
AGENDA

UNIVERSITY OF HOUSTON SYSTEM ENDOWMENT MANAGEMENT COMMITTEE MEETING

DATE: Wednesday, February 19, 2025
TIME: 10:00 AM
PLACE: Hilton University of Houston Hotel
Conrad Hilton Ballroom, Second Floor
4450 University Drive
Houston, Texas 77204

Chair: Durga D. Agrawal
Vice Chair: Jack B. Moore
Members: Beth Madison
Gregory C. King

I. Endowment Management Committee

A. Call to Order

Presenter: Chair Durga Agrawal

B. Approval of Committee Minutes

- November 20, 2024, Special Called Endowment Management Committee Workshop Meeting
- November 21, 2024, Endowment Management Committee Meeting

Action: Approval

C. Report from NEPC regarding the University of Houston System endowment and non-endowed portfolios 3

Action: Information

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

D. Approval is requested to rebalance the portfolio of the University of Houston System Endowment Fund to align with policy targets which will include the hiring and partial redemption of managers and to make changes to the University of Houston System Endowment Fund Statement of Objectives and Policies 97

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

- E. Approval is requested to rebalance the portfolio of the University of Houston System Non-Endowed Fund and to make changes to the University of Houston System Investment Policy for Non-Endowed Funds 124

Action: Approval

Presenter: Raymond Bartlett, Senior Vice Chancellor for Administration and Finance

II. **Executive Session**

Presenter: Chair Durga Agrawal

- A. 1. Consultation with System Attorney Regarding Legal Matters and/or Contemplated Litigation or Settlement Offers.
Texas Gov't Code Section 551.071
2. Deliberations regarding the Purchase, Exchange, Sale or Value of Real Property.
Texas Gov't Code Section 551.072
3. Deliberation Regarding a Prospective Gift
Texas Gov't Code Section 551.073
4. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees including but not limited to the Chancellor, President, Vice Chancellors, in the Division of Athletics and members of the Board of Regents.
Texas Gov't Code Section 551.074

III. **Report and Action from Executive Session**

Presenter: Chair Durga Agrawal

IV. **Adjourn**

**UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA**

COMMITTEE: Endowment Management Committee

ITEM: Report from NEPC regarding the University of Houston System endowment and non-endowed portfolios

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

Representatives from NEPC will present to the Committee a report regarding the System's endowment and non-endowed investment portfolios. The report may include such topics as market commentary, asset allocation, portfolio risk analysis, manager performance reporting, current and future investment strategies, and overall portfolio performance among others.

SUPPORTING DOCUMENTATION: NEPC discussion materials report

FISCAL NOTE: None

**RECOMMENDATION/
ACTION REQUESTED:** Information

COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR

Raymond S. Bartlett

2/10/25

DATE



CHANCELLOR

Renu Khator

2/14/25

DATE



ENDOWMENT MANAGEMENT COMMITTEE

UNIVERSITY OF HOUSTON SYSTEM

FEBRUARY 4, 2025

MARKET PERSPECTIVE & OUTLOOK



CAPITAL MARKETS OVERVIEW

The stars aligned for the U.S. economy in 2024 as slowing inflation paved the way for policy easing, while consumption and growth defied expectations

Global central banks shifted to policy easing as inflation pressures subsided; market pricing reflects expectations for further policy easing into 2025

