



WELCOME

CENTRAL INDIANA COMMUNITY FOUNDATION
JOINT INVESTMENT BOARD MEETING

MARCH 3, 2016



THE COMMUNITY WE'VE BECOME
STARTED TAKING SHAPE A CENTURY AGO.

THE COMMUNITY WE'LL BE IN 100 YEARS
STARTS WITH ***YOU.***



BE
IN

THE COMMUNITY WE'VE BECOME
STARTED TAKING SHAPE A CENTURY AGO:



BE
IN

THE COMMUNITY WE'LL BE IN 100 YEARS
STARTS WITH YOU.



BE
IN

Be INvested

A TEAM YOU CAN TRUST.



CICF JOINT INVESTMENT BOARD

Community leaders and financial experts who ensure investment strategy:

- James Roederer
- David Becker
- David Knall
- Marni McKinney
- Jerry Semler
- John Quinn
- Charles Sutphin
- Gene Tanner
- Jean Wojtowicz
- Alan Levin
- Jeff Thomasson

The logo consists of the words "BE" and "IN" stacked vertically in a bold, white, sans-serif font, enclosed within a white square border. This square is centered within a larger, light blue circle. To the left of this circle is a larger, semi-transparent olive green circle, and below it is a smaller, solid orange circle.

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CICF INVESTMENT STAFF

- Jennifer Bartenbach, CFO
- Jennifer Schrier, Director of Finance & Systems
- Cathy Davis, Senior Accountant
- Brenda Delaney, Controller



CAMBRIDGE ASSOCIATES

Manages 30% of all U.S. foundation assets and 70% of all U.S. higher education endowment assets; CICF's consultant since June 2009.

- Natalie Eckford
- Sharcus Steen
- Jon Hansen
- Carolyn Keating

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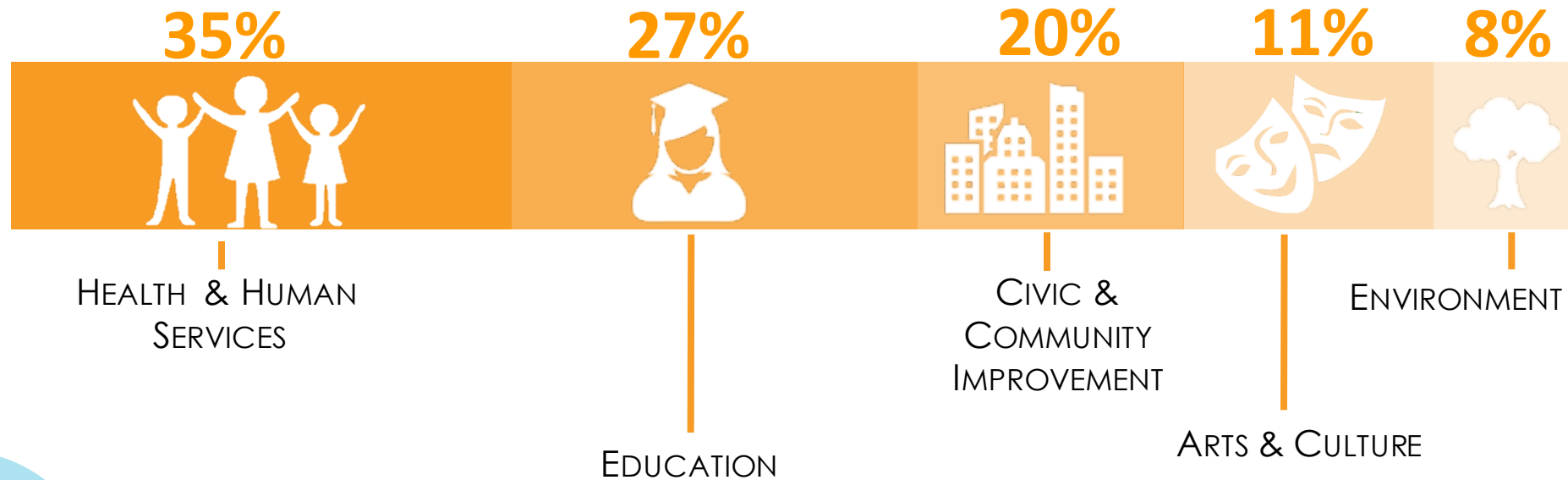
2015: A MONUMENTAL YEAR.



