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## **SEI Quick Poll: Endowments Not Responding to Spending Pressures**

### **Challenges Include Filling CIO Role, Increasing Diversification, and Overall Spending**

OAKS, Pa., March 13 /PRNewswire-FirstCall/ -- While some colleges and universities face growing pressure to spend more of their endowment dollars, very few plan to actually change their spending patterns in the upcoming year according to a Quick Poll released today by SEI (Nasdaq: SEIC). While almost two-thirds (60%) of the poll respondents responsible for overseeing college and university endowments said the organization spent more than 4.4% of the endowment last year, only 13% plan on increasing spending this year. Almost half of those polled (46%) felt that a 5% minimum spending requirement would hurt the endowment's mission as well as the institution's overall operations.

"Smaller endowments face tough challenges in trying to match the investment management success of the larger, more publicized endowments, and it is not fair to expect all endowments to universally spend the same," said Carolyn McLaurin, Vice President and Managing Director of SEI's Nonprofit Group. "In an increasingly complex investment environment, smaller endowments face limitations when trying to build investment management programs that are comparable in breadth and expertise of the top endowments. The focus needs to be on finding ways to overcome those limitations."

The poll highlighted some of the investment management limitations facing smaller endowments as they attempt to build portfolios inclusive of sophisticated investment strategies being used by larger endowments. Nearly a third (28%) of smaller endowments (those with between \$51 million and \$300 million in assets) said their organizations would ideally employ a Chief Investment Officer (CIO) but do not currently have the budget to hire one. More than a third (35%) said the size of their endowment prohibits them from meeting manager minimums for some desired investment strategies. That number jumped to 50% among endowments with less than \$50 million in assets.

The poll, administered by SEI's Nonprofit Management Research Panel was completed by a total of 86 executives overseeing asset pools ranging in size from \$25 million to over \$1 billion. None of the participating organizations were SEI institutional clients. A complete summary of the poll is available by emailing [seiresearch@seic.com](mailto:seiresearch@seic.com).

About SEI's Institutional Group

SEI's Institutional Group delivers integrated retirement, healthcare and nonprofit solutions to over 495 global institutional clients in seven different countries. SEI enables clients to meet financial objectives, reduce business risk, and fulfill their due diligence requirements through strategic advice integrated with Manager of Managers investment solutions for defined benefit plans, defined contribution plans, endowments, foundations and other balance sheet assets. For more information, visit <http://www.seic.com/institutions>.

#### About SEI

SEI (Nasdaq: SEIC) is a leading global provider of outsourced asset management, investment processing and investment operations solutions. The company's innovative solutions help corporations, financial institutions, financial advisors, and affluent families create and manage wealth. As of December 31, 2007, through its subsidiaries and partnerships in which the company has a significant interest, SEI administers \$426 billion in mutual fund and pooled assets and manages \$197 billion in assets. SEI serves clients, conducts or is registered to conduct business and/or operations from more than 20 offices in over a dozen countries. For more information, visit <http://www.seic.com>.

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