

**Average Investment Pool Compounded Nominal Rates of Return for Fiscal Years Ending June 30, 2007, and Selected Three, Five, and Ten-Year Periods**

| <b>Investment Pool Assets</b>      | <b>1-year<br/>%<br/>N=726</b> | <b>3-year<br/>%<br/>N=683</b> | <b>5-year<br/>%<br/>N=636</b> | <b>10-year<br/>%<br/>N=499</b> |
|------------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| Greater Than \$1 Billion           | 21.3                          | 16.4                          | 13.9                          | 11.1                           |
| > \$500 Million to ≤ \$1 Billion   | 19.3                          | 14.2                          | 12.3                          | 9.5                            |
| > \$100 Million to ≤ \$500 Million | 18.0                          | 13.1                          | 11.5                          | 8.5                            |
| > \$50 Million to ≤ \$100 Million  | 16.7                          | 11.9                          | 10.8                          | 7.9                            |
| > \$25 Million to ≤ \$50 Million   | 15.9                          | 10.7                          | 9.8                           | 7.3                            |
| Less Than or Equal to \$25 Million | 14.1                          | 9.7                           | 8.8                           | 6.7                            |
| Public                             | 16.8                          | 11.9                          | 10.8                          | 8.2                            |
| Independent                        | 17.5                          | 12.7                          | 11.3                          | 8.8                            |
| Equal-weighted Average             | 17.2                          | 12.4                          | 11.1                          | 8.6                            |
| Dollar-weighted Average            | 21.5                          | 16.8                          | 14.4                          | 11.7                           |
| Median                             | 17.5                          | 12.3                          | 11.3                          | 8.4                            |
| <b>Comparative Indices</b>         |                               |                               |                               |                                |
| S&P 500                            | 20.6                          | 11.7                          | 10.7                          | 7.1                            |
| Russell 3000                       | 20.1                          | 12.4                          | 11.5                          | 7.6                            |
| MSCI World ex US (US\$)            | 27.1                          | 22.7                          | 18.1                          | 8.0                            |
| LB Aggregate                       | 6.1                           | 4.0                           | 4.5                           | 6.0                            |
| CPI-U                              | 2.7                           | 3.2                           | 3.0                           | 2.8                            |
| HEPI                               | 3.4                           | 4.0                           | 3.9                           | 3.9                            |

Table data are equal weighted unless otherwise noted. Rates of return are reported net of management fees and expenses. Comparative indices return information assumes a year-end date of June 30. CPI-U data are seasonally adjusted.

**Technical note:**

*HEPI is the Higher Education Price Index, an inflation index designed specifically for higher education. It measures the average relative level of prices in a fixed basket of goods and services purchased by colleges and universities each year through current fund educational and general expenditures, excluding research.*