

ANNUAL ENDOWMENT REPORT

FISCAL YEAR ENDED JUNE 30, 2015

University of California, Berkeley Foundation

UC Davis Foundation

University of California, Irvine Foundation

The UCLA Foundation

University of California, Merced Foundation

UC Riverside Foundation

UC San Diego Foundation

The University of California, San Francisco Foundation

UC Santa Barbara Foundation

UC Santa Cruz Foundation



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1 Introduction

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 incorporates the investment review by the General Investment Consultant to The Regents. Quarterly reports will only include discretionary assets under management as recorded by State Street

PURPOSE

The Regents' policy on Support Groups articulates the permissible activities by affiliated fund-raising organizations to be:

"Gifts to a University Support Group for the benefit of the University may be accepted and administered only in accordance with University policies and, except as otherwise specified in this policy, may not be invested as endowments and shall be transferred to the University in an expeditious manner to fulfill the intentions of the donor for allocation and disbursement by the University."

The CIO's Office is the designated recipient and investment manager of The Regents' endowment assets.

However, in October 1978, The Regents included an exception in this policy for Foundations only that states:

"A Campus Foundation may hold and invest endowments and funds functioning as endowments on a long-term basis. Such investments must be consistent with the terms of the gift instrument. Investment operations shall be conducted in accordance with prudent, sound practices to insure that gift assets are protected and enhanced and that a reasonable return is achieved, and with due regard for the fiduciary responsibilities of the Foundation's governing board...."

As a result of the above exception, donors can designate either The Regents or the Campus Foundations as the recipient of their gift assets. Foundations may then choose The Regents (the CIO's Office) and/or external investment managers to manage their endowment investments. The CIO's Office acts as a resource to the Foundations and offers its investment management services and counsel on endowment fund management issues. The goal of this report is to provide The Regents with a comprehensive overview of the University's endowment assets.

2 Data Sources and Responsibilities

This report was prepared by Mercer Investments, Inc. (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. Performance information was provided by State Street Bank. Certain information such as investment policies and gift policies was provided by the individual campus Foundations.

DATA SOURCES AND RESPONSIBILITIES

State Street Bank is the University's official "book of record" and calculates performance net of fees* using the same methodology across all the Foundations. Foundation performance results in this document prior to 2006 were provided by each Foundation and were neither audited nor calculated by the CIO's Office or State Street Bank. Returns for 2006 and later were provided by State Street Bank. On a quarterly basis, State Street Bank reports Foundation performance to The Regents and those quarterly reports serve as official "book of record" to The Regents. Policy benchmark composition was provided by the Foundations.

Mercer, as the General Investment Consultant to The Regents, has been directed by the Committee on Investments to review the Foundations' investments to ensure that they are consistent with industry best practices and in compliance with The Regents Policy 6201 Investment Policy for the University of California Campus Foundations. In this role, Mercer assesses performance and investment policies based on the performance information provided by State Street and the investment policies submitted by the Foundations. Findings are reported quarterly to The Regents.

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 Mercer Trust – Foundation & Endowment Universe data cannot be reproduced or redistributed without the express written consent of Mercer.

PERFORMANCE PRESENTATION

This report focuses primarily on the Foundations' endowment assets and their investment performance. Managed assets are provided in Section 3 – Consolidated Endowment Review. Section 4 – Individual Foundation Reports – displays the analysis of endowed assets. The consolidated review by the General Consultant to The Regents is provided in Section 5. The glossary at the end of this report includes definitions for these asset categories.

PERFORMANCE COMPARISONS

Mercer Trust - Foundation & Endowment Universe: this universe is comprised of 760 observations from a substantial endowment and foundations client base which includes information submitted by industry-leading consulting and trust/custody organizations as compiled by InvestorForce.

Benchmark: For details regarding each individual Foundation's benchmark, see Section 6.

3 Consolidated Endowment Review

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

Performance, assets under management and fee information were provided by State Street Bank which is the University's official "book of record."

Information on assets not included in State Streets performance reporting was provided by The Regents and individual Foundations.

Information about gifts and recurring charges, endowment spending and investment statements is based on the Foundations' specific policies.

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3.1 Total University Assets by Designation

This table outlines the University's total assets by designation to either The Regents for the benefit of the campus or to the campus Foundation.

Overall, total endowment assets increased by 8.6% over the last fiscal year, with The Regents' endowment assets increasing by 8.2% and Foundation endowment assets increasing by 9.0%. These changes incorporate both new gifts accepted during the fiscal year and the return on total endowed assets.

The CIO's Office also manages endowment assets of about \$1.26 billion for the benefit of system wide programs and administration, including education and research programs, support services and administration. These assets appear in the table as part of The Regents' endowment assets.

Total University Endowment Assets by Designation to Regents and Foundation (Excluding Pledges) (Market Value \$000)						
	June 30, 2015			June 30, 2014		
Campus	Regents ¹	Foundation	Total	Regents ¹	Foundation	Total
Berkeley	2,427,046	1,618,404	4,045,450	2,370,049	1,543,367	3,913,416
Davis	678,303	335,632	1,013,935	642,109	313,876	955,986
Irvine	168,045	336,262	504,307	73,822	308,479	382,301
Los Angeles	1,628,760	1,867,137	3,495,897	1,485,454	1,740,576	3,226,030
Merced	29,342	9,250	38,592	27,582	8,186	35,768
Riverside	52,700	132,635	185,335	47,789	131,880	179,669
San Diego	400,618	550,749	951,367	236,472	515,607	752,079
San Francisco ²	1,177,666	1,163,778	2,341,444	1,097,774	945,397	2,043,171
Santa Barbara	122,114	143,816	265,930	118,380	139,607	257,987
Santa Cruz	80,713	84,759	165,472	73,523	80,302	153,825
Total Campus Endowments	6,765,307	6,242,421	13,007,729	6,172,955	5,727,276	11,900,231
Systemwide Programs and Administration	1,259,514	0	1,259,514	1,240,755	0	1,240,755
Total Endowment Assets	\$8,024,822	\$6,242,421	\$14,267,243	\$7,413,710	\$5,727,276	\$13,140,986

¹ Includes General Endowment Pool (GEP), Short Term Investment Pool (STIP), and separately invested assets, as well as annuity and life income funds. Excludes security lending balances and other accounts receivable and payables. Excludes external trusts starting FYE13.

² Foundation assets include approximately \$200 million from one of the agencies for which UCSF manages money. These assets will show on the UCSF balance sheet as part of the assets with an offsetting liability.

3.2 Total Managed Endowment Assets by Foundation

This report focuses on the managed endowment assets held by The Regents and the Foundations, which include assets managed by The Regents (CIO's Office) or external managers. Managed endowment assets do not include assets categorized as "other endowment assets," such as separately invested assets, mortgages, real estate, and receivables.

Total Managed Endowment Assets by Foundation (Excluding Pledges) (Market Value \$000)						
June 30, 2015				June 30, 2014		
Campus	Managed ¹	Other ²	Total	Managed	Other ²	Total
Berkeley	1,579,881	38,523	1,618,404	1,492,207	51,160	1,543,367
Davis	334,794	838	335,632	304,193	9,683	313,876
Irvine	347,014	(10,752)	336,262	307,938	540	308,479
Los Angeles	1,864,605	2,531	1,867,137	1,732,845	7,731	1,740,576
Merced	9,250	0	9,250	8,186	0	8,186
Riverside	129,290	3,345	132,635	128,910	2,970	131,880
San Diego	548,317	2,432	550,749	512,985	2,622	515,607
San Francisco ³	1,159,919	3,859	1,163,778	942,440	2,957	945,397
Santa Barbara	141,697	2,119	143,816	137,624	1,983	139,607
Santa Cruz	83,518	1,241	84,759	79,266	1,036	80,302
Regents' GEP	8,928,051	0	8,928,051	8,292,777	0	8,292,777
Totals	\$15,126,337	\$44,136	\$15,170,473	\$13,939,371	\$80,683	\$14,020,054

¹ As reflected in State Street's performance reporting.

² Includes separately invested assets, mortgages, real estate, operational accounts, receivables, and other.

³ Total assets include approximately \$200 million from one of the agencies for which UCSF manages money. These assets will show on the UCSF balance sheet as part of the assets with an offsetting liability.

3.3 Managed Endowment Funds by Asset Class

Because asset allocation is the primary driver of a portfolio's total return over the long run – with sector and individual security selection the primary drivers over the short term – any comparison of endowment fund performance should be viewed in the context of the portfolio's asset class holdings.

As of June 30, 2015, the asset allocations of managed endowment funds for endowment investment portfolios held by each Foundation are shown below. Investments in the General Endowment Pool (GEP) are mapped into the specific sub asset classes. This table also includes an overall weighted average allocation of all endowment funds by asset class, as well as the net fiscal year total returns by campus.

Section 4, beginning on page 11, contains detailed information for each Foundation.

Allocation of Managed Endowment Funds by Asset Class														
As of June 30, 2015														
Asset Class Allocation														
Campus	U.S. Equity	Non-U.S. Equity	Global Equity	U.S. Fixed Income	Non-U.S. Fixed Income	Absolute Return ¹	Real Estate	Private Equity	Com-modities	Opportu-nistic Equity	Cross Asset Class	Cash Equiv.	Total	Fiscal Year 2015
Berkeley	9.6%	16.6%	7.5%	10.3%	0.0%	33.3%	0.8%	9.7%	3.0%	0.0%	0.0%	9.2%	100.0%	3.8%
Davis	21.6%	21.1%	2.5%	7.1%	0.5%	22.2%	7.9%	8.6%	5.9%	0.0%	0.0%	2.7%	100.0%	5.3%
Irvine	28.1%	19.1%	0.0%	10.6%	2.0%	19.4%	4.2%	9.2%	0.0%	4.7%	0.0%	2.6%	100.0%	5.3%
Los Angeles	18.3%	21.0%	15.9%	6.8%	0.0%	11.7%	3.8%	10.7%	6.6%	0.0%	0.0%	5.3%	100.0%	6.4%
Merced ²	12.8%	15.5%	0.0%	8.4%	2.3%	25.9%	8.0%	8.6%	0.0%	12.4%	0.0%	6.2%	100.0%	6.1%
Riverside ³	32.4%	26.8%	23.5%	5.5%	7.5%	0.0%	0.0%	0.0%	2.7%	0.0%	0.0%	1.6%	100.0%	0.4%
San Diego ⁴	19.5%	22.5%	0.0%	10.6%	1.3%	21.8%	7.8%	5.9%	0.0%	7.0%	0.0%	3.7%	100.0%	4.4%
San Francisco	24.8%	26.7%	2.6%	8.3%	4.5%	21.1%	1.7%	3.1%	3.8%	0.0%	0.0%	3.3%	100.0%	1.9%
Santa Barbara	31.5%	23.2%	0.0%	11.2%	1.9%	13.4%	2.4%	2.9%	0.0%	0.0%	8.1%	5.5%	100.0%	1.7%
Santa Cruz ²	12.8%	15.5%	0.0%	8.4%	2.3%	25.9%	8.0%	8.6%	0.0%	12.4%	0.0%	6.2%	100.0%	6.1%
Regents' GEP	12.8%	15.5%	0.0%	8.4%	2.3%	25.9%	8.0%	8.6%	0.0%	12.4%	0.0%	6.2%	100.0%	7.2%
Weighted Avg.	18.6%	21.0%	7.8%	8.6%	1.3%	20.9%	3.2%	8.0%	3.8%	1.1%	0.2%	5.4%	100.0%	4.4%⁵

¹ Absolute return consists of hedge funds and other asset types.

² Foundation endowment assets invested primarily in The Regents' GEP and/or STIP funds.

³ The global balanced investments are broken down by their respective asset classes.

⁴ Foundation endowment assets invested primarily in The Regents' GEP and/or STIP funds. Absolute Return includes real estate distressed allocation.

⁵ For the weighted average Fiscal Year return shown above, Regents' GEP is excluded.

Note that the method of rounding may produce the appearance of minor inconsistencies in various totals and percentages; however, the differences do not affect the accuracy of the data.

3.4 Endowment Fund Investment Performance

Investment performance for University endowment assets is presented on a net basis, defined as total return after investment management fees but before any gift fees and administrative charges. While investment management fees vary across managers and asset classes, the net total return represents the annual experience of a donor's gift. This table displays net total returns for periods ending June 30, 2015 for each Foundation, and the median of the Mercer Trust – Foundations & Endowments Universe, reported for various periods. For comparison, the table also includes the weighted average returns for all University endowment assets.

Average Annualized Total Returns Periods ending June 30, 2015							
Campus	2Q 2015	Calendar YTD	1 Year	3 Years	5 Years	7 Years	10 Years
Berkeley	0.8%	3.1%	3.8%	10.5%	9.7%	5.0%	6.8%
Davis	2.2%	5.0%	5.3%	11.9%	10.6%	6.1%	7.1%
Irvine	1.1%	3.7%	5.3%	11.3%	10.6%	5.5%	6.4%
Los Angeles	1.2%	4.0%	6.4%	11.8%	10.0%	5.1%	6.6%
Merced	2.0%	4.9%	6.1%	12.2%	11.0%	6.3%	7.3%
Riverside	-0.1%	2.0%	0.4%	9.8%	9.4%	5.1%	7.3%
San Diego	1.1%	3.9%	4.4%	11.4%	10.8%	5.9%	7.0%
San Francisco	0.8%	2.8%	1.9%	9.4%	9.0%	5.6%	6.0%
Santa Barbara	-1.0%	1.7%	1.7%	8.6%	8.2%	4.5%	5.1%
Santa Cruz	2.0%	4.9%	6.1%	12.2%	11.0%	6.4%	7.3%
Weighted Average	1.0%	3.5%	4.4%	10.9%	9.8%	5.3%	6.6%
Regents' GEP	2.0%	4.8%	7.2%	12.4%	11.3%	6.5%	7.4%
Mercer Median	0.0%	2.0%	1.4%	9.4%	9.3%	5.5%	6.0%

3.5 Gift and Recurring Charges

A synopsis of The Regents' and each campus' practices for assessing fees on new gifts, as well as any recurring administrative charges, are provided in the table below. As noted in the table, gift fees apply to endowment gifts whether given to the Foundation or The Regents and to current fund gifts (for use by the campus in the near term). At most campuses, gift fees and recurring charges support discretionary funds available to the Chancellor, for such efforts as fund-raising, communications, government and community relations and administrative services associated with these efforts. Each campus has its own policy and methodology for assessing gift fees and recurring charges. It is important to note that each campus has its own policy and methodology for assessing gift fees and recurring charges.

In March 1998, The Regents adopted a policy to allow the campuses to recover the reasonable and actual costs related to campus administration of The Regents' endowments, with the amount to be determined by historical cost data. Each campus listed below collected endowment cost recovery fees on The Regents' gifts of 55 basis points (effective July 1, 2014) from the eligible assets invested in the GEP. The Campus Foundations may also assess an administrative endowment cost recovery fee on funds they administer.

Gift Fees and Recurring Charges ^{1,2}		
	One-time Charge	Recurring Charges
	Gift Administration Fee	Annual Admin Fee / Endowment Cost Recovery Fee (ECRF)
Berkeley	2.5% ³ (on non-research gifts ⁴)	0.50%
Davis	6.00%	0.25%
Irvine	5.00%	0.50%
Los Angeles	6.50%	0.59% ⁵
Merced	5.00%	0.55%
Riverside	5.00%	0.50% ⁶
San Diego	6.00% (0.00% effective 7/1/2015)	0.40% ⁷ (0.55% effective 7/1/2015)
San Francisco ⁸	4.00% (no fees on gifts for student aid)	0.40%
Santa Barbara	6.00%	0.60% (investment mgmt. fee)
Santa Cruz	6.00%	0.45% (of the 4.65% endowment expenditures)
Regents' GEP	None ⁹	0.55% ¹⁰

1. See Section 4 of this report or the Foundations' policies for more information.

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

3. **UC Berkeley:** The Gift Admin Fee is assessed on the initial value of all non-research gifts to the Regents and Foundation (including endowments); fee is taken from the gift principal unless the specified department elects to pay the fee from another allowable source.

4. **UC Berkeley:** Research gifts, defined as unrestricted funds to support the research of one or more specified faculty members or research programs, are assessed an administrative fee of 10.5%.

5. **UCLA:** ECRF is calculated as equal to the prior year's fee, adjusted for inflation. In FY15 this came to an average of 0.59% of the beginning fair value, calculated quarterly.

6. **UC Riverside:** An Administration Cost Recovery Fee is charged against all existing endowments and endowment-related gift funds at an annual rate of 0.50% (50 basis points) of the average unit market value as calculated per the UCR Foundation spending policy.

7. **UCSD:** The ECRF is 0.40% of the average of a 60-month-end market values of the endowment portfolio and is taken from the amount calculated under the spending policy.

8. **UCSF:** UCSF also charges gift and endowment income funds an amount equal to 6% of income for infrastructure and operations costs. Gifts for scholarships are exempt from these assessments.

9. **Regent's GEP:** Gift fees are charged by the applicable campus; no gift fees are charged by the Office of the President.

10. **Regent's GEP:** ECRF applies to the distributions from the GEP to be made after 7/1/2014, from the eligible assets invested in the GEP.

3.6 Endowment Spending Policies

A summary of the endowment spending policies for each university Foundation is shown in the table below. It is important to note that a Foundation choosing to invest in The Regents' GEP, Private Equity Vintage Year Program, Real Estate Vintage Year Program and/or Absolute Return Unitized Program funds may apply its Foundation spending policy to those gift assets.

Endowment Spending Policies by Foundation*	
Berkeley	The Foundation's proposed payout policy is 4.5% of a twelve-quarter (three 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 4.0% to 5.0% 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 current approved spending rate is 4.25% of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31. Payouts are pro-rated for new endowments and may be reduced on endowments that are more than 5% underwater 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 2015, The UCLA Foundation endowment spending rate was 4.78% of a 12 quarter rolling average market value, calculated quarterly. The UCLA Foundation approved endowment spending policy for fiscal 2016 is 4.54% of a 12 quarter rolling average market value.
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.
Riverside	The endowment spending policy applicable to FYE 2015 was to withdraw per unit 4% 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 84 contiguous months the last of which ended on May 31, 2015.
San Diego	Endowment spending during fiscal year 2014-15 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 policy is to distribute 4.75% of the unit market value of the endowment pool calculated as a 36-month rolling average of the unit market value, subject to a 6% cap and a 3.5% floor as a percent of the end of year endowment pool market value. The payout is distributed once a year following the close of the fiscal year.
Santa Barbara	Endowment spending during fiscal year 2014-2015 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 as of December 31, 2013. Spending is allocated to fund holders in September (40%) and April (60%).
Santa Cruz	The UC Santa Cruz Foundation endowment expenditure rate approved February 2015, is 4.65% times a three-year moving average of December 31 market values. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions. In no event will the corpus be reduced below the amount of the original gift, adjusted by the Gross Domestic Product (GDP) price index, unless specific language of the endowment agreement so allows.
Regents' GEP	The expenditure rate per unit of the General Endowment Pool (GEP) for this fiscal year for eligible funds invested is 4.75 percent of a 60-month moving average of the market value of a unit invested in the GEP.

*For more information on Foundation policies regarding gift fees and recurring charges, see the individual Foundation reports in Section 4. Note: Updates provided by the Foundations are reflected above up to the time this report was produced.

3.7 Total Foundation Gift Assets

This table provides total Foundation gift assets by campus, split into endowed, non-endowed assets and pledges, for fiscal year 2015 and fiscal year 2014. Endowed assets include current gift assets (i.e., assets for use in the current year). Non-endowed assets include trust/life income assets, but exclude pledges. Note that pledges introduce potential volatility to the asset growth rates.

The Foundations held \$6.24 billion in endowment gift assets at June 30, 2015, a 9.0% increase from the \$5.73 billion held at the end of fiscal year 2014. Including all assets (endowed, non-endowed, and pledges), the Foundations' total assets were \$8.20 billion, an 8.6% increase over the total of \$7.55 billion for fiscal year 2014.

Total Foundation Gift Assets by Campus (Market Value \$000; totals rounded)								
June 30, 2015					June 30, 2014			
Campus	Endowed	Non-Endowed	Pledges	Total	Endowed	Non-Endowed	Pledges	Total
Berkeley	1,618,404	190,521	118,879	1,927,804	1,543,367	189,783	129,880	1,863,030
Davis	335,632	27,771	18,898	382,301	313,876	17,979	17,220	349,075
Irvine	336,262	12,477	12,011	360,749	308,479	25,333	12,823	346,635
Los Angeles	1,867,137	367,053	443,653	2,677,842	1,740,576	354,910	452,827	2,548,312
Merced	9,250	569	696	10,514	8,186	403	720	9,309
Riverside	132,635	11,379	787	144,801	131,880	13,580	3,131	148,591
San Diego	550,749	131,800	62,866	745,414	515,607	143,346	71,926	730,879
San Francisco ¹	1,163,778	377,639	142,747	1,684,164	945,397	207,924	147,221	1,300,542
Santa Barbara	143,816	16,697	13,835	174,349	139,607	11,536	16,902	168,046
Santa Cruz	84,759	2,449	4,879	92,087	80,302	2,568	5,756	88,626
Total Foundation Assets	\$6,242,421	\$1,138,354	\$819,251	\$8,200,026	\$5,727,276	\$967,362	\$858,407	\$7,553,045

¹ Endowment assets include approximately \$200 million from one of the agencies for which UCSF manages money. These assets will show on the UCSF balance sheet as part of the assets with an offsetting liability. "Total Foundation Gift Assets" includes gifts and assets derived from investment income or other sources.

4 Individual Foundation Reports

BENCHMARKS

- The most important determinant of fund performance and risk is the asset allocation policy established by Fund fiduciaries.
- A fund performance benchmark is usually stated in terms of percentages (adding to 100%) of a number of market indexes, such as the Russell 3000 Index for U.S. stocks or the Barclays Aggregate Index for U.S. bonds. A performance benchmark may change over time as policy changes both the asset mix and the performance objectives, or benchmarks, for each asset class.
- The Foundations provided the asset allocation and benchmark information summarized in Section 6.3. Annual and cumulative benchmark returns were computed based on the Foundations' reported policy. They are shown in Section 6.1, along with the Foundations' annual and cumulative returns. In some cases, detailed information on investment policy in earlier years was not available, and the CIO's office approximated benchmark composition based on the available information supplied by the Foundations.
- In addition, the Active Return, or difference between Fund and benchmark return, is shown in Section 6.2. Active return is a measure of the value added by Fund fiduciaries and managers over the policy objective.

The following section of the report contains a summary for each Foundation which includes:

- Endowment Investment Objective
- Endowment Spending Policy
- Policy for Gift Fees and Administrative Expenses
- Actual vs. Target Allocation and Policy Benchmark
- Graph showing annual fiscal and current period net total returns for each Foundation and benchmark
- Graph showing historical performance of a hypothetical \$10,000 gift invested with the Foundation and the Benchmark
- Graph showing managed endowment funds by asset class
- Graph showing the rolling 1-year excess net return of the Foundation versus benchmark

Updates provided by the Foundations are reflected in this section up to the time this report was produced.

UNIVERSITY OF CALIFORNIA, BERKELEY FOUNDATION

Endowment Investment Objective

There are three intersecting goals for the UC Berkeley Foundation ("UCBF") endowment pool:

- 1) Support UCB - 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.
- 2) Market Returns - 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 ten year periods.
- 3) Manager Selection - Demonstrate success in selecting investments, as measured by comparing performance after all relevant expenses versus the return and volatility measures of other investable options over rolling five year periods.

Endowment Spending Policy

The UC Berkeley Foundation payout policy is 4.5% of a twelve-quarter (three years) 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 4.00% to 5.00% for a specific payout year. The Executive Committee, after giving due and prudent consideration to the recommendation of the Finance and Administration Committee, recommends a payout percentage within a range of 4.00% to 5.00% for a specific payout year to the Board of Trustees for approval.

Policy for Gift Fees and Administrative Expenses

- 1) One time charge of 2.5% of the initial value of all non-research gifts to the Regents and Foundation (including endowments). The fee is taken from the gift principal unless the specified department elects to pay the fee from another allowable source.
- 2) STIP income on non-endowed gifts is 100% to an unrestricted fund administered by the Chancellor.
- 3) STIP income earned on new endowment gifts kept in suspense for six months is paid to the Chancellor's fund to benefit campus development.
- 4) An annual administrative fee of 50 basis points is charged on endowment funds administered by the Foundation.

University of California, Berkeley Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Target Policy Allocation	Variance from Target Policy Allocation	Policy Range		Policy Range Compliance (Actual Allocation)
Global Equities	\$779	49.3%	37.5%	11.8%	30.0%	50.0%	Yes
Diversifying Assets	\$293	18.6%	27.5%	-8.9%	20.0%	35.0%	-1.4%
Excess Return	\$199	12.6%	25.0%	-12.4%	0.0%	30.0%	Yes
Defensive	\$309	19.6%	10.0%	9.6%	5.0%	25.0%	Yes
Total Assets	\$1,580	100.0%	100.0%				

As of March 1, 2011 UCB implemented a new Investment Policy moving to a multi-asset class portfolio approach. The policy targets and ranges are reported on the level of the employed asset categories.

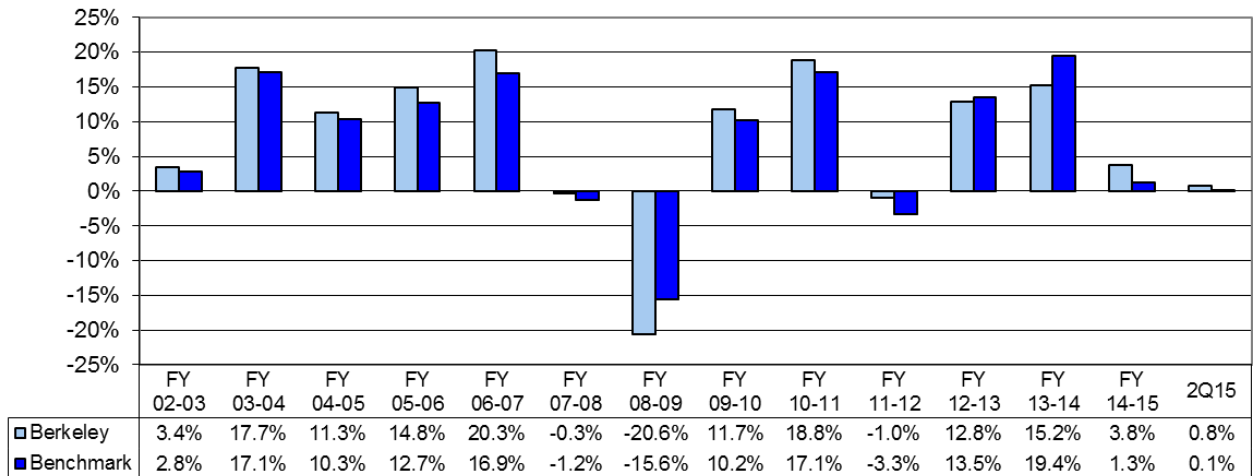
UCB is in the process of implementing the new investment structure.

The asset class benchmarks do not roll up into the policy benchmark.

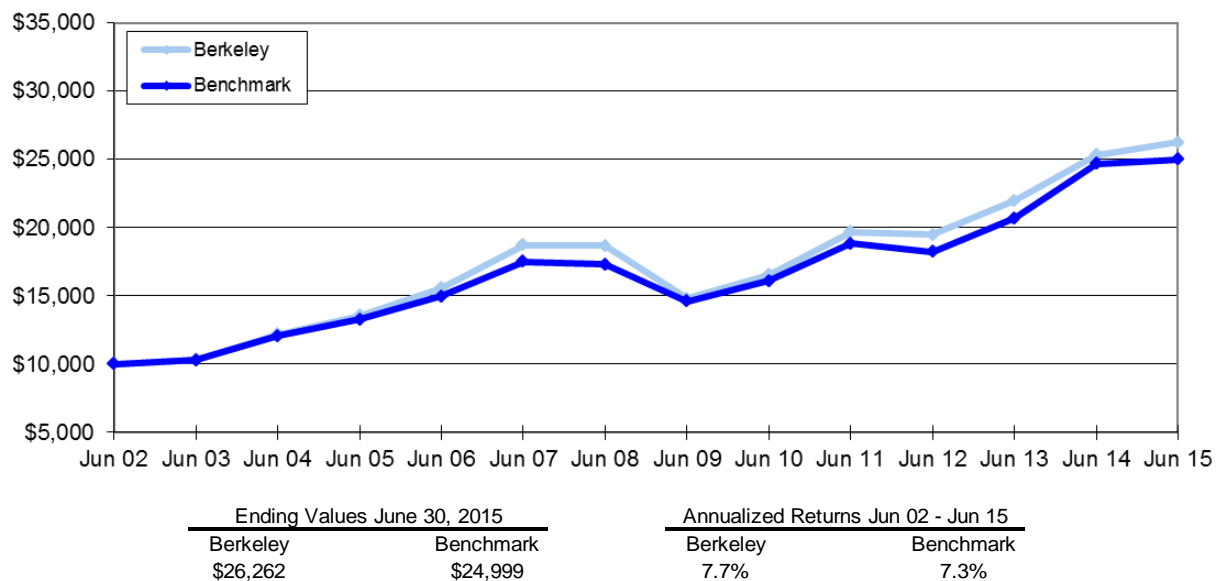
The total fund benchmark reflects 82.5% MSCI ACWI with USA Gross (net) and 17.5% Barclays Treasury.

UNIVERSITY OF CALIFORNIA, BERKELEY FOUNDATION

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

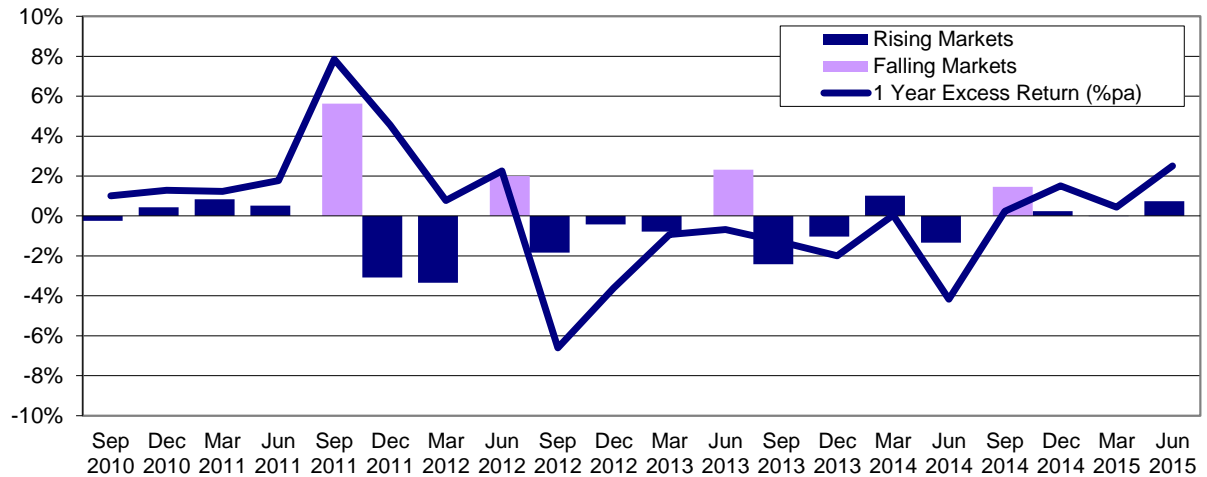


Historical Performance of a \$10,000 Gift
UC Berkeley - Portfolio and Benchmark

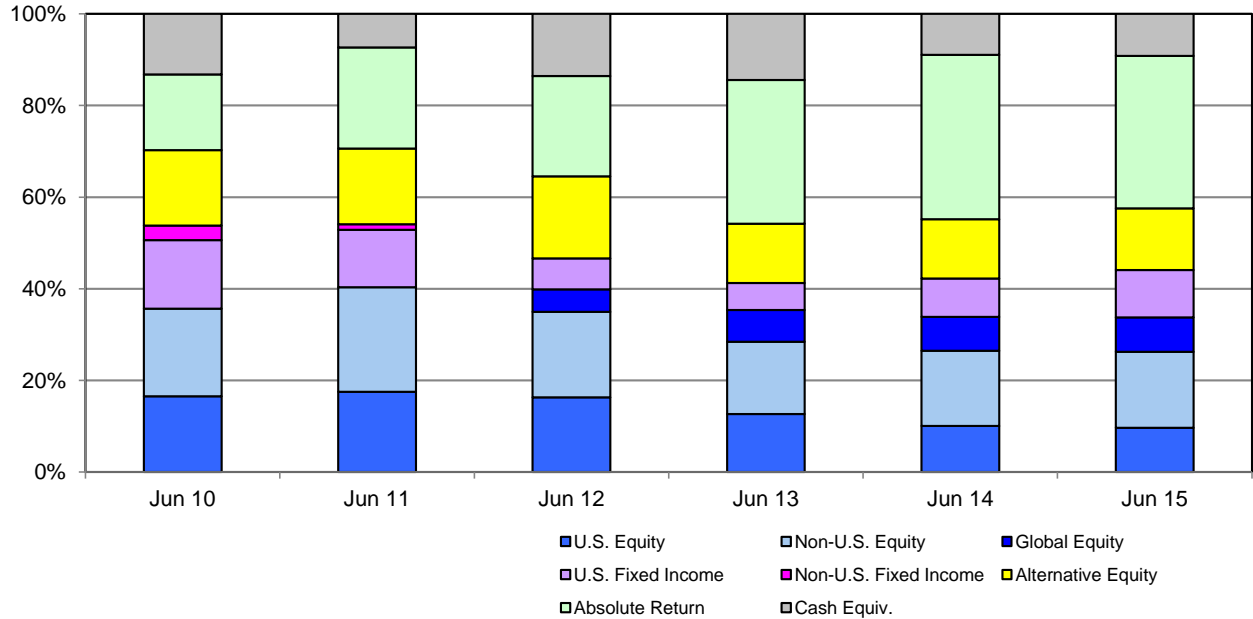


UNIVERSITY OF CALIFORNIA, BERKELEY FOUNDATION

**Excess Return UC Berkeley Portfolio versus Benchmark
September 2010 to June 2015**



UC Berkeley Managed Endowment Funds by Asset Class



UNIVERSITY OF CALIFORNIA, BERKELEY FOUNDATION

University of California, Berkeley Foundation Portfolio June 30, 2015										
Core Endowment Model Risk Focus	Market Value		Total Return				Annualized Total Return			
			Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCB Foundation Aggregate ¹⁾	\$1,579,881,082	100%	0.82%	3.81%	3.13%	3.81%	10.51%	9.69%	5.01%	6.84%
Policy Benchmark ²⁾			0.08%	1.31%	2.39%	1.31%	11.15%	9.23%	5.41%	6.53%
Variance to Policy Benchmark			+0.74%	+2.50%	+0.74%	+2.50%	-0.64%	+0.46%	-0.40%	+0.31%
U.S. Equity	\$152,351,085	10%	-0.96%	9.82%	1.26%	9.82%	19.31%	19.00%	11.19%	8.90%
Russell 3000			0.14%	7.29%	1.94%	7.29%	17.73%	17.54%	9.65%	8.15%
Variance to Benchmark			-1.10%	+2.53%	-0.68%	+2.53%	+1.58%	+1.46%	+1.54%	+0.75%
Non-U.S. Developed Equity	\$176,369,587	11%	1.59%	5.88%	7.75%	5.88%	14.61%	11.25%	4.04%	8.15%
MSCI EAFE (GROSS)			0.84%	-3.82%	5.88%	-3.82%	12.45%	10.03%	2.45%	5.60%
Variance to Benchmark			+0.75%	+9.70%	+1.87%	+9.70%	+2.16%	+1.22%	+1.59%	+2.55%
Global Equity	\$118,552,687	8%	1.34%	7.53%	4.58%	7.53%	16.12%	0.00%	0.00%	0.00%
MSCI ACWI w/USA Gross (Net)			0.42%	1.02%	2.82%	1.02%	13.36%	12.25%	5.10%	
Variance to Benchmark			+0.92%	+6.51%	+1.76%	+6.51%	+2.76%	-12.25%	-5.10%	
Emerging Market Equity	\$85,919,971	5%	-1.49%	-7.45%	-0.94%	-7.45%	4.03%	3.98%	-1.14%	6.78%
MSCI EMERGING MARKETS			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	8.11%
Variance to Benchmark			-2.18%	-2.33%	-3.89%	-2.33%	+0.32%	+0.30%	-2.00%	-1.33%
Core Fixed Income	\$163,369,466	10%	-0.31%	2.47%	1.11%	2.47%	1.14%	2.39%	3.52%	4.06%
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+1.37%	+0.61%	+1.21%	+0.61%	-0.69%	-0.96%	-1.07%	-0.38%
TIPS	N/A									
Benchmark										
Variance to Benchmark										
High Yield Debt	N/A									
Benchmark										
Variance to Benchmark										
Non-U.S./Global Fixed - Dev. Mkt.	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Debt	N/A									
Benchmark										
Variance to Benchmark										
Private Equity	\$153,472,431	10%	12.14%	17.68%	13.17%	17.68%	20.35%	17.32%	11.52%	11.16%
TOTAL NON-MARKETABLE ALTERNATIVES			12.14%	17.68%	13.17%	17.68%	20.35%	17.32%	11.52%	11.16%
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%
Abs. Ret./Mktable Alts./Hedge Fds.	\$525,661,689	33%	0.66%	1.72%	2.75%	1.72%	9.18%	6.84%	4.48%	5.83%
91 DAY TBILL+4%			0.99%	4.02%	1.99%	4.02%	3.95%	4.02%	4.18%	5.43%
Variance to Benchmark			-0.33%	-2.30%	+0.76%	-2.30%	+5.23%	+2.82%	+0.30%	+0.40%
Marketable Energy/Comm/Nat Res	N/A									
Benchmark										
Variance to Benchmark										
Private Energy/Comm/Nat Res	\$46,783,478	3%	-17.85%	-16.71%	-18.29%	-16.71%	-1.93%	3.78%	3.20%	
TOTAL PRIVATE ENERGY COMM/OTHER			-17.85%	-16.71%	-18.29%	-16.71%	-1.93%	3.78%	3.20%	
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	
Marketable Real Estate	N/A									
Benchmark										
Variance to Benchmark										
Private Real Estate	\$11,883,509	1%	5.48%	24.20%	18.02%	24.20%	16.39%	13.02%	-0.79%	
TOTAL PRIVATE REAL ESTATE			5.48%	24.20%	18.02%	24.20%	16.39%	13.02%	-0.79%	
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	
Liquidity Accounts ³⁾	\$145,516,545	9%	0.25%	1.18%	0.53%	1.18%	1.31%	1.59%	1.79%	2.98%
91 Day Treasury Bill			0.01%	0.02%	0.01%	0.02%	0.06%	0.08%	0.22%	1.43%
Variance to Benchmark			+0.24%	+1.16%	+0.52%	+1.16%	+1.25%	+1.51%	+1.57%	+1.55%
Reserve Account ⁴⁾	\$633	0%								
UC Regents Mgd Funds										
Regents STIP ⁵⁾	\$98,448,710	6%	0.31%	1.41%	0.65%	1.41%	1.70%	2.00%		

Notes:

Returns are net of all fees, excluding UC Berkeley Investment Management Company fees.

