



Foundation Funds

Quarterly Performance Summary

September 30, 2019

Capital Markets Overview

U.S. Equity Market

US equities were a mixed bag in the third quarter with the S&P 500 Index gaining 1.7% and the small-cap Russell 2000 Index losing 2.4%. There was a sharp reversal of growth and value strategies across the capital spectrum in the final month of the quarter with value outperforming growth by 3.6% and 5.9% across large and small cap, respectively. The reversal fueled losses in technology and healthcare of 1.5% and 2.5%, respectively, and potentially sets the stage for outperformance in financial services, utilities and consumer staples.

International Equity Markets

International stocks were increasingly volatile for the three months ended September 30 amid concerns around the global fallout from the ongoing trade war between the United States and China. The MSCI EAFE posted a modest loss of 1.1% as gains from defensive sectors, such as utilities and consumer staples, offset losses from cyclical sectors such as energy and materials. Japanese equities recorded gains of 3.1%, while European stocks were 1.8% in the red; emerging market equities and China were harder hit, losing 4.2% and 4.7%, respectively.

Fixed Income Markets

In the late stage of the US economic cycle, investors are favoring higher-quality credit and safe-haven fixed-income assets. Long-only high yield and leveraged-loan funds continued to see net outflows, while investment-grade funds witnessed net inflows in the third quarter. US bond markets were in the black for the quarter with the Bloomberg Barclays Aggregate posting a gain of 2.3%, the Bank of America High Yield BB-B up 1.7%, and Credit Suisse Leveraged Loan Index gaining 0.9%. Issuance so far this year in the high-yield market has surpassed that of 2018, with nearly 50% of new issuance in BB-B rated bonds.

Performance Overview

Foundation Standard Funds							
	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
Standard-Equity	0.19%	16.90%	1.42%	9.44%	7.26%	6.49%	Jan-97
<i>Standard-Equity Policy</i>	<i>0.00%</i>	<i>16.13%</i>	<i>1.00%</i>	<i>9.60%</i>	<i>6.99%</i>	<i>7.18%</i>	<i>Jan-97</i>
Standard-Fixed Income	1.93%	8.53%	8.62%	3.44%	3.77%	4.62%	Jan-97
<i>Standard-Fixed Income Policy</i>	<i>1.94%</i>	<i>8.55%</i>	<i>8.85%</i>	<i>3.26%</i>	<i>3.59%</i>	<i>5.47%</i>	<i>Jan-97</i>
Standard-Conservative Balanced	1.50%	10.53%	6.92%	5.04%	4.71%	5.55%	Dec-01
<i>Standard-Conservative Balanced Policy</i>	<i>1.48%</i>	<i>10.56%</i>	<i>7.12%</i>	<i>4.94%</i>	<i>4.56%</i>	<i>5.62%</i>	<i>Dec-01</i>
Standard-Moderate Balanced	1.05%	12.52%	5.02%	6.48%	5.64%	5.97%	Jan-97
<i>Standard-Moderate Balanced Policy</i>	<i>1.00%</i>	<i>12.50%</i>	<i>5.22%</i>	<i>6.56%</i>	<i>5.45%</i>	<i>6.70%</i>	<i>Jan-97</i>
Standard-Aggressive Balanced	0.60%	14.54%	3.17%	7.95%	6.52%	6.28%	Dec-01
<i>Standard-Aggressive Balanced Policy</i>	<i>0.51%</i>	<i>14.36%</i>	<i>3.19%</i>	<i>8.11%</i>	<i>6.27%</i>	<i>6.56%</i>	<i>Dec-01</i>
Foundation Preference Funds							
	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
Domestic Equity Fund	1.72%	20.91%	3.40%	12.40%	10.58%	6.55%	Nov-99
Domestic Equity Index	1.57%	20.55%	3.50%	12.29%	10.19%	6.40%	Nov-99
International Equity Fund	-1.68%	12.69%	-0.43%	6.04%	3.15%	4.36%	Nov-99
Int'l Equity Fund Index	-1.92%	10.90%	-2.10%	6.20%	2.90%	4.05%	Nov-99
Core Bond Fund	2.23%	8.75%	9.92%	3.14%	3.65%	4.92%	Nov-99
Core Bond Fund Index	2.08%	8.33%	9.66%	2.74%	3.27%	4.91%	Nov-99
High Yield Bond Fund	0.93%	8.42%	4.29%	4.85%	4.41%	6.64%	Nov-99
High Yield Bond Fund Index	1.31%	9.30%	5.52%	5.29%	4.66%	6.86%	Nov-99
Money Market Fund	0.43%	1.35%	1.77%	1.16%	0.79%	1.69%	Nov-99
Citi 3mth Treasury Bill	0.57%	1.79%	2.36%	1.52%	0.96%	1.72%	Nov-99
Market Returns							
	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Return	Since
<i>S&P 500</i>	<i>1.70%</i>	<i>20.55%</i>	<i>4.25%</i>	<i>13.39%</i>	<i>10.84%</i>	<i>6.03%</i>	<i>Nov-99</i>
<i>Russell 1000</i>	<i>1.42%</i>	<i>20.53%</i>	<i>3.87%</i>	<i>13.19%</i>	<i>10.62%</i>	<i>6.31%</i>	<i>Nov-99</i>
<i>Russell 2000</i>	<i>-2.40%</i>	<i>14.18%</i>	<i>-8.89%</i>	<i>8.23%</i>	<i>8.19%</i>	<i>8.00%</i>	<i>Nov-99</i>
<i>MSCI ACWI ex USA</i>	<i>-1.80%</i>	<i>11.56%</i>	<i>-1.23%</i>	<i>6.33%</i>	<i>2.90%</i>	<i>4.08%</i>	<i>Nov-99</i>
<i>MSCI EAFE</i>	<i>-1.07%</i>	<i>12.80%</i>	<i>-1.34%</i>	<i>6.48%</i>	<i>3.27%</i>	<i>3.55%</i>	<i>Nov-99</i>
<i>MSCI Emerging Markets</i>	<i>-4.25%</i>	<i>5.90%</i>	<i>-2.02%</i>	<i>5.97%</i>	<i>2.33%</i>	<i>7.24%</i>	<i>Nov-99</i>
<i>Barclays Aggregate</i>	<i>2.27%</i>	<i>8.52%</i>	<i>10.30%</i>	<i>2.92%</i>	<i>3.38%</i>	<i>5.02%</i>	<i>Nov-99</i>
<i>BofA Merrill Lynch US High Yield BB-B Rated</i>	<i>1.71%</i>	<i>12.25%</i>	<i>7.95%</i>	<i>6.02%</i>	<i>5.50%</i>	<i>6.65%</i>	<i>Nov-99</i>
<i>Credit Suisse Lev. Loans</i>	<i>0.92%</i>	<i>6.39%</i>	<i>3.11%</i>	<i>4.68%</i>	<i>4.11%</i>	<i>4.75%</i>	<i>Nov-99</i>