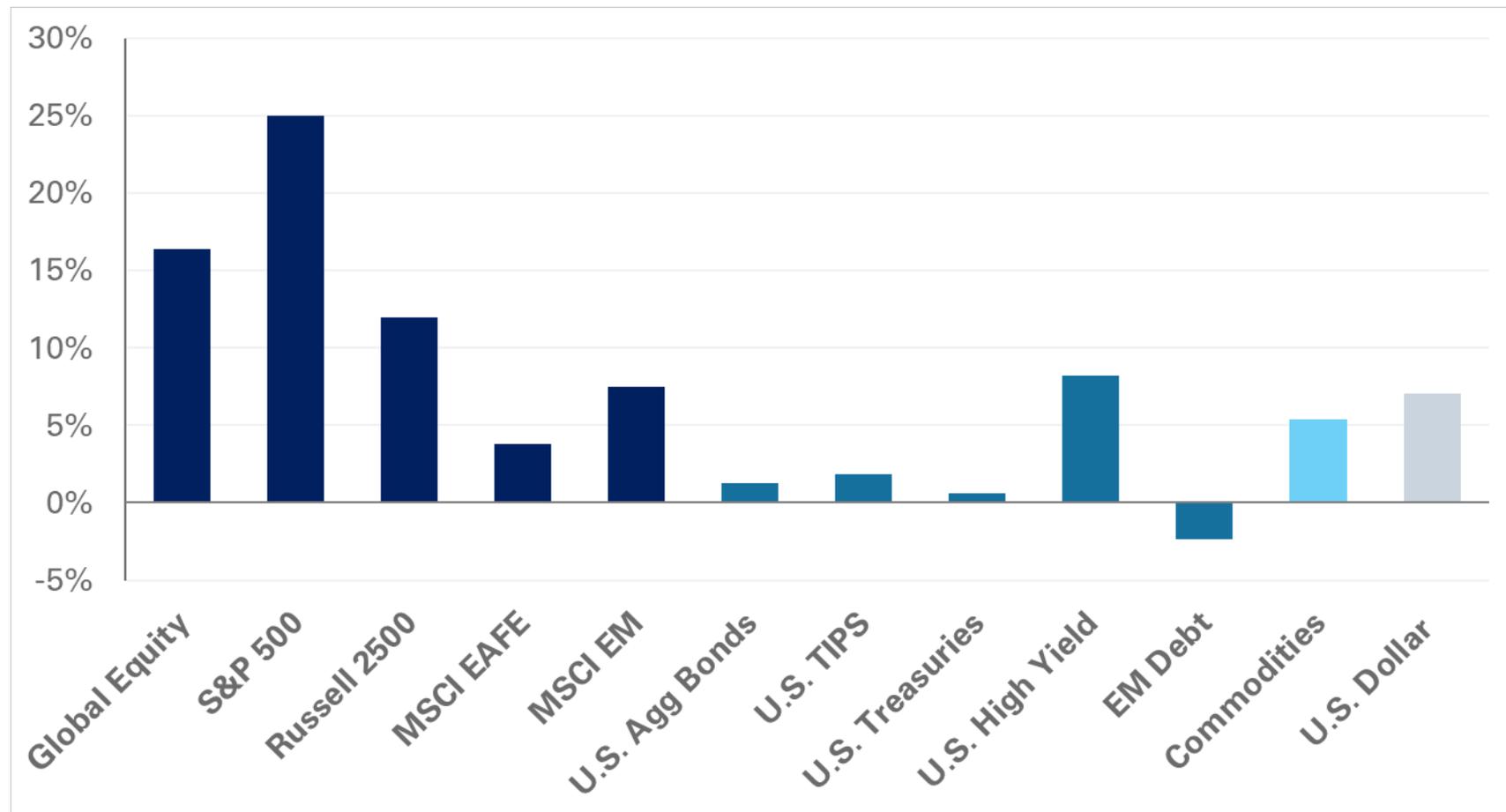
A resilient U.S. economy and consumer pushed rate cuts to the back half of 2024, forcing investors to recalibrate monetary policy expectations

U.S. markets outperformed meaningfully with a resilient economy, U.S. dollar strength, and acceleration of the A.I. cap-ex cycle supporting risk asset returns

A backdrop of elevated global geopolitical tensions **heightens economic tail risks and introduces uncertainty** for capital markets in 2025

INVESTORS HAD LITTLE TO COMPLAIN ABOUT IN 2024

2024 ANNUAL ASSET CLASS RETURNS



Notes: Global equity: MSCI ACWI IMI, EM Debt: JPM GBI-EM Global Diversified Index, U.S. Dollar Index: DXY Index.
Sources: MSCI, S&P, Russell, MSCI, Bloomberg, JPM, FactSet



