StanCERA

Monthly Investment Performance Summary

Provided by
Strategic Investment Solutions Inc.

November 2008

Investment Results Compiled by StanCERA Staff
Market Commentary by Strategic Investment Solutions, Inc.

U.S. EQUITY

November saw an acceleration of the financial crisis and more evidence that the U.S. economy is in a recession.

The following headlines summarize events during the month of November related to the financial crisis:

Middle Eastern investors will pump up to $11.8 billion into Barclays; Citigroup lost $1.4 billion in the 3rd quarter; Innovest StrategicValue Advisors expects banks to charge off $18 billion in delinquent credit-card accounts in the 1st quarter and $96 billion in all of 2009; As many as 1,800 publicly traded financial institutions could seek assistance from the government under the Treasury Dept.'s $700 billion rescue plan; GMAC Financial Services posted a 3rd quarter net loss of $2.5 billion; Ambac Financial's 3rd quarter loss widened to $2.4 billion; Goldman Sachs will cut about 3,200 employees, or 10% of its workforce; Citigroup plans to cut 52,000 jobs, leaving the 2nd largest U.S. bank with about 300,000 employees worldwide; Fidelity Investments will lay off 1,300 staff; The Federal Reserve hiked its support for insurer AIG to about $150 billion after an initial bailout attempt failed to stem massive losses; Fannie Mae reported a record $29 billion quarterly loss; Citigroup is launching a program to help mortgage borrowers stay in their homes that may result in $20 billion of mortgage refinancings; Morgan Stanley plans to fire 10% of its institutional securities staff and 9% of its asset management group; American Express is seeking about $3.5 billon of government aid; U.S. Treasury Secretary Henry Paulson plans to use the 2nd half of the $700 billion rescue program to help relieve pressures on consumer credit; Goldman Sachs suspended its rating on GM and said the automaker needs at least $22 billion in federal aid to survive a deepening industry downturn; Citic Pacific, the Hong Kong arm of a Chinese government investment company, secured a $1.5 billion bailout from its parent company; The FDIC proposed using $24 billion in government financing to modify mortgage loans and help avoid a projected 1.5 million U.S. home foreclosures; Royal Bank of Scotland will cut around 3,000 jobs worldwide; Citigroup agreed to buy back $17.4 billion of assets remaining in a series of structured investment funds; GMAC filed to become a bank holding company, joining the growing list of lenders making such a move to qualify for U.S. Treasury funds; JPMorgan Chase is shedding about 10 percent of its investment bank staff and will shut down its global proprietary trading desk; The government bailed out Citigroup, agreeing to cover most of the potential losses on $306 billion of high-risk assets and inject $20 billion in new capital; and, the U.S. government unveiled two new programs that will provide $800 billion to try to help unfreeze the market for consumer debt.

The month of November was on pace to repeat the poor performance results of October before a five-day rally at the end of the month (up 19%) helped control the damage. Prior to the last week rally in November, the market was off 22% in the first three weeks of the month and off 40% in the prior 11 weeks. Value slightly outperformed growth and large caps outperformed small caps on a relative basis for the month. The Russell 1000 Growth Index was down -7.9% for the month of November, while the Russell 1000 Value Index was down -7.2%. In the small cap class, the Russell 2000 Growth Index was down -12.1% and the Russell 2000 Value Index was up down -11.6%. The S&P 500 Index ended the month down -7.2% with a trailing 12-month P/E ratio of 18.8 (estimated P/E ratio of 11.5 on forward looking twelve-month operating earnings) and a dividend yield of 3.5%. The ten-year annualized return for the S&P 500 Index to November 30, 2008 is -0.9% vs. +3.3% for 91-day T-Bills.

Third quarter 2008 operating earnings for the S&P 500 declined 21.6% over the third quarter of 2007, marking the fifth consecutive quarter of negative earnings growth. The third quarter earnings preliminarily set at $16.36 per share compared to $20.87 for the third quarter of 2007. "The Energy sector played the role of hero during the third quarter, contributing 40% of the S&P 500's operating earnings – up from 16% a year ago. Without Energy, the third quarter operating earnings for the S&P 500 would have hit an all-time low (-44%)," says Howard Silverblatt, Senior Index Analyst at Standard & Poor's. Non-Financial earnings were up 18% for the third-quarter and the S&P 500 ex-Energy/Financials were down 1%.

