

Asset Allocation & Rebalancing Strategies:

- Asset allocation accounts for over 90% of the variability of a portfolio's return¹
- To maintain an asset allocation structure over time, a rebalancing strategy must be adhered to on a systematic basis

Cost Controls:

- Fees eat into total performance. Lower Fees = Higher Returns

Investment Guidelines:

- Use investment guidelines as a risk control

On-going Due Diligence:

- Avoid investment manager blow-ups by performing superior due-diligence
- Proactively address any potential problems, try not to be caught by surprise

¹Gary P. Brinson, L. Randolph Hood, and Gilbert L. Beebower, "Determinants of Portfolio Performance," Financial Analysts Journal, July/August 1986.

²Gary P. Brinson, Brian D. Singer, and Gilbert L. Beebower, "Determinants of Portfolio Performance II: An Update," Financial Analysts Journal, May/June 1991.