2025 MARKET THEMES

NEPC MARKET OUTLOOK

- **At the start of each year, we identify the Market Themes that we believe will impact the investment landscape over the next 12 months**
- **Market Themes represent essential factors for investors and are likely to exert significant influence on market pricing and investor sentiment**
- **Disruptions in these factors will reveal new investment opportunities and likely alter our understanding of market dynamics**



INVESTMENT PERFORMANCE : UHS ENDOWMENT FUND

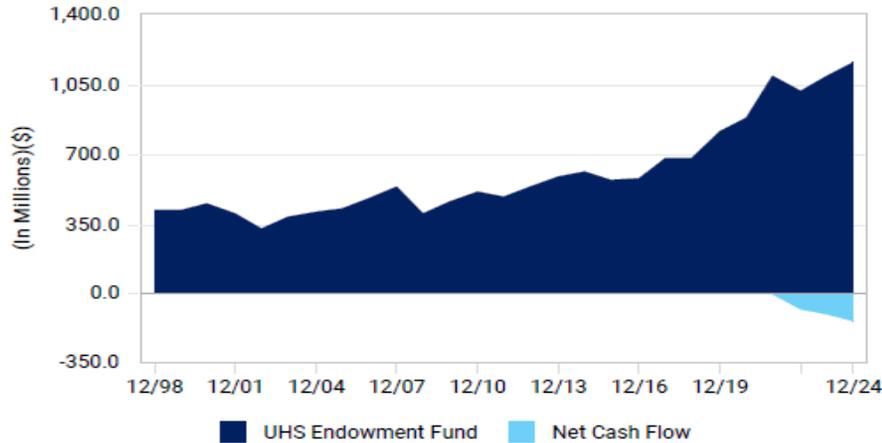


UHS Endowment Fund

EXECUTIVE SUMMARY

December 31, 2024

Portfolio Market Value



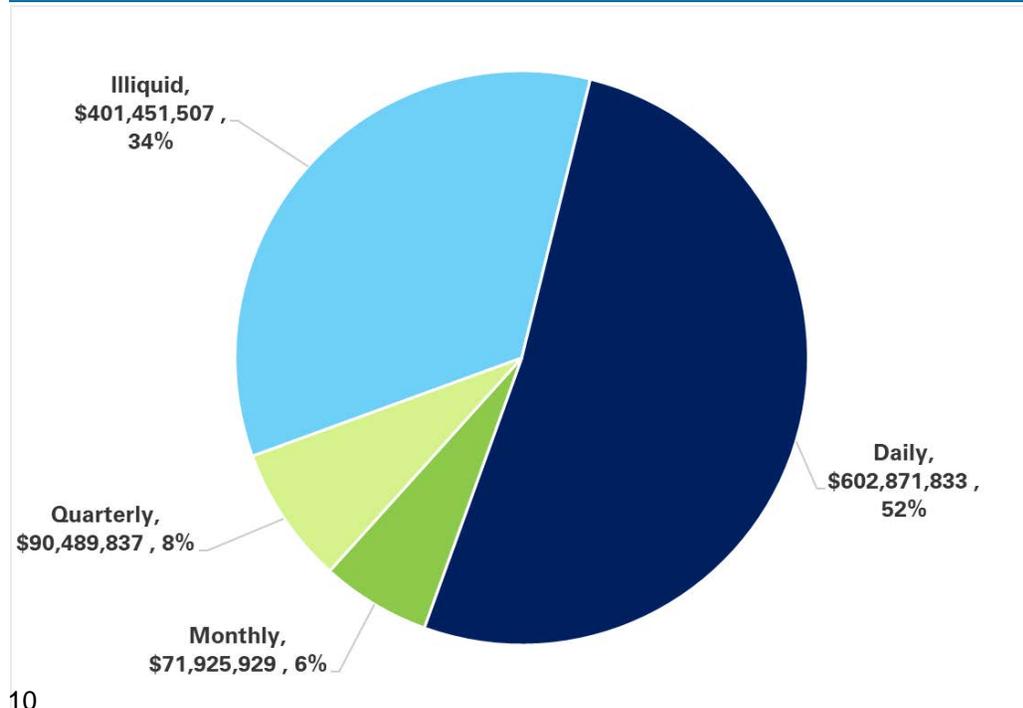
	Market Value (\$)
UHS Endowment Fund	1,166,739,106
	1Yr (%)
UHS Endowment Fund	9.2
Dynamic Benchmark	9.8
Public Equity	13.1
MSCI AC World Index (Net)	17.5
Bonds and Cash	6.1
Dynamic Bonds and Cash Benchmark	5.0
Marketable Real Assets	-0.5
Marketable Real Assets Benchmark	4.4
Hedge Funds	8.1
HFRI Fund of Funds Composite Index	9.4
Private Equity	6.6
C A Global All PE (Qtr Lag)	7.6
Private Debt	13.7
C A Global Credit (Qtr Lag)	7.7
Private Real Assets	6.5
Private Real Assets Benchmark	5.0