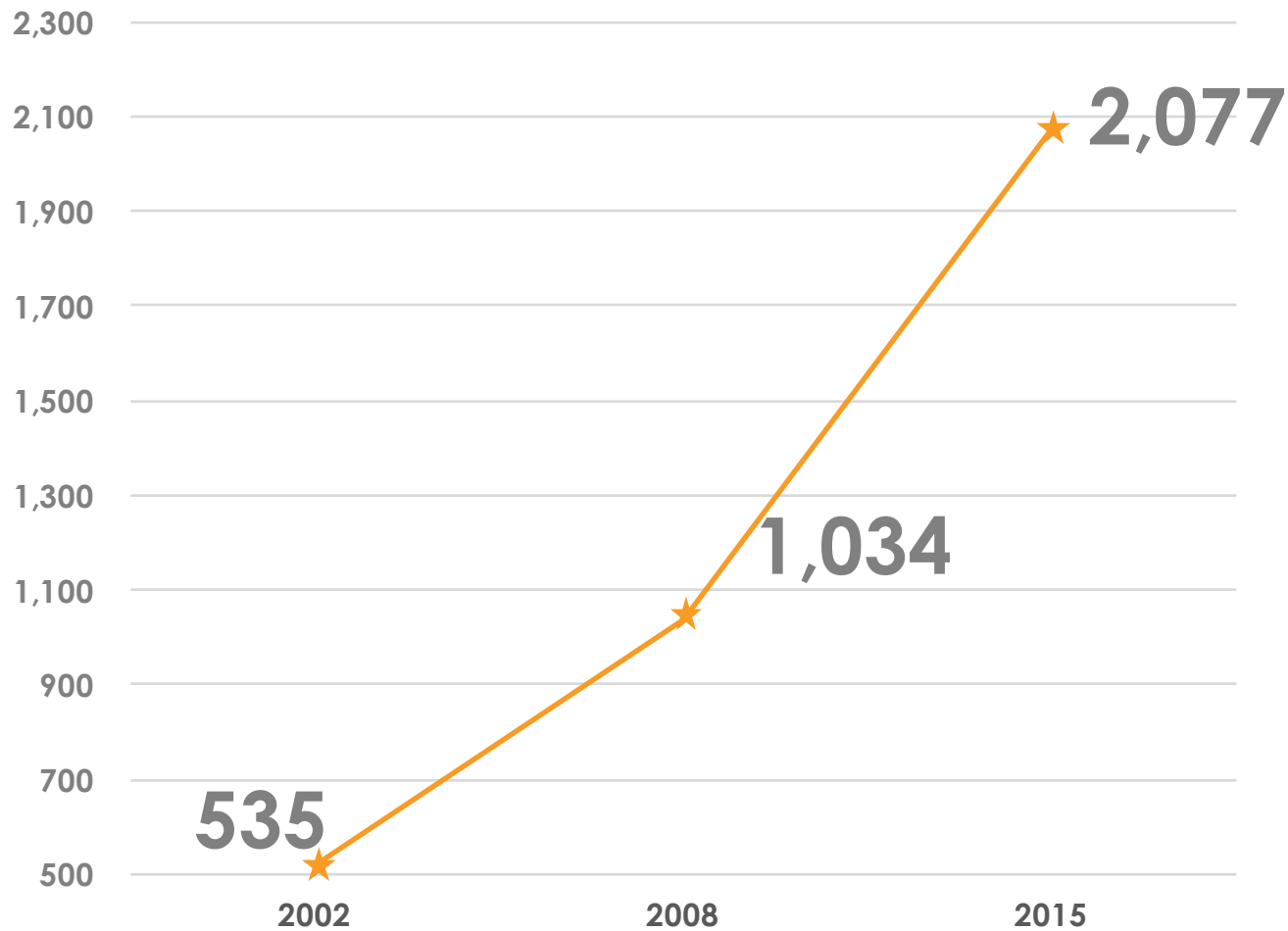
MONEY IN, MONEY OUT



IMPACT AREAS



RECORD # OF GRANTS OUT: NONCOMPETITIVE



75%
FROM DONOR
ADVISED FUNDS

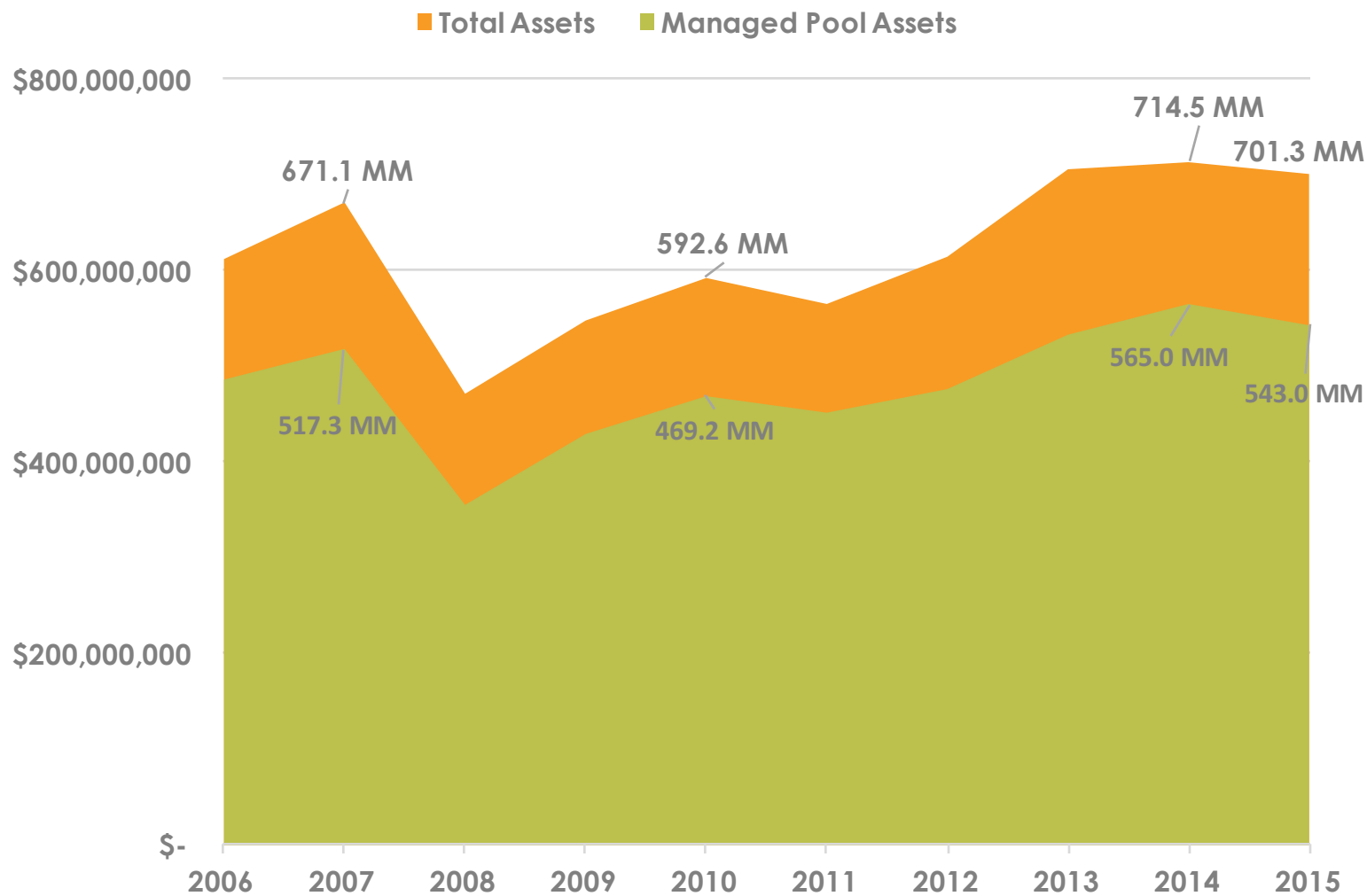


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TOTAL ASSETS



