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ABSTRACT

The 1974 Comparative Performance Study includes 150 endowment pools representing 136 institutions. The market value of the pools which provided information as of June 30, 1974, was 6.9 billion dollars. The study identifies endowment pools by code and indicates each pool's investment objective, approximate market value, the percentage in cash and short-term investments as of June 30, 1973, and June 30, 1974, the percentage in equities as of June 30, 1973, and June 30, 1974, fund characteristic and fund composition, and percentage in senior securities and miscellaneous assets as of June 30, 1973, and June 30, 1974. The investment objective coding used is (1) total return, (2) balanced, and (3) income oriented. (Author/JMF)

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Results of the 1974 NACUBO Comparative Performance Study and Investment Questionnaire

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PREFACE

The NACUBO Comparative Performance Study was begun in 1971 -- as an expansion of the survey conducted in prior years by Dartmouth College -- to provide participating institutions with performance data on their endowment pools. Institutions participating in the Study, along with other interested institutions, also supply information on their endowment funds through the annual NACUBO Investment Questionnaire. The results of both the Study and the Questionnaire for 1974 are contained herein.

Participating institutions receive in addition to this report a summary sheet indicating their performance data. Appendixes III and IV of this report -- which provide statistical summaries of the S & P 500 and Dow Jones Indexes -- are similar to the summary sheets furnished to participating institutions.

The confidential nature of participant responses to investment performance questions has been maintained through use of code numbers. However, select non-performance data have been identified by institution in the belief that this information is most useful when so identified. These data are reported in Exhibits 4 (Endowment Market Value as of June 30, 1974), 5 (Total Return Spending Formulas), and 6 (Method of Bond Pricing).

Funds for support of this project have been provided by The Ford Foundation.

RESULTS OF NACUBO 1974 COMPARATIVE PERFORMANCE STUDY AND INVESTMENT QUESTIONNAIRE

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RESULTS OF NACUBO 1974 COMPARATIVE PERFORMANCE STUDY AND INVESTMENT QUESTIONNAIRE

Participation

The 1974 Comparative Performance Study includes 150 endowment pools representing 136 institutions (Exhibit 1). The market value of the pools which provided information as of June 30, 1974, was 6.9 billion dollars. Since the inception of the NACUBO Comparative Performance Study in 1971 participation has been:

Year	Number of Institutions	Number of Pools
1974	136	150
1973	136	150
1972	133	144
1971	106	112

Endowment Pool Information and Performance Aggregation

The 1974 Study identifies endowment pools by code. Also indicated is each pool's investment objective, approximate market value, the percentage in cash and short-term investments as of June 30, 1973, and June 30, 1974, the percentage in equities as of June 30, 1973, and June 30, 1974, fund characteristic and fund composition, and percentage in senior securities and miscellaneous assets as of June 30, 1973, and June 30, 1974 (see Exhibit 2).

The investment objective coding used is (1) total return, (2) balanced, and (3) income oriented. The definitions of investment objectives of endowment pools are as follows:

1) Total Return - Investment returns are sought from both market appreciation and dividends and interest; current income requirements generally do not dictate the kind of securities that may be held as primary emphasis is on long-term overall return.

2) Balanced - The pooled funds are invested in such a manner as to minimize investment risks without unduly sacrificing current income or the possibility for some long-term growth. This is usually done by investing a portion of the pool in fixed income securities.

3) Income Oriented - Investment policy is dictated by current income needs; market appreciation is never utilized for current operating purposes and primary emphasis is on current income maximization.

Endowment pool size has also been coded for each institution, and the parameters used and number in each grouping are as follows:

	Number In Each Group
A - Greater than $100 million	19
B - $50 to $100 million	14
C - $25 to $50 million	14
D - $10 to $25 million	29
E - $5 to $10 million	26
F - Under $5 million	45
TOTAL	147

Performance comparisons of all endowment pools participating in the 1974 Comparative Performance Study are shown in Exhibit 3 - Part A. The time periods used to measure performance were the ten-, five-, three-, and one-year periods ending June 30, 1974. The fund characteristic and fund composition of the pools supplying this information are as follows:

Fund Characteristic

	Percent Answering	Number Answering	
(1)	77	113	This is an official pooled endowment fund.
(2)	3	4	This is an official pooled life income fund.
(3)	4	6	This is a separately invested fund which was unitized to enable performance to be accurately measured.
(4)	9	13	This is a combination of more than one separately invested unitized fund.
(5)	7	11	This is a pool consisting of only those assets over which management has discretion.
	100	147	TOTAL

Fund Composition

	Percent Answering	Number Answering	
(1)	19	27	All invested funds, endowment, quasi-endowment, and funds invested for plant or other purposes but temporarily invested in the pool.
(2)	63	93	Endowment and quasi-endowment.
(3)	14	21	Endowment only.
(4)	4	6	Quasi-endowment only.
	100	147	TOTAL

Investment performance was also grouped and compared by the investment objective of the endowment pool. Of the total, 57 pools or 39 percent follow a total return investment philosophy, and 90 pools or 61 percent follow a balanced or income oriented philosophy. These latter two investment objectives were grouped together in order to obtain a more meaningful number of observations for comparative purposes (only 7 institutions indicated an income oriented investment objective). Information relating to institutions applying total return in terms of determining a prudent call on endowment via both yield and appreciation can be found on pages 16 and 17. Exhibit 3 - Part B shows performance results for the five-, three-, and one-year periods ending June 30, 1974.

Performance was grouped into three categories by market value size of endowment pools. Category 1 includes 33 endowment pools that are classified A and B, pools of $50 million or more. Category 2 includes 43 endowment pools that are classified C and D and hence are pools which range in market value between $10 to $50 million. Category 3 includes 71 endowment pools that are classified E and F, pools whose market value is $10 million or less. The total market value of the endowment pools in categories 1, 2, and 3 is $5.6 billion, $1 billion, and $300 million, respectively. Exhibit 3 - Part C shows the performance results for the five-, three-, and one-year periods ending June 30, 1974.

Performance

Table I summarizes the average performance of institutions based on the various groupings for the ten-, five-, three-, and one-year periods ending June 30, 1974. Also shown are a number of indexes. The inclusion in the table of the indexes is a result of their being widely followed benchmarks. It should be realized that endowment pools characteristically have significant fixed income obligations and that the indexes are 100 percent in equities. During the periods covered in this study, pools with an investment objective of being balanced or income oriented had relatively better performance.

TABLE I - AVERAGE PERFORMANCE

Group	10 Year	5 Year	3 Year	1 Year
All Institutions	3.03%	1.15%	-1.37%	-11.43%
Total Return Investment Objective	N/C	1.04%	-1.98%	-12.68%
Balanced or Income Oriented Investment Objective	N/C	1.37%	- .79%	-10.56%
Market Size Over $50 Million	N/C	1.42%	-1.55%	-12.48%
Market Size $10-$50 Million	N/C	1.00%	-1.32%	-12.46%
Market Size Under $10 Million	N/C	1.31%	-1.09%	-10.2 %
Dow Jones	3.37%	2.15%	.23%	- 6.10%
S & P 425	4.35%	1.23%	-1.11%	-13.74%
S & P 500	3.85%	.80%	-1.74%	-14.49%

N/C - Performance measurement over a ten-year period not calculated

Asset Composition and Market Timing

A summary of all of the endowment pools providing information about the aggregate composition of their portfolios indicates the following:

- The average percentage in equities was 66.5 as of June 30, 1973, and 60.4 as of June 30, 1974.
- The average percentage in senior securities was 20.7 as of June 30, 1973, and 21.9 as of June 30, 1974.
- The average percentage in cash was 8.6 as of June 30, 1973, and 13.1 as of June 30, 1974.
- The average percentage in miscellaneous assets was 4.2 as of June 30, 1973, and 4.7 as of June 30, 1974.

Some observations can be made in terms of how well the average institution recognized the approaching decline in both the stock market and the bond market in 1973-74. While it cannot be determined exactly when conscious shifts were made among investment vehicles, it does seem clear that shifting did occur. If no shift had been made between types of securities and if market values moved in accordance with the general market, then a prediction of ending asset values can be obtained through use of the S&P Index and the

Salomon Index. This prediction is shown in column 3 of Table II. The actual results shown in columns 2 and 4 indicate that there was in effect no change in senior securities, but that a change in the percentage of equities and cash for the fiscal year 1973-74 appears indeed to be the result of a shifting of assets and not solely market performance. If the stocks held by institutions were less volatile than the market, then the move out of equities and into cash was even greater.

TABLE II - ASSET COMPOSITION - ALL ENDOWMENT POOLS

Col 1	Col 2	Col 3	Col 4
Asset	Actual 6/30/73	Predicted 6/30/74	Actual 6/30/74
Equities	66.5%	64.4%	60.4%
Senior Securities	20.7%	20.6%	21.9%
Cash	8.6%	10.1%	13.1%
Miscellaneous	4.2%	4.9%	4.7%
TOTAL	$7.8 Billion		$6.9 Billion

NOTE The S&P 500 and Salomon Brothers Index declined 17.5 percent and 14.1 percent, respectively, from June 30, 1973, to June 30, 1974. Cash and miscellaneous assets were assumed to have experienced zero appreciation.

Tables III and IV show the same analysis as Table II, but endowment pools have been grouped by their investment objective, i.e., either (1) total return (T/R) or (2) balanced or income oriented (B/I).

TABLE III - ASSET COMPOSITION - TOTAL RETURN POOLS

Asset	Actual 6/30/73	Predicted 6/30/74	Actual 6/30/74
Equities	73.0%	70.7%	65.6%
Senior Securities	14.4%	14.5%	14.6%
Cash	9.0%	10.6%	15.6%
Miscellaneous	3.6%	4.2%	4.2%
TOTAL	$3.73 Billion		$3.14 Billion

TABLE IV - ASSET COMPOSITION - BALANCED OR INCOME POOLS

Asset	Actual 6/30/73	Predicted 6/30/74	Actual 6/30/74
Equities	62.5%	60.5%	57.0%
Senior Securities	24.5%	24.4%	26.4%
Cash	8.3%	9.7%	11.6%
Miscellaneous	4.6%	5.4%	5.0%
TOTAL	$4.11 Billion		$3.72 Billion

As might be expected the percentage of senior securities held by T/R versus B/I pools was considerably lower on June 30 for both 1973 and 1974. Conversely, equities for T/R pools was considerably higher than B/I pools. While the percentage of senior securities as of June 30 for both years remained fairly constant for both T/R and B/I pools, the percentage in equities for the two groups declined significantly over the 1973-74 fiscal year. The cash positions of T/R pools were very similar to those of B/I pools for 1973 but comparatively higher for T/R pools in 1974. The strategy in investing T/R pools appeared to place additional emphasis on cash to offset the greater exposure to equities. In comparison with the 1973 NACUBO Comparative Performance Study it is interesting to note that the percentage of endowment pools classified as either T/R or B/I in terms of their investment objective is fairly similar to the 39 percent total return, 61 percent balanced or income oriented investment objective distribution this year. This might indicate that any restructuring of assets was for the most part being made in conjunction with a consistent investment objective.

The asset composition of the endowment pools based on market size as of June 30, 1973, and June 30, 1974, is shown on Table V.

TABLE V - ASSET COMPOSITION - ENDOWMENT SIZE

Asset 6/30/74	Category 3 Over $50 Million	Category 2 $10-$50 Million	Category 1 Under $10 Million
Equities	56.7%	64.4%	63 %
Senior Securities	25.5%	18.1%	19.1%
Cash	13.7%	12.0%	13.5%
Miscellaneous	4.1%	5.7%	4.7%
TOTAL MARKET VALUE	$300 Million	$980 Million	$5.6 Billion

Asset 6/30/73	Category 3 Over $50 Million	Category 2 $10-$50 Million	Category 1 Under $10 Million
Equities	63 %	70.2%	69.4%
Senior Securities	23.3%	17.5%	19.1%
Cash	9.8%	7.2%	7.5%
Miscellaneous	3.6%	5.4%	4.1%
TOTAL	$335 Million	$1.1 Billion	$6.4 Billion

In each size category the percentage of senior securities at fiscal year end 1973 and 1974 has remained relatively stable. This is consistent with observations of senior security assets for endowment pools classified by investment objective as well as for all endowment pools together. Table V appears to indicate that institutions in general did not recognize or attempt to compensate for a forthcoming decline in the bond market. Further, it should be noted that category 3 institutions were considerably less equity and more senior security oriented than categories 2 and 1. This is probably the primary reason the category 3 pools experienced somewhat better performance in fiscal 1973-74 than the other two categories.

Non-Controllable Assets

Of the 147 pools, 115 had non-controllable assets of 5 percent or less, 23 had non-controllable assets of between 5 and 15 percent, 5 between 15 and 25 percent, and one institution had non-controllable assets of greater than 25 percent. Non-controllable assets for all endowment pools represented 3.9 percent of the total assets of the endowment pools as of June 30, 1974. This small amount of non-controllable assets is encouraging in terms of the validity of the CPS. NACUBO will endeavor to aid institutions in refining their unit value calculations to further reduce non-controllable assets.

General Information

Of the 147 institutions which responded to the questionnaire 125 have fiscal years ending June 30; 1 has a fiscal year ending December 31; 1 ending March 31; 10 ending May 31; 9 ending August 31; and 1 ending September 30.

The distribution and size of the 145 institutions reporting endowment size (Exhibit 4) as of June 30, 1974 are:

		Number	Percent of 145 Answering
A)	Greater than $100 million	18	12%
B)	$50 to $100 million	15	10%
C)	$25 to $50 million	17	12%
D)	$10 to $25 million	33	23%
E)	$5 to $10 million	24	17%
F)	Under $5 million	38	26%
	TOTAL	145	100%

The 145 institutions indicated that their total market value as of June 30, 1973, and June 30, 1974, was $8.6 and $7.46 billion, respectively, a 13.3 percent decline in asset value for the June 30, 1973-74, fiscal year.

One hundred twenty-eight institutions reported that during fiscal 1973-74 they received a total of $219 million in new gifts. By subtracting the total 1973-74 gifts from the year-end market value of endowments and dividing by the beginning market value, one can compute a crude performance estimate of -16.7 percent. It should be realized that this is a rough estimate as net additions and the time flow of gifts are not taken into consideration. Accurate performance is best measured via the Comparative Performance Study, but these figures are a useful indication of the experience of endowments for the fiscal year. The CPS figure of average unit value appreciation for the 150 pools measured was -15.5 percent.

The average institution on June 30, 1974, had a market value of $51.4 million, received $1.7 million in new gifts during the year, and had realized and unrealized losses of $6.5 million. The median institution on June 30, 1974, had a market value of $13.5 million, received $.4 million in gifts, and had realized and unrealized losses of $.9 million. The average yield (dividends and interest divided by the average of the beginning and ending year market value for the institutions) was 4.93 percent.

