

The Regents of the University of California

INVESTMENTS COMMITTEE

March 17, 2026

The Investments Committee met on the above date at the UCSF-Mission Bay Conference Center, San Francisco campus.

Members present: Regents Brooks, Komoto, Makarechian, Park, Robinson, and Wang; Ex officio member Milliken, Advisory members Craven, Melton, Scott, and Zager; Chancellors Assanis, Hawgood, Khosla, Lyons, and Muñoz; former Staff Advisor Frías

In attendance: Regent Hernandez, Regent-designate Tokita, Faculty Representative Palazoglu, Staff Advisor Hanson, Secretary and Chief of Staff Lyall, General Counsel Robinson, Chief Investment Officer Bachher, Provost Newman, Executive Vice President and Chief Financial Officer Brostrom, Executive Vice President and Chief Operating Officer Nava, Senior Vice President Turner, Vice President Kao, Chancellors Frenk and Hu, Principal Counsel Katz, and Recording Secretary Li

The meeting convened at 10:35 a.m. with Committee Chair Robinson presiding.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of November 19, 2025 was approved, Regents Brooks, Komoto, Makarechian, Milliken, Robinson, and Wang voting “aye.”¹

2. PUBLIC COMMENT

Committee Chair Robinson explained that the public comment period permitted members of the public an opportunity to address University-related matters. The following persons addressed the Committee concerning the items noted.

A. Amiee Scott, UCLA student and President of the American Indian Student Association, urged the University to prioritize full compliance with the Native American Graves Protection and Repatriation Act (NAGPRA) and CalNAGPRA at all campuses. She stated that, according to the 2024 State Auditor’s report, UC Berkeley, UC San Diego, and UC Santa Barbara did not use allocated NAGPRA funds and did not meet reparation goals. Ms. Scott attributed this to insufficient oversight by the Office of the President (UCOP), adding that many campuses withheld information about ancestral remains and cultural items in their collections.

¹ Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code §11123(b)(1)(D)] for all meetings held by teleconference.

She asked the Regents to direct UCOP to follow State Auditor recommendations and establish clear timelines, provide progress reports, and enforce compliance.

- B. Carmen Trejo, UCLA student, asked for the reinstatement of full funding to the UCLA Academic Advancement Program (AAP), which served underrepresented and underserved students. As an AAP peer counselor, Ms. Trejo observed staff becoming more burnt out and services being cut. According to its spring 2025 student profile, 72 percent of participants identified as first-generation. Ms. Trejo contrasted UC's record investment gains with cuts being made to a student success program and appealed to the University's commitment to equity and access.
- C. Brinaye Grant, UCLA student and Student Advocate to the Regents (StAR), stated that out-of-state students paid nearly \$86,000 per year, nearly double what in-state students paid for the same education. She and other students have struggled to stay enrolled due to the overwhelming cost of attendance. Meanwhile, disability support services across UC remained under-resourced and could not rely on temporary funding. Ms. Grant stated that out-of-state and disabled students were not merely sources of revenue or statistics. If UC recruits these students, it must support them.
- D. Esmeralda Martinez, UC Berkeley undocumented student and StAR, stated that she felt betrayed by UC for its decision not to provide employment opportunities regardless of immigration status. She asked that the Regents continue funding the Presidential Fellowship for Experiential Learning for at least the next five years; develop guidance for campus implementation of State Senate Bill (SB) 98, which would notify campus communities of the presence of federal immigration enforcement; fund CalFresh alternatives for undocumented and international students; and allocate emergency funding for undocumented students.
- E. Michael Andrew, UC Santa Cruz student and StAR, stated that about eight percent of UC students were homeless or housing insecure and drew attention to State legislative bills that were introduced to address this. SB 895 would supplement UC research funding through State bonds. SB 1732 would exempt student housing projects from environmental review on a basis similar to that of SB 886 in 2022. Assembly Bill (AB) 2176 would create an intersegmental working group to address unmet housing demand through data sharing and expert consultation. Mr. Andrew urged the Regents to voice support for legislation that addresses student housing insecurity.
- F. Edward Rodriguez, UCLA student, shared the impact of funding cuts on AAP. Through AAP, Mr. Rodriguez participated in a summer bridge program before entering UCLA. He also received culturally competent counseling when he wished to change his major, tutoring, and assistance with his research project. Budget cuts have reduced AAP's service capacity and paused initiatives. He asked for the restoration of funding to AAP and similar programs across UC and for emergency funds that could support such programs in the event of budget cuts.

