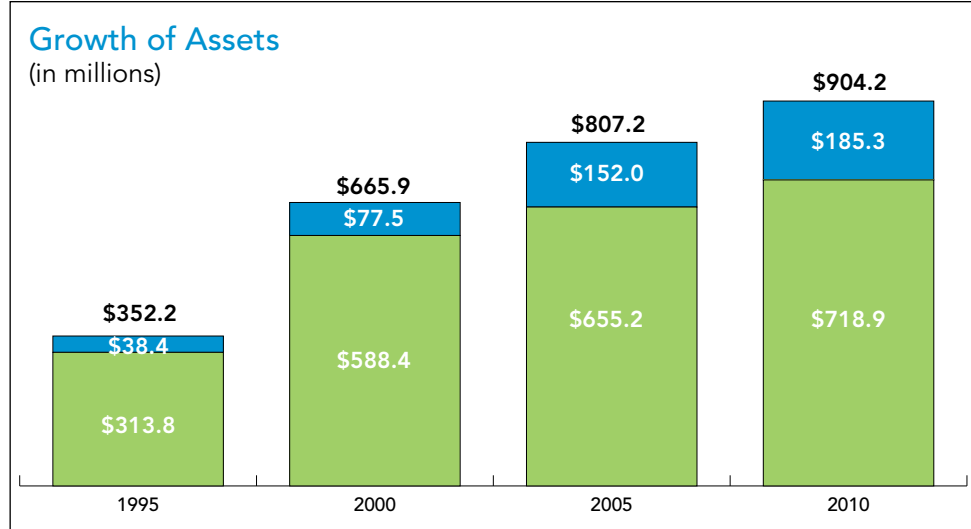
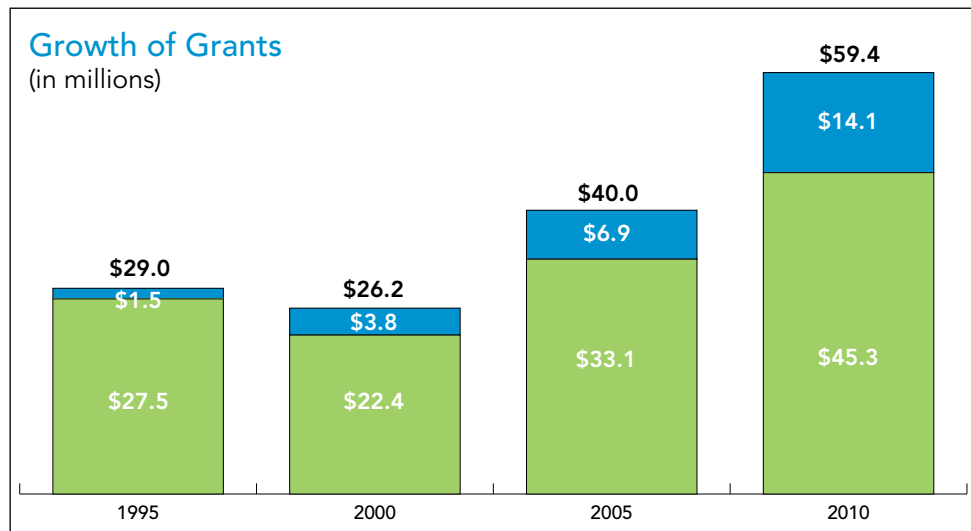


# 2010 Financials

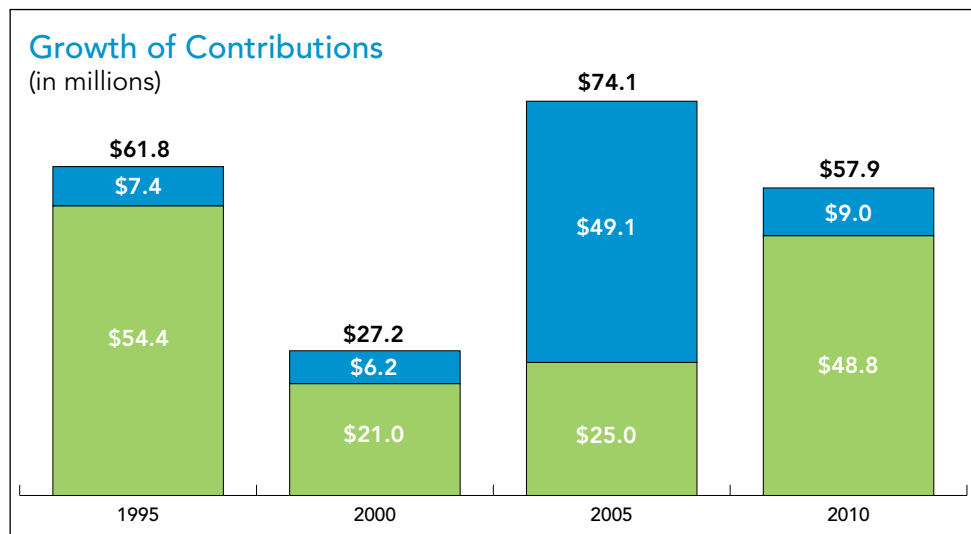
Donor Advised and Community Funds accounted for 46% of the \$904 million in assets that the Foundations held in 2010.



