

**UC Investments****TO MEMBERS OF THE INVESTMENTS COMMITTEE:****DISCUSSION ITEM***For Meeting of May 5, 2026***REVIEW OF THIRD QUARTER 2025–26 FISCAL YEAR PERFORMANCE FOR UC RETIREMENT, ENDOWMENT, AND WORKING CAPITAL ASSETS****EXECUTIVE SUMMARY**

The University of California’s investment assets under management ended the third quarter of fiscal year 2025–26 at \$209.7 billion (March 31, 2026), an \$11.7 billion increase over the previous fiscal year and a \$3.8 billion decrease since the beginning of calendar year 2026.

Since the appointment of Chief Investment Officer Jagdeep Singh Bachher on March 31, 2014, the value of the University’s investment assets has grown by \$117 billion.

UC Investments manages the University’s retirement, endowment, and working capital assets. Its six financial products support UC’s 301,098 students, 72,000 faculty members and other academics, 194,800 staff, more than 80,475 retirees, and the ten UC campuses and six academic health centers.

**THE UC ENDOWMENT**

As of March 31, 2026, the UC endowment, which includes the **General Endowment Pool** and the **Blue and Gold Endowment Pool**, stood at \$32.9 billion, up from \$31.1 billion in the prior fiscal year, an increase of \$1.8 billion. For calendar year 2026, the UC endowment stands at \$32.9 billion, down from \$33.2 billion in 2025, a decrease of \$300 million.

**UC General Endowment Pool**

UC’s investment office has been investing the General Endowment Pool for 94 years. Over the past 12 years, the endowment has more than quadrupled in value, growing from \$7.9 billion (March 31, 2014) to \$32.9 billion (March 31, 2026), and paid out \$6 billion to benefit UC students, faculty, and various academic programs.

The **General Endowment Pool** stood at \$25.7 billion as of March 31, 2026, up from \$24.1 billion in the prior fiscal year, an increase of \$1.6 billion. For the calendar year, the General Endowment Pool stood at \$25.7 billion, up from \$25.4 billion in 2025, an increase of \$300 million.

The General Endowment Pool 30-year annualized net return was 8.6 percent, the 20-year return was 7.7 percent, the ten-year return was ten percent, the five-year return was 7.8 percent, the three-year return was 12 percent, and the one-year net return was 15.4 percent.

### **The UC Blue and Gold Endowment Pool**

The **Blue and Gold Endowment Pool**, which launched on March 31, 2019 with \$250 million, stood at \$7.2 billion as of March 31, 2026, up from \$7 billion in the prior fiscal year, an increase of \$200 million.

For the calendar year 2026, the Blue and Gold Endowment Pool stands at \$7.2 billion, down from \$7.8 billion in 2025, a decrease of \$600 million.

The Blue and Gold Endowment pool's five-year net return was 7.8 percent, three-year return was 14.5 percent, and the one-year net return was 18.9 percent.

The size of the increase was due largely to campuses investing funds from working capital portfolios to take advantage of the Blue and Gold Endowment Pool's higher returns and near instant liquidity.

For five years, the Blue and Gold Endowment has had the highest performance of all the University's financial products. To increase campuses' liquidity during the COVID-19 pandemic, all assets of the Blue and Gold Endowment Pool were withdrawn in April 2020. The pool, which is 100 percent passive and extremely low-cost to manage, was re-launched on March 31, 2021, with \$200 million.

## **UC RETIREMENT**

UC's retirement assets, which include the **pension** and the **Retirement Savings Program**, currently stand at \$163.3 billion, having grown from \$69.2 billion in 2014.

For the calendar year, total retirement assets stand at \$163.3 billion, down from \$167.3 billion in 2025, a decrease of \$4 billion.

### **UC Pension**

UC Investments has been investing the **pension** for 66 years.

The pension has 287,081 members, 55 percent of whom are currently active.

The UC pension stood at \$116.8 billion as of March 31, 2026, up from \$110.5 billion in the prior fiscal year, an increase of \$6.3 billion. For the calendar year, the pension stands at \$116.8 billion, down from \$119.5 billion in 2025, a decrease of \$2.7 billion.

Over those twelve years, the value of the pension assets increased by 134 percent, from

\$49.9 billion (March 31, 2014) to \$116.8 billion (March 31, 2026).

Even with a relatively high discount rate of 6.75 percent, today the pension is 90 percent funded on a market value basis and 85 percent on an actuarial basis. Despite not having had the benefit of State funding, UC's pension is the best funded of the three state plans.