- G. Toni Shroyer, supporter of the UC Davis women's equestrian team, disputed the budget figures provided by UCD Athletics Director Rocko DeLuca that led to the elimination of the team. She stated that UC Davis was in good financial standing, and that Chancellor May and UCD leadership were defending Mr. DeLuca and refused to meet with a U.S. Representative, parents, supporters, and donors. Ms. Shroyer implored the Regents to audit Mr. DeLuca's figures and to reinstate the UC Davis women's equestrian team.
- H. Leila Beckwith, UCLA professor emerita, stated that an AMCHA Initiative report that she authored found systemic faculty and departmental politicization of expressive activities at UCLA, UC Berkeley, and UC Santa Cruz that was linked to the surge in anti-Jewish harassment after the Hamas attack on Israel on October 7, 2023. Ms. Beckwith stated that the UC administration failed to enforce rules barring faculty and departments from using University authority and resources for political advocacy. AMCHA Initiative joined 124 organizations and over 4,000 UC stakeholders in urging the Regents to review the report and to address breaches of academic integrity and the core mission of the University.
- I. Ilan Benjamin, UC Santa Cruz professor, stated that a group of over 360 UC faculty members recently sent a letter urging the Regents to discuss the aforementioned AMCHA Initiative report, which found that political advocacy from faculty and departments fueled harassment of Jewish students and faculty, hindered research and recruitment, and threatened UC's reputation. The group recognized action UC has taken regarding department websites and faculty discipline. Mr. Benjamin reiterated the letter's request that the Regents review and discuss the report and its recommendations at this or a future Regents meeting.
- J. Susan Nachimson, California taxpayer, spoke in solidarity with the Jewish Faculty Resistance Group (JFrg). She called attention to the lack of adjudication of complaints related to the 2023 protest encampments and the lack of publicly available information about how these cases were being processed. She stated that the University could provide data without compromising privacy and that there was no mechanism to track the effectiveness of reforms. Ms. Nachimson urged the Regents to establish public reporting of complaints, timelines, and outcomes.
- K. Ariana Osuna, UCLA student and Vice President of the American Indian Student Association, state that, at UC Berkeley, the remains of over 4,700 Native ancestors and 48,000 funerary objects were not available for repatriation. Ms. Osuna reiterated comments made by Ms. Scott. She called for prioritizing NAGPRA compliance in Regents meetings, transparent reporting on the repatriation process, the staffing and resources necessary to complete this work, and direct engagement with tribal governments and Native communities on future repatriation policy.
- L. Jose Merino, UCLA student, spoke in support of the 901 Levering Student Housing project at UCLA, which would add more than 1,000 beds, help UCLA honor its undergraduate housing commitment, and address the student housing crisis.

Mr. Merino noted that private universities were exempt from California Environmental Quality Act (CEQA) requirements while public universities were not. He asked the Regents and UCOP to explore more infill development plans and more ways to support AB 1732, which would streamline the CEQA process.

