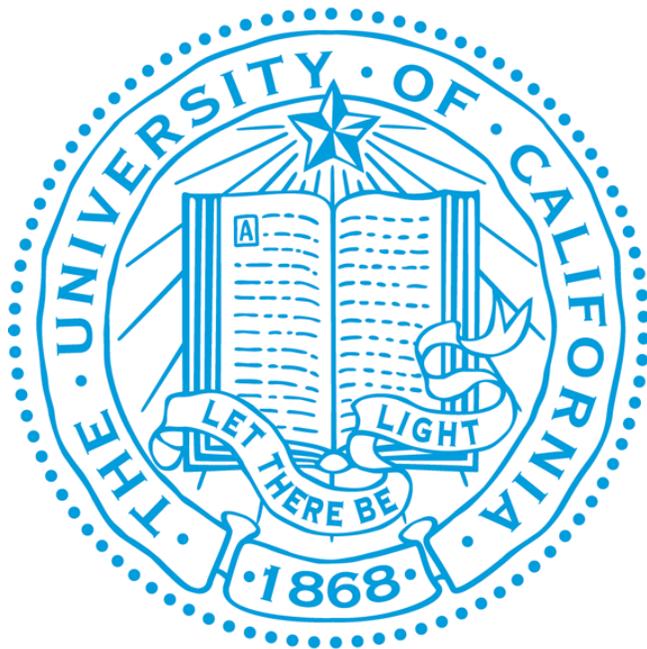


UNIVERSITY  
OF  
CALIFORNIA

## ANNUAL ENDOWMENT REPORT

FISCAL YEAR ENDED JUNE 30, 2022



UC Regents' General Endowment Pool

UC Berkeley Foundation

UC Davis Foundation

UC Irvine Foundation

UC Los Angeles Foundation

UC Merced Foundation

UC Riverside Foundation

UC San Diego Foundation

UC San Francisco Foundation

UC Santa Barbara Foundation

UC Santa Cruz Foundation

# Contents

---

1	Purpose.....	1
2	Consolidated GEP/Campus Foundation Review.....	2
2.1	Total University Assets .....	3
2.2	GEP and Campus Foundation Assets Under Management.....	4
2.3	Asset Allocation of Managed Endowment Funds .....	6
2.4	Investment Performance.....	7
2.5	Asset Allocation Policy Compliance .....	12
2.6	Spending Policies .....	16
3	Investment Profiles for Campus Foundations .....	17
	UC Regents' General Endowment Pool.....	18
	UC Berkeley Foundation.....	21
	UC Davis Foundation.....	24
	UC Irvine Foundation.....	27
	UC Los Angeles Foundation .....	30
	UC Merced Foundation.....	33
	UC Riverside Foundation .....	36
	UC San Diego Foundation .....	39
	UC San Francisco Foundation .....	42
	UC Santa Barbara Foundation .....	45
	UC Santa Cruz Foundation.....	48
4	Appendix.....	51
4.1	Historical Foundation Investment Performance.....	52
4.2	Historical Benchmark and Active Performance .....	53
4.3	Investment Policy Benchmark .....	54
4.4	Glossary.....	55
4.5	Foundations Reporting Background .....	56
4.6	Data Sources and Responsibilities .....	57

# 1 Purpose

---

The purpose of this report is to provide the Regents' Committee on Investments with an overview of the investment portfolios of the University of California campus Foundations, as well as the Regents' General Endowment Pool (GEP) in which some of the campuses invest. Each campus Foundation publishes its own detailed investment report; however, this report is intended to provide key information for all the portfolios on a consolidated basis.

The report is prepared by an independent investment consulting firm hired by UC Investments, formerly known as the Office of the Chief Investment Officer (OCIO), on behalf of the Regents' Committee on Investments. This particular report was prepared by Mercer Investments, LLC.

The sources of information in this report are:

- Each respective campus Foundation
- UC Investments (for GEP and the campus Foundations which are 100% invested in GEP)
- Mercer Investments, LLC
- State Street Bank

# 2 Consolidated GEP/Campus Foundation Review

---

The following section contains a summary of the consolidated endowment review.

Information is provided on the total investment assets, total portfolio performance, asset allocation, and spending policies for each campus Foundation.

All of the information is sourced and reconciled by each respective campus Foundation and UC Investments.

- 2.1 Total University Assets .....3
- 2.2 GEP and Campus Foundation Assets Under Management ..4
- 2.3 Asset Allocation of Managed Endowment Funds.....6
- 2.4 Investment Performance.....7
- 2.5 Asset Allocation Policy Compliance.....12
- 2.6 Spending Policies ..... 16

## 2.1 Total University Assets

This table outlines the University's total assets by designation to the Regents for the benefit of the campuses, to investments in the General Endowment Pool as part of the campus Foundation allocation or to the campus Foundation.

Overall, total endowment assets decreased by 6.3% over the last fiscal year. These changes incorporate new gifts accepted during the fiscal year, funds functioning as endowment created, and the return on total endowed assets. The General Endowment Pool assets on the table below reflect annual distributions that have been transferred out of the account at the end of the fiscal year, but are still showing as pending payout in the General Endowment Pool custodial accounts.

UC Investments also manages systemwide program assets of about \$1.9 billion for the benefit of education and research, support services and general administration.

### Total University Endowment Assets by Designation to Regents and Foundations (Market Values \$ Thousands)

Campus	June 30, 2022					June 30, 2021				
	Regents <sup>1,3</sup>	Foundation Investments in GEP <sup>3</sup>	Foundation Investments in STIP <sup>4</sup>	Foundation <sup>2</sup>	Total Endowment Assets	Regents <sup>1,3</sup>	Foundation Investments in GEP <sup>3,4</sup>	Foundation Investments in STIP <sup>4</sup>	Foundation <sup>2</sup>	Total Endowment Assets
Berkeley	4,260,815	-	6,950	2,641,320	6,909,085	3,850,484	-	22,235	2,901,867	6,774,585
Davis	1,423,088	464,124	10,000	160,040	2,057,252	1,608,735	283,567	16,936	342,357	2,251,596
Irvine <sup>5</sup>	528,643	289,950	4,915	429,100	1,252,608	554,434	365,708	8,484	387,916	1,316,543
Los Angeles <sup>6</sup>	3,162,677	8,557	133,890	3,418,247	6,723,371	3,527,131	9,285	85,787	3,797,605	7,419,808
Merced	59,419	25,454	-	-	84,873	63,257	27,604	-	-	90,861
Riverside	118,178	232,517	594	2,906	354,195	125,441	254,449	1,678	2,498	384,066
San Diego <sup>7</sup>	1,203,650	816,782	4,783	361,326	2,386,540	1,334,139	845,802	4,688	401,835	2,586,464
San Francisco	2,821,377	-	40,123	2,601,375	5,462,875	3,114,074	-	16,078	2,849,657	5,979,809
Santa Barbara	193,042	340,481	3,829	6,547	543,899	214,551	366,255	3,566	6,379	590,752
Santa Cruz	123,020	146,270	-	-	269,290	137,785	156,284	-	-	294,069
<b>Total Campus Endowments</b>	<b>13,893,909</b>	<b>2,324,135</b>	<b>205,083</b>	<b>9,620,861</b>	<b>26,043,988</b>	<b>14,530,031</b>	<b>2,308,954</b>	<b>159,452</b>	<b>10,690,116</b>	<b>27,688,553</b>
Systemwide Programs	1,916,583	18,913	-	-	1,935,496	2,155,451	21,162	-	-	2,176,613
<b>Total Endowment Assets</b>	<b>15,810,492</b>	<b>2,343,048</b>	<b>205,083</b>	<b>9,620,861</b>	<b>27,979,484</b>	<b>16,685,482</b>	<b>2,330,116</b>	<b>159,452</b>	<b>10,690,116</b>	<b>29,865,166</b>

<sup>1</sup> Assets managed by Regents in GEP for the benefit of the campuses excluding investment allocations to the GEP by the campus Foundations. Values provided by UC Investments.

<sup>2</sup> Assets managed by the campus Foundations excluding investment allocations to the GEP and STIP. Values provided by the campus Foundations.

<sup>3</sup> University endowment assets by designation are sourced from Endowment and Investment Accounting participant data. As such, GEP participant data may differ from the total GEP assets presented elsewhere in the report. These differences are due to timing of the annual distributions transferred out of GEP participant accounts at year end but pending payout from the GEP custodial investment accounts.

<sup>4</sup> Foundation endowment assets invested in STIP. Values provided by campus Foundations.

<sup>5</sup> The Irvine Foundation updates private equity market values with calls and distributions on a monthly basis while their third-party consultants report these values on a lagged basis. The 2022 and 2021 Foundation values, presented here, will be different from the total Foundation value represented elsewhere in the report due to this timing effect. The Irvine Foundation's 2022 Regents' value includes \$688,399 invested in STIP. The Irvine Foundation 2021 Regents' value includes \$584,843 invested in STIP.

<sup>6</sup> The Los Angeles Foundation 2022 and 2021 investment in GEP excludes \$6,746,178 and \$7,609,533, respectively, belonging to the UCLA Johnson Cancer Center Foundation. As such, GEP participant data totals, presented here, will be different from the total GEP custodied assets presented elsewhere in the report.

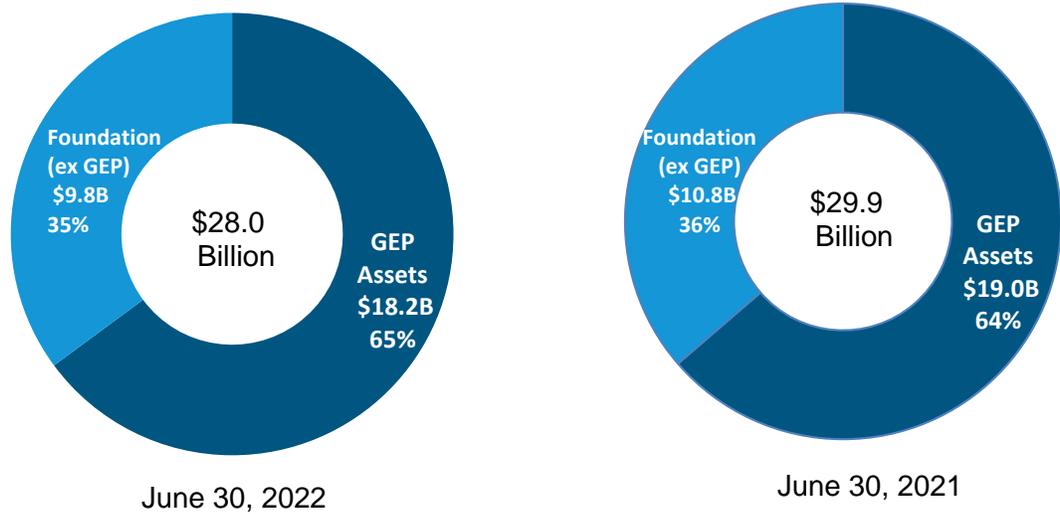
<sup>7</sup> The San Diego Foundation 2022 and 2021 investment in GEP excludes \$52,405,731 and \$73,066,149, respectively. San Diego considers these amounts, invested in GEP, to be current use funds. The San Diego 2022 Regents' value includes other endowment assets invested with the Regents that are not part of the General Endowment Pool. As such, GEP participant data totals, presented here, will be different from the total GEP custodied assets presented elsewhere in the report.

## 2.2 GEP and Campus Foundation Assets Under Management

This section of the report focuses on the endowment assets managed by the Regents' General Endowment Pool (GEP) and the campus Foundations. The assets in the Regents' GEP, which some of the campuses invest in, are managed by UC Investments. The campuses' assets are managed by internal and/or external managers.

The chart below shows the General Endowment Pool and campus Foundations (excluding GEP) managed endowment assets for fiscal years 2022 and 2021.

### Total Endowment Assets

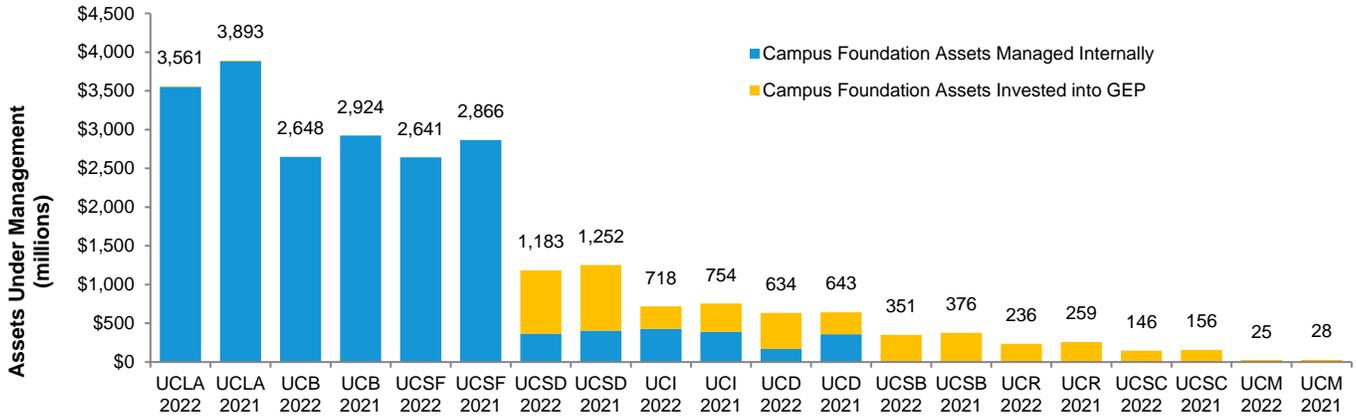


Source: Foundations and UC Investments

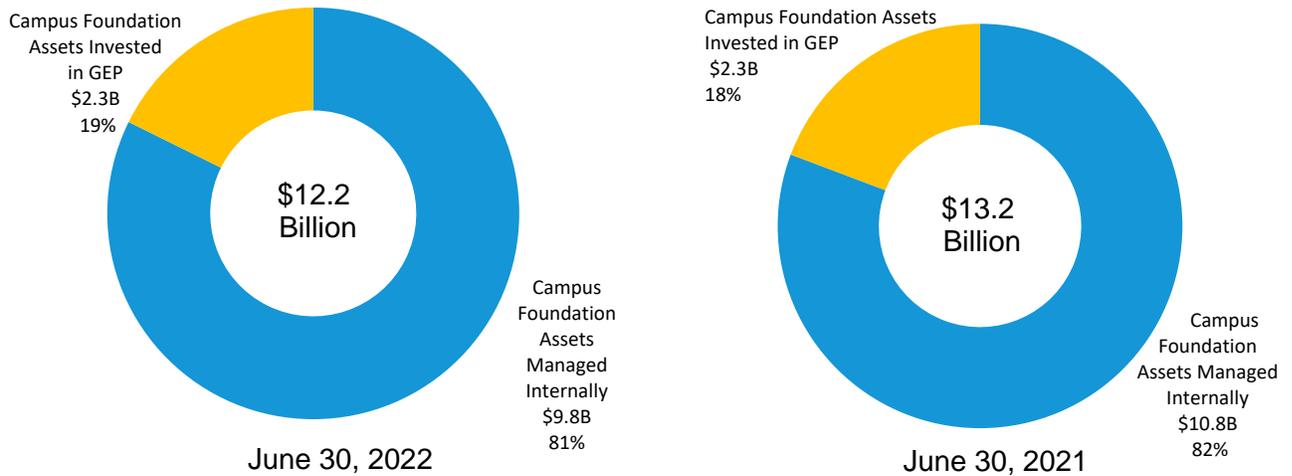
Total endowment assets were \$28.0 billion as of June 30, 2022. Endowment assets decreased by 6.3% over the last fiscal year. These changes incorporate cash flows and investment performance.

The two charts below show the total assets under management by each campus Foundation and in aggregate for fiscal years 2022 and 2021.

### Campus Foundation Assets Year-Over-Year



### Total Campus Foundation Endowment Assets



Source: Foundations and UC Investments

Total campus Foundation assets were \$12.2 billion as of June 30, 2022. Foundation assets decreased by 7.7% over the last fiscal year. These changes incorporate cash flows and investment performance.

## 2.3 Asset Allocation of Managed Endowment Funds

Asset allocation is the primary driver of a portfolio's total return over the long run, while sector and individual security selection typically drive short-term performance. Therefore, portfolio performance should be viewed in the context of the underlying asset allocation.

The table below shows the asset allocation for each campus Foundation and GEP as of June 30, 2022. Campus investments in GEP are included in the specific sub asset classes. The table includes the overall weighted average asset allocation of all foundation assets, as well as the net one-year total returns<sup>1</sup> and volatility by campus.

**Asset Allocation of Managed Endowment Funds**  
As of June 30, 2022

Campus	U.S. Equity	Non-U.S. Equity	Global Equity	U.S. Fixed Income	Non-U.S. Fixed Income	Absolute Return	Real Assets	Real Estate	Private Equity	Private Credit	Other <sup>6</sup>	Cash Equiv.	Total	Fiscal Year 2022 Return	Fiscal Year 2022 Volatility
Regents' GEP	18.0%	8.1%	16.9%	6.4%	0.0%	8.2%	3.5%	6.4%	24.3%	4.6%	0.0%	3.6%	100%	-7.6%	9.4%
Berkeley <sup>1</sup>	10.0%	17.6%	14.3%	4.3%	0.0%	17.6%	4.0%	2.6%	22.2%	0.0%	3.9%	3.6%	100%	-11.3%	8.1%
Davis	15.4%	14.2%	3.7%	4.7%	0.0%	6.1%	5.4%	6.3%	31.5%	3.8%	0.0%	8.9%	100%	-4.1%	7.8%
Irvine	24.6%	14.0%	7.1%	8.8%	0.0%	13.9%	4.3%	0.0%	21.6%	3.6%	0.0%	2.1%	100%	-6.9%	7.7%
Los Angeles <sup>2</sup>	0.0%	0.0%	38.2%	4.1%	0.0%	18.7%	10.1%	7.0%	21.1%	0.0%	0.3%	0.5%	100%	-10.2%	7.4%
Merced <sup>3</sup>	18.0%	8.1%	16.9%	6.4%	0.0%	8.2%	3.5%	6.4%	24.3%	4.6%	0.0%	3.6%	100%	-7.6%	9.4%
Riverside <sup>3</sup>	17.8%	7.9%	16.7%	6.3%	0.0%	8.1%	3.4%	6.3%	25.2%	4.5%	0.0%	3.8%	100%	-7.5%	9.3%
San Diego	42.8%	5.9%	12.3%	3.1%	0.0%	5.6%	2.4%	5.2%	16.7%	3.1%	0.0%	2.9%	100%	-8.1%	11.9%
San Francisco <sup>4</sup>	0.0%	0.0%	23.5%	0.0%	0.0%	23.6%	0.0%	3.7%	34.8%	5.6%	0.0%	8.8%	100%	-6.6%	5.3%
Santa Barbara <sup>3</sup>	17.6%	7.8%	16.4%	6.3%	0.0%	8.0%	3.4%	6.2%	25.1%	4.4%	0.0%	4.8%	100%	-7.1%	9.1%
Santa Cruz <sup>3</sup>	18.0%	8.1%	16.9%	6.4%	0.0%	8.2%	3.5%	6.4%	24.3%	4.6%	0.0%	3.6%	100%	-7.6%	9.4%
<b>Weighted Avg.<sup>5</sup></b>	<b>9.7%</b>	<b>6.5%</b>	<b>22.3%</b>	<b>3.6%</b>	<b>0.0%</b>	<b>16.7%</b>	<b>4.8%</b>	<b>4.7%</b>	<b>24.7%</b>	<b>2.2%</b>	<b>0.9%</b>	<b>4.0%</b>	<b>100%</b>	<b>-8.1%</b>	<b>8.7%</b>

Returns are net of all fees. For Berkeley, Los Angeles, and San Francisco, returns are net of external investment management fees, but not internal fees incurred to manage the Foundation.

<sup>1</sup> Berkeley's Opportunistic assets are included in the Other category.

<sup>2</sup> Los Angeles' Portfolio Insurance assets are included in the Other category. The Public Equity Exposure is 34.2% after excluding the notional exposure of the derivatives position. The Cash balance is 8.7% when including collateral for the derivatives position.

<sup>3</sup> Foundation endowment assets invested primarily in The Regents' GEP and/or STIP funds.

<sup>4</sup> San Francisco's Cash Equivalents include investments in US Treasuries and STIP.

<sup>5</sup> The weighted average asset allocation excludes the GEP assets. Fiscal Year return shown above includes The Regents' GEP return in the calculation.

<sup>6</sup> Other includes an allocation to Portfolio Insurance.

<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

## 2.4 Investment Performance

Investment performance for campus Foundations and GEP is presented net of all fees, including internal investment management company fees, with the exception of UCLA, UCSF, and UC Berkeley<sup>1,2,3</sup>. This table displays total returns for each campus Foundation and GEP and the median returns of a broad Endowments & Foundations (E&F) peer group (i.e. the Investor Metrics – All Endowments & Foundations<sup>4</sup>) for comparison. The percentile ranks reflect performance relative to the E&F peer group (1<sup>st</sup> percentile is the best, 100<sup>th</sup> percentile is the worst). The table also includes the simple weighted average returns for GEP and all campus Foundation assets.

### Net Performance Summary as of June 30, 2022

Periods over 1 Year are Annualized

% Invested in GEP		10-Year Return (%)	10-Year Universe Percentile Rank	7-Year Return (%)	7-Year Universe Percentile Rank	5-Year Return (%)	5-Year Universe Percentile Rank	3-Year Return (%)	3-Year Universe Percentile Rank	1-Year Return (%)	1-year Universe Percentile Rank
100%	Regents' GEP	9.1	2	7.8	3	8.9	3	9.1	3	-7.6	19
100%	Merced	9.1	2	7.9	3	8.9	3	9.1	3	-7.6	19
100%	Santa Cruz	9.1	2	7.9	3	8.9	3	9.1	3	-7.6	19
99%	Riverside <sup>1</sup>	7.9	15	7.0	8	7.3	9	9.1	3	-7.5	19
97%	Santa Barbara <sup>2</sup>	8.1	10	7.9	3	9.0	3	9.2	3	-7.1	17
73%	Davis	8.6	5	7.2	8	8.0	5	8.4	5	-4.1	8
69%	San Diego	8.7	4	7.6	4	8.5	4	9.2	3	-8.1	21
40%	Irvine <sup>3</sup>	8.5	5	7.3	6	7.8	5	7.9	6	-6.9	16
0%	Los Angeles <sup>4</sup>	8.0	12	6.4	19	6.8	16	6.7	16	-10.2	36
	Berkeley	7.8	17	6.7	14	7.3	10	7.7	7	-11.3	42
	San Francisco	7.9	15	7.2	8	8.5	4	9.5	3	-6.6	15
	Weighted Average <sup>5</sup>	8.7		7.5		8.4		8.7		-8.0	
	E&F Peer Group Median	6.7		5.3		5.3		4.5		-11.8	

Dark Blue: Outperformed the Policy Benchmark

Light Blue: Underperformed the Policy Benchmark

Black: Equaled the Policy Benchmark

<sup>1</sup> Riverside's total performance includes the GEP Unit Value, Private Equity, and Cash Accounts

<sup>2</sup> Santa Barbara's total performance includes the GEP Unit Value, Private Equity, Hedge Fund, and General Cash Accounts.

<sup>3</sup> Irvine Foundation and equity asset class performance prior to June 2019 are reported gross of fees. Net of fee performance is used thereafter. Fixed Income performance prior to January 2013 are reported gross of fee. Net of fees is used thereafter.

<sup>4</sup> Los Angeles' allocation to GEP was 0.2%.

<sup>5</sup> The weighted average returns include The Regents' GEP returns in the calculation. The weighted average 1-, 3-, 5-, 7-, 10-year returns are the same for net of fees and net of all fees.

Note: Details for the E&F Peer Group can be found on page 57 under "Performance Comparisons"

Performance over the long-term trailing periods was solid as returns have benefited from strong equity markets. 1-year absolute returns were negative for all campus Foundations as both equity and fixed income markets declined given the higher inflationary and raising interest rate environment.

For all time periods, all of the campus Foundations exceeded or closely tracked the universe median return while all campus Foundations ranked in the top quartile of the universe over all of the time periods.

<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

<sup>2</sup> Regents' GEP return are net of all actual fees and expenses for the periods presented.

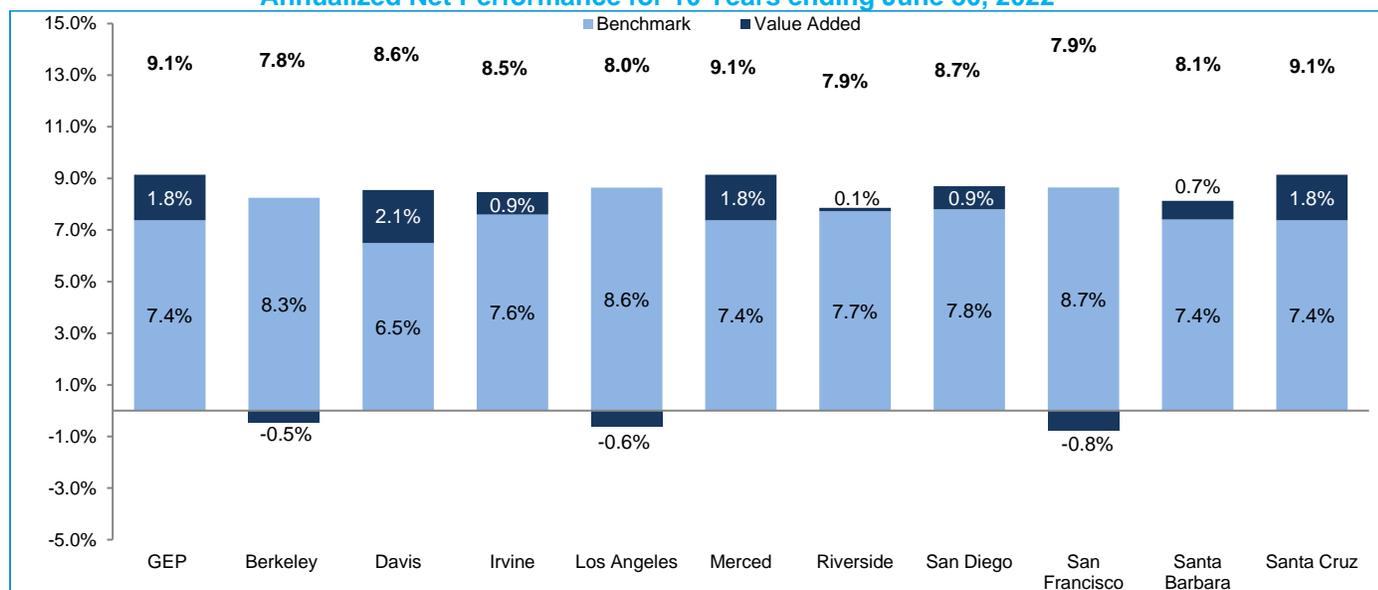
<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

<sup>4</sup> The Investor Metrics all endowments and foundations peer group ("E&F Peer Group") is comprised of approximately 530 observations from a substantial endowment and foundation client base which includes information submitted by industry-leading consulting and trust/custody organizations as compiled by Investor Metrics. The E&F Peer Group returns are net of fees.

