

NACUBO Commonfund Endowment Survey

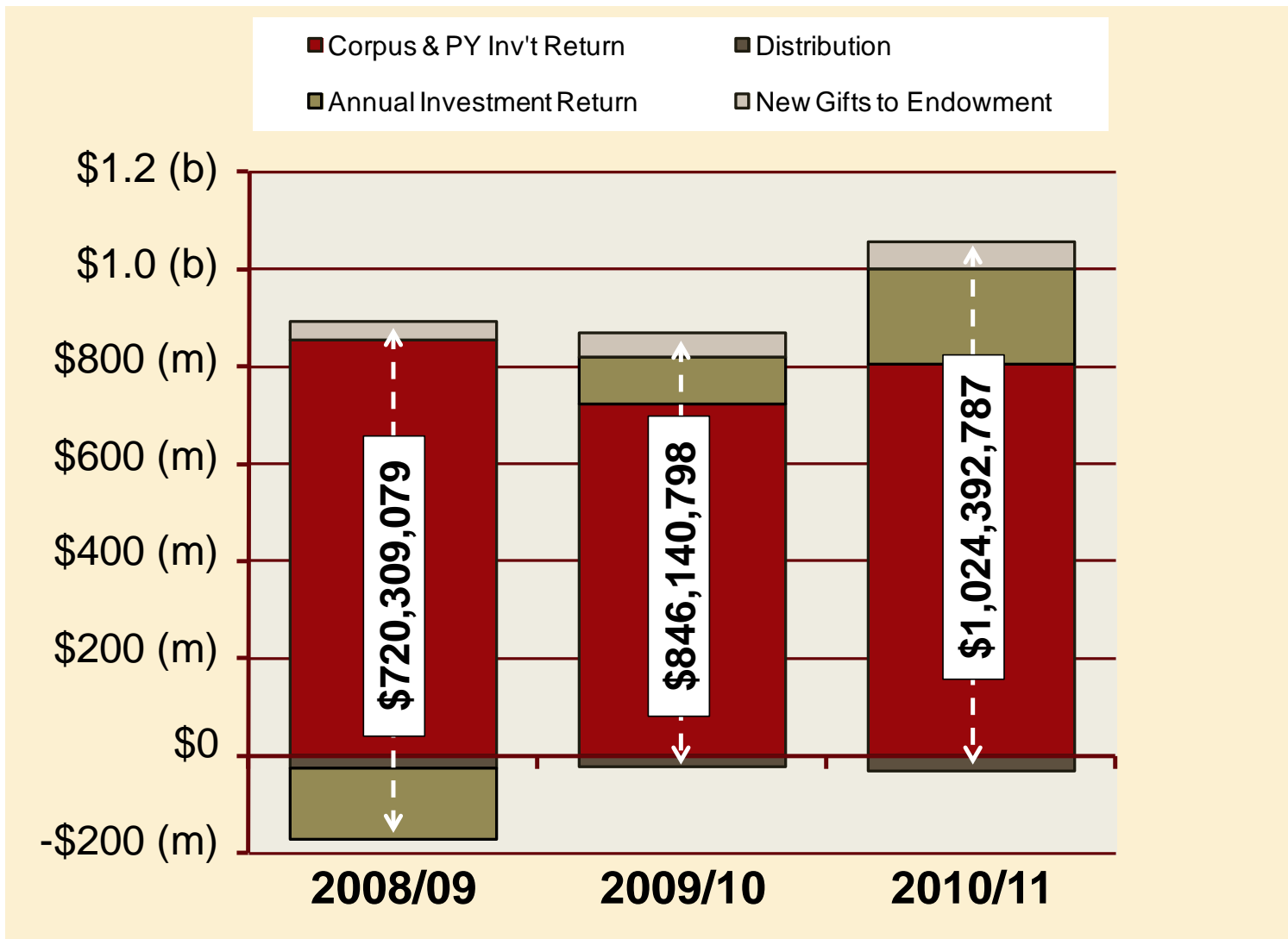
AOA Conference
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NACUBO Commonfund Endowment Study