Asset Allocation vs. Target

	Current	Policy	Current	Differences*	Policy Range	Within Range
Equities	454,243,404	46.0	38.9	-7.1	35.0 - 55.0	Yes
Fixed Income	199,680,289	15.0	17.1	2.1	5.0 - 20.0	Yes
Private Markets	401,451,507	31.0	34.4	3.4	21.0 - 41.0	Yes
Hedge Funds	90,489,837	5.0	7.8	2.8	0.0 - 10.0	Yes
Real Assets	20,874,069	3.0	1.8	-1.2	1.0 - 7.0	Yes
Total	1,166,739,106	100.0	100.0	0.0		

	Market Value (\$)	FYTD (%)	1Yr (%)	3Yr (%)	5Yr (%)
UHS Endowment Fund	1,166,739,106	1.7	9.2	2.6	8.8
Policy Benchmark		1.2	10.3	4.3	8.2
InvMetrics All E&F > \$1B Median		0.4	8.3	2.7	6.8
UH Endowment Fund Excl. Private Markets	765,287,599	0.8	10.7	2.1	6.6
Policy Benchmark Excl. Private Markets		0.9	12.6	4.2	7.8

Endowment Liquidity

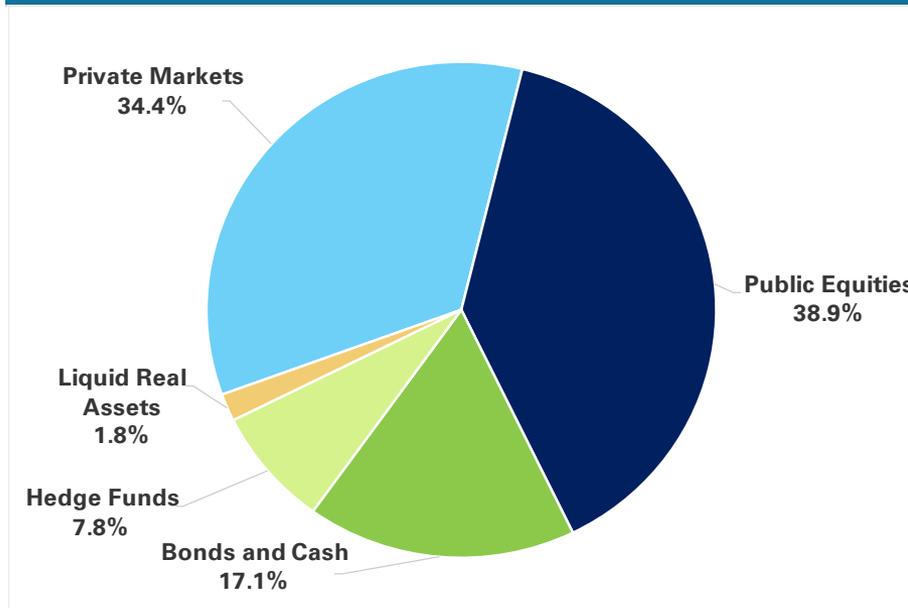


Fiscal Year ends 8/31

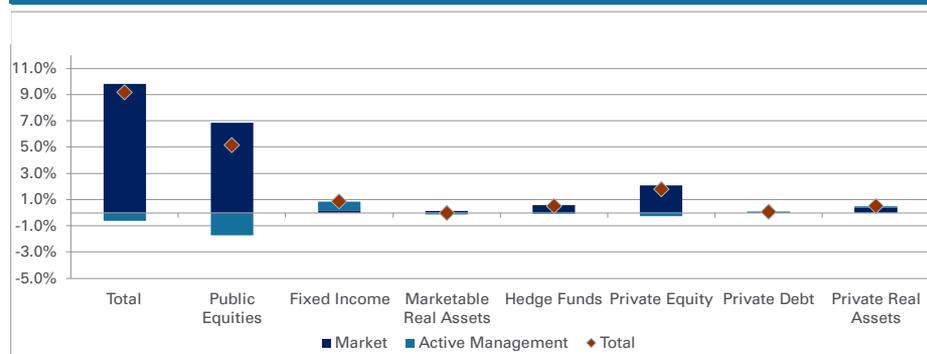
EXECUTIVE SUMMARY

Ending December 31, 2024						
	Market Value	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
UHS Endowment Fund	1,166,739,106	0.3	9.2	2.6	8.8	7.5
<i>Dynamic Benchmark</i>		0.0	9.8	3.6	7.6	6.7
Over/Under		0.3	-0.6	-1.0	1.2	0.8
<i>InvMetrics All E&F > \$1B Median</i>		-0.8	8.3	2.7	6.8	6.7

Current Allocation



YTD Attribution



- **The Endowment Fund returned +0.3% in Q4 2024 and now stands at +8.8% annualized over the past five years**
 - U.S. equity markets continued to surge
- **Adding Global Equity managers has been a strong point**
 - Arrowstreet up +20% over the past year
 - Jennison up +13.4% just since May 2024 (inception)
- **Agenda items for today:**
 - Portfolio Rebalance
 - New manager recommendations: Acadian & IFP
 - Oldfield and Frontenac Transactions

