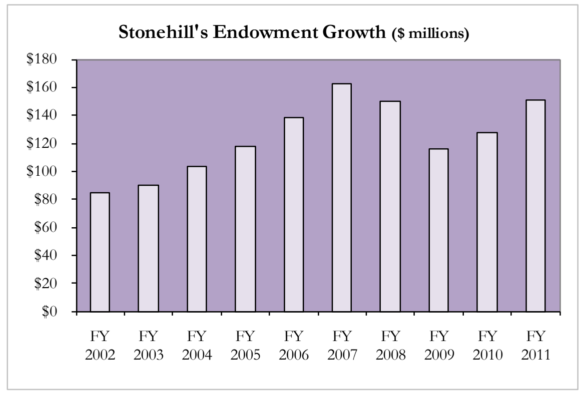
Stonehill's Endowment: Fiscal Year 2011

Investment performance: Stonehill's endowment generated an investment return of 21.5% for the year ended June 30, 2011. The table to the right shows Stonehill's endowment performance relative to some financial market indices.

Annualized Investment Performance (fiscal year)

	FY 2011	3-year	5-year
Stonehill	21.5%	4.0%	5.2%
S&P 500	30.7	3.3	2.9
Russell 3000	32.4	4.0	3.4
Barclays Aggregate Bond	3.9	6.5	6.5
CPI	3.6	1.0	2.2

Historical growth: On June 30, 2011, the endowment's value equaled $151.2 million, up from $127.6 million a year earlier. The endowment's growth stemmed from positive investment returns as well as gifts received during the fiscal year. This was partially offset by normal annual spending in support of the operating budget. As reflected in the table to the right, ten years ago, the endowment's value was $85.0 million. Investment return, gifts, and internal transfers have all been critical to the endowment's growth over time.



Asset allocation: The endowment is invested in a mix of domestic and international debt and equity securities, as well as alternative investment vehicles. This diversification helps the College to achieve the dual objective of maximizing investment return while minimizing overall portfolio risk. As of June 2011, alternative strategies received the largest allocation at 32%. Domestic equity represented 23% of the portfolio while fixed income represented 21%.

Stonehill Endowment's Asset Allocation

June 2011

Alternative strategies	32%
Domestic equity	23%
Fixed income	21%
International equity	12%
Inflation hedging	11%
Cash	1%
Total	100%

Budget support: In fiscal year 2011, the endowment contributed $5.7 million to the operating budget. The bars in the chart to the right illustrate how the College's endowment spending formula maintains a relatively stable stream of support even in turbulent market conditions. Still, the endowment's support as a percentage of total operating revenues has been declining due to the impact of market conditions on investment returns as well as the growth in tuition and room & board revenue as enrollment has grown.