Data as of September 30, 2019

Domestic Equity Fund Summary

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Domestic Equity Fund	1.72%	12.40%	10.58%	6.55%
Domestic Equity Index	1.57%	12.29%	10.19%	6.40%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
BlackRock Russell 1000	Large Cap Core	50.2%	1.4%	1.4%
Jacobs Levy	Large Cap Core	14.6%	1.8%	1.4%
Rhumblin	Large Cap Equal Weighted	15.2%	0.8%	0.8%
Peregrine	Small Cap Growth	4.8%	-4.4%	-4.2%
Wellington	Small Cap Value	4.5%	1.4%	-0.6%
CenterSquare	REIT	10.7%	8.0%	7.8%
Cash	n/a	0.1%		

Characteristics	Russell 3000	
	Portfolio	Russell 3000
Number of Holdings	1,270	2,988
Weighted Avg. Market Cap. (\$B)	139.30	195.28
Median Market Cap. (\$B)	10.45	1.58
Price To Earnings	20.83	20.51
Price To Book	3.13	3.48
Price To Sales	1.73	1.90
Return on Equity (%)	21.62	21.35
Yield (%)	1.93	1.88
Beta	1.00	1.00
R-Squared	0.99	1.00

Top Ten Holdings	
MICROSOFT	2.7%
APPLE	2.1%
AMAZON.COM	1.9%
ALPHABET 'C'	1.3%
FACEBOOK CLASS A	0.8%
PROLOGIS REIT	0.8%
BERKSHIRE HATHAWAY 'B'	0.8%
MASTERCARD	0.8%
COCA COLA	0.7%
JP MORGAN CHASE & CO.	0.7%

Characteristics	Russell 3000	
	Portfolio	Russell 3000
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.01	4.33
Materials	3.50	2.90
Industrials	10.52	10.17
Consumer Discretionary	9.31	10.44
Consumer Staples	6.17	6.57
Health Care	11.74	13.53
Financials	11.50	13.57
Information Technology	18.32	21.46
Communication Services	6.86	9.47
Utilities	3.10	3.36
Real Estate	14.43	4.20