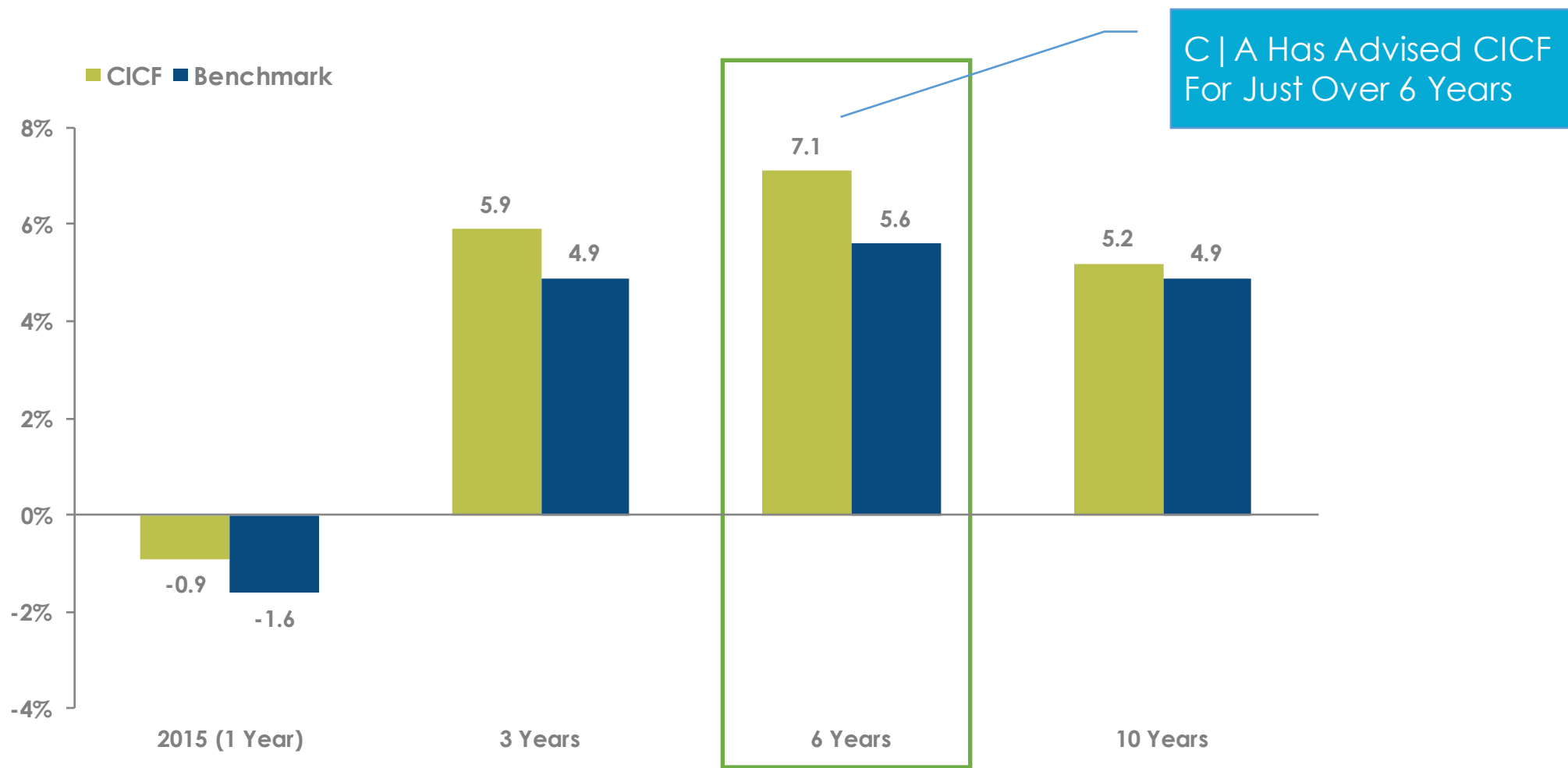
2015 STRATEGY REVIEW

- Stay the course
- Seek more alpha and more premium through illiquidity
- Cast a wider net
- Be mindful of spending
- Raise some cash (for spending in a tougher market environment, or for market opportunities that arise in dislocation).