Private asset valuations typically lag between 60 and 90 days.

Private asset benchmarks use actual returns.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ The UC Berkeley policy benchmark is a blend of the MSCI ACWI WITH USA GROSS (net) index and Barclays Treasury. The asset class benchmarks do not roll up into the policy benchmark.³⁾ The Liquidity Accounts asset class performance and market value includes Regents STIP which is also broken out separately under UC Regents Managed Funds to reflect those managed by the UC Regents.

The Liquidity Composite contains a managed cash account whose non-management expenses have significantly impacted its performance to the downside. These expenses have been removed back to inception of the fund and now roll directly to the Total Plan.

⁴⁾ This fund was set up to receive the proceeds from class actions.⁵⁾ The 5-Year and 10-Year returns reflect the actual STIP unitized returns as reported by the UC Regents.

UNIVERSITY OF CALIFORNIA, BERKELEY FOUNDATION

University of California, Berkeley Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCB Foundation Aggregate ¹⁾	\$1,579,881,082	100%	0.82%	3.81%	3.13%	3.81%	10.51%	9.69%	5.01%	6.84%
Policy Benchmark ²⁾			0.08%	1.31%	2.39%	1.31%	11.15%	9.23%	5.41%	6.53%
Variance to Policy Benchmark			+0.74%	+2.50%	+0.74%	+2.50%	-0.64%	+0.46%	-0.40%	+0.31%
Global Equity	\$778,945,520	49%	0.84%	5.19%	4.22%	5.19%	14.46%			
Benchmark										
Variance to Benchmark										
Diversifying Assets	\$293,222,853	19%	-3.19%	-5.03%	-2.37%	-5.03%	5.19%			
Benchmark										
Variance to Benchmark										
Excess Return	\$198,826,065	13%	8.02%	16.34%	10.05%	16.34%	19.04%			
Benchmark										
Variance to Benchmark										
Defensive ³⁾	\$308,886,644	20%	-0.06%	1.81%	0.81%	1.81%	1.39%			
Benchmark										
Variance to Benchmark										

Notes:

Returns are net of all fees, excluding UC Berkeley Investment Management Company fees.

Private asset valuations typically lag between 60 and 90 days.

Private asset benchmarks use actual returns.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.

²⁾ The UC Berkeley policy benchmark is a blend of the MSCI ACWI WITH USA GROSS (net) index and Barclays Treasury. The asset class benchmarks do not roll up into the policy benchmark.

³⁾ The Defensive composite contains a managed cash account whose non-management expenses have significantly impacted its performance to the downside. These expenses have been removed back to inception of the fund and now roll directly to the Total Plan.

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 current approved spending rate is 4.25% of the average of the prior 60-month-end market values of each endowment fund, for the period ending March 31. Payouts are pro-rated for new endowments and may be reduced on endowments that are more than 5% underwater for the period ending March 31.

Policy for Gift Fees and Administrative Expenses

The campus assesses a 6 percent gift fee on all gifts pledged to UC Davis for gifts to the UC Regents or the Foundation. The gift fee is assessed and collected at the time the gift or pledge payment is received in cash or converted to cash. The gift fee may be paid by

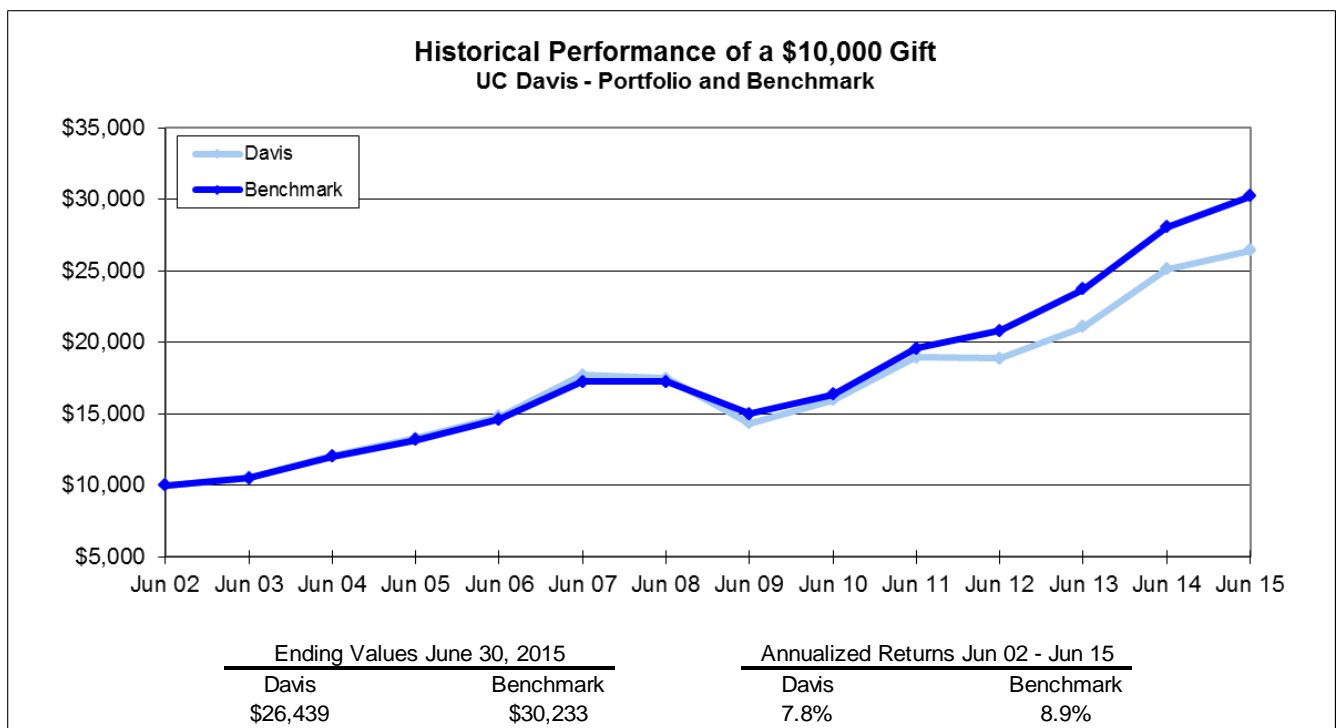
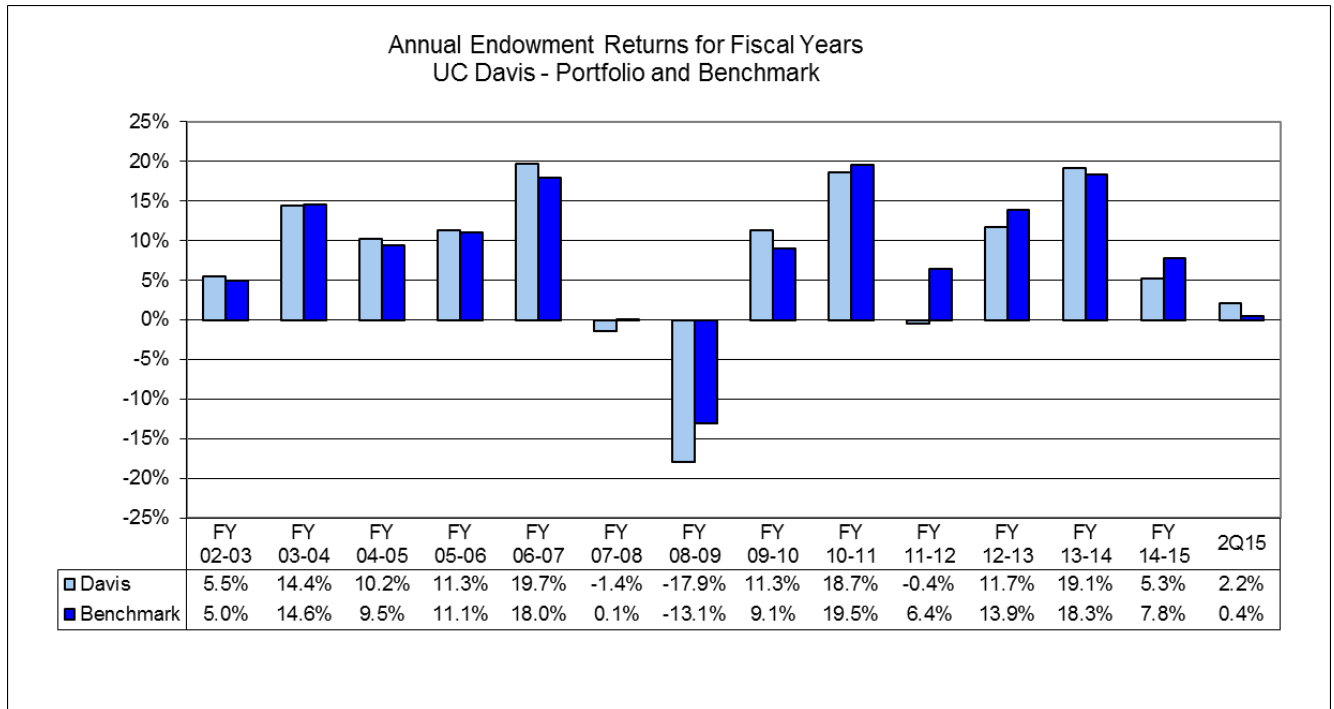
- 1) deducting the fee from the gift principal
- 2) deducting the fee from funds provided by the donor specifically for purposes of paying the fee
- 3) deducting the fee from the campus account designated for this purpose by the benefitting unit, school, or college
- 4) If the gift is \$100,000 or more, deposit and hold the complete gift in an interest earning account until sufficient earnings have accrued to pay the fee.

University of California, Davis Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Core Endowment	\$205	61.2%	63.0%	-1.8%	50.0%	76.0%	Yes
Broad Mkt Exposure	\$68	20.2%	19.0%	1.2%	7.0%	31.0%	Yes
L/T US Eq Growth	\$29	8.8%	9.0%	-0.2%	3.0%	15.0%	Yes
L/T non-US Growth	\$30	9.0%	9.0%	0.0%	3.0%	15.0%	Yes
Cash	\$3	0.8%	0.0%	0.8%	0.0%	0.0%	0.8%
Total Assets	\$335	100.0%	100.0%				

As of January 1, 2011, UCD implemented a new Investment Policy moving to a multi-asset class portfolio approach. Prior to January 1, 2011, UCD was invested 100% in GEP. The policy targets and ranges are reported on the level of the employed asset categories.

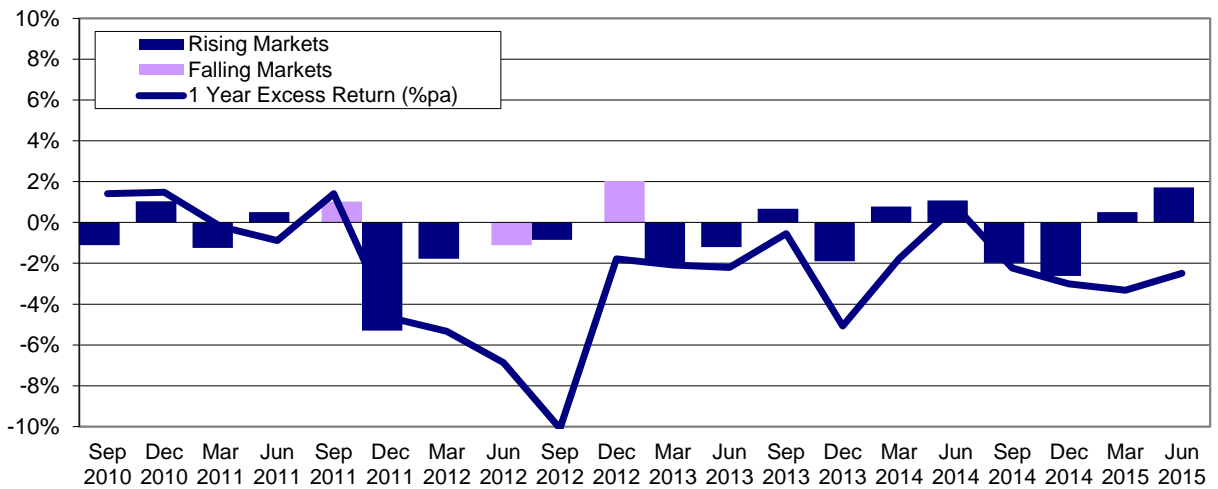
UCD's policy has a target of 0% cash with no definitive range. UCD's small cash allocation of 0.8% at 6/30/15 was due to a cash receivable due UCD. The balance was received in July 2015.

UC DAVIS FOUNDATION

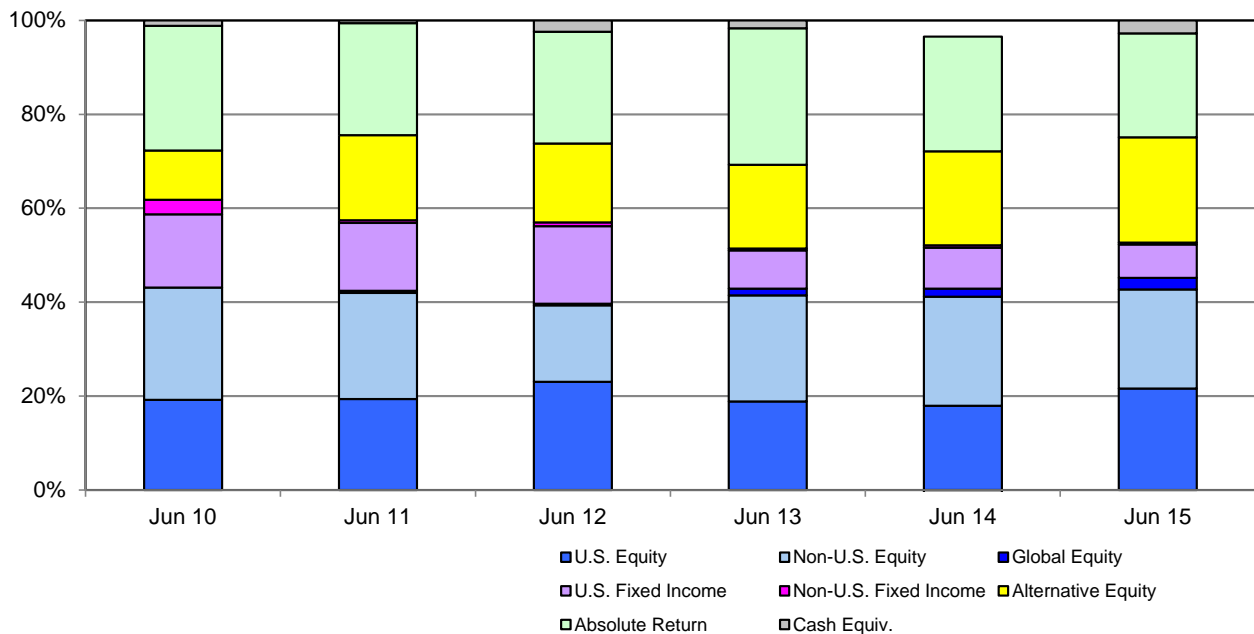


UC DAVIS FOUNDATION

**Excess Return UC Davis Portfolio versus Benchmark
September 2010 to June 2015**



UC Davis Managed Endowment Funds by Asset Class



Note: UC Davis' actual asset allocation for the Liquidity Portfolio was -3.7% as of 6/30/14.

UC DAVIS FOUNDATION

University of California, Davis Foundation Portfolio										
June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCD Foundation Aggregate ¹⁾	\$334,794,057	100%	2.16%	5.27%	5.03%	5.27%	11.87%	10.59%	6.08%	7.11%
Policy Benchmark ²⁾			0.44%	7.77%	2.76%	7.77%	13.23%	13.06%	8.33%	8.67%
Variance to Benchmark			+1.72%	-2.50%	+2.27%	-2.50%	-1.36%	-2.47%	-2.25%	-1.56%
U.S. Equity	\$72,329,225	22%								
Benchmark										
Variance to Benchmark										
Non-U.S. Developed Equity	\$55,287,402	17%								
Benchmark										
Variance to Benchmark										
Global Equity	\$8,367,128	2%								
Benchmark										
Variance to Benchmark										
Emerging Market Equity	\$15,240,083	5%								
Benchmark										
Variance to Benchmark										
Core Fixed Income	\$20,522,665	6%								
Benchmark										
Variance to Benchmark										
TIPS	\$1,527,835	0%								
Benchmark										
Variance to Benchmark										
High Yield Debt	\$1,646,370	0%								
Benchmark										
Variance to Benchmark										
Non-U.S./Global Fixed - Dev. Mkt.	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Debt	\$1,523,972	0%								
Benchmark										
Variance to Benchmark										
Private Equity	\$28,631,208	9%								
Benchmark										
Variance to Benchmark										
Abs. Ret./Mktable Alts./Hedge Fds.	\$70,930,406	21%								
Benchmark										
Variance to Benchmark										
Commodities/Natural Res./Energy	\$19,793,386	6%								
Benchmark										
Variance to Benchmark										
Opportunistic Distressed Credit	\$3,282,135	1%								
Benchmark										
Variance to Benchmark										
Real Estate	\$26,535,724	8%								
Benchmark										
Variance to Benchmark										
Liquidity Accounts	\$9,176,519	3%								
Benchmark										
Variance to Benchmark										

Note:

Returns are net of all fees

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.

UC DAVIS FOUNDATION

University of California, Davis Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCD Foundation Aggregate ¹⁾	\$334,794,057	100%	2.16%	5.27%	5.03%	5.27%	11.87%	10.59%	6.08%	7.11%
UCD TOTAL POLICY BENCHMARK			0.44%	7.77%	2.76%	7.77%	13.23%	13.06%	8.33%	8.67%
Variance to Benchmark			+1.72%	-2.50%	+2.27%	-2.50%	-1.36%	-2.47%	-2.25%	-1.56%
Core Endowment	\$204,928,292	61%	2.72%	7.09%	5.45%	7.09%	12.05%			
GEM Policy Index			0.24%	7.51%	2.51%	7.51%	13.14%			
Variance to Benchmark			+2.48%	-0.42%	+2.94%	-0.42%	-1.09%			
Broad Market Exposure ²⁾	\$67,566,295	20%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%
GEP Blended Policy Benchmark			1.28%	8.24%	3.21%	8.24%	13.39%	13.16%	8.41%	8.72%
Variance to Benchmark			+0.68%	-2.15%	+1.72%	-2.15%	-1.15%	-2.12%	-2.07%	-1.42%
L/T US Eq Growth	\$29,297,784	9%	0.10%	7.37%	1.94%	7.37%	17.99%			
U.S. EQUITY B-MARK R3000 TF			0.08%	7.27%	1.92%	7.27%	17.73%			
Variance to Benchmark			+0.02%	+0.10%	+0.02%	+0.10%	+0.26%			
L/T non-US Growth	\$30,274,538	9%	0.59%	-4.87%	4.59%	-4.87%	11.66%			
BLENDED EAFE TF + CANADA INDEX			0.40%	-5.33%	4.28%	-5.33%	11.13%			
Variance to Benchmark			+0.19%	+0.46%	+0.31%	+0.46%	+0.53%			
Cash	\$2,727,147	1%								
60% S&P 500/40% BC Agg										
Variance to Benchmark										

Note:

Returns are net of all fees.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.

²⁾ The 10-Year return reflects the actual GEP unitized return as reported by the UC Regents.

UNIVERSITY OF CALIFORNIA, IRVINE FOUNDATION

Endowment Investment Objective

The Irvine Foundation's investment objective for its endowment portfolio is to maximize long-term total return, with a total return objective (net of fees), measured over a full market cycle, of not less than the rate of inflation as measured by the CPI, plus 500 basis points. Ideally, total return should exceed market performance. The investment policy is 22% US Equity, 22% Non-US Equity, 20% Hedge Funds, 15% Fixed Income, 8% Private Equity and Venture Capital, 8% Real Estate, 5% Commodities, and 0% Cash.

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.

Policy for Gift Fees and Administrative Expenses

The Irvine Campus charges a one-time fee of 5% of the initial value of all Foundation and Regents' gifts. The fee may be taken:

- (1) from the principal if specified by the donors,
- (2) by holding gift in a suspense account until fee is earned, or
- (3) from another acceptable fund source.

There is also a recurring charge of 0.5% of the market value of Foundation endowment funds used to offset the operating costs of managing the endowment for the Foundation.

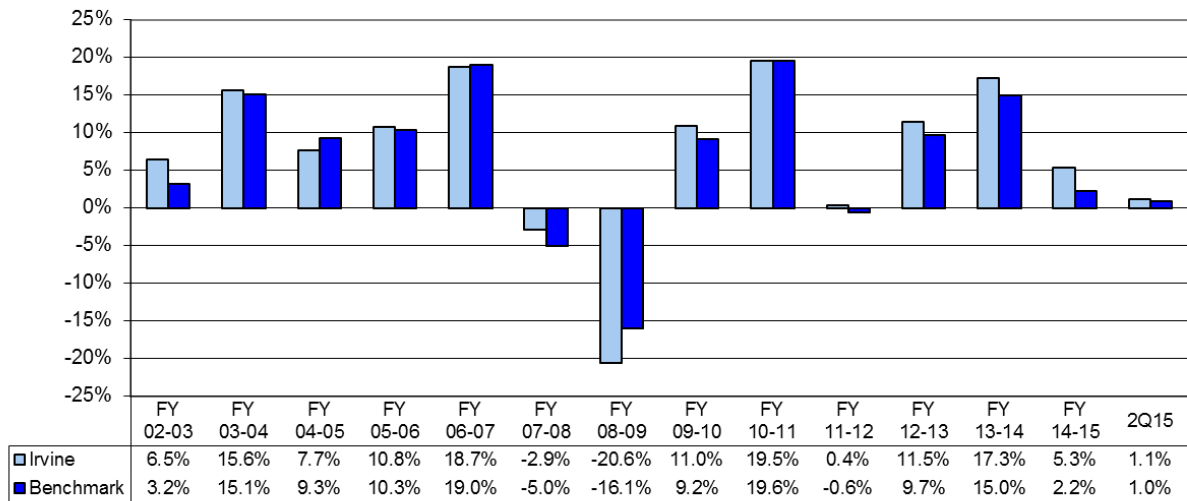
All interest earned on the balances of current use private gifts and private grants is credited to the Chancellor's Discretionary Fund and used to support ongoing fundraising efforts at UC Irvine.

University of California, Irvine Foundation Portfolio Asset Allocation June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$180	51.9%	44.0%	7.9%	32.0%	52.0%	Yes
Public Fixed Income	\$44	12.6%	15.0%	-2.4%	10.0%	20.0%	Yes
All Alternative Inv.	\$114	32.8%	41.0%	-8.2%	21.0%	61.0%	Yes
Liquidity Portfolio	\$9	2.6%	0.0%	2.6%	0.0%	2.0%	0.6%
Total Assets	\$347	100%	100%				

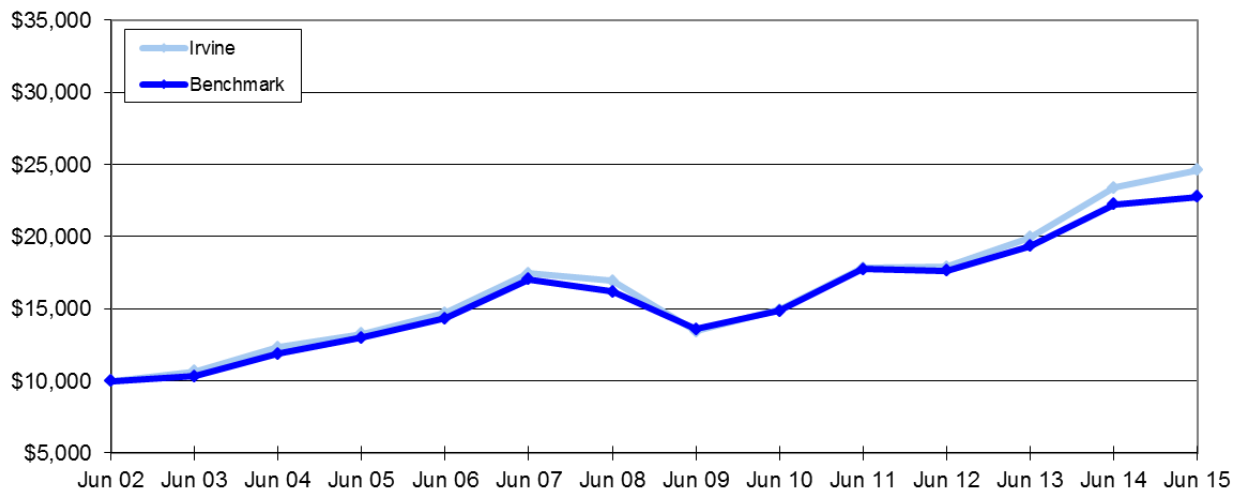
UCI's allocation to the liquidity portfolio was 0.6% above the maximum target range of 2%. The exposure outside of the policy range is minor and therefore not a concern.

UNIVERSITY OF CALIFORNIA, IRVINE FOUNDATION

Annual Endowment Returns for Fiscal Years
UC Irvine - Portfolio and Benchmark



Historical Performance of a \$10,000 Gift
UC Irvine - Portfolio and Benchmark



Ending Values June 30, 2015

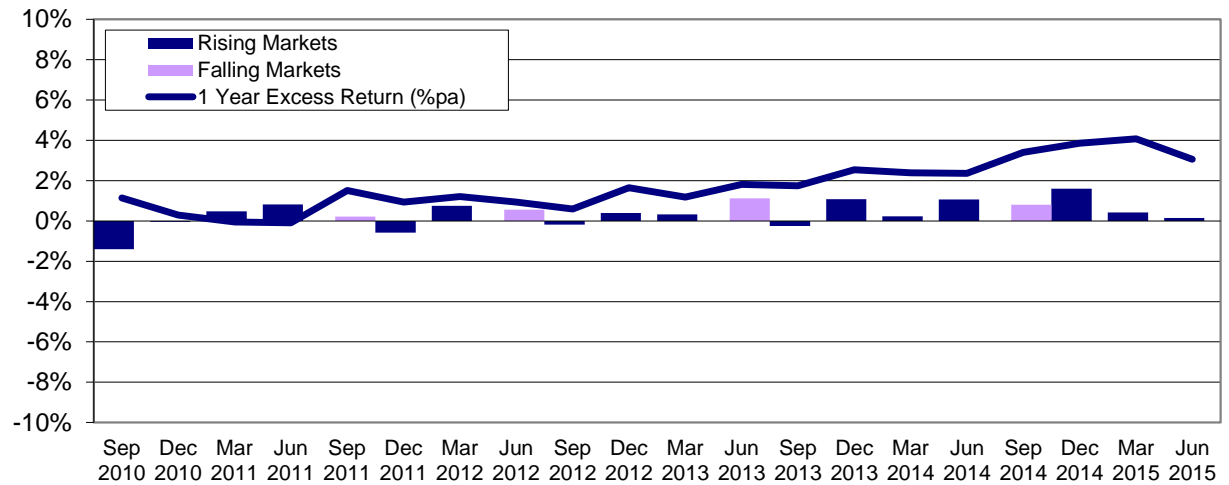
Irvine	Benchmark
\$24,621	\$22,746

Annualized Returns Jun 02 - Jun 15

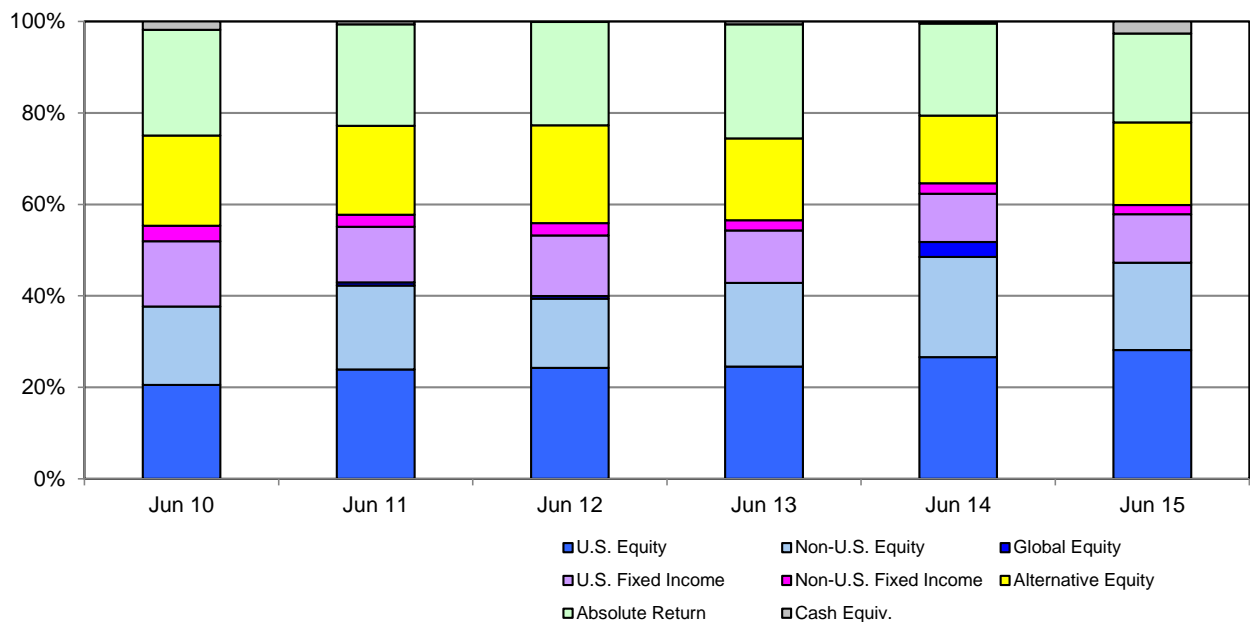
Irvine	Benchmark
7.2%	6.5%

UNIVERSITY OF CALIFORNIA, IRVINE FOUNDATION

**Excess Return UC Irvine Portfolio versus Benchmark
September 2010 to June 2015**



UC Irvine Managed Endowment Funds by Asset Class



UNIVERSITY OF CALIFORNIA, IRVINE FOUNDATION

University of California, Irvine Foundation Portfolio June 30, 2015										
Core Endowment Model Risk Focus	Market Value		Total Return				Annualized Total Return			
			Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCI Foundation Aggregate ¹⁾	\$347,014,119	100%	1.11%	5.30%	3.70%	5.30%	11.27%	10.56%	5.50%	6.39%
Policy Benchmark			0.96%	2.24%	3.11%	2.24%	8.84%	8.92%	4.98%	5.77%
Variance to Policy Benchmark			+0.15%	+3.06%	+0.59%	+3.06%	+2.43%	+1.64%	+0.52%	+0.62%
U.S. Equity	\$80,890,646	23%	0.17%	7.74%	1.53%	7.74%	17.44%	16.16%	8.56%	7.43%
Russell 3000			0.14%	7.29%	1.94%	7.29%	17.73%	17.54%	9.65%	8.15%
Variance to Benchmark			+0.03%	+0.45%	-0.41%	+0.45%	-0.29%	-1.38%	-1.09%	-0.72%
Non-U.S. Developed Equity	\$35,049,588	10%	0.18%	-1.37%	5.73%	-1.37%	11.22%	9.26%	2.21%	5.33%
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%	9.44%	7.76%	1.48%	5.54%
Variance to Benchmark			-0.35%	+3.89%	+1.70%	+3.89%	+1.78%	+1.50%	+0.73%	-0.21%
Global Equity	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Equity	\$11,156,768	3%	0.89%	-13.12%	-1.05%	-13.12%	2.06%	3.79%	0.00%	
MSCI EMERGING MARKETS			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	
Variance to Benchmark			+0.20%	-8.00%	-4.00%	-8.00%	-1.65%	+0.11%	-0.86%	
Core Fixed Income	\$24,766,265	7%	-1.35%	2.02%	0.62%	2.02%	2.94%	4.19%	5.65%	5.39%
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+0.33%	+0.16%	+0.72%	+0.16%	+1.11%	+0.84%	+1.06%	+0.95%
TIPS	N/A									
Benchmark										
Variance to Benchmark										
High Yield Debt ²⁾	\$1,184,620	0%	3.42%		12.52%					
Barclays US Corporate High Yield Index			0.00%		2.53%					
Variance to Benchmark			+3.42%		+9.99%					
Non-U.S./Global Fixed - Dev. Mkt.	\$4,032,335	1%	-3.36%	-5.48%	-3.64%	-5.48%				
Citigroup WGBI (All Maturities)			-1.55%	-9.02%	-4.02%	-9.02%				
Variance to Benchmark			-1.81%	+3.54%	+0.38%	+3.54%				
Emerging Market Debt	N/A									
Benchmark										
Variance to Benchmark										
Private Equity	\$17,082,327	5%	6.24%	12.51%	8.74%	12.51%	10.52%	13.28%	8.34%	6.79%
UCIF- PRIVATE EQUITIES			6.24%	12.51%	8.74%	12.51%	10.52%	13.28%	8.34%	8.35%
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	-1.56%
Abs. Ret./Mktable Alts./Hedge Fds.	\$19,522,600	6%	1.49%	14.21%	6.06%	14.21%	16.17%	13.23%	7.47%	
HFRI Fund of Funds Composite Index			0.20%	3.96%	2.70%	3.96%	6.27%	4.10%	1.17%	
Variance to Benchmark			+1.29%	+10.25%	+3.36%	+10.25%	+9.90%	+9.13%	+6.30%	
Commodities/Natural Res./Energy	N/A									
Benchmark										
Variance to Benchmark										
Real Estate	\$4,207,585	1%	-9.00%	4.68%	-4.91%	4.68%	5.48%	8.63%	-2.04%	
NCREIF PROPERTY INDEX			3.14%	12.98%	6.83%	12.98%	11.63%	12.72%	5.37%	
Variance to Benchmark			-12.14%	-8.30%	-11.74%	-8.30%	-6.15%	-4.09%	-7.41%	
Liquidity Accounts	N/A									
Benchmark										
Variance to Benchmark										
UC Regents Mgd Funds										
Regents GEP ³⁾	\$130,376,948	38%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%
Regents STIP ³⁾	\$1,084,924	0%	0.31%	1.41%	0.65%	1.41%	1.70%	2.00%	2.33%	2.98%
Regents Absolute Return	\$14,122,009	4%	1.51%	8.28%	4.09%	8.28%	10.37%	7.96%	4.78%	
Regents Vintage Private Equity	\$3,537,505	1%	6.18%	18.72%	7.80%	18.72%	19.09%	17.52%	11.39%	14.02%

Notes:

Returns are net of all fees.