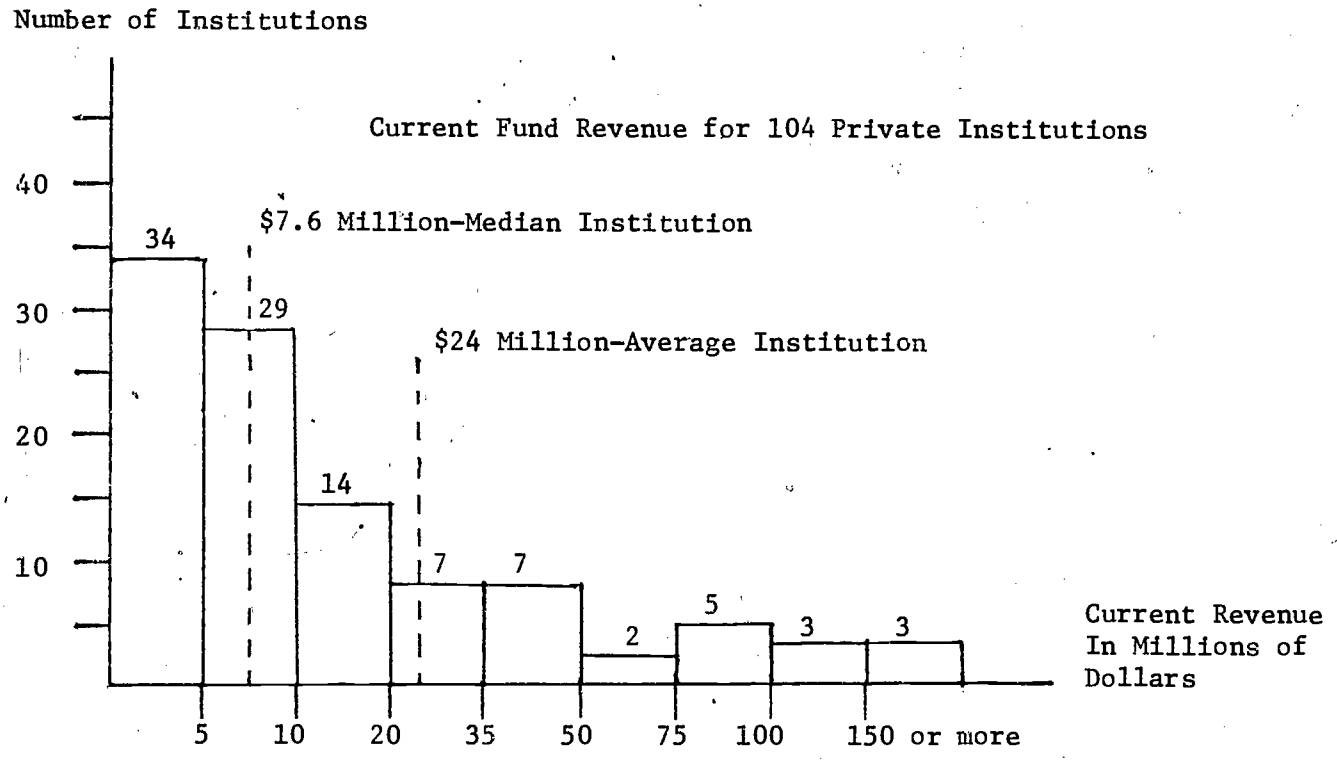
Private and State Supported Institutions

The responses to this portion of the questionnaire have been aggregated in terms of the private and state supported institutions in order to provide more meaningful information. Of the 147 institutions the average endowment size of the 115 private and 32 state supported institutions is $58 and $31.9 million, respectively. The median endowment size is $17.2 million and $8.3 million. The average amount received in new gifts is $2 million for private institutions and $.6 million for state institutions. The median is $.44 million and $.24 million.

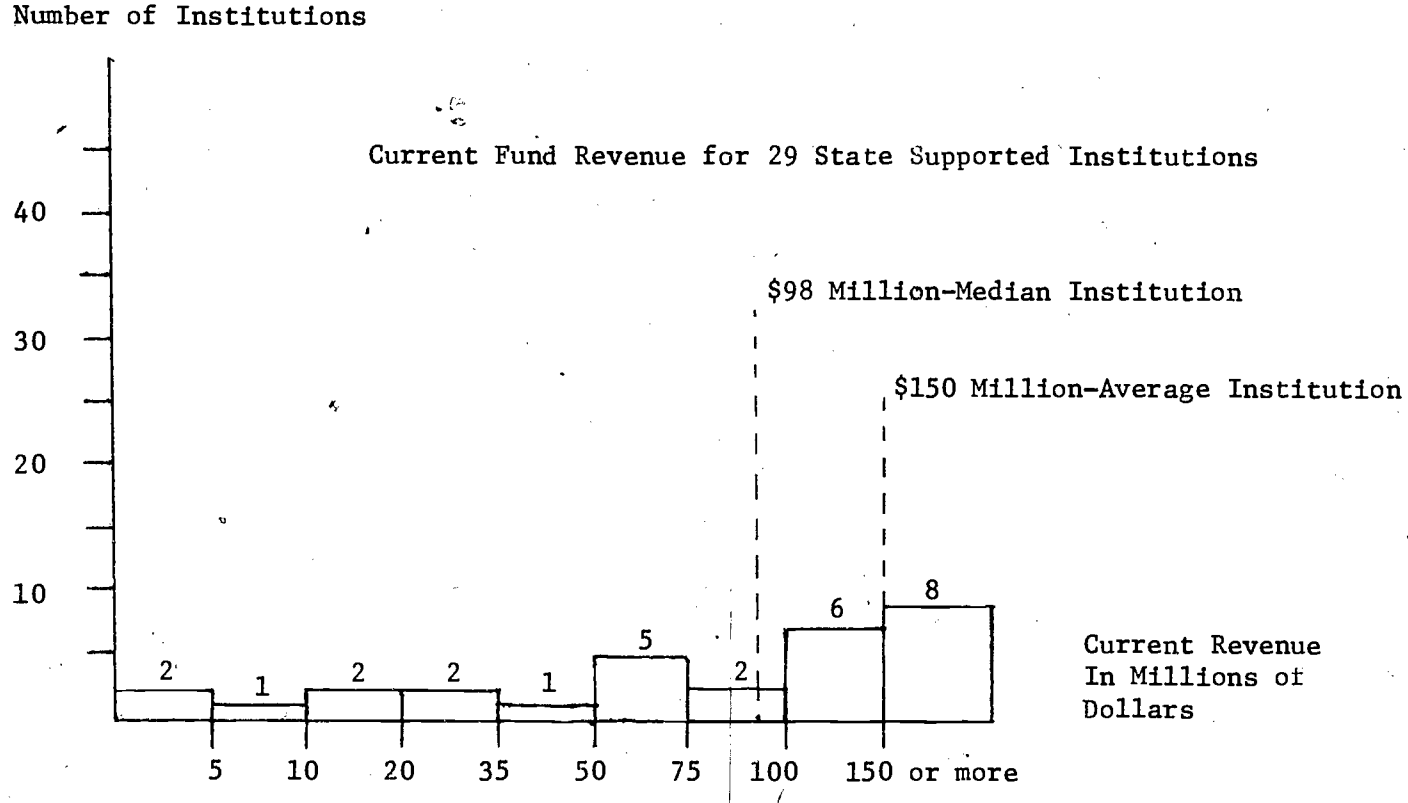
Current Fund Revenue and Endowment Income

Current fund revenue for both private and public institutions is portrayed in graphs I and II. It can be seen from graph I that 34 private and 2 state supported institutions had current fund revenues of less than $5 million, 29 private and 1 state institution had current fund revenue of $5 to $10 million, etc. Graph II shows, for example, that 7 private institutions or 6.3 percent (7/103) of all private institutions responding and 17 state institutions or 63 percent (17/27) of all state institutions responding received income from endowment constituting less than 1 percent of current fund revenue, etc. The average amount of current fund revenue for private and state institutions is $24 million and $150 million, respectively. The median figure is $7.6 million and $98 million. The average percent of endowment income to current fund revenue for private and state institutions is 12.4 percent and 2.3 percent. The median figure is 8.1 percent and .4 percent. Because in general the role of endowment income as a source of current fund revenue compared to total current fund revenue is relatively insignificant for state supported institutions, and far more important for private institutions (graph II), the emphasis in this section is devoted primarily to reporting results for private institutions.

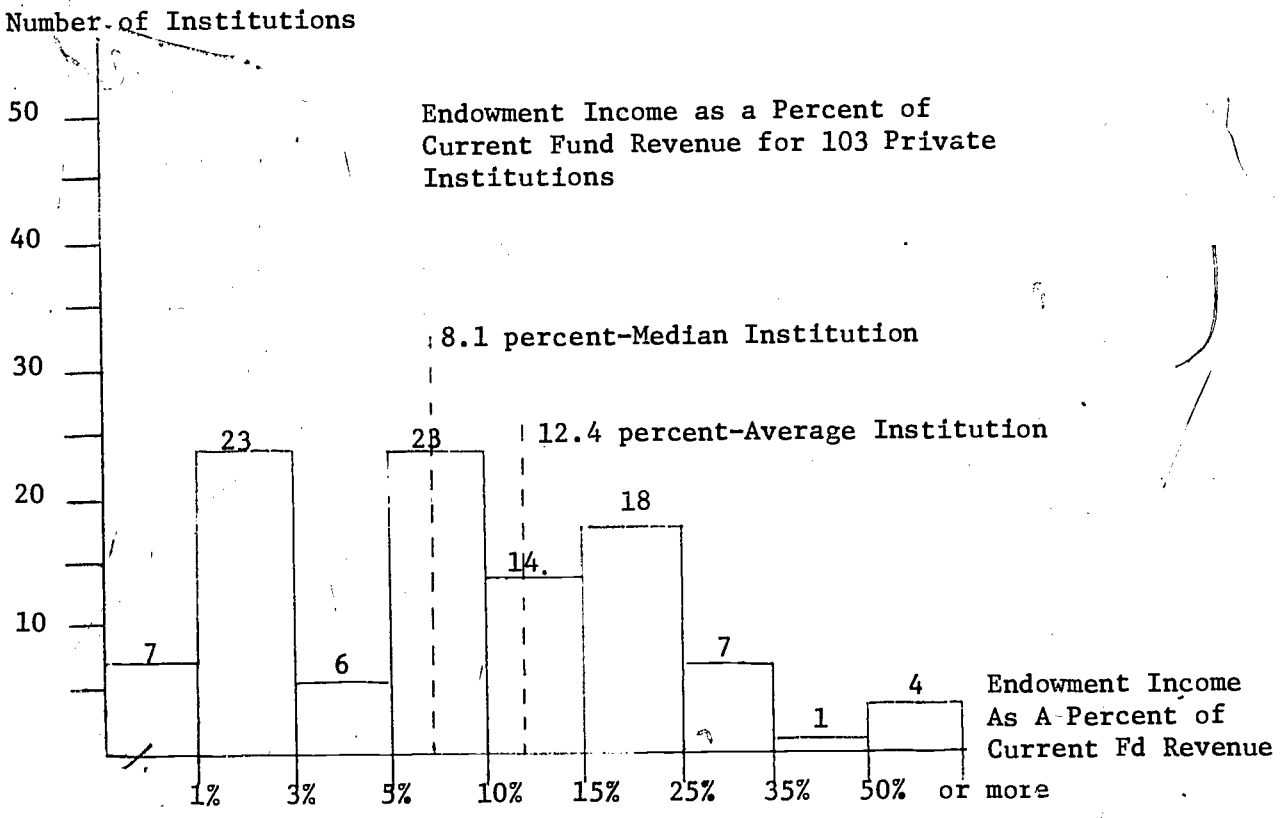
GRAPH I - PRIVATE



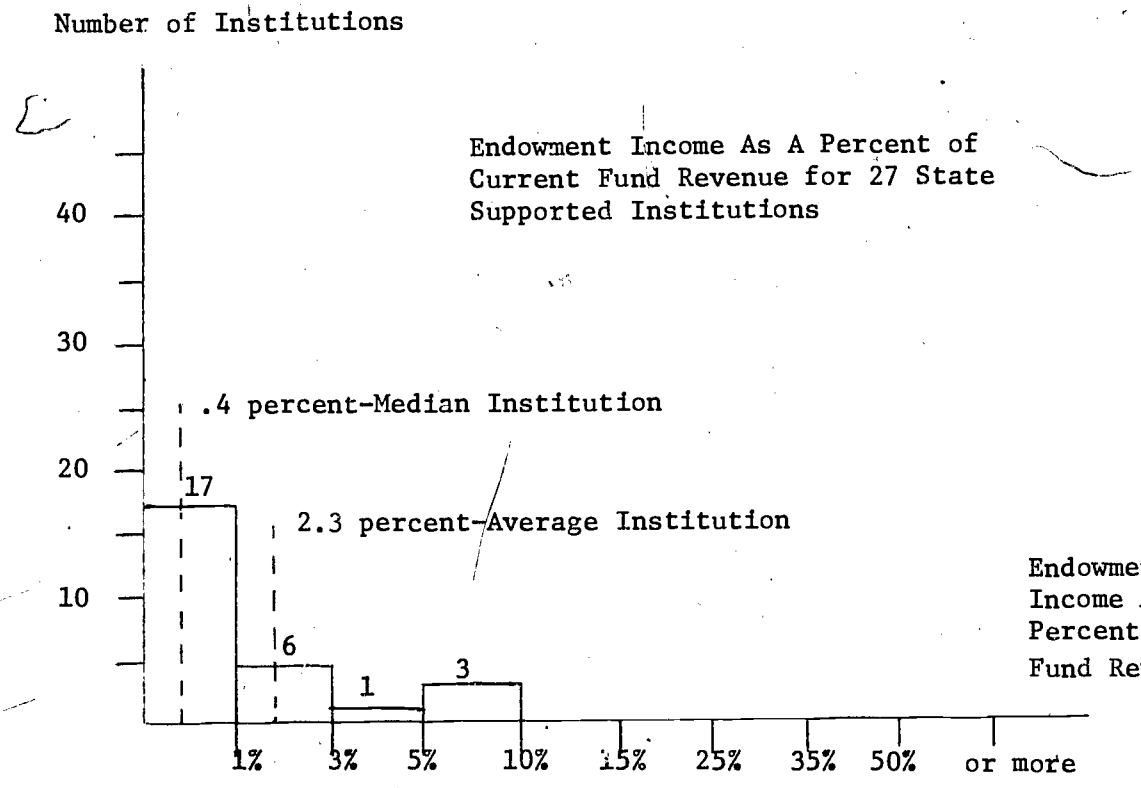
GRAPH I - PRIVATE



GRAPH II - PRIVATE



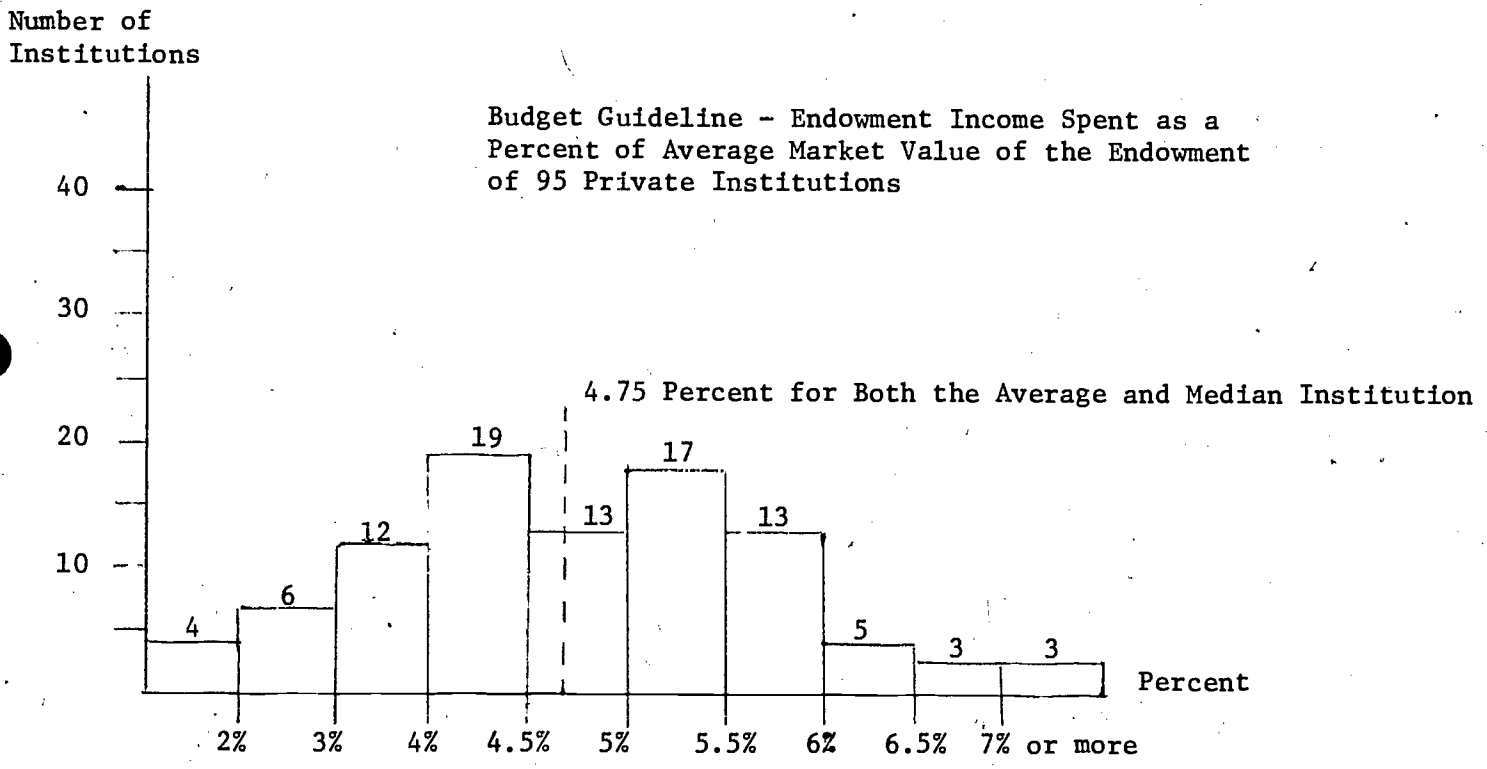
GRAPH II - PUBLIC



Budget Guideline

Graph III illustrates the amount of endowment income spent in current operations as a percentage of the average market value. This percentage is the amount being utilized from the endowment during the fiscal year to help meet the current budget. In a sense this is a budget guideline showing what institutions during fiscal 1973-74 contributed from their total endowment to support their immediate needs. The budget guideline for both the average and median institution was 4.75 percent.