Generally, most bear markets in history have corrected over 50% of the gains of the preceding bull market. The halfway level of the Dow rise from the 1982 low of 776 to the 2007 high of 14,164 is 7,470. In addition the Dow low of 2002 was 7,286. The closing low for this bear market occurred on November 20th at 7,552.

Corporate merger activity highlights for the month included: InBev completed its $52 billion acquisition of Anheuser Busch; Ford Motor will end 12 years of control of Mazda through the sale of a 20% stake in the Japanese carmaker for $540 million; King Pharmaceuticals will buy drug developer Alpharma for $1.6 billion; and, BHP Billiton abandoned a $68 billion hostile takeover for rival Rio Tinto blaming the economic downturn. The shortest monthly corporate merger activity on record. Deflationary times discourage buying now when all indicators point to lower prices later. With all the buyout money raised in the past five years, this lack of M&A activity tells us that fear and distrust are still gripping the market place.

FIXED INCOME

The gross domestic product, the broadest measure of the nation's economic activity, declined 0.5% in the 3rd quarter, the biggest drop in 7 years. A survey of Blue Chip Economic Indicators finds that the median forecast for U.S. GDP will fall by 2.8% in the 4th quarter and by 1.5% in the 1st quarter of 2009. Consumer spending that fuels 70% of U.S. economic activity dropped 1.0% in October, the biggest fall since September 2001.

The Labor Department reported that the nation's unemployment rate surged to 6.5% in October, highest in more than 14 years. Goldman Sachs is forecasting that the unemployment rate will soar to 9% by late 2009.

The minutes of the October 29 FOMC meeting revealed that members are convinced that inflation will slow "materially" in coming quarters, and are now focused solely on employing monetary policy to underpin economic growth: "The recent substantial tightening in financial conditions, the sharp downshift in spending here and abroad, and the rapid abatement of upside inflation risks all suggested that a forceful policy response will be appropriate."

Long-term interest rates were lower in November. The bellwether 10-year Treasury note ended the month at 2.96% down from 3.79% at the close of November. At month-end, the 30-year long bond yield was 3.49% and the 3-month T-bill was at 0.01%. The Barclays Capital US Aggregate Index was up by +3.25% in November. Spreads continued to widen as evidenced by the Merrill Lynch High Yield Master II index which was down once again by -8.4% in the month of November. The Barron's Confidence Index hit a new low for the year at 55.3, which tells us that bond investors are continuing to move toward utmost safety as evidenced by the yield of 3-month Treasuries at 0.01% - extreme safety with no return.

Credit-rating company Moody's Investors Service predicts that the default rate among sub-investment grade borrowers will surge to 7.9% in a year, from 2.8% at the end of the second quarter of 2008.

On the economic front, the following key data was released in November:

*The ISM factory index contracted sharply to 38.9 in October, the lowest reading since Sept. 1982

*Daimler's U.S. October vehicle sales fell 24.5%, Ford's dropped 30.2%, Toyota's declined 23% and GM's fell 45%

*The Commerce Dept. reported that new factory orders fell 2.5% to a seasonally adjusted $432 billion in September following a 4.3% plunge in August

*The ISM reported its non-manufacturing index for October came in at 44.4 vs. 50.2 in September and was the lowest level on record

*Job cuts announced in October totaled 112,884, up 19% from September and the highest in 5 years

*The Labor Dept. reported that productivity increased at an annual rate of 1.1%, less than a third of the 2nd quarter's 3.6% rate and down from 2.6% in the 1st quarter

*Thomson Reuters' same store sales index fell 0.7% in October, the weakest reading on record

*U.S. oil demand will drop by 1.1 million barrels per day this year, the first time annual oil consumption has fallen by more than 1 million bpd since 1980

*The U.S. trade gap shrank 4.4% to $56.5 billion in September as the exchange of goods and services with the rest of the world slowed sharply

*More than 279,000 U.S. homeowners received at least one foreclosure notice in October a 25% jump over the same month in 2007

*Retail sales slumped a worst-than-expected 2.8% in October, the largest decline on record

