



INVESTMENT REPORT

Preliminary Report (gross of fees and certain income accruals)

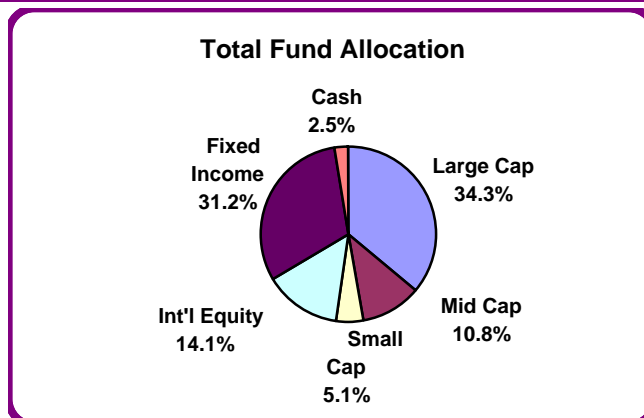
December 31, 2008

Current Value of the Fund	\$	881,080,031
Investment Change in Market Value FYTD	\$	(250,308,572)
Net Contributions FYTD	\$	12,558,532
Fiscal Year-to-Date Returns		-22.5%
Month-to-Date Returns		3.4%

	<u>Dec-08</u>	<u>Fiscal Year to Date</u>	<u>Last Five Years</u>
Total Fund	3.4%	-22.5%	2.2%
Benchmark	3.0%	-21.9%	0.6%
U.S Equity	2.4%	-31.4%	-0.7%
Benchmark	1.9%	-29.5%	-2.0%
Int'l Equity	8.1%	-35.2%	5.0%
Benchmark	5.7%	-39.4%	0.7%
Fixed Income	3.7%	3.1%	4.7%
Benchmark	3.7%	4.1%	4.7%

Asset Allocation

	<u>Mkt Value</u>	<u>% Alloc</u>
Domestic Equity	\$ 460.5	52.3%
Large Cap	\$ 318.9	36.2%
Mid Cap	\$ 96.4	10.9%
Small Cap	\$ 45.2	5.1%
Int'l Equity	\$ 124.0	14.1%
Fixed Income	\$ 275.0	31.2%
Cash	\$ 21.6	2.5%
Total Fund	\$ 881.1	100.0%

