

### **Valley Rock's Main Investment Portfolio Exhibit— Benchmark Shortfall Range (See Footnote)**

Below are two models: the "Day 1" scenario and the "Day 365" Scenario. The Day 1 scenario assumes that funds for expenses and grants leave the account on the first day of each year. This significantly reduces the investable amount and still produces a \$0.4 million shortfall vs the benchmarked expected value. In the Day 365 scenario, funds for expenses and grants are assumed not to leave until the last day of each year, allowing more capital to earn market returns, increasing the benchmark gap to \$11.5 million. The Day 365 model better reflects real-world timing, since funds are typically deployed during the course of the year rather than on the last day.

#### **Day 1 Exit Scenario: Assumes that ALL cash outflows--expenses and grants--occurred on day 1 of each year (\$million)**

YEAR	Day 1 Portfolio Value *	Day 1 Outflows (Expenses & Grants)*	Day 1 Investable Portfolio Value **	S&P 500 Percent Change ***	Expected Year- End Portfolio Value Based on S&P 500 **	Reported Year-End Portfolio Value*	Diff. Between Reported Year-End Value and Benchmark Proxy Estimate**
2012	\$35.8	-\$1.6	\$34.2	16%	\$39.7	\$38.3	-\$1.4
2013	\$38.3	-\$16.7	\$21.6	32%	\$28.5	\$26.2	-\$2.3
2014	\$26.1	-\$1.7	\$24.4	14%	\$27.8	\$27.4	-\$0.4
2015	\$27.4	-\$7.8	\$19.6	1%	\$19.8	\$22.0	\$2.2
2016	\$21.8	-\$10.7	\$11.1	12%	\$12.9	\$13.3	\$0.4
2017	\$13.3	-\$2.6	\$10.7	22%	\$13.1	\$17.5	\$4.4
2018	\$17.5	-\$4.0	\$13.5	4%	\$14.0	\$13.5	-\$0.5
2019	\$13.5	-\$6.6	\$6.9	32%	\$9.1	\$9.4	\$0.3
2020	\$9.4	-\$0.6	\$8.8	18%	\$10.4	\$6.6	-\$3.8
2021	\$6.6	-\$0.4	\$6.2	29%	\$8.0	\$7.8	-\$0.2
2022	\$7.8	-\$0.8	\$7.0	-18%	\$5.7	\$6.8	\$1.1
2023	\$6.8	-\$3.0	\$3.8	26%	\$4.8	\$4.8	\$0.0
2024	\$4.8	-\$2.9	\$1.9	25%	\$2.4	\$2.2	-\$0.2
<b>Cume Total vs Benchmark</b>							<b>-\$0.4</b>

#### **Day 365 Exit Scenario: Assumes that ALL cash outflows--expenses and grants--occurred on day 365 of each year (\$million)**

YEAR	Day 1 Investable Portfolio Value	S&P 500 Percent Change %***	Expected Year- End Portfolio Value Based on S&P 500 **	Day 365 Outflows (Expenses & Grants)*	Expected Year- End Portfolio Value less Outflows	Reported Year-End Portfolio Value	Diff. Between Reported Year-End Value and Benchmark Proxy Estimate**
2012	\$35.8	16%	\$41.5	-\$1.6	\$39.9	\$38.3	-\$1.6
2013	\$38.3	32%	\$50.6	-\$16.7	\$33.9	\$26.2	-\$7.7
2014	\$26.1	14%	\$29.8	-\$1.7	\$28.1	\$27.4	-\$0.7
2015	\$27.4	1%	\$27.7	-\$7.8	\$19.9	\$22.0	\$2.1
2016	\$21.8	12%	\$24.4	-\$10.7	\$13.7	\$13.3	-\$0.4
2017	\$13.3	22%	\$16.2	-\$2.6	\$13.6	\$17.5	\$3.9
2018	\$17.5	4%	\$18.2	-\$4.0	\$14.2	\$13.5	-\$0.7
2019	\$13.5	32%	\$17.8	-\$6.6	\$11.2	\$9.4	-\$1.8
2020	\$9.4	18%	\$11.1	-\$0.6	\$10.5	\$6.6	-\$3.9
2021	\$6.6	29%	\$8.5	-\$0.4	\$8.1	\$7.8	-\$0.3
2022	\$7.8	-18%	\$6.4	-\$0.8	\$5.6	\$6.8	\$1.2
2023	\$6.8	26%	\$8.6	-\$3.0	\$5.6	\$4.8	-\$0.8
2024	\$4.8	25%	\$6.0	-\$2.9	\$3.1	\$2.2	-\$0.9
<b>Cume Total vs Benchmark:</b>							<b>-\$11.5</b>

Notes: \* These numbers were extracted from the foundation's Forms 990  
 \*\*These numbers were calculated  
 \*\*\*These numbers were obtained from Dow Jones Indices

**Conclusion:** Under the timing assumptions described above, the difference between reported year-end values and the benchmark proxy ranges from approximately \$0.4 million to approximately \$11.5 million over the modeled period. Public filings reviewed for this exhibit do not provide sufficient detail to determine the cause of the variance relative to the selected benchmark proxy.

Footnote: This exhibit compares reported year-end portfolio values to illustrative benchmark estimates using the S&P 500 total return as a broad market proxy. The foundation's actual asset allocation is not publicly disclosed in sufficient detail to replicate exact performance. This comparison is provided solely to illustrate the range of variance under different timing assumptions and should not be interpreted as a formal performance audit.