UNIVERSITY TOTAL PEER GROUP

- Peer group comprised of Colleges and Universities with assets of \$750M-2B as of 9/30/2024

Institution	Asset Allocation (%)										Average Annual Compound Return (%)				
	Global Equity	US Equity	Non-US Developed Equity	Emerging Markets Equity	PE & VC	Hedge Funds	RA & ILB	Bonds	Cash	Other	9/30/2024 Quarterly	1 Yr.	3 Yr.	5 Yr.	10 Yr.
1	10.7	24.7	8.1	5.5	14.3	19.3	3.3	10.0	1.7	2.4	5.06	17.05	3.86	8.83	6.79
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3	0.0	36.8	7.4	1.2	14.8	18.3	9.5	7.9	1.9	2.4	3.81	17.87	5.91	10.39	8.52
4	40.5	0.0	0.0	0.0	21.8	16.4	8.4	1.7	3.1	8.1	3.00	12.98	3.87	8.42	7.10
5	0.0	26.8	20.9	2.1	20.5	4.6	11.5	3.1	4.2	6.3	3.74	15.78	4.82	9.72	7.79
6	8.0	26.7	9.4	4.8	23.3	16.6	1.9	6.2	1.4	1.7	4.02	18.98	4.96	11.13	8.45
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8	0.0	9.6	6.8	3.7	31.4	26.8	4.0	0.0	12.8	4.8	2.79	10.55	1.62	7.55	5.84
9	0.0	25.7	10.3	4.1	27.1	11.7	2.9	13.2	3.6	1.5	4.08	17.79	2.93	9.81	8.37
10	11.0	29.4	14.0	0.0	8.2	8.2	9.7	13.1	6.1	0.4	4.45	19.58	2.09	9.85	7.52
11	4.8	30.6	12.7	4.0	21.8	8.7	4.5	8.4	0.1	4.4	3.66	17.26	5.91	11.85	8.05
12	0.0	19.0	10.6	1.6	33.1	15.3	7.2	8.0	3.2	2.1	2.96	11.10	5.02	10.84	8.87
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14	17.3	7.7	3.8	9.8	30.6	15.5	3.0	3.1	7.3	1.9	4.59	15.46	3.01	10.96	8.92
15	24.7	15.1	5.3	1.5	18.4	14.4	10.0	6.8	0.9	2.8	4.08	17.48	5.05	9.31	6.51
Key Peers Mean n=12	9.8	21.0	9.1	3.2	22.1	14.7	6.3	6.8	3.9	3.2	3.85	15.99	4.09	9.89	7.73
C&U Mean n=119	9.3	19.4	9.4	3.7	21.1	16.5	6.3	8.2	3.4	2.8	3.96	16.52	4.06	9.69	7.60
UHS Endowment Fund	10.6	18.1	9.7	2.7	26.4	6.2	9.2	12.7	3.7	0.7	3.53	14.69	4.27	10.00	7.43