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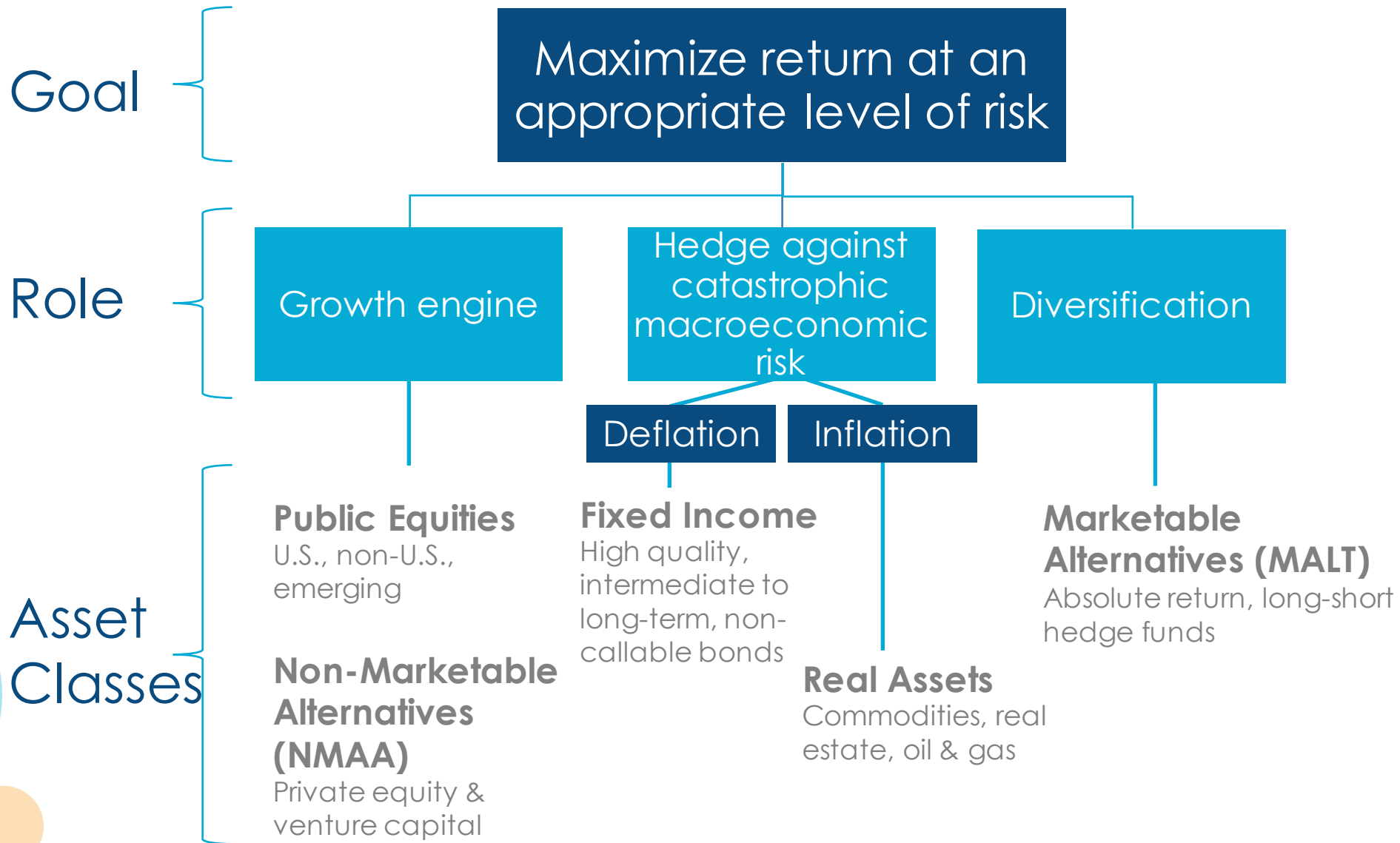
RESULTS: 2015 DIFFICULT FOR GLOBAL MARKETS