*Prices of imported goods fell 4.7% in October, the biggest drop in two decades

*The Labor Dept. reported that the producer price index fell a record 2.8% in October, its 3rd consecutive monthly reduction after a 0.4% fall in September and a 0.9% retreat in August

*Core producer prices, which exclude food and energy, rose 0.4% in October and were up 4.4% the past 12 months, the steepest increase since 1989

*The median price of a single-family home dropped 2.9% to $200,500 in the 3rd quarter and plummeted by a record 9% year-over-year

*The Labor Dept. reported that the Consumer Price Index plummeted 1% in October, the largest decline on record

*The Semiconductor Industry Association forecast global semiconductor sales will drop 5.6% next year, the first decline since 2001

*Crude oil futures fell below $50 on November 21st for the first time in two years, as gloomy economic news deepened worries that energy demand will fall; oil prices have fallen 66% since July 2008. The national average price of regular unleaded gasoline fell below $2 a gallon

*New claims for unemployment benefits jumped to a 16 year high in November

*The National Association of Realtors reported that sales of existing homes in the U.S. dropped 3.1% in October to a 4.98 million-unit annual rate

*The median home price declined 11.3% from a year ago to $183,300, the lowest since March 2004

*Orders for durable goods dropped by 6.2% in October

The Reuters/University of Michigan Surveys of Consumers said its final index reading of confidence for November fell to 55.3, the lowest reading since 1980.

NON-U.S. MARKETS

Government officials of Japan, the world's 2nd largest economy, announced that the nation is in a recession. The Bank of Japan kept its benchmark interest rate unchanged at 0.30%. GDP fell 0.1% in the third quarter following a downwardly revised 0.9% decline in the second.

The U.S. dollar soared to a 6-year high against the British pound on concern that the Bank of England may make aggressive cuts to a key interest rate to combat a deepening recession.

The minutes of the Bank of England's Monetary Policy Committee meeting on November 6 revealed that the decision to cut administered rates by a whooping 150 basis points was unanimous. With growth prospects slowing and inflation improving the Bank of England is clearly poised to cut rates further.
Eurozone GDP fell 0.2% in the third quarter, following a similar decline in the second quarter. Eurozone manufacturing activity is collapsing. The preliminary estimate of overall eurozone purchasing managers' index (PMI) fell almost 5.0 points in November to a record low 36.2.

China approved a $586 billion stimulus package to boost domestic demand and help the world's 4th largest economy ride out the global credit crisis.

Foreign central banks over the past couple of months have sold $93 billion of U.S. agency securities bringing the amount held down to $891 billion. These sales coincided with a sharp widening in credit spreads between agency debt and Treasuries. The widening in spreads prompted the Fed to announce that it will start purchasing $100 billion of agencies beginning in December.

Non-U.S. markets were lower in the month of November led by emerging markets. The MSCI ACWI Ex-U.S. was down by –5.8% (US dollars) in November. Developed stocks (EAFE) were down -5.4% while Emerging Markets were down by –7.5%.

CONCLUSIONS

The U.S. has elected Barack Obama as its 44th president whose term begins January 20, 2009. President-elect Obama faces multiple challenges as he takes office. The financial crisis continues to unravel and now has added the American Automakers to its list of victims. Financial companies continue to struggle with Citigroup being the latest bank to receive a rescue from the government.

James Paulson, Chief Economist of Wells Capital Management states, "A severe loss of confidence in American leadership and in the central operational machinery and solvency of global financial institutions has frozen economic players and seems likely to produce a significant stall in economic activity. The last few weeks have been a breathtaking reminder of just how dependent capitalism is on confidence!"

Treasury Secretary Paulson after the passage of the $700 billion bailout bill first stated that he would be buying toxic assets from the major banks. This was a tough idea to sell to the American people and eventually Paulson decided to invest directly in bank equity. Paulson first invested in nine large banks, calling them to a meeting and forcing at least some of them to accept the money, but getting nothing in return other than an equity investment. None of these banks has shown any interest in adding to their loan book (again the question of a lack of trust), especially loans to homeowners, and the whole process has been seen by many as a waste of money. These banks are now flooded with money. Eventually the banks will replace some of their newly purchased government paper with loans to the private sector, but that is still a ways away.