Prior to July 1, 2007, Core Fixed Income included Common fund Multi-Strategy and Absolute Return.

Private asset valuations are typically lagged between 60 and 90 days.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ This new investment was funded on 8/1/14.³⁾ The 10-Year return reflects the actual GEP/STIP unitized return as reported by the UC Regents.

THE UCLA 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: 30% Russell 3000, 15% Citigroup 3 Month Treasury Bill Index X2, 10% Cambridge Associates LLC U.S. Private Equity Index, 20% MSCI All Country World Ex-US Index, 5% Citigroup 3 Month Treasury Bill Index (Cash), 5% Merrill Lynch High Yield Master II Index, 5% NCREIF Property Index, and 10% Consumer Price Index for All Urban Consumers (annualized CPI-U) + 6%.

Endowment Spending Policy

In 2015, The UCLA Foundation endowment spending rate was 4.78% of a 12 quarter rolling average market value, calculated quarterly, not to exceed \$1.53 per share. The UCLA Foundation approved endowment spending policy for fiscal 2016 is 4.54% of a 12 quarter rolling average market value.

Policy for Gift Fees and Administrative Expenses

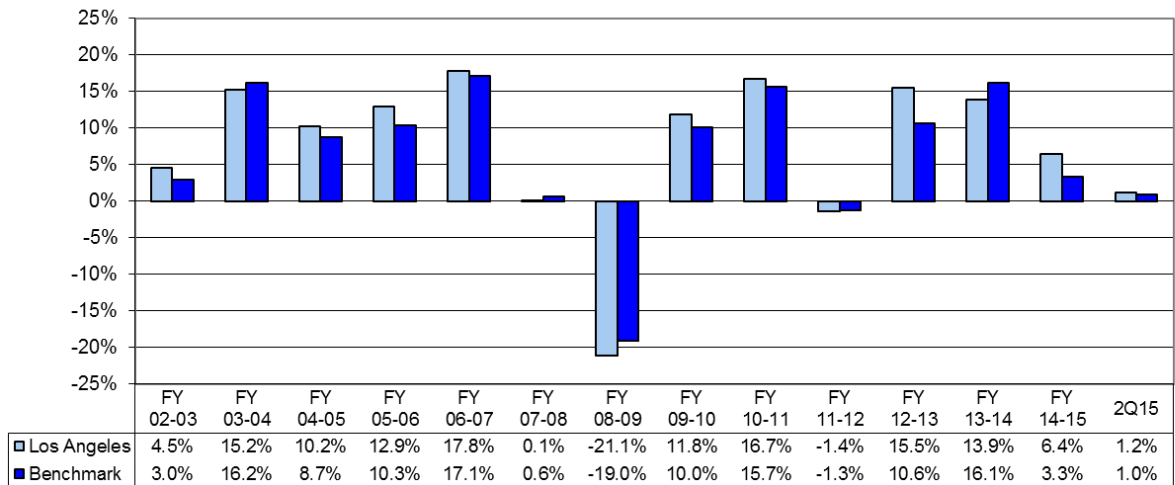
The UCLA Foundation charges a one-time fee of 6.5% of the initial value of all gifts. Recurring fees include 100% of all short-term interest on campus current fund balances, with some exceptions, and an annual endowment cost recovery fee (ECR). ECR is calculated as equal to the prior year's fee, adjusted for inflation. In FY15 this came to an average of 0.59% of the beginning fair value, calculated quarterly.

University of California, Los Angeles Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Equity	\$1,025	55%	50%	5%	30%	75%	Yes
Private Eq/Venture Cap	\$199	11%	10%	1%	0%	25%	Yes
Multi-Strategy	\$223	12%	15%	-3%	5%	20%	Yes
Credit	\$126	7%	5%	2%	0%	15%	Yes
Real Assets	\$123	7%	10%	-3%	0%	10%	Yes
Real Estate	\$71	4%	5%	-1%	0%	10%	Yes
Cash	\$98	5%	5%	0%	0%	10%	Yes
Total Assets	\$1,865	100%	100%				

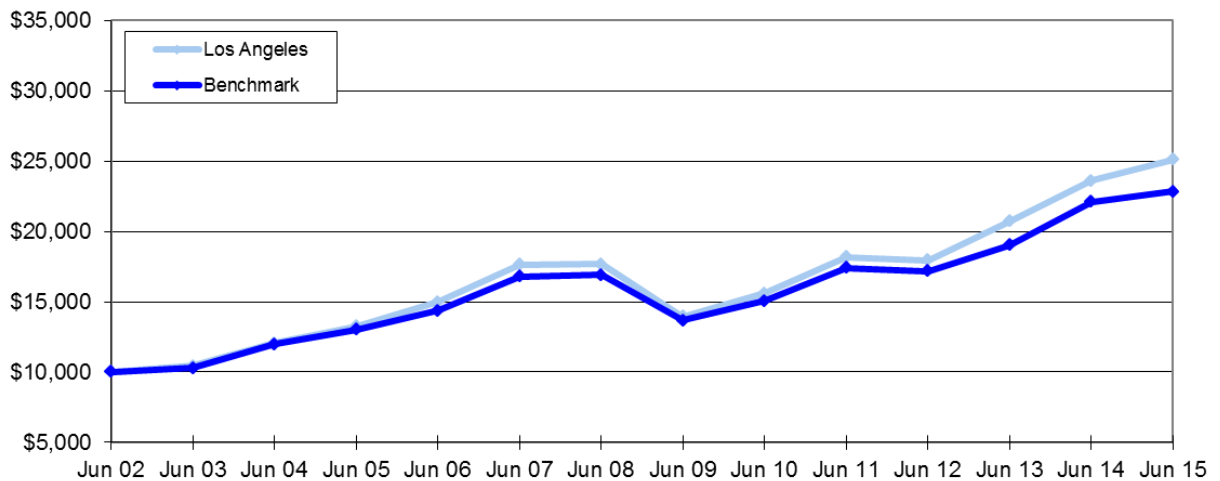
As of January 1, 2013, UCLA implemented a new investment Policy using static weights. Prior to January 1, 2013, the UCLA Foundation Policy Benchmark reflects actual weights.

THE UCLA FOUNDATION

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



**Historical Performance of a \$10,000 Gift
UC Los Angeles - Portfolio and Benchmark**



Ending Values June 30, 2015

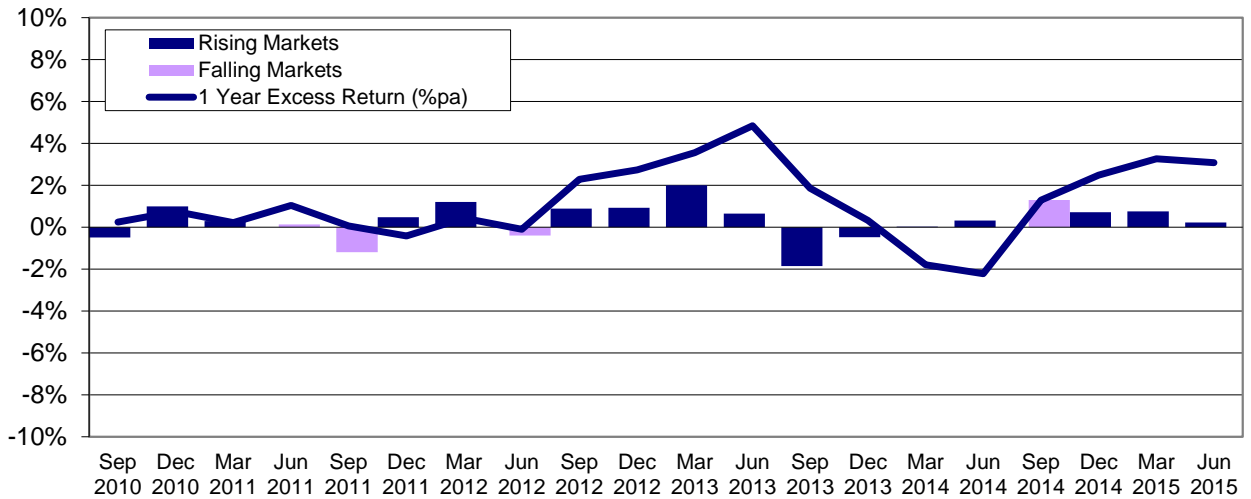
Los Angeles	Benchmark
\$25,095	\$22,812

Annualized Returns Jun 02 - Jun 15

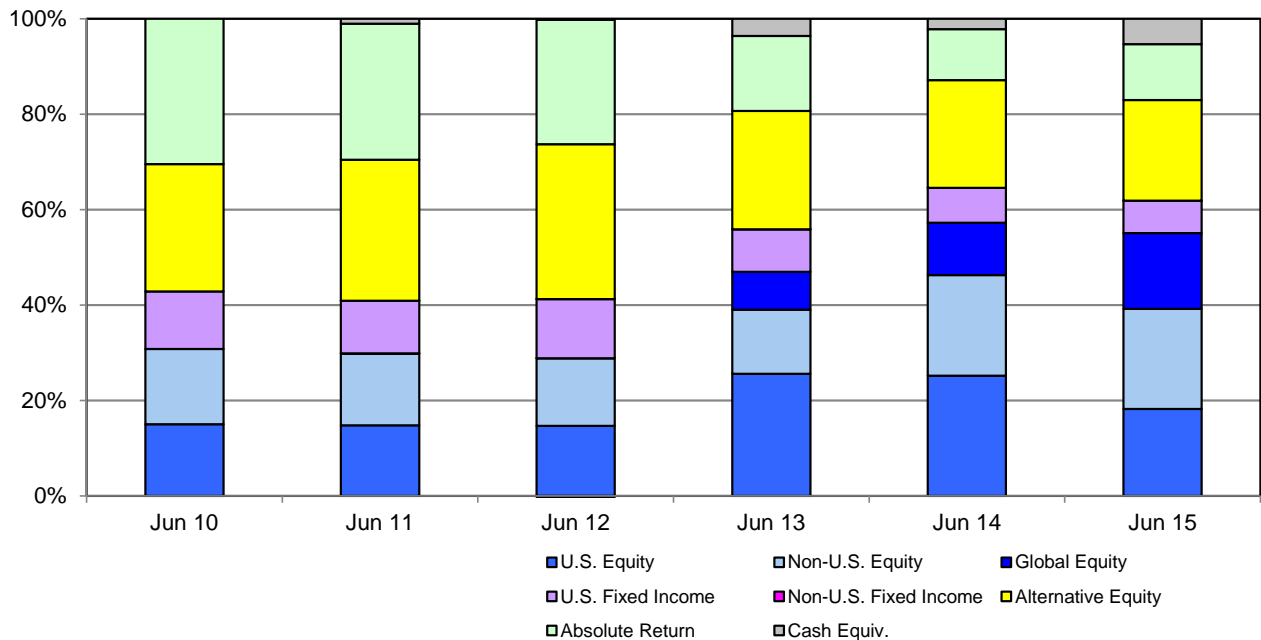
Los Angeles	Benchmark
7.3%	6.5%

THE UCLA FOUNDATION

**Excess Return UC Los Angeles Portfolio versus Benchmark
September 2010 to June 2015**



UC Los Angeles Managed Endowment Funds by Asset Class



THE UCLA FOUNDATION

University of California, Los Angeles Foundation Portfolio June 30, 2015											
			Total Return				Annualized Total Return				
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year	
UCLA Foundation Aggregate ¹⁾	\$1,864,605,296	100%	1.18%	6.39%	4.02%	6.39%	11.85%	9.99%	5.15%	6.58%	
Policy Benchmark			0.96%	3.31%	3.04%	3.31%	9.89%	8.66%	4.38%	5.70%	
Variance to Policy Benchmark			+0.22%	+3.08%	+0.98%	+3.08%	+1.96%	+1.33%	+0.77%	+0.88%	
U.S. Equity	\$339,644,901	18%	0.14%	5.66%	1.79%	5.66%	16.47%	17.48%	11.11%	9.32%	
Russell 3000			0.14%	7.29%	1.94%	7.29%	17.73%	17.54%	9.65%	8.15%	
Variance to Benchmark			+0.00%	-1.63%	-0.15%	-1.63%	-1.26%	-0.06%	+1.46%	+1.17%	
Non-U.S. Developed Equity	\$216,785,376	12%	1.37%	12.39%	8.93%	12.39%	16.44%	12.12%	4.26%	7.32%	
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%	9.44%	7.76%	1.48%	5.54%	
Variance to Benchmark			+0.84%	+17.65%	+4.90%	+17.65%	+7.00%	+4.36%	+2.78%	+1.78%	
Global Equity	\$295,755,219	16%	-0.60%	4.22%	2.66%	4.22%					
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%					
Variance to Benchmark			-1.13%	+9.48%	-1.37%	+9.48%					
Emerging Market Equity	\$173,065,246	9%	9.02%	15.35%	13.46%	15.35%					
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%					
Variance to Benchmark			+8.49%	+20.61%	+9.43%	+20.61%					
Core Fixed Income	\$64,058,269	3%	0.78%	6.58%	2.47%	6.58%	6.77%	6.49%	7.35%	6.29%	
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%	
Variance to Benchmark			+2.46%	+4.72%	+2.57%	+4.72%	+4.94%	+3.14%	+2.76%	+1.85%	
TIPS	N/A										
Benchmark											
Variance to Benchmark											
High Yield Debt	\$62,156,838	3%	-0.18%	-1.02%	1.93%	-1.02%					
BofA ML U.S. High Yield Master II Index			-0.05%	-0.55%	2.49%	-0.55%					
Variance to Benchmark			-0.13%	-0.47%	-0.56%	-0.47%					
Non-U.S./Global Fixed - Dev. Mkt.	N/A										
Benchmark											
Variance to Benchmark											
Emerging Market Debt	N/A										
Benchmark											
Variance to Benchmark											
Private Equity ²⁾	\$198,513,416	11%	3.69%	13.61%	9.74%	13.61%	15.01%	13.52%	7.83%	9.15%	
CUSTOM PRIVATE EQUITY/VC BENCHMARK			3.69%	9.08%	6.42%	9.08%	15.25%	13.66%	7.93%	9.21%	
Variance to Benchmark			+0.00%	+4.53%	+3.32%	+4.53%	-0.24%	-0.14%	-0.10%	-0.06%	
Abs. Ret./Mktable Alts./Hedge Fds. ³⁾	\$217,648,788	12%	-0.88%	2.01%	0.38%	2.01%	6.16%	3.89%	1.69%	3.75%	
CUSTOM HEDGE FUND INDEX			0.01%	0.04%	0.02%	0.04%	0.96%	-0.89%	-2.17%	0.40%	
Variance to Benchmark			-0.89%	+1.97%	+0.36%	+1.97%	+5.20%	+4.78%	+3.86%	+3.35%	
Commodities/Natural Res./Energy ⁴⁾	\$122,676,286	7%	-1.79%	-8.26%	-4.49%	-8.26%	4.96%	4.62%	-0.77%	3.52%	
CUSTOM REAL ASSETS BENCHMARK			2.54%	6.13%	4.63%	6.13%	7.59%	6.19%	0.29%	4.29%	
Variance to Benchmark			-4.33%	-14.39%	-9.12%	-14.39%	-2.63%	-1.57%	-1.06%	-0.77%	
Real Estate ⁵⁾	\$70,621,215	4%	6.04%	16.98%	7.91%	16.98%	19.54%	17.00%	2.73%	5.67%	
REAL ESTATE COMPOSITE BENCHMARK			3.14%	12.98%	6.83%	12.98%	12.44%	13.34%	4.76%	7.72%	
Variance to Benchmark			+2.90%	+4.00%	+1.08%	+4.00%	+7.10%	+3.66%	-2.03%	-2.05%	
Liquidity Accounts ⁶⁾	\$98,431,046	5%	0.32%	1.23%	0.48%	1.23%	0.86%	-5.23%	0.00%		
CUSTOM CASH INDEX			0.00%	0.02%	0.01%	0.02%	0.05%	0.09%	0.31%		
Variance to Benchmark			+0.32%	+1.21%	+0.47%	+1.21%	+0.81%	-5.32%	-0.31%		
Custody/Consultant Fees Account ⁷⁾	(\$15,079)	0%									
UC Regents Mgd Funds											
Regents GEP ⁸⁾	\$5,263,775	0%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%	
Regents Private Real Estate	\$5,691,210	0%	-3.38%	4.25%	-0.44%	4.25%	10.55%	13.85%	-14.35%		
Regents Vintage Private Equity	\$3,251,229	0%	3.77%	18.25%	6.26%	18.25%	16.11%	14.81%	8.70%	12.21%	

Notes:

Returns are net of all fees, excluding UCLA Investment Management Company fees.

Private equity market values are provided by the private equity managers and may be based on estimates.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ The Private Equity asset class performance and market value includes the Regents Vintage Private Equity which is also broken out separately under UC Regents Managed Funds to reflect those funds managed by the UC Regents.

The Custom Private Equity/VC Benchmark reflects 100% Cambridge PE return effective 7/1/2014; from 1/1/2013 to 6/30/2014 it was comprised of a blend of the non-lagged Cambridge 60% PE/40% VC returns; prior to 1/1/2013, it uses actual returns.

³⁾ The Custom Hedge Fund Index uses Citigroup 3 Month T-Bill X2 return; prior to 1/1/2013, it uses HFRX Absolute Return Marketable Blended Index with a 50/50 blend of the HFRX Absolute Return Strategies Index and the HFRX Market Directional Index.⁴⁾ The Custom Real Assets Benchmark uses CPI-All Urban + 6% return; prior to 1/1/2013, it uses actual returns.⁵⁾ The Real Estate asset class performance and market value includes the Regents Private Real Estate which is also broken out separately under UC Regents Managed Funds to reflect those funds managed by the UC Regents.

The Real Estate Composite Index uses NCREIF Property Index; prior to 1/1/2013, it uses NCREIF ODCE index.

⁶⁾ State Street consistently uses an Internal Rate of Return (IRR) methodology to calculate monthly performance for all UC Foundation Endowments. IRR is an industry accepted approximation of a true Time Weighted Return (TWR), but can be significantly impacted by excessive cash flows (>10% of the fund). In the case of UCLA's Liquidity portfolio, there are several months where Net Cash Flows (NCF) exceeded the composite's assets by 100% and more. This significant flow activity is impacting the IRR of the composite and being reflected as a substantial negative return, not indicative of typical short-term performance. Due to a lack of daily valuation data, a TWR calculation is not possible.

The Liquidity composite had contained a fee paying account which was significantly impacting the composite's returns to the downside. To mitigate the impact of the fee account, it was removed from the Liquidity composite as of Q4 2011 and now rolls directly to the Total Plan. As a result, the sum of the asset class composites does not match the Total Plan market value by the amount of the fee paying account.

The Custom Cash Index uses Citigroup 3 Month T-Bill index; prior to 1/1/2013, it uses Lipper Institutional Money Market Funds Index.

⁷⁾ This Fees account is not part of any of the strategies and it rolls directly to the Total Plan.⁸⁾ The GEP is not broken out by investments; therefore, the sub asset class information is not shown above. Also, the 10-Year return reflects the actual GEP unitized return as reported by the UC Regents.

THE UCLA FOUNDATION

University of California, Los Angeles Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCLA Foundation Aggregate ¹⁾	\$1,864,605,296	100%	1.18%	6.39%	4.02%	6.39%	11.85%	9.99%	5.15%	6.58%
Policy Benchmark			0.96%	3.31%	3.04%	3.31%	9.89%	8.66%	4.38%	5.70%
Variance to Policy Benchmark			+0.22%	+3.08%	+0.98%	+3.08%	+1.96%	+1.33%	+0.77%	+0.88%
U.S. Equity	\$339,644,901	18%	0.14%	5.66%	1.79%	5.66%				
Russell 3000			0.14%	7.29%	1.94%	7.29%				
Variance to Benchmark			+0.00%	-1.63%	-0.15%	-1.63%				
International Equity	\$389,850,622	21%	4.39%	13.27%	10.79%	13.27%				
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%				
Variance to Benchmark			+3.86%	+18.53%	+6.76%	+18.53%				
Global Equity	\$295,755,219	16%	-0.60%	4.22%	2.66%	4.22%				
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%				
Variance to Benchmark			-1.13%	+9.48%	-1.37%	+9.48%				
Private Equity/Venture Cap ²⁾	\$198,513,416	11%	3.69%	13.61%	9.74%	13.61%				
CUSTOM PRIVATE EQUITY/VC BENCHMARK			3.69%	9.08%	6.42%	9.08%				
Variance to Benchmark			+0.00%	+4.53%	+3.32%	+4.53%				
Multi-Strategy	\$222,912,562	12%	-0.73%	2.18%	0.56%	2.18%				
CITIGROUP 3 MONTH T-BILL X2			0.01%	0.04%	0.02%	0.04%				
Variance to Benchmark			-0.74%	+2.14%	+0.54%	+2.14%				
Credit	\$126,215,107	7%	0.31%	2.82%	2.20%	2.82%				
BoFA ML U.S. High Yield Master II Index			-0.05%	-0.55%	2.49%	-0.55%				
Variance to Benchmark			+0.36%	+3.37%	-0.29%	+3.37%				
Real Assets	\$122,676,286	7%	-1.79%	-8.26%	-4.49%	-8.26%				
CPI-All Urban + 6%			2.54%	6.13%	4.63%	6.13%				
Variance to Benchmark			-4.33%	-14.39%	-9.12%	-14.39%				
Real Estate	\$70,621,215	4%	6.04%	16.98%	7.91%	16.98%				
NCREIF PROPERTY INDEX			3.14%	12.98%	6.83%	12.98%				
Variance to Benchmark			+2.90%	+4.00%	+1.08%	+4.00%				
Cash	\$98,415,966	5%	0.32%	1.19%	0.47%	1.19%				
CITIGROUP 3 MONTH T-BILL			0.00%	0.02%	0.01%	0.02%				
Variance to Benchmark			+0.32%	+1.17%	+0.46%	+1.17%				

Notes:

Returns are net of all fees, excluding UCLA Investment Management Company fees.

Private equity market values are provided by the private equity managers and may be based on estimates.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ The Custom Private Equity/VC Benchmark reflects 100% Cambridge PE return effective 7/1/2014; from 1/1/2013 to 6/30/2014 it was comprised of a blend of the non-lagged Cambridge 60% PE/40% VC returns; prior to 1/1/2013, it uses actual returns.

UNIVERSITY OF CALIFORNIA, 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.

Policy for Gift Fees and Administrative Expenses

The University expects that funds privately raised shall support the development activities of the Chancellor and staff. Currently, the University policy to accomplish this principle is the following: Upon the receipt of all gifts to UC Merced or the UC Merced Foundation, a fee of 5% of the initial value of the gift shall be assessed and deposited in a Chancellor's Discretionary Fund and shall support the necessary operations for the development function within the Chancellor's campus administration. The fee may be taken:

- (1) from the principal if specified by the donor,
- (2) by holding the gift in a suspense account until the fee is earned, or
- (3) from another acceptable fund source.

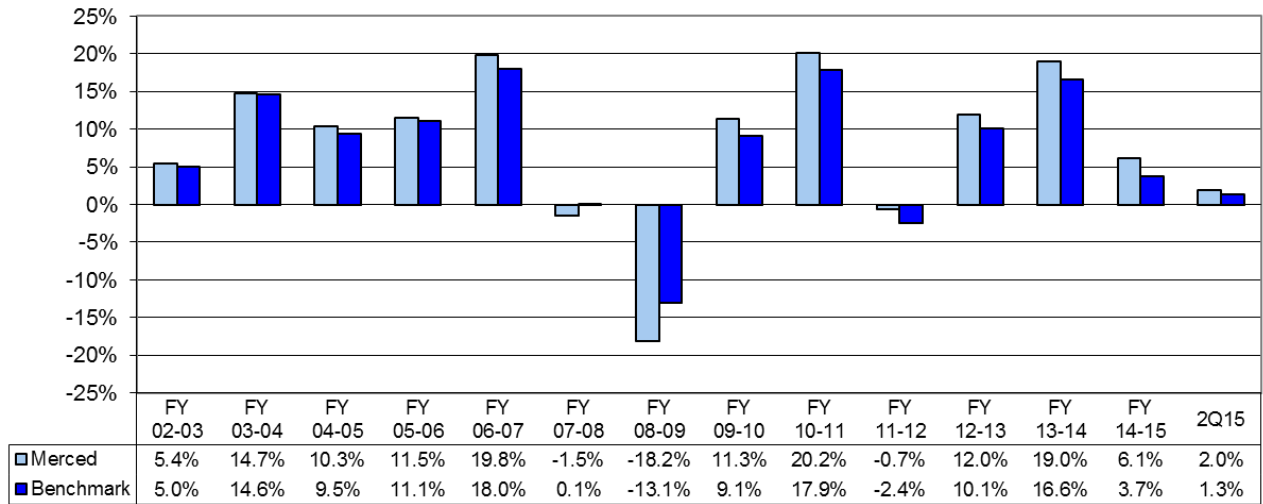
Any waiver of the 5% fee shall be communicated in writing from the Chancellor to the Vice Chancellor for Business and Administrative Services. It is the responsibility of the Vice Chancellor for Development and Alumni Relations to establish an appropriate method for notifying donors to UC Merced and the UC Merced Foundation of the fee assessment and its purposes. Additionally, all of the STIP income earned on endowment earnings held on campus and on current use gifts shall be deposited into a Chancellor's Discretionary Fund. There is also a recurring charge of 0.55% for endowment administration costs. The fee covers the costs of administering and carrying out the terms of the endowments.

University of California, Merced Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$4	40.7%	41.5%	-0.8%	31.5%	51.5%	Yes
Public Fixed Income	\$1	10.6%	12.5%	-1.9%	7.5%	17.5%	Yes
All Alternative Inv.	\$4	42.5%	46.0%	-3.5%	36.0%	56.0%	Yes
Liquidity Portfolio	\$1	6.2%	0.0%	6.2%	0.0%	10.0%	Yes
Total Assets	\$9	100%	100%				

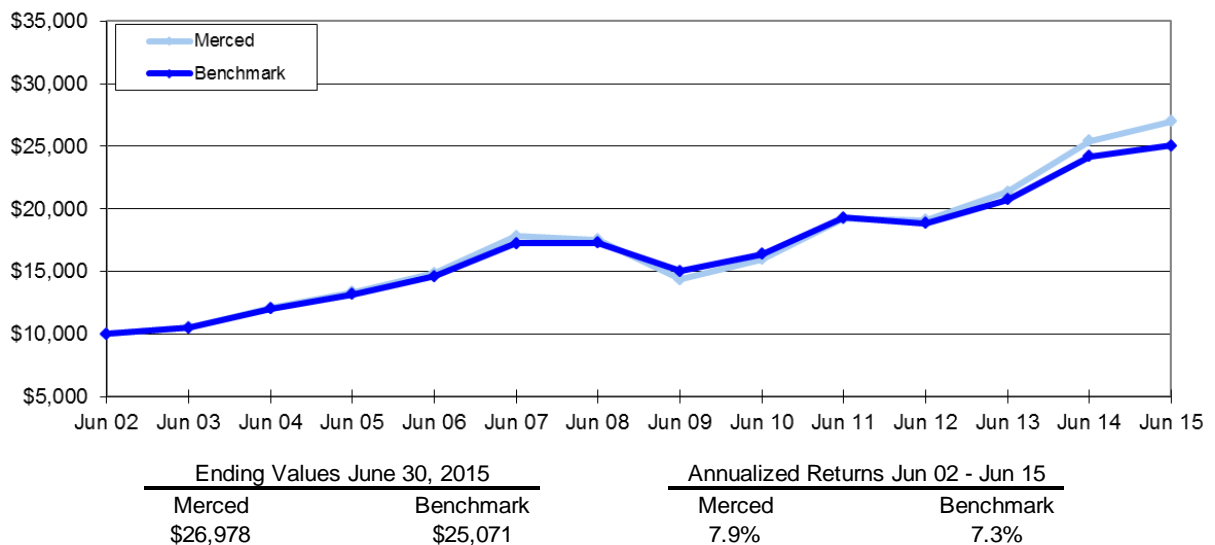
The UCM Foundation utilizes the GEP Policy Benchmark. Policy Benchmark Allocations shown are the GEP Current Policy Allocation.