- M. Jack Feng, UCLA Graduate Students Association Vice President of External Affairs, urged the Regents to work with the State Legislature to fully fund the Governor's Compact with UC and to fill funding gaps, which would lead to fewer employment opportunities, reduced research capacity and student support, and greater financial instability for graduate and professional students and which were already affecting undergraduate education and UC workforce pipelines. Governor Newsom's proposal to add \$350 million in funding and more than 7,000 new dormitory beds was promising but did not meet the scale of need, and federal cuts to hunger assistance would worsen food insecurity. Mr. Feng called for protecting graduate education, expanding affordable housing, and strengthening basic needs support.
- N. Kristen Donovan, parent of a UC Davis student, asked the Regents to look into UC Davis' decision to eliminate the women's equestrian team. Ms. Donovan stated that and recruits believed that the team would compete in 2026–27 and did not pursue other admission or commitment opportunities. By the time the announcement was made in January, nearly all college admission deadlines had passed. She stated that verbal commitment and the assurance of admission are taken as binding after the admissions office reviews and approves an athlete. Ms. Donovan added that the commitments of the recruits were confirmed by UC Davis in November 2025, and six of eight recruits were waitlisted or denied admission.
- O. Yamaanibah Johnson, UCLA student, stated that her great-great-grandfather, Dixie Johnson, was the last chieftain of their ancestral village in the Sierra Nevada. Ms. Johnson stated that their tribe had lost everything due to genocide during the Gold Rush, and that she has never heard her native language or cultural songs. She also indicated that UC Berkeley held hours of recordings of her great-great-grandfather's voice. Ms. Johnson asked the University to heal its relationship with Native Californians by improving compliance with NAGPRA.
- P. Lloyd Kraal, contractor and consultant for the San Francisco Public Utilities Commission, stated that two staff members from the Angelo Coast Range Reserve, who were living in structures bordering his family farm, recently trespassed on his property to install illegal piping and broke his fences. This piping impeded drainage of large amounts of mountainside rainfall. Mr. Kraal had been told that this was not a UC problem because it did not occur on reserve property, and he called for the piping to be removed from his property.
- Q. Isabel Burrough, UC Berkeley student, stated that, according to the last State audit, 9,332 of the 11,944 ancestral remains held at the Berkeley campus have not been repatriated, while UCLA has returned nearly all remains. Although the University

acknowledged harm and introduced reforms, there were still structural barriers to repatriation. Ms. Burrough stated that 45 percent of remains at UC Berkeley deemed unidentifiable were likely from the Ohlone tribe, which was not federally recognized and could not reclaim remains under NAGPRA. Then Chancellor Christ had written to the U.S. Senate Indian Affairs Committee to call for federal recognition. Ms. Burrough asked that the Regents formally support federal recognition of the Ohlone tribe, that every campus report annually on its progress, and that NAGPRA funds be spent, noting that UC Berkeley did not spend \$3 million in funding.

- R. Cecilia Choy, UCLA student, stated that, according to UCOP reporting, food insecurity has increased, now experienced by one in every two undergraduate students. Among these, students who were Hispanic/Latino(a), African American, Pell Grant recipients, women, or members of the LGBTQ community were overrepresented in data. Ms. Choy urged UC to expand resources and funding across campuses, implement pilot programs systemwide, and to continue to collect data on students who use basic needs services.
- S. Valerie Graham, staff member of San Francisco General Hospital and member of Teamsters Local 2010, stated that she was present during the death of Alberto Rangel, who was stabbed on December 4, 2025 at the hospital's Ward 86. Within weeks of his death security systems were in place, but plexiglass had not yet been installed at the front desk. In the past decade, many providers, staff, and patients have expressed fears regarding the lack of security at the hospital and reported verbal abuse, death threats, and stalking. Ms. Graham stated that Mr. Rangel's death could have been prevented and asked what else had gone unfixed.
- T. Sat Kartar Khalsa, UCSF resident physician and member of the Committee of Interns and Residents, a local of Service Employees International Union (CIR/SEIU), stated that the union sought a fair wage and the codification of protections for patients and workers from U.S. Immigration and Customs Enforcement (ICE). Dr. Khalsa stated that ICE agents violated the Health Insurance Portability and Accountability Act by refusing to leave the room, violated State Senate Bill 81 by refusing to identify themselves, and asked CIR/SEIU for identification documents. She noted that UCOP removed sections from an immigration protection proposal presented during a prior bargaining session.
- U. Landon Nguyen stated that there was no point in begging the University to recognize the humanity of Palestinians or humanity of workers. He stated that the Regents were in positions of power because they spoke the language of profit at the expense of human life, profit which was to be extracted from workers, and profit over human dignity. Mr. Nguyen appealed to collective humanity and stated that workers could not taste the fruits of their labor because of the University's need to make profit. He took exception to workers being allotted one minute for public comment after devoting months and years to UC, and he regarded police presence

as a demonstration of power. He stated that workers must hurt UC's profit margins in order that the University understand the cost of compromising human dignity.