The graphs below show the absolute returns net of all fees of the campus Foundations<sup>51,3</sup> and GEP, and the value added (excess returns) versus their respective policy benchmarks for the 10-, 5-, 3- and 1-year periods ending June 30, 2022<sup>5</sup>.

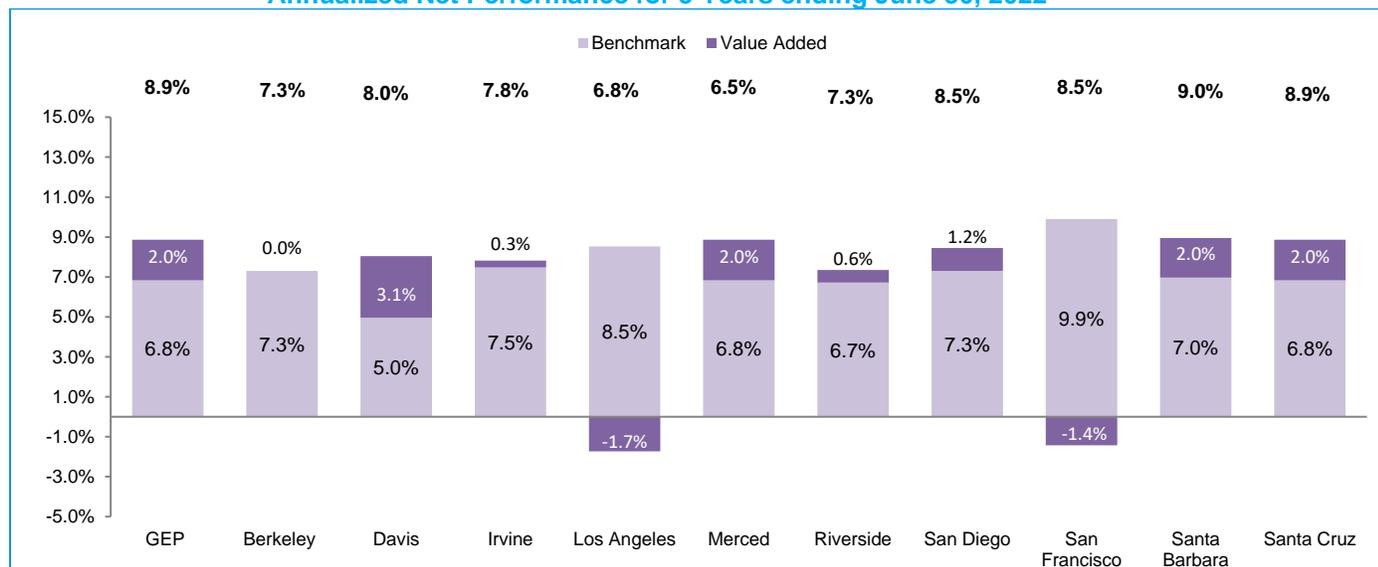
Relative returns for the 10-year, 5-year, and 3-year, were mostly positive, as seven of the 10 Foundations outperformed or matched their respective policy benchmarks and eight of the 10 Foundations outperformed or matched their benchmarks over the 7-year period. For the 1-year period, six of the ten Foundations added value over their benchmarks.

### Annualized Net Performance for 10 Years ending June 30, 2022



Bold values represent absolute return of campus Foundation and GEP.

### Annualized Net Performance for 5 Years ending June 30, 2022



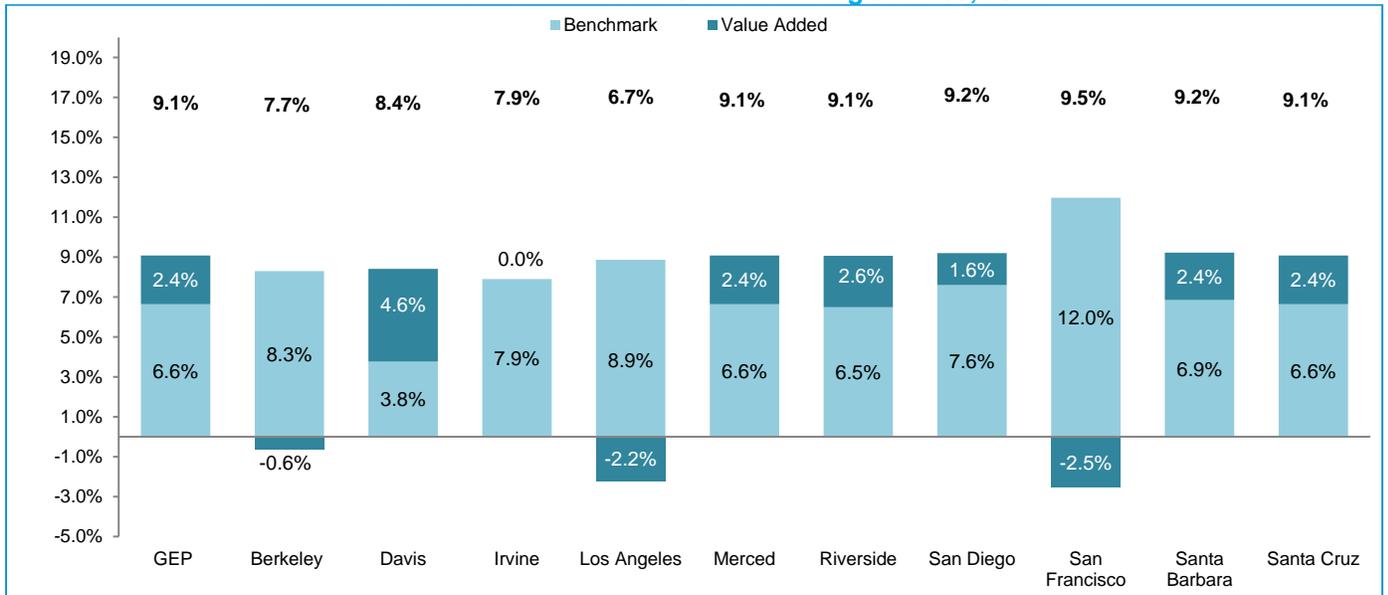
Bold values represent absolute return of campus Foundation and GEP.

<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

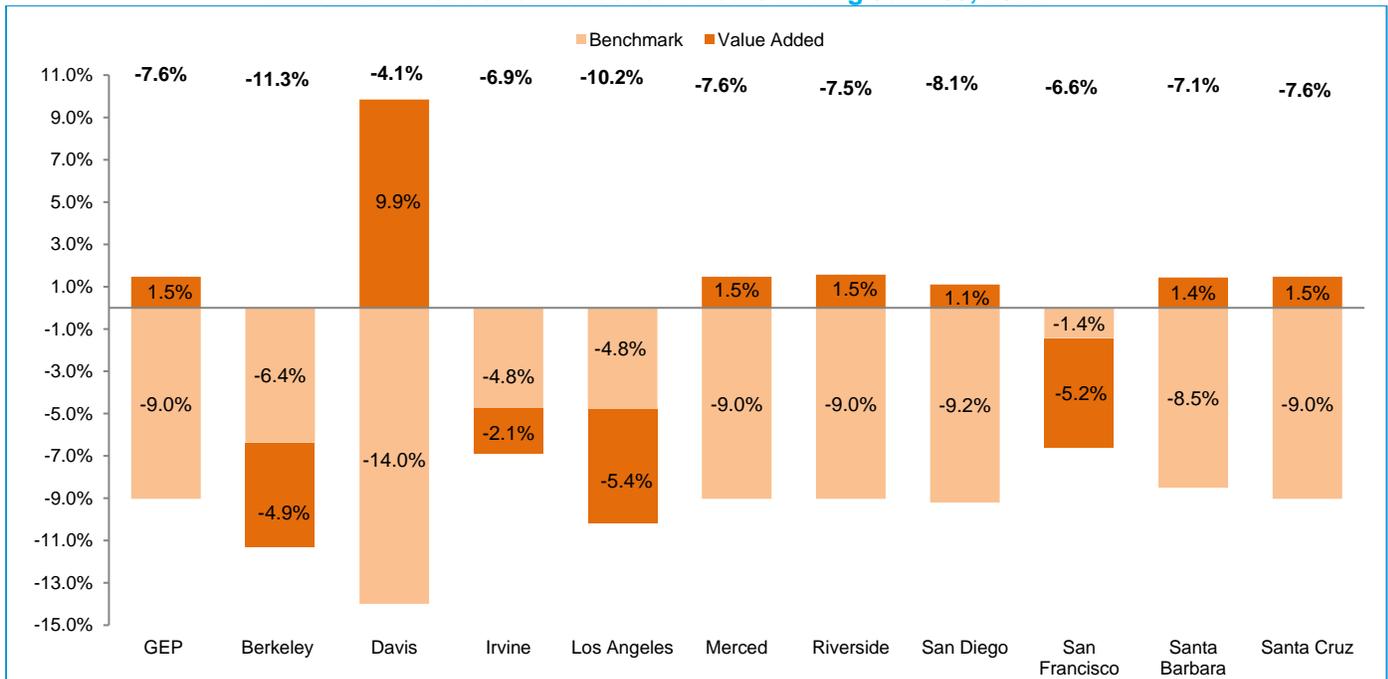
<sup>5</sup> Benchmark and excess return may not equal absolute return due to rounding.

### Annualized Net Performance for 3 Years ending June 30, 2022



Bold values represent absolute return of campus Foundation and GEP.

### Annualized Net Performance for 1 Years ending June 30, 2022



Bold values represent absolute return of campus Foundation and GEP.

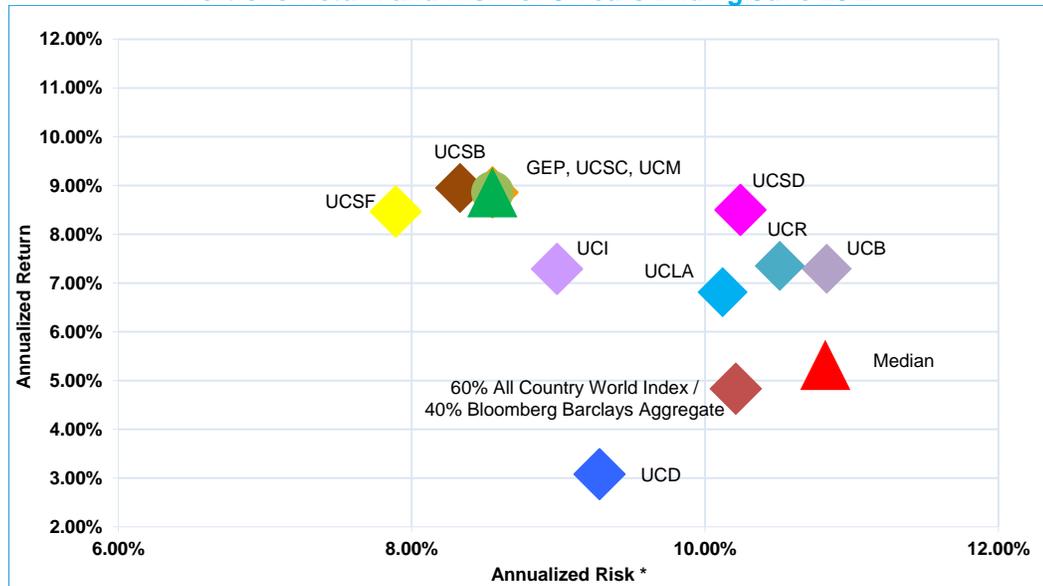
<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

<sup>3</sup> Irvine performance prior to June 2019 is reported gross of fees. Net of all fees performance is used thereafter.

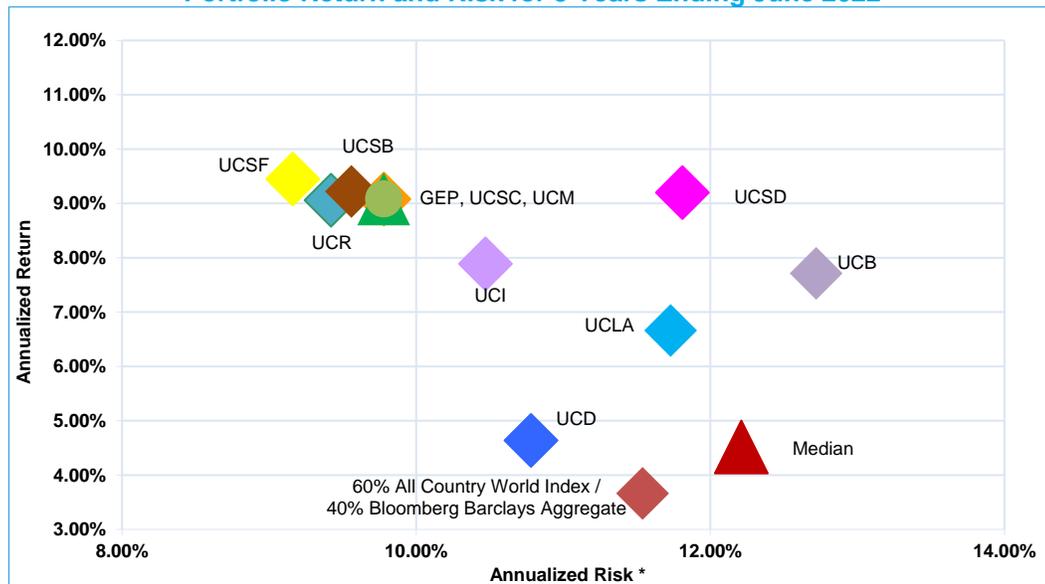
<sup>5</sup> Benchmark and excess return may not equal absolute return due to rounding.

The scatter plot charts below show the annualized net returns versus standard deviation (calculated with monthly returns) for the three- and five-year periods ending June 30, 2022. Relative to the E&F peer group median (red triangle), most of the campus Foundations exhibited higher returns with lower volatility.

**Portfolio Return and Risk for 5 Years Ending June 2022**



**Portfolio Return and Risk for 3 Years Ending June 2022**

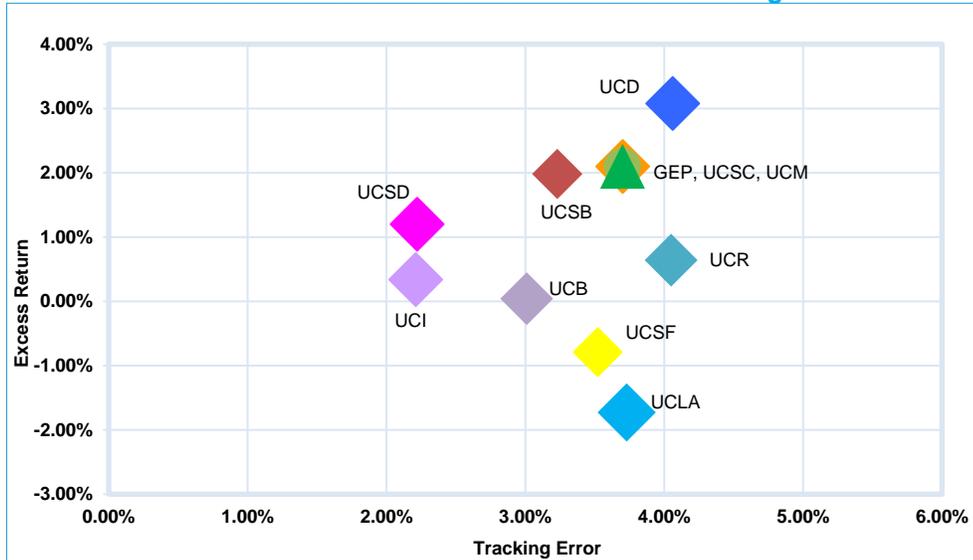


\* (Annualized) Risk is defined as the annualized standard deviation calculated using monthly observations. This evaluation may understate the risk measures for non-public assets such as private equity and absolute return strategies for the following reasons: 1.) The assets are not priced daily; 2.) Returns are reported on a lagged basis. 3.) Most of the campus Foundations have significant portions of their endowments invested in non-public assets.

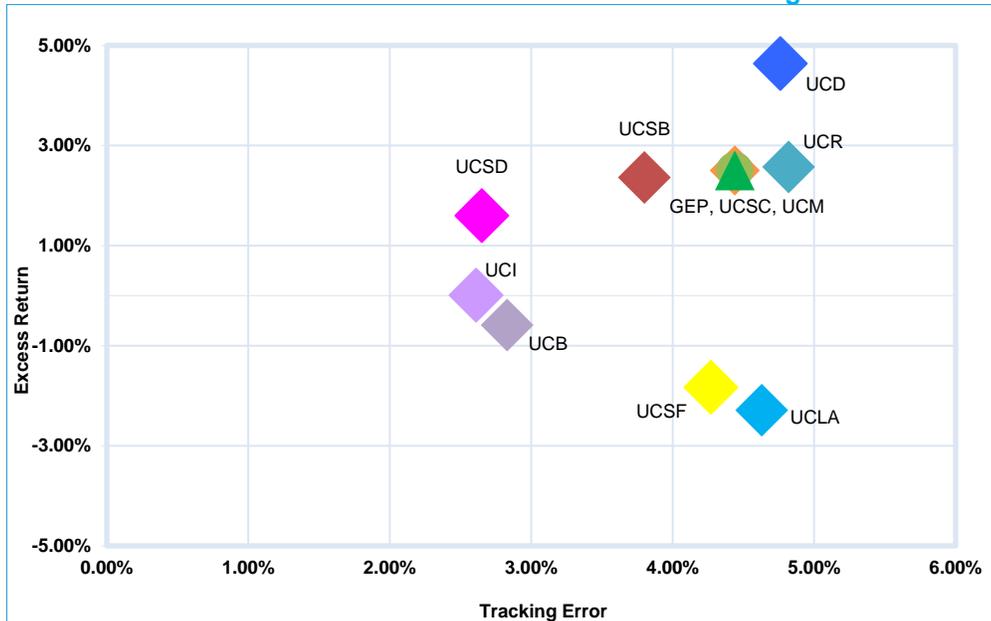
<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

In addition, we evaluated the portfolios' active risk, which measures how closely the portfolios follow their specified benchmarks. The graphs below reflect excess returns versus the tracking error for the individual portfolios when compared to their respective benchmarks over 3- and 5-years ending June 30, 2022. For both periods, most campus Foundations outperformed or matched their respective benchmarks.

**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 5 Years Ending June 2022**



**Annualized Tracking Error and Excess Return  
Portfolio Versus Individual Benchmark for 3 Years Ending June 2022**

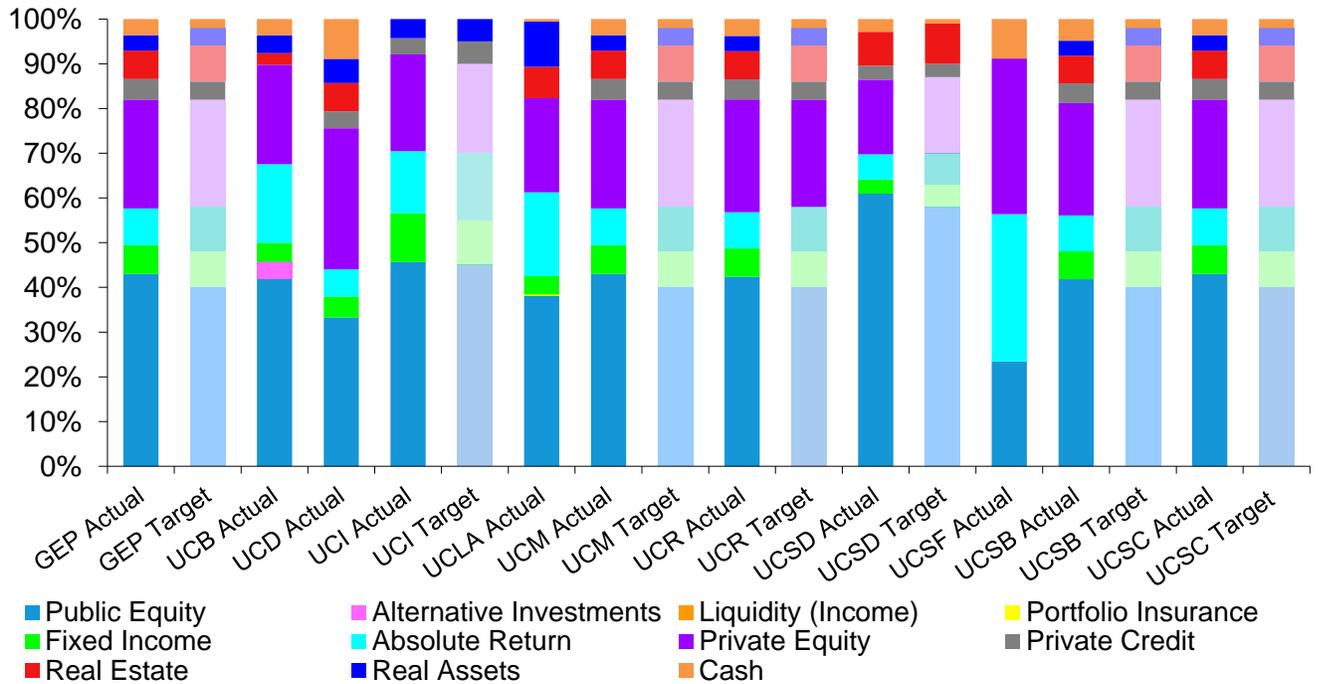


<sup>1</sup> For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**, Los Angeles' estimated internal investment management company cost was **0.143%**, and San Francisco's estimated internal investment management company cost was **0.28%**.

## 2.5 Asset Allocation Policy Compliance

Merced (effective May 2004), Riverside (effective November 2019), Santa Barbara (effective July 2015), and Santa Cruz (effective September 1974) have adopted the GEP investment policies. The other six campus Foundations have implemented their own individual investment policies. As of June 30, 2022, Riverside, Santa Barbara, Davis, San Diego, and Irvine allocated 99%, 97%, 73%, 69%, 40% respectively to GEP. An overview of the campus Foundations' actual asset allocation versus the individual targets is presented below.

**Actual Asset Allocation versus Target  
As of June 30, 2022**



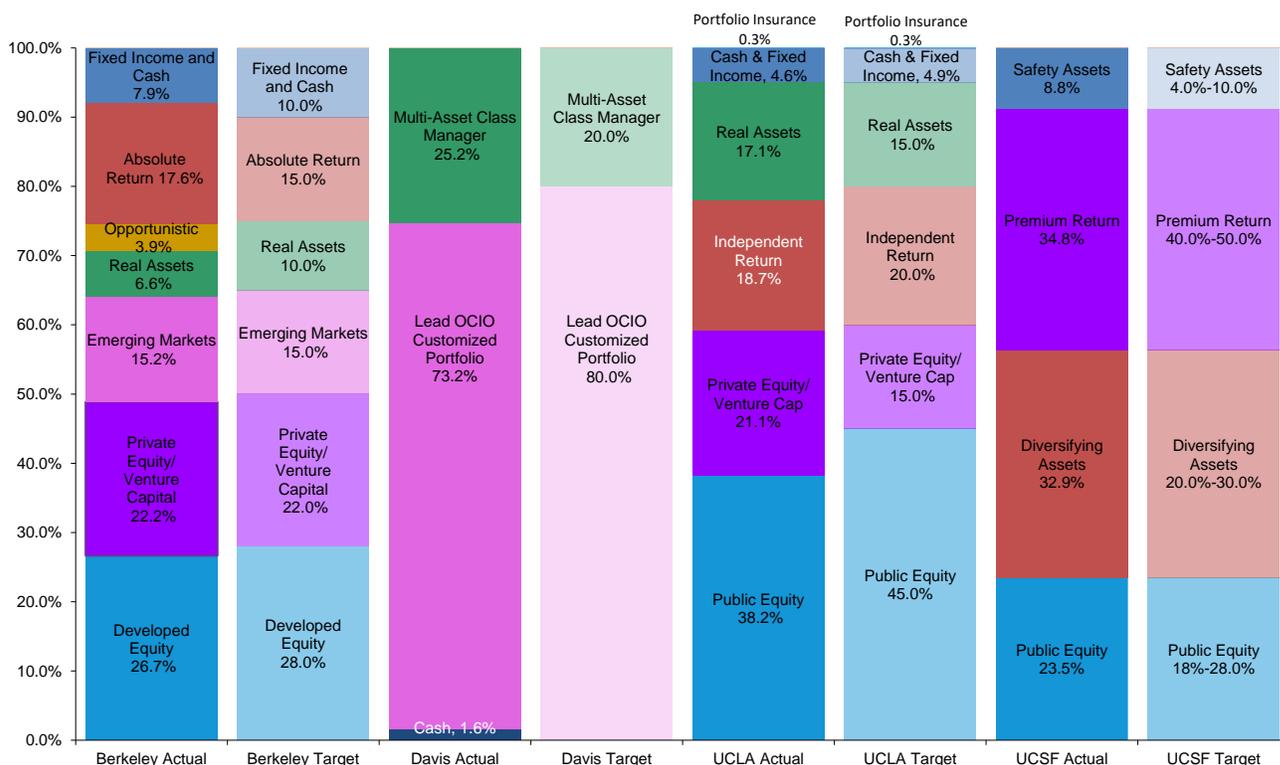
For fiscal year 2022, some Campuses elected to combine their fixed income and cash allocations into a single category called Liquidity (Income) while the Regents and some Campuses choose to show Fixed Income and Cash as separate asset classes.

Berkeley's Opportunistic assets are listed under Alternative Investments. Los Angeles has an allocation to Portfolio Insurance.

San Francisco's Diversifying Assets are listed under Absolute Return, Premium Return is listed under Private Equity, and Safety Assets are listed under Liquidity. Asset Allocation targets are ranges; dynamic weighted benchmarks are shown for indicative target.

Berkeley, Davis, Los Angeles and San Francisco use a strategy-based investment structure and have implemented multi-asset class portfolios. Their actual allocation versus the different investment types or strategies is presented in the chart below.

### Actual Asset Allocation versus Target As of June 30, 2022



The following benchmark allocations are implemented on total fund level:

- Berkeley
  - 28% MSCI World with USA Gross (Net) Index
  - 15% MSCI Emerging Markets (Net) Index
  - 22% Custom Cambridge Associates Benchmarks (Private Equity/Venture Capital)<sup>5</sup>
  - 10% Custom Cambridge Associates Benchmarks (Real Assets)<sup>5</sup>
  - 15% HFRI FoF Conservative Index
  - 10% 80% Bloomberg Barclays UST Index / 20% BofAML 91-Day T-Bills Index
- Davis
  - 80% GEP Benchmark\*
  - 20% GEM Policy Benchmark\*
- Los Angeles
  - 45% MSCI AC World Index

<sup>5</sup> The Custom Cambridge Associates Benchmarks are pooled horizon IRRs weighted to reflect the vintage year asset class mix within the GEP's portfolio. PE/VC includes a blend of the Cambridge Associates Private Equity and Control-Oriented Distressed Index and Cambridge Associates Venture Capital Index. Real Assets includes a blend of the Cambridge Associates Real Estate Index and Cambridge Associates Natural Resources Index. UC Berkeley Foundation's Policy Benchmark is in a transitional period until the end of FY 2022. During this period, asset class benchmark returns are dynamically weighted using the asset classes' actual market values.

