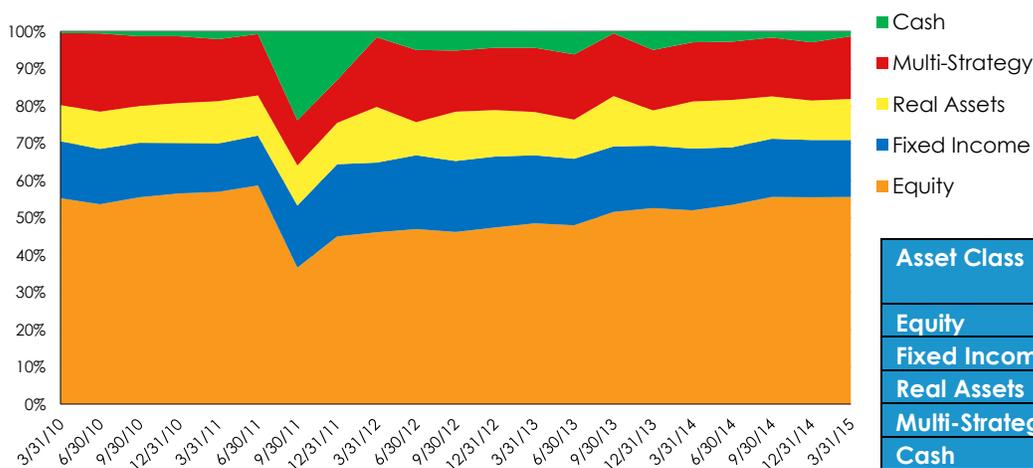


Asset Allocation

Five Year Historical Asset Allocation



Asset Class	Actual	Target	Over/Under Target
Equity	55.6%	55.0%	+0.6%
Fixed Income	15.3%	15.0%	+0.3%
Real Assets	11.0%	10.0%	+1.0%
Multi-Strategy	16.8%	20.0%	-3.2%
Cash	1.3%	0.0%	+1.3%

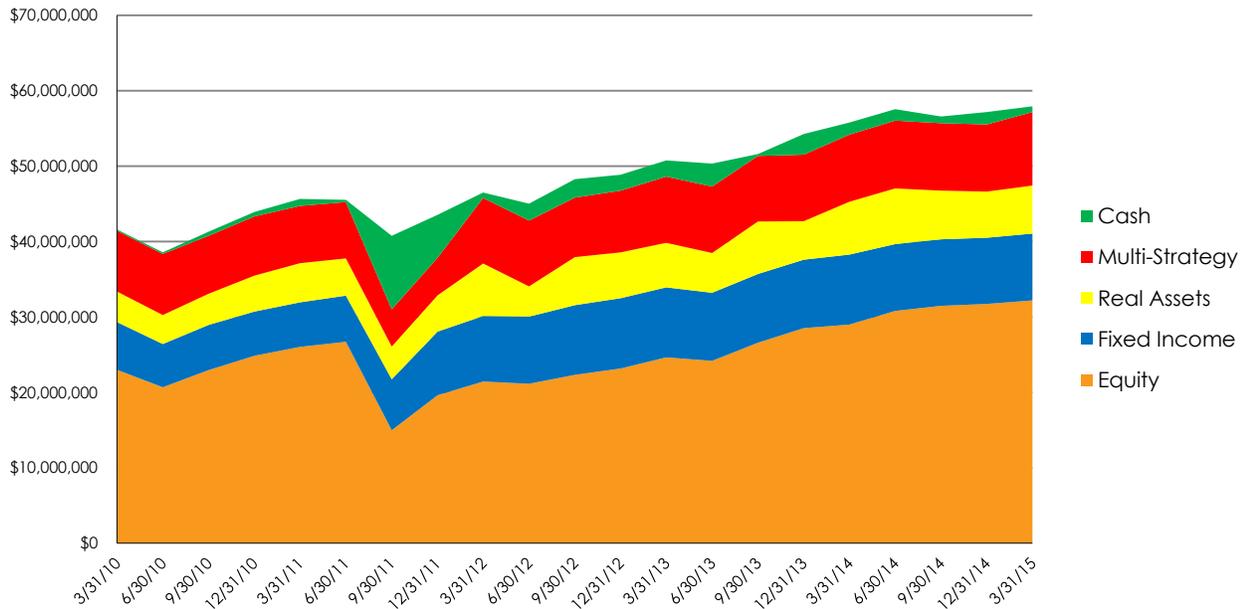
Investment Objective

The objective of the total return investment management program is to produce growth and income sufficient to support both donor goals and the objectives of the Foundation. The long-term objective of total return (the sum of earned interest and dividends and realized and unrealized gains or losses less all investment management costs) shall be CPI plus the current spending rate plus the Foundation’s average administration fees of 1.2%. Significant emphasis shall be placed upon the preservation and enhancement of the purchasing power of the principal amount of assets in the investment account.