UNIVERSITY OF CALIFORNIA, MERCED FOUNDATION

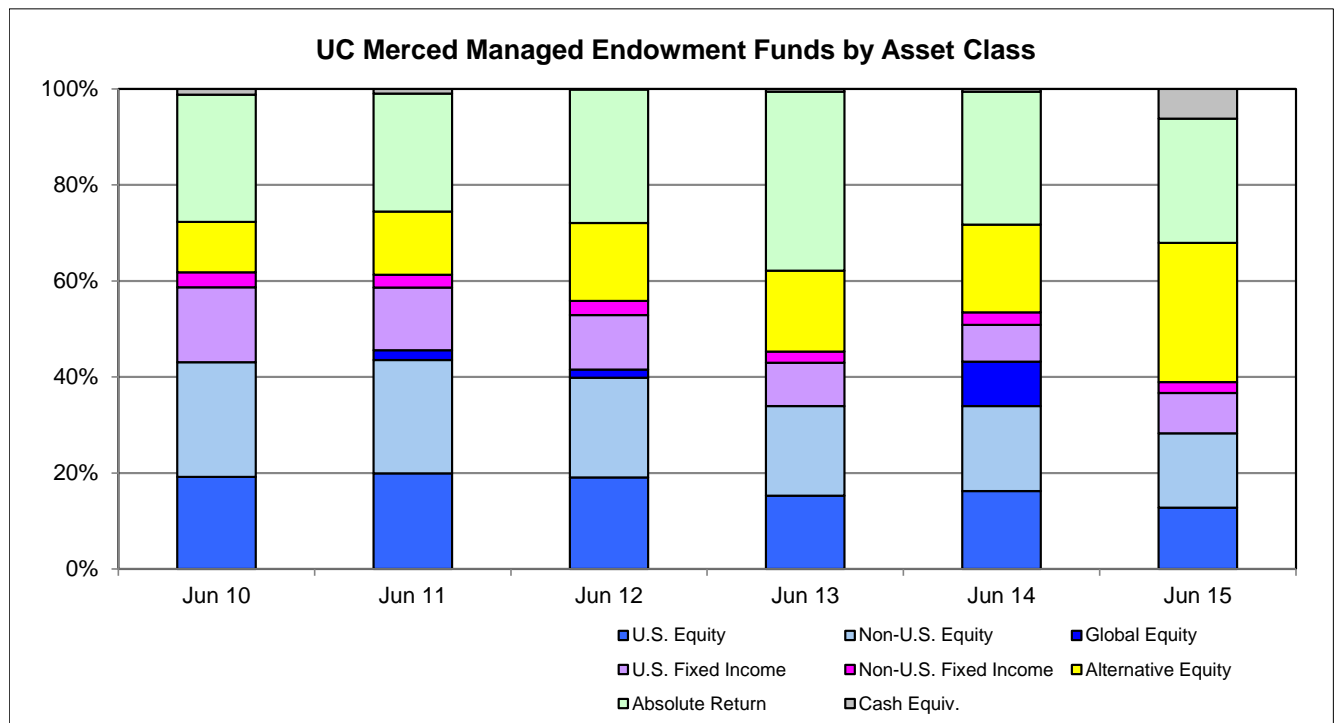
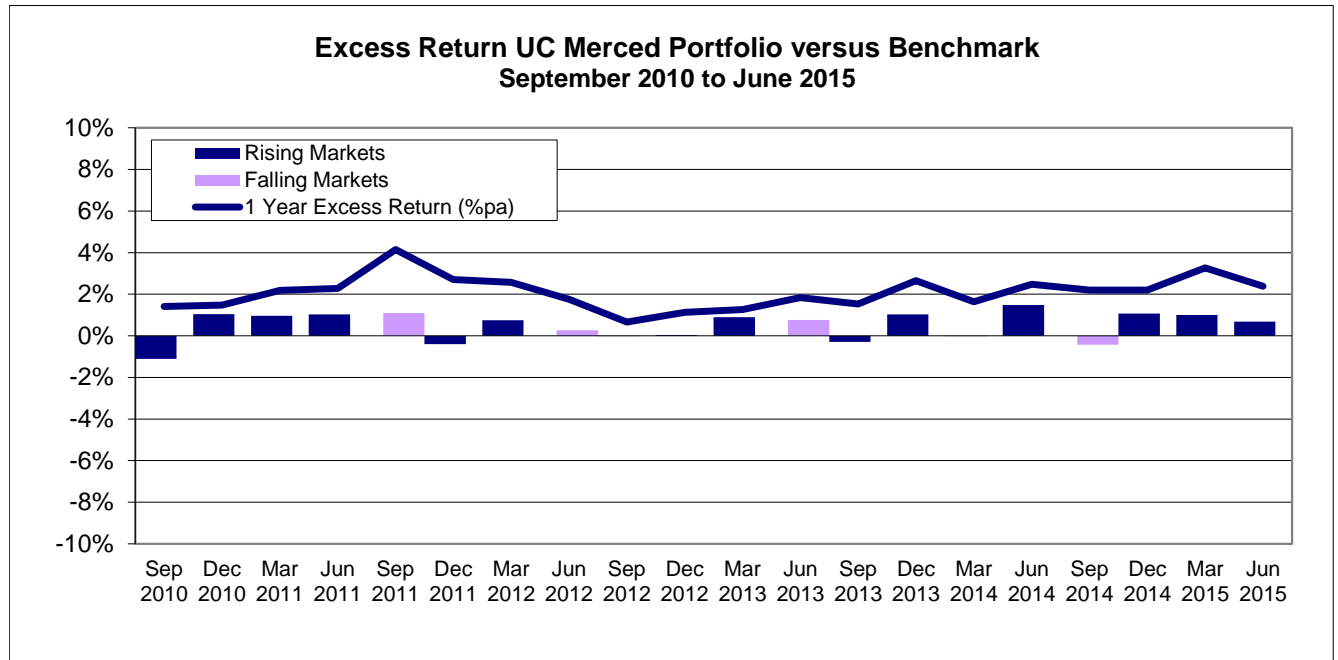
Annual Endowment Returns for Fiscal Years
UC Merced - Portfolio and Benchmark



Historical Performance of a \$10,000 Gift
UC Merced - Portfolio and Benchmark



UNIVERSITY OF CALIFORNIA, MERCED FOUNDATION



UNIVERSITY OF CALIFORNIA, MERCED FOUNDATION

University of California, Merced Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCM Foundation Aggregate ¹⁾	\$9,249,988	100%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%
Policy Benchmark			1.28%	3.71%	3.21%	3.71%	10.01%	8.89%	5.47%	6.65%
Variance to Policy Benchmark			+0.68%	+2.38%	+1.72%	+2.38%	+2.23%	+2.15%	+0.87%	+0.65%
U.S. Equity	1,183,016	13%	0.72%	8.30%	3.43%	8.30%	18.33%	17.83%	9.86%	7.96%
U.S. EQUITY B-MARK R3000 TF			0.08%	7.25%	1.92%	7.25%	17.86%	17.48%	9.56%	8.04%
Variance to Benchmark			+0.64%	+1.05%	+1.51%	+1.05%	+0.47%	+0.35%	+0.30%	-0.08%
Non-U.S. Developed Equity	873,608	9%	0.23%	-2.80%	5.34%	-2.80%	12.17%	9.72%	2.69%	5.88%
EAFE TF + CANADA (NET)			0.40%	-5.34%	4.28%	-5.34%	11.19%	8.86%	1.58%	5.05%
Variance to Benchmark			-0.17%	+2.54%	+1.06%	+2.54%	+0.98%	+0.86%	+1.11%	+0.83%
Emerging Market Equity	560,744	6%	3.36%	1.09%	6.00%	1.09%	5.80%	5.67%	2.03%	8.64%
MSCI EMERGING MARKETS (NET)			0.69%	-5.12%	2.95%	-5.12%	12.17%	9.72%	2.69%	8.11%
Variance to Benchmark			+2.67%	+6.21%	+3.05%	+6.21%	+2.09%	+1.99%	+1.17%	+0.53%
Core Fixed Income	338,276	4%	-1.53%	1.67%	0.08%	1.67%	2.72%	3.76%	4.67%	4.32%
BARCLAYS AGGREGATE			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+0.15%	-0.19%	+0.18%	-0.19%	+0.89%	+0.41%	+0.08%	-0.12%
TIPS	209,164	2%	-0.83%	-1.43%	0.69%	-1.43%	-0.62%	3.50%	3.86%	4.44%
BARCLAYS GLOBAL INFLATION LINKED: U.S. TIPS			-1.06%	-1.73%	0.34%	-1.73%	-0.76%	3.29%	3.51%	4.13%
Variance to Benchmark			+0.23%	+0.30%	+0.35%	+0.30%	+0.14%	+0.21%	+0.35%	+0.31%
High Yield Debt	225,392	2%	-0.11%	0.14%	2.45%	0.14%	7.36%	9.01%	9.06%	
BoFA ML US HIGH YIELD CASH PAY			-0.04%	-0.53%	2.49%	-0.53%	6.74%	8.38%	9.02%	
Variance to Benchmark			-0.07%	+0.67%	-0.04%	+0.67%	+0.62%	+0.63%	+0.04%	
Emerging Market Debt	208,636	2%	-0.96%	-1.82%	0.40%	-1.82%	2.30%	5.21%	6.53%	
FI TOTAL EMERGING MKTS BENCHMARK (DAILY)			-0.34%	0.51%	1.67%	0.51%	4.25%	6.18%	7.52%	
Variance to Benchmark			-0.62%	-2.33%	-1.27%	-2.33%	-1.95%	-0.97%	-0.99%	
Private Equity	796,846	9%	10.81%	22.75%	12.26%	22.75%	20.97%	17.52%	11.73%	11.85%
GEP TOTAL PRIVATE EQUITY			10.81%	22.75%	12.26%	22.75%	20.97%	17.52%	11.73%	11.85%
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%
Absolute Return - Diversified	2,184,231	24%	1.53%	8.27%	4.08%	8.27%	9.80%	7.61%	4.54%	6.23%
Weighted HFRX: 50% HFRX ABSOLUTE RETURN, 50% HFRX Market Directional			0.66%	2.34%	2.32%	2.34%	4.88%	1.41%	2.84%	4.36%
Variance to Benchmark			+0.87%	+5.93%	+1.76%	+5.93%	+4.92%	+6.20%	+1.70%	+1.87%
Real Assets	207,881	2%	-6.29%	-6.42%	-12.66%	-6.42%	2.92%	2.72%	0.00%	
GEP REAL ASSETS LAGGED BENCHMARK			-6.29%	-6.42%	-12.66%	-6.42%	2.92%	2.72%	0.00%	
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	
Opportunistic Equity	1,145,480	12%	1.65%	11.25%	8.12%	11.25%	0.00%	0.00%	0.00%	
MSCI AC World Net (Daily)			0.35%	0.71%	2.66%	0.71%	13.01%	11.93%	4.79%	
Variance to Benchmark			+1.30%	+10.54%	+5.46%	+10.54%	-13.01%	-11.93%	-4.79%	
Private Real Estate	742,700	8%	4.83%	16.17%	8.84%	16.17%	13.44%	14.68%	-1.82%	2.70%
GEP PRIVATE RE POLICY BENCHMARK - NCREIF- ODCE (NET) LAG 1 QTR			3.58%	12.87%	6.71%	12.87%	11.75%	14.25%	-0.76%	3.85%
Variance to Benchmark			+1.25%	+3.30%	+2.13%	+3.30%	+1.69%	+0.43%	-1.06%	-1.15%
Public Real Estate	N/A									
FTSE EPRA NAREIT GLOBAL INDEX										
Variance to Benchmark										
Absolute Return - CAC	N/A									
GEP AR - CAC - LAGGED										
Variance to Benchmark										
Liquidity Accounts	574,019	6%	0.30%	1.40%	0.67%	1.40%	1.54%	2.09%	8.21%	17.53%
Benchmark			0.12%	0.50%	0.27%	0.50%	0.34%	0.36%	0.62%	1.67%
Variance to Benchmark			+0.18%	+0.90%	+0.40%	+0.90%	+1.20%	+1.73%	+7.59%	+15.86%
UC Regents Mgd Funds										
Regents GEP ²⁾	\$9,249,988	100%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%

Notes:

Returns are net of all fees

¹⁾ UCM is 100% invested in GEP²⁾ The 10-Year return reflects the actual GEP unitized return as reported by the UC Regents.

UC RIVERSIDE FOUNDATION

Endowment Investment Objective

The investment objective of the endowment fund is to generate returns net of all fees that will support the spending objectives. 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 2015 was to withdraw per unit 4% 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 84 contiguous months the last of which ended on May 31, 2015.

Policy for Gift Fees and Administrative Expenses

A one-time Gift Service Fee of 5% is charged on all cash gifts received by the University based on the principal value of the gift. The fee is collected either from the initial interest/income earned by the gift, directly from the gift principal or the recipient of the gift may provide the fee from another acceptable fund source. An Administration Cost Recovery Fee is charged against all existing endowments and endowment-related gift funds at an annual rate of 0.50% (50 basis points) of the average unit market value as calculated per the UCR Foundation spending policy. Campus collects 100% of short term ordinary income on campus and Foundation current fund balances. All proceeds from fees become a Chancellorial resource intended to help defray development and gift administration costs.

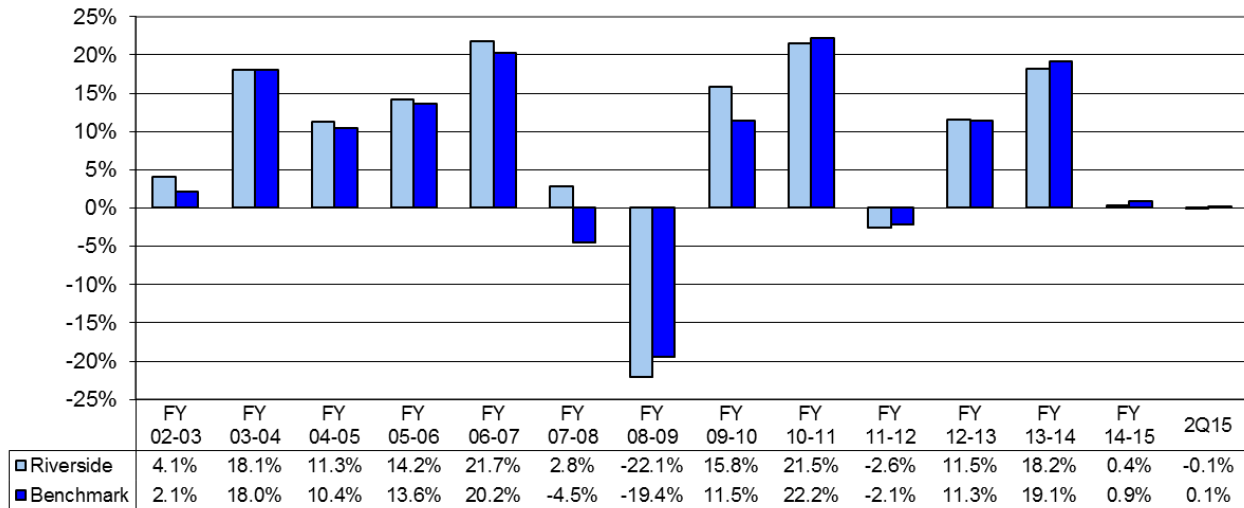
University of California, Riverside Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$108	83.9%	85.8%	-1.9%	0.0%	100.0%	Yes
Public Fixed Income	\$17	13.0%	13.0%	0.0%	0.0%	40.0%	Yes
All Alternative Inv.	\$4	2.9%	1.2%	1.7%	0.0%	16.3%	Yes
Liquidity Portfolio	\$0	0.3%	0.0%	0.3%	0.0%	25.0%	Yes
Total Assets	\$129	100%	100%				

The asset class benchmarks do not roll up into the policy benchmark.

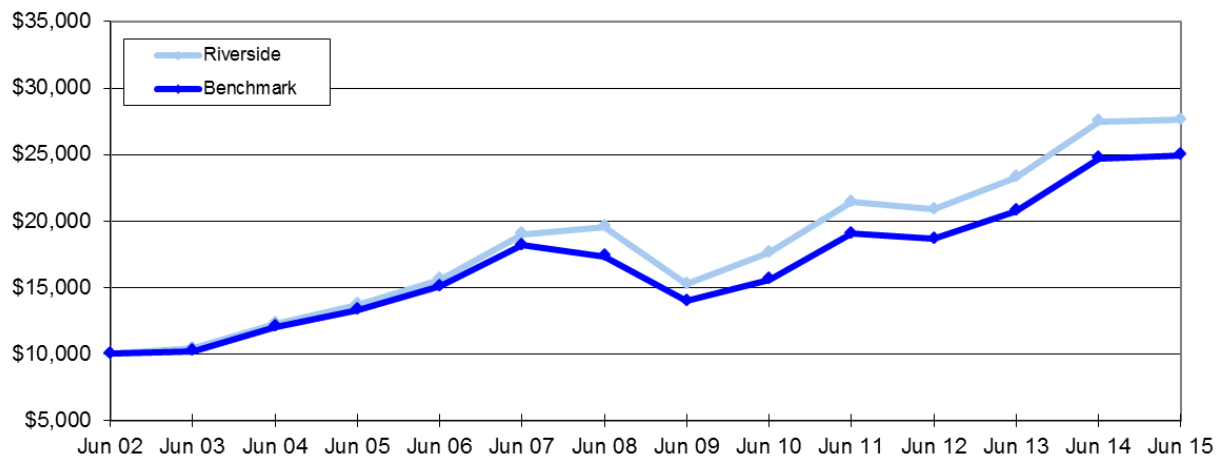
The total fund benchmark reflects 85% MSCI AC World, 11% Barclays Capital Aggregate and 4% Citigroup 3 Month T-Bill.

UC RIVERSIDE FOUNDATION

Annual Endowment Returns for Fiscal Years
UC Riverside - Portfolio and Benchmark



Historical Performance of a \$10,000 Gift
UC Riverside - Portfolio and Benchmark



Ending Values June 30, 2015

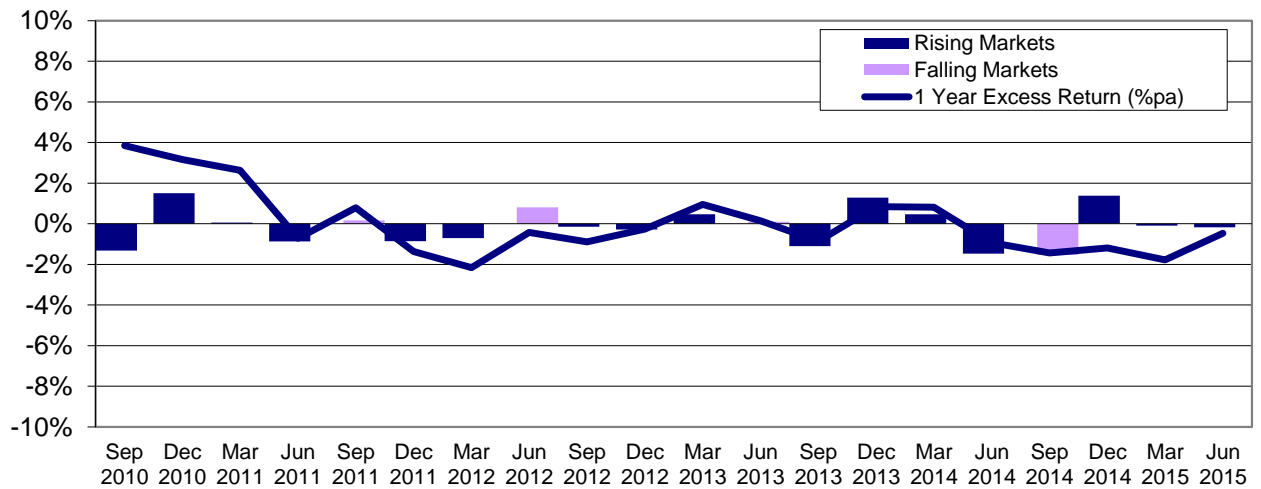
Riverside	Benchmark
\$27,616	\$24,943

Annualized Returns Jun 02 - Jun 15

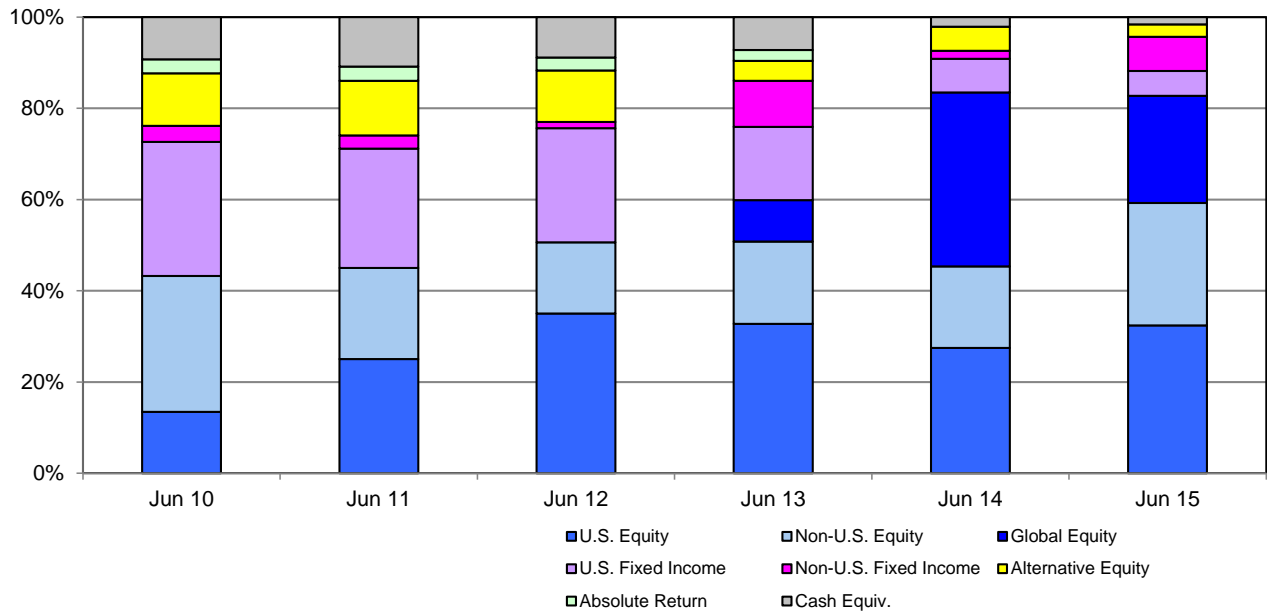
Riverside	Benchmark
8.1%	7.3%

UC RIVERSIDE FOUNDATION

**Excess Return UC Riverside Portfolio versus Benchmark
September 2010 to June 2015**



UC Riverside Managed Endowment Funds by Asset Class



UC RIVERSIDE FOUNDATION

University of California, Riverside Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCR Foundation Aggregate ¹⁾	\$129,290,123	100%	-0.06%	0.39%	2.02%	0.39%	9.77%	9.39%	5.05%	7.28%
Policy Benchmark ²⁾			0.12%	0.86%	2.29%	0.86%	10.18%	9.86%	5.32%	6.49%
Variance to Policy Benchmark			-0.18%	-0.47%	-0.27%	-0.47%	-0.41%	-0.47%	-0.27%	+0.79%
U.S. Equity	\$39,582,639	31%	-0.68%	4.22%	1.40%	4.22%	16.03%			
BLENDED US EQUITY BENCHMARK			0.28%	7.42%	1.23%	7.42%	17.31%			
Variance to Benchmark			-0.96%	-3.20%	+0.17%	-3.20%	-1.28%			
Non-U.S. Developed Equity ³⁾	\$31,213,170	24%	-0.10%	-3.55%	5.18%	-3.55%				
MSCI EAFE (NET)			0.62%	-4.22%	5.52%	-4.22%				
Variance to Benchmark			-0.72%	+0.67%	-0.34%	+0.67%				
Global Equity	\$31,490,774	24%	0.68%	-1.06%	1.51%	-1.06%				
MSCI AC WORLD INDEX			0.35%	0.71%	2.66%	0.71%				
Variance to Benchmark			+0.33%	-1.77%	-1.15%	-1.77%				
Emerging Market Equity	N/A									
Benchmark										
Variance to Benchmark										
Global Balanced	\$10,049,150	8%	-0.39%	-1.16%	1.94%	-1.16%	8.30%	8.62%	4.43%	6.31%
GLOBAL BALANCED INDEX			0.20%	0.72%	2.16%	0.72%	10.46%	9.79%	4.54%	6.22%
Variance to Benchmark			-0.59%	-1.88%	-0.22%	-1.88%	-2.16%	-1.17%	-0.11%	+0.09%
Core Fixed Income	\$16,396,020	13%	0.62%	3.32%	2.63%	3.32%	0.00%	0.00%	0.00%	
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	
Variance to Benchmark			+2.30%	+1.46%	+2.73%	+1.46%	-1.83%	-3.35%	-4.59%	
TIPS	N/A									
Benchmark										
Variance to Benchmark										
High Yield Debt	N/A									
Benchmark										
Variance to Benchmark										
Non-U.S./Global Fixed - Dev. Mkt.	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Debt	N/A									
Benchmark										
Variance to Benchmark										
Private Equity	N/A									
Benchmark										
Variance to Benchmark										
Abs. Ret./Mktable Alts./Hedge Fds.	N/A									
Benchmark										
Variance to Benchmark										
Commodities/Natural Res./Energy	\$218,325	0%	-3.21%	-8.93%	-6.40%	-8.93%	-3.69%	-1.43%	-3.59%	4.60%
LIPPER NATURAL RESOURCES FD INDEX			-1.51%	-28.82%	-2.11%	-28.82%	4.44%	6.64%	-4.91%	5.23%
Variance to Benchmark			-1.70%	+19.89%	-4.29%	+19.89%	-8.13%	-8.07%	+1.32%	-0.63%
Real Estate	N/A									
Benchmark										
Variance to Benchmark										
Liquidity Accounts	\$340,044	0%	0.31%	1.41%	0.65%	1.41%	1.64%	1.73%	1.61%	2.23%
CITIGROUP 3 MONTH T-BILL			0.00%	0.02%	0.01%	0.02%	0.05%	0.06%	0.17%	1.34%
Variance to Benchmark			+0.31%	+1.39%	+0.64%	+1.39%	+1.59%	+1.67%	+1.44%	+0.89%

Notes:

Returns are net of all fees

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.

²⁾ The UC Riverside policy benchmark is a blend of the MSCI All Country World Index (ACWI), Barclays Aggregate and Citigroup 3 Month T-Bill. The asset class benchmarks do not roll up into the policy benchmark. The Total Plan Aggregate market value excludes "other" endowed assets.

³⁾ The Non-US Developed Equity was funded in mid-month November 2013 and did not have a full quarter return as of 12/31/2013.

UC SAN DIEGO FOUNDATION

Endowment Investment Objective

The UC San Diego Foundation's primary investment goal for its endowment is to maximize long-term total return, utilizing a diversified portfolio consistent with prudent levels of risk. Endowment portfolio performance is expected to preserve or enhance the real value of the endowment and the purchasing power of the spending. The portfolio return goal is to achieve an annualized total net return at least equivalent to, and preferably exceeding, the endowment spending rate plus inflation, over rolling five and ten year periods. The investment policy target asset allocation is 20% U.S. Equity, 23% Non-U.S. Equity, 7% Global Equity, 8% Private Equity, 13% Absolute Return, 10% Real Estate, 7% Other Alternatives, and 12% Fixed Income.

Endowment Spending Policy

Endowment spending during fiscal year 2014-15 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.

Policy for Gift Fees and Administrative Expenses

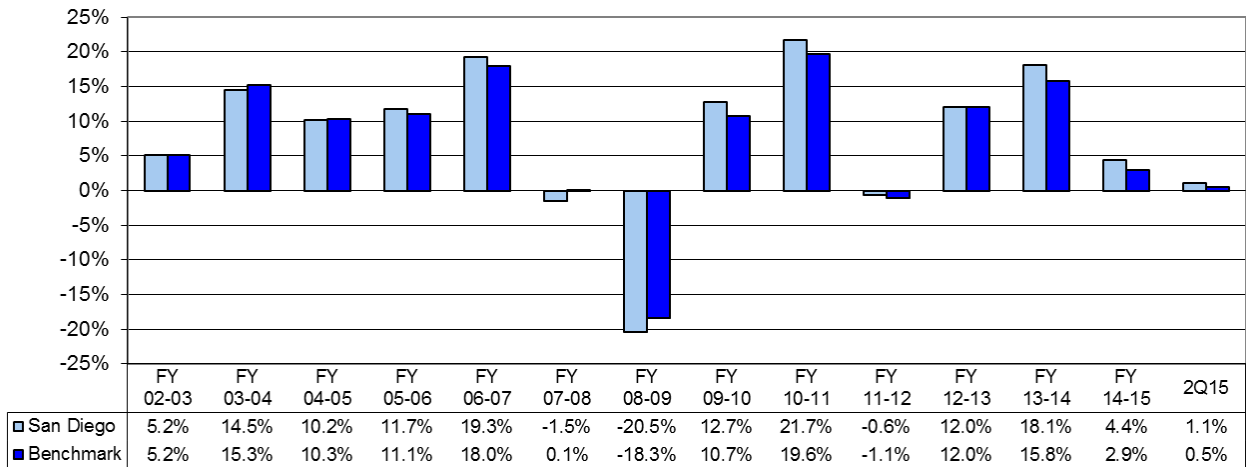
During fiscal year 2014-15, the San Diego campus assessed a one-time fee of 6% on the initial value of all gifts made to either the Foundation or The Regents (0% effective July 1, 2015). An annual recurring endowment cost recovery fee (ECRF) of 0.40% is included in the 4.75% spending policy calculation and taken from payout (ECRF of 0.55% effective July 1, 2015). All of the gift fees and the endowment fees were used to provide funding for the centrally managed fundraising and related operations of the campus. During fiscal 2014-15, the campus assessed all interest earned on the balances of current use gift and private grant funds held by both the Foundation and the campus, which becomes a campus resource.

University of California, San Diego Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$268	48.9%	50.0%	-1.1%	35.0%	55.0%	Yes
Public Fixed Income	\$65	11.9%	12.0%	-0.1%	5.0%	20.0%	Yes
All Alternative Inv.	\$194	35.4%	38.0%	-2.6%	20.0%	45.0%	Yes
Liquidity Portfolio	\$20	3.7%	0.0%	3.7%	0.0%	2.0%	1.7%
Total Assets	\$548	100%	100%				

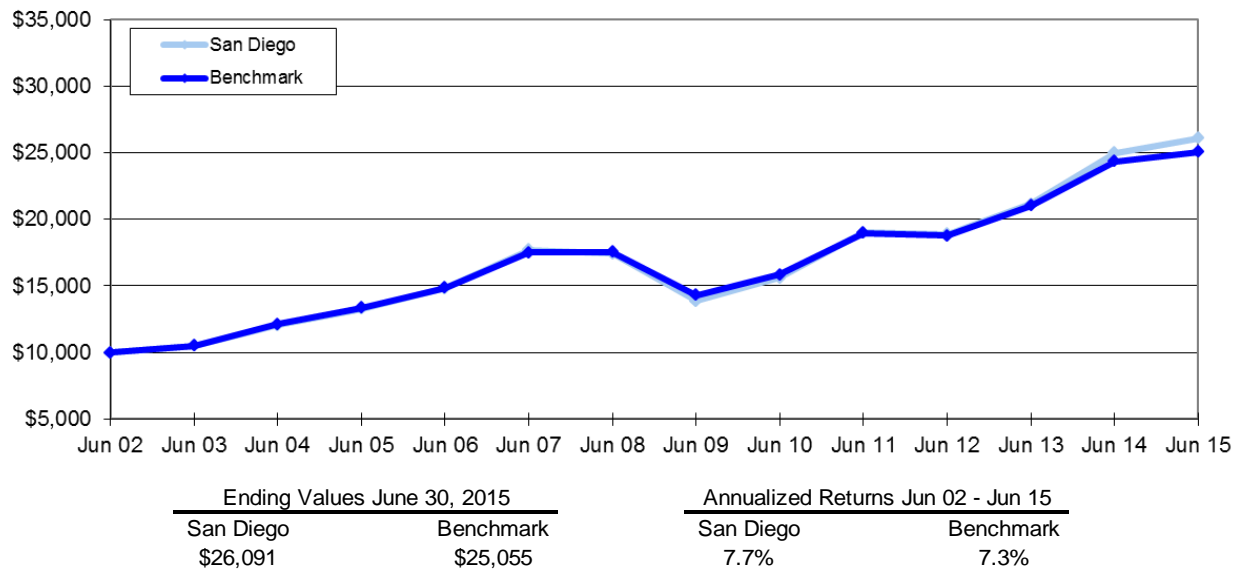
UCSD's allocation to the liquidity portfolio was 1.7% above the maximum target range of 2% due to a high liquidity allocation within the Regents GEP.

UC SAN DIEGO FOUNDATION

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

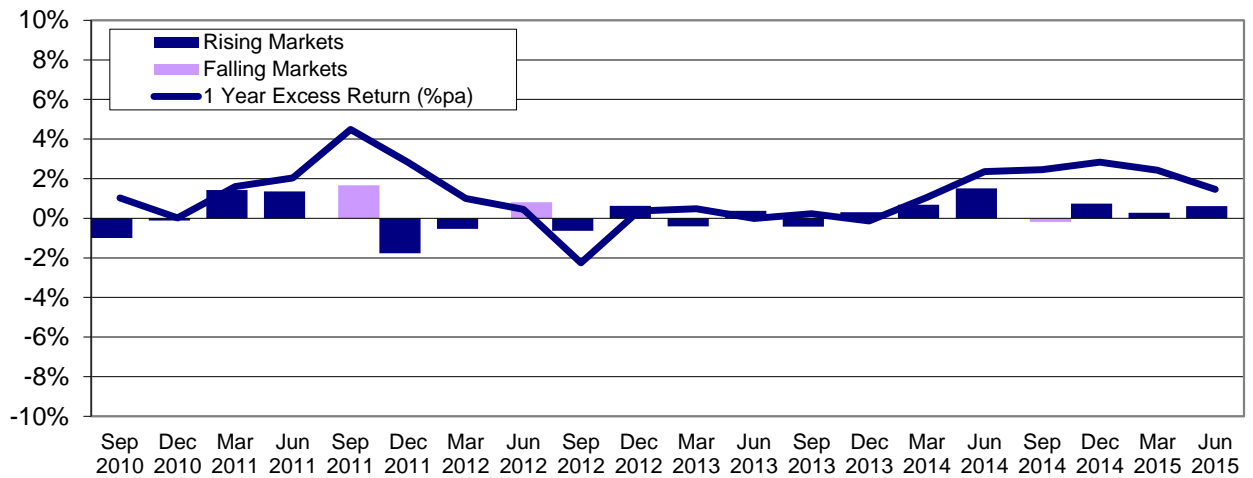


Historical Performance of a \$10,000 Gift
UC San Diego - Portfolio and Benchmark

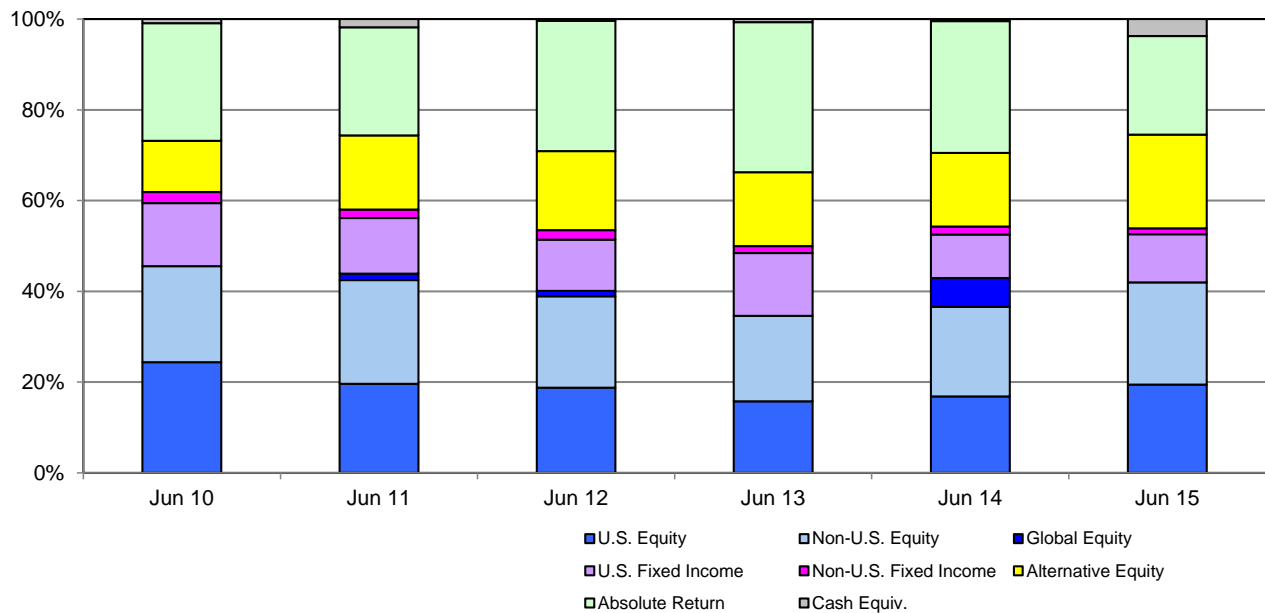


UC SAN DIEGO FOUNDATION

**Excess Return UC San Diego Portfolio versus Benchmark
September 2010 to June 2015**



UC San Diego Managed Endowment Funds by Asset Class



UC SAN DIEGO FOUNDATION

University of California, San Diego Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCSD Foundation Aggregate ¹⁾	\$548,316,915	100%	1.11%	4.39%	3.92%	4.39%	11.38%	10.81%	5.95%	6.99%
Policy Benchmark			0.50%	2.92%	3.01%	2.92%	10.11%	9.58%	5.24%	6.48%
Variance to Policy Benchmark			+0.61%	+1.47%	+0.91%	+1.47%	+1.27%	+1.23%	+0.71%	+0.51%
U.S. Equity	\$67,039,883	12%	0.01%	6.63%	1.85%	6.63%	18.04%	17.71%	11.10%	
Russell 3000			0.14%	7.29%	1.94%	7.29%	17.73%	17.54%	9.65%	
Variance to Benchmark			-0.13%	-0.66%	-0.09%	-0.66%	+0.31%	+0.17%	+1.45%	
Non-U.S. Developed Equity	\$52,029,317	9%	0.62%	-4.10%	5.51%	-4.10%	11.95%	9.47%		
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%	9.44%	7.76%		
Variance to Benchmark			+0.09%	+1.16%	+1.48%	+1.16%	+2.51%	+1.71%		
Global Equity	N/A									
Benchmark										
Variance to Benchmark										
Opportunistic Equity	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Equity	\$23,342,146	4%	2.44%	-1.29%	4.80%	-1.29%	4.32%	4.45%	1.02%	
MSCI EMERGING MARKETS			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	
Variance to Benchmark			+1.75%	+3.83%	+1.85%	+3.83%	+0.61%	+0.77%	+0.16%	
Core Fixed Income ²⁾	\$24,136,877	4%	-1.35%		0.00%					
Barclays Aggregate Bond			-1.68%		-0.10%					
Variance to Benchmark			+0.33%		+0.10%					
TIPS	N/A									
Benchmark										
Variance to Benchmark										
High Yield Debt	\$8,199,254	1%	-0.13%	1.55%	1.90%	1.55%	6.22%			
Barclays Corp High Yield			0.00%	-0.40%	2.53%	-0.40%	6.81%			
Variance to Benchmark			-0.13%	+1.95%	-0.63%	+1.95%	-0.59%			
Non-U.S./Global Fixed - Dev. Mkt.	N/A									
Benchmark										
Variance to Benchmark										
Emerging Market Debt	N/A									
Benchmark										
Variance to Benchmark										
Private Equity	N/A									
Benchmark										
Variance to Benchmark										
Abs. Ret./Mktable Alts./Hedge Fds. ³⁾	\$28,349,418	5%	-0.11%	-0.78%	1.92%	-0.78%	7.17%			
Benchmark			2.31%	5.13%	4.14%	5.13%	6.38%			
Variance to Benchmark			-2.42%	-5.91%	-2.22%	-5.91%	+0.79%			
Commodities/Natural Res./Energy	N/A									
Benchmark										
Variance to Benchmark										
Real Estate	\$12,504,093	2%	-8.77%	-2.64%	-5.28%	-2.64%	9.27%	9.96%	7.77%	
NCREIF PROPERTY INDEX			3.14%	12.98%	6.83%	12.98%	11.63%	12.72%	5.37%	
Variance to Benchmark			-11.91%	-15.62%	-12.11%	-15.62%	-2.36%	-2.76%	+2.40%	
Liquidity Accounts	N/A									
Benchmark										
Variance to Benchmark										
Short-Term Fixed Income ⁴⁾	N/A									
UC Regents Mgd Funds										
Regents GEP ⁵⁾	\$309,684,993	56%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%
Regents STIP ⁵⁾	\$1,251,991	0%	0.31%	1.41%	0.65%	1.41%	1.70%	2.00%	2.33%	2.98%
Regents Real Estate	\$5,394,917	1%	3.87%	14.11%	8.08%	14.11%	14.95%	16.24%	-0.13%	
Regents Absolute Return	\$10,834,300	2%	1.51%	6.72%	4.17%	6.72%	9.84%	7.65%	4.57%	
Regents Vintage Private Equity	\$5,549,724	1%	4.25%	9.67%	6.64%	9.67%	15.95%	14.31%	8.48%	11.81%

Notes:

Returns are net of all fees.

