<sup>1</sup></b>		<b>Diverse Managers - ITD</b>	-13.31
<b>Performance Against Policy Benchmark<sup>3</sup></b>		<b>All Non-Diverse Managers - ITD<sup>1</sup></b>	10.20
<b>Diverse Managers - 3-year</b>		<b>Performance Against Policy Benchmark</b>	
<b>Real Estate Policy Benchmark</b>		<b>Diverse Managers - 3-year</b>	-43.31
<b>Diverse Managers - 5-year</b>		<b>Real Estate Policy Benchmark</b>	14.71
<b>Real Estate Policy Benchmark</b>		<b>Diverse Managers - 5-year</b>	-22.31
<b>Diverse Managers - ITD</b>		<b>Real Estate Policy Benchmark</b>	14.57
<b>Real Estate Policy Benchmark</b>		<b>Diverse Managers - ITD</b>	-13.31
<b>Diverse Managers - 3-year</b>		<b>Real Estate Policy Benchmark</b>	8.68
<b>All Non-Diverse Managers - 3-year<sup>1</sup></b>			
<b>Diverse Managers - 5-year</b>			
<b>All Non-Diverse Managers - 5-year<sup>1</sup></b>			
<b>Diverse Managers - ITD</b>			
<b>All Non-Diverse Managers - ITD<sup>1</sup></b>			

<sup>1</sup> At Direct and Fund of Funds Advisor level, includes historical information.

<sup>2</sup> Includes 3 managers who self-identified via the Diversity Survey and 14 managers identified by staff as a women or minority owned firm, not included in other diversity data supplied by the survey process.

<sup>3</sup> The historical composition of the Real Estate Program Policy Benchmark changed since inception and has included NCREIF Property Index (NPI), NPI + 200 BPS, FTSE ERPA NAREIT Global Return Index and NCREIF Open-Ended Diversified Core Equity indices. Notes: Returns are Time Weighted. Inception dates were determined based on the inception date of the oldest current emerging fund or partnership for that asset class. Individual Returns are not available for the Underlying Funds in Fund of Funds. Partnerships that were exited but remain open for trailing activity are considered Exited/Prior.



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