



# ANNUAL ENDOWMENT REPORT

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## CLASS OF 1967 MEMORIAL SCHOLARSHIP FUND

**CALENDAR YEAR 2006**

## ENDOWMENT ASSET MANAGEMENT

The Citadel Foundation is a private, non-profit corporation that, among other responsibilities, acts as an investment organization for the portion of our endowment devoted to the enhancement of academics at The Citadel. The Foundation currently oversees the investment of nearly \$160 million in its portfolio. Return on investments after all fees in 2006 was 14.6%.

These investments are managed for long-term growth using the expertise of external investment managers. An investment consultant provides day-to-day coordination of the investment program. Internal oversight and management decisions are the responsibility of the Foundation's Investment Committee.

### Asset Allocation Strategy

The Foundation's overall asset allocation strategy as of the date of this report:

<b>Asset Allocation</b>	<b>Target</b>
<b>EQUITIES</b>	
Domestic Value-Large Cap	20%
Domestic Growth-Large Cap	14%
Small and Mid-Cap Domestic	9%
Domestic Core-All Cap	11%
Domestic Blend-Large Cap	4%
International	22%
<b>FIXED INCOME</b>	
Domestic Bonds	20%
<b>TOTAL ALLOCATION</b>	<b>100%</b>

This strategy is designed to provide sufficient annual total return to cover endowment spending for academic grants to The Citadel, Foundation operating expenses, and growth in principal to provide for annual increases in purchasing power.

### Management of the Endowment

Each investment manager is reviewed quarterly for performance. The investment consultant rates each manager against similar benchmarks for each asset class and presents a written analysis to the Investment Committee. The investment managers are expected to exceed the performance of their respective indexes and benchmarks. Additionally, their performance is reviewed in terms of their contribution to the overall portfolio.

### Annual Allocation Policy

The annual allocation from endowed funds held at The Citadel Foundation is governed by the current distribution policy of the Foundation, calculated using a five-year rolling average of the value of the corpus as determined at December 31 of each year. Historic quarters with no fund balance will be included. An endowed fund is eligible for spending consideration once the cash receipts (not including allocated income/gains) surpasses the endowed fund general minimum (\$25,000 effective 2006). The minimum award in an annual period is \$500, subject to other requirements based upon the particular program of the fund.

**Statement of Activity**  
**Annual Report**

**CLASS OF 1967 MEMORIAL SCHOLARSHIP FUND**

**Scholarship Recipients 2006-2007:**

<b>Cadet:</b>	Bryan J. A. Fox
<b>Hometown:</b>	Columbia, SC
<b>Class Year:</b>	2007
<b>Company:</b>	Band Company
<b>Major:</b>	History
<b>Cadet:</b>	Mark J. Morrison
<b>Hometown:</b>	Albany, NY
<b>Class Year:</b>	2007
<b>Company:</b>	E Company
<b>Major:</b>	History
<b>Cadet:</b>	Brian N. Lander
<b>Hometown:</b>	Parker, CO
<b>Class Year:</b>	2008
<b>Company:</b>	A Company
<b>Major:</b>	Political Science (Intl Politics)
<b>Cadet:</b>	John P. Stinson
<b>Hometown:</b>	Corona, CA
<b>Class Year:</b>	2008
<b>Company:</b>	N Company
<b>Major:</b>	History
<b>Cadet:</b>	Alexander M. B. Pipas
<b>Hometown:</b>	Frankfurt,
<b>Class Year:</b>	2008
<b>Company:</b>	E Company
<b>Major:</b>	Political Science (Intl Politics)
<b>Cadet:</b>	Louis R. Doelling, Jr.
<b>Hometown:</b>	Atlanta, GA
<b>Class Year:</b>	2009
<b>Company:</b>	A Company
<b>Major:</b>	English
<b>Cadet:</b>	Jui-Chiang Chen
<b>Hometown:</b>	Taiwan
<b>Class Year:</b>	2009
<b>Company:</b>	R Company
<b>Major:</b>	Mathematics

**Scholarship Recipients 2006-2007 (continued):**

**Cadet:** Taylor A. Benson  
**Hometown:** Ellijay, GA  
**Class Year:** 2009  
**Company:** Band Company  
**Major:** History

**Cadet:** Ian G. Johnston  
**Hometown:** Albuquerque, NM  
**Class Year:** 2009  
**Company:** A Company  
**Major:** Criminal Justice

# The Citadel Foundation

## Annual Financial Report to Donors

1/1/2006 to 12/31/2006**1022 - Class of 1967 Memorial Scholarship Fund**

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**Revenues**

Allocated Investment Income	\$74,903
Allocated Unrealized Gains	\$15,143
Contributions	\$24,351
<b>Total Revenues</b>	<b>\$114,397</b>

**Expenses**

Grants to The Citadel	\$23,936
Allocated Investment Expenses	\$1,978
Grants to The Citadel	\$9,898
<b>Total Expenses</b>	<b>\$35,812</b>

**BEGINNING NET ASSETS** \$605,405**NET SURPLUS/(DEFICIT)** \$78,586**ENDING NET ASSETS** \$683,991