Aggregate market value excludes "other" endowed assets.

Private asset valuations are typically lagged between 60 and 90 days.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ This new investment was funded on 12/16/14.³⁾ The Contrarian performance was moved from Opportunistic Equity to Abs. Ret./Mktable Alts./Hedge Fds asset class effective on Q4 2013.⁴⁾ This Short-Term Fixed Income account is not part of any of the strategies and it rolls directly to the Total Fixed Income and Total Plan.⁵⁾ The 10-Year return reflects the actual GEP/STIP unitized return as reported by the UC Regents.

UNIVERSITY OF CALIFORNIA, 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

A portion of the endowment pool will be expended annually. The amount of the distribution will be determined by the payout policy of the Foundation, modified by donors' wishes where applicable. The Foundation policy is to distribute 4.75% of the endowment unit market value calculated as a 36-month rolling average of the unit market value, subject to a 6% cap and a 3.5% floor as a percent of the end of year endowment pool market value. The payout is distributed once a year following the close of the fiscal year.

Policy for Gift Fees and Administrative Expenses

The University of California, San Francisco Foundation directs a one-time assessment of 4% of the initial value of gifts to assist in funding UCSF central infrastructure and administrative services. The University also charges gift and endowment income funds an amount equal to 6% of income for infrastructure and operations costs. Gifts for scholarships are exempt from these assessments. An annual administrative fee of 40 basis points is charged on endowment funds administered by the Foundation. The University directs 100% of interest income earned on unexpended current gift funds to fund UCSF Central infrastructure and administrative services.

University of California, San Francisco Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$627	54.1%	45.0%	9.1%	20.0%	60.0%	Yes
Public Fixed Income	\$149	12.8%	15.0%	-2.2%	10.0%	40.0%	Yes
All Alternative Inv.	\$346	29.8%	40.0%	-10.2%	17.5%	77.5%	Yes
Liquidity Portfolio	\$38	3.3%	0.0%	3.3%	0.0%	0.0%	3.3%
Total Assets	\$1,160	100%	100%				

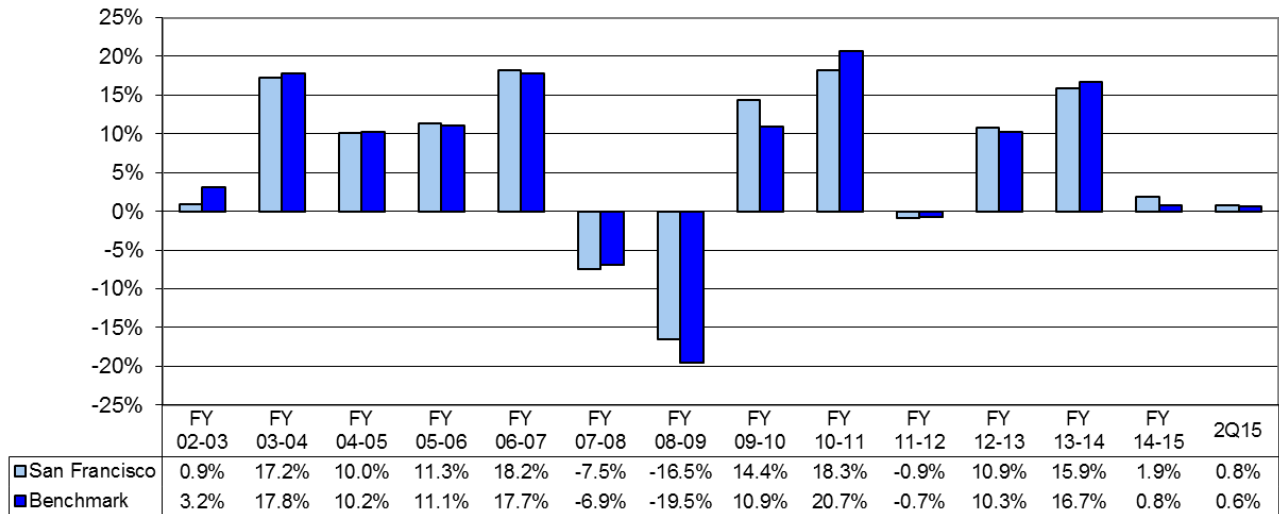
Per UCSF's direction, the Policy Benchmark composition was retroactively revised to include the Hedge Funds, Real Estate and Hard Assets.

UCSF's policy has a target of 0% to cash and has no definitive range. The 3.3% allocation is temporary and came from a gift from one of the agencies for which the Foundation manages assets.

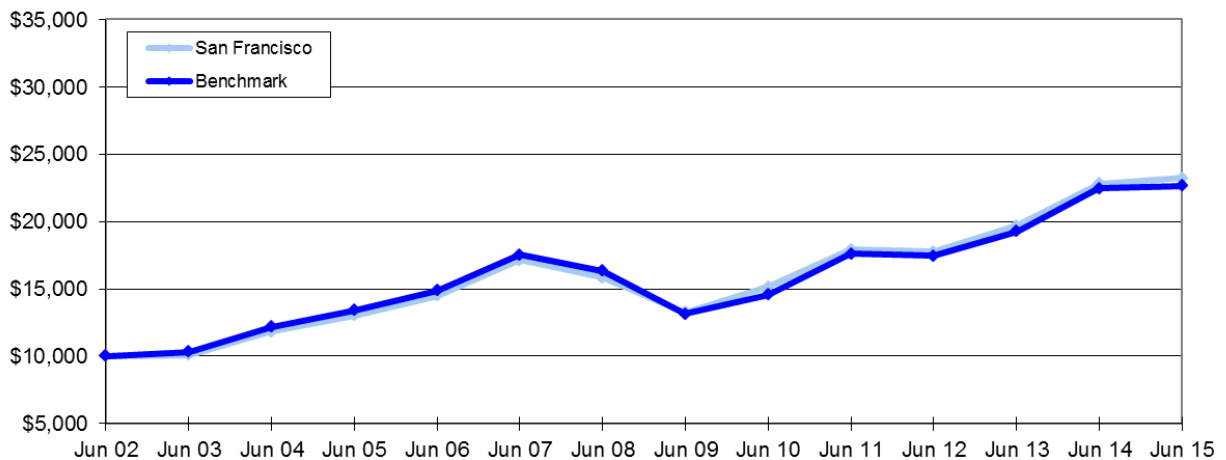
Total assets include approximately \$200 million from one of the agencies for which UCSF manages money. These assets will show on the UCSF balance sheet as part of the assets with an offsetting liability.

UNIVERSITY OF CALIFORNIA, SAN FRANCISCO FOUNDATION

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



Historical Performance of a \$10,000 Gift
UC San Francisco - Portfolio and Benchmark



Ending Values June 30, 2015

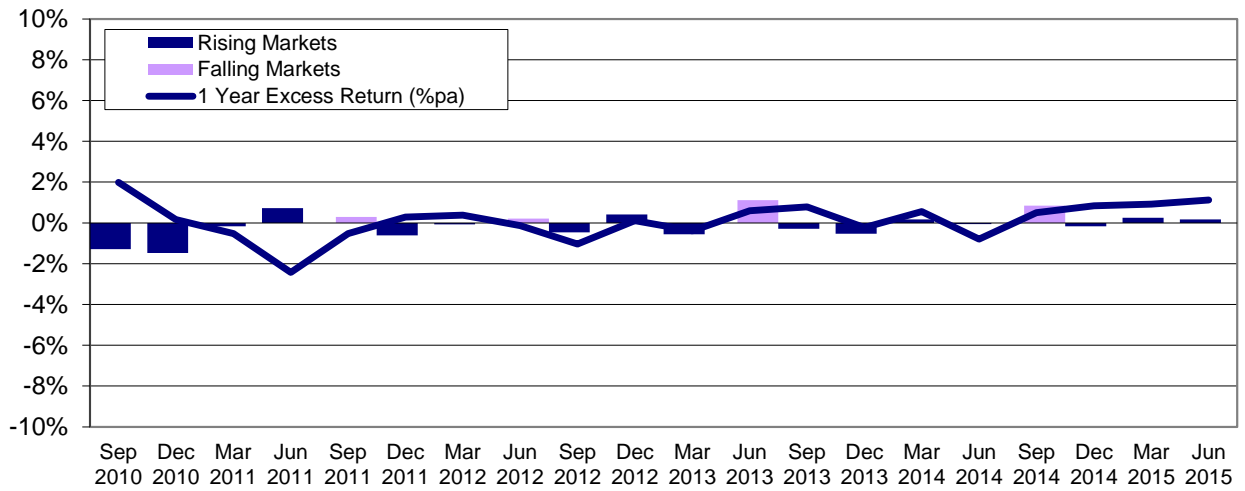
San Francisco	Benchmark
\$23,245	\$22,646

Annualized Returns Jun 02 - Jun 15

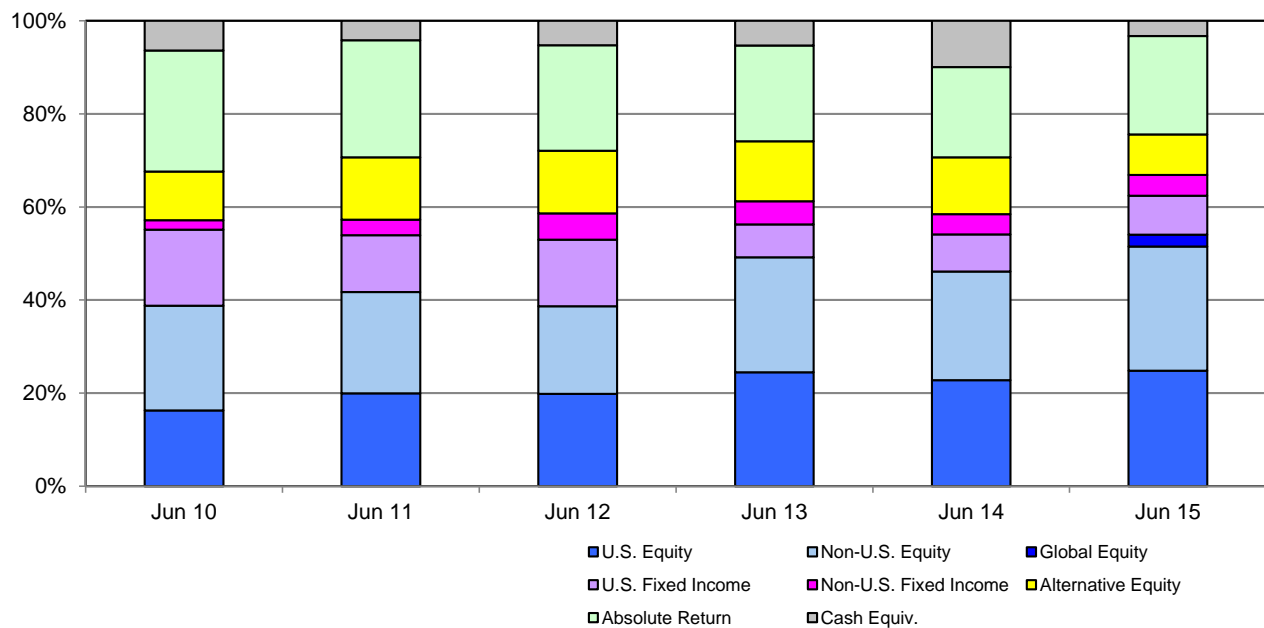
San Francisco	Benchmark
6.7%	6.5%

UNIVERSITY OF CALIFORNIA, SAN FRANCISCO FOUNDATION

**Excess Return UC San Francisco Portfolio versus Benchmark
September 2010 to June 2015**



UC San Francisco Managed Endowment Funds by Asset Class



UNIVERSITY OF CALIFORNIA, SAN FRANCISCO FOUNDATION

University of California, San Francisco Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCSF Foundation Aggregate ¹⁾	\$1,159,919,164	100%	0.80%	1.88%	2.78%	1.88%	9.40%	8.95%	5.62%	5.97%
Policy Benchmark ²⁾			0.63%	0.76%	2.36%	0.76%	9.05%	9.22%	4.79%	5.39%
Variance to Policy Benchmark			+0.17%	+1.12%	+0.42%	+1.12%	+0.35%	-0.27%	+0.83%	+0.58%
U.S. Equity	\$287,815,433	25%	1.90%	10.17%	3.87%	10.17%	18.33%	18.64%	10.78%	8.65%
Russell 3000			0.14%	7.29%	1.94%	7.29%	17.73%	17.54%	9.65%	8.15%
Variance to Benchmark			+1.76%	+2.88%	+1.93%	+2.88%	+0.60%	+1.10%	+1.13%	+0.50%
Non-U.S. Developed Equity	\$256,312,145	22%	0.66%	0.16%	8.09%	0.16%	14.50%	11.62%	6.67%	8.03%
MSCI AC WORLD ex US (NET)			0.53%	-5.26%	4.03%	-5.26%	9.44%	7.76%	1.48%	5.54%
Variance to Benchmark			+0.13%	+5.42%	+4.06%	+5.42%	+5.06%	+3.86%	+5.19%	+2.49%
Global Equity	\$30,000,000	3%								
Benchmark										
Variance to Benchmark										
Emerging Market Equity	\$52,959,374	5%	0.32%	-9.84%	-1.97%	-9.84%	1.82%	4.56%	1.68%	8.31%
S&P/IFC EM INVESTABLE COMPOSITE			1.84%	-3.71%	4.03%	-3.71%	5.19%	4.69%	1.81%	9.09%
Variance to Benchmark			-1.52%	-6.13%	-6.00%	-6.13%	-3.37%	-0.13%	-0.13%	-0.78%
Core Fixed Income	\$96,638,577	8%	-0.90%	1.80%	0.63%	1.80%	3.58%	4.82%	6.26%	5.54%
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+0.78%	-0.06%	+0.73%	-0.06%	+1.75%	+1.47%	+1.67%	+1.10%
TIPS	N/A									
Benchmark										
Variance to Benchmark										
High Yield Debt	N/A									
Benchmark										
Variance to Benchmark										
Non-U.S./Global Fixed - Dev. Mkt.	\$52,118,617	4%	-1.20%	-8.14%	-2.80%	-8.14%	-0.61%	3.00%		
Citigroup WGBI (All Maturities)			-1.55%	-9.02%	-4.02%	-9.02%	-2.45%	1.05%		
Variance to Benchmark			+0.35%	+0.88%	+1.22%	+0.88%	+1.84%	+1.95%		
Emerging Market Debt	N/A									
Benchmark										
Variance to Benchmark										
Private Equity	\$36,265,624	3%	0.10%	12.16%	5.17%	12.16%	13.97%	11.86%	7.64%	9.95%
S&P 500 + 7%			1.99%	14.90%	4.71%	14.90%	25.50%	25.55%	17.10%	15.45%
Variance to Benchmark			-1.89%	-2.74%	+0.46%	-2.74%	-11.53%	-13.69%	-9.46%	-5.50%
Abs. Ret./Mktable Alts./Hedge Fds. ³⁾	\$245,313,474	21%	1.17%	5.03%	2.19%	5.03%	9.90%	8.27%	5.27%	6.51%
HFRI Fund Weighted Composite Index			0.29%	2.34%	2.51%	2.34%	6.39%	5.62%	3.99%	5.62%
Variance to Benchmark			+0.88%	+2.69%	-0.32%	+2.69%	+3.51%	+2.65%	+1.28%	+0.89%
Commodities/Natural Res./Energy	\$44,417,028	4%	1.98%	-24.74%	-4.74%	-24.74%	-7.14%	-3.81%	-4.77%	6.77%
Bloomberg Commodity Index TR			4.66%	-23.71%	-1.56%	-23.71%	-8.76%	-3.91%	-10.91%	-2.62%
Variance to Benchmark			-2.68%	-1.03%	-3.18%	-1.03%	+1.62%	+0.10%	+6.14%	+9.39%
Real Estate	\$19,898,908	2%	9.23%	22.44%	15.75%	22.44%	15.27%	13.22%	0.93%	4.61%
REAL ESTATE BENCHMARK			3.14%	12.98%	6.83%	12.98%	11.63%	12.72%	0.01%	1.48%
Variance to Benchmark			+6.09%	+9.46%	+8.92%	+9.46%	+3.64%	+0.50%	+0.92%	+3.13%
Liquidity Accounts	\$38,179,984	3%	0.00%	0.07%	0.07%	0.07%	-0.10%	-0.26%	-0.21%	0.96%
91 Day Treasury Bill			0.01%	0.02%	0.01%	0.02%	0.06%	0.08%	0.22%	1.43%
Variance to Benchmark			-0.01%	+0.05%	+0.06%	+0.05%	-0.16%	-0.34%	-0.43%	-0.47%

Notes:

Returns are net of all fees

Total Market Value includes approximately \$200 million from one of the agencies that UCSF manages money for. These assets will show on the UCSF balance sheet as part of the assets with an offsetting liability.

¹⁾ UCSF 10yr performance is available as the result of a direct relationship with State Street.²⁾ Per UCSF's direction, the Policy Benchmark composition was retroactively revised to include the Hedge Funds, Real Estate and Hard Assets.³⁾ The Absolute Return/Marketable Alternatives/Hedge Fund asset class includes the sub composite for the Opportunistic asset class.

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.

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.

Endowment Spending Policy

Endowment spending during fiscal year 2014-2015 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 as of December 31, 2013. Spending is allocated to fund holders in September (40%) and April (60%).

Policy for Gift Fees and Administrative Expenses

During fiscal year 2014-15, the Santa Barbara campus continued to assess a one-time fee of 6% on the initial value of all gifts made to either the Foundation or The Regents. There was also a recurring charge of 0.60% annually on the market value of the Foundation's endowment funds as of December 31, 2013. All of the gift fees and the endowment fees were used to provide funding for the centrally managed fundraising and related operations of the campus. During fiscal 2014-15, the campus assessed all interest earned on the balances of current use gift and private grant funds held by both the Foundation and the campus, which was allocated through the campus budget process.

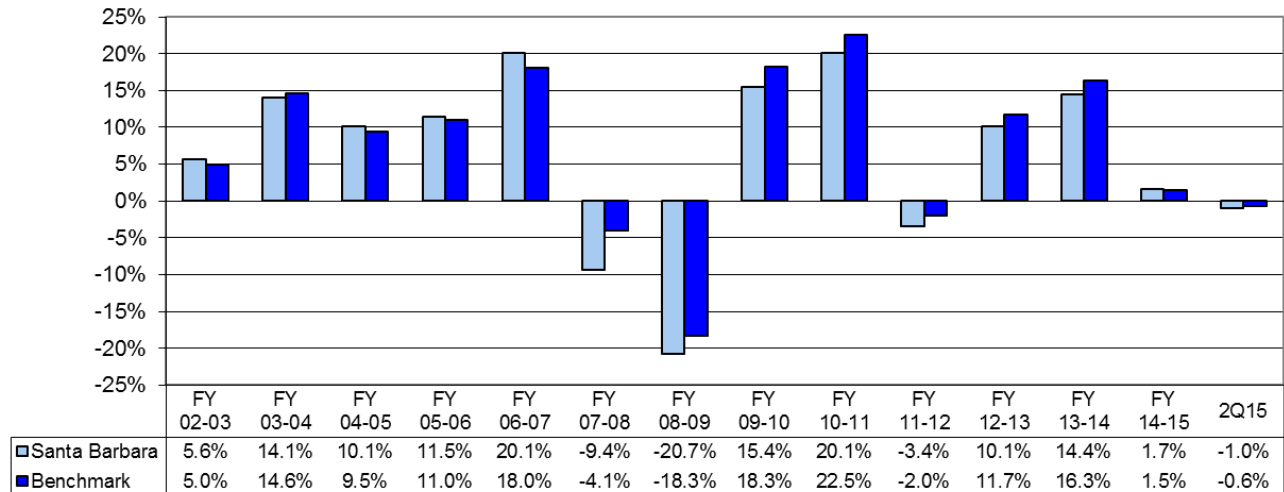
University of California, Santa Barbara Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$78	54.7%	56.0%	-1.3%	35.0%	56.0%	Yes
Public Fixed Income	\$18	13.0%	11.7%	1.3%	10.0%	30.0%	Yes
All Alternative Inv.	\$38	26.8%	32.3%	-5.5%	27.0%	47.0%	-0.2%
Liquidity Portfolio	\$8	5.5%	0.0%	5.5%	0.0%	10.0%	Yes
Total Assets	\$142	100%	100%				

The out-sourced CIO function has been moved from Goldman Sachs to the Office of the CIO of the Regents effective 7/1/2015. Both performance and asset allocations have been impacted by the liquidation of alternatives.

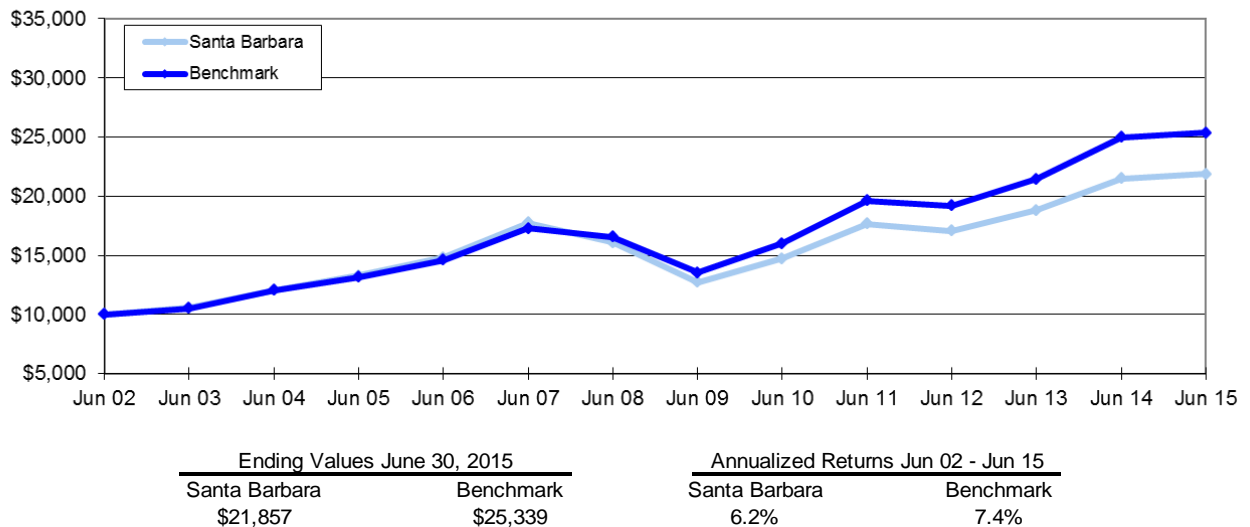
UCSB's allocation to Alternative Investments was 0.2% below the minimum target range of 27%. This is due to the portfolio transitioning to be invested 100% in GEP.

UC SANTA BARBARA FOUNDATION

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

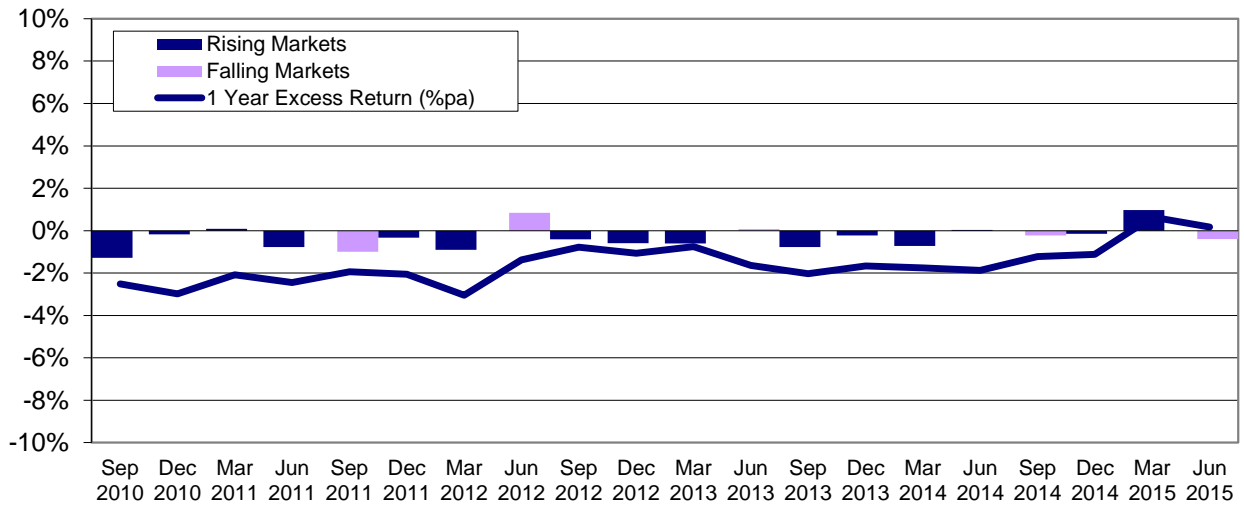


Historical Performance of a \$10,000 Gift
UC Santa Barbara - Portfolio and Benchmark

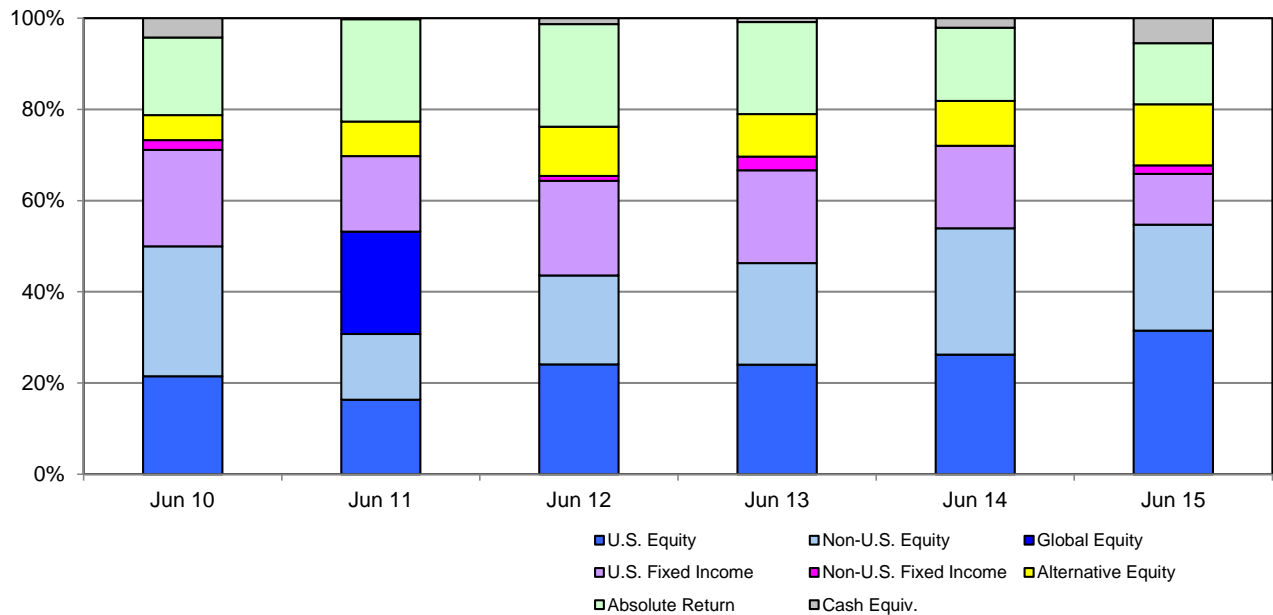


UC SANTA BARBARA FOUNDATION

**Excess Return UC Santa Barbara Portfolio versus Benchmark
September 2010 to June 2015**



UC Santa Barbara Managed Endowment Funds by Asset Class



UC SANTA BARBARA FOUNDATION

University of California, Santa Barbara Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCSB Foundation Aggregate ¹⁾	\$141,696,996	100%	-1.02%	1.67%	1.66%	1.67%	8.59%	8.24%	4.48%	5.12%
Policy Benchmark			-0.62%	1.50%	1.10%	1.50%	9.66%	9.63%	6.27%	6.76%
Variance to Policy Benchmark			-0.40%	+0.17%	+0.56%	+0.17%	-1.07%	-1.39%	-1.79%	-1.64%
U.S. Equity	\$44,623,279	31%	0.31%	6.45%	1.61%	6.45%	17.55%	15.99%	9.23%	
S&P 500			0.28%	7.42%	1.23%	7.42%	17.31%	17.34%	9.42%	
Variance to Benchmark			+0.03%	-0.97%	+0.38%	-0.97%	+0.24%	-1.35%	-0.19%	
Non-U.S. Developed Equity	\$27,633,254	20%	-0.61%	-3.74%	5.49%	-3.74%	11.90%	9.22%	1.51%	
MSCI EAFE (NET)			0.62%	-4.22%	5.52%	-4.22%	11.97%	9.54%	1.97%	
Variance to Benchmark			-1.23%	+0.48%	-0.03%	+0.48%	-0.07%	-0.32%	-0.46%	
Global Equity ²⁾	NA									
Benchmark										
Variance to Benchmark										
Emerging Market Equity	\$5,260,606	4%	0.93%	-8.05%	1.13%	-8.05%	2.00%	2.99%	-1.04%	
MSCI EMERGING MARKETS			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	
Variance to Benchmark			+0.24%	-2.93%	-1.82%	-2.93%	-1.71%	-0.69%	-1.90%	
Core Fixed Income	\$10,321,806	7%	-1.12%	1.07%	-0.11%	1.07%	2.87%	4.28%		
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%		
Variance to Benchmark			+0.56%	-0.79%	-0.01%	-0.79%	+1.04%	+0.93%		
TIPS	NA									
Benchmark										
Variance to Benchmark										
High Yield Debt	\$5,484,021	4%	-0.01%	2.00%	2.49%	2.00%	5.73%	7.52%		
BofAML US HY BB-B Rated Constrained Ind			0.02%	0.70%	2.69%	0.70%	6.75%	8.32%		
Variance to Benchmark			-0.03%	+1.30%	-0.20%	+1.30%	-1.02%	-0.80%	-0.87%	
Non-U.S./Global Fixed - Dev. Mkt.	NA									
Benchmark										
Variance to Benchmark										
Emerging Market Debt ³⁾	\$2,649,050	2%	-0.64%		-3.64%					
JPM GBI-EM Global Diversified Index			-0.96%		-4.88%					
Variance to Benchmark			+0.32%		+1.24%					
Private Equity	\$4,178,688	3%	-5.77%	-6.58%	-9.63%	-6.58%	7.86%	10.52%		
TOTAL PRIVATE EQUITY			-5.77%	-6.58%	-9.63%	-6.58%	7.86%	10.52%		
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%		
Abs. Ret./Mktable Alts./Hedge Fds.	\$18,943,556	13%	-1.02%	1.77%	2.26%	1.77%	4.91%	4.27%	2.35%	
HFRI FUND OF FUNDS: DIVERSIFIED INDEX			-0.19%	3.85%	2.43%	3.85%	6.18%	4.13%	1.30%	
Variance to Benchmark			-0.83%	-2.08%	-0.17%	-2.08%	-1.27%	+0.14%	+1.05%	
Commodities/Natural Res./Energy	NA									
Benchmark										
Variance to Benchmark										
Real Estate	\$3,340,970	2%	-11.01%	13.15%	0.10%	13.15%	9.23%	13.72%	5.66%	
FTSE EPRA/NAREIT United States Index			-10.34%	3.93%	-6.12%	3.93%	8.81%	14.25%	7.48%	
Variance to Benchmark			-0.67%	+9.22%	+6.22%	+9.22%	+0.42%	-0.53%	-1.82%	
Cross Asset Class ⁴⁾	\$11,464,665	8%	0.38%		6.16%					
3 Month Libor + 4%			1.06%		2.12%					
Variance to Benchmark			-0.68%		+4.04%					
Liquidity Accounts	\$7,797,102	6%	0.01%	0.28%	0.03%	0.28%	-0.01%	0.19%	1.06%	
CITIGROUP 1 MONTH T-BILL			0.00%	0.02%	0.01%	0.02%	0.03%	0.05%	0.12%	
Variance to Benchmark			+0.01%	+0.26%	+0.02%	+0.26%	-0.04%	+0.14%	+0.94%	

Notes:

Returns are net of all fees.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.

²⁾ UCSB's Policy has no Global Equity mandate. Their current investment in Global Equity has been re-allocated to both US and Non-US Developed Equity.

³⁾ This new investment was funded on 7/15/14.

⁴⁾ This new investment was funded on 7/30/14.

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 February 2015, is 4.65% times a three-year moving average of December 31 market values. The endowment expenditure formula is reviewed annually and adjusted accordingly with respect to prudent concern for campus needs, donor expectations, and current market conditions. In no event will the corpus be reduced below the amount of the original gift, adjusted by the Gross Domestic Product (GDP) price index, unless specific language of the endowment agreement so allows.

