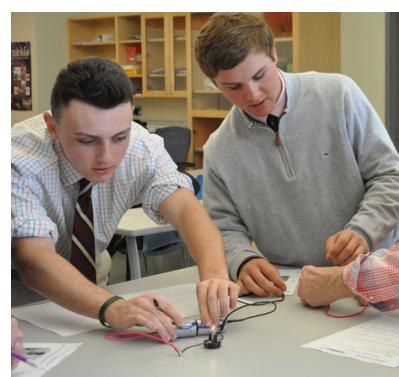




Brooks School Endowment Report 2016-2017





Letter from the Director of Development

Brooks School's endowment provides a stable foundation upon which everything else rests, from our academic programs to facilities and financial aid. Our namesake, Phillips Brooks once said, "Do all the good you can, in all the ways you can, in all the places you can. This is true charity." We are infinitely grateful for your support and for all the ways the endowment enables Brooks to thrive. All of us in the Brooks community are beneficiaries of the foresight and generosity of donors who had the presence of mind to ensure the school's future through a strong endowment. I am pleased to share with you some notable highlights from the 2016-2017 school year, which were supported either directly or indirectly through the endowment.

A few notable endowed funds reached important milestones in Fiscal Year 2017. In the fall, the Taryn King Memorial Fund received an incredible \$21,000 boost when Taryn's brother, Peirce King, turned his marathon efforts into a fundraiser to honor his sister. This pushed the fund, started by classmate Kaylan Alderson '03, to more than \$50,000. Two classes also stepped up during FY17 to establish new endowed funds. The classes of 1992 and 1967 established the Endowed Fund for Students on the Forefront of Science and the Endowed Fund for Faculty Support respectively. We are grateful to the classes of 1992 and 1967 for their efforts.

The school reached another important milestone in financial aid in FY17. Our admission season resulted in the school committing to providing 107 students with financial aid, including 30 new students for the current year. This amounts to about 30 percent of the student population, which is a new record for Brooks. By increasing access to a Brooks education through financial aid, we will be in a better position to admit deserving students from all parts of the globe.

The school's final performance, Cabaret, was held in the barn in March. At the end of the school year, the barn was taken down and we broke ground for the highly-anticipated Center for the Arts. This past winter, we also launched the Seat Campaign for the Center for the Arts. Through the Seat Campaign, each reserved theater chair will have a personalized plaque affixed to its seatback. It is exciting to see the new Center for the Arts rising from the ground as construction continues.

Finally, FY17 was a notable year for the Brooks Fund. Brooks celebrated the collective efforts of 678 donors who donated \$161,522 in just 24 hours on Giving Day in February. Our second annual Giving Day, a participation based contest against The Governor's Academy, was launched with the intent to secure 380 gifts from alumni (one for each current student). In the end, Brooks School's alumni surpassed our expectations and a total of 629 alumni participated. We celebrated on a sunny day in May by flying the Brooks flag on Governor's campus. We closed out the year successfully through the combined efforts and generosity of many alumni, parents and friends.

I hope these highlights give you a sense of just some of what we have accomplished together. Thank you for your continued interest and support. Below is a report on the endowment's performance for FY17 from Chief Financial Officer Paul Griffin.

-Gage S. Dobbins, Director of Development

Overview

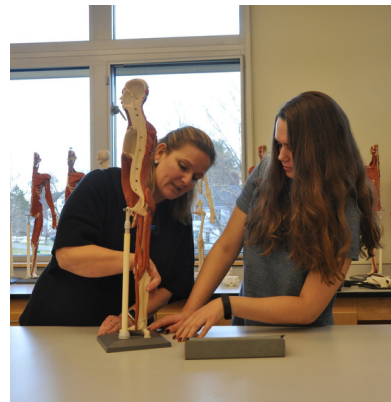
The Board of Trustees' Investment Committee oversees Brooks' pooled endowment portfolio and currently, uses 15 outside managers across several asset classes. The target asset allocation for the endowment portfolio is 20 percent in U.S. equities, 16 percent in international (non-U.S.) equities, 52 percent in alternative strategies (including hedge fund of funds and private equity fund of funds), 10 percent in U.S. bonds and 2 percent in cash.

As of June 30, 2017, the market value of Brooks School's total pooled endowment equaled \$76.9 million, as compared to \$70.4 million and \$74.8 million on June 30, 2016, and June 30, 2015, respectively. For the year ending June 30, 2017, the investment performance, net of fees, was 13.8 percent. As of June 30, 2017, the 3-year, 5-year and 10-year annualized return for the endowment portfolio was 4.6 percent, 8.7 percent and 4.7 percent respectively.

The trustees have established endowment spending policies to meet current needs and protect the future purchasing power of all funds. The endowment draw rate for operations, excluding principal payments on outstanding debt, was 4.625 percent in FY17.

Please direct any inquiries about this report to me at (978) 725-6213 or pgriffin@brooksschool.org.

-Paul Griffin, Chief Financial Officer



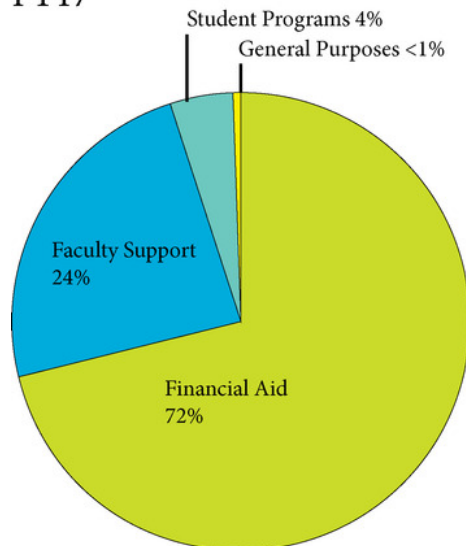


The endowment at Brooks School is an ongoing source of long-term funding. It is made up of hundreds of individual funds that each have a particular designation or purpose. Together, these funds are thoughtfully invested and the resulting income is used to support several facets of the school. Funds designated for financial aid and faculty support account for more than 60 percent of the endowment. Unrestricted funds are the third largest area of support, which is important because it enables the school to use funds wherever they are needed most in a given year.

During FY17, \$556,145 in new gifts were made to the endowment. Most of them, 72 percent, were designated for financial aid while 24 percent were designated for faculty support. The remaining gifts were designated for particular student programs and general purposes.

Brooks School is grateful to those donors past and present who have supported the school by establishing individual endowed funds, which provide the school with the strong foundation it needs to thrive for years to come.

New Gifts by Designation
FY17



Endowment Fund Allocation
FY17