*The UHS Endowment outperformed peers for the 3- and 5-year periods.
Strong manager selection was a primary factor.
UHS commitment to increasing Private Equity has also fueled longer-term outperformance.*



Hedge Funds include Long/Short Hedge, Absolute Return, and Distressed strategies
Fixed Income includes Global Bonds, U.S. Bonds, Developed Markets ex. U.S. Bonds, Emerging Markets Bonds, and High Yield Bonds

Real Assets includes Private and Public Real Estate, Commodities, Inflation-Linked Bonds, Private Oil & Gas/Natural Resources, Timber, and Public Energy/Natural Resources
Other includes assets that cannot be categorized in the aforementioned asset classes
Performance is displayed net of fees; Source: CA Associates

UNIVERSITY PEER GROUP BREAKOUT

- Peer group comprised of Colleges and Universities with assets of \$750M-2B as of 9/30/2024

Institution	Asset Allocation (%)										Average Annual Compound Return (%)				
	Global Equity	US Equity	Non-US Developed Equity	Emerging Markets Equity	PE & VC	Hedge Funds	RA & ILB	Bonds	Cash	Other	9/30/2024 Quarterly	1 Yr.	3 Yr.	5 Yr.	10 Yr.
1	0.0	36.8	7.4	1.2	14.8	18.3	9.5	7.9	1.9	2.4	3.81	17.87	5.91	10.39	8.52
2	0.0	19.0	10.6	1.6	33.1	15.3	7.2	8.0	3.2	2.1	2.96	11.10	5.02	10.84	8.87
3	4.8	30.6	12.7	4.0	21.8	8.7	4.5	8.4	0.1	4.4	3.66	17.26	5.91	11.85	8.05
4	8.0	26.7	9.4	4.8	23.3	16.6	1.9	6.2	1.4	1.7	4.02	18.98	4.96	11.13	8.45
5	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Peer Group 1 Mean	3.2	28.3	10.0	2.9	23.3	14.7	5.8	7.6	1.6	2.6	3.61	16.30	5.45	11.05	8.47
1	0.0	26.8	20.9	2.1	20.5	4.6	11.5	3.1	4.2	6.3	3.74	15.78	4.82	9.72	7.79
2	11.0	29.4	14.0	0.0	8.2	8.2	9.7	13.1	6.1	0.4	4.45	19.58	2.09	9.85	7.52
3	0.0	25.7	10.3	4.1	27.1	11.7	2.9	13.2	3.6	1.5	4.08	17.79	2.93	9.81	8.37
4	10.7	24.7	8.1	5.5	14.3	19.3	3.3	10.0	1.7	2.4	5.06	17.05	3.86	8.83	6.79
5	0.0	9.6	6.8	3.7	31.4	26.8	4.0	0.0	12.8	4.8	2.79	10.55	1.62	7.55	5.84
6	17.3	7.7	3.8	9.8	30.6	15.5	3.0	3.1	7.3	1.9	4.59	15.46	3.01	10.96	8.92
7	40.5	0.0	0.0	0.0	21.8	16.4	8.4	1.7	3.1	8.1	3.00	12.98	3.87	8.42	7.10
8	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
9	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
10	24.7	15.1	5.3	1.5	18.4	14.4	10.0	6.8	0.9	2.8	4.08	17.48	5.05	9.31	6.51
Peer Group 2 Mean	13.0	17.4	8.7	3.3	21.5	14.6	6.6	6.4	5.0	3.5	3.97	15.83	3.41	9.31	7.36
C&U Mean n=119	9.1	19.1	8.9	3.7	22.6	16.0	7.0	7.7	3.2	2.7	1.05	10.21	3.12	8.87	7.11
UHS Endowment Fund	10.6	18.1	9.7	2.7	26.4	6.2	9.2	12.7	3.7	0.7	3.53	14.69	4.27	10.00	7.43