Policy for Gift Fees and Administrative Expenses

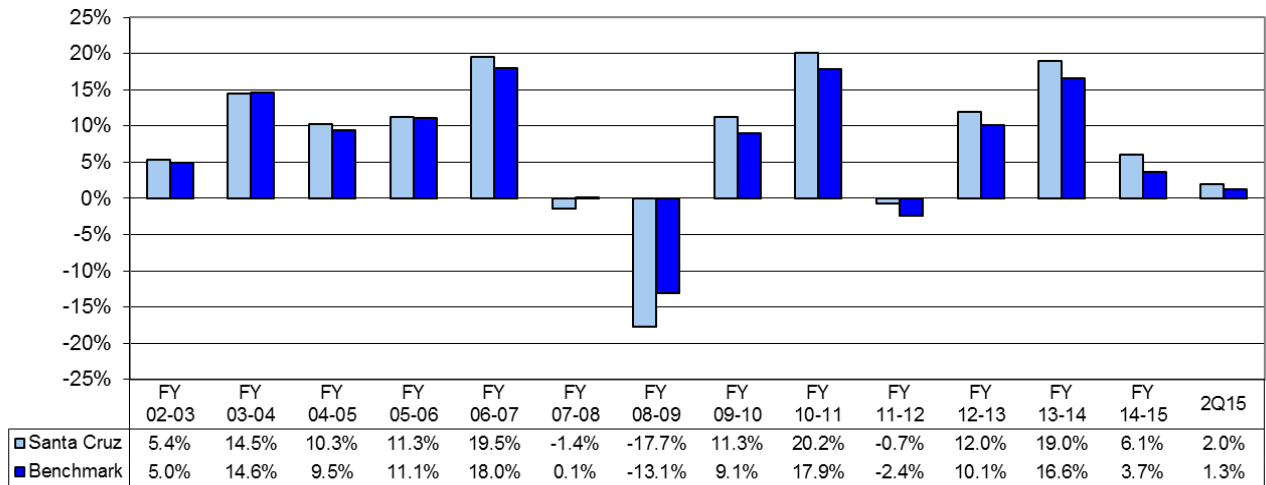
The UC Santa Cruz Foundation allocates STIP earnings to uninvested endowment balances when it is earned. The UCSC campus assesses a gift fee of 6% of initial value of gifts. Of the 4.65% endowment expenditures, 0.45% is allocated for administrative expenses of the Foundation. There are no additional annual recurring fees on the Foundation's endowments.

University of California, Santa Cruz Foundation Portfolio							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	\$34	40.7%	41.5%	-0.8%	31.5%	51.5%	Yes
Public Fixed Income	\$9	10.6%	12.5%	-1.9%	7.5%	17.5%	Yes
All Alternative Inv.	\$35	42.5%	46.0%	-3.5%	36.0%	56.0%	Yes
Liquidity Portfolio	\$5	6.2%	0.0%	6.2%	0.0%	10.0%	Yes
Total Assets	\$84	100%	100%				

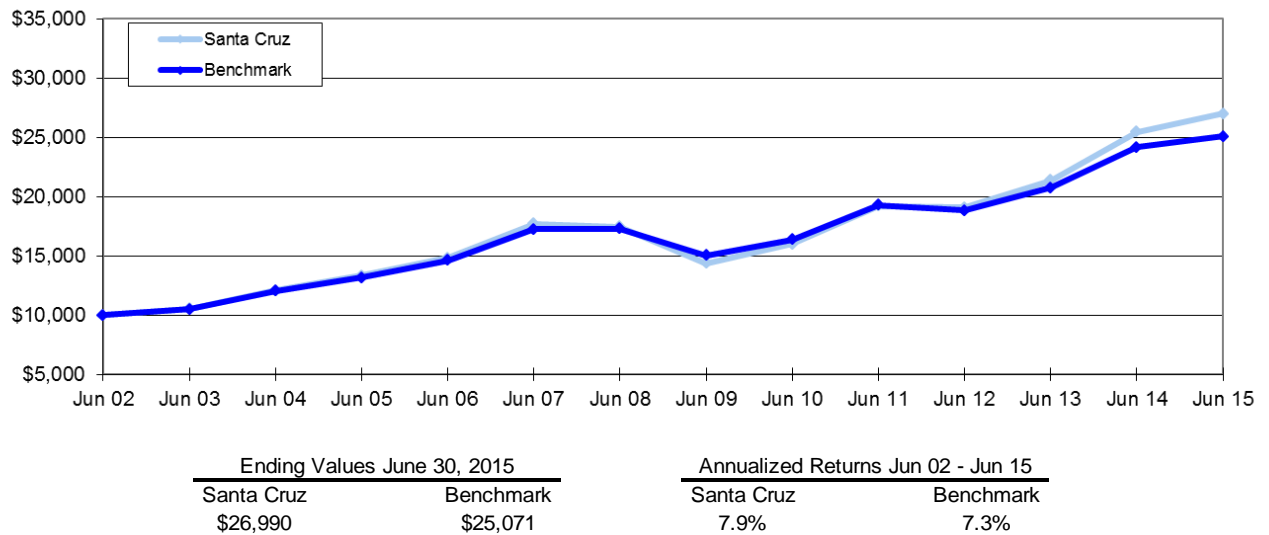
The UCSC Foundation utilizes the GEP Policy Benchmark. Policy Benchmark Allocations shown are the GEP Current Policy Allocation.

UC SANTA CRUZ FOUNDATION

**Annual Endowment Returns for Fiscal Years
UC Santa Cruz - Portfolio and Benchmark**

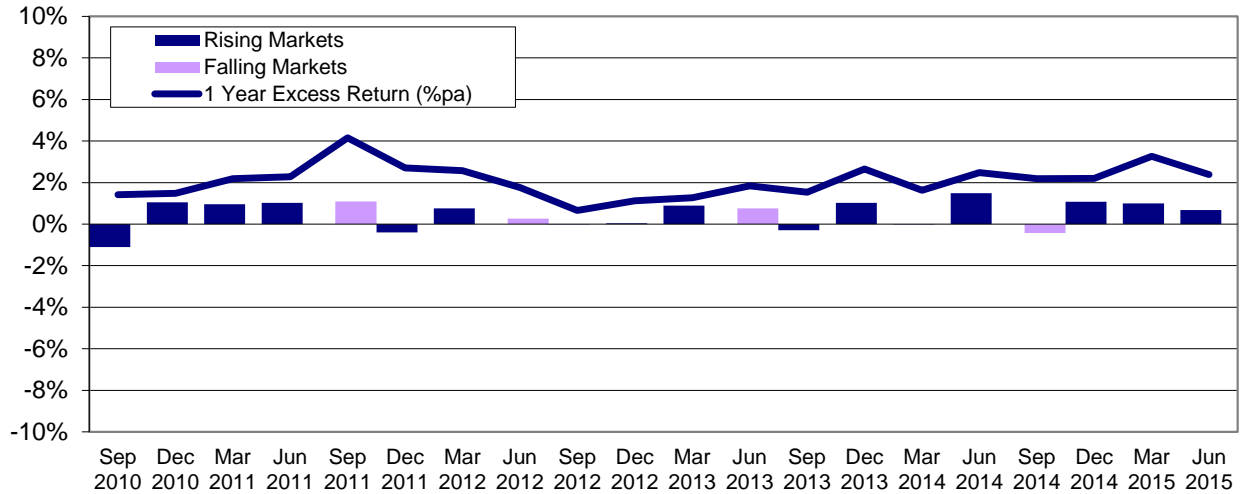


**Historical Performance of a \$10,000 Gift
UC Santa Cruz - Portfolio and Benchmark**

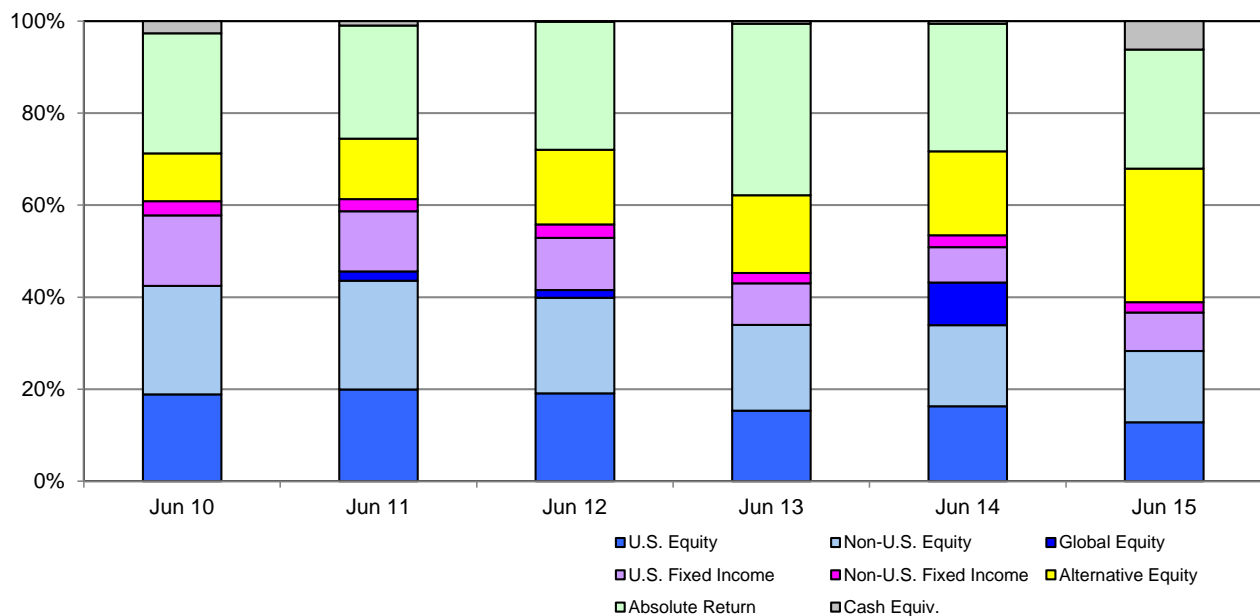


UC SANTA CRUZ FOUNDATION

**Excess Return UC Santa Cruz Portfolio versus Benchmark
September 2010 to June 2015**



US Santa Cruz Managed Endowment Funds by Asset Class



UC SANTA CRUZ FOUNDATION

University of California, Santa Cruz Foundation Portfolio June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
UCSC Foundation Aggregate ¹⁾	83,517,587	100%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.42%	7.32%
Policy Benchmark			1.28%	3.71%	3.21%	3.71%	10.01%	8.89%	5.47%	6.65%
Variance to Policy Benchmark			+0.68%	+2.38%	+1.72%	+2.38%	+2.23%	+2.15%	+0.95%	+0.67%
U.S. Equity	10,681,381	13%	0.72%	8.30%	3.43%	8.30%	18.33%	17.83%	9.86%	7.96%
U.S. EQUITY B-MARK R3000 TF			0.08%	7.25%	1.92%	7.25%	17.86%	17.48%	9.56%	8.04%
Variance to Benchmark			+0.64%	+1.05%	+1.51%	+1.05%	+0.47%	+0.35%	+0.30%	-0.08%
Non-U.S. Developed Equity	7,887,756	9%	0.23%	-2.80%	5.34%	-2.80%	12.17%	9.72%	2.69%	5.88%
EAFE TF + CANADA (NET)			0.40%	-5.34%	4.28%	-5.34%	11.19%	8.86%	1.58%	5.05%
Variance to Benchmark			-0.17%	+2.54%	+1.06%	+2.54%	+0.98%	+0.86%	+1.11%	+0.83%
Emerging Market Equity	5,062,924	6%	3.36%	1.09%	6.00%	1.09%	5.80%	5.67%	2.03%	8.64%
MSCI EMERGING MARKETS (NET)			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	8.11%
Variance to Benchmark			+2.67%	+6.21%	+3.05%	+6.21%	+2.09%	+1.99%	+1.17%	+0.53%
Core Fixed Income	3,054,270	4%	-1.53%	1.67%	0.08%	1.67%	2.72%	3.76%	4.67%	4.32%
BARCLAYS AGGREGATE			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+0.15%	-0.19%	+0.18%	-0.19%	+0.89%	+0.41%	+0.08%	-0.12%
TIPS	1,888,533	2%	-0.83%	-1.43%	0.69%	-1.43%	-0.62%	3.50%	3.88%	4.44%
BARCLAYS GLOBAL INFLATION LINKED: U.S. TIPS			-1.06%	-1.73%	0.34%	-1.73%	-0.76%	3.29%	3.51%	4.13%
Variance to Benchmark			+0.23%	+0.30%	+0.35%	+0.30%	+0.14%	+0.21%	+0.35%	+0.31%
High Yield Debt	2,035,051	2%	-0.11%	0.14%	2.45%	0.14%	7.36%	9.01%	9.06%	
BofA ML US HIGH YIELD CASH PAY			-0.04%	-0.53%	2.49%	-0.53%	6.74%	8.38%	9.02%	
Variance to Benchmark			-0.07%	+0.67%	-0.04%	+0.67%	+0.62%	+0.63%	+0.04%	
Emerging Market Debt	1,883,758	2%	-0.96%	-1.82%	0.40%	-1.82%	2.30%	5.21%	6.53%	
FI TOTAL EMERGING MKTS BENCHMARK (DAILY)			-0.34%	0.51%	1.67%	0.51%	4.25%	6.18%	7.52%	
Variance to Benchmark			-0.62%	-2.33%	-1.27%	-2.33%	-1.95%	-0.97%	-0.99%	
Private Equity	7,194,672	9%	10.81%	22.75%	12.26%	22.75%	20.97%	17.52%	11.73%	11.85%
GEP TOTAL PRIVATE EQUITY			10.81%	22.75%	12.26%	22.75%	20.97%	17.52%	11.73%	11.85%
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%
Absolute Return - Diversified	19,721,288	24%	1.53%	8.27%	4.08%	8.27%	9.80%	7.61%	4.54%	6.23%
Weighted HFRX: 50% HFRX ABSOLUTE RETURN, 50% HFRX Market Directional			0.66%	2.34%	2.32%	2.34%	4.88%	1.41%	2.84%	4.36%
Variance to Benchmark			+0.87%	+5.93%	+1.76%	+5.93%	+4.92%	+6.20%	+1.70%	+1.87%
Real Assets	1,876,943	2%	-6.29%	-6.42%	-12.66%	-6.42%	2.92%	2.72%	0.00%	
GEP REAL ASSETS LAGGED BENCHMARK			-6.29%	-6.42%	-12.66%	-6.42%	2.92%	2.72%	0.00%	
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	
Opportunistic Equity	10,342,474	12%	1.65%	11.25%	8.12%	11.25%	0.00%	0.00%	0.00%	
MSCI AC World Net (Daily)			0.35%	0.71%	2.66%	0.71%	13.01%	11.93%	4.79%	
Variance to Benchmark			+1.30%	+10.54%	+5.46%	+10.54%	-13.01%	-11.93%	-4.79%	
Private Real Estate	6,705,797	8%	4.83%	16.17%	8.84%	16.17%	13.44%	14.68%	-1.82%	2.70%
GEP PRIVATE RE POLICY BENCHMARK - NCREIF-ODCE (NET) LAG 1 QTR			3.58%	12.87%	6.71%	12.87%	11.75%	14.25%	-0.76%	3.85%
Variance to Benchmark			+1.25%	+3.30%	+2.13%	+3.30%	+1.69%	+0.43%	-1.06%	-1.15%
Public Real Estate	N/A									
FTSE EPRA NAREIT GLOBAL INDEX										
Variance to Benchmark										
Absolute Return - CAC	N/A									
GEP AR - CAC - LAGGED										
Variance to Benchmark										
Liquidity Accounts	5,182,782	6%	0.30%	1.40%	0.67%	1.40%	1.54%	2.09%	8.21%	17.53%
Benchmark			0.12%	0.50%	0.27%	0.50%	0.34%	0.36%	0.62%	1.67%
Variance to Benchmark			+0.18%	+0.90%	+0.40%	+0.90%	+1.20%	+1.73%	+7.59%	+15.86%
UC Regents Mgd Funds ²⁾										
Regents GEP ³⁾	83,517,587	100%	1.96%	6.09%	4.93%	6.09%	12.24%	11.04%	6.34%	7.30%

Notes:

Returns are net of all fees.

¹⁾ Returns prior to 7/1/2005 are self-reported, annual returns from the Foundations (FY Ending 2005, FY Ending 2004, etc.). Since no monthly or quarterly returns exist to support these self-reported returns, the 10 year annualized return will only be reported at each fiscal year ending June 30.²⁾ The 10-Year return reflects the actual GEP unitized return as reported by the UC Regents.³⁾ UCSC is 100% invested in GEP

UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

Regents' GEP Investment Objective

The overall investment goal of the GEP is to preserve the purchasing power of the future stream of endowment payout for those funds and activities supported by the endowments, and to the extent this is achieved, cause the principal to grow in value over time. Other goals include:

- 1) To maximize return within reasonable and prudent levels of risk
- 2) To maximize the value of the endowment while maintaining liquidity needed to support spending in prolonged down markets.

Regents' GEP Spending Policy

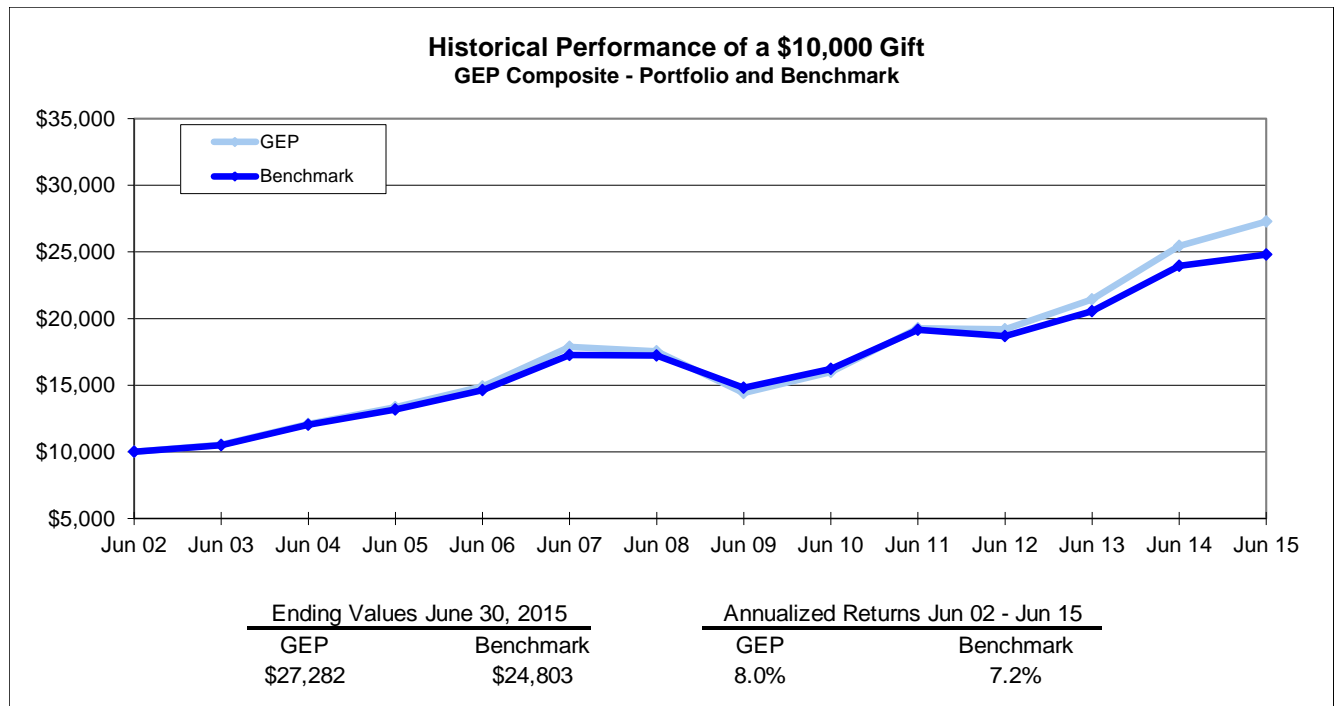
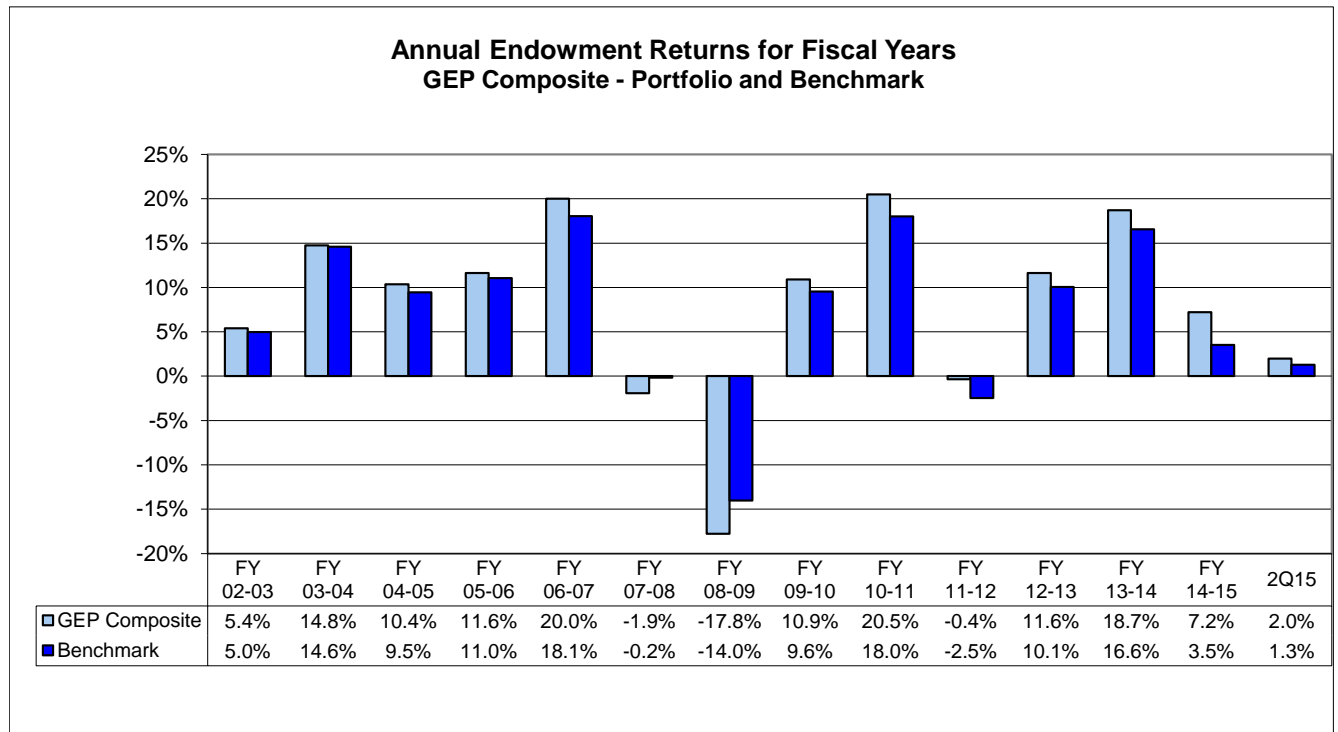
The expenditure rate per unit of the General Endowment Pool (GEP) for this fiscal year for eligible funds invested is 4.75 percent of a 60-month moving average of the market value of a unit invested in the GEP.

Policy for Gift Fees and Administrative Expenses

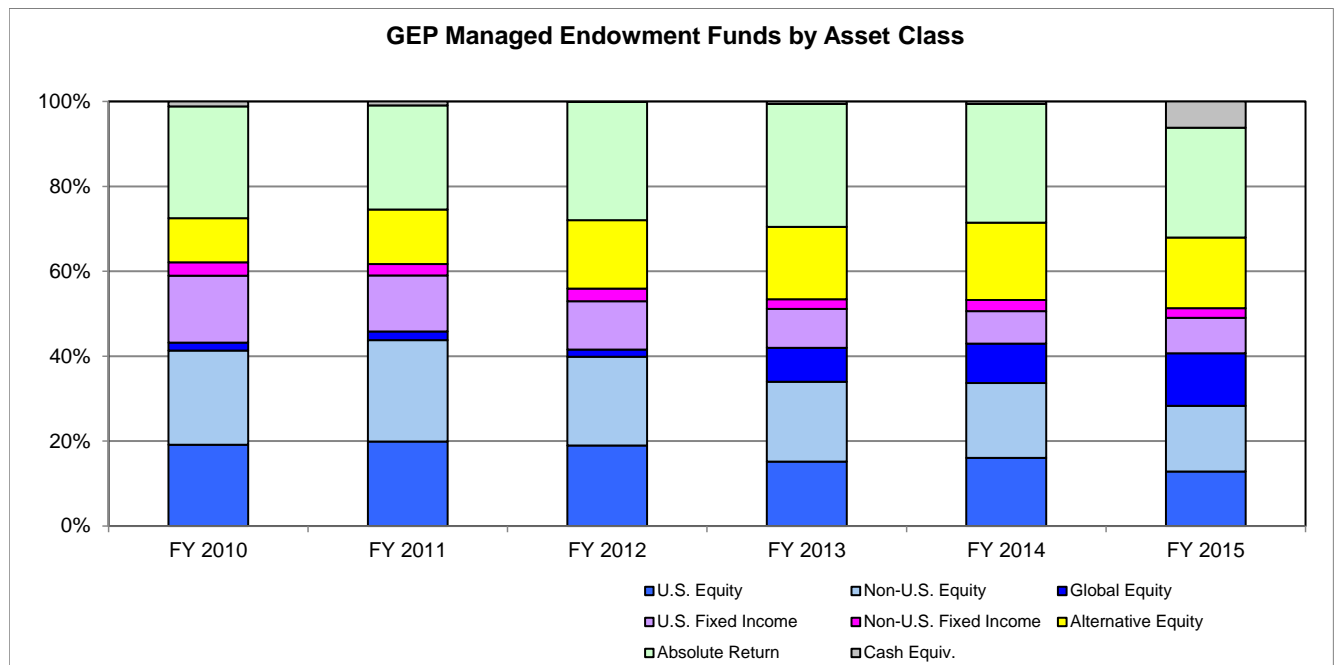
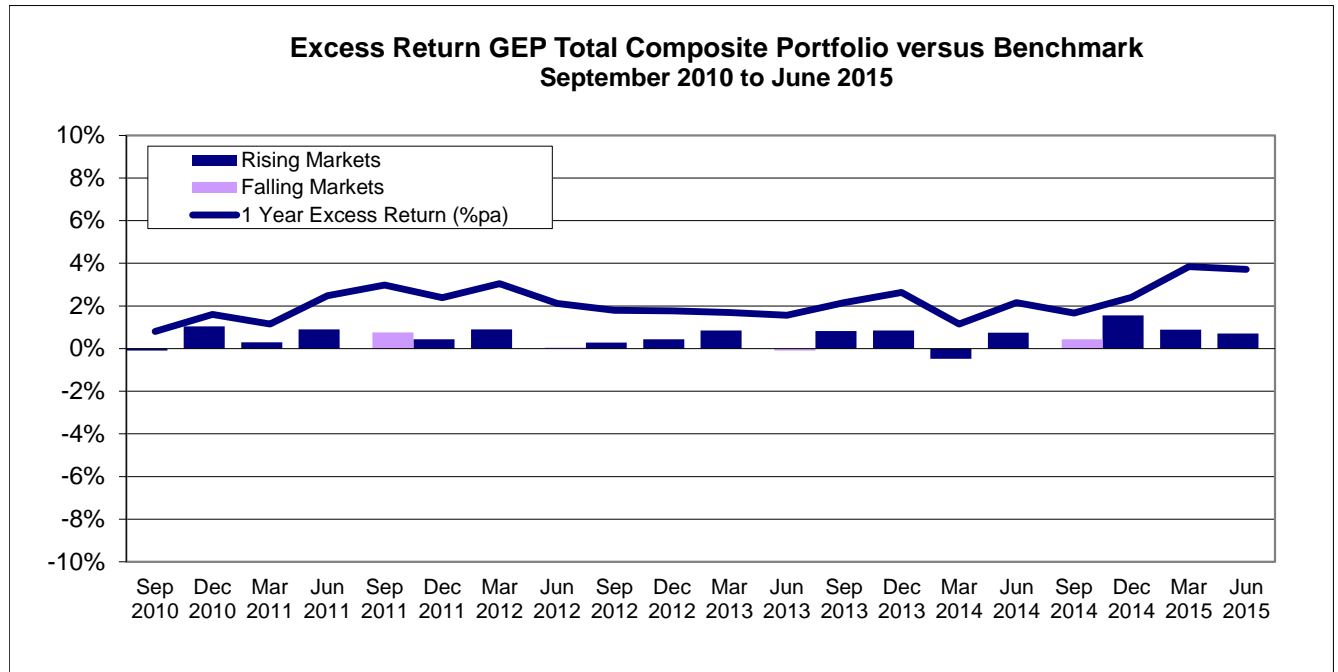
Gift fees are charged by the applicable campus; no gift fees are charged by the Office of the President.

University of California, Regents' General Endowment Pool							
Asset Allocation							
June 30, 2015							
	Assets (\$M)	Actual Allocation	Benchmark Policy Allocation	Variance from Benchmark Policy	Policy Range		Policy Range Compliance (Actual Allocation)
Public Equity	3,632	40.7%	41.5%	-0.8%	31.5%	51.5%	Yes
Public Fixed Income	947	10.6%	12.5%	-1.9%	7.5%	17.5%	Yes
Alternatives	3,795	42.5%	46.0%	-3.5%	36.0%	56.0%	Yes
Liquidity	554	6.2%	0.0%	6.2%	0.0%	10.0%	Yes
Total Assets	8,928	100.0%	100.0%				

UC REGENTS' GENERAL ENDOWMENT POOL (GEP)



UC REGENTS' GENERAL ENDOWMENT POOL (GEP)



UC REGENTS' GENERAL ENDOWMENT POOL (GEP)

University of California, Regents' General Endowment Pool June 30, 2015										
			Total Return				Annualized Total Return			
Core Endowment Model Risk Focus	Market Value		Recent Quarter	Fiscal YTD	Calendar YTD	One Year	Three Year	Five Year	Seven Year	Ten Year
GEP Total Plan Composite	\$8,928,051,298	100%	1.98%	7.22%	4.79%	7.22%	12.46%	11.29%	6.53%	7.42%
GEP Policy Benchmark			1.28%	3.51%	3.17%	3.51%	9.92%	8.85%	5.34%	6.54%
Variance to Policy Benchmark			+0.70%	+3.71%	+1.62%	+3.71%	+2.54%	+2.44%	+1.19%	+0.88%
U.S. Equity	\$1,141,842,303	13%	0.72%	8.30%	3.43%	8.30%	18.33%	17.83%	9.86%	7.96%
U.S. EQUITY B-MARK R3000 TF			0.08%	7.25%	1.92%	7.25%	17.86%	17.48%	9.56%	8.04%
Variance to Benchmark			+0.64%	+1.05%	+1.51%	+1.05%	+0.47%	+0.35%	+0.30%	-0.08%
Non-U.S. Developed Equity	\$843,203,137	9%	0.23%	-2.80%	5.34%	-2.80%	12.17%	9.72%	2.69%	5.88%
EAFE TF + CANADA (NET)			0.40%	-5.34%	4.28%	-5.34%	11.19%	8.86%	1.58%	5.05%
Variance to Benchmark			-0.17%	+2.54%	+1.06%	+2.54%	+0.98%	+0.86%	+1.11%	+0.83%
Emerging Market Equity	\$541,227,824	6%	3.36%	1.09%	6.00%	1.09%	5.80%	5.67%	2.03%	8.64%
MSCI EMERGING MARKETS			0.69%	-5.12%	2.95%	-5.12%	3.71%	3.68%	0.86%	8.11%
Variance to Benchmark			+2.67%	+6.21%	+3.05%	+6.21%	+2.09%	+1.99%	+1.17%	+0.53%
Core Fixed Income	\$326,502,197	4%	-1.53%	1.67%	0.08%	1.67%	2.72%	3.76%	4.67%	4.32%
Barclays Aggregate Bond			-1.68%	1.86%	-0.10%	1.86%	1.83%	3.35%	4.59%	4.44%
Variance to Benchmark			+0.15%	-0.19%	+0.18%	-0.19%	+0.89%	+0.41%	+0.08%	-0.12%
TIPS	\$201,884,633	2%	-0.83%	-1.43%	0.69%	-1.43%	-0.62%	3.50%	3.86%	4.44%
Barclays Inflation Linked: US TIPS			-1.06%	-1.73%	0.34%	-1.73%	-0.76%	3.29%	3.51%	4.13%
Variance to Benchmark			+0.23%	+0.30%	+0.35%	+0.30%	+0.14%	+0.21%	+0.35%	+0.31%
High Yield Debt	\$217,547,507	2%	-0.11%	0.14%	2.45%	0.14%	7.36%	9.01%	9.06%	
BofA ML US HIGH YIELD CASH PAY			-0.04%	-0.53%	2.49%	-0.53%	6.74%	8.38%	9.02%	
Variance to Benchmark			-0.07%	+0.67%	-0.04%	+0.67%	+0.62%	+0.63%	+0.04%	
Emerging Market Debt	\$201,374,188	2%	-0.96%	-1.82%	0.40%	-1.82%	2.30%	5.21%	6.53%	
FI TOTAL EMERGING MKTS BENCHMARK (DAILY)			-0.34%	0.51%	1.67%	0.51%	4.25%	6.18%	7.52%	
Variance to Benchmark			-0.62%	-2.33%	-1.27%	-2.33%	-1.95%	-0.97%	-0.99%	
Private Equity	\$769,112,234	9%	10.64%	22.55%	12.09%	22.55%	20.91%	17.47%	11.70%	11.83%
GEP NON-LAGGED PRIVATE EQUITY POLICY BENCHMARK			10.64%	22.55%	12.09%	22.55%	20.91%	17.47%	11.70%	11.83%
Variance to Benchmark			+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%	+0.00%
Absolute Return - Diversified	\$2,108,210,692	24%	1.53%	6.73%	3.26%	6.73%	10.08%	7.98%	4.87%	6.38%
WEIGHTED HFRX (PREV. 30-DAY TBILL+4.5%)			0.66%	2.34%	2.32%	2.34%	4.88%	1.41%	2.84%	4.36%
Variance to Benchmark			+0.87%	+4.39%	+0.94%	+4.39%	+5.20%	+6.57%	+2.03%	+2.02%
Real Assets	\$200,645,684	2%	-6.29%	-6.34%	-12.86%	-6.34%	2.93%	3.06%	0.00%	
GEP REAL ASSET BENCHMARK			-6.68%	-12.34%	-14.43%	-12.34%	0.29%	1.63%	0.00%	
Variance to Benchmark			+0.39%	+6.00%	+1.57%	+6.00%	+2.64%	+1.43%	+0.00%	
Opportunistic Equity	\$1,105,613,141	12%	1.65%	11.25%	8.12%	11.25%	0.00%	0.00%	0.00%	
MSCI AC WORLD (NET)			0.35%	0.71%	2.66%	0.71%	13.01%	11.93%	4.79%	
Variance to Benchmark			+1.30%	+10.54%	+5.46%	+10.54%	-13.01%	-11.93%	-4.79%	
Private Real Estate	\$716,851,370	8%	4.83%	17.65%	10.22%	17.65%	14.08%	15.60%	-1.73%	4.11%
GEP PRIVATE RE POLICY BENCHMARK			3.58%	12.87%	6.71%	12.87%	11.75%	14.25%	-0.76%	3.85%
Variance to Benchmark			+1.25%	+4.78%	+3.51%	+4.78%	+2.33%	+1.35%	-0.97%	+0.26%
Public Real Estate	\$0	0%								
Variance to Benchmark										
Absolute Return - CAC	\$0	0%								
Variance to Benchmark										
Liquidity Accounts	\$554,040,708	6%	0.30%	1.40%	0.67%	1.40%	1.54%	2.09%	8.21%	17.53%
UC US TWO YEAR TREASURY NOTE INCOME RETURN			0.12%	0.50%	0.27%	0.50%	0.34%	0.36%	0.62%	1.67%
Variance to Benchmark			+0.18%	+0.90%	+0.40%	+0.90%	+1.20%	+1.73%	+7.59%	+15.86%

Notes:
Returns are net of Mgr Fees

5 Consultant of The Regents Report

This section presents Mercer's review of the investment performance and asset allocation of the University of California Campus Foundations for the periods ending June 30, 2015. The report is based on the investment information provided by State Street and reflects the reconciled and signed-off results of each Foundation.

