



# The Ferris Foundation

2011 Annual Report on Endowments



# THE FERRIS FOUNDATION

Dear friends,

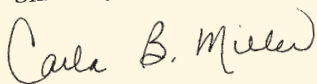
We know that you share our pride in Ferris State University and The Ferris Foundation's work to create opportunity for our students. That opportunity is the cornerstone of the university that Woodbridge and Helen Ferris built, and it continues today thanks to the support of people like you.

When you become a Ferris Foundation donor, you provide more scholarships and programming that make it possible for deserving students to complete preparation for professional and community life. Thanks to you, they go on to have rewarding careers, become civically active and reinvest that support in others.

A Ferris education transforms the lives of students, their families and communities across Michigan. We ask for your help to make that opportunity available to more students. At the same time, we commit to restraining costs, reducing the time it takes to earn a degree and enter the workforce, and providing more financial counseling and scholarship support to help reduce students' debt, so they can start building a better future right away.

To become a Ferris Foundation donor, contact Foundation assistant Kim Erickson at (231) 591-2365 or by email at [kimberlyerickson@ferris.edu](mailto:kimberlyerickson@ferris.edu).

Sincerely,



Carla B. Miller  
Executive Director



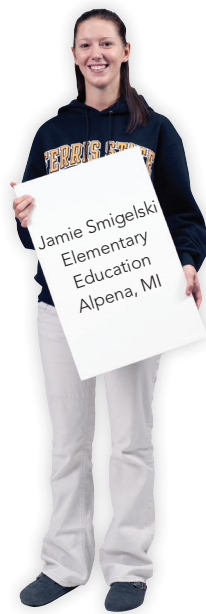
Samantha  
Johnson  
Social Work  
Ludington, MI



Chad  
Sonderegger  
Surveying  
Engineering  
Big Rapids, MI

In 1884, Woodbridge and Helen Ferris founded the Big Rapids Industrial School to create greater opportunity for families in rural mid-Michigan. The school originally helped students develop business and clerical skills, but its forward-thinking founders added courses and programs such as Pharmacy and Education when demand for them increased.

Much has happened in 128 years, but some things never change. Ferris' founding philosophy of providing a quality education for a rewarding professional life remains the same. Its focus on the transformative quality of education — and on access and opportunity to achieve that education



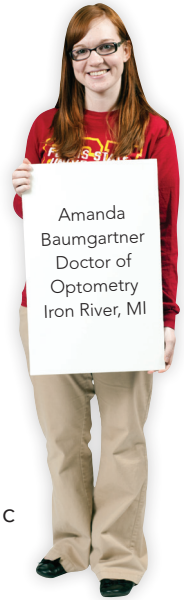
Jamie Smigelski  
Elementary  
Education  
Alpena, MI



Doug Kroeze  
Pre-  
Construction  
Management  
Holland, MI

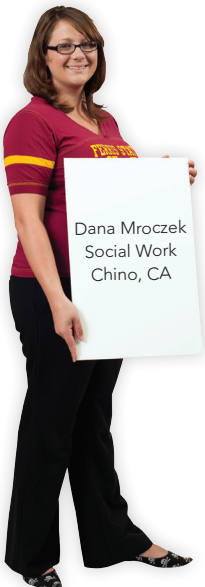


Melissa Loutitt  
Survey  
Engineering  
Monogahela, PA



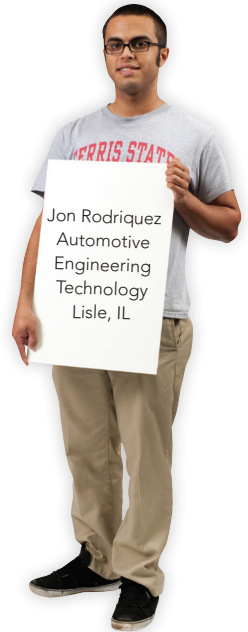
Amanda  
Baumgartner  
Doctor of  
Optometry  
Iron River, MI

— persists, not in spite of regional economic setbacks but *because* of them. More Ferris graduates mean more members of a workforce ready to power economic redevelopment in Michigan.