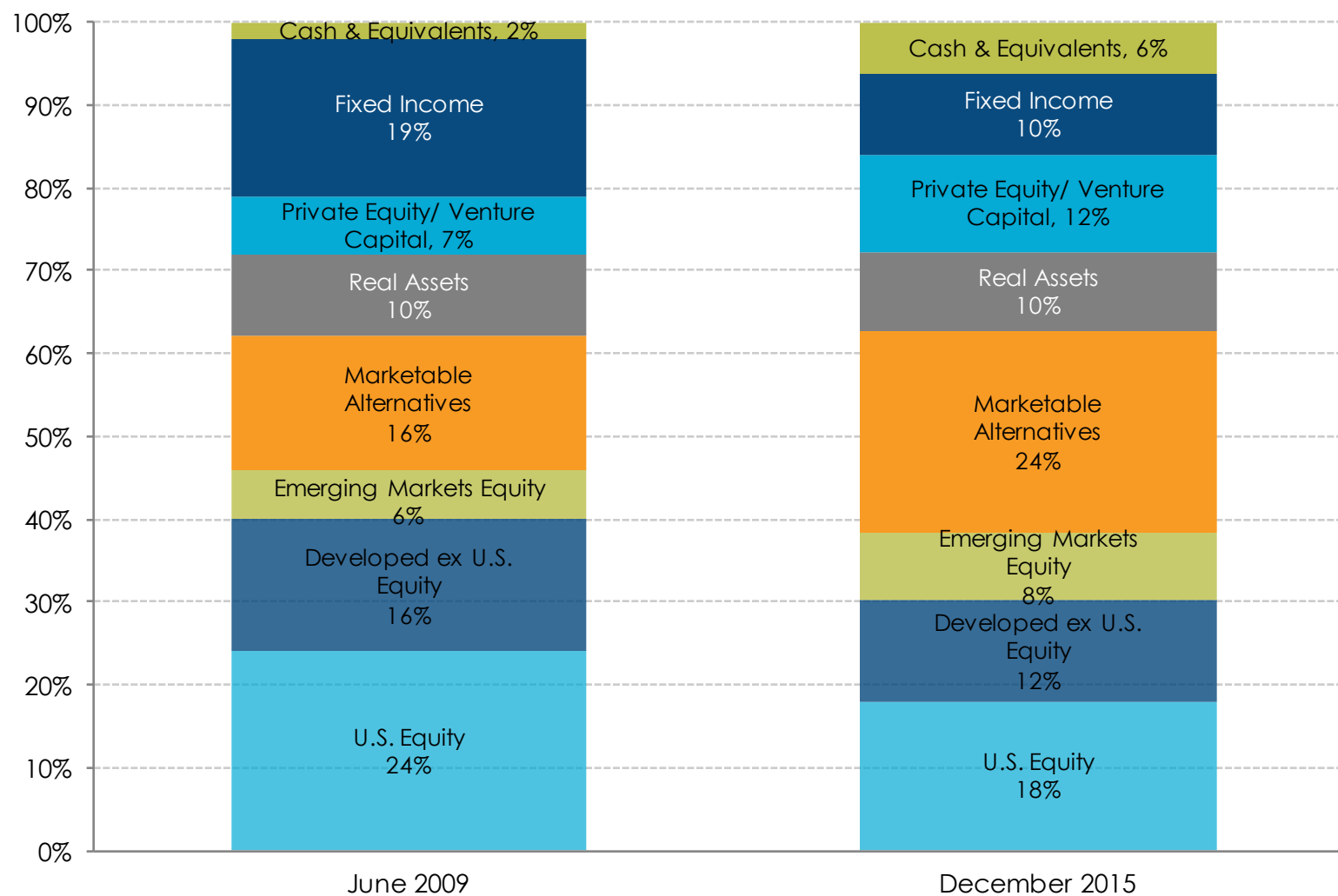
Note: Returns above include private equity valuations from Oct. 1, 2014 – Sept. 30, 2015



STRATEGY REMINDER



ASSET ALLOCATION



ASSET ALLOCATION:

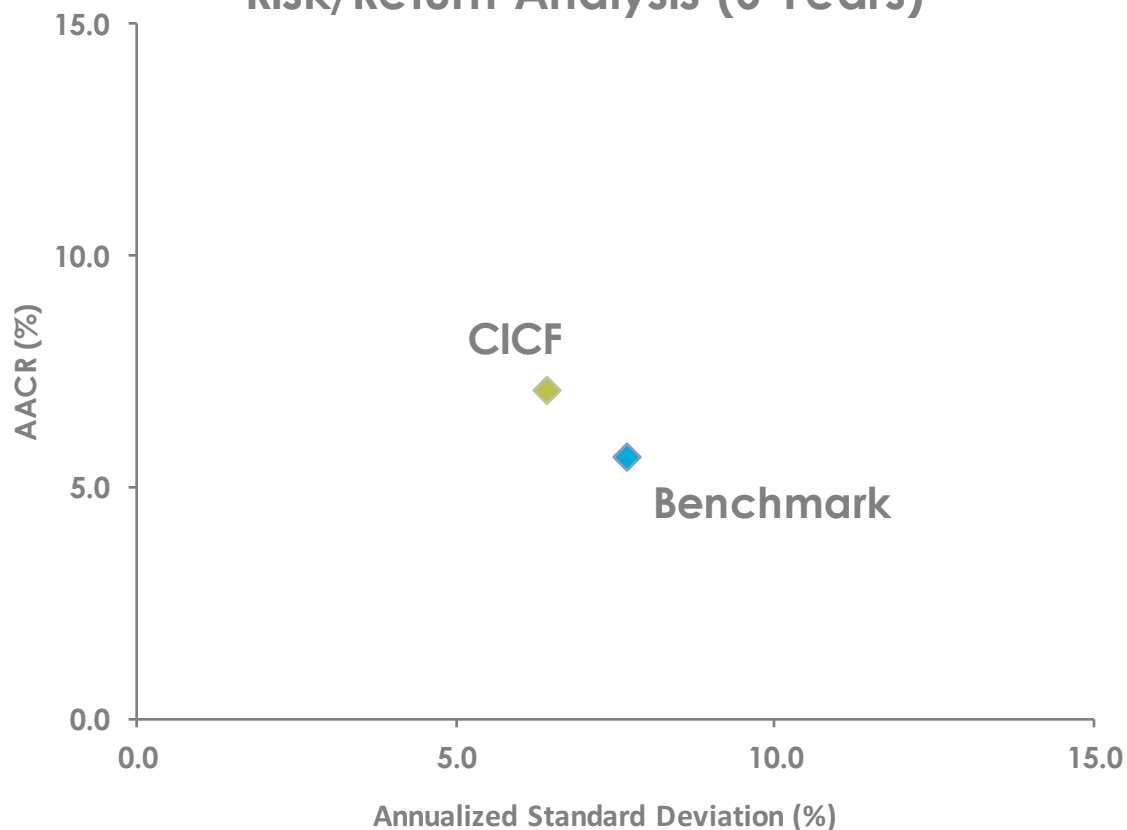
GENERATE HIGHER RETURNS AT LOWER LEVEL RISK

Better
return



Worse
return

Risk/Return Analysis (6 Years)



Less risk



More risk



WILL OUR STRATEGY CHANGE?



NO.

