

Annual Peer Benchmarking Report

February 7, 2013

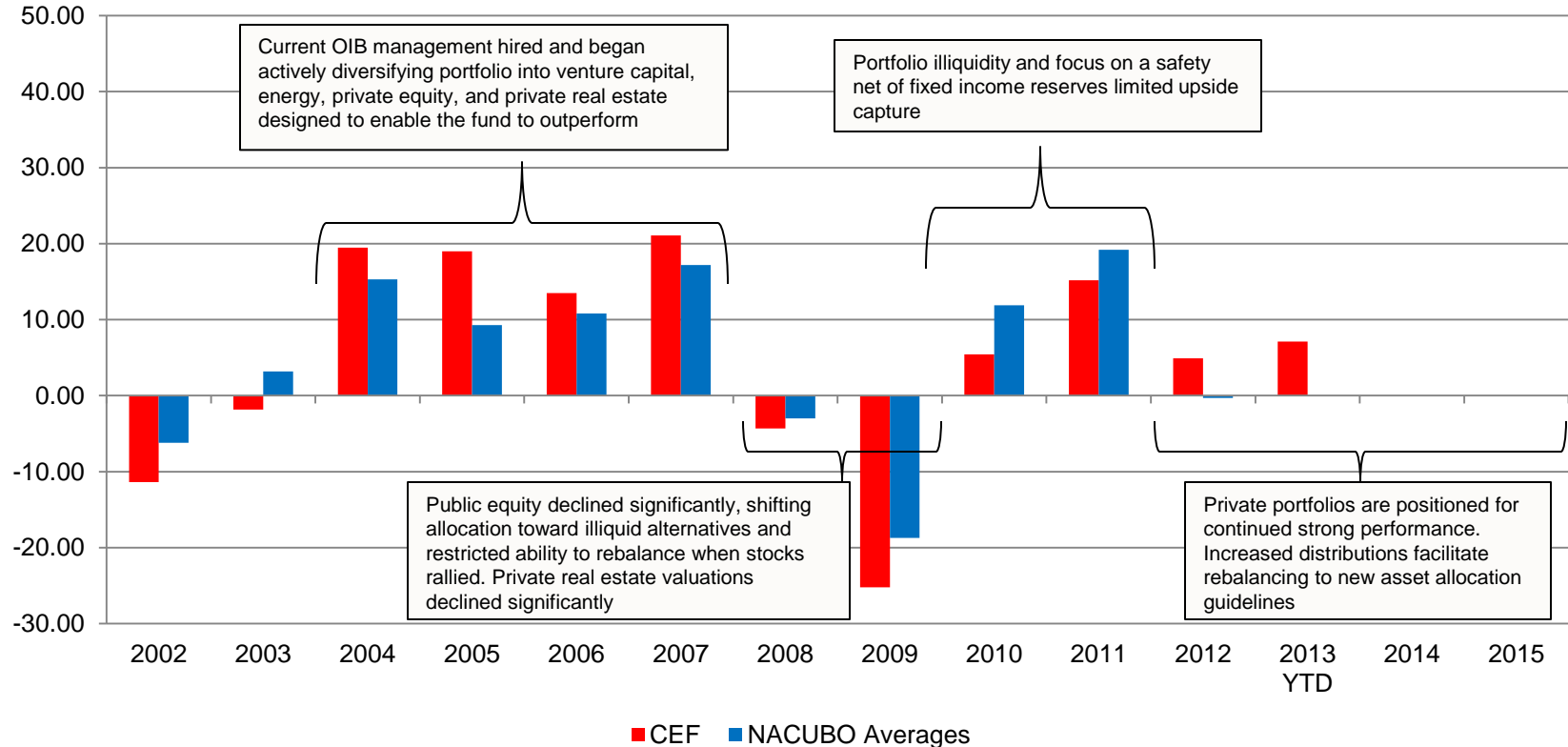


NACUBO/Commonfund Study of Endowments

- Conducted jointly by National Association of College and University Business Officers (NACUBO) and Commonfund Institute
- 2012 study had 803 participating institutions ranging in size from \$100 million to over \$20 billion
- All data is as of June 30, 2012

Annual Investment Rates of Return

Fiscal Year Performance* Comparison



* Net of Manager Fees

Elements Contributing to CEF FY '12 Performance

Contributors to outperformance:

- Overweight to venture capital was a significant performance driver
- Rebound in private real estate performance
- Private energy was the strongest performing asset class in CEF
- Underweight to HF, which produced disappointing returns
- Underweight to International and EM Equity, which declined significantly

Detractors from performance:

- Buyout funds, private debt, and absolute return funds underperformed the portfolio benchmarks

Rolling Period Return Comparison by Endowment Size

Size of Endowment	1-year	3-year	5-year	10-year
	%	%	%	%
CEF	4.9	8.4	-1.8	5.8

Over \$1 Billion	1.1	10.6	1.7	7.6
\$501 Million to \$1 Billion	0.4	10.3	1.3	6.7
\$101 Million to \$500 Million	-0.8	10.2	0.7	6.1

Average (All Institutions)	-0.3	10.2	1.1	6.2
Median (All Institutions)	-0.5	10.2	1.1	6.2

*Net of management fees and expenses.

