



UNIVERSITY
OF
CALIFORNIA

UC Retirement Savings Program Investment Performance Periods ending June 30, 2015

Office of the Chief Investment Officer
September 9, 2015

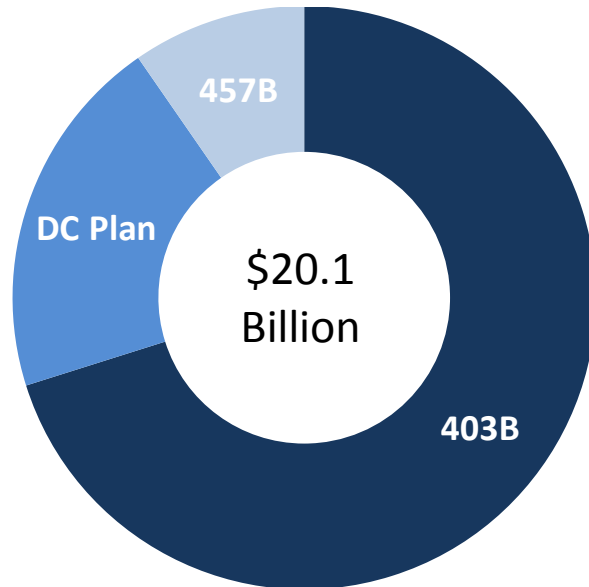
UC Retirement Savings Program (UCRSP)

The primary objective of the Program is to facilitate retirement savings for employees and retirees by providing a set of Fund Options that allow participants to tailor the investment of their retirement savings assets to their unique risk and return preferences at reasonable costs.