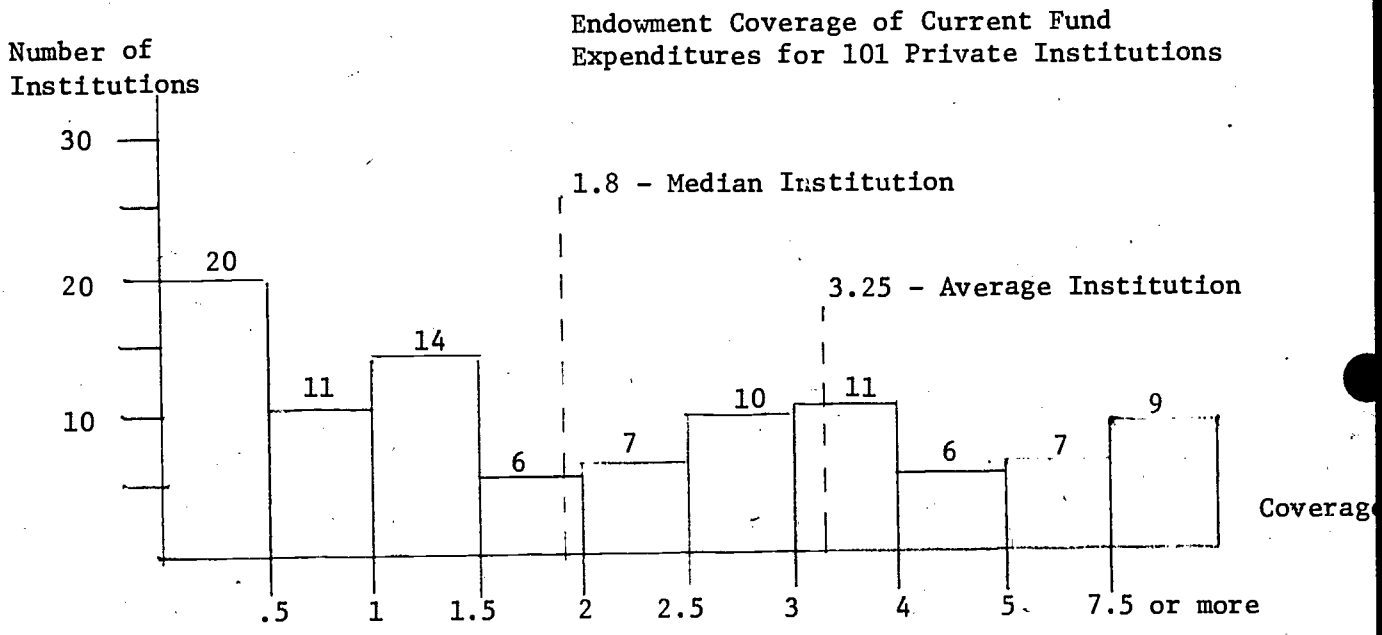
GRAPH III



Endowment Coverage

Graph IV shows the distribution of 101 private institutions in terms of their average endowment as of June 30, 1973, and June 30, 1974, divided by the current fund expenditures. For example, in 9 institutions the average market value of the endowment was 7.5 times greater than current fund expenditures. On the other hand, 20 institutions could not cover 50 percent of their current fund expenditures with their entire endowment. The endowment of the average institution is 3.25 times greater than current fund expenditures. The endowment of the median institution is 1.8 times greater.

GRAPH IV



Endowment Support

Endowment principal and income per full time equivalent (FTE) student and per faculty member for private institutions are shown in Tables VI through IX. Endowment support for approximately 75 percent of the state institutions responding was the following:

	Average	Median
Less than $1,000 in principal per FTE student	$ 1,430	$ 250
Less than $100 in income per FTE student	70	15
Less than $25,000 in principal per faculty member	21,300	4,200
Less than $1,000 in income per faculty member	1,030	210

PRIVATE INSTITUTIONS - ENDOWMENT PRINCIPAL AND INCOME PER FTE STUDENT AND PER FACULTY MEMBER

(Tables VI-IX)

TABLE VI

Endowment Principal per FTE Student

Amount	Number of Institutions
Less than $1,000	13
$1,000 to $5,000	26
$5,000 to $10,000	19
$10,000 to $15,000	10
$15,000 to $20,000	11
$20,000 to $25,000	1
$25,000 to $35,000	8
$35,000 to $50,000	6
$50,000 to $75,000	6
Greater than $75,000	1
TOTAL	101
AVERAGE INSTITUTION	$14,800
MEDIAN INSTITUTION	$ 8,200

TABLE VII

Endowment Income per FTE Student

Amount	Number of Institutions
Less than $100	24
$100 to $200	13
$200 to $300	6
$300 to $500	14
$500 to $750	8
$750 to $1,000	14
$1,000 to $1,500	5
$1,500 to $2,000	7
$2,000 to $4,000	10
Greater than $4,000	1
TOTAL	102
AVERAGE INSTITUTION	$800
MEDIAN INSTITUTION	$430

TABLE VIII

Endowment Principal Per Faculty Member

Amount	Number of Institutions
Less than $25,000	21
$25,000 to $50,000	14
$50,000 to $75,000	8
$75,000 to $100,000	7
$100,000 to $125,000	7
$125,000 to $150,000	5
$150,000 to $200,000	12
$200,000 to $300,000	9
$300,000 to $400,000	7
Greater than $400,000	9
TOTAL	99
AVERAGE INSTITUTION	$148,000
MEDIAN INSTITUTION	$100,000

TABLE IX

Endowment Income Per Faculty Member

Amount	Number of Institutions
Less than $1,000	16
$1,000 to $2,000	11
$2,000 to $3,000	8
$3,000 to $4,000	6
$4,000 to $5,000	7
$5,000 to $7,500	13
$7,500 to $10,000	9
$10,000 to $15,000	10
$15,000 to $20,000	8
Greater than $20,000	11
TOTAL	99
AVERAGE INSTITUTION	$ 8,100
MEDIAN INSTITUTION	$ 5,100

Use of Investment Advisors

Of the 136 institutions responding to the question referring to the use of outside investment advisors, 102 or 75 percent indicated that they use outside advisors, 34 or 25 percent indicated that they did not. The market sizes of endowments as of June 30, 1974, of those institutions not using outside advisors, were: 19 under $10 million, 3 between $10 and $25 million, 1 between $25 and $50 million, 2 between $50 and $100 million, and 8 over $100 million. It is believed that these 8 institutions with endowments over $100 million all maintain professional in-house staffs. One institution did not indicate the size of its endowment as of June 30, 1974.

Security Lending

The 143 institutions answering the security lending portion of the questionnaire were grouped by market value size of endowment as of June 30, 1974:

	Number Answering	Percentage Answering
Over $65 million	28	20
$40 to $65 million	9	6
$20 - $40 million	19	13
$10 - $20 million	25	18
Under $10 million	61	43
TOTAL	142*	100

*NOTE: One institution did not indicate its market value.

Of the 143 institutions responding to the question pertaining to participation in security lending the responses were as follows:

	Number Answering	Percent Answering
My institution has not considered lending securities.	62	43
My institution is in the process of considering lending securities.	18	13
My institution considered lending securities but felt it not appropriate to participate in such a program.	29	20
My institution participates in security lending.	34	24
TOTAL	143	100%

Table X shows a breakdown by endowment size of institutional response to participation in security lending.

TABLE X

Lending Position	Under $10 million	$10-20 million	$20-40 million	$40-65 million	Over $65 million	Total
Not Considered	46	11	3	0	1	61
Considering	5	3	6	1	3	18
Not Appropriate	8	9	6	4	2	29
Lends Securities	2	2	4	4	22	34
TOTAL	61	25	19	9	28	142

Of the 34 institutions participating in security lending the responses in terms of operational framework are as follows:

	Number Answering	Percent Answering
My institution handles its security lending program internally.	23	67
Our custodian bank handles our security lending program.	6	18
Our outside investment advisor handles our security lending.	4	12
Other	1	3
TOTAL	34	100%

Thirty-two institutions responded as follows concerning the inception date of their security lending program:

Inception Date	Number Answering	Cumulative Total
Prior to 12/31/70	5	5
Calendar 1971	7	12
Calendar 1972	9	21
Calendar 1973	5	26
Calendar 1974	6	32

It appears that participation by institutions in security lending is not a recent phenomenon of the high, short-term interest rates that were available to institutions during fiscal 1973-74.

Total Return (Yield and Appreciation)

In terms of applying the total return concept (the spending of yield plus a prudent portion of appreciation) to help meet current year expenses, 142 institutions responded as follows:

	Number Answering	Percent Answering
Applies T/R concept for budgeting	51	36
Does not apply the T/R concept for budgeting	91	64
TOTAL	142	100%

Of the 51 institutions applying total return for budgeting 3 or 6 percent apply T/R to true endowment only, 10 or 20 percent to quasi endowment only, and 36 or 72 percent to both true and quasi endowment. One institution did not answer this question. For the 50 institutions reporting their market valuation and indicating the use of total return for budgeting purposes, the results were as follows:

Market Value as of June 30, 1974	Number Answering	Percent Answering
Over $100 million	11	22
$50 to $100 million	8	16
$25 to $50 million	5	10
$10 to $25 million	13	26
$5 to $10 million	5	10
Under $5 million	8	16
TOTAL	50	100%

These responses indicate that there does not seem to be a correlation between endowment size and the adoption of T/R for budgeting purposes, nor does there appear to be a correlation between endowment size and fund application (true, quasi, or both) in using T/R for budgeting; that is, of the 10 institutions applying T/R to quasi endowment only, the size of the endowment did not fall into any particular range. The same was true for those 36 institutions applying T/R to both true and quasi endowment. Only three institutions responded that T/R is applied to true endowment only.

Total Return Spending Formulas

Of the 51 institutions answering that they adopted total return for budgeting purposes, 25 described their method of application (Exhibit 5). An overview of responses shows that most institutions determine the amount of total return to be drawn from endowment based on a formula. The formula is usually a function of the endowment market value upon which a spending percentage is applied.

Approximately one-third of the responding institutions use the most recent three-year market average to determine the base upon which to apply the spending rate. Approximately one-fifth of the institutions responding indicate that they too use a three-year average but set the average back one year. The one-year set-back allows additional flexibility in budgeting as the draw on endowment can be determined a year earlier. For example, an institution for the budgeted year 1976-77 could calculate on June 30, 1975, the amount to be spent on endowment based on valuations for 1972-73, 1973-74, and 1974-75. It should be pointed out that it appears that only a handful of institutions are using year end valuations in determining their market base and that most are using quarterly and some monthly valuations. A few institutions average their calculations over a five-year period and some over only a one-year period.

The most common rate applied to the endowment market base is 5 percent; two institutions apply 4 percent and one 6 percent. Many formulas are not straightforward and have adjustment factors to the rate applied and the market value as well. For example, one institution with a one-year lag formula adds to its average market value the average net additions received. Another applies total return to its common stock investments only. Another applies an additional smoothing technique. Also, there seems to be a variance in spending rates depending upon whether funds are being applied to true endowment or to quasi endowment.

Finally, it appears that a number of the institutions applying total return have either recently revised or are in the process of revising their formula.

Bond Pricing

The results of the responses to a question on how institutions price bonds are shown in Exhibit 6. This matter will be pursued further and described in greater detail in succeeding reports.

EXHIBIT 1

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

PARTICIPATING INSTITUTIONS

Academy of the New Church
Agnes Scott College
Albion College
Alfred University
Allegheny College
Alma College
Amherst College
Atlantic Christian College
Babson College
Baldwin-Wallace College
Barnard College
Bates College
Berea College
Berry College
Bowdoin College
Bowling Green State University
Brandeis University
Brown University
Bryn Mawr College
Bucknell College
California Institute of Technology
Carleton College
Carnegie-Mellon University
Carroll College (Wisconsin)
Case Western Reserve University
Catholic University of America
Coe College
Colgate University
College of Wooster
Colorado College
Columbia University
Columbia University Teachers College
Cooper Union
Cornell University
Creighton University
Dartmouth College
Denison University
Dickinson College
Drake University
Drew University
Eastern Michigan University
Franklin and Marshall College
Furman University
George Washington University
Hamline University
Hampton Institute
Harvard University
Hendrix College
Indiana University
John Carroll University
Johns Hopkins University
Kansas State Teachers College
Kenyon College
Lafayette College
Lawrence University
Lehigh University
Long Island University
Lynchburg College
Macalester College
McGill University
Medical College of Pennsylvania
Mercer University
Miami University
Michigan State University
Middlebury College
Mills College
Monmouth College (New Jersey)
Mount Holyoke College
Muhlenberg College
New York University
Northwestern University
Oakland University
Oberlin College
Occidental College
Ohio Wesleyan University
Oregon State Higher Education System
Pacific School of Religion
Pennsylvania State University
Philadelphia College of Textiles and Science
Princeton Theological Seminary
Princeton University
Principia College
Rensselaer Polytechnic Institute
Rhode Island School of Design
Rice University
Rollins College
Rutgers, The State University
St. John's College
Simmons College
Smith College
Stanford University

State University of New York at Binghamton
State University of New York at Buffalo
Stephens College
Swarthmore College
Sweet Briar College
Tufts University
University of Arizona
University of Arkansas
University of California
University of Chicago
University of Connecticut
University of Delaware
University of Denver
University of Evansville
University of Illinois
University of Michigan
University of Minnesota
University of Mississippi
University of Missouri
University of Nevada
University of North Carolina at Greensboro
University of Pennsylvania
University of Pittsburgh
University of Puget Sound
University of Rochester
University of San Francisco
University of Santa Clara
University of Tennessee
University of Utah
University of Vermont
University of Virginia
University of Wisconsin
Vanderbilt University
Virginia Military Institute
Wake Forest University
Washington State University
Washington University
Wayne State University
Wells College
Wesleyan College
Whittier College
Willamette University
Williams College
Worcester Polytechnic Institute
Yale University

