Decision-based Attribution Evaluation

AJL requires that financial advisors provide the decision-based attribution evaluation grid (example below) quarterly. We focus primarily on these three numbers:

- Value from Strategic Asset Allocation
- Value from Tactical Tilts
- Value from Active Managers

If the values associated with these categories are positive, it means that particular element added value to our portfolio. If they values are 0, they were neutral and didn't positively or negatively impact our portfolio. If the values are negative, it means that particular element negatively impacted our portfolio. This helps us better understand and assess the specific contributions to financial performance beyond ROI.

AJL Charitable Foundation
Performance Attribution Grid as of June 30, 2018

	Description	Annualized Return	Volatility (Standard Deviation)	Return to Risk Efficiency (Sharpe Ratio)
A	60-40 Mix (Naïve benchmark)	8.7	5.7	1.5
B	Static Index	7.1	6.8	1.0
C	AJL Allocation Index	7.1	6.7	1.0
D	AJL Performance	7.8	5.3	1.4
E	Investment Consulting & Passive Portfolio Fees[1]	-0.50		
B-A	Value from Strategic Asset Allocation	-1.5		
C-B	Value from Tactical Tilts	0.0		
D-C+E	Value from Active Managers	0.2		

A - 60% S&P 500; 40% Bloomberg Barclays US Gov/Corp Intermediate

B - 3% 91 Day Tbill; 20% Barclays US Gov/Corp Intermediate; 30% S&P 500; 5.5% Russell Midcap Growth; 5.5% Russell Midcap Value; 9.1% MSCI EAFE NR; 3.9% MSCI EM NR; 3% Barclays US HY 1% Issuer Cap; 3% JPM EMBI Global Diversified; 3% Credit Suisse Leveraged Loan; 4.5% Alerian MLP; 4.5% MSCI World NR; 5% Bloomberg Commodity

C - Based upon the actual portfolio allocation using the appropriate class' benchmark.