UC Retirement Savings Program

Plan Assets

Asset Allocation

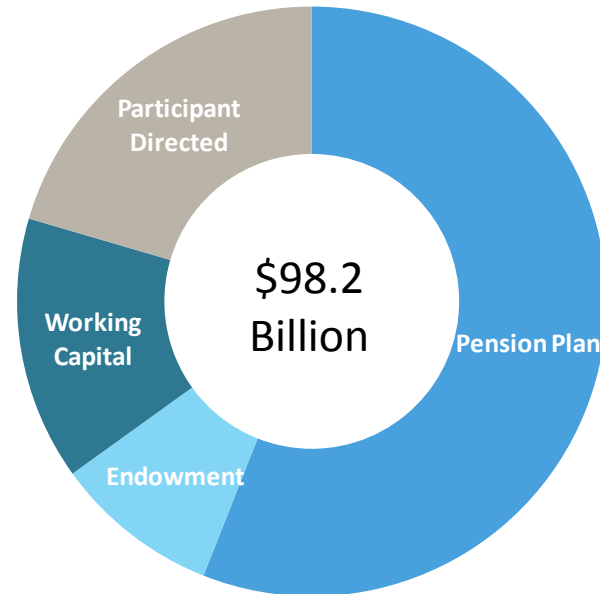


● 403B: 70%
\$14.1B

● DC Plan: 20%
\$4.1B

● 457B: 10%
\$1.9B

Entity Level



● Pension Plan: 56%
\$55.0B

● Endowment: 9%
\$8.9B

● Participant Directed: 21%
\$20.1B

● Working Capital: 14%
\$14.2B

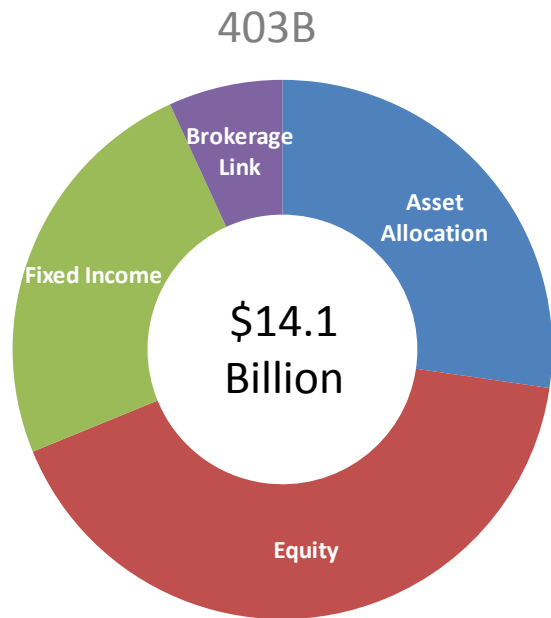
UC Retirement Savings Program

Q2 Plan Highlights

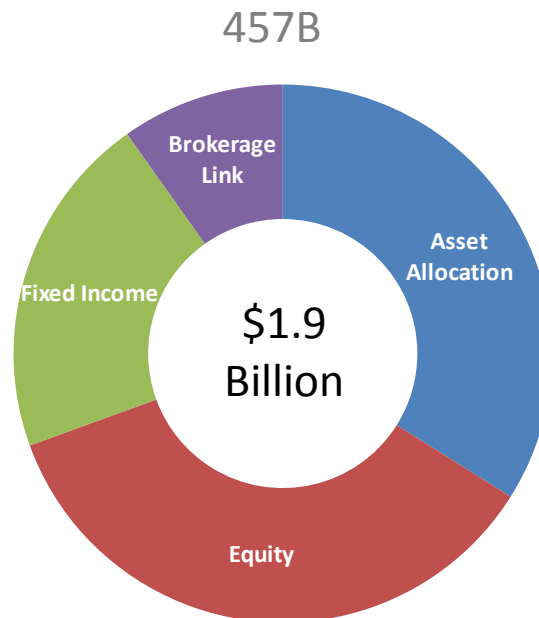
- \$20 billion across three plans
- 293,728 unique participants: 151,895 active*, 141,833 inactive**
- Moved \$2.4 billion into UC Target Date Funds on July 1st, 2015
- Moved from 'To' to 'Through' retirement glide path
- Increased Equity exposure across TDFs; were overly conservative
- All monitored funds in line with expectations over period except:
 - Vanguard FTSE
 - DFA Emerging Markets
 - Vanguard REITS

UC Retirement Savings Program

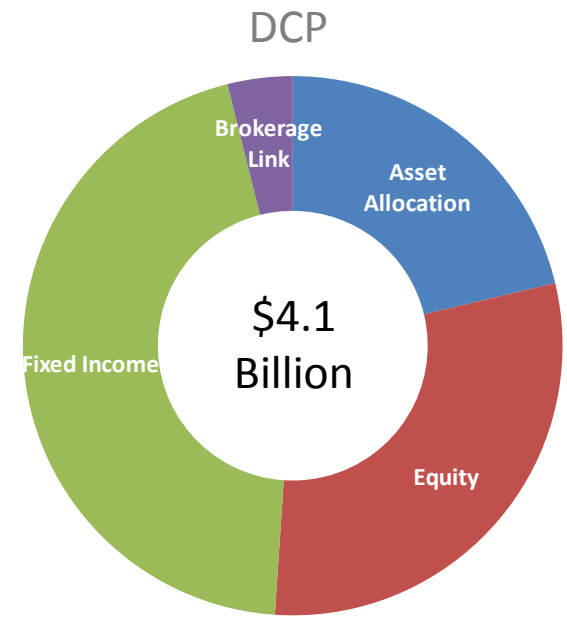
Plan Overview



● Equity: 42% \$5.9B	● Fixed Income: 24% \$3.4B
● Asset Allocation: 27% \$3.9B	● Brokerage Link: 7% \$1.0B