The UHS Endowment outperformed peers for the 3- and 5-year periods.

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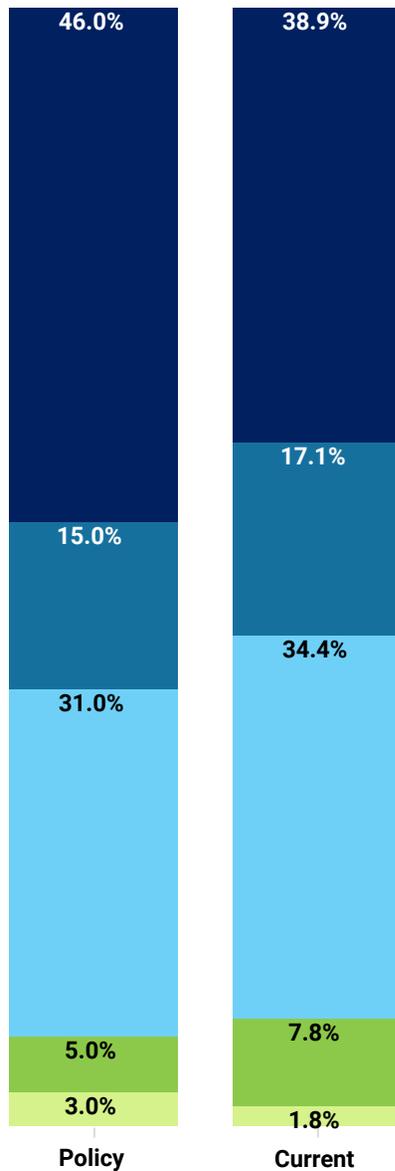
UHS commitment to increasing Private Equity has also fueled longer-term outperformance.



Hedge Funds include Long/Short Hedge, Absolute Return, and Distressed strategies
 Fixed Income includes Global Bonds, U.S. Bonds, Developed Markets ex. U.S. Bonds, Emerging Markets Bonds, and High Yield Bonds

Real Assets includes Private and Public Real Estate, Commodities, Inflation-Linked Bonds, Private Oil & Gas/Natural Resources, Timber, and Public Energy/Natural Resources
 Other includes assets that cannot be categorized in the aforementioned asset classes
 Performance is displayed net of fees; Source: CA Associates

ASSET ALLOCATION VS. POLICY TARGETS



Asset Allocation vs. Target						
	Current	Policy	Current	Differences*	Policy Range	Within Range
Equities	454,243,404	46.0	38.9	-7.1	35.0 - 55.0	Yes
Fixed Income	199,680,289	15.0	17.1	2.1	5.0 - 20.0	Yes
Private Markets	401,451,507	31.0	34.4	3.4	21.0 - 41.0	Yes
Hedge Funds	90,489,837	5.0	7.8	2.8	0.0 - 10.0	Yes
Real Assets	20,874,069	3.0	1.8	-1.2	1.0 - 7.0	Yes
Total	1,166,739,106	100.0	100.0	0.0		

