

Investments Managed by the University of California Office of the Treasurer

Balanced Growth Fund

The Balanced Growth Fund, created in April 2004, seeks to provide long-term growth and income through a balanced portfolio of equity and fixed-income securities held within UC-managed funds. Contributions are invested according to a fixed ratio: 65% Equity Fund, 30% Bond Fund and 5% TIPS (Treasury Inflation-Protected Securities) Fund. The Fund is rebalanced monthly to maintain the three component funds within their allocation percentage ranges. Available to UC employees participating in the University's defined contribution plans.

Bond Fund

The Bond Fund, created in January 1978, seeks to maximize real long-term total return through a combination of interest income and price appreciation. Invests in high-quality government and corporate bonds (U.S. and foreign). Benchmark is the Lehman Aggregate. Available to UC employees participating in the University's defined contribution plans.

Charitable Asset Management Pools

The Charitable Asset Management (CAM) Pools are used by The Regents of the University of California and the Campus Foundations for the investment of split-interest gifts, including charitable remainder trusts, pooled income funds and charitable gift annuities. The investment of these funds is directed by the Treasurer of The Regents; the administration of these funds is handled by the Charitable Asset Management group of State Street Global Advisors, Boston and San Francisco. The pools were created in November 2003.

Domestic Equity Index Fund

The Domestic Equity Index Fund, created in July 2005, seeks to provide investment results approximating the total return performance of the securities included in the Russell 3000 Index. The Fund is invested in a Russell 3000 Tobacco Free (TF) Index Fund managed by State Street Global Advisors. Available to UC employees participating in the University's defined contribution plans.

Equity Fund

The Equity Fund, created in August 1967, seeks to maximize long-term capital appreciation with moderate risk. Historical focus on large-capitalization stocks; currently the Fund's U.S. Equity allocation is invested in a Russell 3000 Tobacco Free (TF) Index fund. The non-U.S. allocation is invested in a Morgan Stanley Capital International Europe, Australia and Far East + Canada Tobacco Free (MSCI EAFE TF) Index fund. The Fund also has a small allocation to private equity. Available to UC employees participating in the University's defined contribution plans.

General Endowment Pool

Established in 1933, and unitized in 1958, the General Endowment Pool (GEP) is The Regents' primary investment vehicle for endowed gift funds. GEP is comprised of over 4,350 individual endowments that support the University's mission. GEP is a balanced portfolio of equities and fixed income securities in which all endowment funds participate, unless payout needs require otherwise.

High Income Pool

The High Income Pool (HIP) was established in May 1987 to accommodate endowments with high payout requirements and deferred gift giving programs with high contractual payout obligations. As such, HIP is a balanced portfolio comprised primarily of fixed-income securities, along with select higher-yielding equities.

ICC (Insurance Company Contract) Fund

The ICC Fund, created in September 1985, seeks to maximize interest income while protecting principal. Invests in pooled insurance contracts issued by select, highly rated insurance companies. Insurance contract guarantees are backed by the assets of the issuing insurance companies and are neither insured nor guaranteed by any third party. Benchmark is the 5-Year US Treasury Note Income Return. Available to UC employees participating in the University's defined contribution plans.

International Equity Index Fund

The International Equity Index Fund, created in July 2005, seeks to provide investment results approximating the total return performance of the securities included in the MSCI EAFE + Canada Index. The Fund is invested in a MSCI EAFE + Canada Tobacco Free (TF) Index Fund managed by State Street Global Advisors. Available to UC employees participating in the University's defined contribution plans.

Pathway Income Fund

The Pathway Income Fund, created in July 2005, seeks to maximize income. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. This UC Pathway Fund is appropriate for those investors who are retired or about to retire. Available to UC employees participating in the University's defined contribution plans.

Pathway Fund 2010

The Pathway Fund 2010, created in July 2005, seeks to maximize long-term capital appreciation. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. As the Fund moves toward its target date, its asset allocation becomes more conservative. Once the target date is met, the asset mix will be similar to the UC Pathway Income Fund and the two Funds will merge. This UC Pathway 2010 Fund is appropriate for those investors planning to retire between 2005 and 2015. Available to UC employees participating in the University's defined contribution plans.

