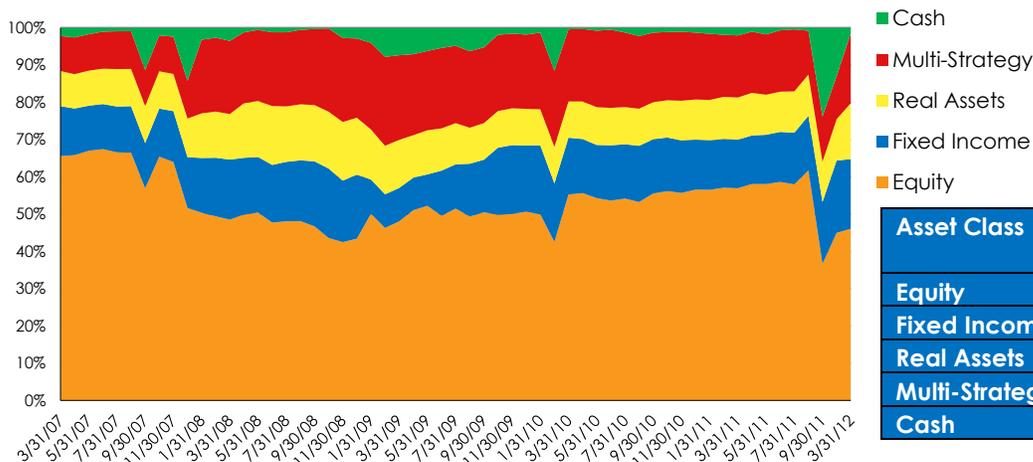


Asset Allocation

Five Year Historical Asset Allocation



Asset Class	Actual	Target	Over/Under Target
Equity	46.1%	45%	+1.1%
Fixed Income	18.7%	20%	-1.3%
Real Assets	15.0%	15%	0.0%
Multi-Strategy	18.7%	20%	-1.3%
Cash	1.5%	0%	+1.5%

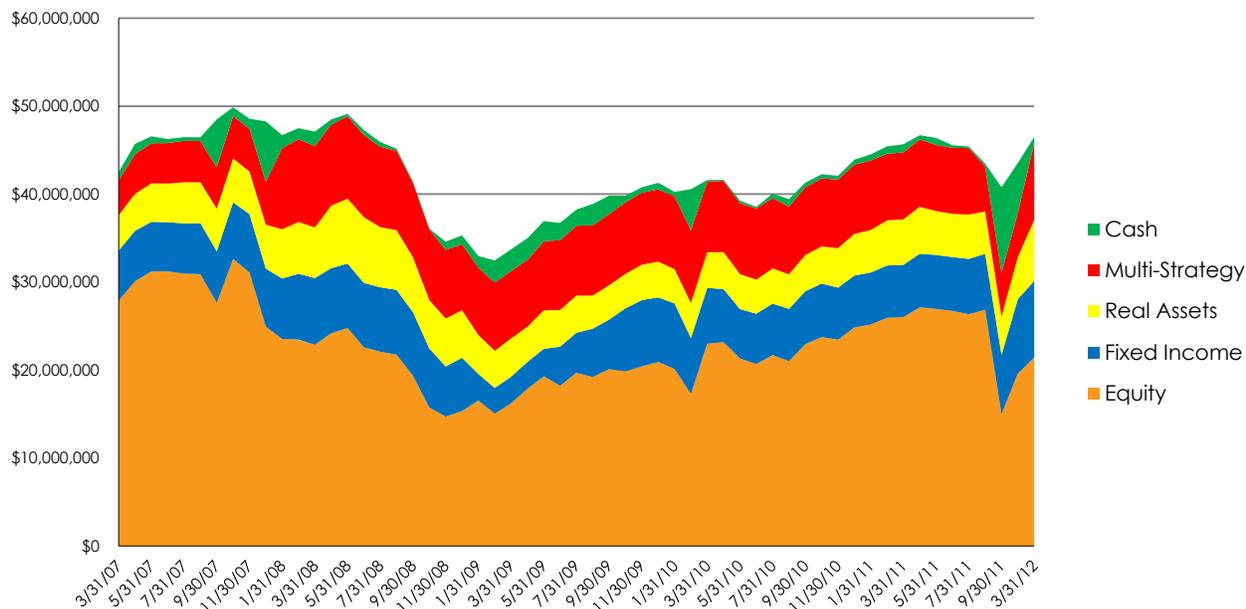
Investment Objective

The objective of the total return investment management program is to produce growth and income sufficient to support both donor goals and Foundation objectives. 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 of 4.5% 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.

