

Presentation for Midwestern State University

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The Texas A&M University System

Performance Periods Ended June 30, 2014

	<u>1-YR</u>	<u>5-YR</u>	<u>10-YR</u>	<u>Since 5/95*</u>
System Endowment Fund	16.8%	12.0%	7.0%	8.7%
Balanced Index	13.1%	10.6%	6.4%	8.6%

* inception



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System Endowment Fund Asset Allocation

Asset Class	Target Allocation	6/30/2014 Allocation
Fixed Income	15.0%	13.9%
Domestic Equity	20.0%	20.1%
International Equity	20.0%	20.2%
Inflation Hedging*	12.0%	13.1%
Hedge Funds	18.0%	16.9%
Private Equity	15.0%	15.8%

*Inflation Hedging includes timber, real estate, and energy investments.



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- Income is distributed to each endowment account on a quarterly basis in accordance with the spending policy outlined in the System Investment Policy.
- The quarterly payout is calculated on an annual basis and is the average of the quarterly market value for the 20 fiscal quarters ending the previous February, multiplied by 5.0% and divided by 4.
- The market value per unit as of **8/31/2014** is **\$6.35** and the value for the last five years is as follows:

2/28/2010	\$5.11
2/28/2011	\$5.62
2/29/2012	\$5.47
2/28/2013	\$5.57
2/28/2014	\$6.00



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System Endowment Fund

Quarterly Endowment Spending Rate