Pathway Fund 2020

The Pathway Fund 2020, created in July 2005, seeks to maximize long-term capital appreciation. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. As the Fund moves toward its target date, its asset allocation becomes more conservative. Once the target date is met, the asset mix will be similar to the UC Pathway Income Fund and the two Funds will merge. This UC Pathway 2020 Fund is appropriate for those investors planning to retire between 2015 and 2025. Available to UC employees participating in the University's defined contribution plans.

Pathway Fund 2030

The Pathway Fund 2030, created in July 2005, seeks to maximize long-term capital appreciation. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. As the Fund moves toward its target date, its asset allocation becomes more conservative. Once the target date is met, the asset mix will be similar to the UC Pathway Income Fund and the two Funds will merge. This UC Pathway 2030 Fund is appropriate for those investors planning to retire between 2025 and 2035. Available to UC employees participating in the University's defined contribution plans.

Pathway Fund 2040

The Pathway Fund 2040, created in July 2005, seeks to maximize long-term capital appreciation. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. As the Fund moves toward its target date, its asset allocation becomes more conservative. Once the target date is met, the asset mix will be similar to the UC Pathway Income Fund and the two Funds will merge. This UC Pathway 2040 Fund is appropriate for those investors planning to retire between 2035 and 2045. Available to UC employees participating in the University's defined contribution plans.

Pathway Fund 2050

The Pathway Fund 2050, created in July 2005, seeks to maximize long-term capital appreciation. The Fund invests in a combination of Core Funds¹ and allocates its assets among these Funds according to an asset allocation strategy. As the Fund moves toward its target date, its asset allocation becomes more conservative. Once the target date is met, the asset mix will be similar to the UC Pathway Income Fund and the two Funds will merge. This UC Pathway 2050 Fund is appropriate for those investors planning to retire between 2045 and 2055. Available to UC employees participating in the University's defined contribution plans.

Savings Fund

The Savings Fund, created in July 1967, seeks to maximize interest income while protecting principal. Invests in government, government-guaranteed and government agency securities with maturities of five years or less. Participant accounts are neither insured nor guaranteed by the U.S. government. Benchmark is the 2-Year US Treasury Note Income Return. Available to UC employees participating in the University's defined contribution plans.

Short Term Investment Pool

The Short Term Investment Pool (STIP) is a cash investment pool established in fiscal 1976 by The Regents and is available to all University groups, including retirement and endowment funds. The STIP allows fund participants to maximize returns on their short-term cash balances by taking advantage of the economies of scale of investing in a larger pool and investing in a broader range of maturities. The STIP consists primarily of current funds slated for payroll, operating and construction expenses for all the campuses and teaching hospitals of the University. In addition, funds awaiting permanent investment are invested in the STIP to earn maximum daily interest until transferred.

TIPS (Treasury Inflation-Protected Securities) Fund

The TIPS Fund, created in April 2004, seeks to provide long-term total return and inflation protection consistent with an investment in U.S. Government inflation-indexed securities. The Fund invests in inflation-protected securities issued by the U.S. government. Inflation-indexed securities are designed to protect future purchasing power. Available to UC employees participating in the University's defined contribution plans.

University of California Retirement Plan

Created in 1961, the University of California Retirement Plan (UCRP) is a defined benefit plan, whereby retirement benefits are a function of the employee's age, average salary and length of service. UCRP is a balanced portfolio of equities and fixed income securities.

¹ The Core Funds are under the direction of UC's Office of the Treasurer. The UC Treasurer manages each fund, or selects the fund's investment manager, to create suitable options for the UC Retirement Savings Program. The Treasurer's Office conducts a rigorous review of each UC Core Fund's performance every calendar quarter against benchmarks and makes adjustments as necessary.

As of 7/1/2005 the UC Core Funds consist of the following: UC Balanced Growth Fund, UC Equity Fund, UC Domestic Equity Index Fund, UC International Index Fund, UC Bond Fund, UC Savings Fund, UC ICC Fund, UC TIPS Fund, Vanguard Small Cap Index Fund, Dimensional Emerging Markets Portfolio, Vanguard REIT Index Fund, Vanguard Calvert Social Index Fund and the UC Pathway Funds.