\* Davis uses a policy benchmark of 70% MSCI ACWI/30% Bloomberg US Aggregate for performance and a weighted policy benchmark for allocations. Index composition details shown in Section 4.3 on page 54.

- 20% HFRI Fund Weighted Composite Index
  - 15% Cambridge Associates Private Equity & Venture Capital Index
  - 7.5% Cambridge Associates Real Estate Index + 7.5% Cambridge Associates Natural Resources Index
  - 4.9% Citigroup 3-Month T-Bill
  - 0.1% 3-Month S&P 500 put options with strike prices 15% OTM (out of the money)
- San Francisco<sup>6</sup>
    - 23.5% MSCI AC World Index
    - 8.8% U.S. 1-3 year Treasuries
    - 34.8% Cambridge Associates Private Equity Vintage
    - 32.9% HFRI Fund Weighted Composite

During the fiscal year, the following campus Foundations made changes to their investment policy statements:

- Davis
  - August 25, 2021 – Appendix E: Responsible Investment Principals revised and expanded
  - May 5, 2022: Appendix B: Spending Policy and Appendix C: Endowment Cost Recovery Policy updated for FY 2022-23 payout.
- San Diego
  - July 1, 2021 – Policy benchmark, policy target and compliance ranges changes; descriptors updated
- San Francisco
  - January 1, 2022 –Policy target and compliance range changes for interim portfolio
- Santa Barbara
  - October 29, 2021 – Minor grammatical changes and dates made current

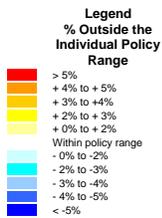
---

<sup>6</sup> San Francisco uses a dynamic framework for setting benchmark weights that considers both actual weights and policy range limits. These weights reflect the output of that framework on June 30, 2022.

The following table reflects the difference between the actual asset allocation as of June 30, 2022, and the target policy allocation defined in the investment policy statement for each campus Foundation. Any exposure outside the individual policy ranges is shaded, and the heat map on the right side shows by the magnitude of the breadth. All of the campus Foundation asset allocation were within their individual policy ranges as of June 30, 2022.

**Over-/Underweight to Individual Foundation Policy Target  
As of June 30, 2022**

	Public Equity	Fixed Income	Absolute Return	Private Equity	Private Credit	Real Estate	Real Assets	Cash
<b>GEP</b>	3.0%	-1.6%	-1.8%	0.3%	0.6%	-1.6%	-0.5%	1.6%
<b>Irvine</b>	0.7%	0.9%	-1.1%	1.6%	-1.4%	0.0%	-0.7%	0.0%
<b>Merced</b>	3.0%	-1.6%	-1.8%	0.3%	0.6%	-1.6%	-0.5%	1.6%
<b>Riverside</b>	2.4%	-1.7%	-1.9%	1.2%	0.5%	-1.7%	-0.6%	1.8%
<b>San Diego</b>	3.0%	-1.9%	-1.4%	-0.3%	0.1%	-1.4%	0.0%	1.9%
<b>Santa Barbara</b>	1.8%	-1.7%	-2.0%	1.1%	0.4%	-1.8%	-0.6%	2.8%
<b>Santa Cruz</b>	3.0%	-1.6%	-1.8%	0.3%	0.6%	-1.6%	-0.5%	1.6%
<b>Berkeley</b>	Developed Equity -1.3%	Private Equity/ Venture Cap 0.2%	Emerging Markets 0.2%	Real Assets -3.4%	Opportunistic 3.9%	Absolute Return 2.6%	Fixed Income and Cash -2.1%	
<b>Davis</b>	Lead OCIO Customized Portfolio -6.8%	Multi-Asset Class Manager 5.2%	Cash 1.6%					
<b>Los Angeles</b>	Public Equity -6.8%	Private Equity/ Venture Cap 6.1%	Independent Return -1.3%	Real Assets 2.1%	Portfolio Insurance 0.2%	Cash & Fixed Income -0.3%		
<b>San Francisco</b>	Public Equity 0.0%	Diversifying Assets 0.0%	Premium Return 0.0%	Safety Assets 0.0%				



All campus Foundation asset allocations were within their respective policy ranges as of June 30, 2022.

## 2.6 Spending Policies

The table below shows a summary of the endowment spending policies for each campus Foundation.

### Endowment Spending Policies by Foundation

Regents' GEP	The total return expenditure (spending) policy for eligible assets in the General Endowment Pool is 4.75 percent of a 60-month moving average of the market value of a unit invested in the General Endowment Pool.
Berkeley	The Foundation's payout policy is 4.0% of a twenty-quarter (five year) moving average market value of the endowment pool. The Finance and Administration Committee, at its discretion, may recommend to the Executive Committee an alternative payout percentage, within a range of 3.5% to 4.5% for a specific payout year.
Davis	The primary objective of the UC Davis Foundation's endowment spending policy is to achieve a proper balance between present and future needs of endowed units at UC Davis. The approved spending rate for the September 2021 payout was 4.50% (increasing to 4.60% in September 2022) of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31.
Irvine	The endowment fund spending policy allows for allocation of income equivalent to 4.5% of the moving average market value of the endowment portfolio. This average market value is computed using the previous 36 months of portfolio activity. Income earned in excess of the spending rate may be reinvested in endowment principal. Income available for expenditure is calculated according to a predetermined formula.
Los Angeles	In 2022, the UCLA Foundation endowment spending rate was 4.25% of a 12 quarter rolling average market value, calculated quarterly. The UCLA Foundation approved endowment spending policy for fiscal year 2023 is 4.25% of a 12 quarter rolling average.
Merced	The spending policy of the UC Merced Foundation is to provide 100% of the endowment earnings up to a maximum spending payout rate of 4.75% of the 60-month average unit market value for the period ending December 31st.
Riverside	The endowment spending policy applicable to FYE 2022 was to withdraw per unit 4.5% of the average unit market value of the endowment fund calculated using the closing unit market value on the last day of each of the 60 contiguous months the last of which ended on May 31, 2022.
San Diego	Endowment spending during fiscal year 2021-22 was calculated using a predetermined formula at an amount equal to 4.75% of the 60-month average unit market value of the endowment portfolio. Spending is allocated to fund holders monthly.
San Francisco	The Foundation payout policy guideline is to distribute 4.75% of the 36 month rolling average unitized market value of the Endowment Pool. The payout will not exceed 6% nor be less than 3.5% of the ending market value on the last day of the fiscal year for which it is being calculated. The payout will be reviewed annually, which may result in modification. In determining the annual payout, the Foundation will consider factors such as stability of fund flows to operations and preservation of endowment principal, in addition to the guideline formula.
Santa Barbara	Endowment spending during FYE 2022 was calculated using a predetermined formula at an amount equal to 4.0% of the 60-month average unit market value of the endowment portfolio as of December 31, 2020. To the extent requested by the Fund Administrator, spending was allocated to fund holders in September (40%) and March (60%).
Santa Cruz	The UC Santa Cruz Foundation endowment expenditure rate approved June 2022 is 4.75% of the three-year moving average of December 31 market values. In the event the market value of an endowment is below the amount of the original gift adjusted by the Gross Domestic Product (GDP) price index at December 31, the endowment expenditure rate approved June 2022 is 2.75% of the three-year moving average of the December 31 market value, unless specific language of the endowment agreement allows otherwise. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions.

Note: Updates provided by the campus Foundations are reflected above up to the time this report was produced.

UC Davis increased the spending policy to 4.6% of the 60-month average unit market value for the September 2022 payout from 4.5% for the September 2021 payout.

UC Santa Barbara returned the spending policy to 4.0% of the 60-month average unit market value for fiscal year 2022 after a one-time increase to 4.54% in the previous fiscal year.

## 3 Investment Profiles for Campus Foundations

---

The following section contains a summary for each campus Foundation and the General Endowment Pool which includes:

- Investment Objectives
- Spending Policy
- Actual vs. Policy Target Allocations and Ranges
- Investment Performance
- Asset Allocation by Asset Class
- Rolling 1-Year Excess Return

## UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

### Regents' General Endowment Pool Investment Objective

The GEP provides a common investment vehicle, intended to generate a stable and growing income stream, for (most but not all of) the University's endowments and quasi-endowments, for which the University is both trustee and beneficiary.

The overall investment objective of the GEP is to preserve and grow the purchasing power of the future stream of endowment payout for those funds and activities supported by the endowments. GEP also seeks to maintain liquidity needed to support spending in prolonged down market environments without impairing long term growth.

### Regents' General Endowment Pool Spending Policy

The total return expenditure (spending) policy for eligible assets in the General Endowment Pool is 4.75 percent of a 60-month moving average of the market value of a unit invested in the General Endowment Pool.

### University of California, General Endowment Pool Asset Allocation June 30, 2022

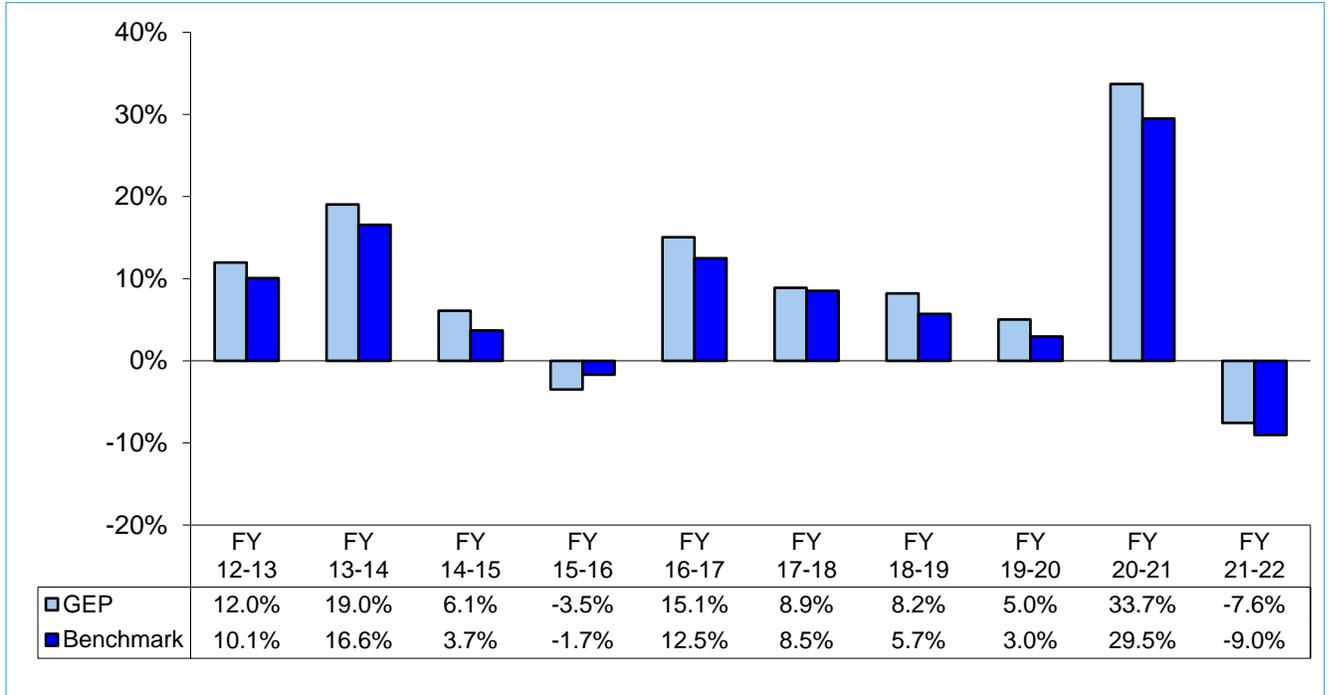
	Assets (\$M) <sup>1</sup>	Actual Allocation	Target Allocation <sup>2</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$7,819	43.0%	40.0%	3.0%	30.0%	50.0%	Yes
Fixed Income	\$1,169	6.4%	8.0%	-1.6%	5.0%	15.0%	Yes
Private Equity	\$4,425	24.3%	24.0%	0.3%	10.0%	30.0%	Yes
Absolute Return	\$1,499	8.2%	10.0%	-1.8%	5.0%	15.0%	Yes
Private Credit	\$830	4.6%	4.0%	0.6%	0.0%	6.0%	Yes
Real Estate	\$1,160	6.4%	8.0%	-1.6%	4.0%	12.0%	Yes
Real Assets	\$628	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Cash	\$653	3.6%	2.0%	1.6%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$18,183</b>	<b>100.0%</b>	<b>100.0%</b>				

<sup>1</sup> Total Regents' General Endowment Pool managed endowment assets represent GEP custodied assets.

<sup>2</sup> Tactical asset allocation as of 6/30/22.

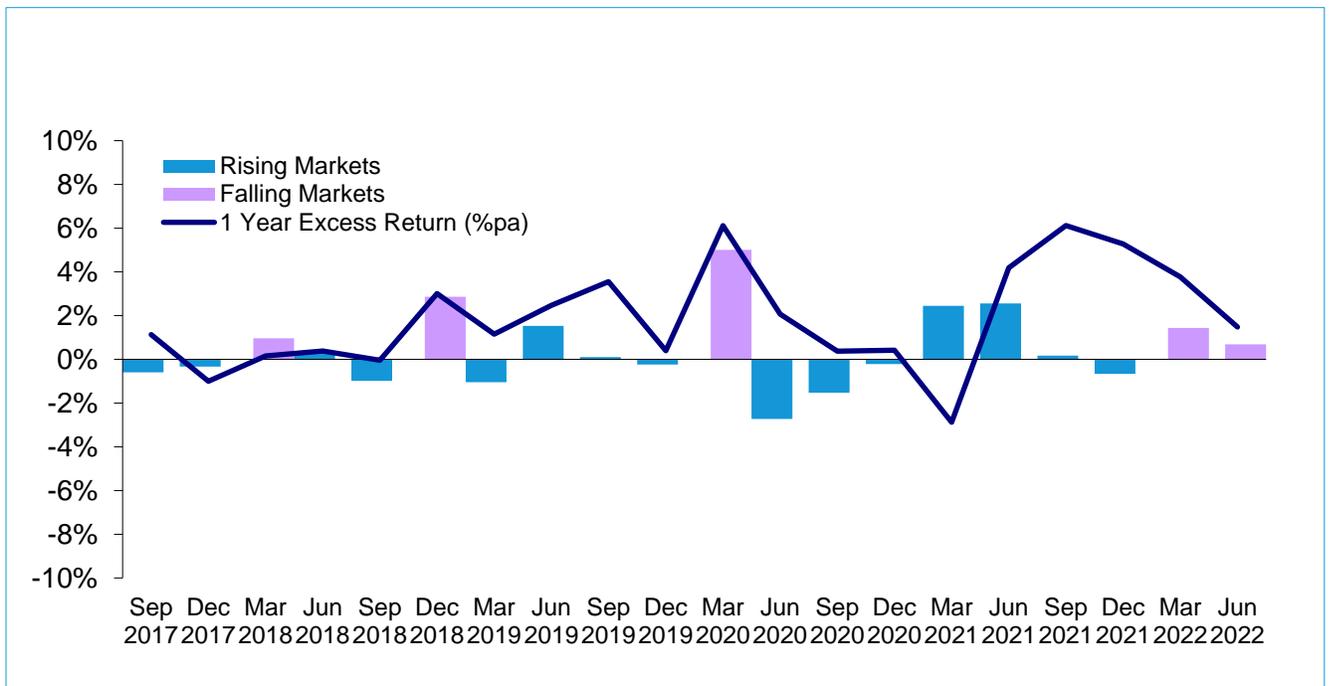
# UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

Annual Endowment Returns for Fiscal Years  
General Endowment Pool – Portfolio and Benchmark



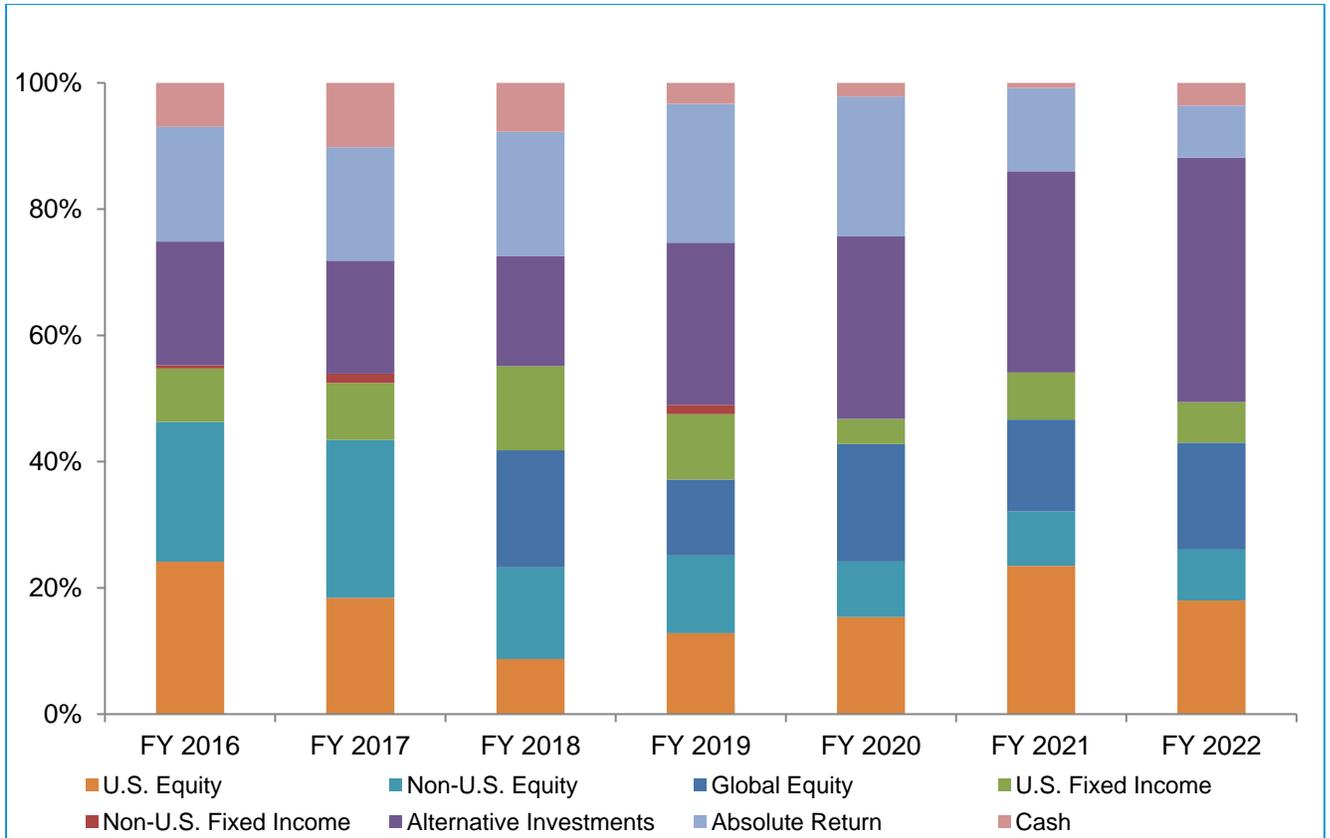
Annual benchmark performance used for external reporting is shown.

Excess Return GEP Unit Value Portfolio versus Benchmark  
September 2017 to June 2022



# UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

## GEP Managed Endowment Funds by Asset Class



Note: During fiscal year 2019, the UC Regents combined U.S. Equity and Non-U.S. Equity into the Global Equity bucket and it is UC Investments' policy asset allocation to not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

# UC BERKELEY FOUNDATION

## Endowment Investment Objective

The primary objective of the UC Berkeley Foundation ("UCBF") endowment pool is to generate returns sufficient to meet UCBF's desired financial support to UC Berkeley over the long term, while maintaining real purchasing power, sufficient liquidity, and acceptable volatility. The General Endowment Pool ("GEP") also seeks to generate results after all relevant expenses that match or exceed the returns of a representative mix of investable assets, known as the Total Portfolio Benchmark, over rolling periods in excess of 10 years.

## Endowment Spending Policy

The Foundation's payout policy is 4.0% of a twenty-quarter (five year) moving average market value of the endowment pool. The Finance and Administration Committee, at its discretion, may recommend to the Executive Committee an alternative payout percentage, within a range of 3.5% to 4.5% for a specific payout year.

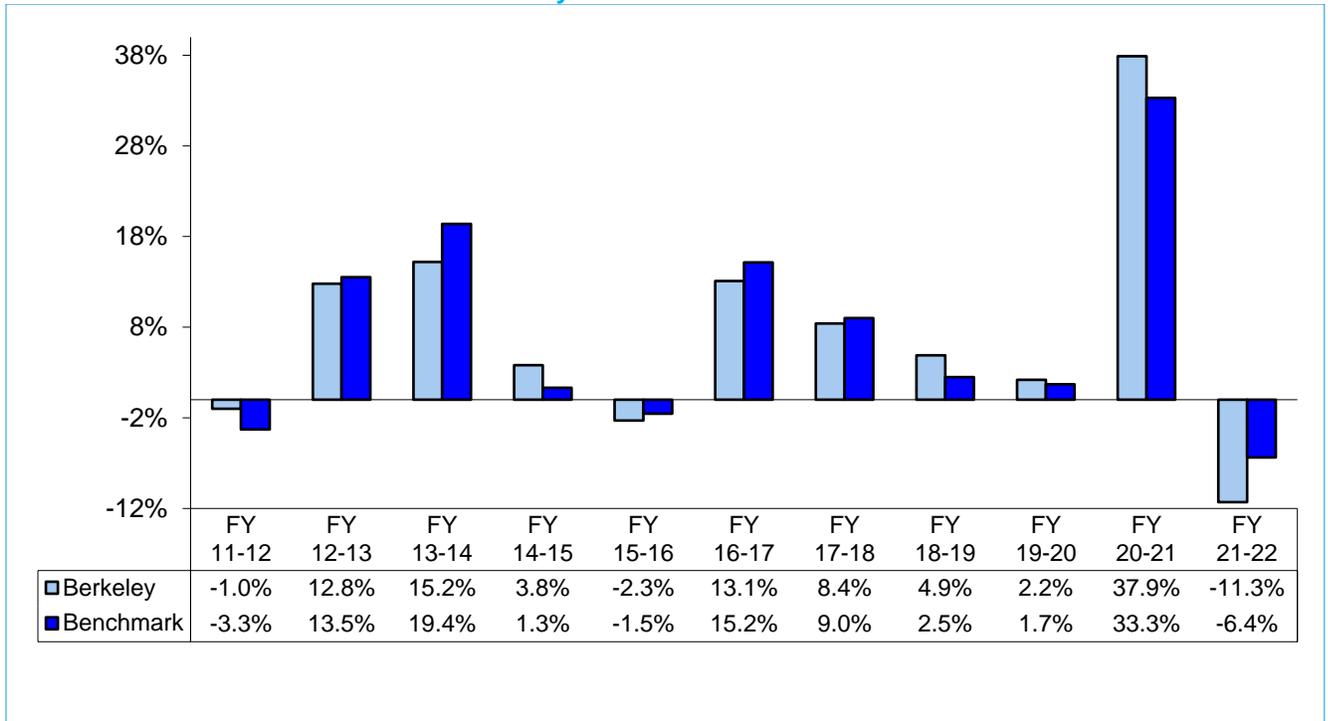
### University of California, Berkeley Foundation Portfolio Asset Allocation June 30, 2022

	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Developed Equity	\$706	26.7%	28.0%	-1.3%	20.0%	50.0%	Yes
Emerging Markets Equity	\$402	15.2%	15.0%	0.2%	5.0%	20.0%	Yes
PE/VC	\$588	22.2%	22.0%	0.2%	0.0%	30.0%	Yes
Real Assets	\$175	6.6%	10.0%	-3.4%	0.0%	15.0%	Yes
Opportunistic	\$102	3.9%	0.0%	3.9%	0.0%	15.0%	Yes
Absolute Return	\$466	17.6%	15.0%	2.6%	5.0%	20.0%	Yes
Fixed Income and Cash	\$208	7.9%	10.0%	-2.1%	5.0%	20.0%	Yes
<b>Total Assets</b>	<b>\$2,648</b>	<b>100.0%</b>	<b>100.0%</b>				

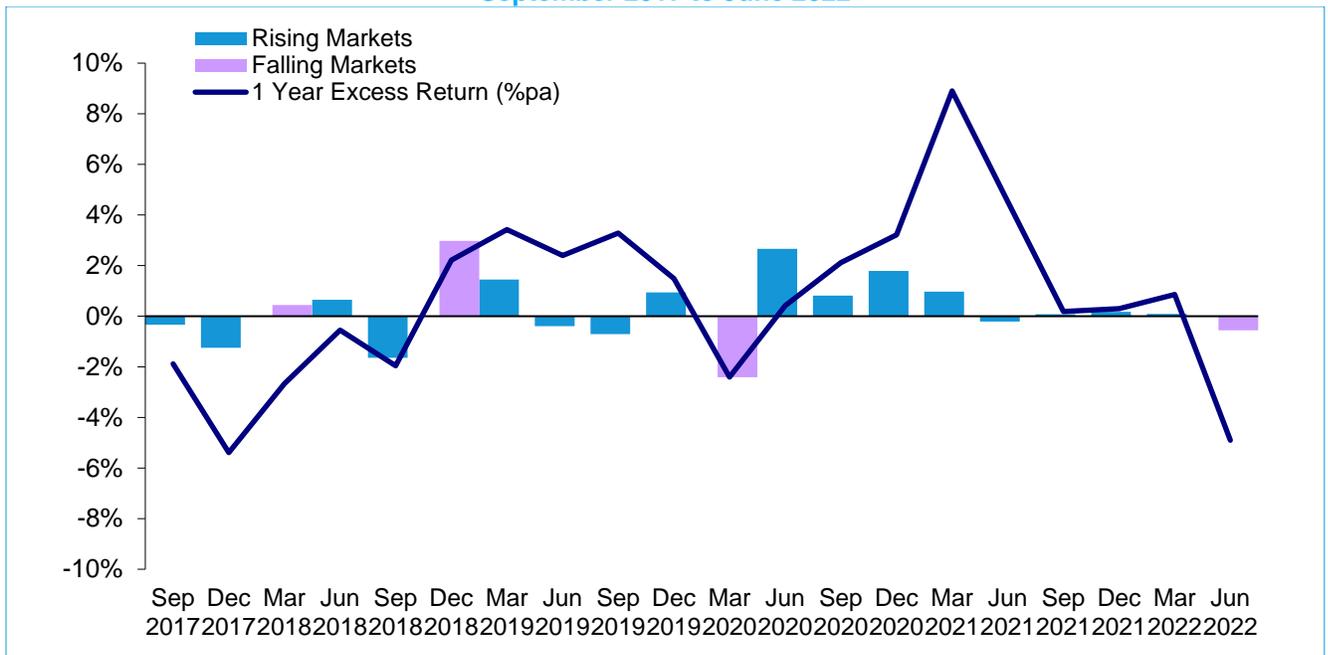
<sup>1</sup> UC Berkeley Foundation's Asset Allocation framework was adopted effective January 1, 2019. Target policy allocations are the long-term targets.