The 30-year annualized net return was 7.8 percent, the 20-year return was 6.9 percent, the ten-year return was 8.8 percent, the five-year return was 7.1 percent, the three-year return was 11.9 percent, and the one-year net return was 15.7 percent.

### UC Retirement Savings

The **UC Retirement Savings Program** is the second largest public defined contribution program in the nation behind the federal government.

The Retirement Savings Program has added 81,000 participants since 2014, from 301,000 to 382,000 today, a 27 percent increase.

The UC Retirement Savings Program stood at \$46.5 billion as of March 31, 2026, up from \$43.9 billion the fiscal year before and \$19.3 billion in 2014.

In keeping with "Less is More," the first of the ten pillars of the UC Investments Way, over that same 12-year period, the number of investment funds in the program was reduced from 75 to 16, and the management fee to participants dropped by 64 percent to today's 0.05 percent, the lowest in the United States of America.

As of July 1, 2024, all 382,000 Retirement Savings Program participants have the same opportunity to invest in the Blue and Gold Endowment Pool in which the University itself invests.

### UC WORKING CAPITAL

The **UC Working Capital Pool**, which comprises the **Total Return Investment Pool** and the **Short-Term Investment Pool**, stood at a combined \$13.5 billion as of March 31, 2026, up from \$12.5 billion in the prior fiscal year, an increase of \$1 billion.

For the calendar year 2026, the Working Capital Pool stands at \$13.5 billion, up from \$13 billion in 2025, an increase of \$500 million. The relatively lower balances in these pools reflect the fact that campuses have moved their assets to other UC financial products, such as the higher-returning Blue and Gold Endowment Pool.

The **Total Return Investment Pool** stood at \$9.7 billion as of March 31, 2026, down from \$9.8 billion in the fiscal year—a decrease of \$100 million. For the calendar year 2026, the Total Return Investment Pool stands at \$9.7 billion, down from \$9.9 billion in 2025, a decrease of \$200 million.

The 15-year annualized net return was 6.4 percent, the ten-year return was 6.4 percent, the five-

year return was 5.3 percent, the three-year return was 9.9 percent, and the one-year net return was 9.5 percent.

The **Short-Term Investment Pool** stood at \$3.8 billion as of March 31, 2026, up from \$2.7 billion in the prior fiscal year, an increase of \$1.1 billion. For the calendar year 2026, the Short-Term Investment Pool stands at \$3.8 billion, up from \$3.1 billion in 2025, an increase of \$700 million.

The 30-year annualized net return was 3.5 percent, the 25-year return was three percent, the 20-year return was 2.7 percent, the ten-year return was 2.5 percent, the five-year return was 3.4 percent, the three-year return was 4.8 percent, and the one-year net return was 4.3 percent.

**Figure 1: Summary of Performance**

Product (\$ In Billions)	Assets Under Management			Performance (As of March 31, 2026)						
	As of March 31, 2026	As of December 31, 2025	As of March 31, 2024	1-Year	3-Year	5-Year	10-Year	20-Year	25-Year	30-Year
<b>UC Investments Assets</b>	\$209.7	\$213.5	\$93.3	-	-	-	-	-	-	-
<b>Retirement Assets</b>	\$163.3	\$167.3	\$69.2	-	-	-	-	-	-	-
Pension	\$116.8	\$119.5	\$49.9	15.7	11.9	7.1	8.8	6.9	6.8	7.8
Retirement Savings Program	\$46.5	\$47.8	\$19.3	-	-	-	-	-	-	-
<b>Endowment Assets</b>	\$32.9	\$33.2	\$7.9	-	-	-	-	-	-	-
General Endowment Pool	\$25.7	\$25.4	\$7.9	15.4	12.0	7.8	10.0	7.7	7.5	8.6
Blue & Gold Endowment Pool	\$7.2	\$7.8	-	18.9	14.5	7.8	-	-	-	-
<b>Working Capital</b>	\$13.5	\$13.0	\$16.2	-	-	-	-	-	-	-
Total Return Investment Pool	\$9.7	\$9.9	\$7.1	9.5	9.9	5.3	6.4	-	-	-
Short Term Investment Pool	\$3.8	\$3.1	\$9.1	4.3	4.8	3.4	2.5	2.7	3.0	3.5

**ATTACHMENTS**

1. UC Endowment
2. UC Retirement
3. UC Working Capital