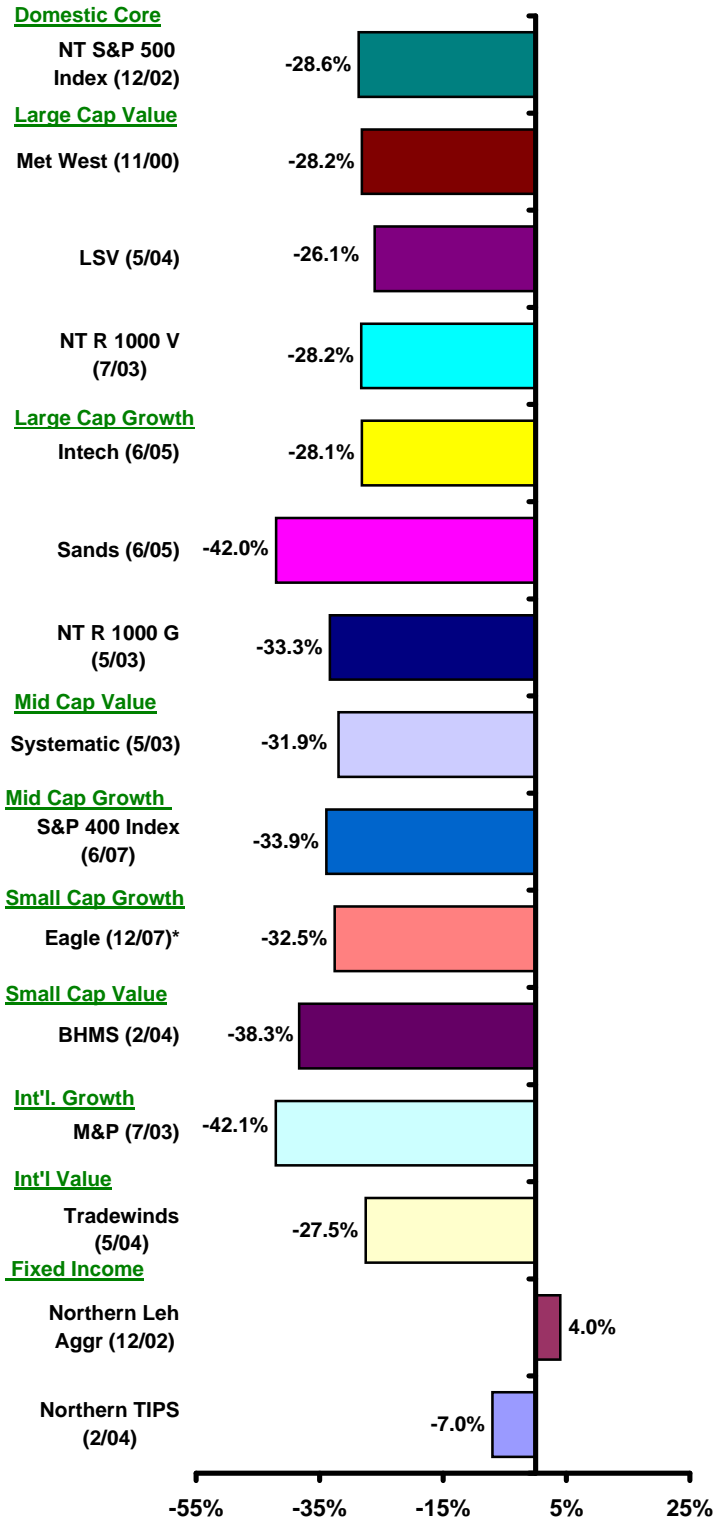


Endowment Fund Staff Comment:

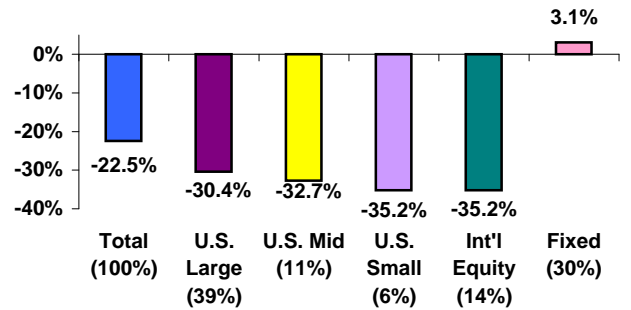
December was a good month!! The total fund was up 3.4%, 0.4% over our benchmark. The Russell 3000 was up 1.9%, Russell Midcap up 4.3% and Russell 2000 up 5.8%. International equities (MSCI ACWI ex-US) were up 5.7%. Bonds, as measured by the Lehman Aggregate index were up 3.7%. Value outperformed growth this month. Six of nine active managers beat their benchmark.

On a Fiscal YTD basis, the fund was 0.6% under its benchmark with a total return of -22.5%. Six of nine active managers underperformed their benchmark.

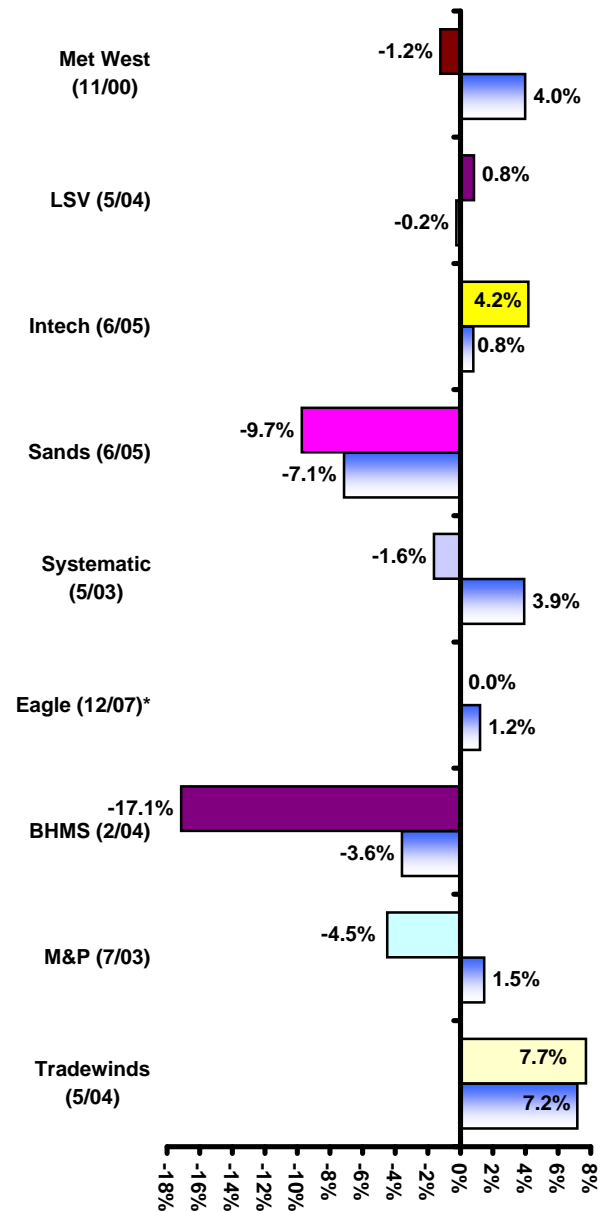
FYTD Manager Returns



Fiscal YTD Total Endowment Returns



FYTD Active Manager Relative Returns 3-Yr. Annualized Relative Returns*



* Inception to Date used when manager lacks a 3 yr. return