So, how bad are the economic fundamentals? Will the recession be short and sharp, or will it be prolonged? Will it take years before the overleveraged financial institutions, institutional market participants and consumers get back to solvency? What will the economy do while these participants are de-leveraging? Is it too volatile and risky to venture into the financial markets now? Or, are parts (i.e. investment grade bonds, Blue-Chip US Companies?) of the financial markets offering investors one of the greatest opportunities in a lifetime? And finally, will all the new money and debt being created eventually weaken the now strengthening U.S. dollar and be quite inflationary?

MARKET UPDATE

For November 2008

US Equity Indices	Style	Month	3 Months	YTD	1 Year	3 Years	5 Years	10 Years
Russell 3000	Broad US Equity	(7.89%)	(31.35%)	(38.48%)	(38.86%)	(9.18%)	(1.45%)	(0.37%)
Russell 200	Large Cap Equity	(6.61%)	(27.73%)	(36.49%)	(36.99%)	(8.13%)	(1.64%)	(1.90%)
Russell 200 Growth	Large Cap Growth	(7.12%)	(29.74%)	(36.79%)	(37.20%)	(8.62%)	(3.08%)	(4.46%)
Russell 200 Value	Large Cap Value	(6.10%)	(25.61%)	(36.20%)	(36.79%)	(7.55%)	(0.40%)	0.38%
S&P 500	Large Cap Equity	(7.18%)	(29.65%)	(37.66%)	(38.09%)	(8.67%)	(1.39%)	(0.93%)
Russell 1000	Large Cap Equity	(7.56%)	(30.97%)	(38.58%)	(38.98%)	(9.10%)	(1.43%)	(0.63%)
Russell 1000 Growth	Large Cap Growth	(7.95%)	(32.94%)	(39.53%)	(39.75%)	(9.75%)	(3.11%)	(3.62%)
Russell 1000 Value	Large Cap Value	(7.17%)	(28.88%)	(37.71%)	(38.32%)	(8.55%)	0.13%	1.56%
Russell Mid Cap	Mid Cap Equity	(10.18%)	(38.81%)	(43.86%)	(44.04%)	(11.62%)	(0.96%)	3.34%
Russell Mid Cap Growth	Mid Cap Growth	(10.24%)	(40.64%)	(46.30%)	(46.15%)	(12.52%)	(2.83%)	0.44%
Russell Mid Cap Value	Mid Cap Value	(10.11%)	(36.85%)	(41.30%)	(41.95%)	(11.11%)	0.22%	4.26%
Russell 2000	Small Cap Equity	(11.83%)	(35.73%)	(37.42%)	(37.46%)	(10.13%)	(1.65%)	3.06%
Russell 2000 Growth	Small Cap Growth	(12.10%)	(38.96%)	(41.70%)	(41.34%)	(10.94%)	(3.29%)	(0.42%)
Russell 2000 Value	Small Cap Value	(11.58%)	(32.56%)	(33.04%)	(33.61%)	(9.54%)	(0.21%)	5.80%
DJW US REIT Index	REITS	(24.55%)	(49.20%)	(48.34%)	(51.09%)	(16.62%)	(2.00%)	5.72%
Non-US Indices								
MSCI ACWI Ex-US	Broad Non-US Equity	(5.78%)	(37.57%)	(48.46%)	(49.21%)	(7.25%)	2.93%	2.05%
MSCI AC World Index	Global Equity	(6.57%)	(34.45%)	(44.22%)	(44.83%)	(8.27%)	0.46%	0.32%
MSCI EAFE	Developed Non-US Equity	(5.36%)	(35.35%)	(46.29%)	(47.50%)	(7.32%)	2.45%	0.98%
MSCI Emerging Mkts.	Emerging Non-US Equity	(7.52%)	(44.56%)	(56.58%)	(56.42%)	(5.19%)	7.90%	8.34%
ML GI Govt Bond Ex-US	Global Bonds	2.91%	(1.01%)	1.69%	1.03%	7.03%	5.30%	5.11%
Euro	Currency	0.07%	(13.81%)	(13.21%)	(13.55%)	2.48%	1.14%	0.89%
Japanese Yen	Currency	3.26%	13.94%	17.29%	16.46%	7.90%	2.83%	2.58%
UK Pound Sterling	Currency	(5.03%)	(15.87%)	(22.92%)	(25.37%)	(3.93%)	(2.26%)	(0.73%)
US Fixed Income Indices								
Merrill Lynch 3-month T-Bill	Cash	0.03%	0.21%	1.50%	1.78%	3.87%	3.22%	3.41%
Barclays US Aggregate	Core Bonds	3.25%	(0.54%)	1.45%	1.74%	4.56%	4.10%	5.28%
Barclays US Universal	Core Bonds Plus	2.63%	(2.90%)	(1.39%)	(1.10%)	3.64%	3.75%	5.21%
Barclays Gov't/Credit	Core Bonds	4.43%	(0.77%)	1.13%	1.32%	4.34%	3.92%	5.20%
Barclays US Credit	Corporate Bonds	3.93%	(2.11%)	(8.79%)	(8.66%)	0.31%	1.63%	4.25%
Barclays Mortgage Backed Securitie	Mortgages	3.93%	3.39%	6.56%	6.86%	6.57%	5.41%	5.91%
Merrill Lynch High Yield Master II	High Yield Bonds	(8.43%)	(29.72%)	(31.51%)	(31.31%)	(7.58%)	(1.82%)	1.29%