# UC BERKELEY FOUNDATION

Annual Endowment Returns for Fiscal Years  
UC Berkeley – Portfolio and Benchmark



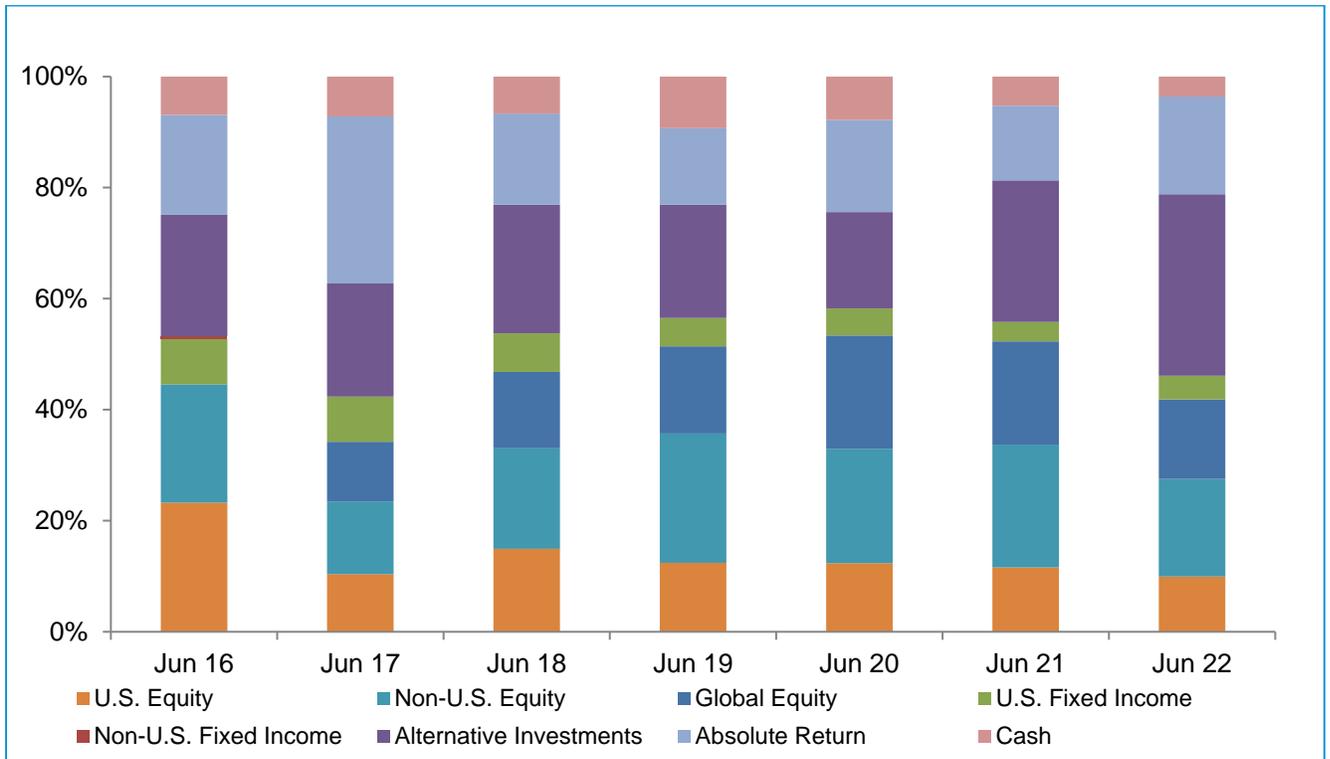
Excess Return UC Berkeley Portfolio versus Benchmark  
September 2017 to June 2022



Returns are fees net of external investment management fees, but not internal fees incurred to manage the Foundation. For fiscal year 2022, Berkeley's estimated internal investment management company cost was **0.22%**.

# UC BERKELEY FOUNDATION

## UC Berkeley Managed Endowment Funds by Asset Class



# UC DAVIS FOUNDATION

## Endowment Investment Objective

The Fund seeks future long-term growth of investments, at an acceptable risk level, sufficient to offset reasonable spending plus normal inflation, thereby preserving the purchasing power of the Fund for future generations.

## Endowment Spending Policy

The primary objective of the UC Davis Foundation's endowment spending policy is to achieve a proper balance between present and future needs of endowed units at UC Davis. The approved spending rate for the September 2021 payout was 4.50% (increasing to 4.60% in September 2022) of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31.

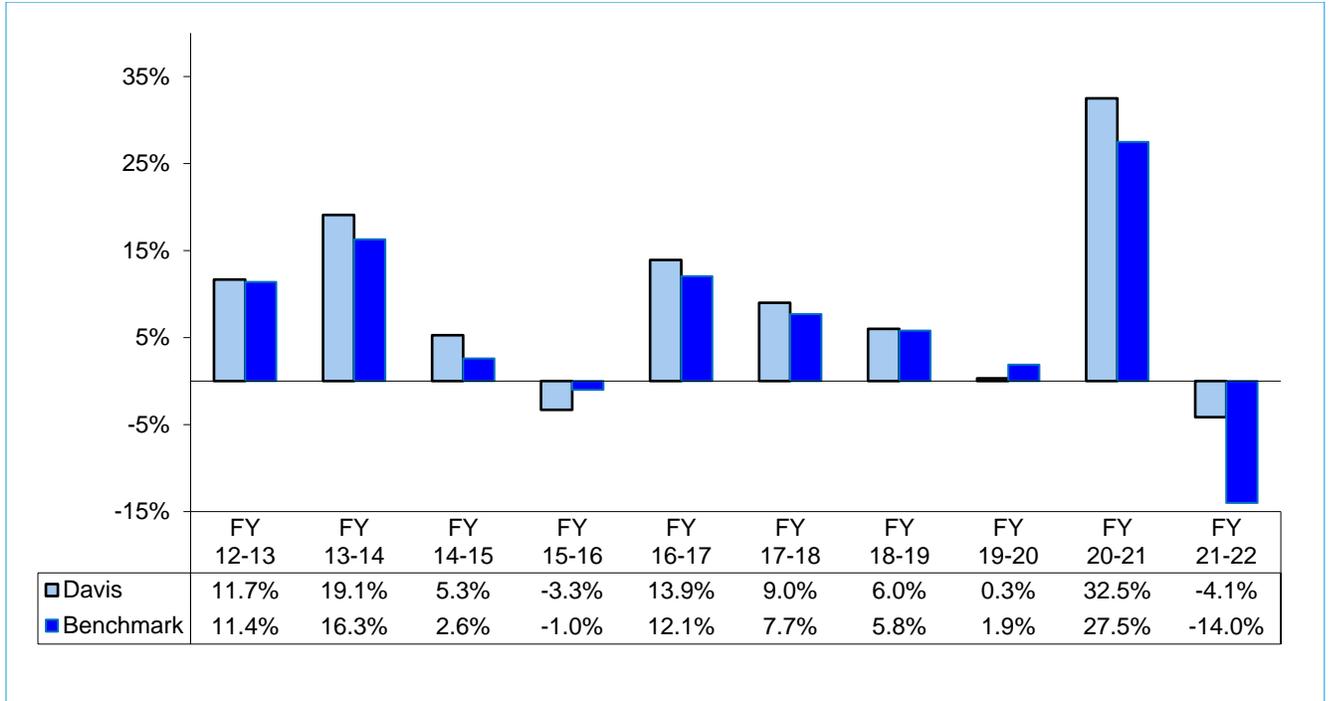
### University of California, Davis Foundation Portfolio Asset Allocation June 30, 2022

	Assets (\$M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Lead OCIO Customized Portfolio	\$464	73.2%	80.0%	-6.8%	50.0%	100.0%	Yes
Multi-asset class managers	\$160	25.2%	20.0%	5.2%	0.0%	50.0%	Yes
Cash	\$10	1.6%	0.0%	1.6%	0.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$634</b>	<b>100.0%</b>	<b>100.0%</b>				

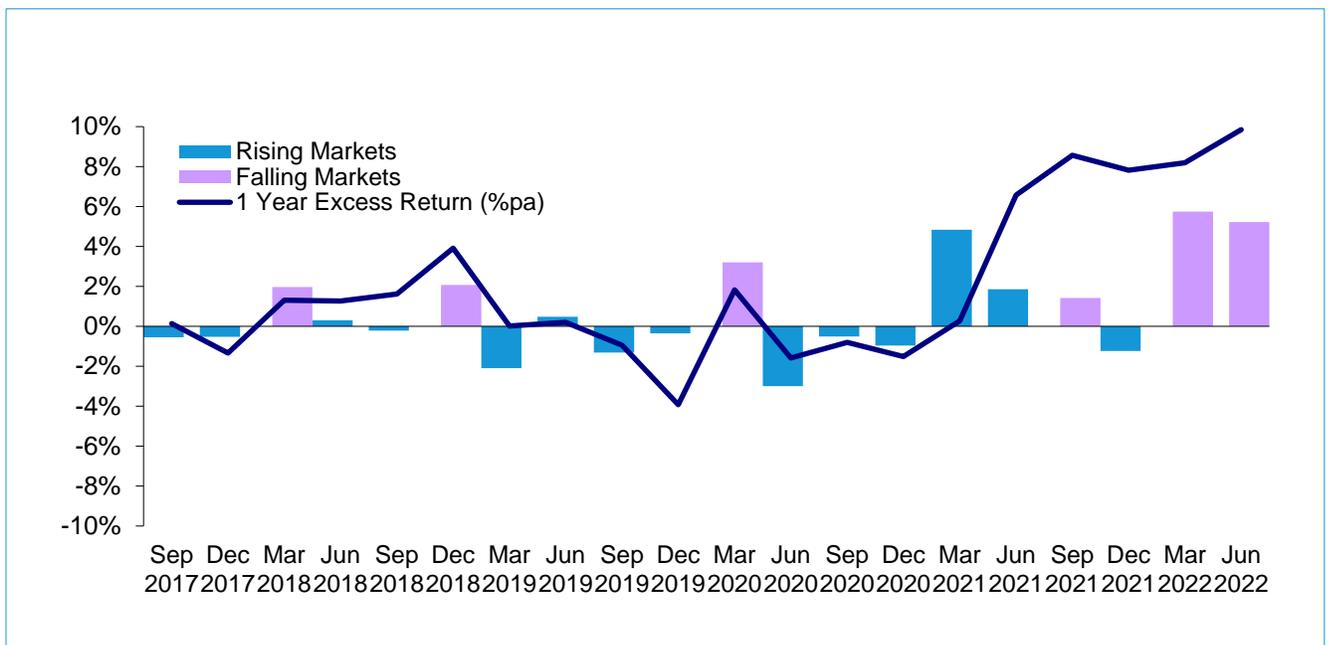
Note: UC Davis has updated its investment policy in fiscal year 2021 and is currently liquidating and transferring assets among managers according to the updated investment policy. Due to the length and complexity of the asset liquidation process, the UC Davis portfolio may temporarily be outside of the target allocation range stated. UC Davis Foundation's investment policy permits the portfolio allocation to fall outside of the target ranges during the transition period.

# UC DAVIS FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Davis – Portfolio and Benchmark

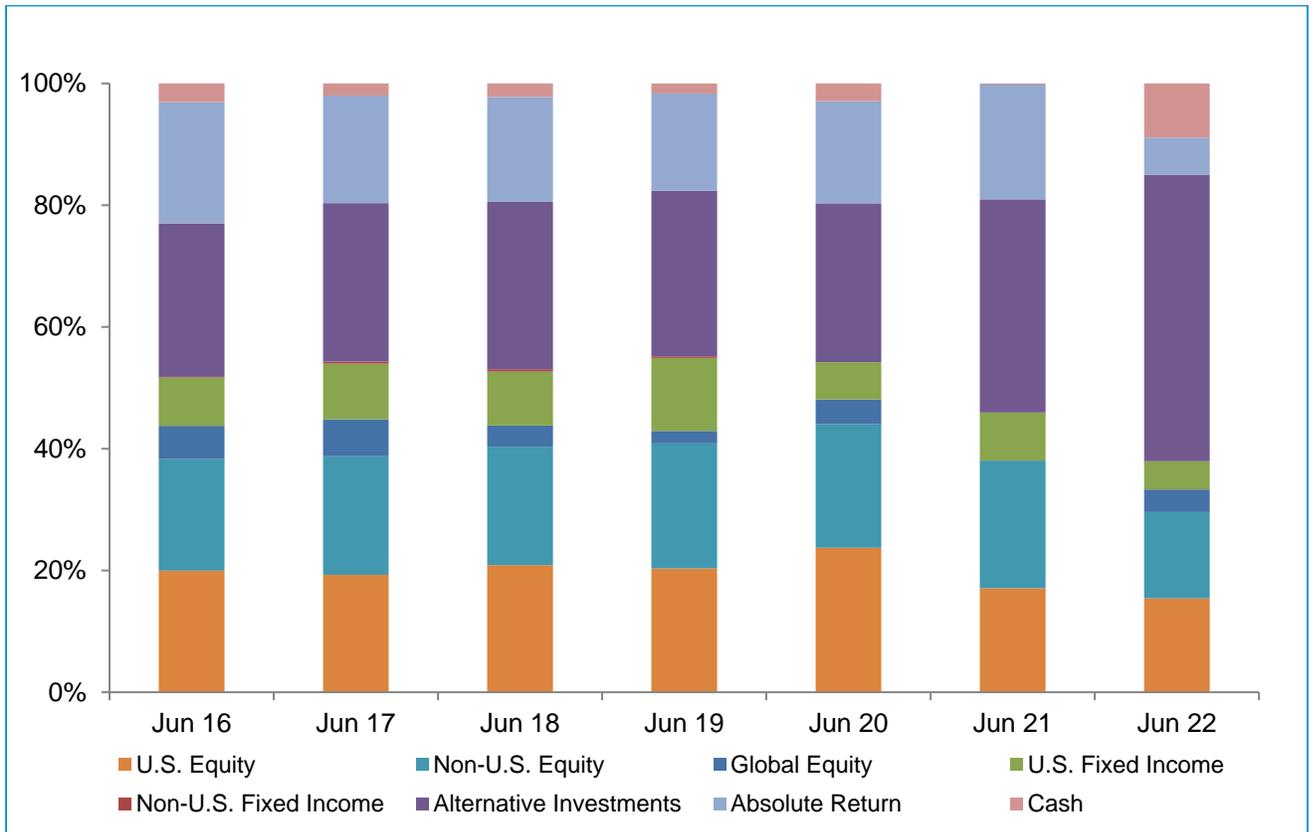


## Excess Return UC Davis Portfolio versus Benchmark September 2017 to June 2022



# UC DAVIS FOUNDATION

## UC Davis Managed Endowment Funds by Asset Class



# UC IRVINE FOUNDATION

## Endowment Investment Objective

The Foundation's goals are to preserve the real value of the endowment corpus by achieving a growth rate equal to or greater than the spending rate plus inflation, to meet or exceed a custom total fund benchmark reflective of the asset allocation policy, net of fees, over a full market cycle of five to ten years. The Fund has a long-term time horizon consistent with the perpetual nature of the funds. Consistent with prudent standards for preservation of capital and maintenance of liquidity, the goal of the Fund is to earn a competitive total rate of return consistent with the Fund's tolerance for risk as determined periodically by the Committee.

## Endowment Spending Policy

The endowment fund spending policy allows for allocation of income equivalent to 4.5% of the moving average market value of the endowment portfolio. This average market value is computed using the previous 36 months of portfolio activity. Income earned in excess of the spending rate may be reinvested in endowment principal. Income available for expenditure is calculated according to a predetermined formula.

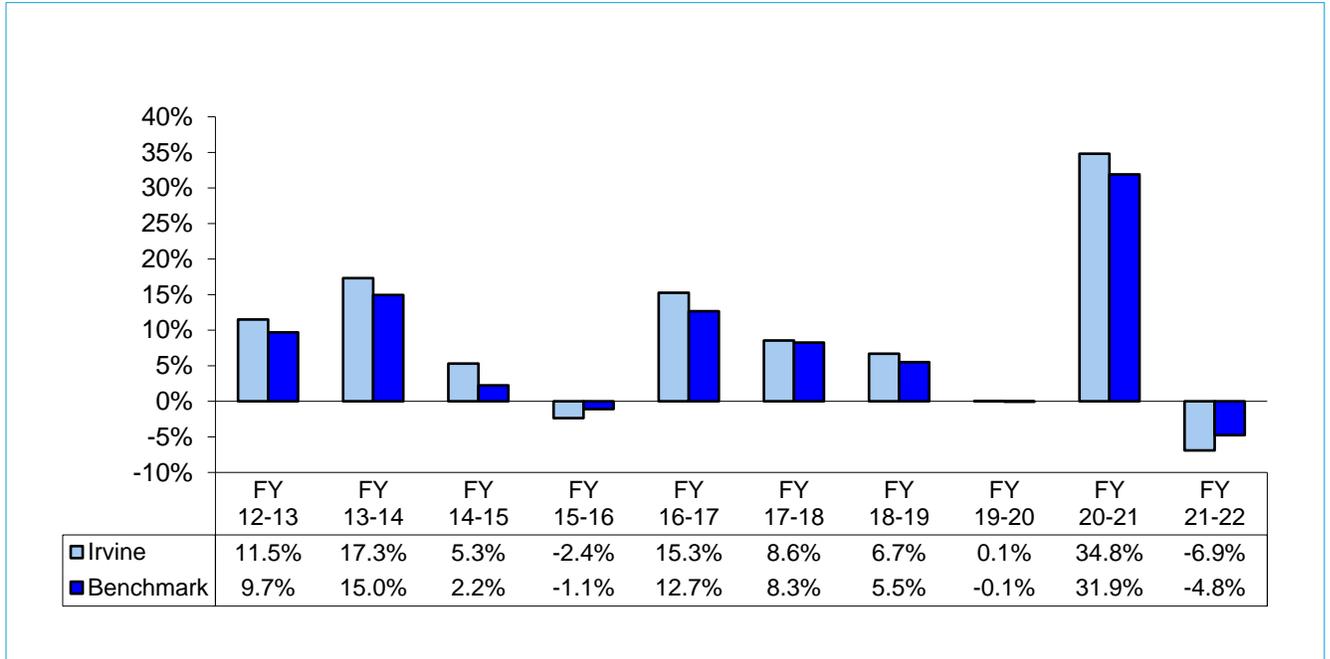
### University of California, Irvine Foundation Portfolio Asset Allocation June 30, 2022

	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$328	45.7%	45.0%	0.7%	30.0%	50.0%	Yes
Liquidity (Fixed Income + Cash Equivalents)	\$78	10.9%	10.0%	0.9%	5.0%	15.0%	Yes
Absolute Return	\$100	13.9%	15.0%	-1.1%	10.0%	25.0%	Yes
Private Equities	\$155	21.6%	20.0%	1.6%	10.0%	30.0%	Yes
Real Assets	\$31	4.3%	5.0%	-0.7%	0.0%	8.0%	Yes
Private Credit	\$26	3.6%	5.0%	-1.4%	0.0%	10.0%	Yes
<b>Total Assets</b>	<b>\$718</b>	<b>100.0%</b>	<b>100.0%</b>				

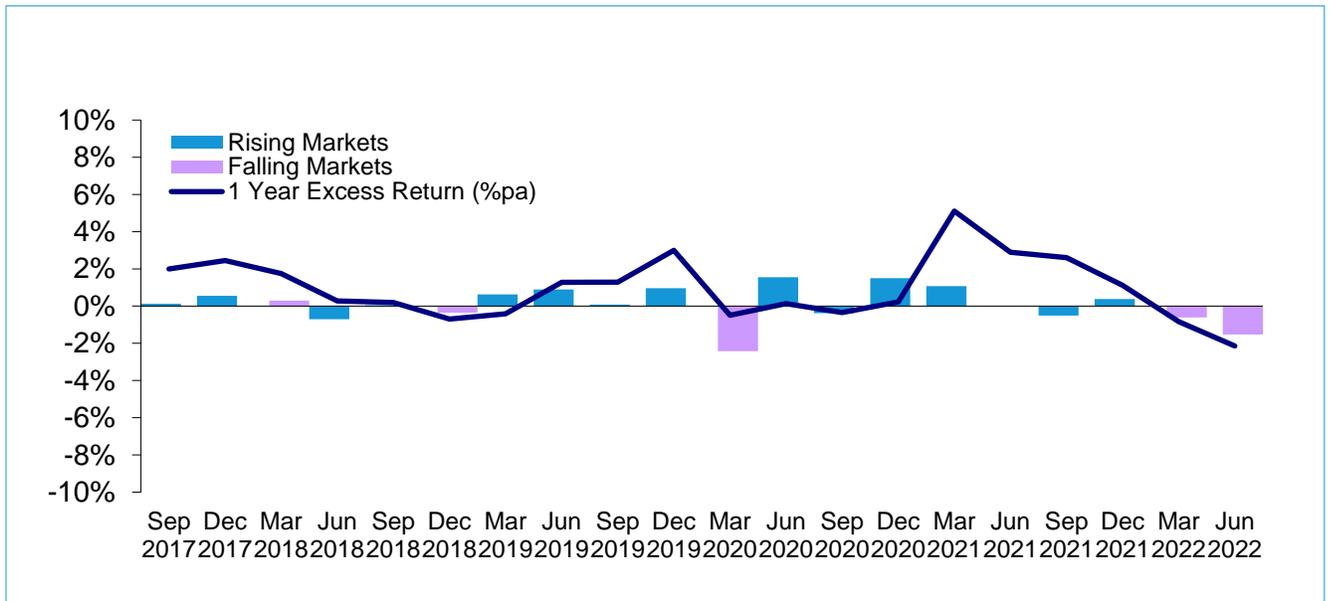
<sup>1</sup>Liquidity bucket includes Fixed Income and Cash assets.

# UC IRVINE FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Irvine – Portfolio and Benchmark



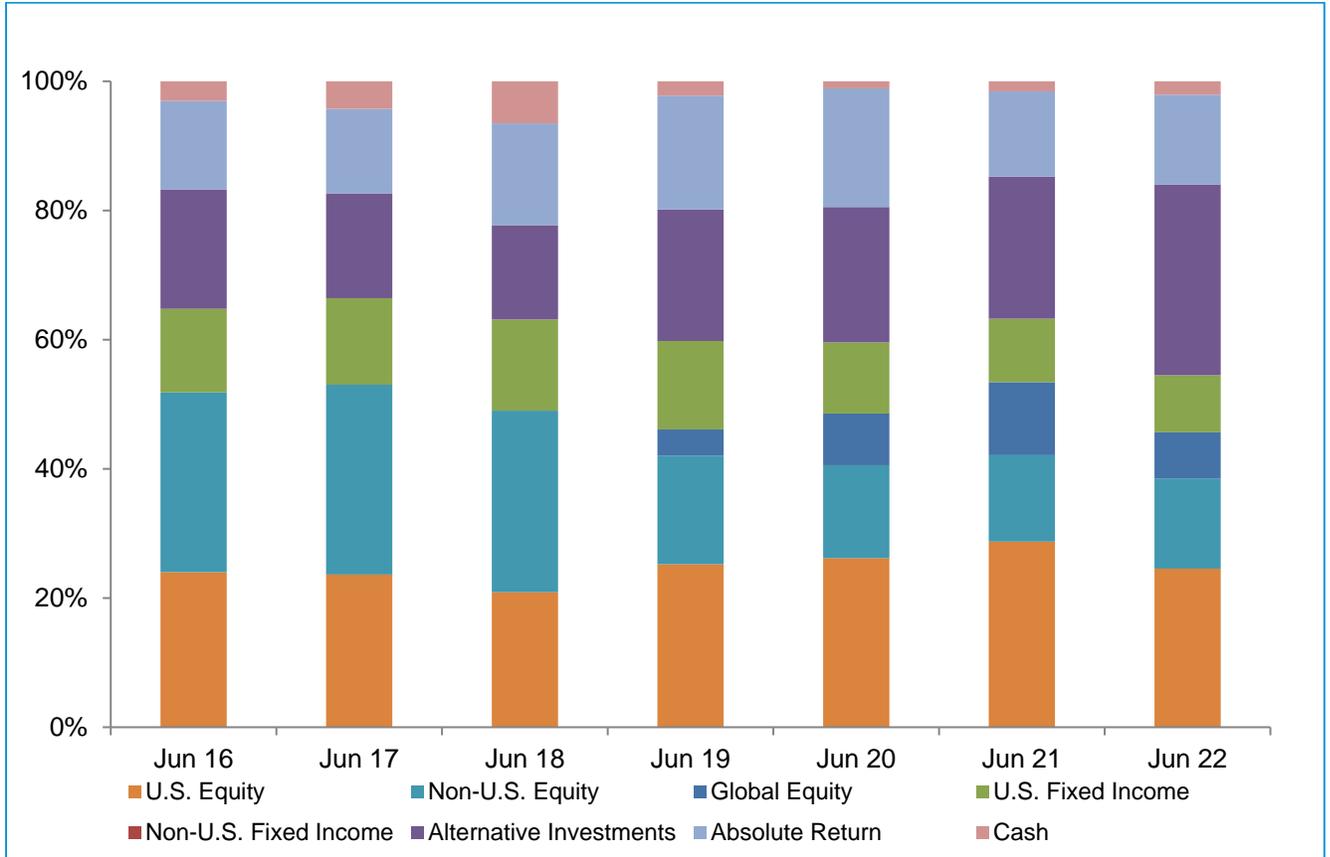
## Excess Return UC Irvine Portfolio versus Benchmark September 2017 to June 2022



Irvine's performance prior to FY 2018 was reported net of fees. FY 2019 and FY 2020 composite return is a blend of gross and net performance (returns for private equity, alternatives, mutual funds, GEP and Vintage year funds are net of fees).

# UC IRVINE FOUNDATION

## UC Irvine Managed Endowment Funds by Asset Class



## UC LOS ANGELES FOUNDATION

### Endowment Investment Objective

The primary investment objective of the Foundation endowment is to earn an average annual real total return of at least 5% per year over the long term, net of cost. Attainment of this objective will enable the University to maintain the purchasing power of endowment assets in perpetuity and meet its current spending policy.

A secondary investment objective of the endowment is to outperform over the long term (defined as rolling five-year periods) a blended custom benchmark based on a current asset allocation policy of: 45% MSCI All Country World Index; 20% HFRI Fund Weighted Composite Index; 15% Cambridge Associates Private Equity & Venture Capital Index; 7.5% Cambridge Associates Real Estate Index + 7.5% Cambridge Associates Natural Resources Index; 4.875% Citigroup 3 Month Treasury Bill Index, and 0.125% Put Benchmark.

### Endowment Spending Policy

In 2022, The UCLA Foundation endowment spending rate was 4.25% of a 12 quarter rolling average market value, calculated quarterly. The UCLA Foundation approved endowment spending policy for fiscal year 2023 is 4.25% of a 12 quarter rolling average.

