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SEI Quick Poll: Nonprofits to Better Align Portfolio Decisions With Organizational Finances in 2012

Survey Reveals the Top 10 Investment Priorities for Nonprofits This Year

OAKS, PA -- (MARKET WIRE) -- 02/15/12 -- Nonprofit executives view aligning asset allocation decisions with organizational finance decisions as a top investment priority in 2012, according to a Quick Poll released today by SEI (NASDAQ: SEIC). Of those poll participants who identified this as a priority, almost half (48 percent) said it is a "high priority" for their organization this year.

SEI's Nonprofit Management Research Panel surveyed more than 150 executives and investment committee members overseeing U.S. nonprofit endowments to identify their organization's investment priorities and challenges for 2012. Additionally, almost half (43 percent) of poll participants said their organization would consider outsourcing the investment management of endowment assets to a [fiduciary management](#) model or outsourced CIO.

"As market volatility continues, nonprofit investment committees face a challenging year ahead in aligning endowment assets with organizational spending needs," said Kevin Matthews, Vice President and Managing Director, Solutions Team, SEI's [Institutional Group](#). "Limited resources and time constraints have led many nonprofits to outsource all or a portion of their portfolio management to a third party fiduciary partner. Outsourcing allows the investment committee to focus its time and attention on more strategic investment and organizational finance decisions."

Conducted in January 2012, the Quick Poll asked participants to rank investment statements as a "marginal," "high," or "extremely high" priority for their organizations. The results were tabulated using a weighted system awarding one point for a marginal priority, two for high and three for extremely high. The top ten priorities are as follows:

1. Finding ways to best make asset allocation decisions in conjunction with organizational finance decisions
2. Making asset allocation changes focused on downside risk protection
3. Attempting to decrease volatility by increasing portfolio diversification via new asset classes

4. Defining investment management fiduciary responsibilities for trustees and investment consultants
5. Finding ways, such as investment market simulation tools, to best evaluate the effect of potential investment market changes on the invested
6. Implementing an asset allocation process aimed at exploiting shorter-term market inefficiencies to add return and/or mitigate risk
7. Immunizing a portion of the portfolio to support spending policy needs
8. Implementing ways to increase donor confidence in investment strategies
9. Gaining additional transparency from investment managers
10. Adding or increasing allocation to inflation protection strategies

Poll participants representing U.S. college and university endowments were asked a series of additional questions on investment topics such as spending percentages and credit ratings. According to the Quick Poll, three-quarters (75 percent) of respondents said their educational institution plans to spend the same this year as in 2011. Only 10 percent of participants said their organizations would likely increase spending in 2012, while 15 percent said they would decrease it.

Both the nonprofit poll summary and the college and university-specific poll summary are available by emailing: seiresearch@seic.com.

About SEI's Institutional Group

SEI's Institutional Group is the first and largest global provider of [fiduciary management](#) investment services. The company began offering these services in 1992 and today acts as a fiduciary manager to more than 450 retirement, nonprofit and healthcare clients in six different countries. Through a flexible model designed to help our clients achieve financial goals, we provide asset allocation advice and modeling, investment management, risk monitoring and stress testing, active liability-focused investing and integrated goals-based reporting. For more information visit: <http://www.seic.com/institutions>.

About SEI

SEI (NASDAQ: SEIC) is a leading global provider of investment processing, fund processing, and investment management business outsourcing solutions that help corporations, financial institutions, financial advisors, and ultra-high-net-worth families create and manage wealth. As of December 31, 2011, through its subsidiaries and partnerships in which the company has a significant interest, SEI manages or administers \$404 billion in mutual fund and pooled or separately managed assets, including \$172 billion in assets under management and \$232 billion in client assets under administration. For more information, visit www.seic.com.

Source: SEI