136 participating institutions

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

CHARACTERISTICS OF PARTICIPATING ENDOWMENT POOLS

Number	Code	Investment Objective[1]	Market Value Size[2]	Percentage in Cash 6/30/73	Percentage in Cash 6/30/74	Percentage in Equity 6/30/73	Percentage in Equity 6/30/74	Fund Characteristic[3]	Fund Composition[4]	Percentage in Senior Securities 6/30/73	Percentage in Senior Securities 6/30/74	Percentage in Misc. Assets 6/30/73	Percentage in Misc. Assets 6/30/74
1	e1	1	B	0	6	92	82	1	2	8	12	0	0
2	e2	3	D	6	1	69	53	1	3	24	44	1	1
3	e3	1	D	0	1	80	81	1	2	19	17	1	1
4	e4	2	F	0	5	66	57	1	3	34	38	0	0
5	e5	1	B	3	3	89	88	1	2	8	10	0	0
6	e6	1	C	4	9	78	73	1	2	10	9	8	9
7	e7	1	E	19	17	60	62	1	2	0	0	21	21
8	e8	2	A	8	24	72	53	1	2	12	14	8	9
9	e9	1	F	9	11	88	85	1	4	3	4	0	0
10	e10	3	E	6	13	42	46	1	1	51	38	2	3
11	e11	1	A	5	5	85	83	1	1	10	12	0	0
12	e12	2	F	n/a	9	n/a	75	1	2	n/a	16	n/a	0
13	e13	2	E	1	2	55	50	1	2	36	41	8	8
14	e15	2	C	5	5	73	71	1	1	21	18	0	6
15	e16	1	D	20	28	64	55	1	2	9	9	7	8
16	e17	2	C	7	24	67	61	1	2	19	7	7	8
17	e18	1	B	1	4	92	88	5	1	6	6	2	2
18	e19	1	D	2	10	81	76	1	2	17	15	0	0
19	e20	2	D	3	16	86	70	1	2	10	12	1	2
20	e21	2	B	13	8	66	65	1	3	19	24	2	3
21	e22	3	E	6	10	49	31	1	3	45	59	0	0
22	e23	2	F	9	2	69	58	4	2	22	40	0	0
23	e24	1	E	4	2	72	77	4	2	24	21	0	0
24	e25	1	B	0	0	100	100	5	2	0	0	0	0
25	e26	1	E	1	9	91	90	1	2	0	0	1	1

Footnotes: for explanation of codes

[1]See page 1

[2]See page 2

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EXHIBIT 2

Number	Code	Investment Objective[1]	Market Value Size[2]	Percentage in Cash 6/30/73	Percentage in Cash 6/30/74	Percentage in Equity 6/30/73	Percentage in Equity 6/30/74	Fund Characteristic[3]	Fund Composition[4]	Percentage in Senior Securities 6/30/73	Percentage in Senior Securities 6/30/74	Percentage in Misc. Assets 6/30/73	Percentage in Misc. Assets 6/30/74
26	e27	1	B	5	9	73	66	1	1	19	22	3	4
27	e28	2	B	7	7	85	64	1	2	7	28	1	1
28	e30	1	F	3	15	48	45	5	2	49	40	0	0
29	e31	2	B	6	4	41	43	4	1	43	42	10	11
30	e32	2	D	4	10	71	62	1	2	25	28	0	0
31	e33	1	A	11	23	75	61	5	2	14	16	0	0
32	e34	2	C	3	6	78	74	1	2	6	5	14	15
33	e35	1	A	1	1	97	96	1	1	0	0	3	3
34	e36	1	A	27	64	66	29	1	1	4	3	3	4
35	e37	3	C	17	27	57	49	1	3	9	8	17	16
36	e38	2	A	6	8	71	65	D	3	20	23	3	5
37	e39	1	C	n/a	n/a	n/a	n/a	1	2	n/a	n/a	n/a	n/a
38	e40	1	A	20	22	45	54	4	2	29	16	6	8
39	E41	2	D	6	11	64	52	4	2	30	37	1	1
40	e42	1	E	5	12	79	65	1	2	15	22	1	1
41	e44	2	F	8	13	86	79	1	3	6	8	0	0
42	e45	2	D	16	9	76	70	1	1	8	22	0	0
43	e46	2	D	11	14	57	52	1	2	32	34	0	0
44	e47	2	D	10	16	74	70	2	1	8	4	8	10
45	e48	2	F	13	3	70	62	3	4	15	32	2	3
46	e49	2	D	8	7	78	83	1	2	14	10	0	0
47	e51	2	D	0	0	65	63	1	2	10	10	25	28
48	e52	2	E	8	18	56	36	1	2	36	46	0	0
49	e53	2	D	4	13	73	64	1	3	20	21	3	2
50	e55	2	D	20	24	80	72	1	4	0	4	0	0
51	e56	2	B	17	17	48	46	1	2	32	35	3	3
52	e57	2	A	8	12	63	59	1	1	27	27	2	2
53	e58	2	E	3	9	74	64	1	2	23	27	0	0
54	e59	2	E	10	13	51	43	1	2	39	44	0	0
55	e61	2	A	16	20	53	60	1	2	31	20	0	0
56	e62	1	C	n/a	23	n/a	64	1	2	n/a	12	n/a	1
57	e63	1	B	13	16	79	74	1	2	8	10	0	0
58	e64	1	F	7	11	82	39	1	2	11	10	0	41
59	e65	2	F	15	13	79	80	1	2	7	7	0	0
60	e68	1	D	7	14	90	80	4	1	3	6	0	0

[1] See page 1
[2] See page 2
[3] See page 2

Number	Code	Investment Objective[1]	Market Value Size[2]	Percentage in Cash 6/30/73	Percentage in Cash 6/30/74	Percentage in Equity 6/30/73	Percentage in Equity 6/30/74	Fund Characteristic[3]	Fund Composition[4]	Percentage in Senior Securities 6/30/73	Percentage in Senior Securities 6/30/74	Percentage in Misc. Assets 6/30/73	Percentage in Misc. Assets 6/30/74
61	e69	1	D	4	19	73	59	1	2	21	20	1	2
62	e70	3	F	6	2	19	33	2	2	75	65	0	0
63	e71	1	D	17	22	64	57	1	2	20	21	0	0
64	e72	2	B	2	11	57	53	1	1	29	21	13	16
65	e73	2	A	6	9	45	39	4	2	41	42	8	10
66	e74	2	F	21	14	71	51	1	3	8	35	0	0
67	e75	1	D	1	1	68	66	4	1	29	30	2	3
68	e76	2	F	22	43	55	39	1	2	23	19	0	0
69	e77	2	F	11	14	64	52	2	2	25	35	0	0
70	e78	3	E	7	23	48	39	1	3	45	39	0	0
71	e79	2	F	24	6	63	84	2	2	11	10	2	0
72	e80	2	F	14	25	84	72	1	4	2	4	0	0
73	e81	2	F	0	6	77	71	1	2	23	23	0	0
74	e82	2	F	0	0	63	55	1	2	37	45	0	0
75	e83	2	F	0	0	65	59	1	2	35	41	0	0
76	e84	2	F	1	1	82	80	1	3	12	13	6	6
77	c2	1	C	6	15	79	77	1	1	13	5	2	3
78	c3	2	C	8	10	63	62	1	3	19	18	9	10
79	c5	2	F	8	19	76	65	3	2	9	9	7	8
80	c6	2	D	2	8	60	53	1	2	5	4	32	35
81	c7	1	D	27	11	67	82	3	1	2	1	5	7
82	c9	2	B	5	9	54	53	1	3	36	33	5	5
83	c10	2	F	20	0	55	65	1	2	21	27	4	8
84	c11	2	F	18	15	67	54	1	2	0	17	15	15
85	c12	1	D	5	0	49	55	1	1	24	33	22	12
86	c13	1	E	14	33	71	57	5	2	15	10	0	0
87	c14	2	F	6	6	66	62	1	2	27	30	2	2
88	c15	1	A	1	2	77	76	1	2	14	13	8	9
89	c16	1	D	3	16	77	65	5	4	12	11	8	9
90	c17	2	C	13	10	50	45	1	2	36	45	1	1
91	c18	1	E	18	17	68	68	1	1	8	11	6	4
92	c19	1	C	2	14	64	55	1	2	35	31	0	0
93	c20	1	F	3	0	61	54	1	1	33	45	3	0
94	c21	1	D	13	21	67	57	1	2	17	19	4	3
95	c23	1	D	4	3	76	67	1	1	20	30	0	0

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[2]See page 2
[3]See page 2
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Number	Code	Investment Objective[1]	Market Value Size[2]	Percentage in Cash 6/30/73	Percentage in Cash 6/30/74	Percentage in Equity 6/30/73	Percentage in Equity 6/30/74	Fund Characteristic[3]	Fund Composition[4]	Percentage in Senior Securities 6/30/73	Percentage in Senior Securities 6/30/74	Percentage in Misc. Assets 6/30/73	Percentage in Misc. Assets 6/30/74
96	c24	2	F	2	3	57	45	1	1	41	53	0	0
97	c26	2	E	2	4	73	70	1	2	25	26	0	0
98	c27	2	A	6	23	59	48	5	2	28	22	6	7
99	c28	2	D	1	2	74	69	1	1	25	28	1	1
100	c29	2	A	13	28	64	52	1	2	13	14	9	5
101	c30	2	F	11	32	78	57	1	3	11	10	0	0
102	c31	1	A	1	2	66	64	1	2	33	34	0	0
103	c32	2	E	2	1	40	40	1	2	56	59	2	1
104	c33	2	F	0	0	73	78	4	2	0	0	26	21
105	c34	1	D	2	19	83	62	1	2	6	5	11	14
106	c35	1	E	5	28	18	11	1	1	16	3	61	58
107	c39	1	C	6	15	81	72	3	2	14	13	0	0
108	c40	2	F	45	29	51	67	1	3	3	4	0	0
109	c41	2	F	0	2	81	78	1	2	18	19	0	0
110	c42	1	B	6	13	81	72	4	2	11	13	2	2
111	c44	1	F	3	32	97	68	1	2	0	0	0	0
112	c45	2	F	6	31	52	33	1	2	41	34	1	2
113	c46	2	A	13	21	55	46	1	1	18	19	14	14
114	c47	2	E	9	1	48	50	1	2	44	49	0	0
115	c48	1	E	1	8	95	90	3	2	4	2	0	0
116	c49	2	D	0	0	56	53	1	2	42	45	2	2
117	c50	1	F	21	11	63	59	5	2	16	30	0	0
118	c51	2	F	8	10	52	52	1	3	36	34	4	4
119	c54	2	A	7	10	56	50	1	1	24	21	13	19
120	c55	2	A	7	12	61	52	1	3	31	36	1	1
121	c56	1	B	6	25	93	73	1	4	1	2	0	0
122	c57	1	E	2	2	59	61	1	1	38	36	1	1
123	c58	1	E	0	5	80	74	1	2	20	21	0	0
124	c59	1	F	23	66	75	32	1	2	2	2	0	0
125	c60	1	E	0	0	45	41	1	3	55	60	0	0
126	c62	2	F	0	0	60	53	1	2	40	47	0	0
127	c63	1	D	4	11	79	74	1	2	13	11	4	4
128	c64	2	F	1	0	62	60	1	3	37	40	0	0
129	c65	2	C	0	1	43	47	1	2	57	53	0	0
130	c66	2	F	5	19	50	46	1	3	21	20	15	11

[1] See page 1
[2] See page 2
[3] See page 2
[4] See page 3

Number	Code	Investment Objective[1]	Market Value Size[2]	Percentage in Cash 6/30/73	Percentage in Cash 6/30/74	Percentage in Equity 6/30/73	Percentage in Equity 6/30/74	Fund Characteristic[3]	Fund Composition[4]	Percentage in Senior Securities 6/30/73	Percentage in Senior Securities 6/30/74	Percentage in Misc. Assets 6/30/73	Percentage in Misc. Assets 6/30/74
131	c67	2	F	4	3	69	65	1	2	28	33	0	0
132	c68	2	F	4	18	84	66	1	2	11	16	0	0
133	c69	1	F	81	79	19	21	1	2	0	0	0	0
134	c70	2	E	9	7	55	53	1	2	7	7	30	33
135	c71	2	D	11	11	63	62	1	2	3	1	23	25
136	c72	2	A	7	16	39	42	1	3	46	33	9	10
137	c73	2	F	32	46	43	28	4	2	25	26	0	0
138	c76	1	F	14	11	72	72	1	1	14	17	0	0
139	c77	1	A	2	10	90	83	4	2	7	6	1	1
140	c78	2	E	13	11	53	54	5	2	33	35	0	1
141	c79	2	E	9	10	46	45	1	2	45	45	0	0
142	c80	3	F	1	3	58	54	3	2	30	32	10	11
143	c81	2	E	5	10	36	35	1	2	37	32	22	23
144	c82	2	C	10	25	81	70	4	2	9	6	0	0
145	c84	2	E	11	22	72	66	5	2	18	12	0	0
146	c85	2	F	8	11	69	57	1	2	20	27	3	5
147	c86	1	F	31	46	52	43	5	2	17	10	0	0
TOTAL		147	147	144	146	144	146	147	147	144	146	144	146
Average				8.6	13.1	66.5	60.4			20.7	21.9	4.2	4.7
Weighted average				7.6	12.8	67.7	63			20	19.4	4	4.6

[1]See page 1
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AVERAGE TOTAL RETURN OF INSTITUTIONS BY PERIOD, INVESTMENT OBJECTIVE, AND ENDOWMENT SIZE

The 1974 NACUBO Comparative Performance Study is divided into three parts. Part A includes all endowment pools participating, Part B aggregates endowment pools by their investment objective -- either total return, or balanced or income oriented -- and Part C groups endowment pools by their market valuations as of June 30, 1974, into three categories. Category I of Part C includes endowment pools whose market value is $50 million or greater, Category II includes endowment pools whose market value is between $50 and $10 million, and Category III includes endowment pools whose market value is $10 million or less.

Included in all performance groupings are three indexes, the Dow Jones, S & P 500, and S & P 425. Their inclusion is a result of their being widely followed benchmarks. It should be realized that endowment pools characteristically have significant fixed income obligations and that the indexes are 100 percent in equities.

All groupings measure performance over the five-, three-, and one-year periods ending June 30, 1974. Part A also measures performance for the ten-year period ending June 30, 1974. Ten-year performance measurement for Parts B and C would not be meaningful.

The number of endowment pools and indexes in each grouping and the group performance are shown in Tables A and B, respectively.

TABLE A

PERIOD PARTICIPATION OF ENDOWMENT POOLS AND THREE INDEXES

		Period Ending June 30, 1974			
	Grouping	10 Year	5 Year	3 Year	1 Year
Part A	All institutions	77	120	142	153
Part B	Total Return Investment Objective	N/C	50	59	60
	Balanced or Income Oriented Objective	N/C	70	83	93
Part C	Category I - $50 Million or Greater	N/C	31	35	36
	Category II - $50 to $10 Million	N/C	41	45	46
	Category III - $10 Million or Less	N/C	51	65	74

NOTE: Three institutions supplied unit value and income per unit data only and therefore are not included in Parts B and C.
N/C means not calculated

TABLE B

PERFORMANCE GROUPINGS OF ENDOWMENT POOLS AND INDEXES FOR VARIOUS PERIODS ENDING JUNE 30, 1974

Group	10 Year	5 Year	3 Year	1 Year
All Institutions	3.03	1.15	-1.37	-11.43
Total Return Investment Objective	N/C	1.04	-1.98	-12.68
Balanced or Income Investment Objective	N/C	1.37	- .79	-10.56
Market Size Over $50 Million	N/C	1.42	-1.55	-12.48
Market Size $10 - $50 Million	N/C	1.00	-1.32	-12.46
Market Size Under $10 Million	N/C	1.31	-1.09	-10.20
Dow Jones	3.37	2.15	.23	- 6.10
S & P 425	4.35	1.23	-1.11	-13.74
S & P 500	3.85	.80	-1.74	-14.49

NOTE: N/C means not calculated

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return for Ten-, Five-, Three- and One-Year Periods Ending June 30, 1974

All Institutions Reporting (150 pools)