TOUGH START: 2016 STOCKS SLOW AT YEAR'S START

Global Asset Class Performance

As of February 29, 2016 • Local Currency



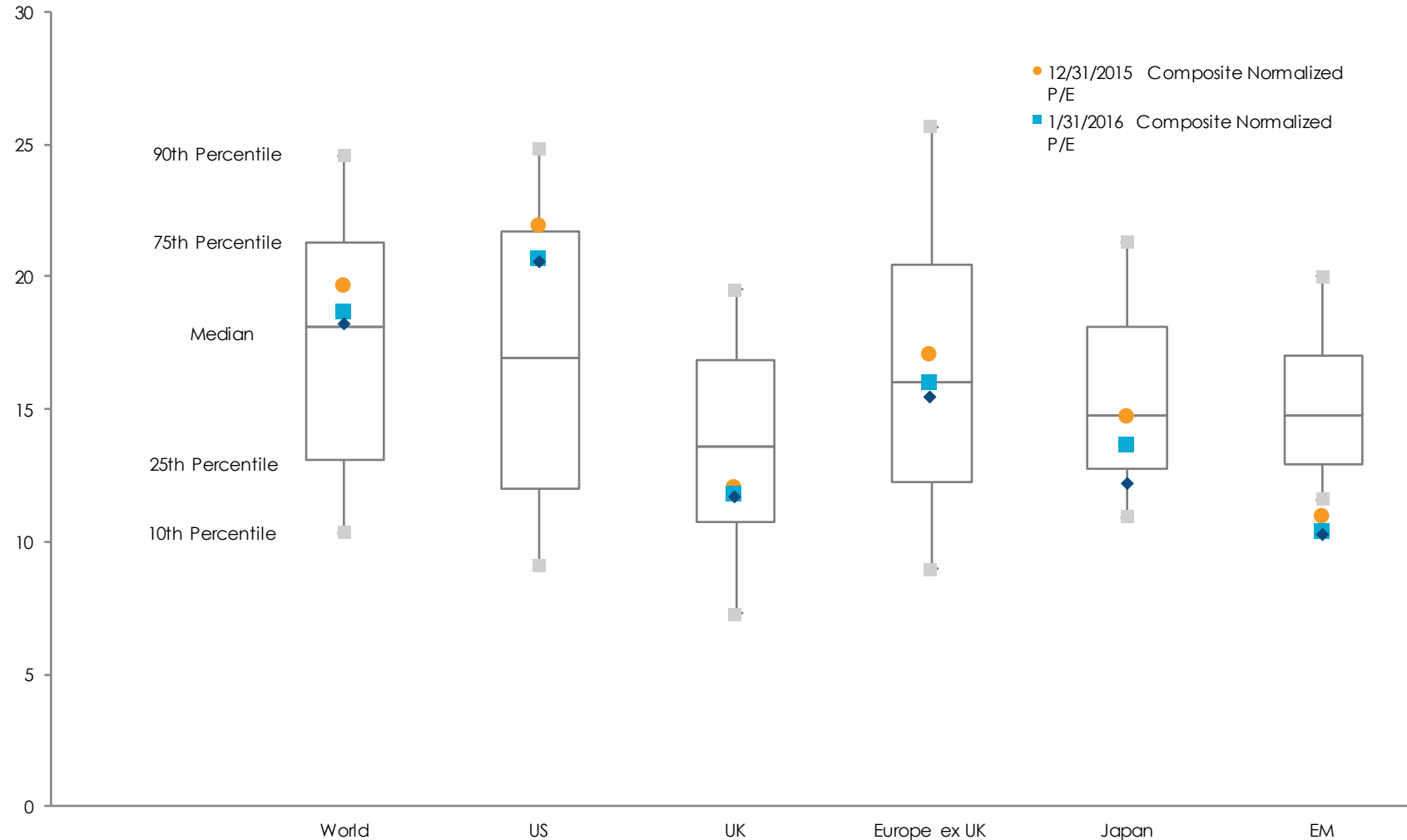
Sources: Alerian, Barclays, Bloomberg L.P., Citigroup Global Markets, Dow Jones Indexes, EPRA, Federal Reserve, FTSE International Limited, MSCI Inc., National Association of Real Estate Investment Trusts, and Thomson Reuters Datastream. MSCI data provided "as is" without any express or implied warranties.

Notes: All returns are total returns in local currency except commodities, gold, and natural resources equities, which are in US\$ terms. Asset classes represented by: MSCI World Index ("World"), MSCI US Index ("US"), MSCI UK Index ("UK"), MSCI Europe ex UK Index ("Europe ex UK"), MSCI Japan Index ("Japan"), MSCI Emerging Markets Index ("Emerging Markets"), Alerian MLP Index ("MLP"), 80% Datastream World Oil & Gas Index and 20% Datastream World Mining ("N.R.E."), FTSE® EPRA/NAREIT Global Real Estate Index ("Global Listed RE"), Bloomberg Commodity TR Index ("Cmnty"), Gold Bullion Prices ("Gold"), United States Benchmark 10 Year Datastream Government Index ("10-Yr US Treasury"), Citigroup World Government Bond Index ("World Gvt Bonds"), Barclays US High-Yield Bond Index ("US HY Bonds"), and Barclays US Corporate Index ("US IG Credit"). Total returns for MSCI developed markets indexes are net of dividend taxes. Total returns for MSCI emerging markets indexes are gross of dividend taxes.