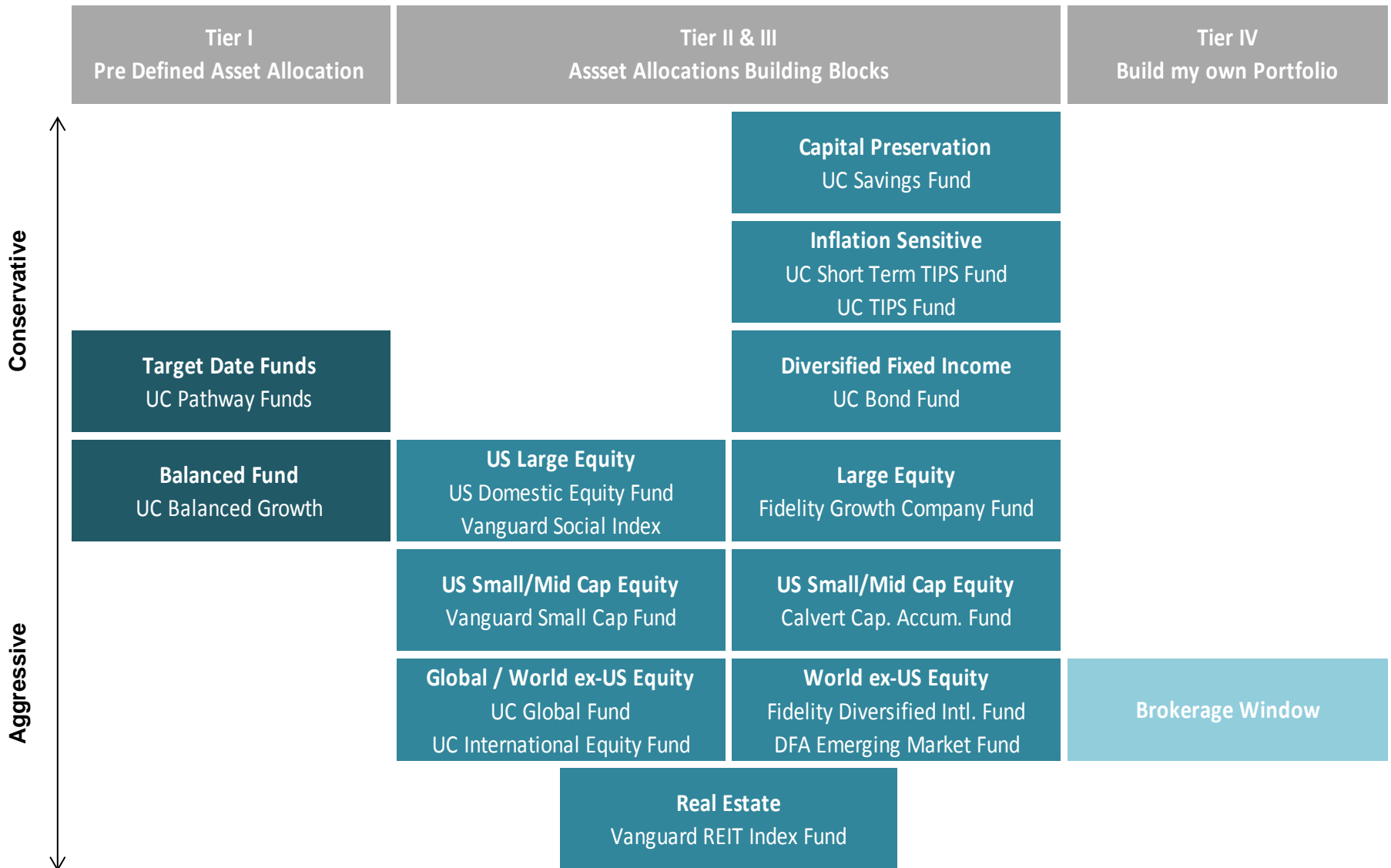


● Equity: 36% \$0.7B	● Fixed Income: 21% \$0.4B
● Asset Allocation: 34% \$0.7B	● Brokerage Link: 10% \$0.2B









● Equity: 30% \$1.2B	● Fixed Income: 45% \$1.8B
● Asset Allocation: 21% \$0.9B	● Brokerage Link: 4% \$0.2B

Investment Structure as of July 1, 2015



Retirement Savings Program Demographics

	Asset Class	403b	DCP	457b	Industry Peers	Same-size Peers	Unique Total
Number of Participants							
Total Participants	N/A	128,414	268,318	29,705	N/A	N/A	293,728
Active Participants*	N/A	77,692	149,298	23,614	N/A	N/A	151,895
Inactive Participants**	N/A	50,722	119,020	6,091	N/A	N/A	141,833
Total Plan Assets	N/A	\$14,112,114,259	\$4,070,150,391	\$1,939,578,084	N/A	N/A	\$20,121,842,734
Number of Funds Held by Participants							
How many participants hold:							
 1 Fund (Lifecycle Fund)	N/A	18.1%	11.2%	17.4%	50.6%	30.8%	N/A
 1 Fund (Non-Lifecycle Fund)	N/A	21.4%	59.4%	21.0%	9.3%	10.2%	N/A
 2 Funds	N/A	19.4%	20.1%	19.1%	12.0%	14.5%	N/A
 3 Funds	N/A	13.1%	4.1%	11.5%	6.4%	8.6%	N/A
 4 Funds	N/A	9.4%	2.1%	9.9%	5.9%	7.0%	N/A
 5 or more Funds	N/A	18.6%	3.1%	21.1%	15.8%	29.0%	N/A
Average # of Funds Held	N/A	2.9 funds	1.5 funds	3.2 funds	1.8 funds	3.2 funds	N/A
Funds held as a single investment							
UC SAVINGS FUND	Money Market / Short-Term	13,635	141,546	1,964	N/A	N/A	157,145
UC GLOBAL EQUITY FD	Domestic Equity	5,511	6,298	892	N/A	N/A	12,701
UC BALANCED GROWTH	Balanced/Hybrid	3,258	2,409	959	N/A	N/A	6,626
UC BOND FUND	Bond	676	688	243	N/A	N/A	1,607
VANG SM CP IDX IS PL	Domestic Equity	271	591	244	N/A	N/A	1,106
Plus 57 other funds	-	2,881	6,038	1,298	N/A	N/A	10,217
Lifecycle Funds	-	23,291	30,010	5,166	N/A	N/A	58,467
BrokerageLink	-	1,276	1,561	629	N/A	N/A	3,466
Total		50,799	189,141	11,395	N/A	N/A	251,335