- V. Anya Kiran, UC Berkeley student, urged the Regents to disclose UC investments and to divest from war and genocide. Student research revealed that, despite becoming a signatory of the United Nations Principles for Responsible Investment in 2014, the University was still investing in companies that build bombs that were dropped on Gaza, shipped the artificial intelligence systems used to kill civilians in Palestine, Iran, and Lebanon, and were complicit in war and genocide. In 1986, the Regents voted to divest \$3 billion from companies with ties to South Africa, and in 2006, the Regents voted to divest from nine companies involved in the genocide in the Darfur region of Sudan, but Chief Investment Officer Bachher disagreed that ethical considerations had a role in investment decisions, regarding UC's divestment from fossil fuels as "derisking." By continuing to invest in surveillance, weapons manufacturing, apartheid, and genocide, the University was demonstrating its belief in the profitability and endurance of war.
- W. Leigh Dundas, parent of a UC Davis student, stated that the women's equestrian team experienced retaliation following public comment that Ms. Dundas gave during the January meeting, as there was police presence at the following equestrian meet and parents' cars received parking tickets and were towed. Ms. Dundas stated that UC Davis Athletics Director Rocko DeLuca waited until January 9 to announce the elimination of the team, which prevented freshman recruits from applying elsewhere, and that recruits were later denied admission to UC Davis. She stated that Mr. DeLuca declined a donor's offer to save the equestrian team and emphasized his contractual duty to raise money and ethical duty to the interest of students. She called for Mr. DeLuca to be terminated.

3. **INVESTMENT PERFORMANCE AS OF DECEMBER 31, 2025 (FISCAL YEAR 2025–26)**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Chief Investment Officer Bachher stated that, to mark his team serving the University for 12 years, the Office of the Chief Investment Officer (UC Investments) would host a webinar in April to discuss the markets and world events. He shared a local news segment about UC Merced students participating in the UC Investments Academy.

Mr. Bachher stated that, since the Committee last met in November 2025, the following were areas of concern for his team: war, artificial intelligence (AI), and private credit. As of December 31, 2025, total assets stood at \$214 billion, up from \$198 billion at the start of the 2025–26 fiscal year. UC retirement assets totaled \$167.3 billion, the endowment totaled \$33.2 billion, and working capital totaled \$13 billion. Working capital included insurance assets from Fiat Lux, the University's captive insurance, which Mr. Bachher

planned to separate into its own category. As of the prior day, total assets were similar to what they had been on December 31.

Asset allocation remained similar to what it had been in November. Public equity made up 64.9 percent of assets, fixed income made up 15.8 percent, and private assets made up 18.6 percent. Cash made up 0.7 percent, but UC Investments also regarded fixed income as liquidity. Mr. Bachher shared audio of remarks he had made at the November meeting, during which he shared concerns about private credit and noted that \$3.3 billion, or less than two percent of total assets, were allocated to private credit. Global equity rose 11.4 percent in the first six months of FY 2025–26 and has maintained about a zero percent return since then. In that same period, the Blue and Gold Endowment Pool had a return of 10.7 percent, the General Endowment Pool had a return of 7.3 percent, the pension had a return of 8.7 percent, and working capital had a return of 5.5 percent. Mr. Bachher presented returns from a one-year to a 30-year basis, noting that the Blue and Gold Endowment Pool has been UC Investments' best-performing product. As of December 31, the pension was 92 percent funded on a market value basis and 86 percent funded on an actuarial basis.

Marco Merz, Managing Director of Defined Contributions Products, stated that UC investments managed assets for 382,000 current and former employees, and over the last five decades, the UC Retirement Savings Plan (UCRSP) has grown to over \$48 billion. The UC Savings Fund, the most conservative and previously the default fund in UCRSP, had a ten-year annualized return of 1.4 percent. The ten-year return was 10.1 percent for the UC Pathway Fund 2045, a target date fund that was the current default, 14.2 percent for the UC Domestic Equity Index Fund, and 21.9 percent for the UC Growth Company Fund. If one believed in the long-term growth of the economy and in future opportunities, then it was important to have an allocation of risky assets in order to retire with dignity. Mr. Bachher added that the approximately 50,000 new employees that the University added in the last decade tended to be younger and sought more growth-oriented products, which was why a large portion of assets were in the higher-growth funds. He noted that UCRSP was the least expensive retirement savings plan in the U.S. He wished to start teaching financial literacy and saving in the UC Investments Academy.