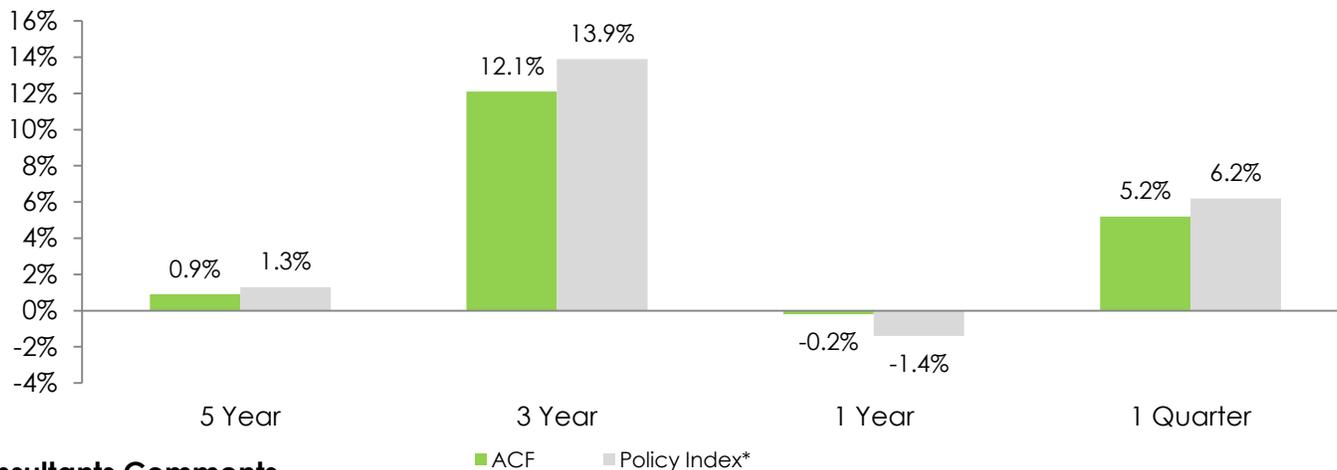
Consultants Comments

- During the first quarter, the Foundation eliminated the iShares S&P North American Natural Resources ETF and funded Blackstone Resources Select, a long-biased commodities manager, increasing its allocation to Real Assets. The Foundation also funded two multi-strategy managers, Magnitude, a long/short fund of funds, and BlackRock Tempus, an opportunistic fund of funds.
- With the new managers that were added during the quarter, the Foundation has funded all the managers approved in late 2011. As redemptions are received from Corbin and Silver Creek, the proceeds will be allocated to Magnitude and BlackRock.
- In early April, the Foundation received notice that Guggenheim intends to fulfill all remaining redemption requests. Approximately 90% of the funds were wired in mid-April. The proceeds will be used to increase the allocation to Blackstone Resources Select. The remaining 10% is expected in mid-May, after the March 31 net asset value is finalized.
- In February, the Foundation has also submitted a redemption request to Corbin. Corbin has limited liquidity and the Foundation will receive redemptions on a quarterly basis throughout 2012. As proceeds are received, funds will be used to increase the portfolio's allocation to multi-strategy managers Magnitude and BlackRock.

Five Year Historical Market Value (millions)



Total Fund Performance



Consultants Comments

The Albuquerque Community Foundation's total portfolio returned +5.2%, net of fees, during the quarter ended March 31st. The quarter picked up right where the last quarter of 2011 left off, as optimism reigned supreme in global financial markets. The Eurozone region remained a key focal point for global markets, with the European Central Bank's ("ECB") Long Term Refinancing Operation seeming to convince the markets that the ECB will support European banks for the next few years. Market sentiment also continued to improve with progress towards a completion of Greece's debt restructuring, removing fears of contagion risks. Though tensions eased during the quarter, leading to a partial recovery of many global market indices, there are still long-term questions that remain unresolved. In terms of the domestic economy, the U.S. continues to see better than expected, although still muted, GDP growth; employment appears to be stable-to-improving; and the Federal Reserve has stated it will hold short term rates near zero until at least 2014. Volatility, which overshadowed the markets for most of calendar year 2011, took a back seat to fundamentals during the quarter. Although the start of the year has been impressive, one should not forget that 2011 started off in a similar fashion.

* The policy index can be thought of as the expected return if the Foundation invested only in passive indices, weighted according to the approved target weights for each asset class, without fees.

LIQUIDITY	MANAGER	MARKET VALUE	% OF PORTFOLIO
Daily	Dodge & Cox Global Value (DODWX)	\$4,800,301	10.3%
Daily	IronBridge (IBSMX)	\$3,546,371	7.6%
Daily	Vanguard Dividend Appreciation (VDAIX)	\$1,453,214	3.1%
Daily	Eaton Vance Structured Emerging Markets (EIMX)	\$1,422,486	3.1%
Daily	Dreyfus Global (DGLRX)	\$4,437,073	9.5%
Annually ¹	Common Sense	\$2,365,618	5.1%
Illiquid	Private Equity	\$3,394,735	7.3%
	Total Equity Focused	\$21,419,798	46.1%
	Fixed Income		
Daily	PIMCO Unconstrained (PFIUX)	\$2,145,496	4.6%
Monthly w/ 10 day notice	Colchester Global Bond	\$2,084,481	4.5%
Daily	Janus (JFLEX)	\$2,970,541	6.4%
Daily	T. Rowe Price Emerging Markets (PREMX)	\$1,497,966	3.2%
	Total Fixed Income Focused	\$8,698,484	18.7%
	Real Asset		
Monthly w/ 35 day notice	Blackstone Resources Select	\$4,391,079	9.4%
Quarterly	Guggenheim	\$2,576,784	5.6%
	Total Real Asset Focused	\$6,967,863	15.0%
	Multi-Strategy		
Quarterly w/ 65 days notice	Magnitude International	\$1,865,213	4.0%
Semi-annual w/ 120 prior notice	BlackRock Tempus	\$1,865,213	4.0%
Quarterly w/ 100 day notice	Corbin Pinehurst	\$3,656,161	7.9%
Liquidating	Silver Creek Low Vol II Ltd	\$1,323,798	2.8%
	Total Multi-Strategy	\$8,710,385	18.7%
	Cash		
Daily	Cash	\$707,737	1.5%
	Total Foundation	\$46,504,267	100.0%

¹ Common Sense recently improved the Fund's liquidity terms, allowing 25% partial redemptions on a quarterly basis with a 100 days' notice, with 100% liquidity available at calendar year-end.

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.