For plans that offer Fidelity BrokerageLink, it will appear as a fund (rather than a product offering) for purposes of providing plan data.

UCRSP Performance

DC Plan, 403b, and 457b Plans as of 6/30/2015

			Annualized Total Return				
	Market Value	% of Plan	One Year	Three Year	Five Year	Seven Year	Ten Year
Target Date Funds							
UC Pathway Income Fund	\$279,593,910	1.39%	0.61	0.92	2.86	3.66	4.03
UC Pathway Income Policy Benchmark			0.26	0.44	2.32	2.80	3.47
Variance			0.35	0.48	0.54	0.86	0.56
UC Pathway Fund 2015	\$226,203,686	1.12%	0.67	2.12	4.66	NA	NA
UC Pathway 2015 Policy Benchmark			0.36	1.65	4.26	NA	NA
Variance			0.31	0.47	0.40	NA	NA
UC Pathway Fund 2020	\$574,921,808	2.86%	0.96	3.99	5.91	4.19	4.78
UC Pathway 2020 Policy Benchmark			0.73	3.59	5.70	3.65	4.40
Variance			0.23	0.4	0.21	0.54	0.38
UC Pathway Fund 2025	\$398,934,987	1.98%	1.02	5.02	6.69	NA	NA
UC Pathway 2025 Policy Benchmark			0.91	4.67	6.48	NA	NA
Variance			0.11	0.35	0.21	NA	NA
UC Pathway Fund 2030	\$511,248,121	2.54%	1.08	5.97	7.37	4.30	5.07
UC Pathway 2030 Policy Benchmark			1.01	5.65	7.21	3.84	4.71
Variance			0.07	0.32	0.16	0.46	0.36
UC Pathway Fund 2035	\$286,755,929	1.43%	1.15	6.94	8.10	NA	NA
UC Pathway 2035 Policy Benchmark			1.11	6.63	7.92	NA	NA
Variance			0.04	0.31	0.18	NA	NA
UC Pathway Fund 2040	\$342,240,029	1.70%	1.18	7.90	8.80	4.71	5.41
UC Pathway 2040 Policy Benchmark			1.18	7.62	8.64	4.27	5.06
Variance			0.00	0.28	0.16	0.44	0.35
UC Pathway Fund 2045	\$156,978,035	0.78%	1.18	8.87	9.53	NA	NA
UC Pathway 2045 Policy Benchmark			1.21	8.61	9.33	NA	NA
Variance			-0.03	0.26	0.20	NA	NA
UC Pathway Fund 2050	\$141,322,789	0.70%	1.13	9.73	10.19	5.14	5.67
UC Pathway 2050 Policy Benchmark			1.19	9.51	10.03	4.77	5.37
Variance			-0.06	0.22	0.16	0.37	0.30
UC Pathway Fund 2055	\$52,012,906	0.26%	1.09	10.48	10.84	NA	NA
UC Pathway 2055 Policy Benchmark			1.15	10.30	10.67	NA	NA
Variance			-0.06	0.18	0.17	NA	NA
UC Pathway Fund 2060	\$96,617,701	0.48%	1.09	11.22	11.47	NA	NA
UC Pathway 2060 Policy Benchmark			1.15	11.09	11.29	NA	NA
Variance			-0.06	0.13	0.18	NA	NA