### University of California, Los Angeles Foundation Portfolio Asset Allocation June 30, 2022

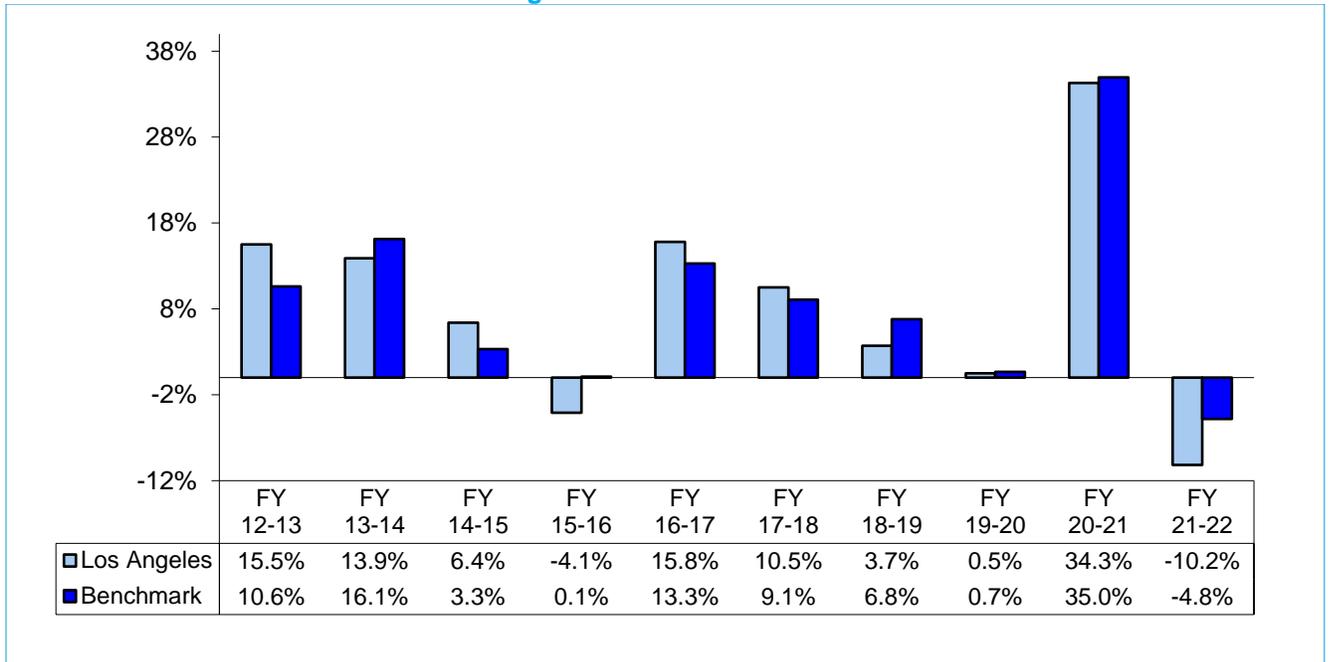
	Assets (\$M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Global Public Equity <sup>1</sup>	\$1,359	38.2%	45.0%	-6.8%	35.0%	70.0%	Yes
Independent Return	\$668	18.7%	20.0%	-1.3%	10.0%	40.0%	Yes
Private Equity & Venture Capital	\$750	21.1%	15.0%	6.1%	10.0%	30.0%	Yes
Real Assets	\$610	17.1%	15.0%	2.1%	5.0%	30.0%	Yes
Cash & Fixed Income <sup>2</sup>	\$165	4.6%	4.9%	-0.3%	0.0%	10.0%	Yes
Portfolio Insurance	\$9	0.3%	0.1%	0.2%	0.0%	3.0%	Yes
<b>Total Assets</b>	<b>\$3,561</b>	<b>100.0%</b>	<b>100.0%</b>				

<sup>1</sup> The Public Equity Exposure is 34.2% after excluding the notional exposure of derivative positions and derivative related strategies.

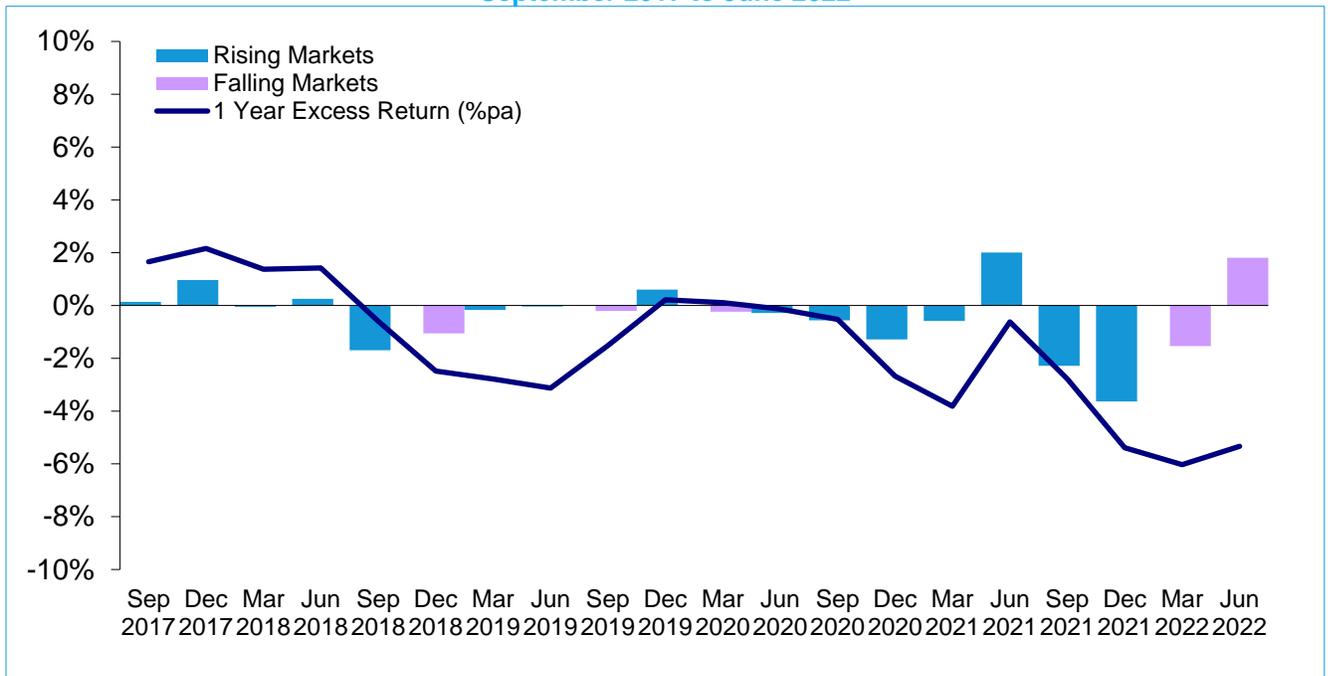
<sup>2</sup> The Cash and Fixed Income allocation is 8.7% when including the collateral of derivative positions and derivative related strategies.

# UC LOS ANGELES FOUNDATION

Annual Endowment Returns for Fiscal Years  
UC Los Angeles – Portfolio and Benchmark



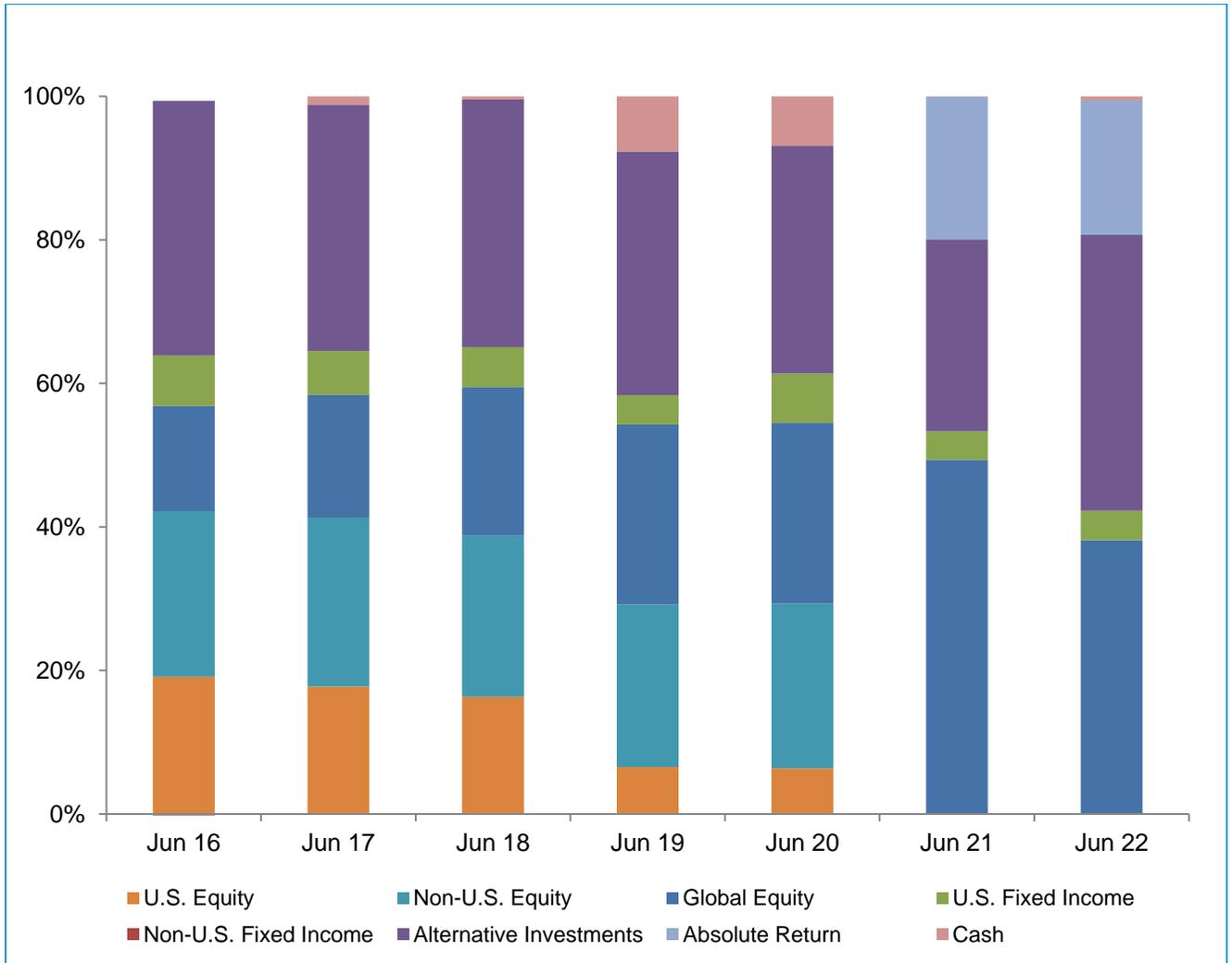
Excess Return UC Los Angeles Portfolio versus Benchmark  
September 2017 to June 2022



Returns are net of external investment management fees but not internal fees incurred to manage the Foundation. For fiscal year 2022, Los Angeles' estimated internal investment management company cost was **0.143%**.

# UC LOS ANGELES FOUNDATION

## UC Los Angeles Managed Endowment Funds by Asset Class



Note: UC Los Angeles' cash allocation at June 30, 2016 was -0.6% when excluding collateral for the derivative positions.  
 Note: "Alternative Investments" includes real assets, real estate, private equity, commodities, and multi-strategy.

## UC MERCED FOUNDATION

### Endowment Investment Objective

UC Merced Foundation's investment objectives are: (1) provide investment earnings adequate to secure the benefits promised and the financial obligations created by the endowment, and (2) secure, preserve, and increase the inflation-adjusted value of the Fund.

### Endowment Spending Policy

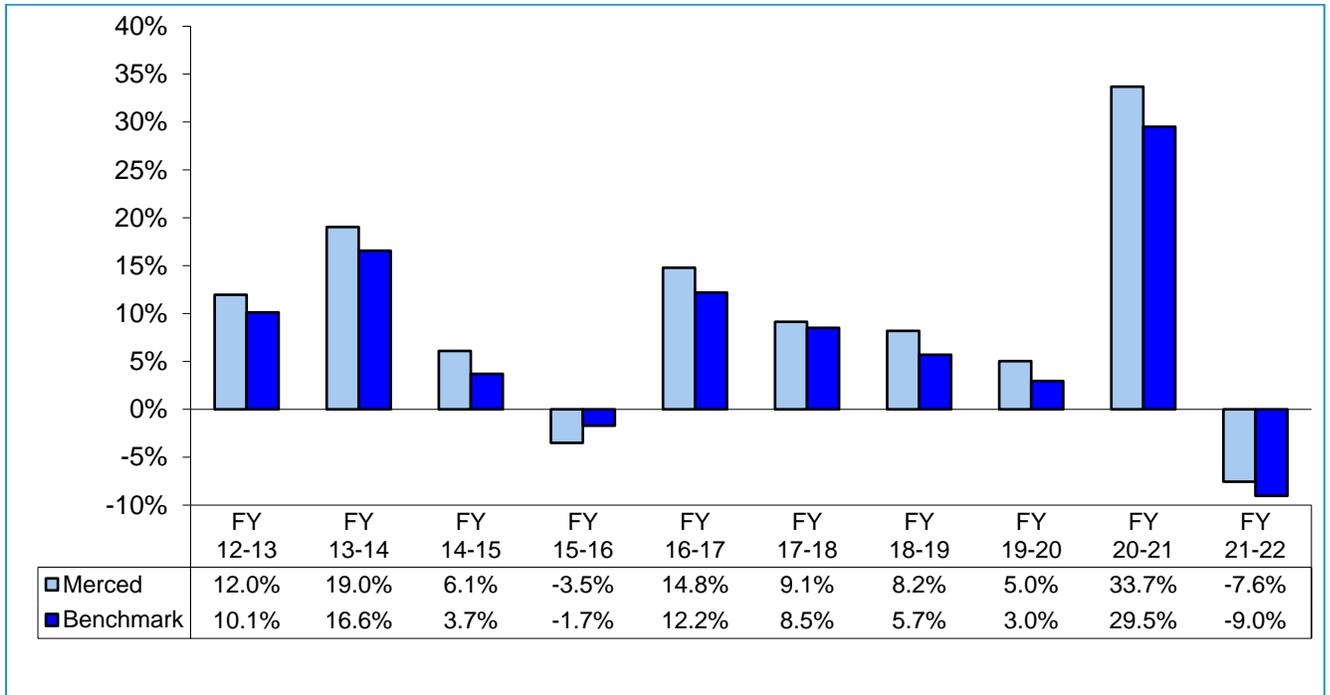
The spending policy of the UC Merced Foundation is to provide 100% of the endowment earnings up to a maximum spending payout rate of 4.75% of the 60-month average unit market value for the period ending December 31st.

### University of California, Merced Foundation Portfolio Asset Allocation June 30, 2022

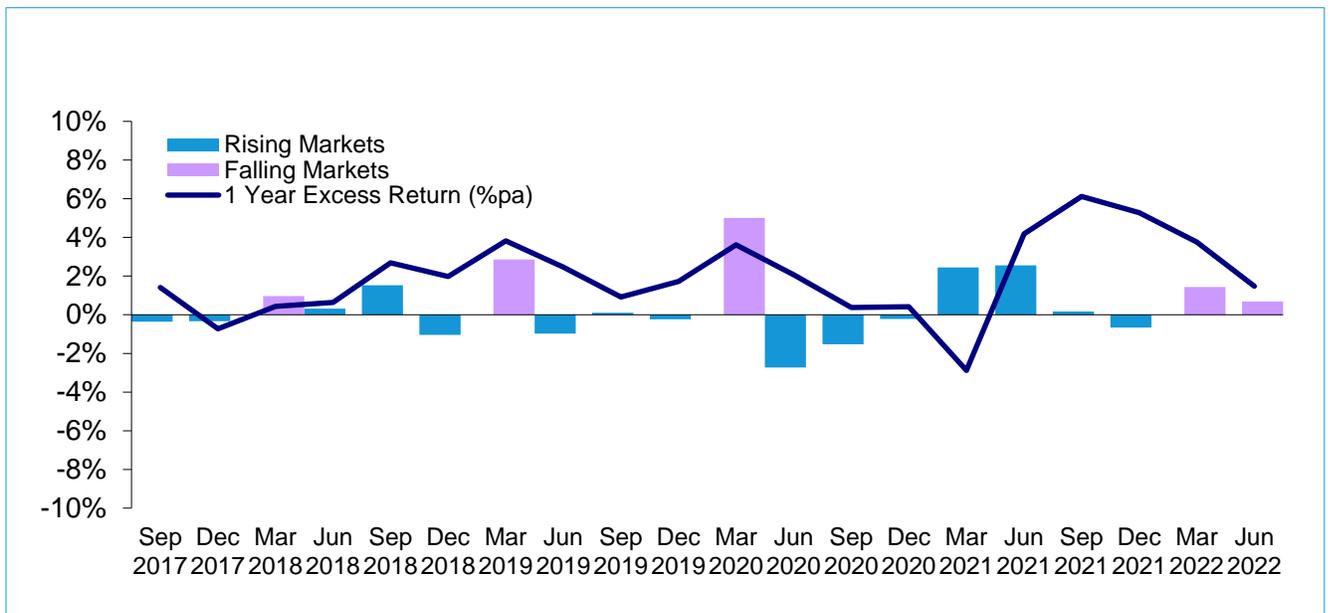
	Assets (\$M) <sup>1</sup>	Actual Allocation	Target Allocation <sup>2</sup>	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$11	43.0%	40.0%	3.0%	30.0%	50.0%	Yes
Fixed Income	\$2	6.4%	8.0%	-1.6%	5.0%	15.0%	Yes
Private Equity	\$6	24.3%	24.0%	0.3%	10.0%	30.0%	Yes
Absolute Return	\$2	8.2%	10.0%	-1.8%	5.0%	15.0%	Yes
Private Credit	\$1	4.6%	4.0%	0.6%	0.0%	6.0%	Yes
Real Estate	\$2	6.4%	8.0%	-1.6%	4.0%	12.0%	Yes
Real Assets	\$1	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Cash	\$1	3.6%	2.0%	1.6%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$26</b>	<b>100.0%</b>	<b>100.0%</b>				

# UC MERCED FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Merced – Portfolio and Benchmark

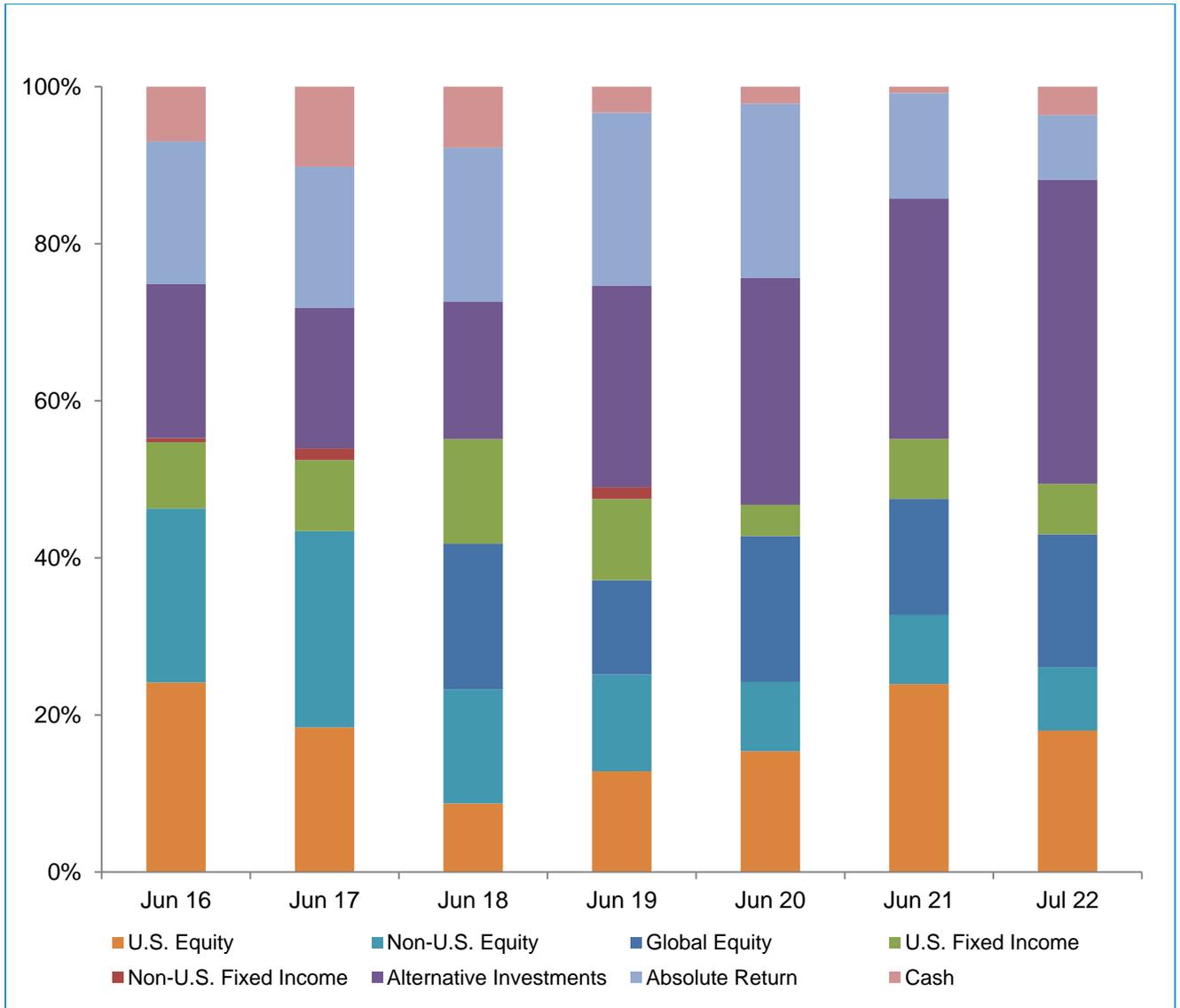


## Excess Return UC Merced Portfolio versus Benchmark September 2017 to June 2022



# UC MERCED FOUNDATION

## UC Merced Managed Endowment Funds by Asset Class



Note: The UC Merced Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## UC RIVERSIDE FOUNDATION

### Endowment Investment Objective

The investment objective of the endowment fund is to earn a multi-year average rate of return on its investments that meets or exceeds annual distributions (spending) plus inflation. To do this, the Foundation seeks to maximize the investment return within a level of risk deemed appropriate taking all these objectives into account. The spending objectives of the endowment fund are to pay out amounts that are relatively predictable and stable, sustainable in real terms (i.e., on an inflation-adjusted basis), and as large as possible. To meet these objectives, both the spending per unit and the unit market value after spending must grow over time at least as fast as the general rate of inflation.

### Endowment Spending Policy

The endowment spending policy applicable to FYE 2022 was to withdraw per unit 4.5% of the average unit market value of the endowment fund calculated using the closing unit market value on the last day of each of the 60 contiguous months the last of which ended on May 31, 2022.

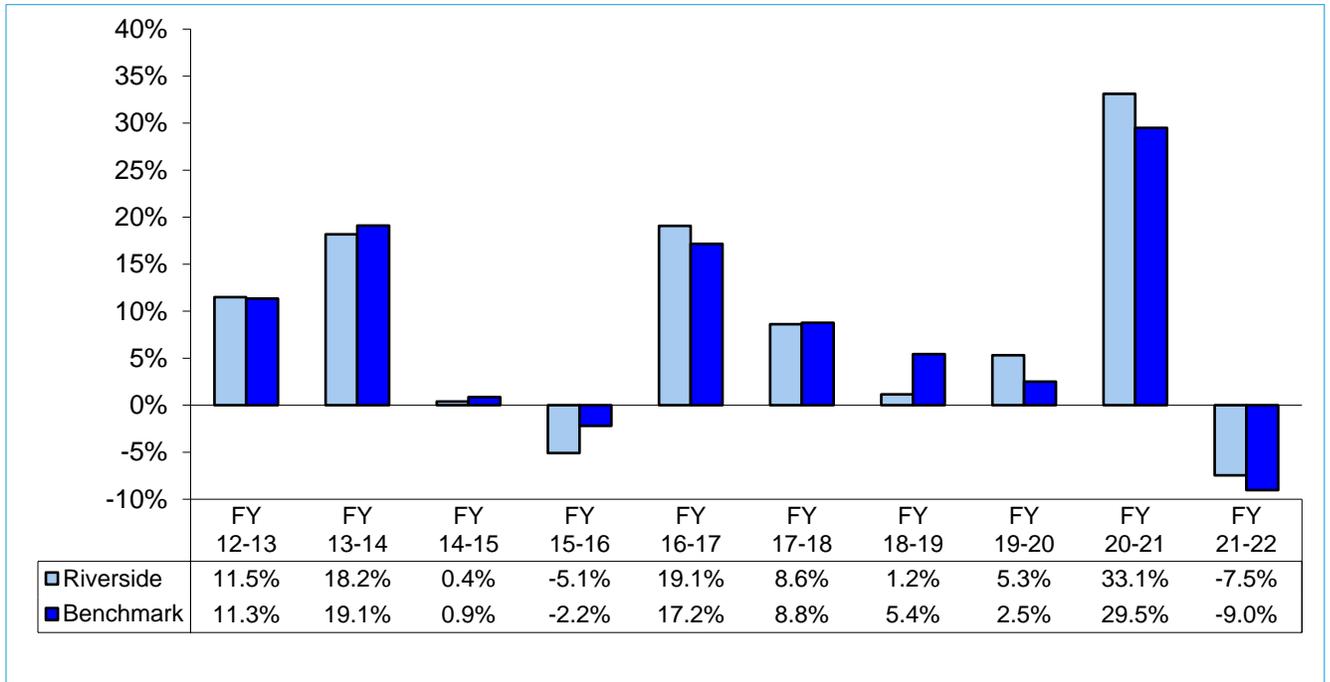
### University of California, Riverside Foundation Portfolio Asset Allocation June 30, 2022

	Assets (M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$100	42.4%	40.0%	2.4%	30.0%	50.0%	Yes
Fixed Income	\$15	6.3%	8.0%	-1.7%	5.0%	15.0%	Yes
Private Equity	\$60	25.2%	24.0%	1.2%	10.0%	30.0%	Yes
Absolute Return	\$19	8.1%	10.0%	-1.9%	5.0%	15.0%	Yes
Private Credit	\$11	4.5%	4.0%	0.5%	0.0%	6.0%	Yes
Real Estate	\$15	6.3%	8.0%	-1.7%	4.0%	12.0%	Yes
Real Assets	\$8	3.4%	4.0%	-0.6%	0.0%	8.0%	Yes
Cash	\$9	3.8%	2.0%	1.8%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$236</b>	<b>100.0%</b>	<b>100.0%</b>				

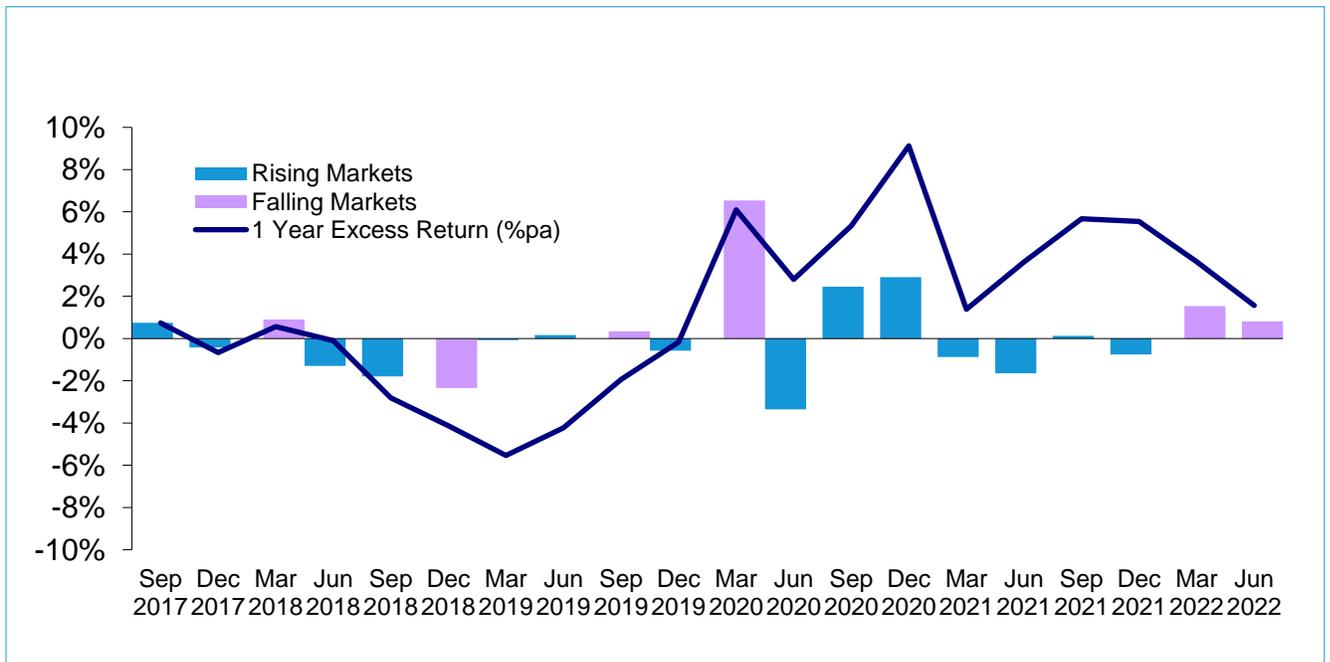
The UC Riverside Foundation utilizes the GEP Policy Benchmark.