(not annualized if less than 1 year)
Source: mpi Stylus
Preliminary data

STANCERA

MONTHLY PERFORMANCE REVIEW

PERIOD ENDING NOVEMBER 30, 2008

PRELIMINARY BASIS

SUMMARY OF INVESTMENTS

ASSET CLASS	MARKET VALUE	PERCENT	NEW TARGET	POLICY RANGE
DOMESTIC EQUITIES	357,868,390	38.0%	46.4%	36.5% - 56.3%
INTERNATIONAL EQUITIES	143,155,298	15.2%	20.0%	16.0% - 24.0%
FIXED INCOME	410,358,555	43.5%	30.6%	27.6% - 33.6%
REAL ESTATE	10,907,512	1.2%	3.0%	1.5% - 4.5%
CASH (equity managers only)	20,117,033	2.1%	0.0%	0.0% - 3.0%
TOTAL PORTFOLIO	942,406,787	100.0%	100.0%	

	CURRENT	TARGET
DODGE & COX - LARGE CAP VALUE	15.1%	17.5%
DELAWARE - LARGE CAP GROWTH	7.7%	8.9%
LOOMIS SAYLES - LARGE CAP GROWTH	4.8%	5.9%
RUSSELL 2000 VALUE i-Shares	5.0%	5.0%
MAZAMA - SMALL CAP GROWTH	2.8%	4.3%
BNY - S&P 500 INDEX	4.3%	4.8%
LSV ASSET MGMT - INTL EQ	7.5%	10.0%
PYRAMIS - INTL EQ	8.2%	10.0%
DODGE & COX FIXED INCOME	43.5%	30.6%
INVESCO - GLOBAL REIT	1.2%	3.0%
TOTALS	100%	100%

STANCERA

MONTHLY PERFORMANCE REVIEW

PERIOD ENDING NOVEMBER 30, 2008

PRELIMINARY BASIS

GROWTH OF ASSETS AND CHANGES IN ALLOCATION

ASSET CLASS	CURRENT MONTH	PRIOR MONTH	% CHANGE *	PRIOR YEAR	% CHANGE *
MARKET VALUE					
DOMESTIC EQUITIES	357,868,390	395,498,599	-9.51%	655,804,320	-45.43%
INTERNATIONAL EQUITIES	143,155,298	152,354,920	-6.04%	310,931,922	-53.96%
FIXED INCOME	410,358,555	411,533,189	-0.29%	444,086,054	-7.59%
REAL ESTATE	10,907,512	12,610,431	-13.50%	0	N/A
CASH (equity managers only)	20,117,033	25,099,876	-19.85%	25,071,293	-19.76%
TOTAL PORTFOLIO	942,406,787	997,097,016	-5.48%	1,435,893,589	-34.37%
ASSET ALLOCATION (ACTUAL)					
DOMESTIC EQUITIES	37.97%	39.67%	-1.7%	45.67%	-7.7%
INTERNATIONAL EQUITIES	15.19%	15.28%	-0.1%	21.65%	-6.5%
FIXED INCOME	43.54%	41.27%	2.3%	30.93%	12.6%
REAL ESTATE	1.16%	1.26%	-0.1%	0.00%	1.2%
CASH (equity managers only)	2.13%	2.52%	-0.4%	1.75%	0.4%
TOTAL PORTFOLIO	100.0%	100.0%	0.0%	100.0%	0.0%