UCRSP Performance

DC Plan, 403b, and 457b Plans as of 6/30/2015

	Market Value (\$M)	% of Plan	Annualized Total Return				
			One Year	Three Year	Five Year	Seven Year	Ten Year
Balanced Fund							
UC Balanced Growth Fund	\$1,587,452,147	7.89%	0.36	9.84	10.12	6.72	6.44
Balanced Fund Policy Benchmark			0.53	9.73	10.00	6.15	6.00
Variance			-0.17	0.11	0.12	0.57	0.44
US Large Equity							
UC Domestic Equity Index Fund	\$396,883,439	1.97%	7.28	17.89	17.56	9.70	7.85
Russell 3000 TF Index			7.25	17.86	17.48	9.56	8.04
Variance			0.03	0.03	0.08	0.14	-0.19
Vanguard FTSE Social Index Fund	\$145,467,274	0.72%	10.74	20.98	18.19	10.37	7.25
Spliced Social Index			10.94	21.11	18.29	10.48	7.38
Variance			-0.20	-0.13	-0.10	-0.11	-0.13
US Small/Mid Cap Equity							
Vanguard Small Cap Index Fund	\$308,800,858	1.53%	5.27	18.75	18.18	NA	NA
MSCI US Small Cap 1750 Index			5.07	18.65	18.08	11.51	9.39
Variance			0.20	0.10	0.10	NA	NA
Global/World ex-US Equity							
UC Global Equity Fund	\$4,310,277,678	21.42%	5.51	16.70	16.16	8.53	7.88
UCRSP Global Equity Policy Benchmark			5.44	16.67	16.03	8.31	7.65
Variance			0.07	0.03	0.13	0.22	0.23
UC International Equity Index Fund	\$220,797,085	1.10%	-4.95	11.57	9.24	1.98	5.32
MSCI World ex-US TF Index			-5.28	11.15	8.97	1.69	5.16
Variance			0.33	0.42	0.27	0.29	0.16
Capital Preservation							
UC Savings Fund	\$4,295,581,067	21.35%	1.04	1.02	1.30	1.79	2.55
Two-Year U.S. Treasury Notes Income Return			0.50	0.34	0.38	0.63	1.68
Variance			0.54	0.68	0.92	1.16	0.87
Inflation Sensitive							
UC Short Term TIPS Fund	\$22,866,356	0.11%	-1.46	NA	NA	NA	NA
Barclays 1-3 Year U.S. TIPS Index			-2.25	-0.24	NA	NA	NA
Variance			0.79	NA	NA	NA	NA
UC TIPS Fund	\$200,761,674	1.00%	-1.25	-0.52	3.53	3.88	4.43
Barclays US TIPS Index			-1.73	-0.76	3.29	3.51	4.13
Variance			0.48	0.24	0.24	0.37	0.30

UCRSP Performance

DC Plan, 403b, and 457b Plans as of 6/30/2015

	Market Value (\$M)		Annualized Total Return				
			One Year	Three Year	Five Year	Seven Year	Ten Year
Diversified Fixed Income							
UC Bond Fund	\$1,072,470,520	5.33%	1.82	2.43	3.80	5.19	4.70
Barclays Aggregate Fixed Income Benchmark			1.86	1.83	3.35	4.59	4.44
Variance			-0.04	0.60	0.45	0.60	0.26
New Large Equity							
Fidelity Growth Company Fund	\$367,844,732	1.82%	14.30	20.68	20.87	NA	11.74
S&P 500 TF Index			7.37	17.45	NA	NA	NA
Variance			6.93	3.23	NA	NA	NA
US Small/Mid Cap Equity							
Calvert Cap. Accum. Fund	\$51,271,633	0.25%	12.29	17.51	18.68	NA	9.03
Russell 2500 TF Index			5.92	18.66	17.85	10.93	9.09
Variance			6.37	-1.15	0.83	NA	-0.06
World ex-US Equity							
Fidelity Diversified Intl. Fund	\$113,265,468	0.56%	2.25	14.26	11.54	NA	6.06
MSCI World ex-US TF Index			-5.28	11.15	8.97	1.69	5.16
Variance			7.53	3.11	2.57	NA	0.90
DFA Emerging Markets Portfolio	\$146,611,716	0.73%	-6.52	3.27	4.09	NA	NA
MSCI Emerging Markets Index			-5.12	3.71	3.68	0.86	8.11
Variance			-1.40	-0.44	0.41	NA	NA
Real Estate							
Vanguard REITS Index Fund	\$165,797,794	0.82%	3.86	8.66	14.25	NA	NA
REIT Spliced Index			3.93	8.71	14.29	8.15	7.14
Variance			-0.07	-0.05	-0.04	NA	NA