

A Multiple Choice Test

CNBC published a report of the “[Biggest 2009 College Endowment Losses](#)”. According to CNBC “[a]ccording to a new study by the [National Association of College and University Business Officers](#) (NACUBO) and the [Commonfund Institute](#), endowments and affiliated foundations had an average investment loss of 19 per cent between July 1, 2008 – June 30, 2009.”

According to [Dr. Saunders](#), the USM Foundation awarded 620 academic scholarships during 2008-2009. However, she reported that the Foundation would only be able to award 200 scholarships – a drop of 420 or a decline of 67.7%. A few days later, usmnews.net reporters discovered that none of the [CoB's professorships](#) will be funded in 2009-2010, either.

Based on these figures, it appears that USM and its Foundation have done considerably worse than the national average. So, why doesn't USM appear on the CNBC list? Here are some possible answers.

- (a) the money had been spent before the recession hit.
- (b) there was nothing in the Foundation to begin with.
- (c) it's none of your business; that goes for contributors, too.
- (d) secrecy prevails and if you don't like it, apply for the information through a freedom of information request, but please don't hold your breath until you get a response.
- (e) the investments went sour during the boom before the current recession.
- (f) President Saunders' airplane cost more than expected, but her accountants assigned it a market value of \$100 million.
- (g) The Foundation is accounting for stock at historical cost rather than market value. For example, is it possible that WorldCom stock is being carried on Foundation books at \$90.00 per share?
- (h) All of the above.
- (i) None of the above.

Which is the correct answer? I don't know, but I would be interested in hearing what our readers think.

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