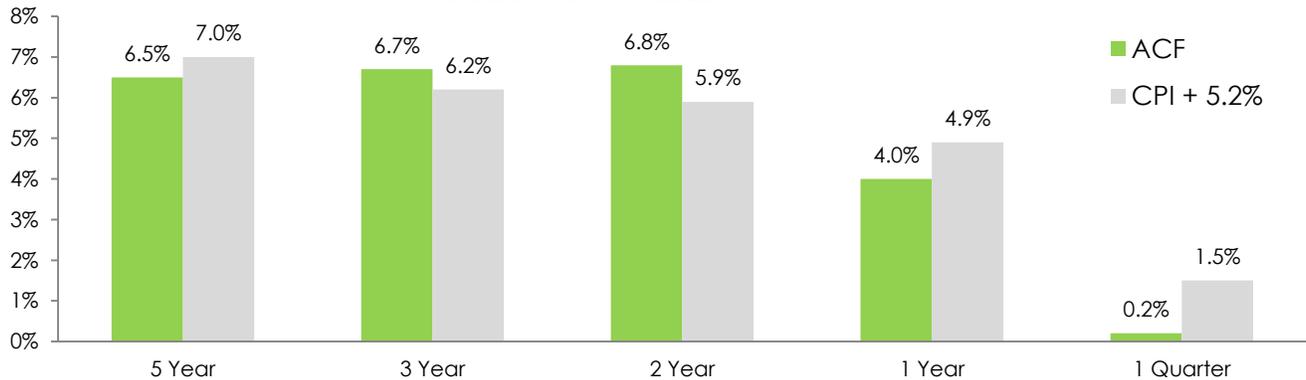
Market Commentary

- Global macroeconomic factors remained a key determinant of asset performance in the first quarter of 2015. Increased accommodation provided by developed market central banks contributed to lower yields, a stronger U.S. dollar, and an upswing in global equities. Lower oil prices provided an economic stimulus for oil importing economies, and may aid economic and earnings growth in 2015. These evolving macroeconomic conditions resulted in asymmetric performance in equity markets. Sector performance was driven by relative exposures to underlying macro currents. Active equity management generally outpaced passive strategies during the quarter, a change from 2014. A strengthening dollar during the first quarter continued to apply pressure to commodity performance.
- The U.S. Treasury yield curve continued to flatten in the first quarter. Low inflation and demand for U.S. assets resulted in strong returns for long duration assets. Inflation expectations have been falling across most developed markets; falling oil prices have provided a buffer to some emerging market central banks, allowing them to cut policy rates. The High Yield sector has experienced strong inflows year-to-date, while loan flows have remained tepid.
- Hedge fund strategies benefited from strong M&A activity and opportunities amid global market volatility. Funds protected capital in January while posting gains in February and March. Private capital valuations have risen across all stages of fundraising, but especially for B-rounds and later-stage financings. Venture-backed companies are remaining private longer, which is one reason for the higher financing needs.

Five Year Historical Market Value (millions)



Total Fund Performance¹



Consultants Comments

- The ACF portfolio finished the quarter up +0.2%, matching its Policy Index. Since inception, ACF (+5.0%) has outpaced its Policy Index (+4.2%) by +80 basis points. Manager selection and diversification within each asset class contributed to ACF's outperformance relative to its Policy Index during the quarter.
- The ACF portfolio continues to be rebalanced regularly, in line with its policy targets.
- Slocum is comfortable with the current investment strategy and is not recommending any changes at this time.
- ACF is transitioning the multi-strategy portfolio in order to improve risk-adjusted returns and reduce fees.

¹ Performance and Market Values were calculated on June 3rd, 2015.

