



NSHE Investment and Facilities Committee
Endowment Comparative Data for Period Ending 6/30/2015

A. Asset Allocation - Actual Allocations as of 6/30/2015

	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
US Equity	23.0%	34.6%	25.0%
International Developed Equity	17.7%	22.8%	11.4%
Emerging Markets Equity	8.7%	0.0%	3.6%
Marketable Alternatives	14.2%	9.8%	10.1%
Private Equity/Venture Capital - NAVs as of 6/30/15	8.5%	0.0%	6.9%
Marketable Real Assets (includes REITS, commodities, natural resource equities & TIPS)	6.8%	0.0%	11.4%
Private Real Assets (includes real estate, energy & natural resources) - NAVs as of 6/30/15	0.9%	7.1%	6.7%
Fixed Income (Bonds & Cash)	20.3%	25.8%	24.8%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

B. 5 Years of Historical Returns

	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
FY 14-15 ¹	0.5%	0.9%	1.9%
FY 13-14	15.5%	17.2%	15.2%
FY 12-13	11.1%	12.5%	9.6%
FY 11-12	0.3%	-1.2%	3.6%
FY 10-11	20.4%	19.1%	18.3%

C. Average Annual Compound Rate of Return¹

	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2015	8.8%	9.9%	8.7%
5 Years Ended 6/30/2015	9.3%	9.4%	9.8%
10 Years Ended 6/30/2015	6.9%	4.5%	5.4%

D. Annualized Standard Deviation (Volatility) of

Quarterly Returns¹

	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2015	4.9%	4.8%	3.9%
5 Years Ended 6/30/2015	8.7%	8.2%	7.2%
10 Years Ended 6/30/2015	11.1%	11.4%	11.0%

E. Sharpe Ratio²

	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
3 Years Ended 6/30/2015	1.76	1.99	2.18
5 Years Ended 6/30/2015	1.06	1.13	1.35
10 Years Ended 6/30/2015	0.54	0.33	0.41

¹ All data for FYE 6/30/2015 include private investment NAVs as of and returns through 6/30/2015.

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 0.02% for trailing 3 years, 0.02% for trailing 5 years and 0.34% for trailing 10 years, all ended 6/30/2015.

F. Spending/Mgmt Fee Rates	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
Target Spending/Dividend Rate	4.75% ⁴	3.50%	4.50%
Management Fee		1.35%	0.75%
System Administration Management Fee	0.125%		

G. Effective Annual Payout Calculation - FYE 6/30/2014	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
Spending/Dividend Distributions (7/1/14-6/30/15) - \$ in '000s	\$7,446,071	\$3,536,172	\$5,969,703
+ Other Withdrawals ³ (7/1/14-6/30/15) - \$ in '000s	\$1,580,273	\$1,523,466	\$367,339
= Total Withdrawals (7/1/14-6/30/15) - \$ in '000s	\$9,026,344	\$5,059,638	\$6,337,042
÷ Starting Endowment Value as of 6/30/14 - \$ in '000s	\$243,149,431	\$171,609,624	\$154,308,950
= Effective Annual Payout Rate - FYE 6/30/2015	3.7%	2.9%	4.1%

H. Net Inflow/(Outflow) Calculation - FYE 6/30/2014	<u>NSHE</u>	<u>UNLVF</u>	<u>UNRF</u>
Gifts & Other Additions to Pool (7/1/14-6/30/15) - \$ in '000s	\$1,791,629	\$19,162,800	21,462,641
Less: Total Withdrawals (from G above) - \$ in '000s	(\$9,026,344)	(\$5,059,638)	(\$6,337,042)
= Net Inflows/(Outflows) (7/1/14-6/30/15) - \$ in '000s	(\$7,234,715)	\$14,103,163	15,125,599
÷ Starting Endowment Value as of 6/30/14 - \$ in '000s	\$243,149,431	\$171,609,624	154,308,950
= Net Inflow/(Outflow) Rate - FYE 6/30/2015	(3.0%)	8.2%	9.8%

³ Other Withdrawals include administrative/oversight costs paid directly out of the Endowment pool excluding investment manager fees already deducted from portfolio returns. Examples include internal Foundation/System management fees, investment advisor/consultant fees and custody fees.

⁴ Effective July 1, 2014, the Committee recommended a total spending rate of 4.75%. Within the 4.75% spending rate, the institution will have the discretion to allocate proceeds between spending and management fee, of which a maximum of 1.5% may be allocated to the management fee and a maximum of 4.5% may be

NSHE Endowment Historical Spending

