



**NSHE Investment and Facilities Committee
Endowment Comparative Performance**

A. <u>Spending/Mgmt Fee Rates - FY14</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
Spending/Dividend Rate	5.00% ³	3.00%	4.50%
Management Fee		1.35%	0.75%
B. <u>Asset Allocation - Actual Allocations as of 6/30/2013</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
US Equity	23.88%	42.11%	29.20%
International Developed Equity	16.73%	22.24%	7.36%
Emerging Markets Equity	9.34%	0.00%	2.94%
Marketable Alternatives	14.21%	8.39%	9.73%
Private Equity/Venture Capital - NAVs as of 6/30/13	8.00%	0.00%	6.07%
Marketable Real Assets (<i>includes REITS, commodities, natural resource equities & TIPS</i>)	6.19%	0.00%	11.21%
Private Real Assets (<i>includes real estate, energy & natural resources</i>) - NAVs as of 6/30/13	1.09%	0.00%	8.16%
Fixed Income (Bonds & Cash)	20.56%	27.23%	25.33%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
C. <u>5 years Historical Returns</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
FY 12-13 ¹	11.10%	12.42%	9.57%
FY 11-12	0.33%	-1.18%	3.63%
FY 10-11	20.41%	19.05%	18.29%
FY 09-10	14.44%	12.25%	8.60%
FY 08-09	-18.70%	-18.99%	-24.18%
D. <u>Average Annual Compound Rate of Return¹</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2013	10.31%	9.77%	10.33%
5 Years Ended 6/30/2013	4.54%	3.76%	2.03%
10 Years Ended 6/30/2013	8.39%	6.04%	6.35%
E. <u>Annualized Standard Deviation (Volatility) of Quarterly Returns¹</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2013	10.70%	10.13%	8.88%
5 Years Ended 6/30/2013	14.83%	15.14%	14.67%
10 Years Ended 6/30/2013	11.34%	11.51%	11.57%
F. <u>Sharpe Ratio²</u>	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2013	0.97	0.97	1.15
5 Years Ended 6/30/2013	0.36	0.30	0.19
10 Years Ended 6/30/2013	0.62	0.42	0.45

¹ All data for FYE 6/30/2013 include private investment NAVs as of and returns through 6/30/2013.

² Sharpe Ratio: The amount of return over the risk-free rate that can be expected for each unit of risk accepted. To calculate this number, the formulas in section F subtract the average T-bill return (risk free return) from the portfolio's average return and then divide by the portfolio's standard deviation. The average risk-free rate for the time periods shown above were 0.03% for trailing 3 years, 0.07% for trailing 5 years and 0.43 for trailing 10 years, all ended 6/30/2013.

³ Effective July 1, 2013, the Committee recommended approval of a total spending rate reduction from 6 percent to 5 percent for institutions currently receiving the endowment 4.5 percent spending and 1.5 percent management fee. Within the 5 percent spending rate, the institution will have the discretion to allocate proceeds between spending and management fee, of which a maximum of 1.5 percent may be allocated to the management fee.