TEN YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c18	7.63 %	39	c27	2.91 %
2	e35	7.17	40	e41	2.81
3	c62	5.68	41	c42	2.78
4	c5	5.45	42	c50	2.77
5	e5	5.43	43	c21	2.67
6	e11	5.17	44	c76	2.66
7	c65	4.79	45	e8	2.59
8	c10	4.72	46	c6	2.58
9	e51	4.66	47	e27	2.56
10	e18	4.59	48	c41	2.54
11	c55	4.47	49	e34	2.52
12	e42	4.38	50	c46	2.51
13	sp425	4.35	51	e44	2.39
14	e17	4.26	52	e39	2.34
15	e61	4.17	53	e71	2.34
16	c9	4.01	54	e75	2.33
17	c66	3.97	55	e59	2.32
18	e6	3.89	56	e36	2.29
19	c2	3.89	57	c49	2.26
20	sp500	3.85	58	e73	2.18
21	e38	3.85	59	c15	2.12
22	c31	3.75	60	e21	2.11
23	e15	3.74	61	e1	2.09
24	c3	3.64	62	e2	1.98
25	c26	3.62	63	c14	1.85
26	e20	3.58	64	c17	1.78
27	c28	3.44	65	e65	1.68
28	c78	3.42	66	e14	1.59
29	c47	3.39	67	e62	1.48
30	d-jones	3.37	68	e19	1.44
31	e3	3.34	69	c57	1.4
32	c64	3.27	70	c68	1.33
33	c19	3.25	71	e12	1.32
34	c29	3.13	72	e4	1.16
35	e72	3.11	73	e10	1.16
36	e45	2.99	74	c30	0.62
37	c32	2.98	75	e43	0.27
38	e28	2.94	76	e69	0.18
			77	e29	0.02

AVERAGE ROR 3.03

AVERAGE TOTAL RETURN

FIVE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	9.37 %	48	c56	1.84 %
2	c23	7.14	49	e38	1.77
3	c13	5.92	50	c55	1.77
4	e23	5.57	51	c68	1.77
5	c72	4.49	52	c14	1.61
6	c39	4.45	53	c26	1.61
7	c84	4.08	54	c78	1.53
8	e51	3.87	55	c42	1.44
9	c5	3.72	56	c47	1.43
10	e63	3.69	57	e28	1.38
11	c10	3.64	58	c76	1.34
12	c65	3.62	59	c6	1.34
13	e3	3.56	60	c41	1.32
14	e47	3.55	61	e20	1.29
15	c60	3.46	62	c29	1.26
16	e17	3.44	63	sp425	1.23
17	c18	3.41	64	c46	1.2
18	e6	3.38	65	e73	1.17
19	c28	3.29	66	e10	1.09
20	e16	3.28	67	e53	1.02
21	c20	3.15	68	c24	0.85
22	c64	3.14	69	c51	0.84
23	c66	3	70	sp500	0.8
24	e22	2.98	71	e39	0.74
25	c50	2.93	72	e71	0.73
26	c9	2.81	73	e7	0.68
27	c77	2.79	74	e30	0.67
28	e77	2.71	75	e34	0.64
29	c86	2.71	76	e5	0.6
30	e15	2.67	77	e72	0.57
31	c40	2.64	78	e48	0.4
32	e42	2.64	79	e8	0.38
33	e35	2.56	80	e81	0.33
34	c32	2.55	81	e65	0.31
35	c3	2.53	82	c11	0.18
36	e18	2.48	83	c21	0.16
37	c2	2.45	84	e32	0.05
38	c19	2.25	85	c12	0.04
39	e13	2.21	86	c81	0.02
40	e44	2.2	87	e78	-0.02
41	d-jones	2.15	88	c63	-0.07
42	c49	2.14	89	e59	-0.1
43	c31	2.12	90	e2	-0.16
44	e11	2.06	91	e41	-0.17
45	e56	2.05	92	e45	-0.32
46	e61	2.02	93	c30	-0.36
47	c27	1.98	94	e1	-0.41

AVERAGE TOTAL RETURN

FIVE YEARS ENDING JUNE 30, 1974 (CONTINUED)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
95	c17	-0.49 %	108	c48	-1.39 %
96	e49	-0.54	109	c7	-1.51
97	e40	-0.61	110	e55	-1.85
98	c57	-0.63	111	c15	-1.97
99	e43	-0.86	112	e12	-2.17
100	e14	-0.9	113	c82	-2.48
101	e19	-0.94	114	e75	-2.71
102	e36	-1.05	115	c58	-2.94
103	e4	-1.19	116	e62	-3.92
104	e68	-1.31	117	e69	-4.22
105	e21	-1.31	118	e29	-4.24
106	c80	-1.35	119	c44	-4.44
107	e26	-1.35	120	e80	-6.49

AVERAGE ROR 1.15

THREE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c65	11.65 %	27	c69	1.45 %
2	c23	7.31	28	c24	1.42
3	c62	5.52	29	e70	1.35
4	c33	5.23	30	e13	1.29
5	c81	4.57	31	c66	1.19
6	c5	4.35	32	c31	1.19
7	c40	3.65	33	e42	1.07
8	e51	3.42	34	e63	1.07
9	c72	3.35	35	c64	1.05
10	c73	3.15	36	e37	1.03
11	c13	2.85	37	c32	1.02
12	c54	2.73	38	c84	0.98
13	c70	2.72	39	c18	0.94
14	e6	2.54	40	e56	0.91
15	c10	2.51	41	e18	0.9
16	c2	2.3	42	c71	0.62
17	c20	2.03	43	c50	0.55
18	e15	1.99	44	c9	0.42
19	e17	1.9	45	e35	0.39
20	c60	1.73	46	e16	0.32
21	c39	1.7	47	c3	0.26
22	c86	1.66	48	d-jones	0.23
23	e47	1.65	49	e20	0.2
24	e3	1.6	50	c26	0.15
25	c28	1.56	51	c77	0.14
26	e22	1.55	52	e44	-0.13

AVERAGE TOTAL RETURN

THREE YEARS ENDING JUNE 30, 1974 (CONTINUED)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
53	c34	-0.15 %	98	e65	-2.77 %
54	e33	-0.21	99	c56	-2.86
55	e23	-0.28	100	e34	-2.87
56	e7	-0.37	101	c30	-2.96
57	e48	-0.39	102	c16	-3.18
58	c46	-0.4	103	e2	-3.18
59	e73	-0.73	104	c67	-3.3
60	e57	-0.77	105	e81	-3.39
61	c19	-0.8	106	e25	-3.48
62	c76	-0.6	107	c85	-3.51
63	e71	-0.89	108	c41	-3.55
64	e38	-1	109	e40	-3.69
65	c68	-1.01	110	e59	-3.73
66	e27	-1.02	111	c12	-3.79
67	e28	-1.02	112	e78	-4
68	c14	-1.03	113	e32	-4.03
69	e52	-1.04	114	e9	-4.11
70	c49	-1.04	115	e36	-4.12
71	sp425	-1.11	116	e68	-4.18
72	c6	-1.23	117	e58	-4.26
73	e30	-1.31	118	e41	-4.41
74	c59	-1.4	119	e8	-4.42
75	c42	-1.5	120	c80	-4.43
76	e77	-1.54	121	e19	-4.61
77	c29	-1.6	122	e43	-4.83
78	e61	-1.64	123	e24	-4.84
79	e53	-1.64	124	e12	-4.94
80	e10	-1.72	125	e1	-5
81	sp500	-1.74	126	e62	-5.5
82	e39	-1.75	127	e26	-5.61
83	c47	-1.75	128	c63	-6.05
84	e4	-1.8	129	c7	-6.06
85	c55	-1.9	130	e75	-6.16
86	c17	-1.9	131	e21	-6.58
87	c11	-1.99	132	c15	-6.68
88	c51	-2	133	c48	-6.71
89	c27	-2.25	134	e5	-6.88
90	e11	-2.32	135	e64	-7.45
91	c78	-2.37	136	e55	-7.94
92	e14	-2.41	137	c58	-8.54
93	c21	-2.41	138	e29	-8.63
94	e49	-2.46	139	c82	-8.76
95	e72	-2.62	140	e69	-8.86
96	c57	-2.74	141	c44	-9.85
97	e45	-2.77	142	e80	-10.9

AVERAGE ROR -1.37

AVERAGE TOTAL RETURN

ONE YEAR ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	4.19 %	48	c45	- 8.61 %
2	c40	3.94	49	e70	- 8.64
3	c35	3.81	50	c79	- 8.64
4	c69	3.67	51	e62	- 8.98
5	c59	0.63	52	e52	- 9.09
6	c86	-0.82	53	e31	- 9.13
7	c5	-0.87	54	e20	- 9.13
8	c23	-0.94	55	c51	- 9.14
9	c33	-1.29	56	c31	- 9.18
10	c13	-2.38	57	e7	- 9.2
11	c73	-2.49	58	e28	- 9.53
12	c44	-2.56	59	e3	- 9.85
13	e37	-2.71	60	c47	- 9.88
14	c10	-2.81	61	e40	- 9.98
15	c65	-3.07	62	e24	-10.01
16	e61	-3.51	63	c77	-10.14
17	e59	-3.68	64	c56	-10.24
18	e16	-4.06	65	e41	-10.25
19	c72	-4.14	66	c6	-10.25
20	e79	-4.73	67	e58	-10.27
21	c66	-5.01	68	c19	-10.58
22	e51	-5.35	69	c3	-10.61
23	c70	-5.49	70	e8	-10.64
24	e36	-5.56	71	c34	-10.82
25	e48	-5.58	72	e77	-10.83
26	c54	-5.72	73	c80	-10.96
27	c29	-6.07	74	e65	-11.02
28	d-jones	-6.1	75	e47	-11.14
29	c68	-6.3	76	c60	-11.29
30	e82	-6.41	77	c17	-11.35
31	c20	-6.45	78	c78	-11.5
32	e13	-6.66	79	c30	-11.52
33	e76	-6.8	80	c14	-11.65
34	c18	-7.07	81	c76	-11.72
35	e4	-7.08	82	e56	-11.73
36	e15	-7.24	83	c26	-11.77
37	c71	-7.4	84	e42	-11.89
38	e22	-7.55	85	e6	-12.01
39	c9	-8.07	86	e73	-12.13
40	e45	-8.19	87	c84	-12.26
41	c64	-8.2	88	e72	-12.28
42	e46	-8.29	89	e30	-12.39
43	c28	-8.41	90	e57	-12.47
44	c2	-8.43	91	e53	-12.48
45	e33	-8.46	92	e38	-12.68
46	c32	-8.48	93	c57	-12.83
47	c24	-8.58	94	e12	-12.85

AVERAGE TOTAL RETURN

ONE YEAR ENDING JUNE 30, 1974 (CONTINUED)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
95	c16	-12.87 %	124	e27	-15.7 %
96	e83	-12.9	125	c41	-15.86
97	e78	-13	126	c55	-16.2
98	e68	-13.03	127	c21	-16.42
99	e43	-13.05	128	e81	-16.61
100	e19	-13.09	129	c63	-16.71
101	e17	-13.2	130	e49	-16.79
102	e18	-13.23	131	e44	-17.17
103	c50	-13.31	132	e10	-17.51
104	e71	-13.66	133	e11	-17.69
105	sp425	-13.74	134	e1	-17.73
106	e14	-13.75	135	e63	-17.86
107	e29	-13.77	136	e55	-18.16
108	c46	-14.03	137	c85	-19.06
109	c15	-14.04	138	e2	-19.46
110	e84	-14.04	139	e80	-19.47
111	e25	-14.13	140	c48	-19.7
112	c11	-14.48	141	e9	-20.27
113	sp500	-14.49	142	e74	-20.29
114	e39	-14.56	143	e26	-21.15
115	e75	-14.69	144	e35	-22.58
116	c39	-14.69	145	e5	-22.8
117	c49	-14.7	146	c81	-24.12
118	c42	-14.96	147	c82	-24.77
119	e34	-15.05	148	c12	-24.82
120	e23	-15.12	149	e64	-25.03
121	e32	-15.18	150	c7	-27.17
122	c27	-15.18	151	e21	-27.27
123	c67	-15.43	152	e69	-28.23
			153	c58	-36.83

AVERAGE ROR -11.43

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return of Institutions with Total Return Investment Objective for Five-, Three- and One-Year Periods Ending June 30, 1974

FIVE YEARS ENDING JUNE 30, 1974 (50 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c23	7.14 %	26	sp425	1.23 %
2	c13	5.92	27	sp500	0.8
3	c39	4.45	28	e39	0.74
4	e63	3.69	29	e71	0.73
5	e3	3.56	30	e7	0.68
6	c60	3.46	31	e30	0.67
7	c18	3.41	32	e5	0.6
8	e6	3.38	33	c21	0.16
9	e16	3.28	34	c12	0.04
10	c20	3.15	35	c63	-0.07
11	c50	2.93	36	e1	-0.41
12	c77	2.79	37	e40	-0.61
13	e27	2.71	38	c57	-0.63
14	c86	2.71	39	e19	-0.94
15	e42	2.64	40	e36	-1.05
16	e35	2.56	41	e68	-1.31
17	e18	2.48	42	e26	-1.35
18	c2	2.45	43	c48	-1.39
19	c19	2.25	44	c7	-1.51
20	d-jones	2.15	45	c15	-1.97
21	c31	2.12	46	e75	-2.71
22	e11	2.06	47	c58	-2.94
23	c56	1.84	48	e62	-3.92
24	c42	1.44	49	e69	-4.22
25	c76	1.34	50	c44	-4.44

AVERAGE ROR 1.04

TOTAL RETURN INVESTMENT OBJECTIVE
THREE YEARS ENDING JUNE 30, 1974 (59 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c23	7.31 %	30	c59	-1.4 %
2	c13	2.85	31	c42	-1.5
3	e6	2.54	32	sp500	-1.74
4	c2	2.3	33	e39	-1.75
5	c20	2.03	34	e11	-2.32
6	c60	1.73	35	c21	-2.41
7	c39	1.7	36	c57	-2.74
8	c86	1.66	37	c56	-2.86
9	e3	1.6	38	c16	-3.18
10	c69	1.45	39	e25	-3.48
11	c31	1.19	40	e40	-3.69
12	e63	1.07	41	c12	-3.79
13	e42	1.07	42	e9	-4.11
14	c18	0.94	43	e36	-4.12
15	e18	0.9	44	e68	-4.18
16	c50	0.55	45	e19	-4.61
17	e35	0.39	46	e24	-4.84
18	e16	0.32	47	e1	-5
19	d-jones	0.23	48	e62	-5.5
20	c77	0.14	49	e26	-5.61
21	c34	-0.15	50	c63	-6.05
22	e33	-0.21	51	c7	-6.06
23	e7	-0.37	52	e75	-6.16
24	c19	-0.8	53	c15	-6.68
25	c76	-0.8	54	c48	-6.71
26	e71	-0.89	55	e5	-6.88
27	e27	-1.02	56	e64	-7.45
28	sp425	-1.11	57	c58	-8.54
29	e30	-1.31	58	e69	-8.86
			59	c44	-9.85

AVERAGE ROR -1.98

TOTAL RETURN INVESTMENT OBJECTIVE
ONE YEAR ENDING JUNE 30, 1974 (60 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c35	3.81 %	31	c16	-12.87 %
2	c69	3.67	32	e68	-13.03
3	c59	0.63	33	e19	-13.09
4	c86	0.82	34	e18	-13.23
5	c23	- 0.94	35	c50	-13.31
6	c13	- 2.38	36	e71	-13.66
7	c44	- 2.56	37	sp425	-13.74
8	e16	- 4.06	38	c15	-14.04
9	e36	- 5.56	39	e25	-14.13
10	d-jones	- 6.1	40	sp500	-14.49
11	c20	- 6.45	41	e39	-14.56
12	c18	- 7.07	42	e75	-14.69
13	c2	- 8.43	43	c39	-14.69
14	e33	- 8.46	44	c42	-14.96
15	e62	- 8.98	45	e27	-15.7
16	c31	- 9.18	46	c21	-16.42
17	e7	- 9.2	47	c63	-16.71
18	e3	- 9.85	48	e11	-17.69
19	e40	- 9.98	49	e1	-17.73
20	e24	-10.01	50	e63	-17.86
21	c77	-10.14	51	c48	-19.7
22	c56	-10.24	52	e9	-20.27
23	c19	-10.58	53	e26	-21.15
24	c34	-10.82	54	e35	-22.58
25	c60	-11.29	55	e5	-22.8
26	c76	-11.72	56	c12	-24.82
27	e42	-11.89	57	e64	-25.03
28	e6	-12.01	58	c7	-27.17
29	e30	-12.39	59	e69	-28.23
30	c57	-12.83	60	c58	-36.83

AVERAGE ROR -12.68

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return of Institutions with Balanced or Income Oriented Investment Objective For Five-, Three- and One-Year Periods Ending June 30, 1974