CURRENT VALUATIONS

Composite Normalized Price-Earnings Ratios by Region
As of February 29, 2016



ECONOMIC CROSSCURRENTS

CONCERNS

Slowing Economic Growth
Struggling Emerging Markets
Commodity Price Weakness
Widening Credit Spreads
Shrinking Global Trade

THE BRIGHT SIDE

Growth Stabilizing
Developed Markets Still 2/3 Of Global GDP
Wealth Transfer Supports Consumer/Services Sectors
Defaults Remain Low And Focused In Commodities
More Importantly, Service Growth Remains Strong

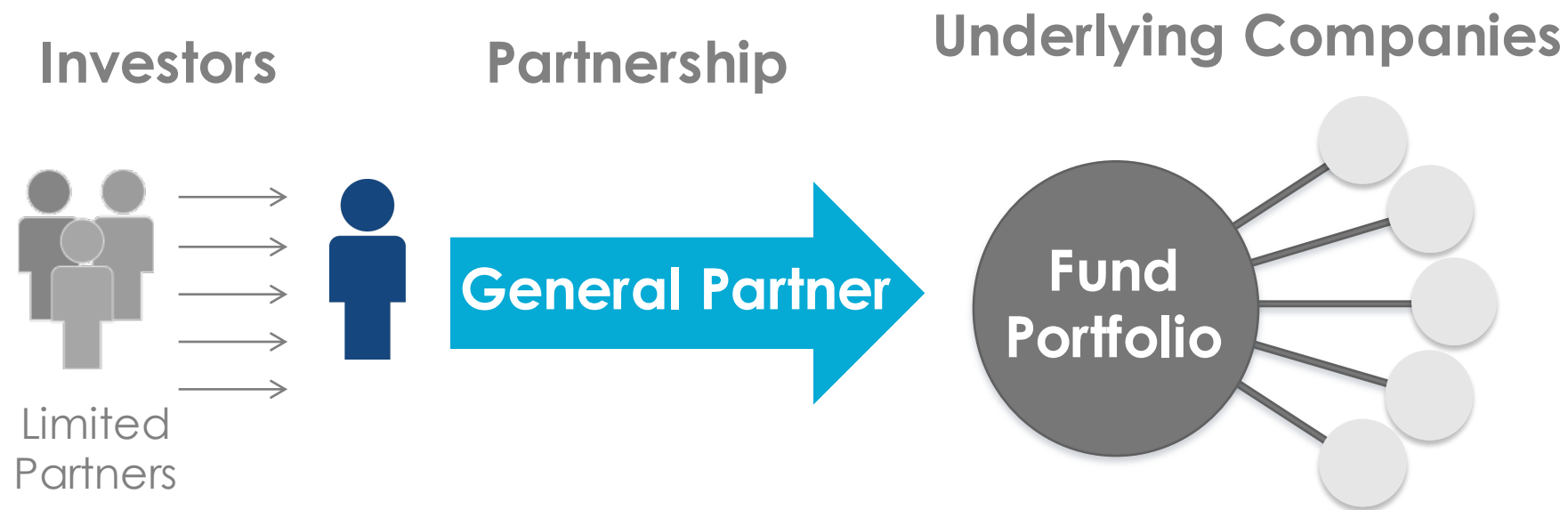
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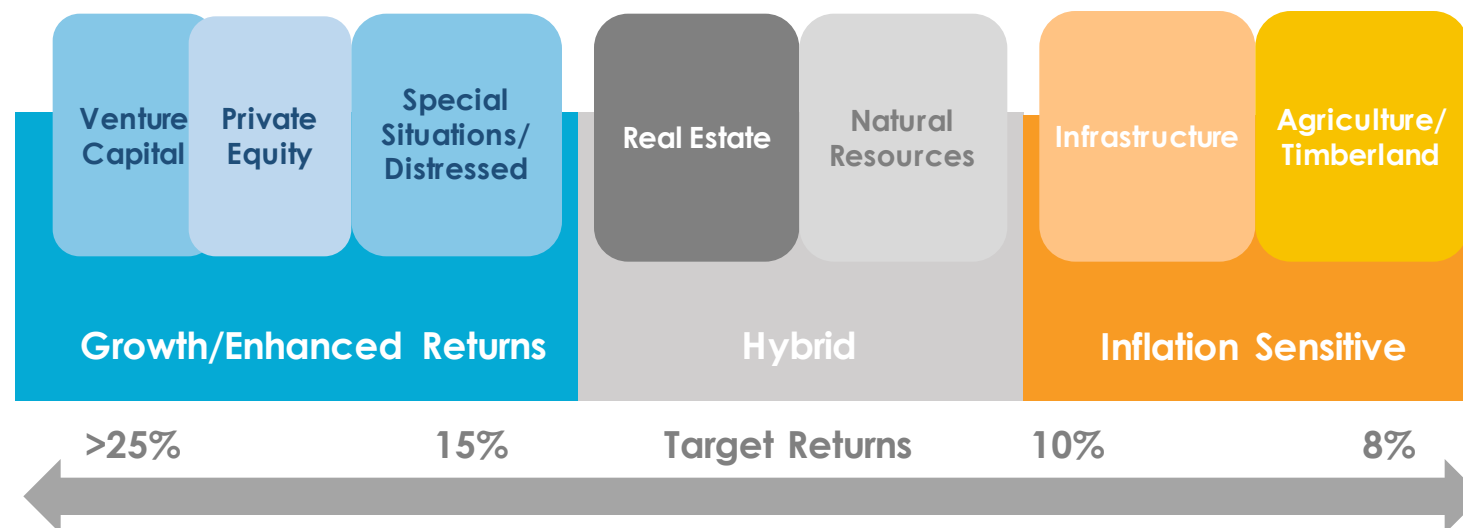
HOW DO PRIVATE INVESTMENTS PLAY A ROLE?



HOW A PRIVATE INVESTMENT FUND WORKS



WHY INCLUDE PRIVATE INVESTMENTS?