# UC RIVERSIDE FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Riverside – Portfolio and Benchmark



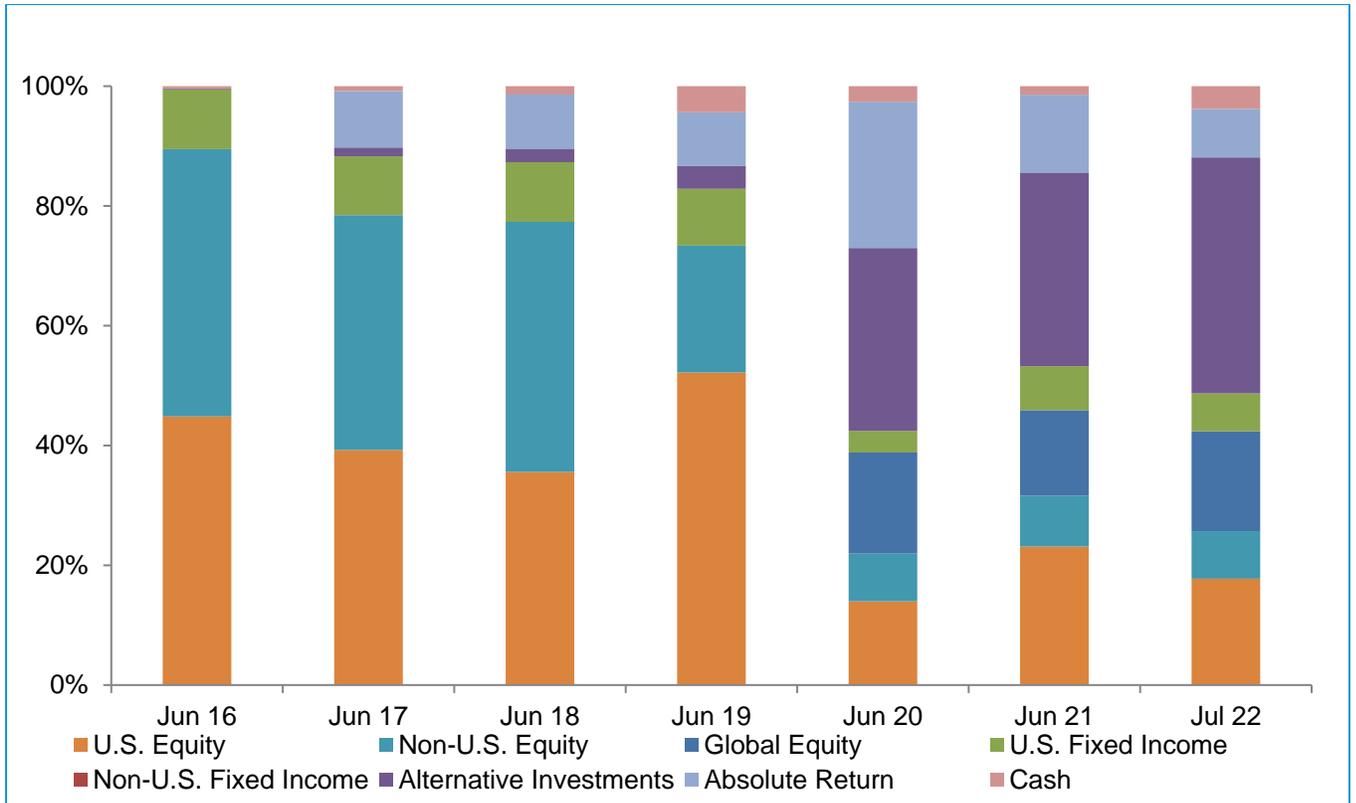
## Excess Return UC Riverside Portfolio versus Benchmark September 2017 to June 2022



The 2017 fiscal 1-year benchmark performance provided by UCR for the excess return exhibit shown above is different from the 2017 fiscal 1-year benchmark performance provided by the UCR's investment consultant due to re-statement of returns.

# UC RIVERSIDE FOUNDATION

## UC Riverside Managed Endowment Funds by Asset Class



Note: The UC Riverside Foundation is primarily invested in the Regents' General Endowment Pool, effective 11/1/2019. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## UC SAN DIEGO FOUNDATION

### Endowment Investment Objective

The primary investment objective for the Endowment is to preserve or enhance the real value of the Endowment and, thus, the purchasing power of the endowment spending released. The Foundation seeks to maximize the long-term return on endowed pool assets, within a prudent level of risk for a portfolio with a perpetual time horizon, by utilizing a diversified portfolio of securities that delivers return in the form of primarily asset appreciation with some income. Effective July 1, 2021 the investment policy target asset allocation is 58% Public Equities 17% Private Equity, 7% Absolute Return, 6% Real Estate, 5% Fixed Income, 3% Real Assets, 3% Private Credit, and 1% Cash. The Foundation aims to achieve this target by investing approximately 70% of its portfolio in the UC General Endowment Pool, and 30% in an ETF tracking the S&P 500.

### Endowment Spending Policy

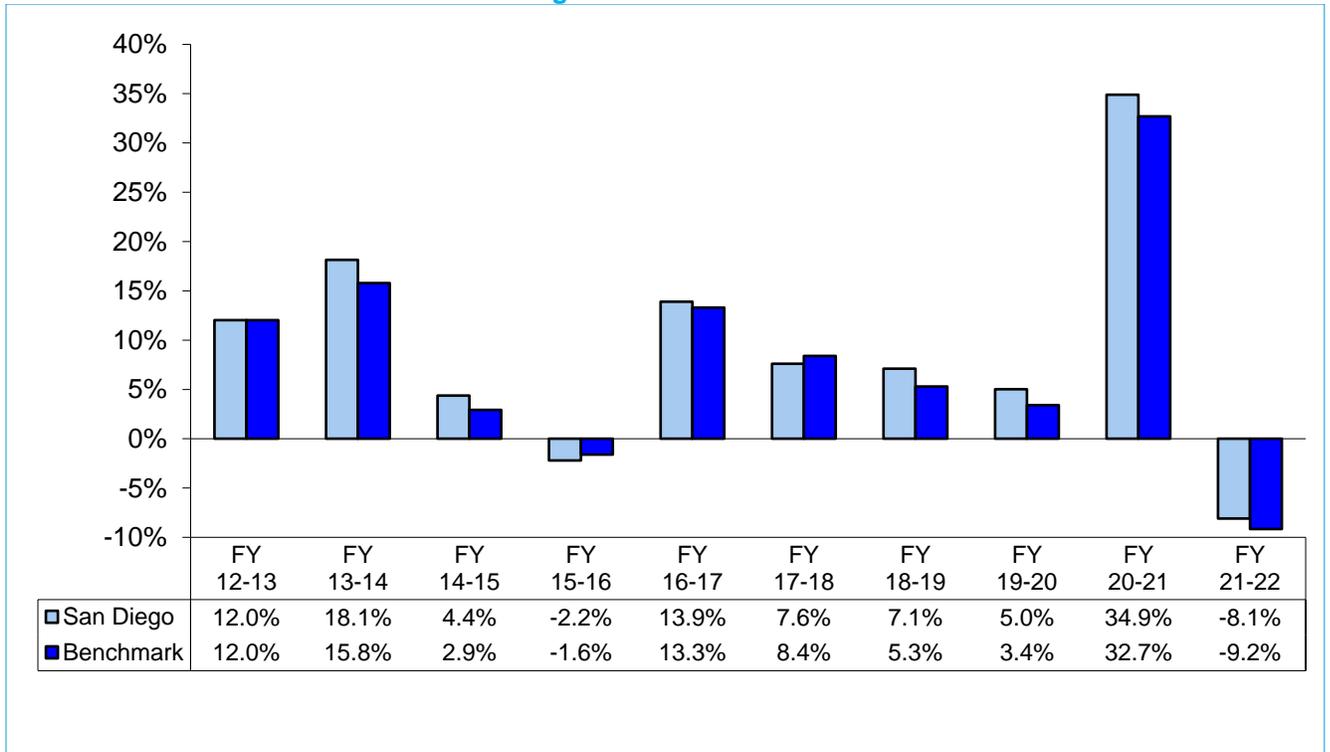
Endowment spending during fiscal year 2021-22 was calculated using a predetermined formula at an amount equal to 4.75% of the 60-month average unit market value of the endowment portfolio. Spending is allocated to fund holders monthly.

### University of California, San Diego Foundation Portfolio Asset Allocation June 30, 2022

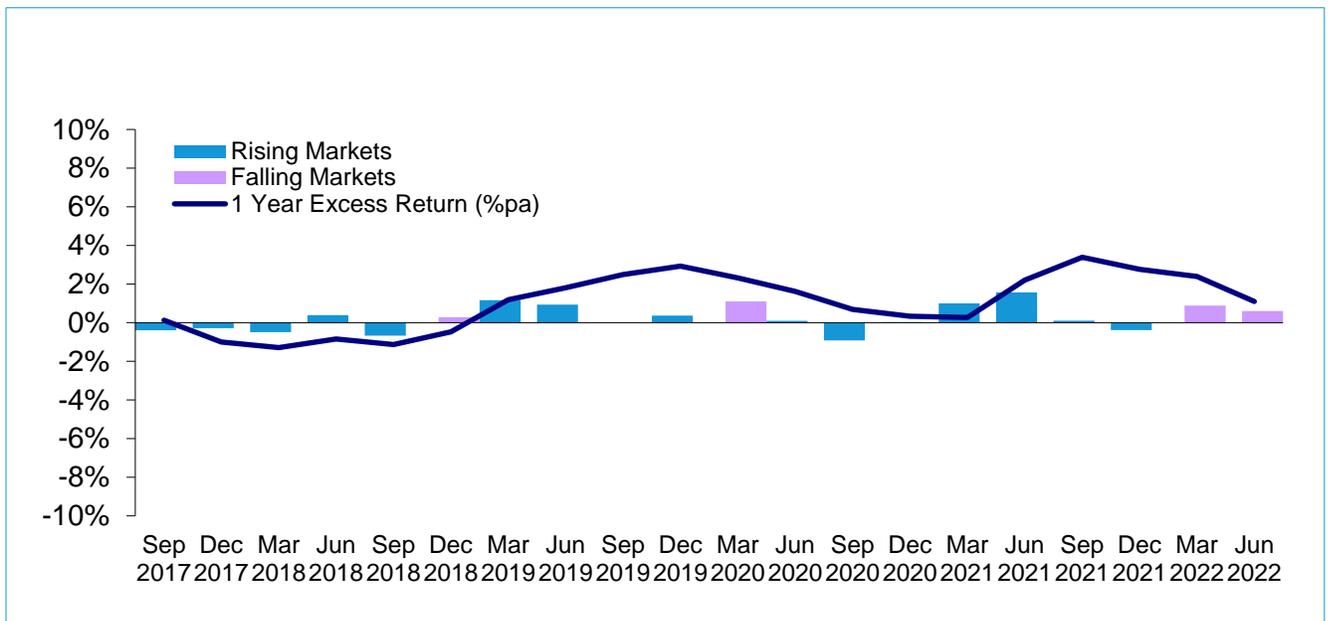
	Assets (\$M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equities	\$721	61.0%	58.0%	3.0%	50.0%	75.0%	Yes
Private Equity	\$197	16.7%	17.0%	-0.3%	5.0%	20.0%	Yes
Absolute Return	\$67	5.6%	7.0%	-1.4%	5.0%	10.0%	Yes
Real Estate	\$90	7.6%	9.0%	-1.4%	0.0%	10.0%	Yes
Private Credit	\$37	3.1%	3.0%	0.1%	0.0%	10.0%	Yes
Liquidity (Income)	\$37	3.1%	5.0%	-1.9%	0.0%	10.0%	Yes
Cash	\$34	2.9%	1.0%	1.9%	0.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$1,183</b>	<b>100.0%</b>	<b>100.0%</b>				

# UC SAN DIEGO FOUNDATION

**Annual Endowment Returns for Fiscal Years  
UC San Diego– Portfolio and Benchmark**

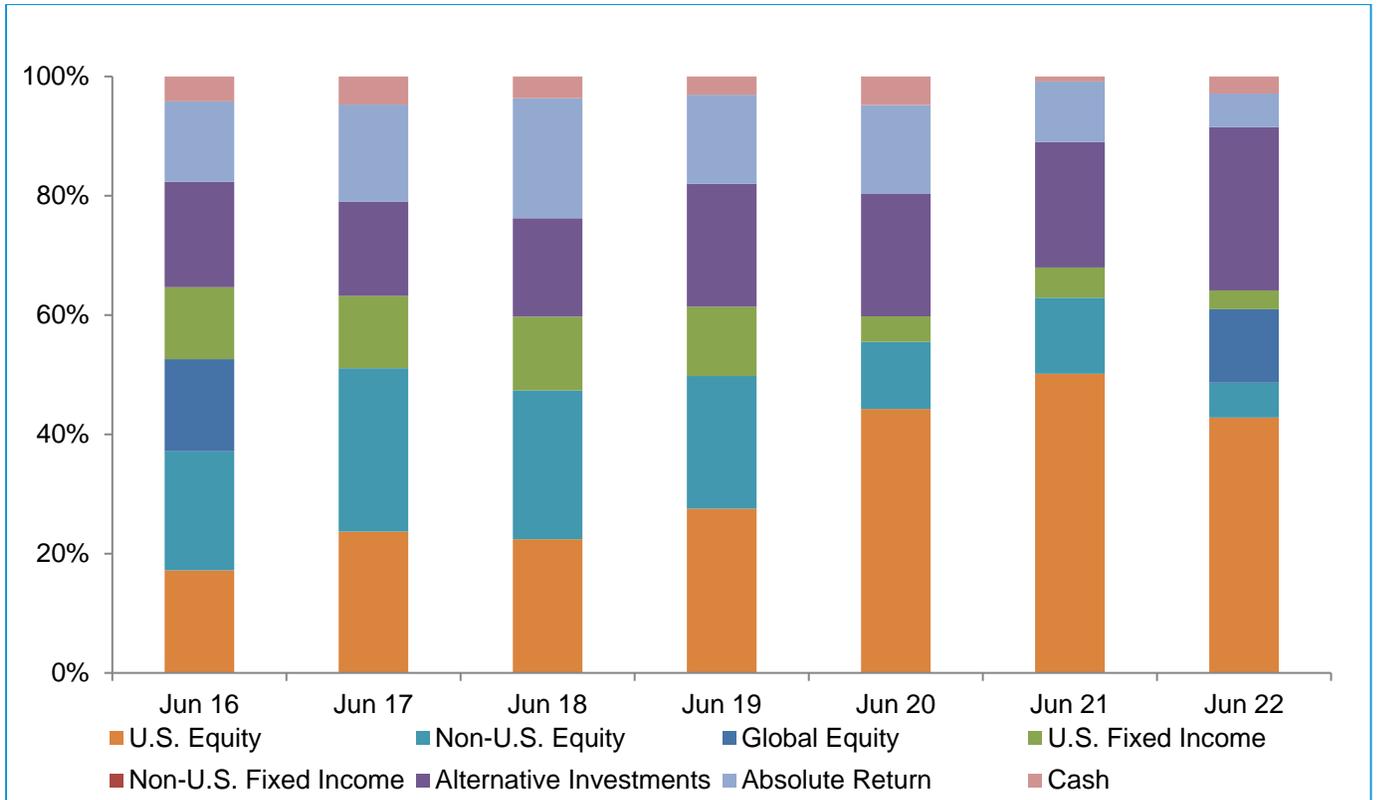


**Excess Return UC San Diego Portfolio versus Benchmark  
September 2017 to June 2022**



# UC SAN DIEGO FOUNDATION

UC San Diego Managed Endowment Funds by Asset Class



# UC SAN FRANCISCO FOUNDATION

## Endowment Investment Objective

The San Francisco Foundation's primary investment objective for its endowment portfolio is growth of principal sufficient to preserve purchasing power and to provide income to support current and future University activities. Over the long term, it is the goal of the Foundation that the total return on investment assets should equal the rate of inflation, plus the payout rate (which is used to support current activities), plus an amount reinvested to support future activities.

## Endowment Spending Policy

The Foundation payout policy guideline is to distribute 4.75% of the 36 month rolling average unitized market value of the Endowment Pool. The payout will not exceed 6% nor be less than 3.5% of the ending market value on the last day of the fiscal year for which it is being calculated. The payout will be reviewed annually, which may result in modification. In determining the annual payout, the Foundation will consider factors such as stability of fund flows to operations and preservation of endowment principal, in addition to the guideline formula.

### University of California, San Francisco Foundation Portfolio Asset Allocation June 30, 2022

	Assets (\$M)	Actual Allocation	Target Allocation <sup>1</sup>	Over/ Underweight Relative to Target <sup>2</sup>	Policy Range (Lower) <sup>3</sup>	Policy Range (Upper) <sup>3</sup>	Policy Range Compliance (Actual Allocation) <sup>4</sup>
Public Equity	\$620	23.5%	18-28%	0.0%	20.0%	60.0%	Yes
Diversifying Assets	\$869	32.9%	20-30%	0.0%	10.0%	40.0%	Yes
Premium Return	\$919	34.8%	40-50%	0.0%	5.0%	40.0%	Yes
Safety Assets	\$233	8.8%	4-10%	0.0%	0.0%	25.0%	Yes
<b>Total Assets</b>	<b>\$2,641</b>	<b>100.0%</b>					

<sup>1</sup> Represents target policy ranges represent 1-year interim range.

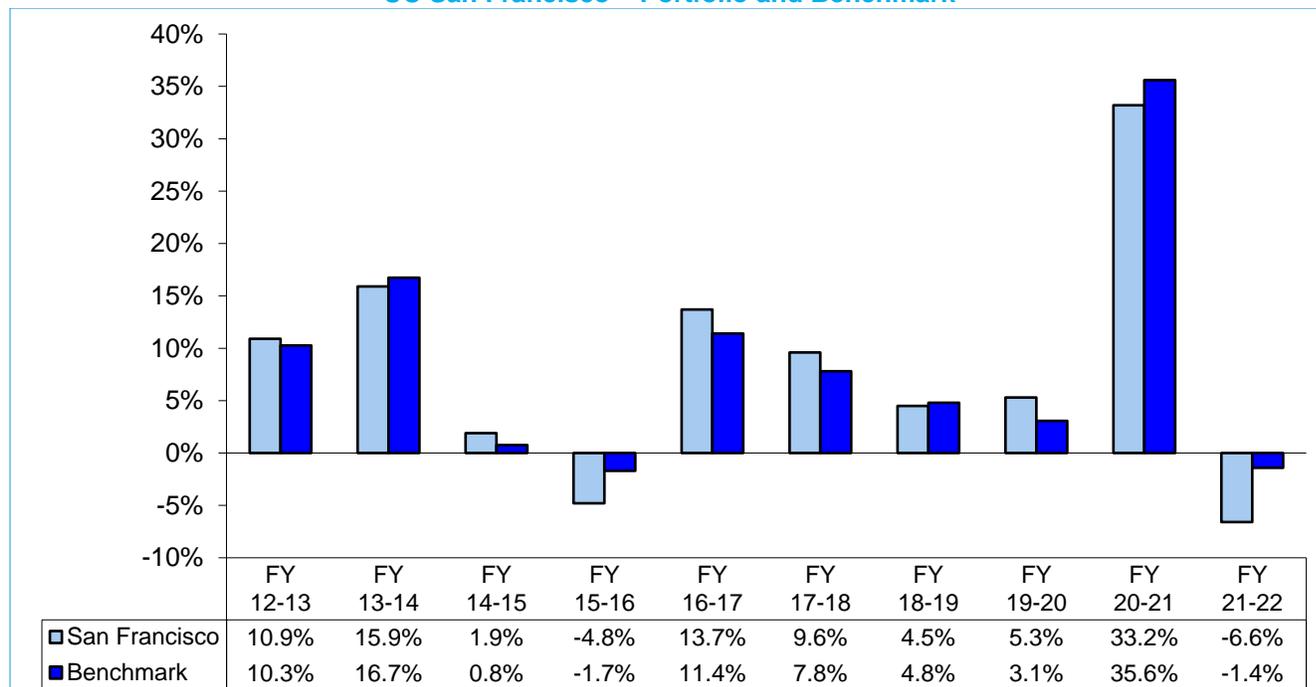
<sup>2</sup> Represents variance from target policy ranges.

<sup>3</sup> Represents long term policy ranges.

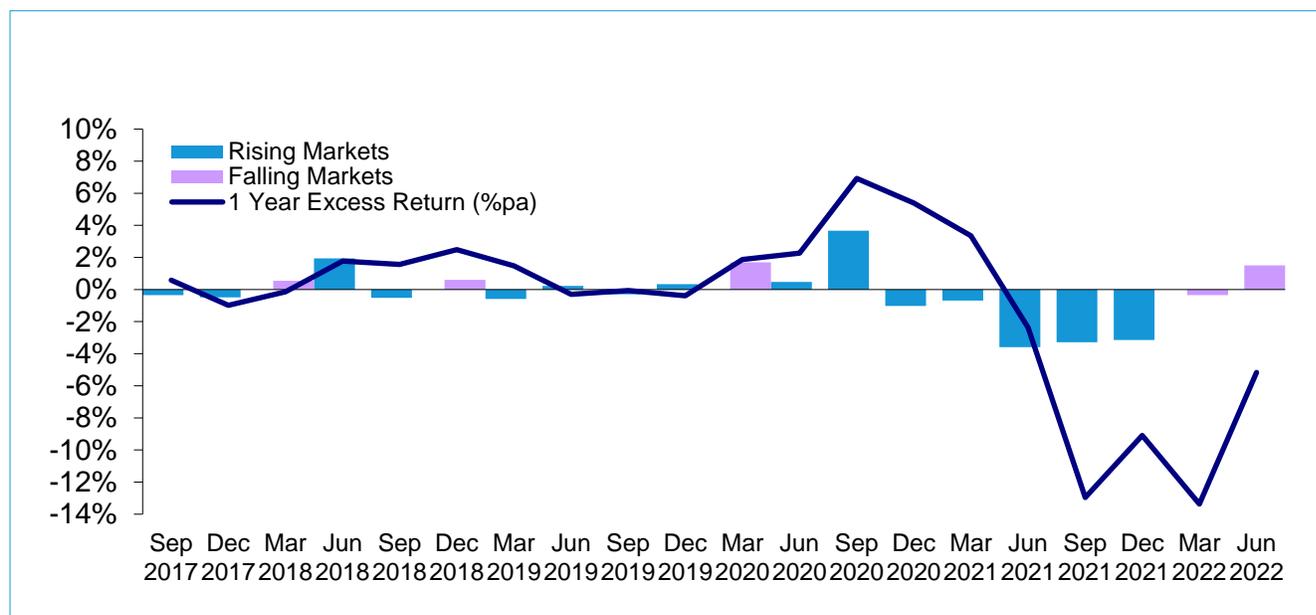
<sup>4</sup> UC San Francisco Foundation is within the 1-year interim range as it moves towards the long-term policy ranges

# UC SAN FRANCISCO FOUNDATION

Annual Endowment Returns for Fiscal Years  
UC San Francisco – Portfolio and Benchmark



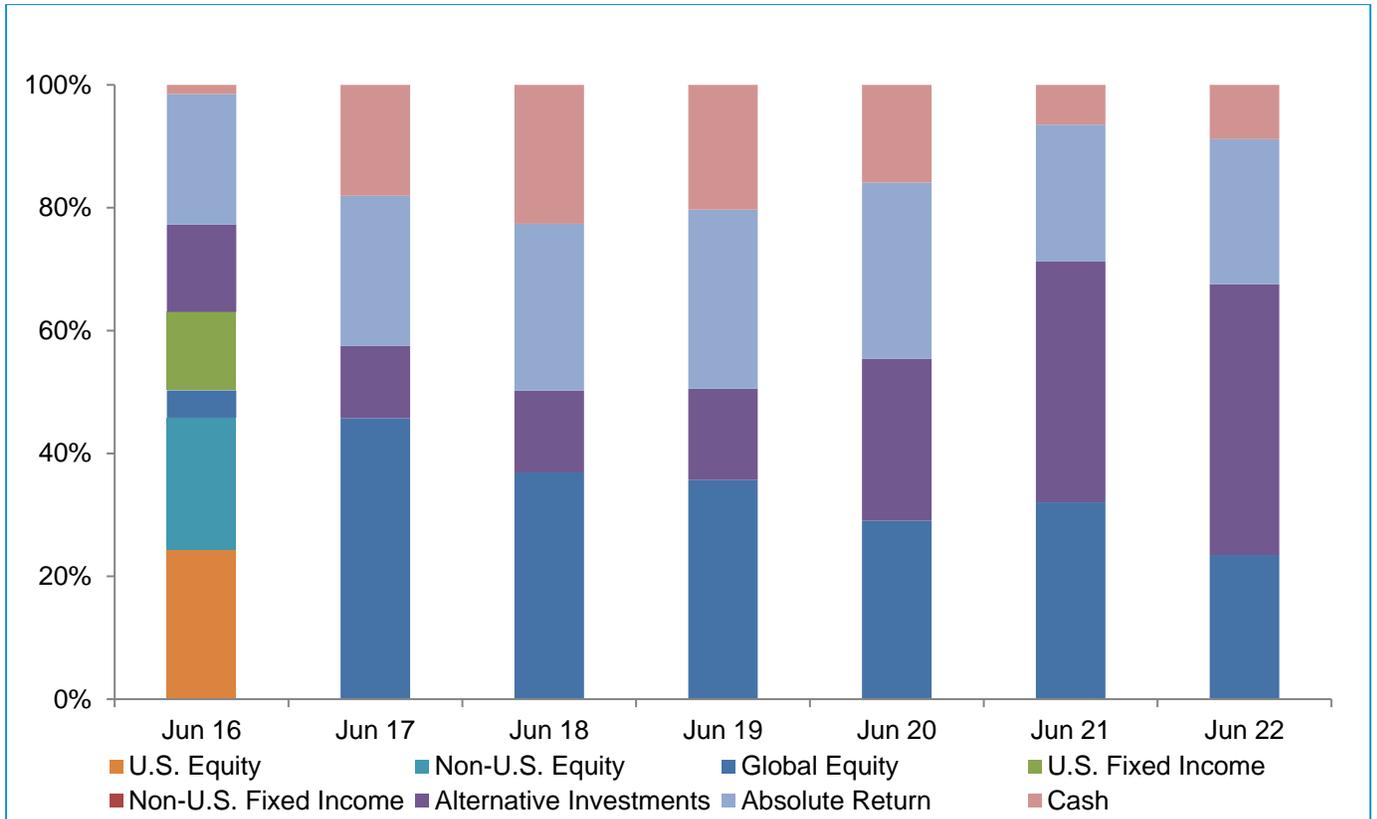
Excess Return UC San Francisco Portfolio versus Benchmark  
September 2017 to June 2022



Returns are fees net of external investment management fees, but not internal fees incurred to manage the Foundation. For fiscal year 2022, San Francisco’s estimated internal investment management company cost was **0.28%**.