FIVE YEARS ENDING JUNE 30, 1974 (70 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	9.37 %	36	c41	1.32 %
2	e23	5.57	37	e20	1.29
3	c72	4.49	38	c29	1.26
4	c84	4.08	39	sp425	1.23
5	e51	3.87	40	c46	1.2
6	c5	3.72	41	e73	1.17
7	c10	3.64	42	e10	1.09
8	c65	3.62	43	e53	1.02
9	e47	3.55	44	c24	0.85
10	e17	3.44	45	c51	0.84
11	c28	3.29	46	sp500	0.8
12	c64	3.14	47	e34	0.64
13	c66	3	48	e72	0.57
14	e22	2.98	49	e48	0.4
15	c9	2.81	50	e8	0.38
16	e15	2.67	51	e81	0.33
17	c40	2.64	52	e65	0.31
18	c32	2.55	53	c11	0.18
19	c3	2.53	54	e32	0.05
20	e13	2.21	55	c81	0.02
21	e44	2.2	56	e78	-0.02
22	d-jones	2.15	57	e59	-0.1
23	c49	2.14	58	e2	-0.16
24	e56	2.05	59	e41	-0.17
25	e61	2.02	60	e45	-0.32
26	c27	1.98	61	c30	-0.36
27	c68	1.77	62	c17	-0.49
28	c55	1.77	63	e49	-0.54
29	e38	1.77	64	e4	-1.19
30	c14	1.61	65	e21	-1.31
31	c26	1.61	66	c80	-1.35
32	c78	1.53	67	e55	-1.85
33	c47	1.43	68	e12	-2.17
34	e28	1.38	69	c82	-2.48
35	c6	1.34	70	e80	-6.49

AVERAGE ROR 1.37

BALANCED OR INCOME ORIENTED INVESTMENT OBJECTIVE

THREE YEARS ENDING JUNE 30, 1974 (83 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c65	11.65 %
2	c62	5.52
3	c33	5.23
4	c81	4.57
5	c5	4.35
6	c40	3.65
7	e51	3.42
8	c72	3.35
9	c73	3.15
10	c54	2.73
11	c70	2.72
12	c10	2.51
13	e15	1.99
14	e17	1.9
15	e47	1.65
16	c28	1.56
17	e22	1.55
18	c24	1.42
19	e70	1.35
20	e13	1.29
21	c66	1.19
22	c64	1.05
23	e37	1.03
24	c32	1.02
25	c84	0.98
26	e56	0.91
27	c71	0.62
28	c9	0.42
29	c3	0.26
30	d-jones	0.23
31	e20	0.2
32	c26	0.15
33	e44	-0.13
34	e23	-0.28
35	e48	-0.39
36	c46	-0.0
37	e73	-0.73
38	e57	-0.77
39	e38	-1
40	c68	-1.01
41	e28	-1.02
42	c14	-1.03 %
43	c49	-1.04
44	e52	-1.04
45	sp425	-1.11
46	c6	-1.23
47	e77	-1.54
48	c29	-1.6
49	e53	-1.64
50	e61	-1.64
51	e10	-1.72
52	sp500	-1.74
53	c47	-1.75
54	e4	-1.8
55	c55	-1.9
56	c17	-1.9
57	c11	-1.99
58	c51	-2
59	c27	-2.25
60	c78	-2.37
61	e49	-2.46
62	e72	-2.62
63	e45	-2.77
64	e65	-2.77
65	e34	-2.87
66	c30	-2.96
67	e2	-3.18
68	c67	-3.3
69	e81	-3.39
70	c85	-3.51
71	c41	-3.55
72	e59	-3.73
73	e78	-4
74	e32	-4.03
75	e58	-4.26
76	e41	-4.41
77	e8	-4.42
78	c80	-4.43
79	e12	-4.94
80	e21	-6.58
81	e55	-7.94
82	c82	-8.76
83	e80	-10.9

AVERAGE ROR -0.79

BALANCED OR INCOME ORIENTED INVESTMENT OBJECTIVE

ONE YEAR ENDING JUNE 30, 1974 (93 pools)

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	4.19 %	47	c3	-10.61 %
2	c40	3.94	48	e8	-10.64
3	c5	-0.87	49	e77	-10.83
4	c33	-1.29	50	c80	-10.96
5	c73	-2.49	51	e65	-11.02
6	e37	-2.71	52	e47	-11.14
7	c10	-2.81	53	c17	-11.35
8	c65	-3.07	54	c78	-11.5
9	e61	-3.51	55	c30	-11.52
10	e59	-3.68	56	c14	-11.65
11	c72	-4.14	57	e56	-11.73
12	e79	-4.73	58	c26	-11.77
13	c66	-5.01	59	e73	-12.13
14	e51	-5.35	60	c84	-12.26
15	c70	-5.49	61	e72	-12.28
16	e48	-5.58	62	e57	-12.47
17	c54	-5.72	63	e53	-12.48
18	c29	-6.07	64	e38	-12.68
19	d-jones	-6.1	65	e12	-12.85
20	c68	-6.3	66	e83	-12.9
21	e82	-6.41	67	e78	-13
22	e13	-6.66	68	e17	-13.2
23	e76	-6.8	69	sp425	-13.74
24	e4	-7.08	70	c46	-14.03
25	e15	-7.24	71	e84	-14.04
26	c71	-7.4	72	c11	-14.48
27	e22	-7.55	73	sp500	-14.49
28	c9	-8.07	74	c49	-14.7
29	e45	-8.19	75	e34	-15.05
30	c64	-8.2	76	e23	-15.12
31	e46	-8.29	77	c27	-15.18
32	c28	-8.41	78	e32	-15:18
33	c32	-8.48	79	c67	-15.43
34	c24	-8.58	80	c41	-15.86
35	c45	-8.61	81	c55	-16.2
36	e70	-8.64	82	e81	-16.61
37	c79	-8.64	83	e49	-16.79
38	e52	-9.09	84	e44	-17.17
39	e20	-9.13	85	e10	-17.51
40	e31	-9.13	86	e55	-18.16
41	c51	-9.14	87	c85	-19.06
42	e28	-9.53	88	e2	-19.46
43	c47	-9.88	89	e80	-19.47
44	e41	-10.25	90	e74	-20.29
45	c6	-10.25	91	c81	-24.12
46	e58	-10.27	92	c82	-24.77
			93	e21	-27.27

AVERAGE ROR -10.56

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return of Institutions with Endowment Size $50 Million or Greater (Category 1) For Five-, Three- and One-Year Periods Ending June 30, 1974

FIVE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c72	4.49 %	16	c55	1.77 %
2	e63	3.69	17	c42	1.44
3	c9	2.81	18	e28	1.38
4	c77	2.79	19	c29	1.26
5	e27	2.71	20	sp425	1.23
6	e35	2.56	21	c46	1.2
7	e18	2.48	22	e73	1.17
8	d-jones	2.15	23	sp500	0.8
9	c31	2.12	24	e5	0.6
10	e11	2.06	25	e72	0.57
11	e56	2.05	26	e8	0.38
12	e61	2.02	27	e1	-0.41
13	c27	1.98	28	e40	-0.61
14	c56	1.84	29	e36	-1.05
15	e38	1.77	30	e21	-1.31
			31	c15	-1.97

AVERAGE ROR 1.42

ENDOWMENT SIZE $50 MILLION OR GREATER
THREE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c72	3.35 %	18	sp425	-1.11 %
2	c54	2.73	19	c42	-1.5
3	c31	1.19	20	c29	-1.6
4	e63	1.07	21	e61	-1.64
5	e56	0.91	22	sp500	-1.74
6	e18	0.9	23	c55	-1.9
7	c9	0.42	24	c27	-2.25
8	e35	0.39	25	e11	-2.32
9	d-jones	0.23	26	e72	-2.62
10	c77	0.14	27	c56	-2.86
11	e33	-0.21	28	e25	-3.48
12	c46	-0.4	29	e40	-3.69
13	e73	-0.73	30	e36	-4.12
14	e57	-0.77	31	e8	-4.42
15	e38	-1	32	e1	-5
16	e28	-1.02	33	e21	-6.58
17	e27	-1.02	34	c15	-6.68
			35	e5	-6.88

AVERAGE ROR -1.55

ENDOWMENT SIZE $50 MILLION OR GREATER
ONE YEAR ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	e61	- 3.51 %	19	e57	-12.47 %
2	c72	- 4.14	20	e38	-12.68
3	e36	- 5.56	21	e18	-13.23
4	c54	- 5.72	22	sp425	-13.74
5	c29	- 6.07	23	c46	-14.03
6	d-jones	- 6.1	24	c15	-14.04
7	c9	- 8.07	25	e25	-14.13
8	e33	- 8.46	26	sp500	-14.49
9	e31	- 9.13	27	c42	-14.96
10	c31	- 9.18	28	c27	-15.18
11	e28	- 9.53	29	e27	-15.7
12	e40	- 9.98	30	c55	-16.2
13	c77	-10.14	31	e11	-17.69
14	c56	-10.24	32	e1	-17.73
15	e8	-10.64	33	e63	-17.86
16	e56	-11.73	34	e35	-22.58
17	e73	-12.13	35	e5	-22.8
18	e72	-12.28	36	e21	-27.27

AVERAGE ROR -12.48

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return of Institutions with Endowment Size Between $10-$50 Million (Category 2) For Five-, Three- and One-Year Periods Ending June 30, 1974

FIVE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c23	7.14 %	21	sp500	0.8 %
2	c39	4.45	22	e39	0.74
3	e51	3.87	23	e71	0.73
4	c65	3.62	24	e34	0.64
5	e3	3.56	25	c21	0.16
6	e47	3.55	26	e32	0.05
7	e17	3.44	27	c12	0.04
8	e6	3.38	28	c63	-0.07
9	c28	3.29	29	e2	-0.16
10	e16	3.28	30	e41	-0.17
11	e15	2.67	31	e45	-0.32
12	c3	2.53	32	c17	-0.49
13	c2	2.45	33	e49	-0.54
14	c19	2.25	34	e19	-0.94
15	d-jones	2.15	35	e68	-1.31
16	c49	2.14	36	c7	-1.51
17	c6	1.34	37	e55	-1.85
18	e20	1.29	38	c82	-2.48
19	sp425	1.23	39	e75	-2.71
20	e53	1.02	40	e62	-3.92
			41	e69	-4.22

AVERAGE ROR 1

ENDOWMENT SIZE BETWEEN $10-$50 MILLION
THREE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c65	11.65 %	23	c6	-1.23 %
2	c23	7.31	24	e53	-1.64
3	e51	3.42	25	sp500	-1.74
4	e6	2.54	26	e39	-1.75
5	c2	2.3	27	c17	-1.9
6	e15	1.99	28	c21	-2.41
7	e17	1.9	29	e49	-2.46
8	c39	1.7	30	e45	-2.77
9	e47	1.65	31	e34	-2.87
10	e3	1.6	32	e2	-3.18
11	c28	1.56	33	c16	-3.18
12	e37	1.03	34	c12	-3.79
13	c71	0.62	35	e32	-4.03
14	e16	0.32	36	e68	-4.18
15	c3	0.26	37	e41	-4.41
16	d-jones	0.23	38	e19	-4.61
17	e20	0.2	39	e62	-5.5
18	c34	- 0.15	40	c63	-6.05
19	c19	- 0.8	41	c7	-6.06
20	e71	- 0.89	42	e75	-6.16
21	c49	- 1.04	43	e55	-7.94
22	sp425	- 1.11	44	c82	-8.76
			45	e69	-8.86

AVERAGE ROR -1.32

ENDOWMENT SIZE BETWEEN $10-$50 MILLION
ONE YEAR ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c23	- 0.94 %	24	e53	-12.48 %
2	e37	- 2.71	25	c16	-12.87
3	c65	- 3.07	26	e68	-13.03
4	e16	- 4.06	27	e19	-13.09
5	e51	- 5.35	28	e17	-13.2
6	d-jones	- 6.1	29	e71	-13.66
7	e15	- 7.24	30	sp425	-13.74
8	c71	- 7.4	31	sp500	-14.49
9	e45	- 8.19	32	e39	-14.56
10	e46	- 8.29	33	c39	-14.69
11	c28	- 8.41	34	e75	-14.69
12	c2	- 8.43	35	c49	-14.7
13	e62	- 8.98	36	e34	-15.05
14	e20	- 9.13	37	e32	-15.18
15	e3	- 9.85	38	c21	-16.42
16	e41	-10.25	39	c63	-16.71
17	c6	-10.25	40	e49	-16.79
18	c19	-10.58	41	e55	-18.16
19	c3	-10.61	42	e2	-19.46
20	c34	-10.82	43	c82	-24.77
21	e47	-11.14	44	c12	-24.82
22	c17	-11.35	45	c7	-27.17
23	e6	-12.01	46	e69	-28.23

AVERAGE ROR -12.46

1974 NACUBO COMPARATIVE PERFORMANCE STUDY

Average Total Return of Institutions with Endowment Size $10 Million or Less (Category 3) For Five-, Three- and One-Year Periods Ending June 30, 1974

FIVE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	9.37 %	26	c76	1.34 %
2	c13	5.92	27	c41	1.32
3	e23	5.57	28	sp425	1.23
4	c84	4.08	29	e10	1.09
5	c5	3.72	30	c24	0.85
6	c10	3.64	31	c51	0.84
7	c60	3.46	32	sp500	0.8
8	c18	3.41	33	e7	0.68
9	c20	3.15	34	e30	0.67
10	c64	3.14	35	e48	0.4
11	c66	3	36	e81	0.33
12	e22	2.98	37	e65	0.31
13	c50	2.93	38	c11	0.18
14	c86	2.71	39	c81	0.02
15	c40	2.64	40	e78	-0.02
16	e42	2.64	41	e59	-0.1
17	c32	2.55	42	c30	-0.36
18	e13	2.21	43	c57	-0.63
19	e44	2.2	44	e4	-1.19
20	d-jones	2.15	45	c80	-1.35
21	c68	1.77	46	e26	-1.35
22	c26	1.61	47	c48	-1.39
23	c14	1.61	48	e12	-2.17
24	c78	1.53	49	c58	-2.94
25	c47	1.43	50	c44	-4.44
			51	e80	-6.49

AVERAGE ROR 1.31

ENDOWMENT SIZE $10 MILLION OR LESS
THREE YEARS ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	5.52 %	33	c14	-1.03 %
2	c33	5.23	34	e52	-1.04
3	c81	4.57	35	sp425	-1.11
4	c5	4.35	36	e30	-1.31
5	c40	3.65	37	c59	-1.4
6	c73	3.15	38	e77	-1.54
7	c13	2.85	39	e10	-1.72
8	c70	2.72	40	sp500	-1.74
9	c10	2.51	41	c47	-1.75
10	c20	2.03	42	e4	-1.8
11	c60	1.73	43	c11	-1.99
12	c86	1.66	44	c51	-2
13	e22	1.55	45	c78	-2.37
14	c69	1.45	46	c57	-2.74
15	c24	1.42	47	e65	-2.77
16	e70	1.35	48	c30	-2.96
17	e13	1.29	49	c67	-3.3
18	c66	1.19	50	e81	-3.39
19	e42	1.07	51	c85	-3.51
20	c64	1.05	52	c41	-3.55
21	c32	1.02	53	e59	-3.73
22	c84	0.98	54	e78	-4
23	c18	0.94	55	e9	-4.11
24	c50	0.55	56	e58	-4.26
25	d-jones	0.23	57	c80	-4.43
26	c26	0.15	58	e24	-4.84
27	e44	-0.13	59	e12	-4.94
28	e23	-0.28	60	e26	-5.61
29	e7	-0.37	61	c48	-6.71
30	e48	-0.39	62	e64	-7.45
31	c76	-0.6	63	c58	-8.54
32	c68	-1.01	64	c44	-9.85
			65	e80	-10.9