* % Change represents changes in cash balances, including cash transfers, and does not represent investment returns

STANCERA
MONTHLY PERFORMANCE REVIEW
PERIOD ENDING NOVEMBER 30, 2008
PRELIMINARY BASIS

MANAGER ALLOCATION

ASSET CLASS	MARKET VALUE	PERCENT	POLICY TARGET	POLICY RANGE
DOMESTIC EQUITIES				
DODGE & COX - LARGE CAP VALUE	141,908,455	15.1%	17.5%	14.5% - 20.5%
DELAWARE - LARGE CAP GROWTH	72,188,161	7.7%	8.9%	6.9% - 10.9%
LOOMIS SAYLES - LARGE CAP GROWTH	45,085,468	4.8%	5.9%	4.5% - 7.3%
RUSSELL 2000 Value i-Shares	46,750,598	5.0%	5.0%	3.9% - 6.1%
MAZAMA - SMALL CAP GROWTH	26,754,145	2.8%	4.3%	2.9% - 5.7%
BNY - S&P 500 INDEX	40,835,494	4.3%	4.8%	3.8% - 5.8%
TOTAL DOMESTIC EQUITIES	373,522,321	39.6%	46.4%	
FIXED INCOME				
DODGE & COX	410,358,555	43.5%	30.6%	27.6% - 33.6%
TOTAL FIXED INCOME	410,358,555	43.5%	30.6%	
INTERNATIONAL INVESTMENTS				
LSV ASSET MGMT.	70,361,398	7.5%	10.0%	8.0% - 12.0%
PYRAMIS	77,257,000	8.2%	10.0%	8.0% - 12.0%
TOTAL INTERNATIONAL EQUITIES	147,618,399	15.7%	20.0%	
REAL ESTATE				
INVESCO	10,907,512	1.2%	3.0%	1.5% - 4.5%
TOTAL REAL ESTATE	10,907,512	1.2%	3.0%	
TOTAL StanCERA PORTFOLIO	942,406,787	100.0%	100.0%	

STANCERA
MONTHLY PERFORMANCE REVIEW
PERIOD ENDING 11/30/08
PRELIMINARY

TOTAL FUND

	CASH	BONDS	EQUITIES	TOTAL
DOMESTIC EQUITIES				
DODGE & COX - LARGE CAP VALUE	10,698,374		131,210,082	141,908,455
DELAWARE - LARGE CAP GROWTH	1,292,190		70,895,971	72,188,161
LOOMIS SAYLES - LARGE CAP GROWTH	672,531		44,412,936	45,085,468
RUSSELL 2000 Value i-Shares	2,739,563		44,011,036	46,750,598
MAZAMA - SMALL CAP GROWTH	251,274		26,502,871	26,754,145
BNY - S&P 500 INDEX	0		40,835,494	40,835,494
TOTAL DOMESTIC EQUITIES	15,653,931		357,868,390	373,522,321
FIXED INCOME				
DODGE & COX	14,237,614	396,120,942		410,358,555
TOTAL FIXED INCOME	14,237,614	396,120,942		410,358,555
INTERNATIONAL INVESTMENTS				
LSV ASSET MGMT.	2,824,626		67,536,772	70,361,398
PYRAMIS	1,638,475		75,618,526	77,257,000
TOTAL INTERNATIONAL EQUITIES	4,463,101		143,155,298	147,618,399
REAL ESTATE				
INVESCO	0		10,907,512	10,907,512
TOTAL REAL ESTATE	0		10,907,512	10,907,512
TOTAL STANCERA PORTFOLIO	34,354,647	396,120,942	511,931,199	942,406,787
	3.6%	42.0%	54.3%	100.0%