Dana Mroczek  
Social Work  
Chino, CA

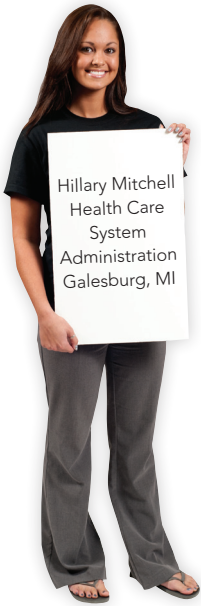
For this reason, the generosity of independent donors and the strength of The Ferris Foundation are more important than ever. The Foundation gratefully thanks the people, initiatives and partnerships that have supported critical programming and scholarship opportunities for students in 2012 — and, in so doing, supported a mission that can be traced all the way back to the original vision of Ferris' founders.



A gift to The Ferris Foundation is an investment in opportunity for deserving students, and the returns on that investment include stronger local communities and economies. As a partner in that investment, Ferris is committed to developing innovative ways to limit and manage student debt, leading students through challenging times and into a better tomorrow.

For many students, access to scholarship funding determines whether or not they can continue their education and complete their degrees. Every dollar of every gift to The Ferris Foundation has a proud result and profound meaning. Thank you for your support.





## New Endowments

Alphonso A. and Mary C. Aguirre Memorial  
Scholarship Endowment

Richard and Dawn Antonini Scholarship Endowment

Dettman Family Scholarship Endowment

Judith (Robinson) and Charles Duddles  
Scholarship Endowment

Mary Anne and Shakespeare O. Goldsmith  
Scholarship Endowment

David L. Hamilton Scholarship Endowment for Construction

Ellen Haneline Memorial Scholarship Endowment

Leon and Jerena Keys Family Scholarship Endowment

Robert and Barbara Martin Family Scholarship Endowment

Mathison Legacy Scholarship Endowment

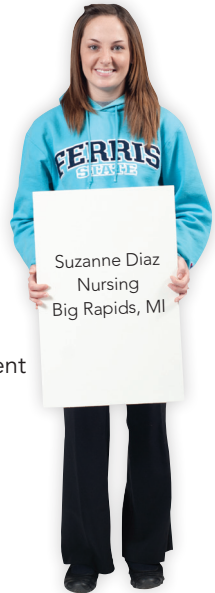
David Pao International Scholarship Endowment