AVERAGE ROR -1.09

ENDOWMENT SIZE $10 MILLION OR LESS
ONE YEAR ENDING JUNE 30, 1974

RANK	CODE NAME	AVERAGE TOTAL RETURN	RANK	CODE NAME	AVERAGE TOTAL RETURN
1	c62	4.19 %	38	e58	-10.27 %
2	c40	3.94	39	e77	-10.83
3	c35	3.81	40	c80	-10.96
4	c69	3.67	41	e65	-11.02
5	c59	0.63	42	c60	-11.29
6	c86	-0.82	43	c78	-11.5
7	c5	-0.87	44	c30	-11.52
8	c33	-1.29	45	c14	-11.65
9	c13	-2.38	46	c76	-11.72
10	c73	-2.49	47	c26	-11.77
11	c44	-2.56	48	e42	-11.89
12	c10	-2.81	49	c84	-12.26
13	e59	-3.68	50	e30	-12.39
14	e79	-4.73	51	c57	-12.83
15	c66	-5.01	52	e12	-12.85
16	c70	-5.49	53	e83	-12.9
17	e48	-5.58	54	e78	-13
18	d-jones	-6.1	55	c50	-13.31
19	c68	-6.3	56	sp425	-13.74
20	e82	-6.41	57	e84	-14.04
21	c20	-6.45	58	c11	-14.48
22	e13	-6.66	59	sp500	-14.49
23	e76	-6.8	60	e23	-15.12
24	c18	-7.07	61	c67	-15.43
25	e4	-7.08	62	c41	-15.86
26	e22	-7.55	63	e81	-16.61
27	c64	-8.2	64	e44	-17.17
28	c32	-8.48	65	e10	-17.51
29	c24	-8.58	66	c85	-19.06
30	c45	-8.61	67	e80	-19.47
31	e70	-8.64	68	c48	-19.7
32	c79	-8.64	69	e9	-20.27
33	e52	-9.09	70	e74	-20.29
34	c51	-9.14	71	e26	-21.15
35	e7	-9.2	72	c81	-24.12
36	c47	-9.88	73	e64	-25.03
37	e24	-10.01	74	c58	-36.83

AVERAGE ROR -10.2

EXHIBIT 4

1974 NACUBO INVESTMENT QUESTIONNAIRE

ENDOWMENT MARKET VALUE AS OF JUNE 30, 1974, OF 145 RESPONDING INSTITUTIONS

	INSTITUTION	6/30/74 MARKET VALUE (000 OMITTED)
1	Harvard University	1,168,760
2	Yale University	461,100
3	Columbia University	434,000
4	University of Rochester	363,500
5	Princeton University	344,880
6	Stanford University	311,746
7	University of California	311,594
8	University of Chicago	236,300
9	Northwestern University	197,819
10	Dartmouth College	155,295
11	Rice University	145,376
12	Washington University	142,273
13	California Institute of Technology	130,883
14	Johns Hopkins University	126,900
15	Vanderbilt University	115,427
16	Wesleyan University	108,906
17	University of Delaware	106,472
18	Carnegie-Mellon University	103,435
19	Wellesley College	99,856
20	McGill University	99,290
21	University of Virginia	97,152
22	Brown University	87,573
23	University of Pittsburgh	77,872
24	Smith College	76,111
25	University of Michigan	75,818
26	Case Western Reserve University	73,362
27	Oberlin College	71,821
28	Amherst College	70,225
29	Berea College	62,018
30	Williams College	59,451
31	Rensselaer Polytechnic Institute	57,503
32	Swarthmore College	50,346
33	University of Richmond	50,099
34	Lehigh University	46,469
35	Brandeis University	41,400
36	Agnes Scott College	40,840
37	Wake Forest University	40,270
38	Mount Holyoke College	38,030
39	Bryn Mawr College	36,351
40	State University of New York at Buffalo	35,250
41	Lafayette College	35,092
42	Cooper Union	34,455
43	Bowdoin College	32,272
44	University of Miami	31,675
45	University of Minnesota	31,618

	INSTITUTION	6/30/74 MARKET VALUE (000 OMITTED)
46	Carleton College	30,405
47	University of Wisconsin	30,065
48	Tufts University	27,577
49	Principia College	27,553
50	Hampton Institute	25,724
51	Bucknell University	24,901
52	Rutgers, The State University	24,074
53	Barnard College	23,949
54	Furman University	22,353
55	Colgate University	21,704
56	Academy of the New Church	20,986
57	Drew University	20,755
58	Middlebury College	19,804
59	Lawrence University	19,448
60	Macalester College	18,918
61	Colorado College	17,926
62	Occidental College	17,234
63	Mills College	17,043
64	Willamette University	16,473
65	Columbia University Teachers College	16,440
66	Denison University	16,308
67	University of Missouri	15,655
68	Rhode Island School of Design	14,151
69	Albion College	14,087
70	Bates College	13,751
71	University of Illinois	13,613
72	University of Vermont	13,513
73	Indiana University	13,480
74	Hamline University	13,378
75	Simmons College	13,227
76	Baylor College of Medicine	13,175
77	George Washington University	11,688
78	College of Wooster	11,571
79	Sweet Briar College	11,319
80	Franklin and Marshall College	11,058
81	Dickinson College	10,970
82	Berry College	10,964
83	Michigan State University	10,555
84	Coe College	9,509
85	University of Tennessee	9,208
86	Wells College	9,189
87	University of Nevada	8,934
88	Long Island University	8,679
89	University of Santa Clara	8,552
90	The Pennsylvania State University	8,374
91	Oregon State Higher Education System	8,276
92	Hendrix College	8,157
93	Baldwin-Wallace College	8,133
94	Pacific School of Religion	8,020
95	Wesleyan College	8,019

	INSTITUTION	6/30/74 MARKET VALUE (000 OMITTED)
96	Mercer University	7,819
97	University of Tennessee at Chattanooga	7,803
98	Kenyon College	7,632
99	Kalamazoo College	7,515
100	St. John's College	7,445
101	The Catholic University of America	7,309
102	Drake University	6,380
103	University of Puget Sound	6,002
104	University of Arizona	5,572
105	Babson College	5,411
106	Muhlenberg College	5,145
107	Alma College	5,049
108	Whittier College	4,817
109	Virginia Military Institute	4,600
110	John Carroll University	4,566
111	Wayne State University	4,117
112	Alfred University	4,029
113	University of San Francisco	3,881
114	University of Nebraska	3,780
115	Miami University	3,594
116	University of Evansville	3,491
117	Medical College of Pennsylvania	3,413
118	Carroll College	3,242
119	Stephens College	3,029
120	University of Arkansas	2,884
121	North Central College	2,797
122	Philadelphia College of Textiles and Science	2,757
123	Lynchburg College	2,646
124	Hope College	2,505
125	University of North Carolina at Greensboro	2,178
126	Washington State University	2,129
127	Kansas State Teachers College	1,680
128	St. Norbert College	1,474
129	Taylor University	1,433
130	University of Utah	1,401
131	Mary Washington College	1,325
132	University of Tampa	1,290
133	Oakland University	1,250
134	Monmouth College	1,231
135	Arizona State University	1,176
136	Newberry College	1,165
137	University of Connecticut	1,061
138	Atlantic Christian College	1,052
139	University of Mississippi	940
140	Bowling Green State University	737
141	Westmar College	556
142	State University of New York at Binghamton	503
143	Miles College	421
144	Virginia Intermont College	333
145	Northern Michigan University	295

1974 NACUBO INVESTMENT QUESTIONNAIRE

TOTAL RETURN SPENDING FORMULAS FOR 25 INSTITUTIONS

INSTITUTION	SPENDING FORMULA
Berea College	4.6% of 3-year moving average 1 year back
Brown University	Voted % of 12/31 projected market of last completed calendar year
Bryn Mawr College	5% return on 5-year moving average of market value of common stock investments
California Institute of Technology	5% of market value of pooled endowment portfolio averaged over prior 3 years
Carleton College	5% of 3-year moving average set back 1 year, are changing to 5-year moving average not set back
College of Wooster	5.6% annually of 36-month moving average on consolidated endowment assets
Dartmouth College	4.9% of 3-year quarterly moving average lagged 1 year and quarterly average market value of net additions, in process of revision for 1974-75
Kalamazoo College	5% of 3-year time-weighted moving average for 3 most recent years prior to budget making year
Kenyon College	Income from pool is 5% of market value of intangible assets on hand at beginning of fiscal year. Gains are utilized to extent that interest and dividends fall short of 5% amount. Income from separately invested funds is added to 5% amount.
Lawrence University	5% of 3-year quarterly moving average, lag of 1 fiscal year
Mills College	6% of 3-year moving average
State University of New York, Binghamton	9% average 3-year market value

INSTITUTION	SPENDING FORMULA
Northwestern University	5% of prior 12 quarters average market value
Occidental College	5% of 3-year moving average
Ohio Wesleyan University	Average rate of total return for 3 previous years is deducted from the average inflation rate in the U.S. economy; the remainder up to 5%, applicable to non-restrictive endowments, is so distributed and the balance is deposited in a gain reserve for possible use in subsequent years.
Pacific School of Religion	From 5.4% down to 5% at rate of .1% reduction per year.
University of Rochester	Utilize no more than 5% of average market value of portfolio for preceding 5 years
Simmons College	5% of previous 6/30 market value
Smith College	4½% (5% starting 1974-75) of 12 past quarters average market value of pooled endowment. The 12th quarter is 31 March before start of budget year.
Stanford University	Guided by conventional practice, but apply no hard and fast rules. Current year rate of income appropriation was set at 5.4% of 3-year average to beginning of current year. Upcoming year's rate is reduction to 5%, but on longer 5 year average. Will vary in future, since current market declines would cause actual decline in income distribution at any fixed percentage distribution rate.
University of Vermont	4% of 3-year moving average market value as of December 31
Virginia Military Institute	5% of market value of fund at beginning of preceding year
University of Virginia	4% of 3-year average market value

INSTITUTION	SPENDING FORMULA
Wesleyan College	Operating expenditures - 5% of 3-year moving average value of portfolio Capital expenditures - 2% of 3-year moving average of portfolio
Yale University	Principal year budgeted spending plus or minus adjustment for (smoothed) historical investment returns

1974 NACUBO INVESTMENT QUESTIONNAIRE

METHOD OF BOND PRICING

INSTITUTION	HOW DO YOU PRICE BONDS?
Academy of the New Church	Wall Street Journal
Agnes Scott College	Quoted Market Values
University of Arkansas	Market Quotations
Atlantic Christian College	Market Value
Babson College	Between Bid and Asked
Baldwin-Wallace College	Cost Value
Barnard College	At Cost
Berea College	Done by Bank
Berry College	Average Market Value
Bowling Green University	Cost
Brandeis University	Wall Street Journal, then Brokers if Necessary
Brown University	Advisor
Bryn Mawr College	Market Value
Bucknell College	Current Market Quotations
California Institute of Technology	S & P and Merrill Lynch
University of California	Salomon Brothers
Carleton College	Book Value and New York Bond Market
Carnegie-Mellon University	Custodian Bank
Carroll College	Market Value
Catholic University	At Market
University of Chicago	Dealers and Brokers
Colgate University	Price on Last Trading Date

INSTITUTION	HOW DO YOU PRICE BONDS?
College of Wooster	Custodian Bank
Colorado College	Cost
Columbia University	Saloman Brothers and Brokers
Columbia University Teacher's College	Market Value
University of Connecticut	Market Value
Cooper Union Academy	Market Quote
Dartmouth College	Telestat Tapes, otherwise 3 Bond Dealers, Quotes are Averaged
University of Delaware	Market Price
Denison University	Outside Managers
University of Denver	Cost
Dickinson College	Advisory Service
Drake University	Cost
Drew University	Cost
Eastern Michigan University	At Cost
University of Evansville	S & P Quotations
Franklin & Marshall	On Current Yield Basis
Furman University	Current Market Value
Hampton Institute	Cost
Harvard University	Merrill Lynch and Brokers
Hendrix College	Quotes from Bond Dealers
University of Illinois	Wall Street Journal or S & P Bond Guide
Indiana University	Market Value
Johns Hopkins University	Bond Dealers - Salomon
Kansas State Teachers College	At Cost

INSTITUTION	HOW DO YOU PRICE BONDS?
Kenyon College	Market Value
Lafayette College	S & P Bond Guide
Lawrence University	Market
Lehigh University	Wall Street Journal
Long Island University	At Cost
Lynchburg College	By Yield
McGill University	Bid and Dealers
Macalester College	Most Recent Quotation
Medical College of Pennsylvania	Bid Price
Mercer University	Merrill Lynch
Miami University	Book Value
Michigan State University	Salomon
University of Michigan	Merrill Lynch, Wall Street Journal, First Boston, Salomon
Middlebury College	Close of Market or Quotations Obtained from other Financial Sources
Mills College	At Market
University of Minnesota	First Boston
University of Mississippi	At Cost
University of Missouri	S & P or Moody's
Monmouth College	Market Value
Mount Holyoke College	At Cost
Muhlenberg College	Market Quote
University of Nevada	Telestat Pricing Service
New York University	Quoted Market Prices
State University of New York, Binghamton	Market

INSTITUTION	HOW DO YOU PRICE BONDS?
State University of New York, Buffalo	Investment Advisors and Brokers
State University of North Carolina, Greensboro	Fiscal Agent
Northwestern University	Quotes from Bond Houses
Oberlin College	Commercial Pricing Service
Occidental College	Market
Ohio Wesleyan University	Market or Appraisal
Oregon State System	Brokerage Firms
Pacific School of Religion	Cost Price and Market Value
Pennsylvania State University	Recorded at Cost
Philadelphia College of Textiles	Market Value
University of Pittsburgh	Market Quotation
Princeton University	Closing Price
University of Puget Sound	Market Value - Wall Street Journal
Rensselaer Polytechnic Institute	Cost
Rice University	At Market
University of Rochester	None Held
Rollins College	Market Value - Investment Advisor
Rutgers State University	Cost or Average Market Value
University of San Francisco	Market Value
University of Santa Clara	Market Value
Simmons College	Moody's, Investment Counsel
Smith College	Wall Street Journal, Moody's
Stanford University	Salomon Brothers
Stephens College	Market Value
Swarthmore College	Market Value

INSTITUTION	HOW DO YOU PRICE BONDS?
Sweet Briar College	S & P Service, if not Listed Use Yield To Maturity on Sector Basis
University of Tennessee	Market or Dealers
Tufts University	Close Where Listed and Where Not Listed - Bid By Salomon, Merrill Lynch
Vanderbilt University	S & P Bond Guide - External Managers
University of Vermont	Do Not Hold Any
University of Virginia	Individual Quotations Wherever Possible, Otherwise from a Matrix
Washington State University	Market Value
Washington University	Trust Company Advisor
George Washington University	At Cost
Wayne State University	Bond Pricing Service
Wells College	Cost
Wesleyan College	Market Value
Willamette University	National Pricing Service
Williams College	At Cost
University of Wisconsin	Market Value
Yale University	Market Value

EXPLANATION OF FIGURE USED FOR MEASURING PERFORMANCE OF PORTFOLIO MANAGER

The choice between the geometric average return (average total return) figure and the internal rate of return figure depends upon what it is one wishes to measure: the skill of the individual or committee who actually manages the investment of the endowment fund, or the success of the investment management coupled with the decision or policy that governs withdrawal of funds from the endowment (and contribution of funds to the endowment). Both figures are "correct," but the internal rate of return should not be used for judging portfolio management, nor should the geometric average be used for judging the overall results of portfolio management and decisions on when to add and withdraw funds.

For most endowment funds the geometric average is probably the more important figure. This is particularly true if additions of funds to an endowment and withdrawals of funds do not reflect any judgment skill, but simply follow a policy of adding funds when contributions are received and withdrawing income either when the dividends and interest are received or at predetermined dates. The reason for looking at the internal rate of return in addition to the geometric average is to determine how well the investor is timing additions and withdrawals.

College officials often object to the use of the geometric average, protesting that: "This average assumes that income is reinvested, and we don't reinvest income." It is quite true that they do not reinvest income, but if what is to be determined is the quality of investment performance being achieved by the manager of the endowment fund, then the performance record of the manager should not be penalized by unfortunate timing of withdrawals over which the manager has no control.

Adapted from Performance Measurements and Investment Objectives for Educational Endowment Funds by J. Peter Williamson (New York: The Common Fund, 1972).