Regent Hernandez asked if there was any risk of UC overinvesting in AI and whether AI had the great growth potential that many believed it to have. Mr. Bachher noted the rise of Amazon over 20 years and that it has overtaken Walmart as the world's largest company. If one sold Amazon stock too early, then one would not be able to take advantage of its growth. He compared this with NVIDIA, which has also taken decades to become successful. In the last five to ten years, Anthropic, OpenAI, and SpaceX have emerged as some of the largest companies. Mr. Bachher reiterated UC Investments' emphasis on long-term investment and stressed the importance of being patient. During the COVID-19 pandemic, he adopted a growth mindset and reinvested \$3 billion in the equity market per week from May to August 2020. He and his team had now come to the realization that AI was a risk. Because of its ability to replace software functions and with the rise of driverless cars, AI has reduced the stock value of software and car insurance companies. AI was here to stay, and UC researchers, faculty, and students could help shape its future. UC

Investments needed to quickly identify where in the portfolio AI posed a risk, given the speed with which AI could spark the next significant technological revolution.

Regent Hernandez, noting UC's investment in defense companies, asked whether UC had a moral obligation to review its investments. Mr. Bachher replied that he and his team were stewards of the Regents' assets, and policy dictated what investments could be made. He has also engaged in similar conversations with students, faculty, and staff with similar concerns. Mr. Bachher opined that determining which companies were supporting war, either directly or tangentially, would take much time. Instead, he suggested considering which countries were supporting war. He could argue for divesting from the United States because it has initiated war, or from every country adding five percent to their defense spending. Companies like Boeing and Lockheed Martin could be viewed as directly involved in war, but vehicle companies could also be viewed as defense companies because they supplied armored vehicles. There were also software start-up companies that were influencing warfare in new ways. Mr. Bachher was open to a robust debate. In his view, if one is to divest from war, one could make the very expensive decision to exclude all companies owned in the U.S.

Regent-designate Craven asked how UC Investments planned to educate more students about financial literacy. Mr. Bachher stated that the UC Investments Academy has enrolled 5,000 students, with a goal of enrolling 10,000 students, and helped 250 obtain employment. In the future, he envisioned connecting UC Investments Academy participants with recruiters from companies within UC Investments' network portfolio, with a goal of placing 1,000 students in jobs. UC was generating the talent that these companies needed. Mr. Bachher invited campuses to partner with UC Investments.

Regent Park asked whether Mr. Bachher believed in a robust job market in light of AI and whether a company's success would look different in the future. Mr. Bachher replied that technology has changed the way work is done in his office and the pace at which it is done. He acknowledged the AI debate but was more concerned about helping students secure employment. In Mr. Bachher's view, UC must determine the futures of students given the alarming pace of technology. Students in computing and coding disciplines were now struggling to find work.

Regent Wang asked if UC Investments could leverage its network to bolster UC innovation and entrepreneurship (I&E), which could become a source of revenue for the University. Mr. Bachher responded that he planned to convene chief executive officers from UC-affiliated companies in which his office has invested. He was now more willing to invest in I&E from the campuses, and private investors were demonstrating their willingness to take on translational research risk by investing in what was coming directly from universities. Regent Wang challenged UC Investments to find more funders for companies in the early stages of I&E. Mr. Bachher noted that quantum computing could help reduce the physical assets needed for AI, such as data centers.

Regent Makarechian asked whether it was time to change the discount rate. Mr. Bachher responded in the negative. Despite current returns, there were still disruptive forces such as war, AI, and dislocations in financial markets.

Regent Makarechian asked if UC should increase contributions to the pension. Mr. Bachher replied that the funded ratio was determined from earnings from assets, liabilities, and contributions. The consistent growth of liabilities has played a role in the funded ratio being 92 percent. Increasing the public equity allocation to 65 percent from 50 percent 12 years ago also contributed to the current funded ratio. Contributions have increased, but so have inflation, energy costs, and prices. Mr. Bachher did not recommend making changes. In his view, the University's pension plan was the best funded of the three State pension plans, and it did not receive the same State contributions as the others.

The meeting adjourned at 12:10 p.m.

Attest:

Secretary and Chief of Staff