Donor Advised and Community Funds accounted for 64% of the \$59 million in grants that the Foundations held in 2010.



Donor Advised and Community Funds accounted for 66% of the \$58 million in contributions that the Foundations held in 2010.



■ Minnesota Community Foundation    ■ The Saint Paul Foundation

## Report on Investments for the Multi-Asset Endowment Portfolio

In 1994, Minnesota Community Foundation and The Saint Paul Foundation formed an investment partnership, The Community Investment Group, to obtain unified professional management of their investments. The investment objective is to earn a high risk-adjusted return that preserves the purchasing power of assets and seeks to maximize the amount available to meet the charitable needs of communities.

The Foundations' Investment Committee is responsible for developing the investment strategy, selecting investment managers and monitoring investment performance – tasks that are more crucial than ever given the difficult investment climate faced by all investors since 2008.

In 2010, world equity markets continued their strong advance for a second consecutive year following the financial crisis of 2008. The portfolio returned 12.8%, which exceeded the market benchmark by 0.5% due to outperformance from the international equities, fixed income, private capital and absolute return investments. The asset allocation strategy for the Multi-Asset Endowment Portfolio is as follows:

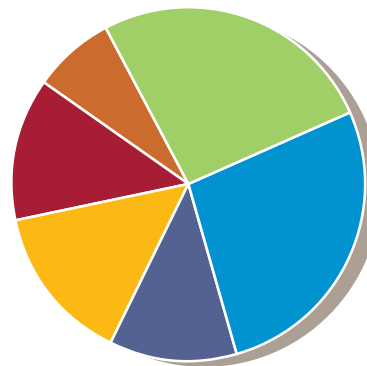
Domestic Equities	25%
International Equities	25%
Private Capital	12%
Fixed Income	15%
Real Assets	15%
Absolute Return	8%

Summarized here are the Multi-Asset Endowment Portfolio's asset allocation and investment performance as of December 31, 2010.

### Investment Performance

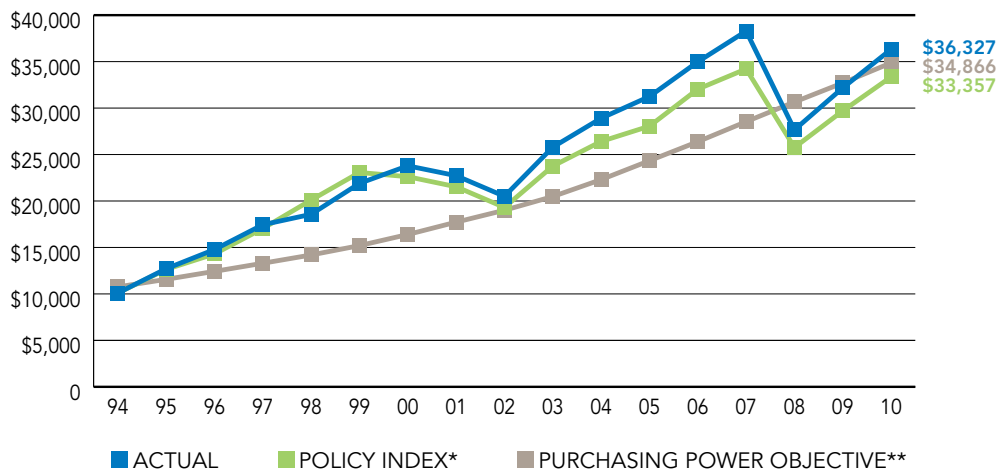
	10 Year	5 Year	3 Year	1 Year
<b>Actual</b>	4.3%	3.1%	-1.7%	12.8%
<b>Policy Index*</b>	4.0%	3.7%	-0.7%	12.3%
<b>Purchasing Power Objective**</b>	7.8%	7.5%	6.9%	6.9%

### Asset Allocation



<span style="color: green;">■</span> Domestic Equities	26.3%
<span style="color: blue;">■</span> International Equities	27.1%
<span style="color: purple;">■</span> Private Capital	11.8%
<span style="color: yellow;">■</span> Fixed Income	14.5%
<span style="color: red;">■</span> Real Assets	13.0%
<span style="color: orange;">■</span> Absolute Return	7.3%

### Change in Value for \$10,000 Invested at Inception\*\*\*



\* The Policy Index is a weighted composite of all the individual benchmarks used to measure the performance of each asset class.

\*\* The Purchasing Power Objective is calculated by adding the GDP Price Deflator to the Foundations' endowment spending rate of 5.5%

\*\*\* Inception January 1, 1994