*The current Domestic Equity custom benchmark is 65% Russell 1000/15% S&P Equal Weighted/10% Russell 2000/10% NAREIT Equity Index

International Equity Fund Summary

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
International Equity Fund	-1.68%	6.04%	3.15%	4.36%
Int'l Equity Fund Index	-1.92%	6.20%	2.90%	4.05%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
BlackRock	MSCI World ex US	34.2%	-1.0%	-0.9%
MFS	EAFE	14.2%	-0.2%	-1.1%
Marathon	EAFE	13.7%	-1.0%	-1.1%
AQR International	EAFE Small Cap	8.3%	-1.4%	-0.4%
Aberdeen	Emerging Markets	14.6%	-3.9%	-4.2%
OFI International	Emerging Markets	14.8%	-3.3%	-4.2%
Cash	n/a	0.1%		

Characteristics	MSCI	
	Portfolio	ACWI ex USA
Number of Holdings	1,876	2,206
Weighted Avg. Market Cap. (\$B)	45.81	64.02
Median Market Cap. (\$B)	6.43	7.29
Price To Earnings	16.87	14.97
Price To Book	2.55	2.31
Price To Sales	1.25	1.17
Return on Equity (%)	16.04	15.03
Yield (%)	2.69	3.26
Beta	0.97	1.00
R-Squared	0.99	1.00

Top Ten Holdings	
CASH - USD	2.2%
NESTLE 'R'	1.2%
TAIWAN SEMICON.MNFG.	1.1%
ROCHE HOLDING	1.1%
AIA GROUP	0.9%
TENCENT HOLDINGS	0.9%
SAMSUNG ELTN.PREF.	0.9%
HOUSING DEVELOPMENT FINANCE CORPORATION	0.6%
NOVO NORDISK 'B'	0.6%
PING AN INSURANCE (GROUP) OF CHINA 'H'	0.6%

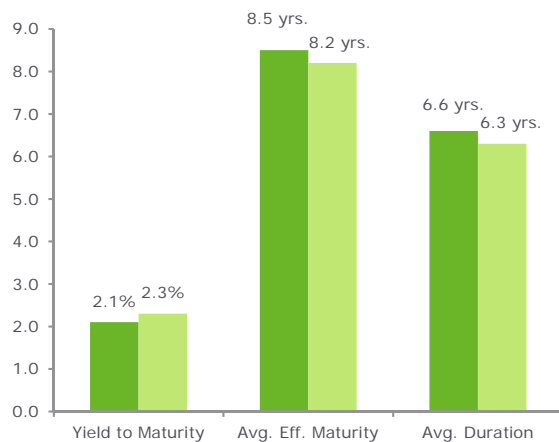
Characteristics	MSCI	
	Portfolio	ACWI ex USA
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.06	6.78
Materials	6.11	7.45
Industrials	14.61	11.97
Consumer Discretionary	12.93	11.39
Consumer Staples	9.57	9.95
Health Care	8.85	8.36
Financials	18.10	21.78
Information Technology	11.13	8.79
Communication Services	6.17	6.89
Utilities	1.97	3.46
Real Estate	3.72	3.16

* The current International Equity custom benchmark is 33% MSCI World ex US/27% MSCI EAFE/10% MSCI EAFE Small Cap/30% MSCI EM

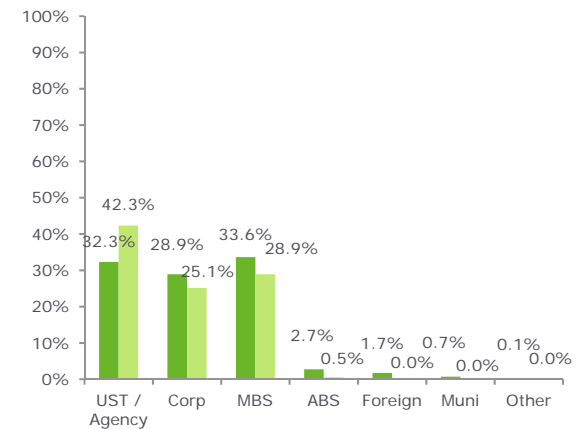
Core Bond Fund Summary

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Core Bond Fund	2.23%	3.14%	3.65%	4.92%
Core Bond Fund Index	2.08%	2.74%	3.27%	4.91%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
JP Morgan Core	Core Bond	40.1%	2.5%	2.3%
Prudential Core	Core Bond	40.0%	2.5%	2.3%
BlackRock TIPS	TIPS	19.8%	1.4%	1.3%
Cash	n/a	0.1%		



