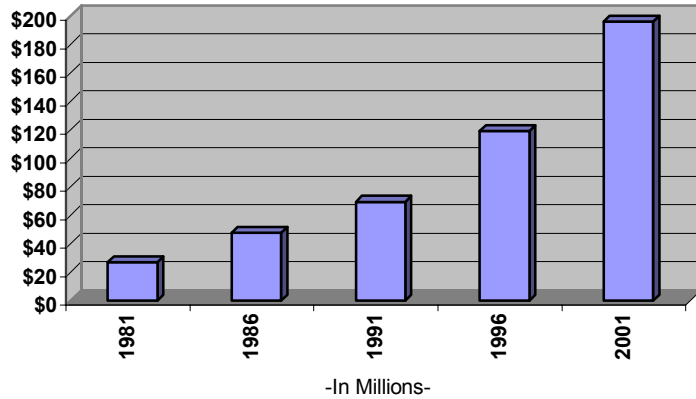


The Ohio University Foundation

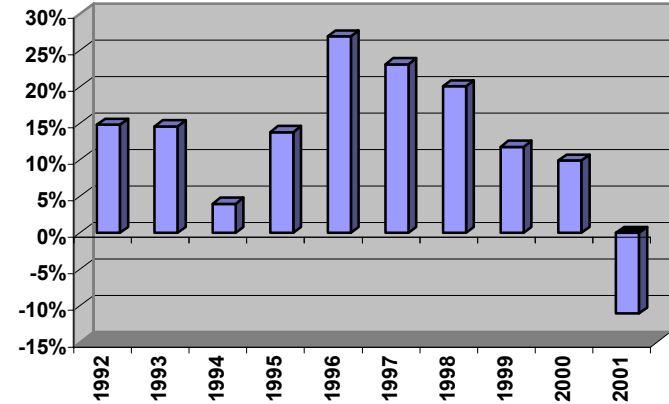
As illustrated by the following graph, the continued support of the University's alumni and friends and the returns from its investment portfolio have enabled the University's endowment to achieve remarkable growth.

Although Ohio University experienced a negative return for the fiscal year ending June 30, 2001 that was consistent with the overall market decline attributed to that period, our annual returns for the previous five and ten year periods have averaged 10.8% and 12.8%, respectively.

Endowment Market Value



Annual Percentage Total Return



Endowment earnings are authorized for expenditure based upon the three year moving average of the market value of the investment pool. A rate between 6% and 9% of the average market value is approved annually by the Board of Trustees. To protect against inflation, the endowment principal is indexed annually by a factor equivalent to the Higher Education Price Index. Amounts from earnings on the endowments were provided to support expenditures as follows:

Support From Endowment (in thousands):	1996	1997	1998	1999	2000	2001	2002
Instruction and Departmental Support	\$2,250	\$2,509	\$2,651	\$3,175	\$3,672	\$4,100	\$4,346
Academic Services Support	445	482	538	611	704	770	769
Student Services	98	116	117	128	144	157	159
Scholarships and Fellowships	1,780	1,952	2,358	2,787	3,151	3,528	3,601
Manasseh Cutler Scholars	-	143	158	283	295	340	395
Research	256	305	293	342	393	425	422
1804 Fund	564	592	452	433	464	510	456
Total Support From Endowment	\$5,393	\$6,099	\$6,567	\$7,759	\$8,823	\$9,830	\$10,148