Rolling Period Return Comparison by Institution Type

Type of Institution	1-year	3-year	5-year	10-year
	%	%	%	%
CEF	4.9	8.4	-1.8	5.8
All Public Institutions	-0.1	10.1	1.1	6.2
All Private Colleges and Universities	-0.4	10.2	1.1	6.3
Average (All Institutions)	-0.3	10.2	1.1	6.2
Median (All Institutions)	-0.5	10.2	1.1	6.2

*Net of management fees and expenses.

Asset Allocation Comparison by Endowment Size

Size of Endowment	Domestic Equities %	International Equities %	Fixed Income %	Alternative Strategies* %	Short-term Securities/ Cash/ Other %
CEF	13	9	11	67	0
Over \$1 Billion	12	15	9	61	3
\$501 Million to \$1 Billion	18	18	11	46	6
\$101 Million to \$500 Million	26	18	16	36	5
Dollar-weighted Average	16	16	11	54	4
Equal-weighted Average	31	17	19	27	6

*Alternative strategies are categorized in the NCSE as follows: Private equity; Marketable alternative strategies (hedge funds); Venture capital; Private real estate; Energy and natural resources; and Distressed debt.

Asset Allocation Comparison by Type of Institution

Type of Institution	Domestic Equities %	International Equities %	Fixed Income %	Alternative Strategies*	Short-term Securities/ Cash/ Other %
CEF	13	9	11	67	0
All Public Institutions	18	17	13	47	4
All Private Colleges and Universities	14	15	10	57	4
Dollar-weighted Average	16	16	11	54	4
Equal-weighted Average	31	17	19	27	6

*Alternative strategies are categorized in the NCSE as follows: Private equity; Marketable alternative strategies (hedge funds); Venture capital; Private real estate; Energy and natural resources; and Distressed debt.

Effective Spending Rates* Comparison by Endowment Size

Size of Endowment	2012	2011	2010	2009	2008
	%	%	%	%	%
CEF	4.9	5.7	5.9	5.9	4.2
Over \$1 Billion	4.7	5.2	5.6	4.6	4.2
\$501 Million to \$1 Billion	4.7	5.2	5.7	4.9	4.5
\$101 Million to \$500 Million	4.3	5.0	4.9	4.4	4.2
Average (All Institutions)	4.2	4.6	4.5	4.4	4.3

*Actual Gross Spending / Beginning Market Value

Effective Spending Rates* Comparison by Institution Type

Type of Institution	2012	2011	2010	2009	2008
	%	%	%	%	%
CEF	4.9	5.7	5.9	5.9	4.2
All Public Institutions	4.0	4.5	4.1	4.2	N/A
All Private Colleges and Universities	4.3	4.6	4.8	4.5	4.4
Average (All Institutions)	4.2	4.6	4.5	4.4	4.3

*Actual Gross Spending / Beginning Market Value

Big Ten Endowment Peer Comparison



Investment Performance

Institution	Pooled Endowment Market Value (mm)	Total Returns (%)			
		1 Year	3 Years	5 Years	10 Years
University of Minnesota	977.6	4.9	8.4	-1.8	5.8
Penn State University	1,765.0	3.5	13.4	2.6	7.5
University of Illinois	346.8	3.2	15.2	2.7	6.5
University of Minnesota Foundation	1,479.0	1.6	10.0	1.4	7.3
Northwestern University	7,111.6	1.5	12.1	2.2	8.8
University of Iowa	302.1	1.0	10.7	0.4	5.1
University of Illinois Foundation	1,095.1	0.5	11.2	0.4	5.9
Ohio State University	2,366.0	-0.1	10.5	-1.1	4.9
Michigan State University Foundation	313.6	-0.2	8.0	1.4	6.3
University of Michigan	7,865.2	-0.5	11.5	2.5	9.6
University of Wisconsin Foundation	1,812.1	-0.5	9.6	0.5	5.9
University of Wisconsin	327.0	-0.8	10.4	2.2	7.3
Indiana University Foundation	1,485.1	-1.3	11.5	-0.2	6.4
Purdue University	1,917.0	-2.5	11.4	1.3	6.5
Michigan State University	1,500.3	-2.8	9.5	2.0	8.0
University of Iowa Foundation	678.7	-2.9	13.5	1.3	5.7
University of Minnesota Medical Foundation	222.4	-4.1	9.2	-1.0	4.8
Median	1,479.0	-0.2	10.7	1.3	6.4