# UC SAN FRANCISCO FOUNDATION

## UC San Francisco Managed Endowment Funds by Asset Class



Note: During fiscal year 2017, UC San Francisco combined U.S. Equity and Non-U.S. Equity into the Global Equity bucket as this is how they view their asset allocation.

## UC SANTA BARBARA FOUNDATION

### Endowment Investment Objective

A. The primary long-term financial objective for the Foundation's Long Term Investment Policy (LTIP) is to preserve the purchasing power of the LTIP's principal, while providing a relatively stable and growing source of funding for endowment and trust beneficiaries. The LTIP is held primarily in the Regent's GEP with minimal investments held with Goldman Sachs, Lexington and Farallon.

B. The primary long-term investment objective of the LTIP is to earn an average annual real (i.e., after adjusting for inflation) total return on a risk-adjusted basis that is at least equal to the LTIP's total spending rate, net of consultant and management fees, over long time periods (i.e., rolling ten-year periods). Over shorter time periods (i.e., rolling five-year periods), the LTIP will seek to meet or exceed an appropriate composite of market indices reflecting the LTIP's asset allocation policies. The LTIP is held primarily in the Regent's GEP with minimal investments held with Goldman Sachs, Lexington and Farallon.

### Endowment Spending Policy

Endowment spending during FYE 2022 was calculated using a predetermined formula at an amount equal to 4.0% of the 60-month average unit market value of the endowment portfolio as of December 31, 2020. To the extent requested by the Fund Administrator, spending was allocated to fund holders in September (40%) and March (60%).

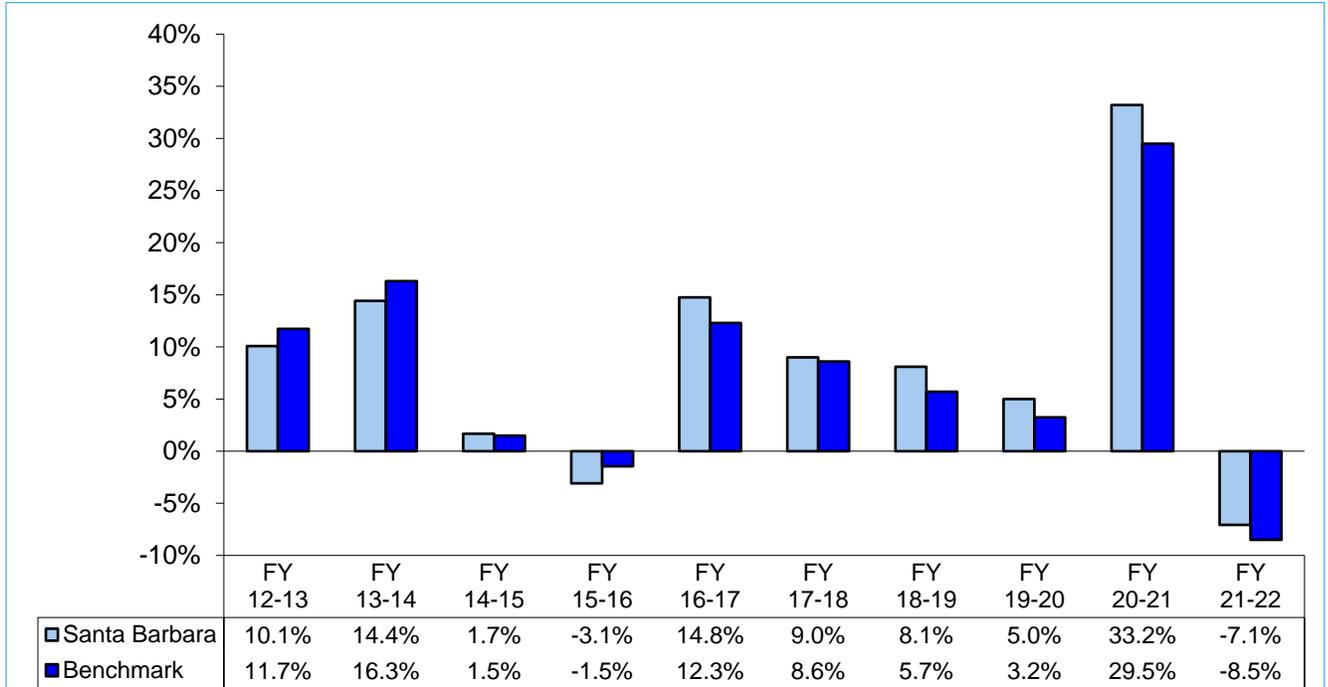
### University of California, Santa Barbara Foundation Portfolio Asset Allocation June 30, 2022

	Assets (M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$147	41.8%	40.0%	1.8%	30.0%	50.0%	Yes
Fixed Income	\$22	6.3%	8.0%	-1.7%	5.0%	15.0%	Yes
Private Equity	\$88	25.1%	24.0%	1.1%	10.0%	30.0%	Yes
Absolute Return	\$28	8.0%	10.0%	-2.0%	5.0%	15.0%	Yes
Private Credit	\$16	4.4%	4.0%	0.4%	0.0%	6.0%	Yes
Real Estate	\$22	6.2%	8.0%	-1.8%	4.0%	12.0%	Yes
Real Assets	\$12	3.4%	4.0%	-0.6%	0.0%	8.0%	Yes
Cash	\$17	4.8%	2.0%	2.8%	1.0%	5.0%	Yes
<b>Total Assets</b>	<b>\$351</b>	<b>100.0%</b>	<b>100.0%</b>				

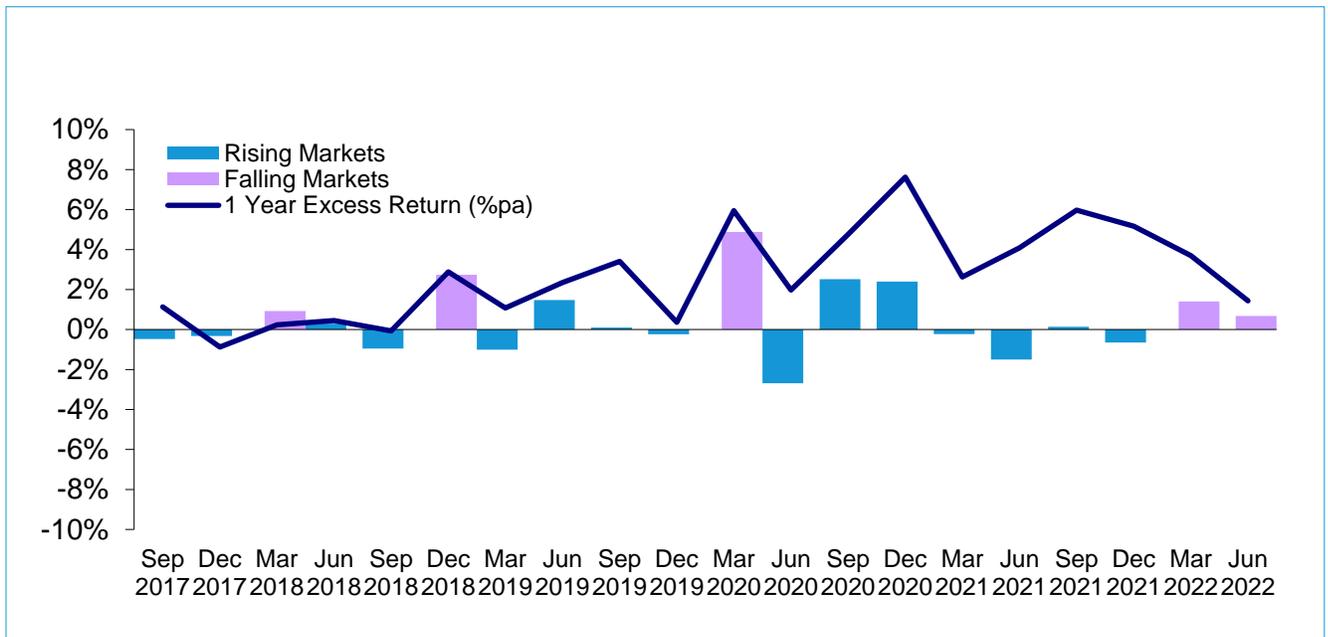
The UC Santa Barbara Foundation utilizes the GEP Policy Benchmark.

# UC SANTA BARBARA FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Santa Barbara – Portfolio and Benchmark

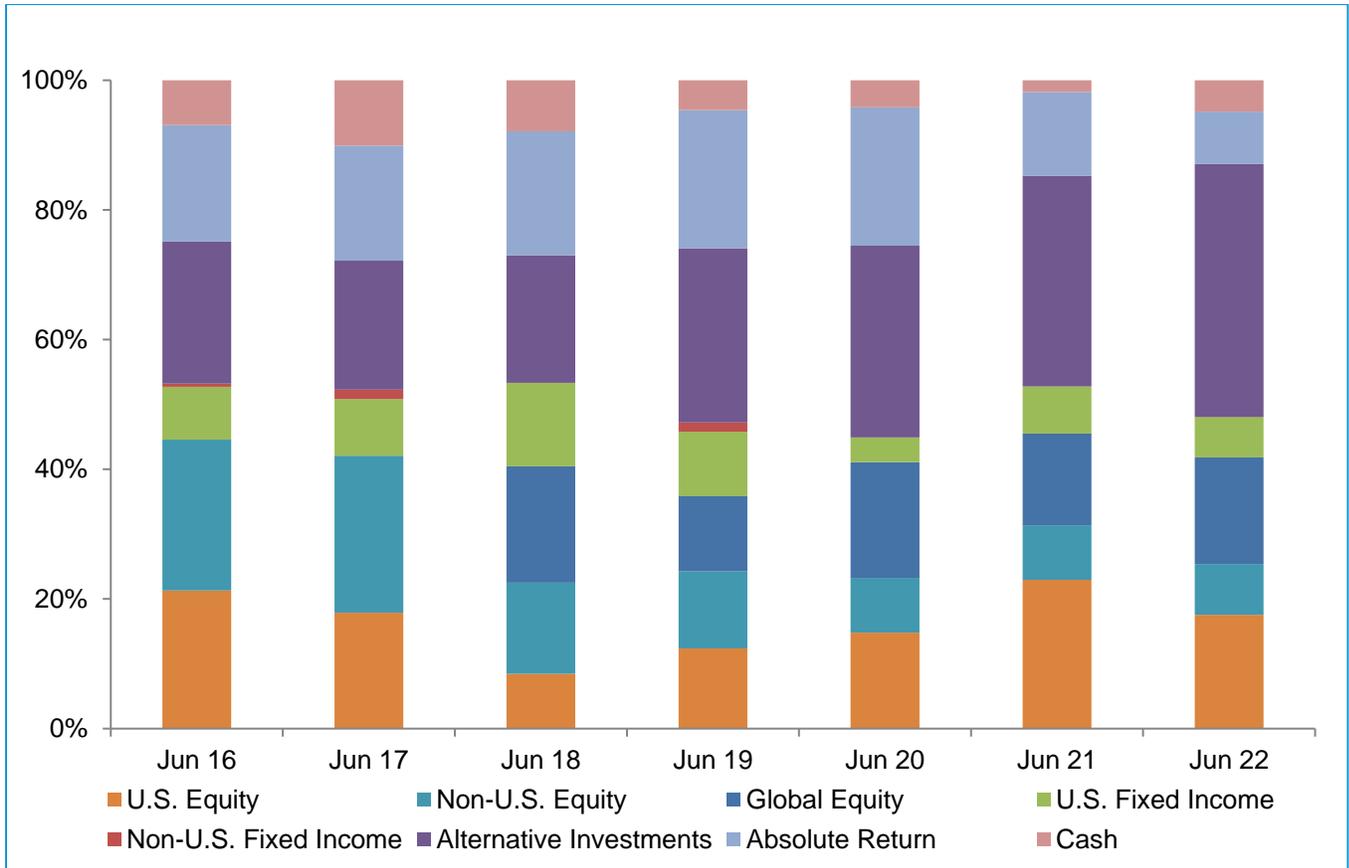


## Excess Return UC Santa Barbara Portfolio versus Benchmark September 2017 to June 2022



# UC SANTA BARBARA FOUNDATION

## UC Santa Barbara Managed Endowment Funds by Asset Class



Note: The UC Santa Barbara Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## UC SANTA CRUZ FOUNDATION

### Endowment Investment Objective

The UC Santa Cruz Foundation's investment objective for its endowment portfolio is to maximize long-term total return with a prudent level of risk, to provide inflation protection through reinvestment of an appropriate level of realized and unrealized earnings, and to maximize the real rate of return over the long term. The investment policy matches that of the General Endowment Pool.

### Endowment Spending Policy

The UC Santa Cruz Foundation endowment expenditure rate approved June 2022 is 4.75% of the three-year moving average of December 31 market values. In the event the market value of an endowment is below the amount of the original gift adjusted by the Gross Domestic Product (GDP) price index at December 31, the endowment expenditure rate approved June 2022 is 2.75% of the three-year moving average of the December 31 market value, unless specific language of the endowment agreement allows otherwise. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions.

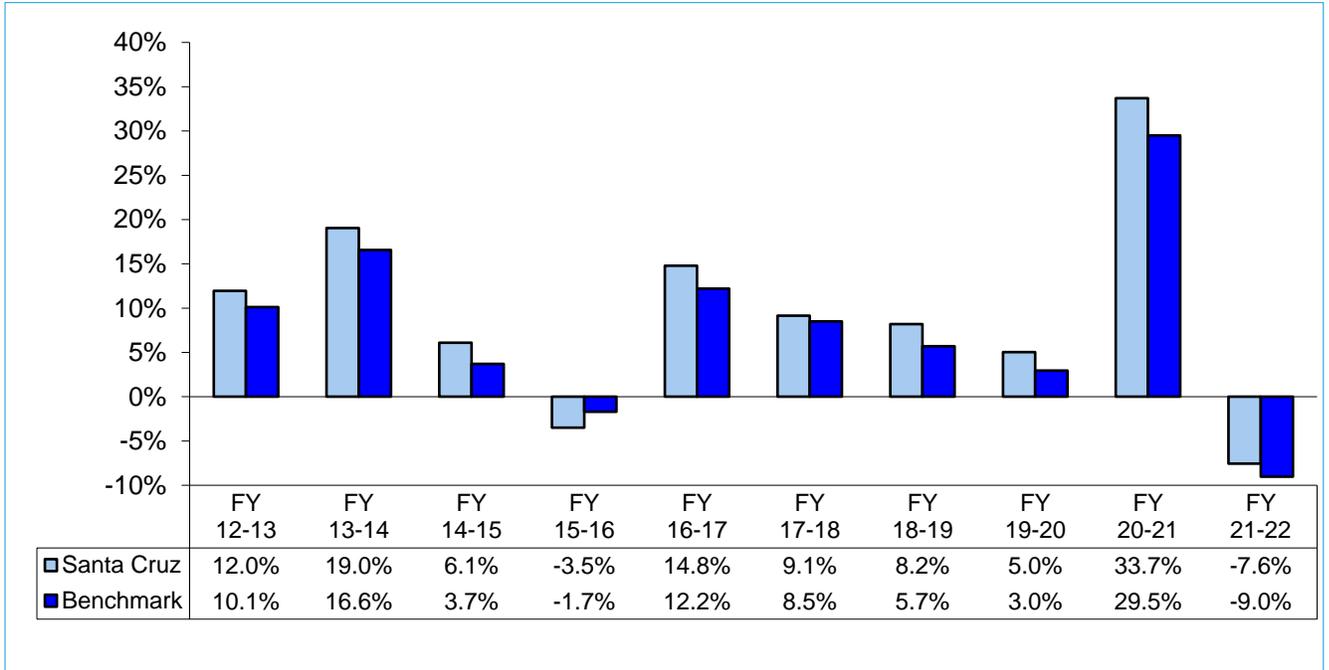
### University of California, Santa Cruz Foundation Portfolio Asset Allocation June 30, 2022

	Assets (M)	Actual Allocation	Target Allocation	Over/ Underweight Relative to Target	Policy Range (Lower)	Policy Range (Upper)	Policy Range Compliance (Actual Allocation)
Public Equity	\$63	43.0%	40.0%	3.0%	30.0%	50.0%	Yes
Fixed Income	\$9	6.4%	8.0%	-1.6%	5.0%	15.0%	Yes
Private Equity	\$36	24.3%	24.0%	0.3%	10.0%	30.0%	Yes
Absolute Return	\$12	8.2%	10.0%	-1.8%	5.0%	15.0%	Yes
Private Credit	\$7	4.6%	4.0%	0.6%	0.0%	6.0%	Yes
Real Estate	\$9	6.4%	8.0%	-1.6%	4.0%	12.0%	Yes
Real Assets	\$5	3.5%	4.0%	-0.5%	0.0%	8.0%	Yes
Cash	\$5	3.6%	2.0%	1.6%	1.0%	5.0%	No
<b>Total Assets</b>	<b>\$146</b>	<b>100.0%</b>	<b>100.0%</b>				

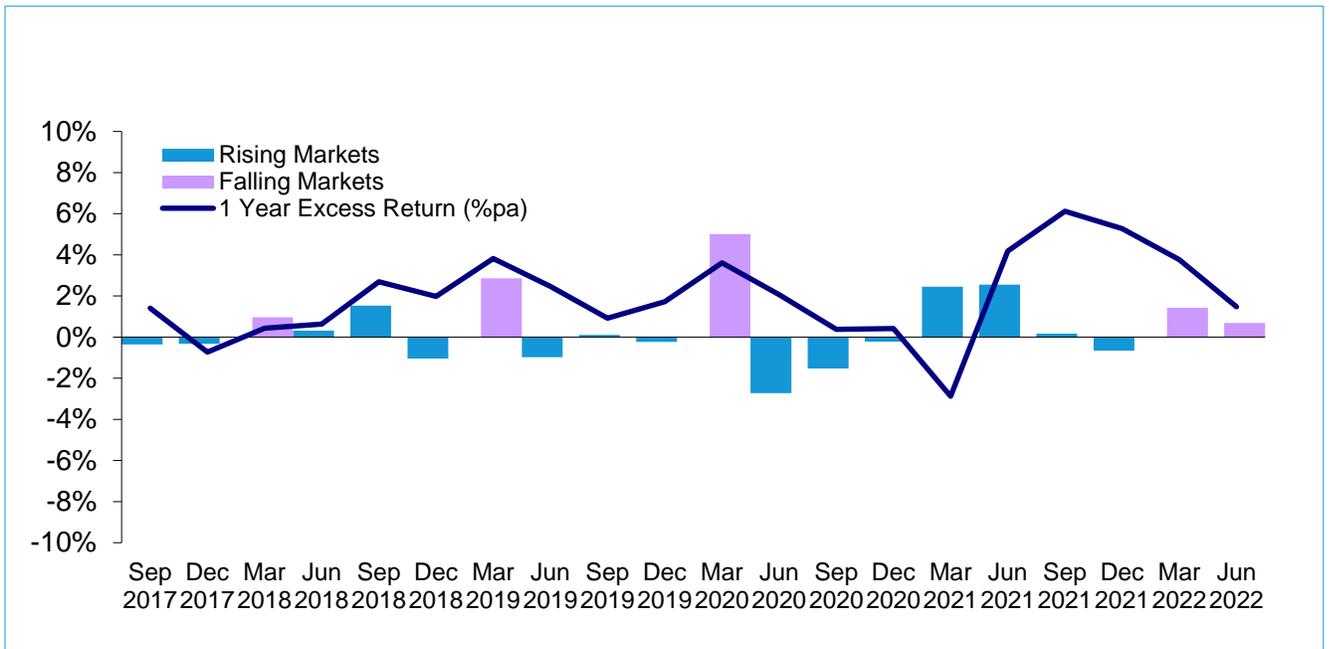
The UC Santa Cruz Foundation utilizes the GEP Policy Benchmark.

# UC SANTA CRUZ FOUNDATION

## Annual Endowment Returns for Fiscal Years UC Santa Cruz – Portfolio and Benchmark

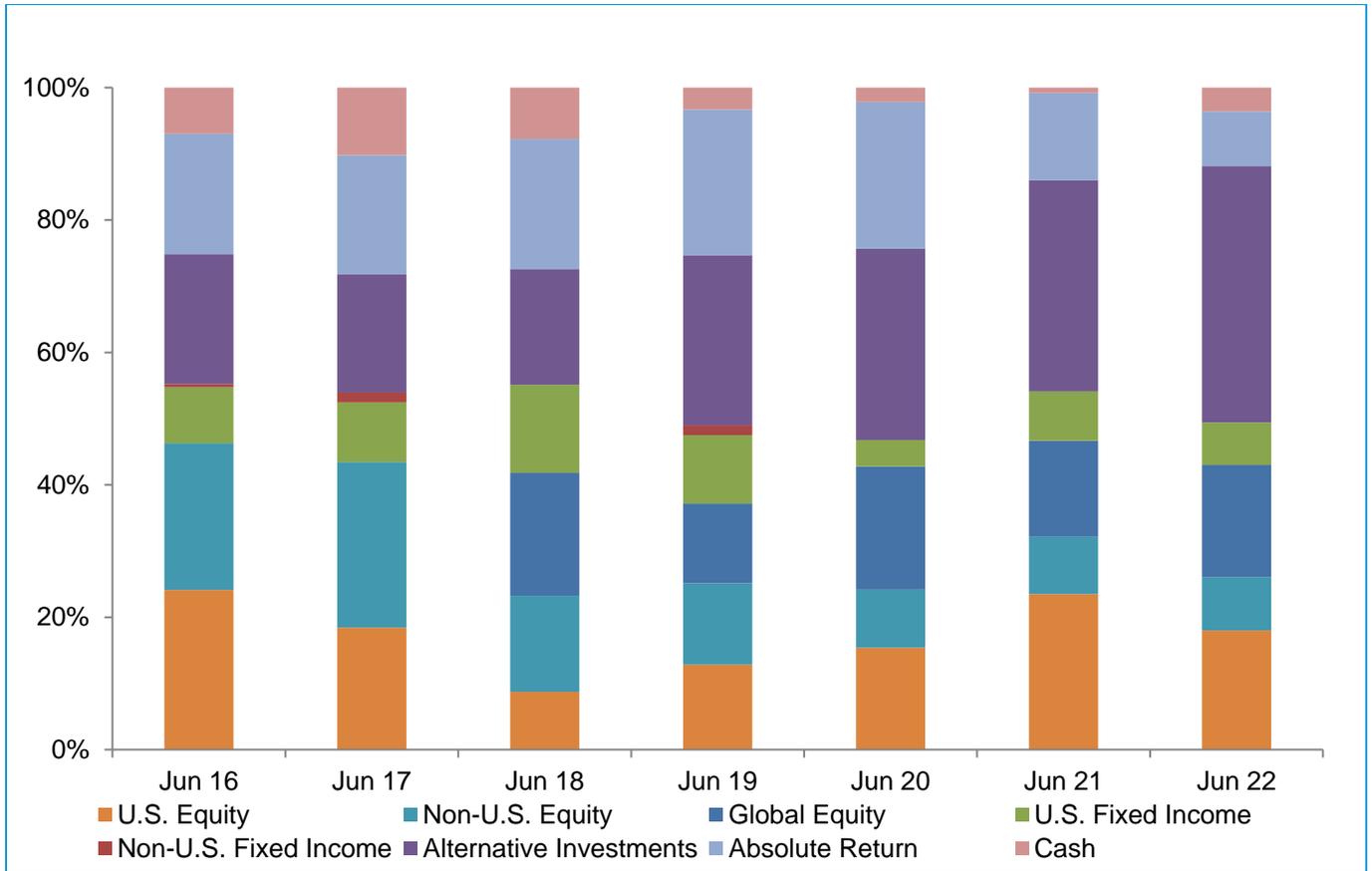


## Excess Return UC Santa Cruz Portfolio versus Benchmark September 2017 to June 2022



# UC SANTA CRUZ FOUNDATION

## UC Santa Cruz Managed Endowment Funds by Asset Class



Note: The UC Santa Cruz Foundation is primarily invested in the Regents' General Endowment Pool. UC Investments' policy does not breakdown equities or fixed income and cash on a regional basis. The regional split (US vs. non-US) shown above for these asset classes are for informational purposes.