STANCERA
MONTHLY PERFORMANCE REVIEW
PERIOD ENDING NOVEMBER 30, 2008
PRELIMINARY BASIS

CURRENT PERFORMANCE

	MARKET VALUE	NOV.	ALPHA	OCT.	ALPHA	FISCAL YTD	ALPHA
DOMESTIC EQUITIES							
DODGE & COX - LARGE CAP VALUE	**131,210,082**	**-8.07%**	**-0.90%**	**-17.55%**	**-0.24%**	**-32.51%**	**-4.58%**
RUSSELL 1000 VALUE		*-7.17%*		*-17.31%*		*-27.93%*	
DELAWARE - LARGE CAP GROWTH	**70,895,971**	**-9.71%**	**-1.76%**	**-15.26%**	**2.35%**	**-34.43%**	**-0.92%**
RUSSELL 1000 GROWTH		*-7.95%*		*-17.61%*		*-33.51%*	
LOOMIS SAYLES - LARGE CAP GROWTH	**44,412,936**	**-10.91%**	**-2.96%**	**-17.21%**	**0.40%**	**-41.41%**	**-7.90%**
RUSSELL 1000 GROWTH		*-7.95%*		*-17.61%*		*-33.51%*	
R2000 V i-Shares	**44,011,036**	**-10.68%**	**0.90%**	**-20.09%**	**-0.11%**	**-24.06%**	**1.68%**
RUSSELL 2000 VALUE		*-11.58%*		*-19.98%*		*-25.74%*	
MAZAMA - SMALL CAP GROWTH	**26,502,871**	**-20.18%**	**-8.90%**	**-21.83%**	**0.69%**	**-47.07%**	**-7.50%**
RUSSELL 2500 GROWTH		*-11.28%*		*-22.52%*		*-39.57%*	
BNY - S&P 500 INDEX	**40,835,494**	**-7.18%**	0.00%	**-16.83%**	**-0.04%**	**-29.24%**	**-0.02%**
S&P 500		*-7.18%*		*-16.79%*		*-29.22%*	
TOTAL DOMESTIC EQUITY	**357,868,390**	**-9.94%**	**-2.05%**	**-17.70%**	**0.04%**	**-34.13%**	**-3.29%**
Russell 3000 Index		*-7.89%*		*-17.74%*		*-30.84%*	
FIXED INCOME							
DODGE & COX	**410,358,555**	**0.45%**	**-2.80%**	**-3.00%**	**-0.64%**	**-6.06%**	**-6.38%**
BARCLAYS US AGGREGATE BOND		*3.25%*		*-2.36%*		*0.32%*	
INTERNATIONAL INVESTMENTS							
LSV ASSET MGMT	**67,536,772**	**-6.96%**	**-1.18%**	**-22.89%**	**-0.87%**	**-39.48%**	**-0.37%**
MSCI ACWI Free ex-US		*-5.78%*		*-22.02%*		*-39.11%*	
PYRAMIS	**75,618,526**	**-6.42%**	**-0.64%**	**-21.52%**	**0.50%**	**-39.83%**	**-0.72%**
MSCI ACWI Free ex-US		*-5.78%*		*-22.02%*		*-39.11%*	
TOTAL INTERNATIONAL EQUITY	**143,155,298**	**-6.68%**	**-0.90%**	**-22.18%**	**-0.16%**	**-43.69%**	**-1.06%**
MSCI ACWI Free ex-US		*-5.78%*		*-22.02%*		*-42.63%*	
REAL ESTATE							
INVESCO	**10,907,512**	**-13.50%**	**1.01%**	**-23.15%**	**4.72%**	**-40.12%**	**4.64%**
FTSE EPRA/NAREIT Global REIT		*-14.51%*		*-27.87%*		*-44.76%*	
CASH & SHORT-TERM INVESTMENTS							
CASH	**20,117,033**	**0.13%**	**0.10%**	**0.16%**	**0.09%**	**0.94%**	**0.42%**
90 DAY TREASURY BILL		*0.03%*		*0.07%*		*0.52%*	
TOTAL StanCERA Fund	**942,406,787**	**-5.20%**	**-0.96%**	**-13.14%**	**0.85%**	**-26.57%**	**-1.98%**
Policy Index		*-4.24%*		*-13.99%*		*-24.59%*	
Actuary Rate of Assumption (8.16%)		*0.66%*	**-5.86%**	*0.66%*	**-13.80%**	*3.33%*	**-29.90%**
Actuary Rate of Inflation (4.00%)		*0.33%*	**-5.53%**	*0.33%*	**-13.47%**	*1.67%*	**-28.24%**