Top Holdings	
FNMA ACTUAL/360 BALLOON DUS	3.52%
FNMA CONV 30 YR SF	2.63%
UST 0.375 07/15/27 When Iss	1.07%
UST 0.125 01/15/23	1.00%
UST 0.375 07/15/23	0.93%
GNMA2 SINGLE FAMILY 30 YR MULTIPLE	0.90%
UNITED STATES TREASURY	0.86%
UNITED STATES TREASURY	0.85%
UST 0.375 01/15/27 When Iss	0.82%
UNITED STATES TREASURY	0.81%



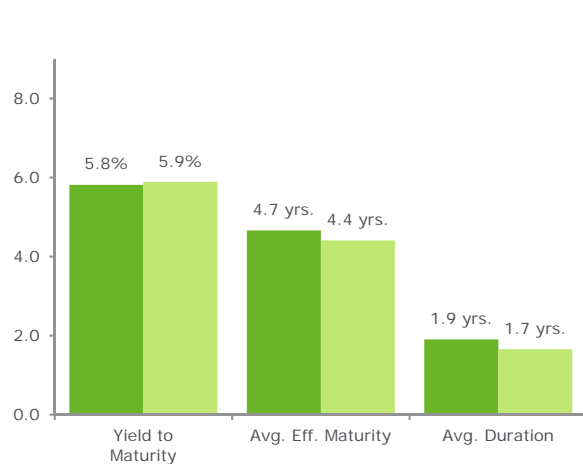
■ Core Bond Fund ■ Barclays Aggregate

* The current Core Bond custom benchmark is 80% Barclays Aggregate/20% US TIPS

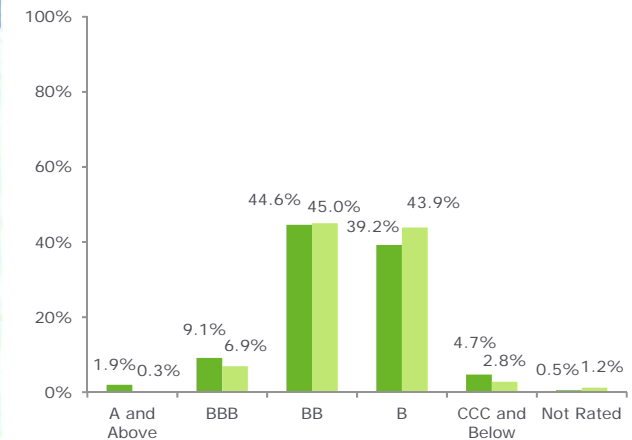
High Yield Bond Fund Summary

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
High Yield Bond Fund	0.93%	4.85%	4.41%	6.64%
High Yield Bond Fund Index	1.31%	5.29%	4.66%	6.86%

Fund Composition				
Manager	Investment Style	Position in Fund	3Q Manager Return	3Q Benchmark Return
Credit Suisse	Leveraged Loan	49.8%	0.7%	0.9%
Loomis Sayles	High Yield Bond	50.1%	1.2%	1.7%
Cash	n/a	0.1%		



Top Holdings		
ENEI	8.750 09/24/73	1.93%
ALLY FINANCIAL INC		1.57%
ZIGGO	5.500 01/15/27 '22	1.57%
UBER	7.500 09/15/27 '22	1.43%
GGP	5.750 05/15/26	1.40%
HESS INFRASTRUCTURE PART	0226 5.625	1.40%
LBTYA	5.500 05/15/29	1.31%
TDG	6.250 03/15/26	1.27%
VRX	9.250 04/01/26	1.26%
RCKHD	5.750 05/01/25 '20	1.20%



■ High Yield Fund ■ High Yield Custom Benchmark

* The current High Yield custom benchmark is 50% Bloomberg Barclays US High Yield/50% CS Leveraged Loan

Standard Funds Summary

Equity Standard Fund

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Equity	0.19%	9.44%	7.26%	6.49%
Standard-Equity Policy	0.00%	9.60%	6.99%	7.18%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	54.93%	55.0%
International Pref. Fund	43.90%	45.0%
Cash	1.17%	0.0%