Coach Walton and Barbara Piggott Scholarship Endowment

Matt and Bonnie Pinter Scholarship Endowment

Staples Scholarship Endowment

Richard Veazey Scholarship Endowment



## Summary of Investment Performance \*

PERIOD ENDING JUNE 30, 2011	1 YEAR	SINCE INCEPTION
<b>Total Fund</b>	<b>27.5%</b>	<b>7.9%</b>
Target Weighted Index	26.9	7.5
Broad Policy Benchmark	24.4	6.5
CPI+5%	8.2	7.4
<b>Total Fund Less Illiquid Investments</b>	<b>28.6%</b>	<b>8.0%</b>
<b>U.S. Equity Composite</b>	<b>36.5</b>	<b>7.8</b>
Russell 3000 Index	32.4	6.0
<b>Large Cap Composite</b>	<b>34.2</b>	<b>5.7</b>
S&P 500 Index	30.7	5.4
<b>Commonfund Equity Index Fund</b>	<b>30.7</b>	<b>5.3</b>
S&P 500 Index	30.7	5.4
<b>PIMCO Fundamental Index Plus Fund</b>	<b>37.8</b>	<b>1.9</b>
S&P 500 Index	30.7	0.6
<b>Mid Cap Composite</b>	<b>40.6</b>	<b>9.3</b>
Russell Midcap Index	38.5	7.4
<b>CRM Mid Cap Value Fund</b>	<b>38.3</b>	<b>12.5</b>
Russell Midcap Value Index	34.3	8.2
<b>William Blair Mid Cap Growth Fund</b>	<b>42.8</b>	<b>8.2</b>
Russell Midcap Growth Index	43.2	6.1
<b>Small Cap Composite</b>	<b>38.8</b>	<b>7.4</b>
Russell 2000 Index	37.4	6.2
<b>Vanguard Small Cap Index Fund</b>	<b>39.5</b>	<b>7.6</b>
Spliced MSCI SC 1750 & Russell 2000	39.4	7.5
<b>DFA US Targeted Value Fund</b>	<b>37.4</b>	<b>11.3</b>
Russell 2000 Value Index	31.4	9.7
<b>International Equity Composite</b>	<b>30.3</b>	<b>7.3</b>
MSCI AC World Index ex-US	29.7	6.1
<b>EuroPacific Growth Fund</b>	<b>29.0</b>	<b>11.4</b>
MSCI EAFE Index	30.4	8.9
<b>DFA International Small Cap Value Fund</b>	-	<b>-1.5</b>
MSCI Small Cap EAFE Index	-	0.8
<b>GMO Emerging Markets Fund</b>	<b>34.6</b>	<b>21.1</b>
MSCI Emerging Markets Free Index	27.8	20.3
<b>Hedged Equity Composite</b>	-	<b>-0.7</b>
HFRI Equity Hedge Index	-	-2.4
<b>ABS Offshore SPC Global</b>	-	<b>-1.3</b>
CS/Tremont HFI Long/Short Equity	-	-3.1
S&P 500 Index	-	-2.8
<b>Common Sense Long-Biased Offshore</b>	-	<b>-0.2</b>
HFRI Fund of Funds Index	-	-2.5
S&P 500 Index	-	-2.8
<b>High Quality/Rate Sensitive Composite</b>	<b>6.5</b>	<b>6.6</b>
Barclays Capital Aggregate Bond Index	3.9	6.3
<b>Commonfund Multi-Strategy Bond Fund</b>	<b>7.2</b>	<b>6.8</b>
Barclays Capital Aggregate Bond Index	3.9	6.3
<b>JPMorgan Money Market Fund</b>	<b>0.1</b>	<b>0.2</b>
U.S. 91-Day T-Bills	0.1	0.1

	1 YEAR	SINCE INCEPTION
<b>Credit/Distressed Composite</b>	<b>14.7</b>	<b>7.6</b>
Barclays Capital High Yield Bond Index	15.6	10.7
HFRI Distressed Securities Index	11.8	10.1
<b>Loomis Sayles High Yield Full Discretion</b>	<b>-</b>	<b>1.3</b>
Barclays Capital High Yield Bond Index	-	1.1
<b>Diversifying Strategies</b>		
<b>Ironwood Partners II</b>	<b>12.4</b>	<b>-1.5</b>
HFRI - FOF - Conservative Index	5.1	-2.2
<b>Real Estate Composite</b>	<b>27.9</b>	<b>5.1</b>
REIT Benchmark	34.1	9.0
NCREIF Property Index	12.3	7.5
<b>AEW Global Property Securities Fund</b>	<b>37.5</b>	<b>-3.8</b>
S&P Developed Global Property Index	34.1	-5.4

\*PERFORMANCE RETURNS ARE NET OF INVESTMENT MANAGEMENT FEES.

## Schedule of Asset and Style Allocation

FOR PERIOD ENDING JUNE 30, 2011	TOTAL	% OF FUND
<b><u>Large Cap Equity</u></b>		
Commonfund Equity Index Fund	\$ 3,159,094	9%
PIMCO Fundamental IndexPlus Fund	3,449,919	9%
<b><u>Mid Cap Equity</u></b>		
William Blair Mid Cap Growth Fund	\$ 1,808,627	5%
CRM Mid Cap Value Fund	1,703,996	5%
<b><u>Small Cap Equity</u></b>		
Vanguard Small Cap Index Fund	\$ 2,485,538	7%
DFA US Targeted Value Fund	1,007,933	3%
<b><u>International Equity</u></b>		
EuroPacific Growth Fund	\$ 5,301,702	14%
DFA International Small Cap Value Fund	1,169,008	3%
GMO Emerging Markets Fund	2,270,259	6%
<b><u>Hedged Equity</u></b>		
ABS Offshore SPC Global	1,777,140	5%
Common Sense Long-Biased Offshore	1,796,663	5%
<b><u>Private Equity</u></b>		
Commonfund Capital Partners III	\$ 931,565	2%
<b><u>Diversifying Strategies</u></b>		
Ironwood Partners II	\$ 2,385,883	6%
<b><u>Rate Sensitive</u></b>		
Commonfund Multi-Strategy Bond Fund	\$ 2,094,820	6%
JP Morgan Money Market Fund	1,197,802	3%
<b><u>Credit/Distressed</u></b>		
Loomis Sayles Institutional High Income	\$ 810,165	2%
Siguler Guff Distressed Opportunities III	921,659	2%