Manager	Category	March 31, 2015 ¹	Target
Total Portfolio		\$57,933,724	100%
Equity		\$32,217,314	55.6%
Global Equity		\$15,815,130	27.3%
Dodge & Cox	Global Value	\$8,407,804	14.5%
Walter Scott	Global Equity	\$7,407,326	12.8%
Large Cap Equity		\$3,183,948	5.5%
Vanguard Dividend Appreciation	U.S. Large Cap Dividend	\$3,183,948	5.5%
Small/SMID Equity		\$3,135,277	5.4%
DFA US Small Cap (DFSTX)	Small/SMID	\$3,135,277	5.4%
Emerging Markets Equity		\$1,427,526	2.5%
Eaton Vance - Parametric	Structured Emerging Markets	\$1,427,526	2.5%
Long/Short Equity		\$2,788,970	4.8%
Titan Global Equity Fund, LP	Long/Short	\$2,765,088	4.8%
Common Sense	Long/Short	\$23,882	0.0%
Private Equity		\$5,866,463	10.1%
Private Equity	Private Equity	\$5,866,463	10.1%
Fixed Income		\$8,835,355	15.3%
Goldman Sachs Strategic Income Fund (GSZIX)	Opportunistic Fixed Income	\$2,158,860	3.7%
Templeton Global Bond Plus (TGBAX)	Core Plus Fixed Income	\$2,366,453	4.1%
Janus	Core Fixed Income	\$2,736,959	4.7%
PIMCO BRAVO II Fund	Global All Cap Special Situations Private Equity	\$1,573,084	2.7%
Real Asset		\$6,371,635	11.0%
Blackstone Resources Select Offshore Fund Ltd CI B	Real Asset	\$1,993,234	3.4%
Atlantic Trust MLP Fund LLC	Other Real Asset	\$2,083,585	3.6%
Quantum Energy Partners VI, LP	Private Equity	-\$4,455	0.0%
Bridge Investment Group	Real Asset/Real Estate	\$2,299,271	4.0%
Multi-Strategy		\$9,747,795	16.8%
BlackRock Tempus Fund Ltd	Multi-Strategy	\$2,639,466	4.6%
Magnitude International Class A	Multi-Strategy	\$3,307,877	5.7%
PIMCO All Asset Fund - Institutional (PAAIX)	Asset Allocation	--	0.0%
Silver Creek Low Vol Strategies II, Ltd	Multi-Strategy	\$688,127	1.2%
Pentwater	Equity Hedge Funds	\$1,112,325	1.9%
Hudson Bay	Multi-Strategy Hedge Funds	\$1,000,000	1.7%
River Birch	Fixed Income Hedge Funds	\$1,000,000	1.7%
Cash		\$761,624	1.3%
Cash	Cash	\$761,624	1.3%

*The totals above may not sum to 100.0% due to rounding.

¹ Performance and Market Values were calculated on June 3rd, 2015.

Asset Class Definitions

- **Equities** can include but is not limited to strategies such as global equities, domestic equities, international equities, and emerging markets equities. It can include structures such as separate accounts, mutual funds and commingled funds for long-only equities, and limited partnerships and mutual funds for long/short equities and private equity.
- **Fixed Income** can include but is not limited to strategies such as global bonds, domestic fixed income securities, international, and emerging markets fixed income. It can include structures such as separate accounts, mutual funds and commingled funds for long-only fixed income, and limited partnerships and mutual funds for long/short fixed income and opportunistic structures. Securities can include, but are not limited to, Treasuries, U.S. government Agency securities, Asset backed securities and other Sovereign bonds, as well as Corporate bonds and other non-agency securities.
- **Real Assets** refers to any investment or investment strategy that is composed of real property, buildings and developments, timber, or commodities (through both public mutual or commingled funds and private partnership structures). The goal of the Albuquerque Community Foundation's investment in real assets is to hedge against unexpected inflation, decrease overall portfolio volatility, and achieve diversification benefits, thereby increasing the overall total portfolio's return.
- **Multi-Strategy Investments** can include Absolute Return Strategies (ARS), and Private Equity. ARS typically include a diversified mix of non-traditional investment strategies that have a goal of lowering the investment program's overall risk (volatility of returns). Absolute Return Strategies refer to investments or investment strategy that at their core are not long-only portfolios of traditional equity or fixed income instruments. These strategies seek to generate the highest possible absolute return within diversified asset classes without the limitations imposed when managing versus a specific benchmark. ARS seek to generate a positive return regardless of the positive or negative performance of the market environment.
- **Cash** can include cash investments, money market securities, and short-term Treasuries.