Fixed Income Standard Fund

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Fixed Income	1.93%	3.44%	3.77%	4.62%
Standard-Fixed Income Policy	1.94%	3.26%	3.59%	5.47%

Composition		
	Actual	Target
Core Bond Pref. Fund	79.55%	80.0%
High Yield Bond Pref. Fund	19.51%	20.0%
Cash	0.93%	0.0%

Conservative Balanced Standard Fund

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Conservative Balanced	1.50%	5.04%	4.71%	5.55%
Standard-Conservative Balanced Policy	1.48%	4.94%	4.56%	5.62%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	13.63%	13.8%
International Pref. Fund	10.93%	11.2%
Core Bond Pref. Fund	60.13%	60.0%
High Yield Bond Pref. Fund	14.74%	15.0%
Cash	0.56%	0.0%

Standard Funds Summary (continued)

Moderate Balanced Standard Fund

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Moderate Balanced	1.05%	6.48%	5.64%	5.97%
Standard-Moderate Balanced Policy	1.00%	6.56%	5.45%	6.70%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	27.32%	27.5%
International Pref. Fund	21.73%	22.5%
Core Bond Pref. Fund	40.02%	40.0%
High Yield Bond Pref. Fund	9.82%	10.0%
Cash	1.11%	0.0%

Aggressive Balanced Standard Fund

Performance Summary				
	3Q	3 Yr	5 Yr	Since Inception
Standard-Aggressive Balanced	0.60%	7.95%	6.52%	6.28%
Standard-Aggressive Balanced Policy	0.51%	8.11%	6.27%	6.56%

Composition		
	Actual	Target
Domestic Equity Pref. Fund	41.32%	41.3%
International Pref. Fund	32.79%	33.7%
Core Bond Pref. Fund	19.75%	20.0%
High Yield Bond Pref. Fund	4.77%	5.0%
Cash	1.36%	0.0%

Notes

Domestic Equity Fund Benchmark: Since Inception through 12/31/2015: Wilshire 5000; 1/1/2016 to 1/31/2017: 90% Russell 1000/10% Russell 2000; 2/28/2017 to 2/28/2019: 65% Russell 1000/20% S&P 500 Equal Weighted/10% Russell 2000/5% NAREIT Equity; 3/1/2019 to present: 65% Russell 1000/15% S&P 500 Equal Weighted/10% Russell 2000/10% NAREIT Equity

International Equity Fund Benchmark: Since Inception through 12/31/2011: 75% MSCI ACWI ex-U.S. Index/25% MSCI EAFE Index; 1/1/2012 to 6/30/2016: 100% MSCI ACWI ex-U.S. Index; 7/1/2016 to 6/30/2018: 27% MSCI ACWI ex-U.S. Index/6% MSCI Canada IMI/32% MSCI EAFE/10% MSCI EAFE Small Cap/25% MSCI EM; 7/1/2018 to 2/28/2019: 33% MSCI ACWI x US net/ 32% MSCI EAFE/10% MSCI EAFE Small Cap/25% MSCI Emerging Markets; 3/1/2019 to present: 33% MSCI ACWI x US net/ 27% MSCI EAFE/10% MSCI EAFE Small Cap/30% MSCI Emerging Markets

Core Fixed Income Fund Benchmark: Since Inception through 12/31/2007: 75% Barclays U.S. Aggregate Intermediate Index/25% Barclays U.S. Aggregate Index; 1/1/2008 to 10/30/2016: 100% Barclays U.S. Aggregate Index; 11/1/2016 to 2/28/2017: 95% Barclays U.S. Aggregate Index/5% Barclays U.S. TIPS; 3/1/2017 to 4/30/2017: 90% BBgBarc U.S. Aggregate/10% BBgBarc U.S. TIPS; 5/1/2017 to 5/31/2017: 85% BBgBarc U.S. Aggregate/15% BBgBarc U.S. TIPS; 6/1/2017 to present: 80% BBgBarc U.S. Aggregate/20% BBgBarc U.S. TIPS.

High Yield Bond Fund Benchmark: Since Inception through 3/31/2015: Citi High Yield Cash Pay Capped Index; 4/1/2015 to 6/30/2016: 75% BofA ML US HY BB-B Constrained/25% Credit Suisse Leveraged Loans; 7/1/2016 to 6/30/2018: 66% BofA ML US HY BB-B Constrained/34% Credit Suisse Leveraged Loans; 7/1/2018 to present: 50% BofA ML US HY BB-B Constrained/50% Credit Suisse Leveraged Loans