



10/19/12

October, 2012

Mr. Kevin W. Spitler '67
181 Franklin Street Suite 300
Buffalo, NY 14202-2409

Dear Kevin,

We are grateful for your past support of St. Joseph's Collegiate Institute and the young men entrusted to our care. The *Class of 1967 Endowment Fund* had a balance of \$28,525.00 as of June 30, 2012. This endowment continues to provide valuable assistance as we strive to fulfill our mission of educating young men of diverse backgrounds in the tradition of St. John Baptist de La Salle.

Our Scholarship and Endowment Fund follows an investment approach designed to balance the current need to provide financial support to our students while preserving the long-term purchasing power of our endowed assets. In light of ongoing volatility in global stock and bond markets, this is indeed a challenge for us and other educational institutions. To assist us, we have engaged outside professional asset managers to implement the investment program of the funds. A standing committee of our Board of Trustees continues to monitor the activities of our investment service providers and the overall asset allocation framework of this mission-critical portfolio. Our allocations to various strategies and asset categories are intended to achieve appropriate levels of diversification and risk mitigation as we deploy funds into the markets to achieve future growth.

The total Scholarship and Endowment Fund balance as of June 30, 2012 was \$6,987,522, with 60% in equities, 37% in fixed income, and 3% in cash. The total return was 2.46% for our fiscal year ending June 30, 2012. [This return performance lagged by approximately 2% the return that would have been achieved were the portfolio allocated in the following fashion: 60% to the S&P 500 Index, 30% to the Barclays US Intermediate Government/Credit Bond Index and 10% to cash.] While we are never satisfied with periods of underperformance, we remain committed to a long-term investment approach that protects these vital assets of our school while providing current benefits to our students.

With over 70% of our young men receiving some form of tuition support, it is imperative that we prudently maintain and grow our endowment. Should you know of others who may be interested in providing their support, please contact Scott Burns, Vice President of Institutional Advancement at 716-270-4115. He'd be pleased to provide them with further information. Of course, Scott is available to answer any further questions you may have about our investments and advancement opportunities.

Again, I offer my deepest personal thanks for all you have done and continue to do for St. Joe's.

Sincerely,

Robert T. Scott, AFSC
President