## 4 Appendix

---

4.1	Historical Foundation Investment Performance .....	52
4.2	Historical Benchmark and Active Performance .....	53
4.3	Investment Policy Benchmark .....	54
4.4	Glossary.....	55
4.5	Foundations Reporting Background .....	56
4.6	Data Sources and Responsibilities.....	57

## 4.1 Historical Foundation Investment Performance

### Historical Fiscal Year Foundation Investment Performance

#### Annual Total Returns - Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2022	-11.3%	-4.1%	-6.9%	-10.2%	-7.6%	-7.5%	-8.1%	-6.6%	-7.1%	-7.6%	-7.6%
2021	37.9%	32.5%	34.8%	34.3%	33.7%	33.1%	34.9%	33.2%	33.2%	33.7%	33.7%
2020	2.2%	0.3%	0.1%	0.5%	5.0%	5.3%	5.0%	5.3%	5.2%	5.0%	5.0%
2019	4.9%	6.0%	6.7%	3.7%	8.2%	1.2%	7.1%	4.5%	8.1%	8.2%	8.2%
2018	8.4%	9.0%	8.6%	10.5%	9.1%	8.6%	7.6%	9.6%	9.0%	9.1%	8.9%
2017	13.1%	13.9%	15.3%	15.8%	14.8%	19.1%	13.9%	13.7%	14.8%	14.8%	15.1%
2016	-2.4%	-3.3%	-2.4%	-4.1%	-3.5%	-5.1%	-2.2%	-4.8%	-3.1%	-3.5%	-3.5%
2015	3.8%	5.3%	5.3%	6.4%	6.1%	0.4%	4.4%	1.9%	1.7%	6.1%	6.1%
2014	15.2%	19.1%	17.3%	13.9%	19.0%	18.2%	18.1%	15.9%	14.4%	19.0%	19.0%
2013	12.8%	11.7%	11.5%	15.5%	12.0%	11.5%	12.0%	10.9%	10.1%	12.0%	12.0%
2012	-1.0%	-0.4%	0.4%	-1.4%	-0.7%	-2.6%	-0.6%	-0.9%	-3.4%	-0.7%	-0.7%
2011	18.8%	18.7%	19.5%	16.7%	20.2%	21.5%	21.7%	18.3%	20.1%	20.2%	20.2%
2010	11.7%	11.3%	11.0%	11.8%	11.3%	15.8%	12.7%	14.4%	15.4%	11.3%	11.3%
2009	-20.6%	-17.9%	-20.6%	-21.1%	-18.2%	-22.1%	-20.4%	-16.5%	-20.7%	-17.7%	-18.2%
2008	-0.3%	-1.4%	-2.9%	0.1%	-1.5%	2.9%	-1.6%	-7.5%	-9.4%	-1.4%	-1.5%

#### Average Annualized Total Returns- Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2022	-11.3%	-4.1%	-6.9%	-10.2%	-7.6%	-7.5%	-8.1%	-6.6%	-7.1%	-7.6%	-7.6%
('21-'22)	10.6%	12.7%	12.0%	9.9%	11.2%	11.0%	11.3%	11.6%	11.3%	11.2%	11.2%
('20-'22)	7.7%	8.4%	7.9%	6.6%	9.1%	9.1%	9.2%	9.4%	9.2%	9.1%	9.1%
('19-'22)	7.0%	7.8%	7.6%	5.9%	8.9%	7.0%	8.7%	8.2%	8.9%	8.9%	8.9%
('18-'22)	7.3%	8.0%	7.8%	6.8%	8.9%	7.3%	8.4%	8.5%	8.9%	8.9%	8.9%
('17-'22)	8.2%	9.0%	9.0%	8.3%	9.9%	9.2%	9.3%	9.3%	9.9%	9.9%	9.9%
('16-'22)	6.7%	7.1%	7.3%	6.4%	7.9%	7.0%	7.6%	7.2%	7.9%	7.9%	7.9%
('15-'22)	6.3%	6.9%	7.0%	6.4%	7.6%	6.2%	7.2%	6.5%	7.1%	7.6%	7.6%
('14-'22)	7.3%	8.2%	8.1%	7.2%	8.8%	7.5%	8.4%	7.5%	7.9%	8.8%	8.8%
('13-'22)	7.8%	8.5%	8.5%	8.0%	9.2%	7.9%	8.7%	7.8%	8.1%	9.2%	9.2%
('12-'22)	7.0%	7.7%	7.7%	7.1%	8.2%	6.9%	7.8%	7.0%	7.0%	8.2%	8.2%
('11-'22)	7.9%	8.6%	8.6%	7.9%	9.2%	8.0%	8.9%	7.9%	8.1%	9.2%	9.2%
('10-'22)	8.2%	8.8%	8.8%	8.2%	9.3%	8.6%	9.2%	8.4%	8.6%	9.3%	9.3%
('09-'22)	5.8%	6.6%	6.4%	5.8%	7.1%	6.0%	6.8%	6.4%	6.2%	7.1%	7.1%
('08-'22)	5.4%	6.1%	5.7%	5.4%	6.5%	5.8%	6.2%	5.4%	5.1%	6.5%	6.5%

#### Cumulative Total Returns- Foundation

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
('21-'22)	22.3%	27.0%	25.5%	20.7%	23.6%	23.2%	23.9%	24.5%	23.8%	23.6%	23.6%
('20-'22)	25.0%	27.4%	25.6%	21.3%	29.8%	29.7%	30.2%	31.1%	30.3%	29.8%	29.8%
('19-'22)	31.1%	35.0%	34.0%	25.8%	40.4%	31.2%	39.4%	37.0%	40.8%	40.4%	40.4%
('18-'22)	42.1%	47.2%	45.5%	39.0%	53.3%	42.5%	50.0%	50.1%	53.5%	53.3%	52.9%
('17-'22)	60.8%	67.7%	67.7%	61.0%	75.9%	69.7%	70.9%	70.7%	76.1%	75.9%	75.9%
('16-'22)	57.0%	62.1%	63.8%	54.4%	69.8%	61.1%	67.1%	62.5%	70.7%	69.8%	69.8%
('15-'22)	63.0%	70.7%	72.5%	64.2%	80.1%	61.7%	74.4%	65.6%	73.5%	80.1%	80.1%
('14-'22)	87.8%	103.3%	102.3%	87.1%	114.4%	91.1%	106.1%	92.0%	98.5%	114.4%	114.4%
('13-'22)	111.9%	127.0%	125.6%	116.0%	140.1%	113.1%	130.9%	112.8%	118.5%	140.1%	140.1%
('12-'22)	109.8%	126.0%	126.4%	112.9%	138.5%	107.6%	129.5%	111.0%	111.2%	138.5%	138.5%
('11-'22)	149.3%	168.2%	170.5%	148.5%	186.6%	152.3%	179.2%	149.5%	153.6%	186.6%	186.6%
('10-'22)	178.6%	198.5%	200.2%	177.9%	219.0%	192.1%	214.7%	185.4%	192.6%	219.0%	219.1%
('09-'22)	121.1%	145.0%	138.3%	119.4%	161.0%	127.4%	150.4%	138.4%	131.9%	162.4%	161.0%
('08-'22)	120.4%	141.7%	131.3%	119.5%	157.1%	133.9%	146.4%	120.5%	110.1%	158.8%	157.1%

Returns are net of all fees. For Berkeley, Los Angeles and San Francisco, returns are net of external investment manager fees, but not internal fees incurred to manage the Foundation. For fiscal year 2022, Berkeley's estimated internal investment management company cost was 0.22%, Los Angeles' estimated internal investment management company cost was 0.143%, and San Francisco's estimated internal investment management company cost was 0.28%. Returns shown above prior to 2006 and after 2015 were provided by the individual Foundations. Returns for the period from 2006 through 2015 were provided by State Street Bank, except in extraordinary circumstances.

## 4.2 Historical Benchmark and Active Performance

### Historical Fiscal Year Benchmark and Active Performance

#### Annual Total Returns- Benchmarks

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2022	-6.4%	-14.0%	-4.8%	-4.8%	-9.0%	-9.0%	-9.2%	-1.4%	-8.5%	-9.0%	-9.0%
2021	33.3%	27.5%	31.9%	35.0%	29.5%	29.5%	32.7%	35.6%	29.2%	29.5%	29.5%
2020	1.7%	1.9%	-0.1%	0.7%	3.0%	2.5%	3.4%	3.1%	3.2%	3.0%	3.0%
2019	2.5%	5.8%	5.5%	6.8%	5.7%	5.4%	5.3%	4.8%	5.7%	5.7%	5.7%
2018	9.0%	7.7%	8.3%	9.1%	8.5%	8.8%	8.4%	7.8%	8.6%	8.5%	8.5%
2017	15.2%	12.1%	12.7%	13.3%	12.2%	17.2%	13.3%	11.4%	12.3%	12.2%	12.5%
2016	-1.5%	-1.0%	-1.1%	0.1%	-1.7%	-2.2%	-1.6%	-1.7%	-1.5%	-1.7%	-1.7%
2015	1.3%	2.6%	2.2%	3.3%	3.7%	0.9%	2.9%	0.8%	1.5%	3.7%	3.7%
2014	19.4%	16.3%	15.0%	16.1%	16.6%	19.1%	15.8%	16.7%	16.3%	16.6%	16.6%
2013	13.5%	11.4%	9.7%	10.6%	10.1%	11.3%	12.0%	10.3%	11.7%	10.1%	10.1%
2012	-3.3%	-2.0%	-0.6%	-1.3%	-2.4%	-2.1%	-1.1%	-0.7%	-2.0%	-2.4%	-2.4%
2011	17.1%	18.2%	19.6%	15.7%	17.9%	22.2%	19.6%	20.7%	22.5%	17.9%	17.9%
2010	10.2%	9.1%	9.2%	10.0%	9.1%	11.5%	10.7%	10.9%	18.3%	9.1%	9.1%
2009	-15.6%	-13.1%	-16.1%	-19.0%	-13.1%	-19.4%	-18.3%	-19.5%	-18.3%	-13.1%	-14.0%
2008	-1.2%	0.1%	-5.0%	-0.8%	0.1%	-4.5%	0.1%	-6.9%	-4.1%	0.1%	-0.2%

#### Annual Active Returns (Foundation minus Benchmark)<sup>1</sup>

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2022	-4.9%	9.9%	-2.1%	-5.4%	1.5%	1.6%	1.1%	-5.2%	1.4%	1.5%	1.5%
2021	4.6%	5.0%	2.9%	-0.6%	4.2%	3.6%	2.2%	-2.4%	4.1%	4.2%	4.2%
2020	0.5%	-1.6%	0.1%	-0.1%	2.1%	2.8%	1.6%	2.3%	2.0%	2.1%	2.1%
2019	2.4%	0.2%	1.2%	-3.1%	2.5%	-4.2%	1.8%	-0.3%	2.4%	2.5%	2.5%
2018	-0.6%	1.3%	0.3%	1.4%	0.6%	-0.2%	-0.8%	1.8%	0.4%	0.6%	0.4%
2017	-2.0%	1.9%	2.6%	2.5%	2.6%	1.9%	0.6%	2.3%	2.5%	2.6%	2.6%
2016	-0.8%	-2.3%	-1.3%	-4.2%	-1.8%	-2.9%	-0.6%	-3.1%	-1.6%	-1.8%	-1.8%
2015	2.5%	2.7%	3.1%	3.1%	2.4%	-0.5%	1.5%	1.1%	0.2%	2.4%	2.4%
2014	-4.2%	2.8%	2.4%	-2.2%	2.5%	-0.9%	2.4%	-0.8%	-1.9%	2.5%	2.5%
2013	-0.7%	0.3%	1.8%	4.8%	1.8%	0.1%	0.0%	0.6%	-1.7%	1.8%	1.9%
2012	2.3%	1.6%	0.9%	-0.1%	1.8%	-0.4%	1.6%	-0.1%	-1.4%	1.8%	1.7%
2011	1.8%	0.5%	-0.1%	1.0%	2.3%	-0.7%	2.0%	-2.4%	-2.5%	2.3%	2.3%
2010	1.6%	2.3%	1.8%	1.8%	2.3%	4.3%	2.0%	3.5%	-2.9%	2.3%	2.2%
2009	-5.1%	-4.9%	-4.6%	-2.0%	-5.1%	-2.8%	-2.1%	3.0%	-2.4%	-4.7%	-4.2%
2008	0.9%	-1.4%	2.0%	0.8%	-1.5%	7.3%	-1.6%	-0.6%	-5.4%	-1.4%	-1.3%

#### Average Annual Active Returns (Foundation minus Benchmark)<sup>2</sup>

Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP
2022	-4.9%	9.9%	-2.1%	-5.4%	1.5%	1.6%	1.1%	-5.2%	1.4%	1.5%	1.5%
('21-'22)	-1.1%	8.0%	-0.1%	-3.5%	2.6%	2.5%	1.6%	-4.1%	2.6%	2.6%	2.6%
('20-'22)	-0.6%	4.6%	0.0%	-2.3%	2.4%	2.6%	1.6%	-1.8%	2.4%	2.4%	2.4%
('19-'22)	0.2%	3.5%	0.3%	-2.5%	2.5%	0.8%	1.6%	-1.4%	2.4%	2.5%	2.5%
('18-'22)	0.0%	3.1%	0.3%	-1.7%	2.1%	0.6%	1.2%	-0.8%	2.0%	2.1%	2.0%
('17-'22)	-0.3%	2.9%	0.7%	-1.1%	2.2%	0.8%	1.1%	-0.3%	2.0%	2.2%	2.1%
('16-'22)	-0.4%	2.1%	0.4%	-1.6%	1.6%	0.2%	0.8%	-0.7%	1.5%	1.6%	1.5%
('15-'22)	0.0%	2.2%	0.7%	-1.0%	1.7%	0.1%	0.9%	-0.5%	1.3%	1.7%	1.6%
('14-'22)	-0.4%	2.2%	0.9%	-1.1%	1.7%	0.0%	1.0%	-0.5%	1.0%	1.7%	1.7%
('13-'22)	-0.4%	2.0%	1.0%	-0.5%	1.8%	0.0%	0.9%	-0.4%	0.7%	1.8%	1.7%
('12-'22)	-0.2%	2.0%	1.0%	-0.5%	1.8%	0.0%	0.9%	-0.4%	0.5%	1.8%	1.7%
('11-'22)	0.0%	1.9%	0.9%	-0.4%	1.8%	-0.1%	1.0%	-0.5%	0.3%	1.8%	1.8%
('10-'22)	0.1%	1.9%	1.0%	-0.2%	1.8%	0.3%	1.1%	-0.2%	0.1%	1.8%	1.8%
('09-'22)	-0.4%	1.3%	0.4%	-0.4%	1.2%	0.0%	0.8%	0.1%	-0.2%	1.2%	1.3%
('08-'22)	-0.3%	1.1%	0.6%	-0.3%	1.0%	0.5%	0.6%	0.0%	-0.6%	1.1%	1.1%

Returns shown above prior to 2006 and after 2015 were provided by the individual Foundations.

Returns for the period from 2006 through 2015 were provided by State Street Bank, except in extraordinary circumstances.

<sup>1</sup> Arithmetic difference

<sup>2</sup> Annualized geometric difference

## 4.3 Investment Policy Benchmark

Campus	Asset Class	Benchmark Component	Percentage
<b>UC Berkeley<sup>1</sup></b>	Developed Equity	MSCI AC World with USA Gross (Net)	Dynamic Weighting
	Emerging Markets Equity	MSCI Emerging Markets Index (Net)	Dynamic Weighting
	Private Equity/Venture Capital	Custom Cambridge Associates Benchmarks	Dynamic Weighting
	Real Assets	Custom Cambridge Associates Benchmarks	Dynamic Weighting
	Opportunistic	Policy Benchmarks ex-Opportunistic	Dynamic Weighting
	Absolute Return	HFRI FoF Conservative Index	Dynamic Weighting
	Fixed Income and Cash	80% Bloomberg UST Index / 20% BofAML 3 Month T-Bills Index	Dynamic Weighting
<b>UC Davis</b>	GEP *	GEP Benchmark	80.0%
	GEM <sup>1</sup>	GEM Policy Index	20.0%
<b>UC Irvine</b>	Public Equity	MSCI ACWI Index (Net)	45.0%
	US Fixed Income	Bloomberg Barclays Aggregate	10.0%
	Private Equity	Russell 3000 + 3%	20.0%
	Hedge Funds	HFRI Fund of Funds Index	15.0%
	Private Credit	50% CS HY / 50% S&P Lev. Loans	5.0%
	Real Assets	Actual Real Asset Portfolio Return	5.0%
<b>UC Los Angeles</b>	Global Public Equity	MSCI AC World	45.0%
	Independent Return	HFRI Fund Weighted Composite	20.0%
	Private Equity/Venture Capital	Cambridge Private Equity & Venture Capital	15.0%
	Real Assets	7.5% Cambridge Real Estate & 7.5% Cambridge Natural Resources	15.0%
	Cash & Fixed Income	Citigroup 3-Month T-Bill	4.9%
	Portfolio Insurance	3-Month S&P 500 put options with strike prices 15% OTM	0.1%
<b>UC Merced</b>	GEP *	GEP Benchmark	100.0%
<b>UC Riverside</b>	GEP *	GEP Benchmark	100.0%
<b>UC San Diego</b>	UCSDF Public Equities	S&P 500 Index	30.0%
	GEP Public Equities	MSCI All Country World Index (ACWI) Investable Market Index (IMI)	28.0%
		Tobacco and Fossil Fuel Free – Net Dividends	
	Real Assets	Actual Real Assets Portfolio Returns	3.0%
	Fixed Income	Bloomberg 1-5 Year US Government/Credit Index	5.0%
	Private Credit	75% Credit Suisse Leverage Loan Fossil Free Index + 25% Merrill Lynch High Yield BB-B Fossil Free Index + 1.5%	3.0%
	Absolute Return Strategies	HFRI Fund of Funds Composite	7.0%
	Private Equity	Russell 3000 + 3%	17.0%
	Real Estate	NCREIF Fund Index – Open End Diversified Core Equity (ODCE) non-lagged	6.0%
	Cash	Bank of America 3-Month US Treasury Bill Index	1.0%
<b>UC San Francisco<sup>3</sup></b>	Public Equity	MSCI ACWI	23.5%
	Diversifying Assets	HFRI Fund Weighted Composite	32.9%
	Premium Return	CA PE Vintage	34.8%
	Safety Assets	US 1-3 Year Treasuries	8.8%
<b>UC Santa Barbara</b>	GEP *	GEP Benchmark	100.0%
<b>UC Santa Cruz</b>	GEP *	GEP Benchmark	100.0%
<b>* GEP</b>	Public Equity	MSCI All Country World Index (ACWI) Investable Market Index (IMI)	40.0%
		Tobacco and Fossil Fuel Free – Net Dividends	
	Fixed Income	Bloomberg Barclays 1-5 Year US Government/Credit Index	8.0%
	Private Equity	Russell 3000 Index + 3%	24.0%
	Absolute Return	HFRI Fund of Funds Composite	10.0%
	Private Credit	75% Credit Suisse Leveraged Loan Fossil Free Index / 25% Merrill Lynch U.S. High Yield BB-B Constrained Fossil Free Index + 1.5%	4.0%
	Real Estate	NCREIF Fund Index – Open End Diversified Core Equity (ODCE) non-lagged	8.0%
	Real Assets	Actual Real Assets Portfolio Return	4.0%
	Cash	Bank of America 3-Month US Treasury Bill Index	2.0%

<sup>1</sup> UC Berkeley Foundation's Policy Benchmark is in a transitional period until the end of FY 2022. During this period, asset class benchmark returns are dynamically weighted using the asset classes' actual market values. The Custom Cambridge Associates Benchmarks are pooled horizon IRRs weighted to reflect the vintage year asset class mix within the GEP's portfolio. PE/VC includes a blend of the Cambridge Associates Private Equity and Control-Oriented Distressed Index and Cambridge Associates Venture Capital Index. Real Assets includes a blend of the Cambridge Associates Real Estate Index and Cambridge Associates Natural Resources Index.

<sup>2</sup> UC Davis uses a policy benchmark of 70% MSCI ACWI / 30% Bloomberg US Aggregate for performance and a weighted asset allocation benchmark for allocation. GEM Policy Index is comprised of 42% MSCI AC World Index, 26% CSFB / Tremont Hedge Fund Index, 22% Real Assets Policy Index (70% NCREIF Property Index QTR LAG, 15% MSCI US REIT Index, 15% Bloomberg Commodity Index TR), and 10% Barclays Treasury Index.

<sup>3</sup> San Francisco uses a dynamic framework for setting benchmark weights that considers both actual weights and policy range limits. These weights reflect the output of that framework on June 30, 2022.

<sup>4</sup> The GEP portfolio is on a glidepath to a new target asset allocation, targets shown above are as of June 30, 2022.

Note: Policy benchmark composition shown for each campus is as of the current fiscal year-end and may have been different in prior periods, unless otherwise specified.

## 4.4 Glossary

---

### CURRENT ASSETS

Assets for use in the near term to support the overall operations of the Foundation, where the donor may, or may not, have restricted their use. These assets typically include cash, accounts receivable, notes receivable, deferred charges, amounts due, prepaid expenses, etc.

In accordance with the Support Group Policy, endowed gifts or restricted assets must be transferred to the University to be spent in accordance with the donors' terms. However, the existing policy does not specify the timing and/or frequency of transfers. Consequently, the timing/frequency decision varies among the Foundations.

### ENDOWMENT ASSETS

True endowments, established to provide a permanent source of income, and Funds Functioning as Endowments (FFE), established to provide income but principal may also be expended.

### GENERAL ENDOWMENT POOL (GEP)

Established in 1933 and unitized in 1958, the General Endowment Pool is The Regents' primary investment vehicle for endowed gift funds. It is comprised of over 5,875 individual endowments that support the University's mission. It is a balanced portfolio of equities, fixed-income securities, and alternative investments in which all endowment funds participate, unless payout needs require otherwise.

### SHORT TERM INVESTMENT POOL (STIP)

The Short Term Investment Pool is a cash investment pool established in fiscal 1976 by the Regents, in which all University funds groups participate, including retirement and endowment funds as well as campus endowment funds. Cash to meet payrolls, operating expenses, and construction funds of campuses and University teaching hospitals are the major funds invested in the pool. The cash remains invested until expended by the campuses and University teaching hospitals. Pension, endowment, and defined contribution funds awaiting permanent investment are also invested in the pool until transferred. The STIP participants are able to maximize returns on their short-term cash balances by taking advantage of the economies of scale of investing in a large cash pool.

### TRUSTS/LIFE ANNUITIES

Assets donated by individuals or organizations, with the institution agreeing to pay a specific level of income to the donor, or designated beneficiary, for his or her lifetime. Subsequent to the beneficiary's death, the institution gains complete ownership of the donated assets. The donor may or may not have restricted the assets'

## 4.5 Foundations Reporting Background

---

### BACKGROUND

The history of reporting total University and Foundation endowments dates back to October 1978 when The Regents' Committee on Educational Policy adopted a policy for University Support Groups. In subsequent years, The Regents charged the Office of the Chief Investment Officer (CIO) (formerly called the Office of the Treasurer) with obtaining pertinent information regarding the UC Foundations' investments and presenting an annual report to The Regents. The annual report includes the investment philosophy, policies and performance of each Foundation's endowment assets, as well as the performance of The Regents' endowment assets. In compliance with The Regents' Policy 6201 Investment Policy for the University of California Campus Foundations, this report is created by an investment consulting firm which reports any issues found to The Regents.

As of fiscal year 2016, State Street is no longer the book of record for the campus Foundations. Starting in 2016 (for reporting as of the fiscal year ended June 30, 2016), information used to create this report is collected and reviewed by the investment consultant, with the campus Foundations providing a review of the report before it is finalized.

## 4.6 Data Sources and Responsibilities

---

This report was prepared by Mercer Investments, LLC. (Mercer). Information contained herein has been obtained from a range of third party sources. While the information is believed to be reliable, Mercer has not sought to verify it. As such, Mercer makes no representations or warranties as to the accuracy of the information presented and takes no responsibility or liability (including for indirect, consequential or incidental damages), for any error, omission or inaccuracy in the data supplied by any third party. Information was provided by each individual campus Foundation and UC Investments.

### DATA SOURCES AND RESPONSIBILITIES

UC Investments hired the investment consultant, Mercer Investments, to create this report. Mercer collected all information<sup>1</sup> directly from each campus Foundation and UC Investments (for GEP and the campus Foundations which are 100% invested in GEP). The data and reports provided by the campus Foundations originate from a variety of third party sources including each campus Foundation, the foundations' investment consultants, and auditors. Information in this report for periods between 2006 and 2015 was provided by State Street Bank as the University's former official "book of record". Foundation performance results in this document prior to 2006 were provided by each foundation and was neither audited nor calculated by UC Investments or State Street Bank.

For the purpose of reporting investment performance, each foundation received the same exhibit formats and guidance, and any inconsistencies in definition and reporting are noted in the charts, tables and discussion. The Investor Metrics – All Endowments & Foundations Net data cannot be reproduced or redistributed without the express written consent of Mercer.

### PERFORMANCE COMPARISONS

The Investor Metrics all endowments and foundations peer group ("E&F Peer Group") is comprised of approximately 530 observations from a substantial endowment and foundation client base which includes information submitted by industry-leading consulting and trust/custody organizations as compiled by Investor Metrics. The E&F Peer Group returns are net of fees.

Benchmark: For details regarding each individual foundation's benchmark, see Section 4.3

---

<sup>1</sup> Returns for Berkeley, Los Angeles and San Francisco throughout this report are estimated by subtracting their respective investment management company fees (estimated in basis points). Beginning in FY 2020, the respective fiscal year annual fees are used and for prior years, FY 2020 fees are used for the historical returns going back to the date of inception of each campuses' investment management company. Berkeley Endowment Management Company was founded in 2009. UCLA Investment Company was founded in 2011. UCSF Foundation Investment Company was founded in 2015. The historical returns used as the starting point are provided by each campus and are net of investment manager fees.

## Important notices

References to Mercer shall be construed to include Mercer LLC and/or its associated companies.

© 2022 Mercer LLC. All rights reserved.

This contains confidential and proprietary information of Mercer and is intended for the exclusive use of the parties to whom it was provided by Mercer. Its content may not be modified, sold or otherwise provided, in whole or in part, to any other person or entity, without Mercer's prior written permission.

Mercer does not provide tax or legal advice. You should contact your tax advisor, accountant and/or attorney before making any decisions with tax or legal implications.

The findings, ratings and/or opinions expressed herein are the intellectual property of Mercer and are subject to change without notice. They are not intended to convey any guarantees as to the future performance of the investment products, asset classes or capital markets discussed. Past performance does not guarantee future results. Mercer's ratings do not constitute individualized investment advice.

Information contained herein has been obtained from a range of third party sources. While the information is believed to be reliable, Mercer has not sought to verify it independently. As such, Mercer makes no representations or warranties as to the accuracy of the information presented and takes no responsibility or liability (including for indirect, consequential or incidental damages), for any error, omission or inaccuracy in the data supplied by any third party.

This does not constitute an offer or a solicitation of an offer to buy or sell securities, commodities and/or any other financial instruments or products or constitute a solicitation on behalf of any of the investment managers, their affiliates, products or strategies that Mercer may evaluate or recommend.

The value of your investments can go down as well as up, and you may not get back the amount you have invested. Investments denominated in a foreign currency will fluctuate with the value of the currency. Certain investments, such as securities issued by small capitalization, foreign and emerging market issuers, real property, and illiquid, leveraged or high-yield funds, carry additional risks that should be considered before choosing an investment manager or making an investment decision.

For the most recent approved ratings of an investment strategy, and a fuller explanation of their meanings, contact your Mercer representative.

For Mercer's conflict of interest disclosures, contact your Mercer representative or see [www.mercer.com/conflictsofinterest](http://www.mercer.com/conflictsofinterest).

Returns for periods greater than one year are annualized. Returns are calculated gross of investment management fees, unless noted as net of fees.