	TOTAL	% OF FUND
<b><u>Real Estate</u></b>		
AEW Global Property Securities Fund	\$ 939,547	3%
Metropolitan Real Estate Partners IV	377,201	1%
Metropolitan Real Estate Partners International II	293,309	1%
<b><u>Natural Resources</u></b>		
Newlin Energy Partners	\$ 306,704	1%
Commonfund Natural Resources Partners VII	347,224	1%
Commonfund Natural Resources Partners VIII	439,731	1%

## Statement of Financial Position (Unaudited)

	JUNE 30, 2011	JUNE 30, 2010
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,550,131	\$ 480,924
Investments	35,915,100	28,981,246
Pledge Receivables	289,490	356,150
Other Receivables	<u>16,160</u>	<u>—</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 37,770,981</u></b>	<b><u>\$ 29,818,320</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 927	\$ 9,258
Annuity Liability	<u>89,459</u>	<u>83,145</u>
<b>TOTAL LIABILITIES</b>	<b>\$ 90,386</b>	<b>\$ 92,403</b>
<b>NET ASSETS</b>		
Unrestricted	\$ 10,107,334	\$ 7,826,815
Temporarily Restricted	9,343,574	4,824,956
Permanently Restricted	<u>18,229,687</u>	<u>17,074,146</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 37,680,595</u></b>	<b><u>\$ 29,725,917</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 37,770,981</u></b>	<b><u>\$ 29,818,320</u></b>



Kathryn Bell  
Graphic  
Design  
Eaton Rapids,  
MI

## Board of Directors

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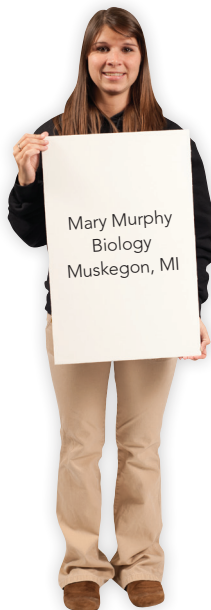
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Consulting Group, Merrill Lynch, Inc.  
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Owner  
Gary Trimarco Automotive  
Big Rapids, Michigan

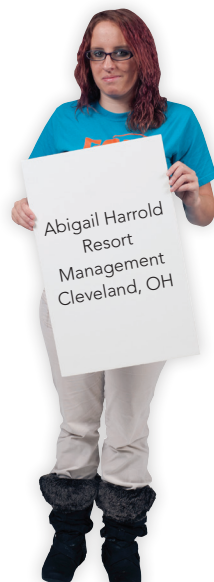
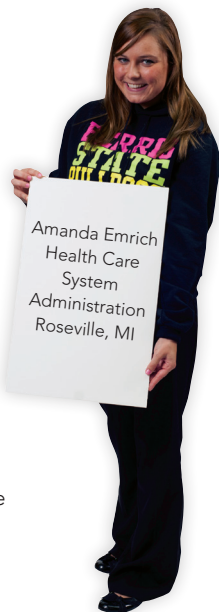
Sueann L. Walz  
Assistant Vice President/Manager  
Independent Bank  
Big Rapids, Michigan

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Retired Businessman  
Rockford, Michigan

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Manufacturing  
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Dearborn, Michigan

Kenneth Reuther  
Retired Executive  
Ford Motor Company  
Canadian Lakes, Michigan





THE FERRIS FOUNDATION