5.1 Investment Performance Summary	60
5.2 Policy Compliance	68
5.3 Analysis and Recommendations	72

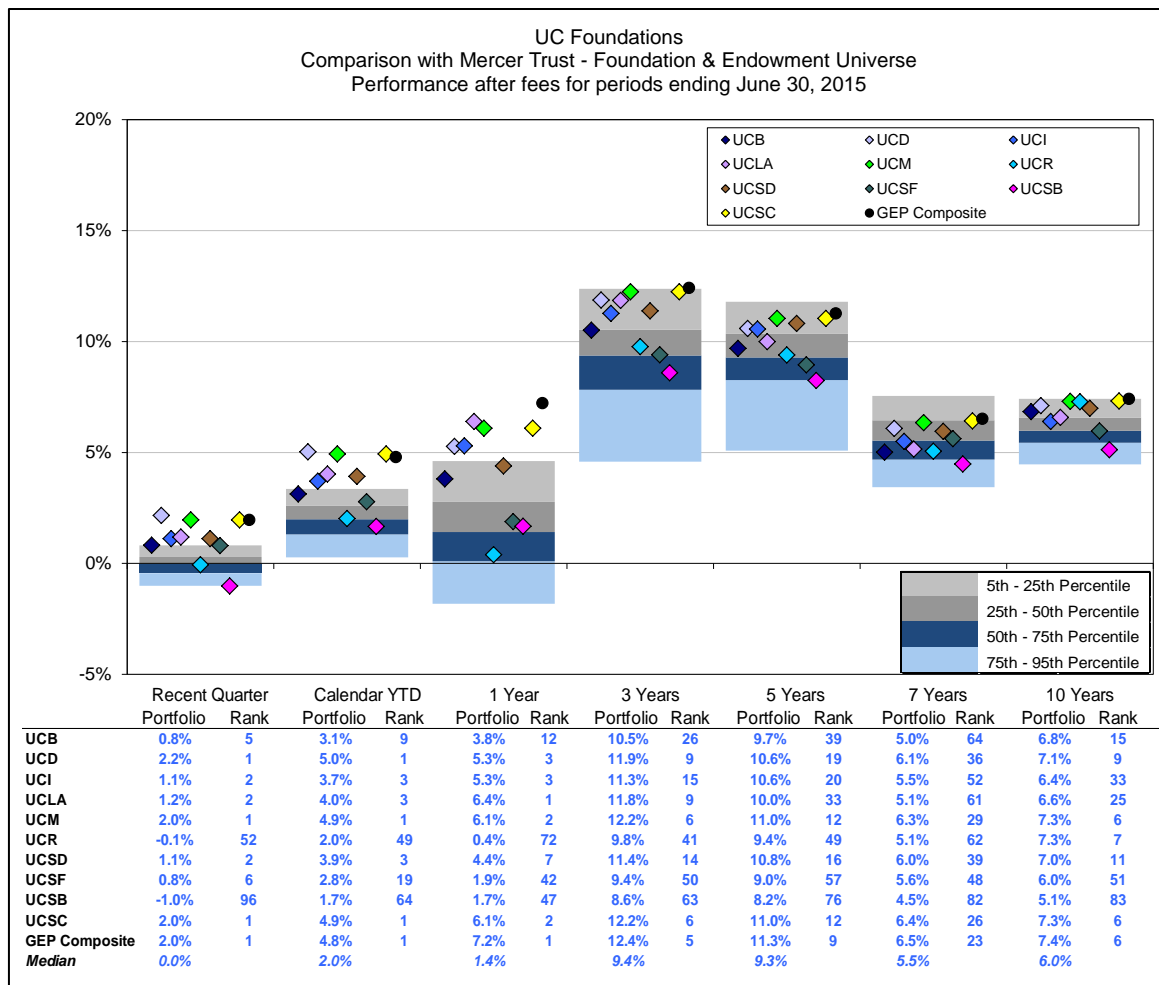
5.1 Investment Performance Summary

Global equity markets, represented by the MSCI ACWI Index, posted a small gain of 0.7% during the fiscal year 2015. Dollar strength and the decline in commodity prices were key drivers of market movements over the period. US equities, represented by the Russell 3000 Index, posted solid gains of 7.3% for the fiscal year despite somewhat stalled performance in the latter half of the year. International developed equity markets, represented by the MSCI EAFE Index, lost 4.2% for the period, but gained 11.8% in local currency terms. Developed world growth is benefiting from easing financial conditions, lower energy/commodities prices and improving labor market conditions. Slowing growth in China and the decline in commodities weighed on emerging market stocks. The MSCI Emerging Markets Index posted -5.1% for the fiscal year, underperforming developed markets.

Interest rate volatility has picked up and bond performance was wide ranging for the fiscal year. The Barclays Aggregate Bond Index returned 1.9%. Treasuries outperformed corporates by a large margin, returning 2.3% versus 0.7%. Investment-grade corporate credit spreads have widened materially over the past year, and offer attractive value relative to Treasuries, particularly on the long end of the yield curve. Lower credit quality fixed income securities, represented by the Barclays High Yield Index, posted a 0.4% loss for the fiscal year. The decline was driven by the energy sector as ex-energy high yield bonds returned 1.2% for the same period. The Federal Reserve appears set to raise interest rates in 2015 or early 2016, however comments emphasize that they will take a measured approach and should be focused on the path, not the timing of rate increases.

Hedge funds, REITs and private equity posted positive returns, generally outperformed non-US equities and bonds during the fiscal year. Commodities struggled during the year on concerns that low energy prices are likely to persist over the near-term given supply/demand imbalances.

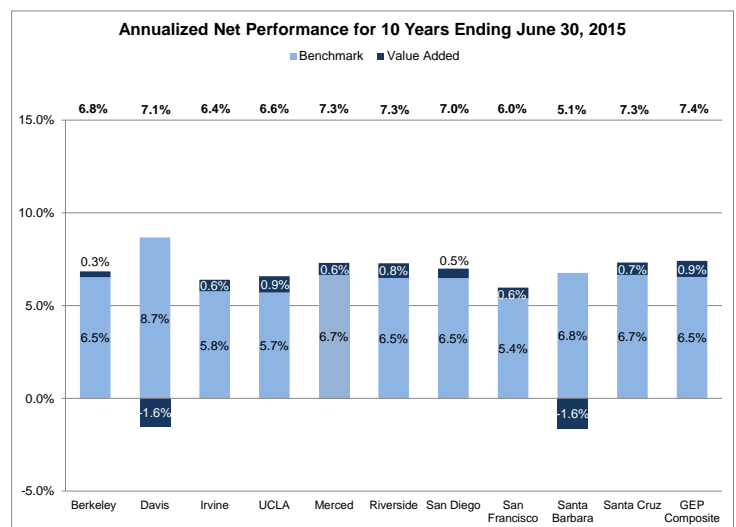
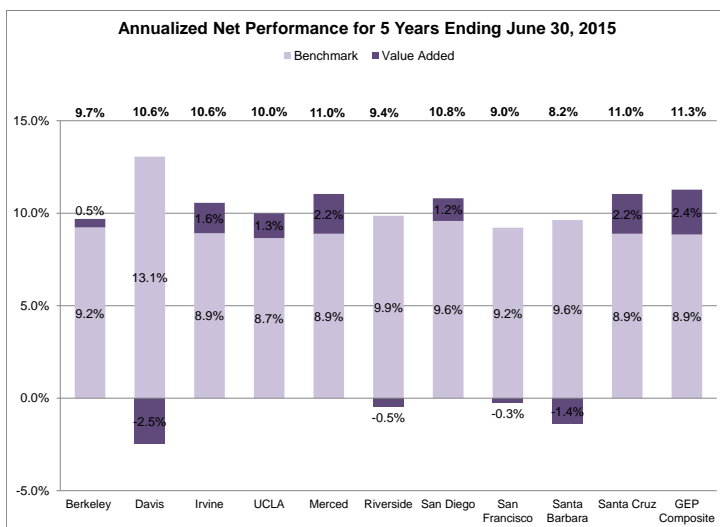
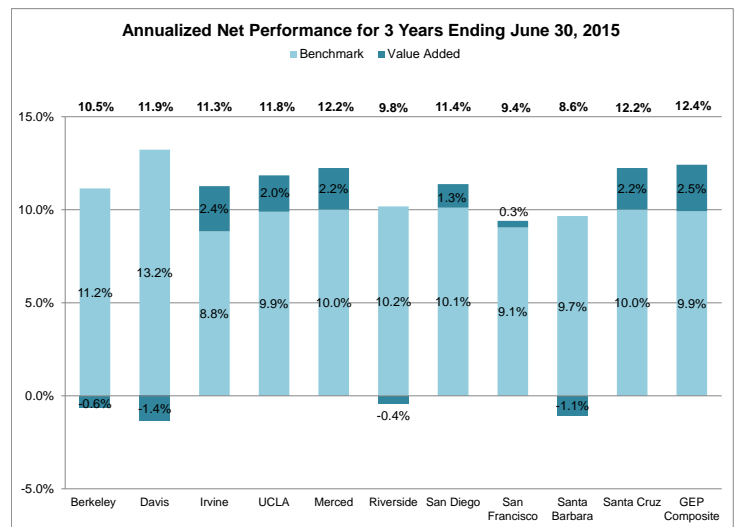
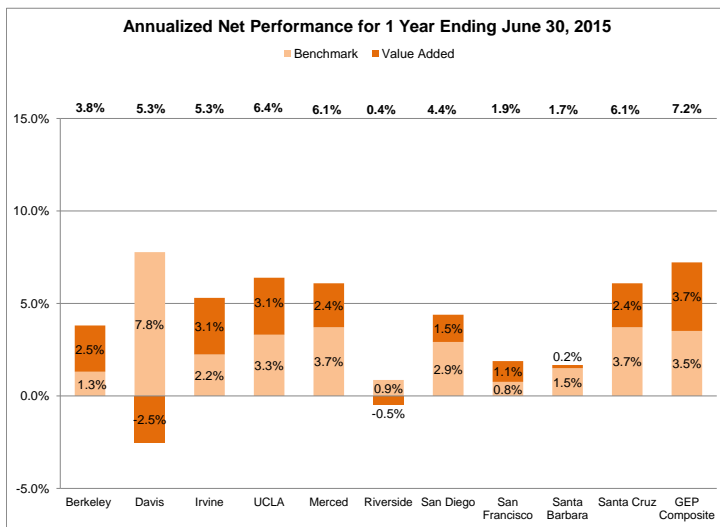
The ranges of the Campus Foundations' total return investment performance for periods ending June 30, 2015, are shown in the following graph.



All the Foundations posted positive gains for the quarter with the exception of Santa Barbara and Riverside. Performance for the trailing 1-, 3- and 5-year periods has improved significantly; however, performance for the trailing 7- and 10-year periods is still modest as it includes the effect of the financial crises.

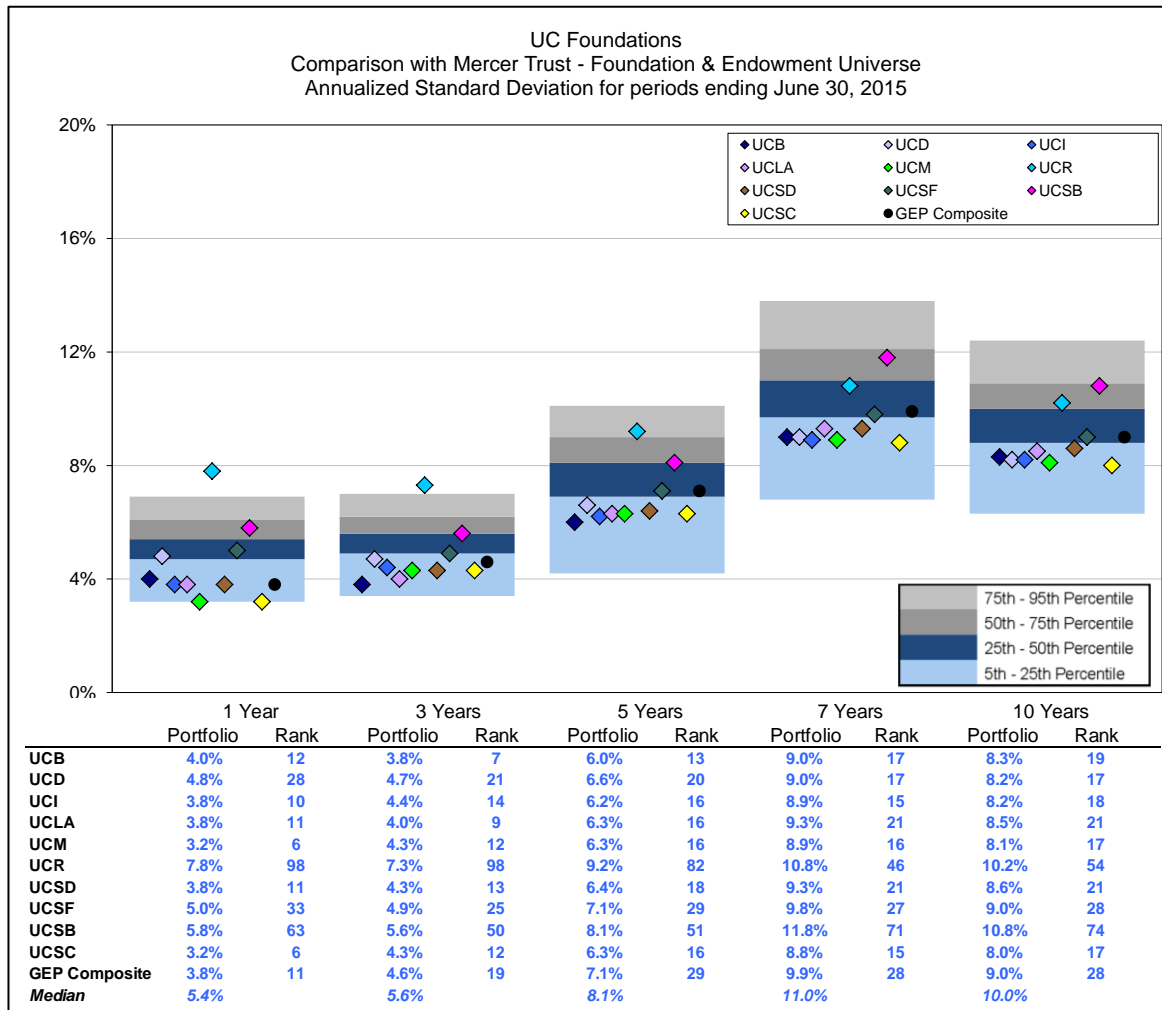
The Foundations' absolute returns ranged from -1.0% to 2.2% for the quarter and 0.4% to 6.4% for the 1-year period. For 3, 5 and 10 years, most of the Foundations are exceeding or matching the universe median return except for 2 Foundations that underperformed for the 5- and 10-year periods and 1 Foundation that underperformed for the 3 years. For 7 years, performance relative to the universe median was mixed.

The graphs below show the absolute net returns of the 10 Foundations and the value added (excess returns) versus their respective policy benchmarks for the 1-, 3-, 5- and 10-year periods ending June 30, 2015. Results for the 1- and 10-year periods were generally positive, as 8 of the 10 Foundations outperformed their respective benchmarks in each period. For the 3- and 5-year periods, 6 of the 10 Foundations added value. The outperformance is generally attributed to overweights in equities and/or manager investment selection. Two Foundations (Davis and Santa Barbara); however, consistently underperformed their respective policy benchmarks over the longer-term periods.



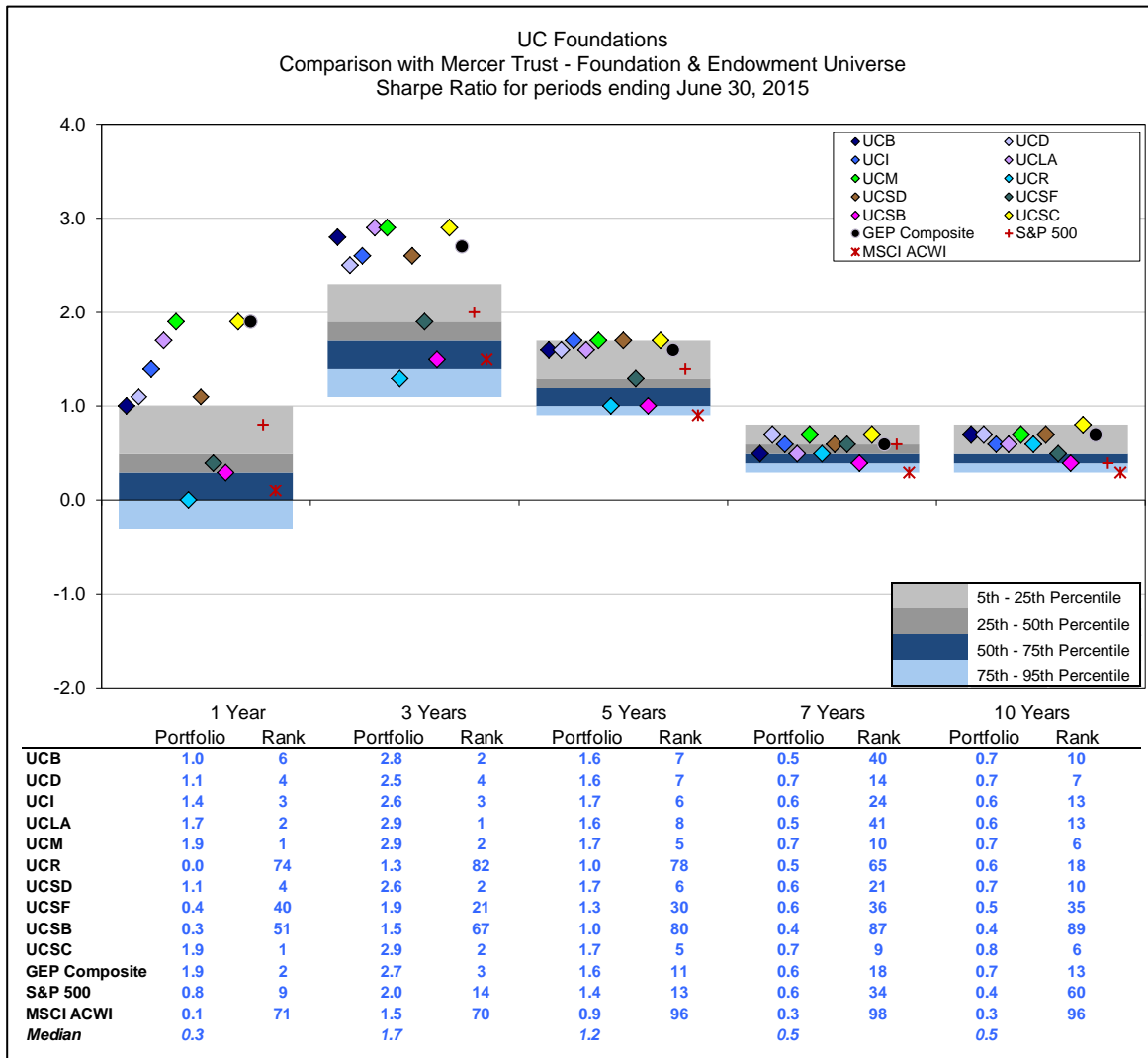
The next three graphs show risk/return statistics for each of the 10 Foundations over cumulative periods ending June 30, 2015 calculated monthly.

Standard deviation is a statistic used to measure the portfolio's volatility. Most Foundations exhibited lower volatility than the universe median for all periods shown.

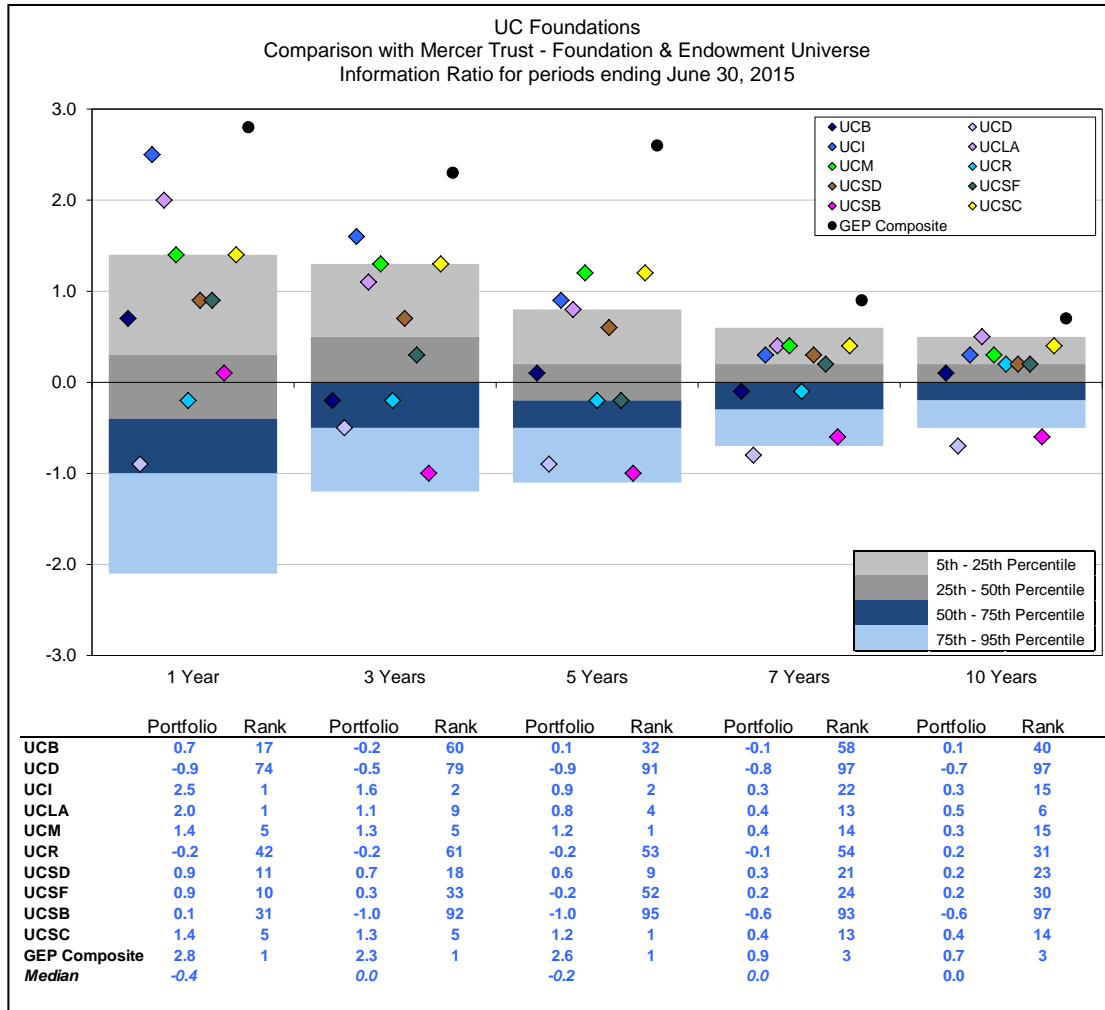


Note: Riverside is virtually all invested in daily priced assets which overstate their apparent volatility compared to foundations that are more invested in non-public assets.

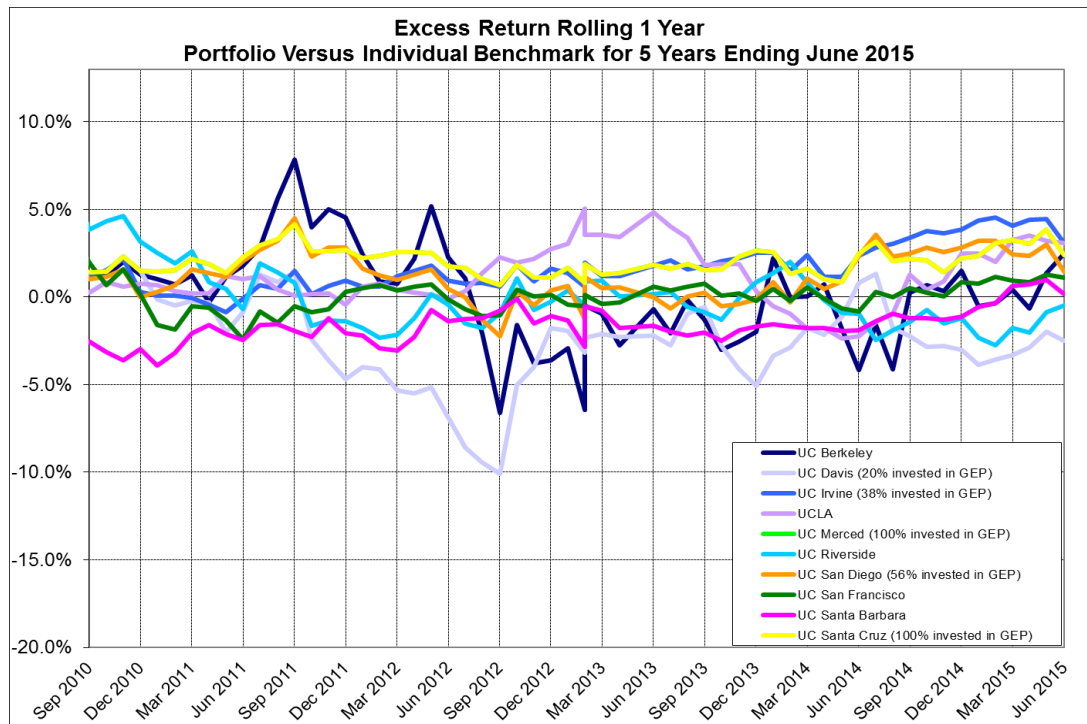
Sharpe Ratio is a measure of the excess return per unit of risk. Most Foundations exhibited Sharpe ratios higher than the universe median across the different periods ending June 30, 2015.



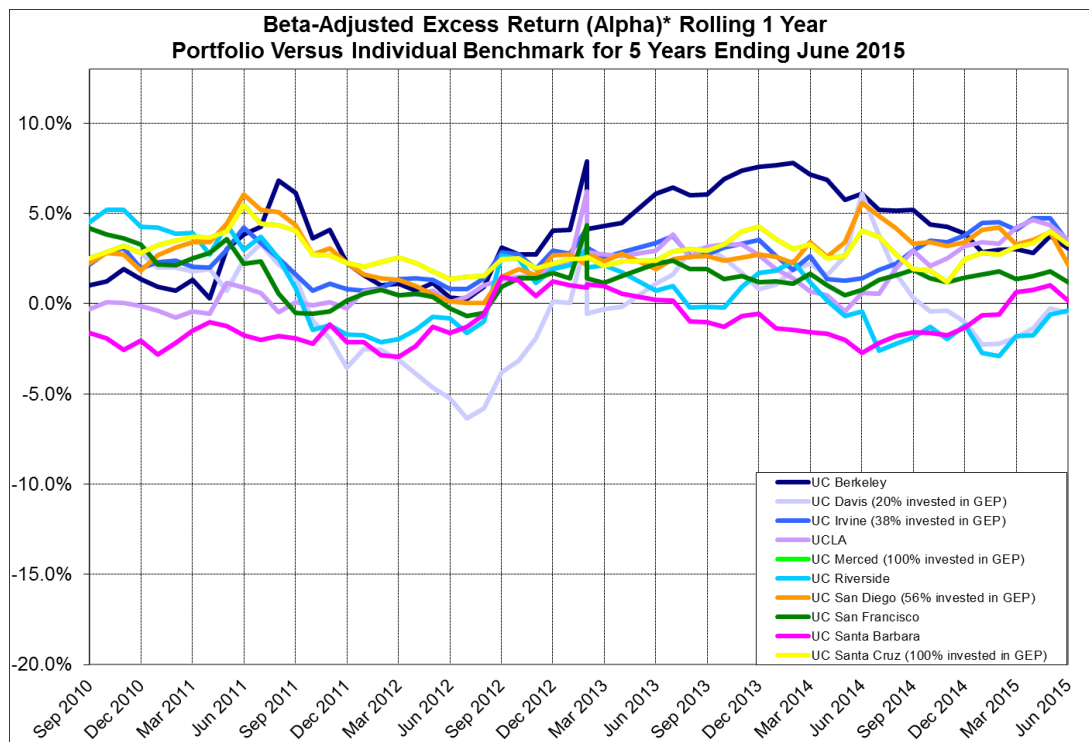
Information Ratio: this is a measure of the risk-adjusted return of a portfolio and it is defined as expected active return divided by tracking error, where active return is the excess return and tracking error is the annualized standard deviation. While most Foundations generally posted information ratios higher than the universe median, five Foundations (Irvine, Los Angeles, Merced, San Diego, and Santa Cruz) consistently posted positive information ratios that were higher than the universe median across all periods evaluated.



The following graph shows the performance trend of the Foundations' excess returns over 1-year rolling periods. After a wider divergence of excess returns displayed during the market turmoil from 2007 to 2009, the 1-year excess returns of the ten Foundations have narrowed and are now ranging between 3.1% and -2.5%. The Foundations posted positive returns over the last 12 months and were able to manage volatility relatively well.



The next graph shows the Foundations' excess returns after adjusting for beta, or level of market exposure (relative to each Foundation's individual benchmark). The results are shown in the beta-adjusted excess return rolling 1-year chart below.



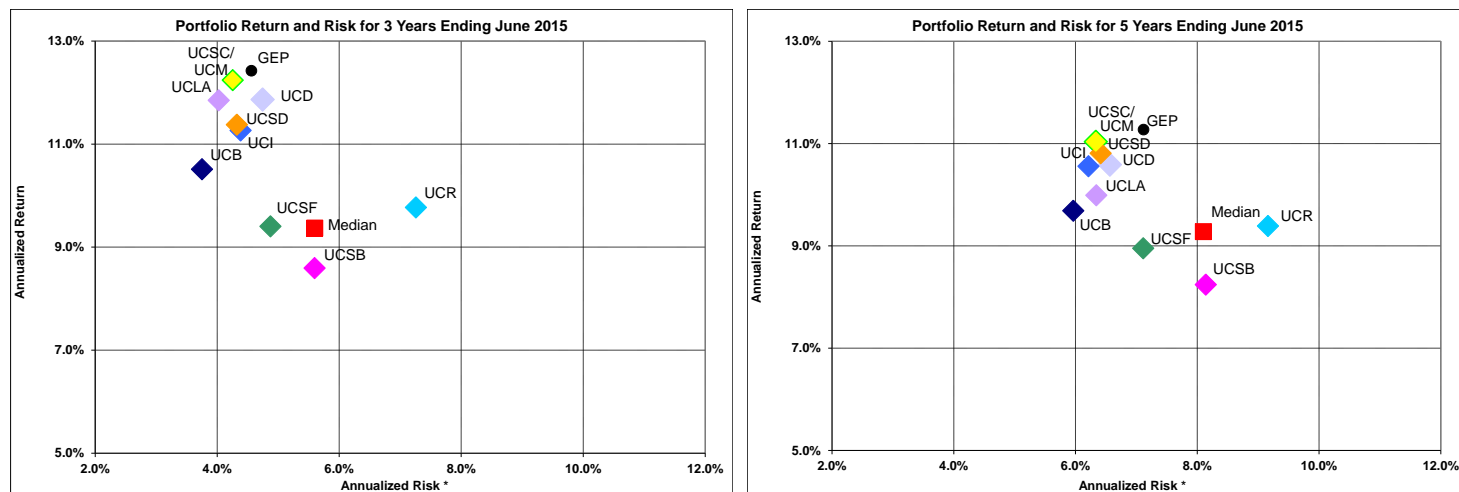
* Beta is calculated by taking the slope coefficient of the linear regression of the prior 12 month returns of the Foundations versus their respective benchmarks. Beta-adjusted excess return (alpha calculated by Mercer's performance analytic system) is the residual additional to the Foundation's return, when the effect of a beta different from one has been removed. A positive alpha would imply that the Foundation was able to add value through sources other than taking on a particular level of market risk. Note that the alpha may vary from historical excess return because it makes an allowance for the historical level of risk. Alpha is calculated using the following formula:

$$\text{Alpha} = \alpha = 100 * \left(\bar{r} - \beta \bar{p} \right) = 100 * \left(\frac{1}{n} \sum_{i=1}^n r_i - \beta \frac{1}{n} \sum_{i=1}^n p_i \right)$$

Mercer will annualize the alpha by compounding it for the number of periods in a year.

Over the last 3 years, a majority of the Foundations had an average beta exposure below 1 which resulted in higher risk-adjusted returns due to the heightened volatility experienced during this period.

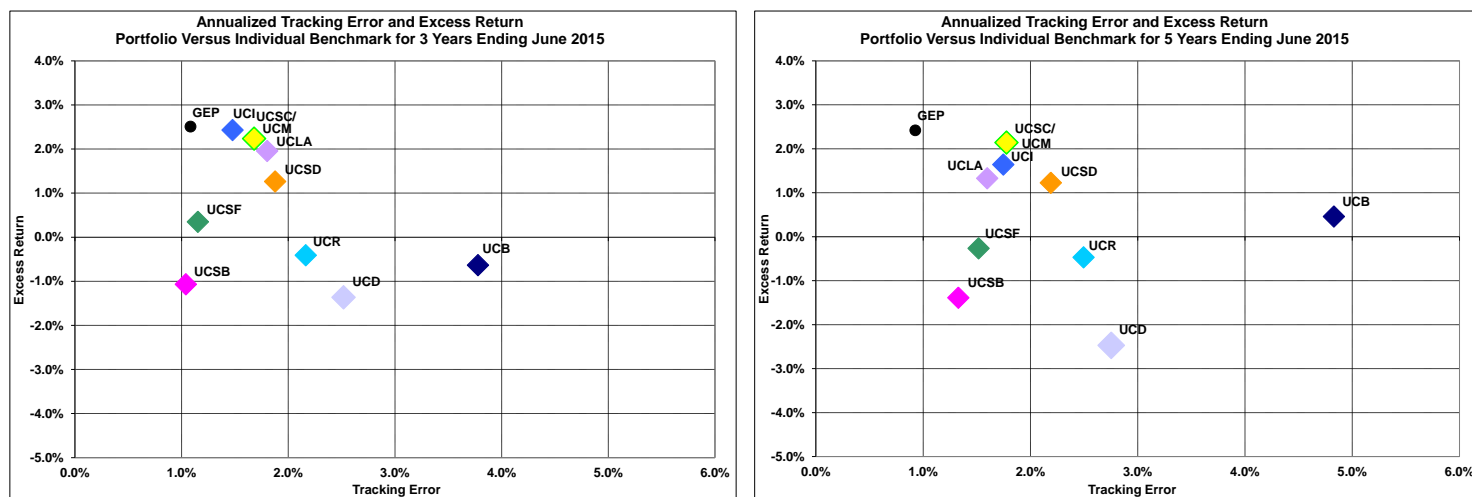
Next, we analyzed the risk levels taken by the Foundations in achieving their returns. The graphs below are snapshots of each Foundation's risk-return profile for 3- and 5-years calculated on a monthly basis.



