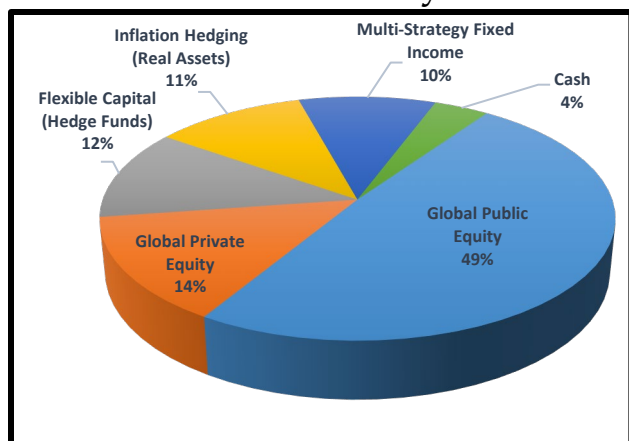


Asset Allocation Policy



Quick Facts:

- **Total Fund Value \$427.7 million**
- **Endowment per Student: \$141,952**
- **Investment Consultant: Prime Buchholz (Portsmouth, NH)**
- **Number of Investment Managers: 26 (plus private equity portfolio of 34 LP's)**
- **Average Position Size: \$16.5 million**

Investment Philosophy: The Investment Committee is responsible to the Board of Trustees for adopting investment objectives and overseeing policy implementations. The Committee is also responsible for monitoring investment performance.

The management objective for the endowment pool is to provide a sustainable and increasing level of distribution to support the College's annual operating budget while preserving the real (inflation-adjusted) purchasing power of the endowment pool exclusive of gift additions. The level of distribution is expected to grow over time at least at the same rate as the annual average increase in the College's operating budget.

The investment objective for the endowment pool is to attain a compound return (net of fees) of at least 7.0% over the long term, as measured over rolling five-year time periods. The following table summarizes the calculation of the compound return need:

Spending Rate	4.5%
Inflation	2.0%
Real Growth	<u>0.5%</u>
Compound Return Need, net of expenses	7.0%

The College's endowment spending policy is calculated using a 20-quarter rolling average, lagged by one quarter multiplied by a spending rate of 4.5%.

The spending amount for new gifts and other endowment additions is determined by an average of the quarters in which the endowment has a balance and then pro-rated based on the quarter in which the gifts are received. New gifts are invested for a year and a quarter, with distributions beginning once all conditions have been met.

The endowment is managed by an experienced committee of the Board of Trustees. The Committee meets quarterly with our consultants to review the endowment's asset allocation, monitor investment manager performance, and report to the College's Board of Trustees. Consistent with the Investment Philosophy, the Committee benchmarks returns against a weighted index relative to each position's benchmark.

The College's portfolio performance returns since January 1997 (from the inception of tracked data) of 7.7% exceeded the College's weighted policy index of 7.1% and the endowment growth need of 7.0%. The one-year performance was 4.2%. As of August 31, 2023, the College's endowment is valued at \$427.7 million.