- Data from 850 US universities
- CSU all campus participation since 2005
- CFO reviews campus results to peer averages
- Data presented to the CSU Board of Trustees



CSU Endowment Market Value





CSU Endowment Profile

<i>Investment Pool Assets</i>	<i>#</i>	<i>Asset Range</i>	<i>Total</i>
> \$101 M to ≤ \$500 M	3	\$127.3M - \$173.4 M	\$436 M
> \$51 M to ≤ \$100 M	2	\$68.1 M - \$73.1 M	\$141 M
> \$25 M to ≤ \$50 M	7	\$28.8 M - \$49.9 M	\$284 M
Less than or = \$25 M	12	\$3.2 M - \$22.0 M	\$163 M
			<u>\$1.02 B</u>



CSU Endowment Performance

<i>Endowment Assets</i>	<i>2008/09</i>	<i>2009/10</i>	<i>2010/11</i>
> \$100 M to ≤ \$500 M	-13.81%	14.59%	16.02%
> \$50 M to ≤ \$100 M	-13.49%	13.75%	20.73%
> \$25 M to ≤ \$50 M	-18.44%	11.18%	20.45%
Less than or = \$25 M	-16.04%	13.22%	19.38%
Total Market Value	\$720 M	\$846 M	\$1.02 B

- Net of Management Fees and Expenses
- CSU Median Return = 20.73%
- 2010/2011 Industry Benchmark: Russell 3000 65% and Barclay's Aggregate Bond Index 35% = 22.81%



Peer Comparison

<i>Endowment Assets</i>	<i>CSU</i>	<i>NACUBO</i>	<i>Variance</i>
> \$101 M to ≤ \$500 M	16.0%	19.7%	-3.7%
> \$51 M to ≤ \$100 M	20.7%	19.3%	+1.4%
> \$25 M to ≤ \$50 M	20.5%	19.4%	+1.1%
Less than or = \$25 M	19.4%	17.6%	+1.8%

- Net of Management Fees and Expenses
- CSU Average Return = 20.38% Median Return = 20.73%
- NACUBO Average Return = 19.2% Median Return = 19.8%



Endowment Asset Allocation

Asset Pool		Domestic Equities	Fixed Income	International Equities	Alternative Strategies	Cash/ Other
\$100 M to ≤ \$500 M	NACUBO	27%	15%	18%	35%	5%
	CSU	41%	27%	21%	11%	0%
\$50 M to ≤ \$100 M	NACUBO	32%	20%	18%	23%	7%
	CSU	35%	27%	24%	10%	4%
\$25 M to ≤ \$50 M	NACUBO	37%	22%	17%	18%	6%
	CSU	38%	30%	16%	15%	1%
≤ \$25 M	NACUBO	41%	25%	14%	10%	10%
	CSU	41%	26%	15%	11%	7%

Return Objective

- 1 campus: 3.5%
- 1 campus: CPI + 4%; 1 campus: HEPI + 4%
- 2 campuses: CPI + 4.5%
- 5 campuses: CPI + 5%; 2 campuses HEPI + 5%
- 1 campus: HEPI + 5.15%
- 1 campus: CPI + 5.25%
- 2 campuses: CPI + 6%
- 1 campus: HEPI = 9%
- Other targets: 7%, 7.25%, 8%, 8.35%
- Three not reporting
- 2010/11 CPI = 2% HEPI = 2.3%



Spending Policies

- 2 campuses: 3% based on annual value
- 1 campus: 3.5% based on annual value
- 4 campuses: 4% over 3yr/12qtr rolling average
- 4 campuses: 4% over other specified period
- 1 campus: 4.25% over 12qtr rolling average
- 1 campus: 4.35% over 3yr rolling average
- 1 campus: 4.5% over 12qtr rolling average
- 4 campuses: 5% over 3yr/12qtr rolling average
- 1 campus: 6% of market value
- 4 campuses: decide rate/amount annually
- 1 campus: hybrid model

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