Asset Allocation - Traditional Assets

Institution	(%)							
	US Equities	Dev. Markets	EM	Total Public	US Core	US HY	Non-US Bonds	Total Public FI
University of Minnesota	13.1	7.0	2.2	22.3	7.1	1.6	1.9	10.6
Penn State University	37.4	5.8	3.8	47.0	17.3	0.0	1.3	18.6
University of Illinois	46.7	10.7	1.9	59.3	19.1	1.4	1.0	21.5
University of Minnesota Foundation	10.4	9.9	0.0	20.3	19.0	4.0	0.0	23.0
Northwestern University	10.9	13.4	0.0	24.3	12.6	0.0	0.0	12.6
University of Iowa	29.8	21.8	4.1	55.7	28.6	5.4	0.0	34.0
University of Illinois Foundation	26.7	12.8	0.0	39.5	15.0	0.0	0.0	15.0
Ohio State University	12.3	3.2	4.5	20.0	8.3	0.0	2.8	11.1
Michigan State University Foundation	14.3	15.3	0.0	29.6	16.4	0.0	0.0	16.4
University of Michigan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
University of Wisconsin Foundation	27.1	12.9	5.0	45.0	15.3	0.0	0.0	15.3
University of Wisconsin	25.8	20.3	10.2	56.3	15.6	6.0	0.0	21.6
Indiana University Foundation	17.3	11.8	6.9	36.0	6.8	2.1	1.4	10.3
Purdue University	22.7	12.2	6.5	41.4	15.5	0.0	0.0	15.5
Michigan State University	17.5	9.3	6.7	33.5	12.6	0.4	2.7	15.7
University of Iowa Foundation	31.0	8.5	9.6	49.1	5.1	8.6	0.0	13.7
University of Minnesota Medical Foundation	27.7	7.6	10.5	45.8	16.2	0.0	4.4	20.6
Median	24.3	11.3	4.3	40.5	15.4	0.2	0.0	15.6

Asset Allocation - Alternatives

Institution	(%)							Total Alt. Assets
	Hedge Funds	Venture Capital	Buyout	Private Real	Dist/Mezz	Nat. Res.	Other	
University of Minnesota	2.8	11.9	15.0	14.9	9.1	8.3	5.1	67.1
Penn State University	8.7	5.9	8.7	4.3	0.6	3.7	2.5	34.4
University of Illinois	0.0	0.4	0.0	0.0	0.0	0.0	18.8	19.2
University of Minnesota Foundation	20.3	11.4	9.5	5.1	4.2	6.2	0.0	56.7
Northwestern University	20.6	8.2	15.5	7.8	0.0	9.5	1.5	63.1
University of Iowa	0.0	0.8	1.7	5.6	0.0	0.9	1.3	10.3
University of Illinois Foundation	11.4	2.5	0.0	6.8	0.0	0.0	24.8	45.5
Ohio State University	35.5	0.8	5.6	5.2	9.5	6.5	5.8	68.9
Michigan State University Foundation	29.4	5.4	6.1	7.0	1.9	4.2	0.0	54.0
University of Michigan	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
University of Wisconsin Foundation	12.2	2.0	5.8	3.7	11.0	5.0	0.0	39.7
University of Wisconsin	7.7	13.3	0.0	0.0	0.0	1.1	0.0	22.1
Indiana University Foundation	20.2	6.2	7.8	5.5	3.8	5.2	5.0	53.7
Purdue University	23.0	3.7	7.0	3.2	0.0	6.2	0.0	43.1
Michigan State University	25.2	3.2	8.0	0.0	3.1	6.0	5.3	50.8
University of Iowa Foundation	29.5	0.0	2.7	0.3	3.5	1.2	0.0	37.2
University of Minnesota Medical Foundation	24.7	4.5	0.0	1.7	2.3	0.4	0.0	33.6
Median	20.3	4.1	6.0	4.7	2.1	4.6	1.4	44.3

**Other Large Endowment Survey Results
Data as of 6/30/12**

Institution	Return for FY 2012
MIT	8.0%
University of Chicago	6.8%
Dartmouth	5.8%
University of Virginia	5.1%
University of Minnesota	4.9%
Yale	4.7%
University of Rochester	3.3%
Notre Dame	3.1%
Princeton	3.1%
Williams College	3.1%
University of Pittsburgh	2.7%
Swarthmore	2.2%
NYU	2.1%
John Hopkins	2.0%
Emory	1.9%
Washington University, St. Louis	1.7%
Vanderbilt	1.5%
Brown University	1.0%
Duke	1.0%
UTIMCO	1.0%
Caltech	0.9%
Wellesley College	0.7%
Tufts	0.3%
Cornell	0.2%
Harvard	-0.1%
University of California	-0.3%
University of Washington	-0.9%
Case Western Reserve University	-1.5%
Boston College	-2.5%
Grinnell College	-4.3%
Median	1.8%
NACUBO Median	-0.5%
Big Ten Median	-0.2%