PERFORMANCE OF POOLED INVESTMENT FUNDS

EXPLANATION OF COMPUTATIONS

The computations required to create the tabular and performance data used in the comparative performance of pooled investment funds are accomplished by a computer program entitled FUNDPER. The program FUNDPER draws on the basic data file compiled for each individual endowment pool. Data contain the endowment pool's year-end unit value (at market) and the dollar value per unit of income received for the year. Drawing on the basic file, FUNDPER first creates a yearly chart of tabulated data as shown below; for any number of consecutive years within the limits of the basic data file it calculates various performance statistics.

STATISTICAL SUMMARY SHEET

Institutional Code Name - SP500

Col. 1 Fiscal Year	Col. 2 Base Index	Col. 3 Unit Value	Col. 4 Appreciation	Col. 5 Income Per Unit	Col. 6 Yield Percent	Col. 7 Growth Percent	Col. 8 Total Return Percent
1969	100	97.71					
1970	74.42	72.72	-24.99	3.18	3.25	-25.58	-22.32
1971	102.04	99.7	26.98	3.1	4.26	37.1	41.36
1972	109.65	107.14	7.44	3.07	3.08	7.46	10.54
1973	106.71	104.27	- 2.87	3.21	3	- 2.68	0.32
1974	88.02	86	-18.27	3.5001	3.36	-17.52	-14.17
Arithmetic averages 5 yrs. ending in 1974					3.39	- 0.24	3.15
Geometric averages					3.39	- 2.52	0.89

Appreciation	-11.98 Percent
Corresponding Average Rate of Return (ROR)	- 2.52 Percent
Appreciation with Income Reinvested	4.04 Percent
Corresponding Average ROR	0.8 Percent

Exhibit A contains examples of the mathematics used by FUNDPER for that portion of the tabulated data which is computed. The balance of the tabulated data is reproduced from the basic data file.

An explanation of the columns for 1974 in the above chart is as follows:

Col. 1 Fiscal Year: July 1/June 30

Col. 2 Base: This gives the first year the unit value is available an index of 100 and adjusts the succeeding unit values accordingly. In the above example the first year the S & P 500 unit value figures were available was the fiscal year ending 6/30/69.

Col. 3 Unit Value: Supplied by participating institution.

Col. 4 Appreciation: Appreciation is computed by subtracting the 1972 unit value from the 1974 unit value.

Col. 5 Income Per Unit: Supplied by participating institution.

Col. 6 Yield Percent: Yield percent is computed by taking the 1974 income per unit, dividing it by the 1973 unit value, and multiplying by 100.

Col. 7 Growth Percent: Growth percent is computed by taking the 1974 appreciation, dividing it by the 1973 unit value, and multiplying by 100.

Col. 8 Total Return Percent: Total return percent is computed by adding the 1974 appreciation to 1974 income, then dividing by the 1973 unit value, and multiplying by 100.

Exhibit B contains examples of the mathematics used by FUNDPER in determining arithmetic and geometric averages of yield, growth, and total return for the period specified. They are computed as follows:

1. Arithmetic Average 5 Years Ending 1974: Add either the 5 yearly yield, growth, or total return percentages and divide by 5.

2. Geometric Average 5 Years Ending 1974: Add one to each of the 5 yearly yield, growth, or total return percentages expressed as a decimal, multiply these figures, then take the fifth root of that value, subtract 1, and multiply by 100.

Exhibit C contains examples of the mathematics used by FUNDPER in making comparative performance computations. Using the five-year period 1969-1974 as an example, the four comparative performance percentages are computed as follows:

1. Total Percent Appreciation: The total percent appreciation is computed by dividing the 1974 unit value by the 1969 unit value, subtracting 1, and multiplying by 100.

2. Corresponding Annual Geometric Average Growth Rate: The corresponding annual geometric growth rate is computed by taking the fifth root of the 1974 unit value divided by the 1969 unit value, subtracting 1, and multiplying by 100.

3. Total Percent Appreciation with Income Reinvested: The total percent appreciation with income reinvested is calculated as follows:

a. Determining the number of units that could have been purchased with income of one unit for the year 1969-70, using the average of the 1969 and 1970 unit values as the price of a new unit.

b. Adding the new units so purchased to the original unit held.

c. Determining the income on the new total units held for the next year 1970-71, calculating the number of units that could have been purchased with income in that year, again using the average beginning and end of year unit values as the price of new units, and so on to the end of the five years, i.e., the end of 1974.

d. Calculating the total value of the units held as of 1974 multiplied by the 1974 unit value, and dividing this by the 1969 unit value, subtracting 1, and multiplying by 100.

4. Corresponding Annual Geometric Average Growth Rate: The corresponding annual geometric average growth rate (with income reinvested) is computed by adding 1 to the total of the units purchased during each of the five years, multiplied by the unit value at the end of 1974, divided by the 1969 unit value, taking the fifth root, subtracting 1, and multiplying by 100.

Exhibit A

Tabulated Data Computation

Col. 4 Appreciation
1974 Unit Value - 1973 Unit Value
86.00 - 104.27 = -18.27

Col. 6 Yield Percent
(1974 Income/1973 Unit Value) X 100
(3.5001/104.27) X 100 = 3.36%

Col. 7 Growth Percent
(1974 Appreciation/1973 Unit Value) X 100
(-18.27/104.27) X 100 = -17.52%

Col. 8 Total Return Percent
(1974 Appreciation + 1974 Income)/1973 Unit Values X 100
[(-18.27 + 3.5001)/104.27] X 100 = -14.17%

Exhibit B

Arithmetic and Geometric Averages

Arithmetic Average Total Return Percentage*
(Total Return Percentage for 1969-70 + 1970-71 + 1971-72 + 1972-73 + 1973-74)

$$\frac{-22.32\% + 41.36\% + 10.54\% + .32\% + (-14.17\%)}{5} = 3.15\%$$ for 5 years ending June 30, 1974

Geometric Average Total Return Return Percentage*

$$\left(\left[\text{[Total Return for (1969-70 + 1)X(1970-71 + 1)X(1971-72 + 1)X(1972-73 +1)X (1973-74 + 1)]} \uparrow (1/5)\right] - 1\right) X\ 100$$

$$\left(\left[[(-.2232 + 1)\ X\ (.4136 + 1)\ X\ (.1054 + 1)\ X\ (.0032 + 1)\ X\ (-14.17 + 1)] \uparrow (1/5)\right] - 1\right) X\ 100 = .89\%$$ for 5 years ending June 30, 1974

*NOTE: Average yield and growth percentage are calculated in the same manner

Exhibit C

Comparative Performance Measurement Computations

1. Total Percent Appreciation

$$\left(\left(\frac{\text{1974 Unit Value}}{\text{1969 Unit Value}}\right) - 1\right) \times 100$$

$$\left(\left(\frac{86.00}{97.71}\right) - 1\right) \times 100 = -11.98\%$$

2. Corresponding Annual Geometric Average Growth Rate Percentage

$$\left(\left(\left(\frac{\text{1974 Unit Value}}{\text{1969 Unit Value}}\right) \uparrow (1/5)\right) - 1\right) \times 100$$

$$\left(\left(\left(\frac{86.00}{97.71}\right) \uparrow (1/5)\right) - 1\right) \times 100 = -2.52\%$$

3. Total Percent Appreciation with Income Reinvested

$$\frac{\text{(1970 Income)}}{\text{Average of 1969 and 1970 Unit Values}} = \text{Units Purchased with 1970 Income}$$

$$\frac{3.18}{(97.71 + 72.72)/2} = .03732 \text{ Units}$$

$$\frac{\text{(1 + Units Purchased with 1970 Income) X 1971 Income Per Unit}}{\text{Average of 1970 and 1971 Unit Values}} = \text{Units Purchased with 1971 Income}$$

$$\frac{(1 + .03732) \times 3.1}{(72.72 + 99.7)/2} = .0373 \text{ Units}$$

$$\frac{\text{(1 + Units Purchased with 1970 + 1971 Income) X 1972 Income Per Unit}}{\text{Average of 1971 and 1972 Unit Values}} = \text{Units Purchased with 1972 Income}$$

$$\frac{(1 + .03732 + .0373) \times 3.07}{(99.7 + 107.14)/2} = .0319 \text{ Units}$$

$$\frac{\text{(1 + Units Purchased with 1970 + 1971 + 1972 Income) X 1973 Income Per Unit}}{\text{Average of 1972 and 1973 Unit Values}} = \text{Units Purchased with 1973 Income}$$

$$\frac{(1 + .03732 + .0373 + .0319) \times 3.21}{(107.14 + 104.27)/2} = .0336 \text{ Units}$$

$$\frac{\text{(1 + Units Purchased with 1970 + 1971 + 1972 + 1973 Income) X 1974 Income Per Unit}}{\text{Average of 1973 and 1974 Unit Values}} = \text{Units Purchased With 1974 Income}$$

$$\frac{(1 + .03732 + .0373 + .0319 + .0336) \times 3.5001}{(104.27 + 86)/2} = .04195 \text{ Units}$$

Exhibit C (Continued)

$$\left[\frac{(1 + \text{Units Purchased with 1970 + 1971 + 1972 + 1973 + 1974 Income}) \times \text{1974 Unit Value}}{\text{Unit Value for 1969}} - 1\right] \times$$

$$\left[\frac{(1 + .03732 + .0373 + .0319 + .0336 + .04195) \times 86}{97.71} - 1\right] \times 100 = 4.04\% \text{ Appreciation with Income Reinvested}$$

4. Corresponding Annual Geometric Growth Rate

$$\left[\left[\frac{1 + \text{Total of Income Units Purchased from 1970 thru 1974} \times \text{1974 Unit Value}}{\text{1968 Unit Value}}\right]^{(1/5)} - 1\right] \times 100$$

$$\left[\left[\frac{(1 + .03732 + .0373 + .0319 + .0336 + .04195) \times 86}{97.71}\right]^{(1/5)} - 1\right] \times 100 = .8\% \text{ Correspond Average ROR}$$

STATISTICAL SUMMARY SHEET

Institutional Code Name - sp500

Col. 1 Fiscal Year	Col. 2 Base Index	Col. 3 Unit Value	Col. 4 Appreciation	Col. 5 Income Per Unit	Col. 6 Yield Percent	Col. 7 Growth Percent	Col. 8 Total Return Percent
1957	100	47.37					
1958	95.5	45.24	- 2.13	1.73	3.65	- 4.5	- 0.84
1959	123.43	58.47	13.23	1.79	3.96	29.24	33.2
1960	120.16	56.92	- 1.55	1.95	3.34	- 2.65	0.68
1961	136.46	64.64	7.72	1.94	3.41	13.56	16.97
1962	115.58	54.75	- 9.89	2.06	3.19	-15.3	-12.11
1963	146.44	69.37	14.62	2.2	4.02	26.7	30.72
1964	172.45	81.69	12.32	2.38	3.43	17.76	21.19
1965	177.58	84.12	2.43	2.61	3.2	2.97	6.17
1966	178.89	84.74	0.62	2.83	3.36	0.74	4.1
1967	191.34	90.64	5.9	2.9	3.42	6.96	10.38
1968	210.22	99.58	8.94	2.99	3.3	9.86	13.16
1969	206.27	97.71	- 1.87	3.13	3.14	- 1.88	1.27
1970	153.51	72.72	-24.99	3.18	3.25	-25.58	-22.32
1971	210.47	99.7	26.98	3.1	4.26	37.1	41.36
1972	226.18	107.14	7.44	3.07	3.08	7.46	10.54
1973	220.12	104.27	- 2.87	3.21	3	- 2.68	0.32
1974	181.55	86	-18.27	3.5001	3.36	-17.52	-14.17
Arithmetic Averages 10 Yrs. Ending in 1974					3.34	1.74	5.08
Geometric Averages					3.34	0.52	3.87
Appreciation						5.28 Percent	
Corresponding Average Rate of Return (ROR)						0.52 Percent	
Appreciation with Income Reinvested						45.84 Percent	
Corresponding Average ROR						3.85 Percent	
Arithmetic Averages 5 Yrs. Ending in 1974					3.39	-0.24	3.15
Geometric Averages					3.39	-2.52	0.89
Appreciation						-11.98 Percent	
Corresponding Average ROR						- 2.52 Percent	
Appreciation with Income Reinvested						4.04 Percent	
Corresponding Average ROR						0.8 Percent	
Arithmetic Averages 3 Yrs. Ending in 1974					3.14	-4.25	-1.1
Geometric Averages					3.14	-4.81	-1.63
Appreciation						-13.74 Percent	
Corresponding Average ROR						- 4.81 Percent	
Appreciation with Income Reinvested						- 5.12 Percent	
Corresponding Average ROR						- 1.74 Percent	

Arithmetic Averages 1 Yr. Ending in 1974	3.36	-17.52	-14.17
Geometric Averages	3.36	-17.52	-14.17

Appreciation	-17.52 Percent
Corresponding Average Rate of Return (ROR)	-17.52 Percent
Appreciation with Income Reinvested	-14.49 Percent
Corresponding Average ROR	-14.49 Percent

STATISTICAL SUMMARY SHEET

Institutional Code Name - Dow Jones

Col. 1 Fiscal Year	Col. 2 Base Index	Col. 3 Unit Value	Col. 4 Appreciation	Col. 5 Income Per Unit	Col. 6 Yield Percent	Col. 7 Growth Percent	Col. 8 Total Return Percent
1957	100	503.29					
1958	88.77	446.76	-56.53	21.4	4.25	-11.23	- 6.98
1959	127.88	643.6	196.84	19.9	4.45	44.06	48.51
1960	127.29	640.62	- 2.98	21.21	3.3	- 0.46	2.83
1961	135.9	683.96	43.34	21.46	3.35	6.77	10.12
1962	111.52	561.28	-122.68	23.04	3.37	-17.94	-14.57
1963	140.45	706.88	145.6	23.89	4.26	25.94	30.2
1964	165.21	831.5	124.62	27.73	3.92	17.63	21.55
1965	172.47	868.03	36.53	29.74	3.58	4.39	7.97
1966	172.88	870.1	2.07	29.82	3.44	0.24	3.67
1967	170.93	860.26	- 9.84	32.1	3.69	- 1.13	2.56
1968	178.39	897.8	37.54	30.3	3.52	4.36	7.89
1969	173.5	873.19	-24.61	33.77	3.76	- 2.74	1.02
1970	135.81	683.53	-189.66	31.93	3.66	-21.72	-18.06
1971	177.06	891.14	207.61	31.55	4.62	30.37	34.99
1972	184.59	929.03	37.89	30.88	3.47	4.25	7.72
1973	177.18	891.71	-37.32	33.1	3.56	- 4.02	- 0.45
1974	159.43	802.41	-89.3	36.82	4.13	-10.01	- 5.89
Arithmetic Averages 10 Yrs. Ending in 1974					3.74	0.4	4.14
Geometric Averages					3.74	-0.36	3.4
Appreciation						- 3.5	Percent
Corresponding Average Rate of Return (ROR)						- 0.36	Percent
Appreciation with Income Reinvested						39.29	Percent
Corresponding Average ROR						3.37	Percent
Arithmetic Averages 5 Yrs. Ending in 1974					3.89	-0.23	3.66
Geometric Averages					3.89	-1.68	2.22
Appreciation						- 8.11	Percent
Corresponding Average ROR						- 1.68	Percent
Appreciation with Income Reinvested						11.25	Percent
Corresponding Average ROR						2.15	Percent
Arithmetic Averages 3 Yrs. Ending in 1974					3.72	-3.26	0.46
Geometric Averages					3.72	-3.44	0.3
Appreciation						- 9.96	Percent
Corresponding Average ROR						- 3.44	Percent
Appreciation with Income Reinvested						0.68	Percent
Corresponding Average ROR						0.23	Percent

Arithmetic Averages 1 Yr. Ending in 1974	4.13	-10.01	-5.89
Geometric Averages	4.13	-10.01	-5.89

Appreciation	-10.01	Percent
Corresponding Average ROR	-10.01	Percent
Appreciation with Income Reinvested	- 6.1	Percent
Corresponding Average ROR	- 6.1	Percent