HIGHLIGHTS:

- Return enhancement
- Diversification benefits
- Exposure to new market/strategies
- Potential for inflation sensitivity with investment in hard assets

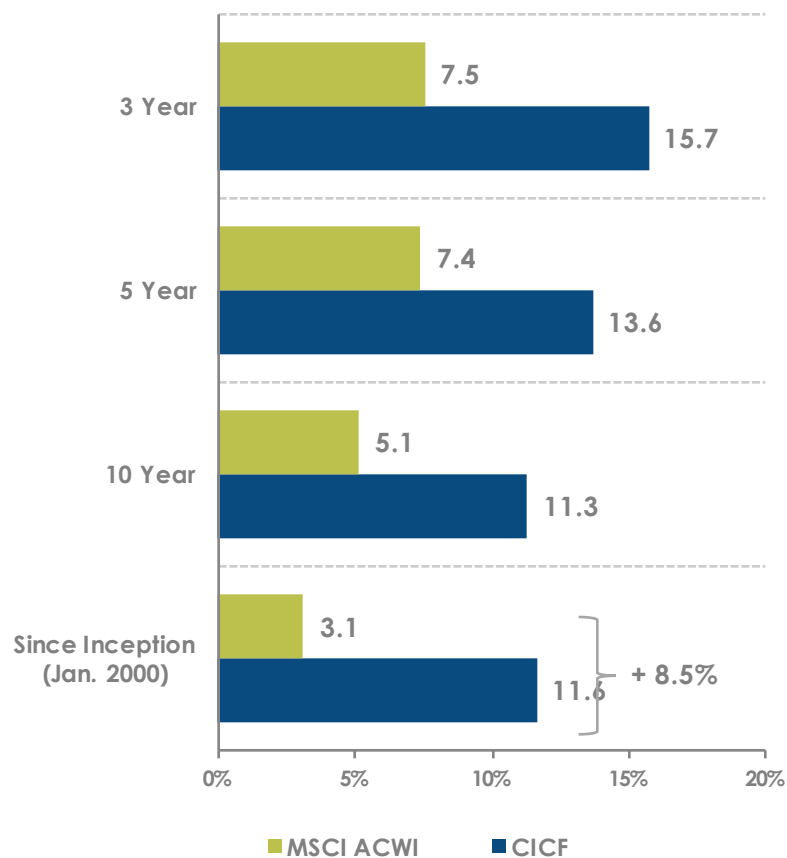
CONSIDERATIONS:

- Higher illiquidity
- Deferred return
- Higher fees

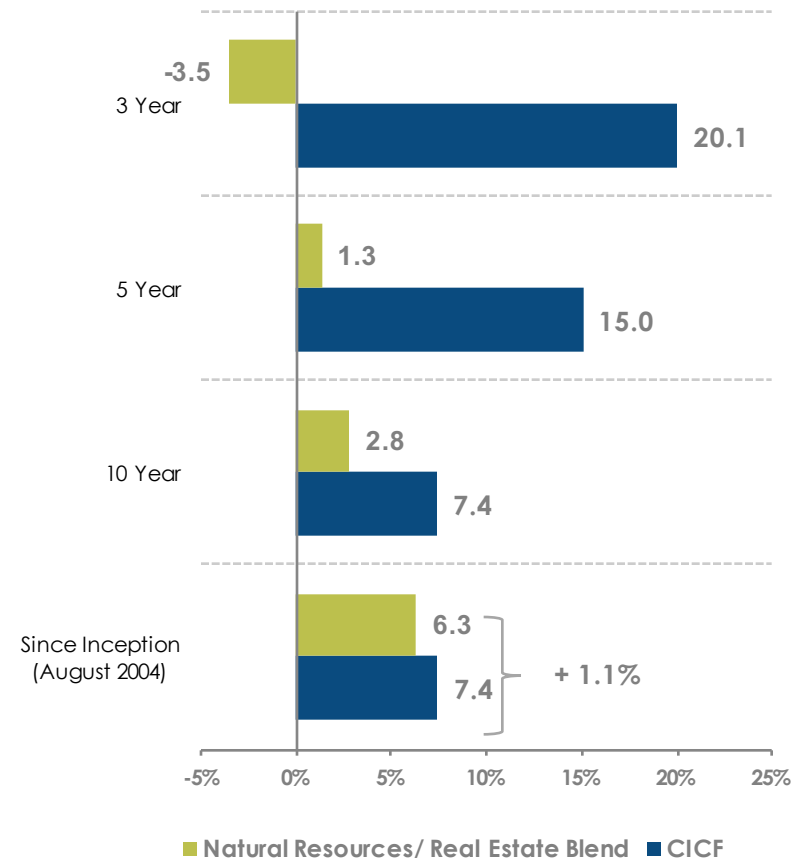
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CICF'S INVESTMENT PERFORMANCE

CICF Private Equity, Venture Capital, and Distressed vs. Public Market



CICF Natural Resources and Real Estate vs. Public Market



Note: CICF performance represents IRRs as of 9/30/15. Public index performance represents time-weighted returns as of 9/30/15. Natural Resources / Real Estate Blend is 66% MSCI World Natural Resources Index/ 33% FTSE® NAREIT All Equity REITs Index.



CICF PORTFOLIO SAMPLING:





FEATHERSTON BAR

BE
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Be INnovative

1. Inspiring Places
2. Family Success
3. College Readiness and Success

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HAMILTON COUNTY
JUVENILE SERVICES CENTER



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- City County Plaza re-design
- 21C Museum and Hotel
- 360 Market Square Luxury Apartments
- Downtown Transit Center
- Cummins Inc. Global Headquarters



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2015 CICF ACCOMPLISHMENTS



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