* (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.

The risk-return profile shows strong results for 3 and 5 years driven by the equity rebound since the lows in 2009 and the dive to ultra-low interest rates. We note that most foundations outperformed the median with lower volatility for the 3- and 5-year periods. The Foundations achieved returns ranging from 8.6% to 12.2% and risks that ranged from 3.8% to 7.3% for the 3-year period. Only Santa Barbara (with similar volatility) underperformed the median for the 3-year period. The annualized 5-year returns which continue to be well above long-term capital market return expectations, ranged from 8.2% to 11.0% with risks in the range of 6.0% to 9.2%. For the 5-year period San Francisco underperformed the median but exhibited lower volatility. Santa Barbara also underperformed the median but exhibited slightly higher volatility. For both periods, Riverside exhibited higher volatility than the median but has outperformed the median. Riverside is virtually all invested in daily priced assets which overstate their apparent volatility compared to foundations that are more invested in non-public assets.

In addition, we evaluated the portfolios' active risk, which measures how closely the portfolio follows a specified benchmark.



The previous graphs reflect the active risks and excess returns of the individual portfolios when compared to their respective benchmarks over 3- and 5-years ending June 30, 2015.

We found that Santa Cruz and Merced both achieved the second highest excess return of 2.2% for the 3-year period and the highest excess return of 2.1% for the 5-year period, by employing a moderate active risk for both periods.

Irvine exhibited the highest excess return of 2.4% for the 3-year period and the second highest excess return of 1.6% for the 5-year period, by employing a moderate active risk for both periods.

Berkeley exhibited the highest tracking error among all of the 10 Foundations but performed relatively close to its benchmark for both periods.

For the 3-year period, over half of the Foundations outperformed their respective benchmarks. Davis and Santa Barbara underperformed their respective benchmarks as did Berkeley and Riverside but the latter two underperformed to a lesser degree. All except Berkeley exhibited low to moderate active risks.

For the 5-year period, over half of the Foundations outperformed their respective benchmarks. Davis and Santa Barbara underperformed their respective benchmarks as did Riverside and San Francisco but the latter two underperformed to a lesser degree. All except Berkeley exhibited low to moderate active risks.

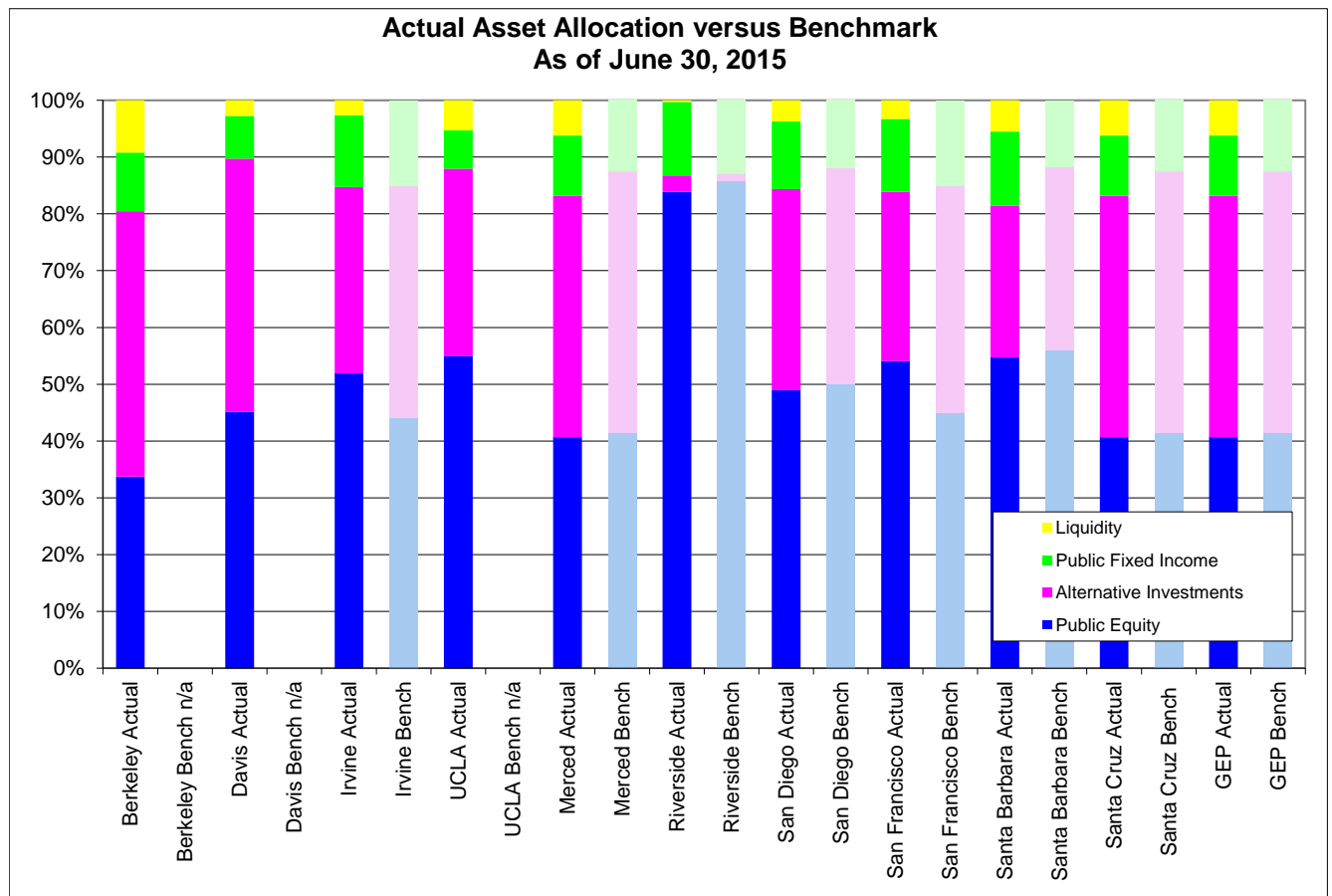
Note that Santa Barbara started to invest outside the GEP in October 2007 and prior to July 1, 2011, measured their results against its long-term target benchmark which does not reflect the ongoing funding of private equities. In January 2011, Davis implemented a strategy-based investment structure which invests in about 81% in multi-asset strategies.

5.2 Policy Compliance

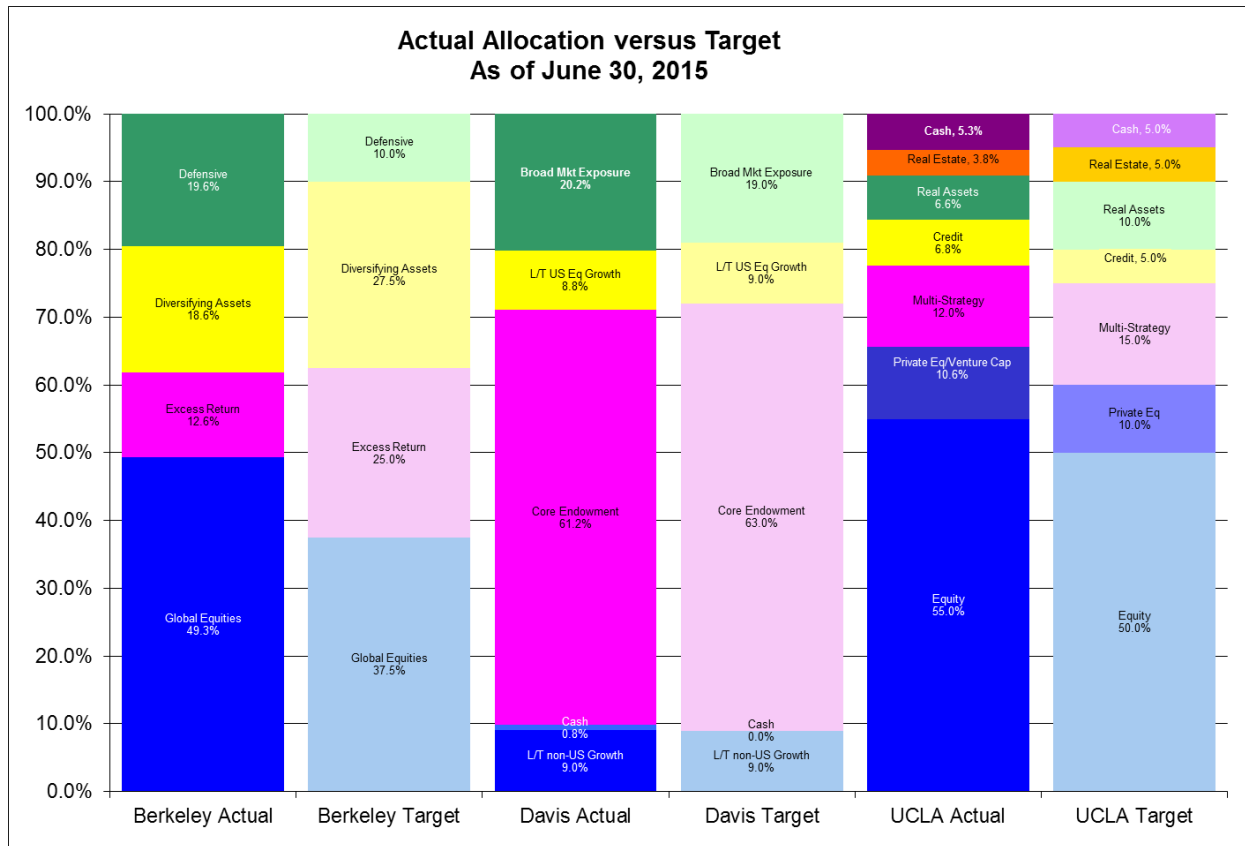
Merced and Santa Cruz are invested 100% in GEP. The other 8 Foundations have implemented their own individual investment policies. As of June 30, 2015, San Diego, Irvine and Davis allocated 56%, 38% and 20% respectively to the GEP. Effective July 1, 2015, Santa Barbara will be invested 100% in GEP. The overview of the Foundations' asset allocation versus the individual benchmark is presented below.

We observed the following benchmark anomaly:

- Riverside uses a secondary blended benchmark (85% MSCI ACWI, 11% Barclays Aggregate and 4% Citigroup 3-Month T-Bill) for its total fund benchmark, which is not reflected in the chart.



Berkeley, Davis and UCLA moved to a strategy-based investment structure and implemented multi-asset class portfolios. The actual asset allocation versus benchmark is presented in the chart below.



The following benchmarks are implemented on total fund level:

- Berkeley
 - 82.5% MSCI ACWI with USA Gross (net)
 - 17.5% Barclays Treasury
- Davis
 - 63.0% GEM Policy Portfolio*
 - 19% GEP Policy Benchmark
 - 9% Russell 3000 Tobacco-Free
 - 9% MSCI EAFE Tobacco-Free + Canada Index
- UCLA
 - 25% Russell 3000
 - 15% Citigroup 3-month Treasury Bill Index X 2
 - 15% Cambridge Associates LLC U.S. Private Equity/Venture Indices (weighted 60% Buyout & 40% Venture)
 - 20% MSCI All Country World Ex-US
 - 5% Citigroup 3-month Treasury Bill Index (Cash)
 - 5% Merrill Lynch High Yield Master II Index
 - 5% NCREIF Property Index
 - 10% Consumer Price Index for All Urban Consumers (annualized CPI-U) + 6%

* Index composition details shown on Section 6.3, page 73

During the fiscal year, the following Foundations changed their investment policy statements:

- UC Berkeley
 - February 27, 2015 – reflected in the reporting as of March 1, 2015
- UC Davis
 - November 14, 2014 – reflected in the reporting as of January 1, 2015
- UC Los Angeles
 - June 2, 2014 – reflected in the reporting as of July 1, 2014
- UC San Diego
 - December 12, 2014 – reflected in the reporting as of December 12, 2014
- UC Santa Barbara
 - October 24, 2014 – reflected in the reporting as of November 1, 2014

Note: Effective July 1, 2015, UC Santa Barbara will be invested 100% in GEP.

The following table reflects the difference between the actual asset allocation as of June 30, 2015, and the target policy allocation defined in the investment policy statement for each Foundation. Any exposure outside the individual policy ranges is shaded, and the heat map on the right side shows by how much.

Over-/Underweight to Individual Foundation Policy as of June 30, 2015							
	Public Equity	Alternative Investments	Public Fixed Income	Liquidity	Legend % Outside the Individual Policy Range		
GEP	-0.8%	-3.5%	-1.9%	6.2%			
Irvine	7.9%	-8.2%	-2.4%	2.6%			
Merced	-0.8%	-3.5%	-1.9%	6.2%			
Riverside	-1.9%	1.7%	0.0%	0.3%			
San Diego	-1.1%	-2.6%	-0.1%	3.7%			
San Francisco	9.1%	-10.2%	-2.2%	3.3%			
Santa Barbara	-1.3%	-5.5%	1.3%	5.5%			
Santa Cruz	-0.8%	-3.5%	-1.9%	6.2%			
	Global Equities	Excess Return	Diversifying Assets	Defensive	Legend % Outside the Individual Policy Range		
Berkeley	11.8%	-12.4%	-8.9%	9.6%			
	L/T non-US Growth	Cash	Core Endowment	L/T US Eq Growth	Broad Mkt Exposure	Legend % Outside the Individual Policy Range	
Davis	0.0%	0.8%	-1.8%	-0.2%	1.2%		
	Private Equity	Cap	Multi-Strategy	Credit	Real Assets	Real Estate	Cash
UCLA	5.0%	0.6%	-3.0%	1.8%	-3.4%	-1.2%	0.3%

UC San Francisco's policy has a target of 0% to cash and has no definitive range. The 3.3% allocation is temporary and came from a gift from one of the agencies for which the Foundation manages assets.

UC Santa Barbara's allocation to Alternative Investments was 0.2% below the minimum target range of 27%. This is due to the portfolio transitioning to be invested 100% in GEP.

UC Berkeley's allocation to Diversifying Assets was 1.4% below the minimum target range of 20%.

UC Davis' policy has a target of 0% cash with no definitive range. UC Davis' small cash allocation of 0.8% at 6/30/2015 was due to a cash receivable due UC Davis. The balance was received in July 2015.

UC Irvine's allocation to cash was 0.6% above the maximum target range of 2%.

UC San Diego's allocation to cash was 1.7% above the maximum target range of 2%.

The exposures outside of the policy ranges are minor and therefore not a concern given the significant market volatility experienced in June of 2015.

5.3 Analysis and Recommendations

Mercer Investments as the General Investment Consultant to The Regents of the University of California has been directed by the Committee on Investments to review the Campus Foundations' investment policies to ensure that they are consistent with industry best practices.

In compliance with the Regents Policy 6201 Investment Policy for the University of California Campus Foundations, Mercer has reviewed for each Foundation:

- Investment policy and asset allocation relative to its policy
- Performance by asset class and relative to its benchmarks
- Asset allocation target percentages
- Ranges for each asset class
- Policy benchmarks for each asset class and in total
- Investment guidelines for each asset class as applicable

Based on our review of the UC Campus Foundations' investment policies above, Mercer Investments has no issues of concern to address as of June 30, 2015.

Mercer supports the Regents' investment policy for the Campus Foundations. This policy satisfies the Regents' fiduciary responsibilities and allows the Campus Foundations to manage their assets in a manner consistent with industry best practices.

6 Appendix

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

Performance, assets under management and fee information were provided by State Street Bank which is the University's official "book of record."

Information on assets not included in State Streets performance reporting was provided by The Regents and individual Foundations.

Information about gifts and recurring charges, endowment spending and investment statements is based on the Foundations' specific policies.

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6.1 Historical Foundation Investment Performance

Historical Fiscal Year Foundation Investment Performance											
Annual Total Returns - Foundations											
Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP Composite
2015	3.8%	5.3%	5.3%	6.4%	6.1%	0.4%	4.4%	1.9%	1.7%	6.1%	7.2%
2014	15.2%	19.1%	17.3%	13.9%	19.0%	18.2%	18.1%	15.9%	14.4%	19.0%	18.7%
2013	12.8%	11.7%	11.5%	15.5%	12.0%	11.5%	12.0%	10.9%	10.1%	12.0%	11.6%
2012	-1.0%	-0.4%	0.4%	-1.4%	-0.7%	-2.6%	-0.6%	-0.9%	-3.4%	-0.7%	-0.4%
2011	18.8%	18.7%	19.5%	16.7%	20.2%	21.5%	21.7%	18.3%	20.1%	20.2%	20.5%
2010	11.7%	11.3%	11.0%	11.8%	11.3%	15.8%	12.7%	14.4%	15.4%	11.3%	10.9%
2009	-20.6%	-17.9%	-20.6%	-21.1%	-18.2%	-22.1%	-20.4%	-16.5%	-20.7%	-17.7%	-17.8%
2008	-0.3%	-1.4%	-2.9%	0.1%	-1.5%	2.9%	-1.6%	-7.5%	-9.4%	-1.4%	-1.9%
2007	20.3%	19.7%	18.7%	17.8%	19.8%	21.7%	19.3%	18.2%	20.1%	19.5%	20.0%
2006	14.8%	11.3%	10.8%	12.9%	11.5%	14.2%	11.7%	11.3%	11.5%	11.3%	11.6%
2005	11.3%	10.2%	7.7%	10.2%	10.3%	11.3%	10.2%	10.0%	10.1%	10.3%	10.4%
2004	17.7%	14.4%	15.6%	15.2%	14.7%	18.1%	14.5%	17.2%	14.1%	14.5%	14.8%
2003	3.4%	5.5%	6.5%	4.5%	5.4%	4.1%	5.2%	0.9%	5.6%	5.4%	5.4%
2002	-4.8%	-8.3%	-7.2%	-8.9%		-4.1%	-9.5%	-6.8%	-9.4%	-9.1%	-9.5%
Average Annualized Total Returns - Foundations											
Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP Composite
2015	3.8%	5.3%	5.3%	6.4%	6.1%	0.4%	4.4%	1.9%	1.7%	6.1%	7.2%
('14-'15)	9.4%	12.0%	11.1%	10.1%	12.4%	8.9%	11.1%	8.7%	7.9%	12.4%	12.8%
('13-'15)	10.5%	11.9%	11.3%	11.9%	12.2%	9.8%	11.4%	9.4%	8.6%	12.2%	12.4%
('12-'15)	7.5%	8.7%	8.4%	8.4%	8.9%	6.5%	8.3%	6.7%	5.5%	8.9%	9.1%
('11-'15)	9.7%	10.6%	10.6%	10.0%	11.0%	9.4%	10.8%	9.0%	8.2%	11.0%	11.3%
('10-'15)	10.0%	10.7%	10.6%	10.3%	11.1%	10.4%	11.1%	9.8%	9.4%	11.1%	11.2%
('09-'15)	5.0%	6.1%	5.5%	5.1%	6.3%	5.1%	5.9%	5.6%	4.5%	6.4%	6.5%
('08-'15)	4.3%	5.1%	4.4%	4.5%	5.3%	4.8%	5.0%	3.9%	2.6%	5.4%	5.4%
('07-'15)	6.0%	6.6%	5.9%	5.9%	6.8%	6.5%	6.5%	5.4%	4.4%	6.9%	7.0%
('06-'15)	6.8%	7.1%	6.4%	6.6%	7.3%	7.3%	7.0%	6.0%	5.1%	7.3%	7.4%
('05-'15)	7.2%	7.4%	6.5%	6.9%	7.6%	7.6%	7.3%	6.3%	5.6%	7.6%	7.7%
('04-'15)	8.1%	8.0%	7.2%	7.6%	8.1%	8.5%	7.9%	7.2%	6.2%	8.2%	8.2%
('03-'15)	7.7%	7.8%	7.2%	7.3%	7.9%	8.1%	7.7%	6.7%	6.2%	7.9%	8.0%
('02-'15)	6.8%	6.5%	6.1%	6.1%	7.3%	7.2%	6.3%	5.7%	5.0%	6.6%	6.7%
Cumulative Total Returns - Foundations											
# Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP Composite
2015	3.8%	5.3%	5.3%	6.4%	6.1%	0.4%	4.4%	1.9%	1.7%	6.1%	7.2%
('14-'15)	19.6%	25.4%	23.5%	21.2%	26.3%	18.6%	23.3%	18.1%	16.3%	26.3%	27.3%
('13-'15)	35.0%	40.0%	37.7%	39.9%	41.4%	32.3%	38.2%	30.9%	28.1%	41.4%	42.1%
('12-'15)	33.6%	39.4%	38.2%	38.0%	40.5%	28.9%	37.3%	29.8%	23.7%	40.5%	41.6%
('11-'15)	58.8%	65.4%	65.2%	61.0%	68.8%	56.6%	67.1%	53.5%	48.6%	68.8%	70.6%
('10-'15)	77.4%	84.1%	83.3%	80.0%	87.9%	81.3%	88.3%	75.6%	71.5%	87.9%	89.2%
('09-'15)	40.8%	51.1%	45.5%	42.1%	53.7%	41.2%	49.8%	46.7%	35.9%	54.6%	55.6%
('08-'15)	40.4%	49.1%	41.2%	42.2%	51.4%	45.2%	47.5%	35.7%	23.1%	52.5%	52.6%
('07-'15)	68.8%	78.5%	67.7%	67.5%	81.4%	76.8%	75.9%	60.5%	47.8%	82.2%	83.1%
('06-'15)	93.9%	98.7%	85.8%	89.2%	102.3%	101.8%	96.5%	78.6%	64.8%	102.8%	104.4%
('05-'15)	115.8%	119.1%	100.0%	108.5%	123.2%	124.6%	116.5%	96.5%	81.4%	123.6%	125.6%
('04-'15)	154.0%	150.6%	131.2%	140.1%	156.0%	165.3%	147.9%	130.4%	107.0%	156.1%	158.8%
('03-'15)	162.6%	164.4%	146.2%	150.9%	169.8%	176.2%	160.8%	132.5%	118.6%	169.9%	172.8%
('02-'15)	150.0%	142.4%	128.5%	128.6%	169.8%	164.9%	136.0%	116.6%	98.0%	145.3%	146.8%

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

Returns for 2006 and later were provided by State Street Bank, except in extraordinary circumstances.

6.2 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 Composite
2015	1.3%	7.8%	2.2%	3.3%	3.7%	0.9%	2.9%	0.8%	1.5%	3.7%	3.5%
2014	19.4%	18.3%	15.0%	16.1%	16.6%	19.1%	15.8%	16.7%	16.3%	16.6%	16.6%
2013	13.5%	13.9%	9.7%	10.6%	10.1%	11.3%	12.0%	10.3%	11.7%	10.1%	10.1%
2012	-3.3%	6.4%	-0.6%	-1.3%	-2.4%	-2.1%	-1.1%	-0.7%	-2.0%	-2.4%	-2.5%
2011	17.1%	19.5%	19.6%	15.7%	17.9%	22.2%	19.6%	20.7%	22.5%	17.9%	18.0%
2010	10.2%	9.1%	9.2%	10.0%	9.1%	11.5%	10.7%	10.9%	18.3%	9.1%	9.6%
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%
2007	16.9%	18.0%	19.0%	17.7%	18.0%	20.2%	18.0%	17.7%	18.0%	18.0%	18.1%
2006	12.7%	11.1%	10.3%	10.4%	11.1%	13.6%	11.1%	11.1%	11.0%	11.0%	11.0%
2005	10.3%	9.5%	9.3%	8.7%	9.5%	10.4%	10.3%	10.2%	9.5%	9.5%	9.5%
2004	17.1%	14.6%	15.1%	16.2%	14.6%	18.0%	15.2%	17.8%	14.6%	14.6%	14.6%
2003	2.8%	5.0%	3.2%	3.0%	5.0%	2.1%	5.2%	3.2%	5.0%	5.0%	5.0%
2002	-8.1%	-7.7%	-6.6%	-10.5%		-7.8%	-7.7%	-7.3%	-7.7%	-7.7%	-7.7%
Annual Active Returns (Foundation minus Benchmark) ¹											
Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP Composite
2015	2.5%	-2.5%	3.1%	3.1%	2.4%	-0.5%	1.5%	1.1%	0.2%	2.4%	3.7%
2014	-4.2%	0.8%	2.4%	-2.2%	2.5%	-0.9%	2.4%	-0.8%	-1.9%	2.5%	2.2%
2013	-0.7%	-2.2%	1.8%	4.8%	1.8%	0.1%	0.0%	0.6%	-1.7%	1.8%	1.6%
2012	2.3%	-6.9%	0.9%	-0.1%	1.8%	-0.4%	0.5%	-0.1%	-1.4%	1.8%	2.1%
2011	1.8%	-0.9%	-0.1%	1.0%	2.3%	-0.7%	2.0%	-2.4%	-2.5%	2.3%	2.5%
2010	1.6%	2.3%	1.8%	1.8%	2.3%	4.3%	2.0%	3.5%	-2.9%	2.3%	1.4%
2009	-5.1%	-4.9%	-4.6%	-2.0%	-5.1%	-2.8%	-2.1%	3.0%	-2.4%	-4.7%	-3.8%
2008	0.9%	-1.4%	2.0%	0.8%	-1.5%	7.3%	-1.6%	-0.6%	-5.4%	-1.4%	-1.8%
2007	3.4%	1.7%	-0.3%	0.1%	1.7%	1.5%	1.2%	0.5%	2.0%	1.5%	2.0%
2006	2.2%	0.3%	0.5%	2.5%	0.5%	0.5%	0.6%	0.2%	0.5%	0.2%	0.6%
2005	1.0%	0.8%	-1.6%	1.5%	0.9%	0.9%	-0.1%	-0.1%	0.6%	0.8%	0.9%
2004	0.6%	-0.2%	0.5%	-1.0%	0.1%	0.1%	-0.7%	-0.6%	-0.5%	-0.1%	0.2%
2003	0.6%	0.5%	3.3%	1.5%	0.4%	2.0%	0.0%	-2.3%	0.6%	0.4%	0.4%
2002	3.3%	-0.6%	-0.6%	1.6%		3.7%	-1.8%	0.5%	-1.7%	-1.4%	-1.8%
Average Annualized Active Returns (Foundation minus Benchmark) ²											
# Year	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego	San Francisco	Santa Barbara	Santa Cruz	GEP Composite
2015	2.5%	-2.5%	3.1%	3.1%	2.4%	-0.5%	1.5%	1.1%	0.2%	2.4%	3.7%
('14-'15)	-0.6%	-0.9%	2.7%	0.6%	2.4%	-0.7%	1.9%	0.2%	-0.8%	2.4%	3.0%
('13-'15)	-0.6%	-1.4%	2.4%	2.0%	2.2%	-0.4%	1.3%	0.3%	-1.1%	2.2%	2.5%
('12-'15)	0.2%	-2.8%	2.0%	1.4%	2.1%	-0.4%	1.0%	0.2%	-1.2%	2.1%	2.4%
('11-'15)	0.5%	-2.5%	1.6%	1.3%	2.1%	-0.5%	1.2%	-0.3%	-1.4%	2.1%	2.4%
('10-'15)	0.6%	-1.7%	1.7%	1.4%	2.2%	0.3%	1.4%	0.3%	-1.6%	2.2%	2.2%
('09-'15)	-0.4%	-2.3%	0.5%	0.8%	0.9%	-0.3%	0.7%	0.8%	-1.8%	0.9%	1.2%
('08-'15)	-0.2%	-2.1%	0.7%	0.8%	0.5%	0.7%	0.4%	0.6%	-2.3%	0.6%	0.8%
('07-'15)	0.1%	-1.8%	0.6%	0.7%	0.7%	0.8%	0.5%	0.6%	-1.9%	0.7%	0.9%
('06-'15)	0.3%	-1.6%	0.6%	0.9%	0.6%	0.8%	0.5%	0.6%	-1.6%	0.7%	0.9%
('05-'15)	0.4%	-1.4%	0.4%	0.9%	0.7%	0.8%	0.5%	0.5%	-1.4%	0.7%	0.9%
('04-'15)	0.4%	-1.3%	0.4%	0.8%	0.6%	0.7%	0.4%	0.4%	-1.4%	0.6%	0.8%
('03-'15)	0.4%	-1.1%	0.7%	0.8%	0.6%	0.8%	0.3%	0.2%	-1.2%	0.6%	0.8%
('02-'15)	0.6%	-1.1%	0.5%	0.9%	0.6%	1.1%	0.2%	0.2%	-1.3%	0.4%	0.6%

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

Returns for 2006 and later were provided by State Street Bank, except in extraordinary circumstances.

1) Arithmetic difference

2) Annualized geometric difference

6.3 Investment Policies

Campus	Asset Class	Benchmark Component	Percentage
UC Berkeley	Global Equity	MSCI ACWI with USA Gross (net)	82.5%
	Fixed Income	Barclays Treasury	17.5%
UC Davis	GEM ***	GEM Policy Index	63.0%
	GEP *	GEP Benchmark	19.0%
	U.S. Equity	Russell 3000 TF Index	9.0%
	Non-U.S. Equity Developed	MSCI EAFE TF + Canada (Net)	9.0%
UC Irvine	U.S. Equity	Russell 3000	22.0%
	Non U.S. Equity	MSCI AC World ex U.S. (Net)	22.0%
	US Fixed Income	Barclays Aggregate	15.0%
	Private Equity	UCIF-Private Equities (Russell 3000 + 3%)	8.0%
	Hedge Funds	HFRI Fund of Funds Index	20.0%
	Commodities	Bloomberg Commodity Index TR	5.0%
	Real Estate	NCREIF Property Index	8.0%
UC Los Angeles	U.S. Equity	Russell 3000	30.0%
	Non-U.S. and Global Equity	MSCI AC World ex U.S. (Net)	20.0%
	Credit	BoFA ML U.S. High Yield Master II Index	5.0%
	Multi-Strategy	Citigroup 3-Month T-Bill X2	15.0%
	Private Equity	Cambridge Private Equity Index	10.0%
	Real Assets	CPI-All Urban + 6%	10.0%
	Real Estate	NCREIF Property Index	5.0%
	Cash & Equivalents	Citigroup 3-Month T-Bill	5.0%
UC Merced	GEP *	GEP Benchmark	100.0%
UC Riverside	Global Equity	MSCI AC World	85.0%
	Fixed Income	Barclays Aggregate	11.0%
	Cash	Citigroup 3-Month T-Bill	4.0%
UC San Diego	U.S. Equity	Russell 3000	20.0%
	Non-U.S. Equity	MSCI ACWI World ex U.S. (Net)	23.0%
	Global Equity	MSCI AC World Index	7.0%
	Fixed Income	Barclays US Aggregate Bond Index	12.0%
	Private Equity	S&P 500 + 5%	8.0%
	Absolute Return	HFRI Global Hedge Fund Index	13.0%
	Real Estate	NCREIF Property Index	10.0%
	Other	CPI+5%	7.0%
UC San Francisco	U.S. Equity	Russell 3000	22.5%
	Non-U.S. Equities	MSCI All Country World ex U.S. (Net)	22.5%
	Fixed Income	Custom Benchmark	15.0%
	Private Equity	S&P 500 + 7%	7.5%
	Hedge Funds	HFRI Fund Weighted Composite	20.0%
	Hard Assets	Bloomberg Commodity Index TR	6.3%
	Real Estate	Real Estate Benchmark (NCREIF Property Index)	6.3%
UC Santa Barbara**	U.S. Equity	S&P 500	31.5%
	Non-U.S. Equity Developed	MSCI EAFE (Net)	20.0%
	Emerging Market Equity	MSCI Emerging Market (Net)	4.5%
	Fixed Income	Barclays Aggregate	5.0%
		BoA/ML US High Yield B-BB Constrained	4.5%
	Emerging Market Debt	JPM GBI-EM Global Diversified Index	2.2%
	Absolute Return	HFRI FoF Diversified	11.3%
	Private Equity	UCSB - Private Equity/Venture Capital	8.5%
	Real Estate	FTSE NAREIT US Real Estate Index	3.5%
	Cross Asset Class	3 Months Libor + 4%	9.0%
		GEP Benchmark	100.0%
* GEP	U.S. Equity	Russell 3000 TF Index	15.5%
	Non-U.S. Equity Developed	MSCI EAFE TF + Canada (Net)	10.0%
	Note: As directed by UC, State Street Bank has been using the EAFE Tobacco Free (TF) + Canada (Net) benchmark to model the performance of the MSCI World ex-US (Net) Tobacco Free Index (as shown in the GEP IPS) for the non-US equity developed asset class since 2008.		
	Emerging Market Equity	MSCI Emerging Market (Net)	6.0%
	Opportunistic Equity	MSCI All Country World Index (Net)	10.0%
	U.S. Core Fixed Income	Barclays U.S. Aggregate Bond Index	5.0%
	High Yield Debt	Merrill Lynch High Yield Cash Pay Index	2.5%
	Emerging Market Debt	J.P. Morgan EM Bond Index Global Diversified (US)	2.5%
	TIPS	Barclays U.S. TIPS Index	2.5%
	Private Equity	Actual PE Returns	9.0%
	Absolute Return-Diversified	50% HFRX Absolute Return Index + 50% HFRX Market Directional Index	23.5%
	Cross Asset Class	Aggregate GEP Policy Benchmark	4.0%
	Real Assets	Commodities: S&P GSCI Reduced Energy Index	2.8%
		All Other: Actual Portfolio Return	
	Real Estate (Public and Private)	Public: FTSE EPRA NAREIT Global Index and Private: NCREIF Funds Index-Open End Diversified Core Equity Index (lagged 3 months)	6.8%

** UCSB's benchmark reflects the current policy target weights which is different than its long-term target weights

*** 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.

6.4 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 by donor-restricted gifts to provide a permanent source of income, and Funds Functioning as Endowments (FEEs), established by donor-restricted gifts to provide income but principal may also be expended.

GENERAL ENDOWMENT POOL (GEP)

Established in 1933, and unitized in 1958, the GEP is The Regents' primary investment vehicle for endowed gift funds. The GEP is comprised of over 4,909 individual endowments that support the University's mission. The GEP is a balanced portfolio of equities, fixed-income securities, and alternative investments in which all endowment funds participate, unless payout needs require otherwise.

NON-ENDOWED ASSETS

Current gift and trust/life income assets, excluding pledges.

OTHER ENDOWED ASSETS

Separately invested assets, mortgages, real estate, operational accounts, account receivables, and others.

SHORT TERM INVESTMENT POOL (STIP)

The STIP is a cash investment pool established in fiscal 1976 by The Regents, in which all University fund groups participate, including retirement and endowment funds as well as campus endowment funds. Cash to meet payrolls, operating expenses, and construction funds of all the campuses and teaching hospitals of the University are the major funds invested in the STIP until expended. Pension, endowment, and defined contribution funds awaiting permanent investment are also invested in the STIP 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' purpose.

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