*Difference between Policy and Current Allocation



University of Houston System Endowment Fund
PERFORMANCE DETAIL

December 31, 2024

	Ending December 31, 2024									
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
UHS Endowment Fund	1,166,739,106	100.0	-0.8	0.3	9.2	2.6	8.8	7.5	6.1	Jan-98
<i>Dynamic Benchmark</i>			-0.7	0.0	9.8	3.6	7.6	6.7	5.8	
<i>Policy Benchmark</i>			-0.5	-0.5	10.3	4.3	8.2	7.1	6.2	
Public Equity	454,243,404	38.9	-3.4	-1.7	13.1	2.0	7.5	8.0	6.3	Jan-98
<i>MSCI AC World Index (Net)</i>			-2.4	-1.0	17.5	5.4	10.1	9.2	6.9	
U.S Equity	216,219,831	18.5	-4.7	2.0	18.9	2.8	9.8	10.2	7.7	Jan-98
<i>Russell 3000 Index</i>			-3.1	2.6	23.8	8.0	13.9	12.5	8.9	
Northern Trust Russell 3000 Index Fund - Lending	128,832,098	11.0	-3.1	2.6	23.7	8.0	-	-	12.6	Feb-21
<i>Russell 3000 Index</i>			-3.1	2.6	23.8	8.0	-	-	12.6	
Northern Trust Russell 1000 Value Fund	34,632,956	3.0	-6.8	-2.0	14.4	-	-	-	17.4	Oct-22
<i>Russell 1000 Value Index</i>			-6.8	-2.0	14.4	-	-	-	17.3	
Deprince, Race, & Zollo Small Cap Value	23,208,035	2.0	-8.1	-2.5	3.7	-	-	-	9.2	May-23
<i>Russell 2000 Value Index</i>			-8.3	-1.1	8.1	-	-	-	15.9	
Granahan Focused Small Cap Growth	26,996,524	2.3	-6.6	9.6	25.6	-	-	-	21.8	May-23
<i>Russell 2000 Growth Index</i>			-8.2	1.7	15.2	-	-	-	17.2	
Cougar Investment Fund	2,550,218	0.2	-4.7	-0.5	27.0	8.6	11.7	9.8	8.7	Jun-05
<i>S&P 500 Index</i>			-2.4	2.4	25.0	8.9	14.5	13.1	10.6	
Non-U.S. Developed Equity	85,900,646	7.4	-1.7	-8.2	0.5	-1.5	3.6	5.2	7.6	Apr-03
<i>MSCI EAFE (Net)</i>			-2.3	-8.1	3.8	1.6	4.7	5.2	7.3	
William Blair International Growth	42,920,179	3.7	-2.3	-6.4	2.5	-5.4	4.2	5.3	6.9	Oct-03
<i>MSCI AC World ex USA (Net)</i>			-1.9	-7.6	5.5	0.8	4.1	4.8	6.4	
Silchester International Value	42,980,467	3.7	-1.1	-9.1	0.1	4.2	4.6	5.7	7.5	Aug-09
<i>MSCI EAFE (Net)</i>			-2.3	-8.1	3.8	1.6	4.7	5.2	5.9	



PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Emerging Markets Equity	28,944,462	2.5	-1.6	-7.7	5.4	0.3	1.6	3.1	4.4	Feb-10
<i>MSCI Emerging Markets (Net)</i>			-0.1	-8.0	7.5	-1.9	1.7	3.6	3.4	
Oldfield Emerging Markets	14,792,989	1.3	-3.3	-10.2	1.1	-1.5	0.7	3.9	3.4	May-14
<i>MSCI Emerging Markets (Net)</i>			-0.1	-8.0	7.5	-1.9	1.7	3.6	3.2	
Edgbaston Asian Equity	14,151,473	1.2	0.3	-4.9	10.4	4.2	3.9	-	3.2	Jul-19
<i>MSCI AC Asia Pacific ex Japan (Net)</i>			-1.2	-8.2	10.2	-0.8	3.0	-	3.9	
Global Equity	123,178,465	10.6	-2.6	-0.4	21.8	-	-	-	11.6	Apr-22
Arrowstreet Global Equity	66,566,277	5.7	-3.1	-0.4	20.0	-	-	-	11.0	Apr-22
<i>MSCI AC World Index (Net)</i>			-2.4	-1.0	17.5	-	-	-	8.1	
Jennison Global Opportunity Fund	56,612,188	4.9	-2.0	-0.4	-	-	-	-	13.4	May-24
<i>MSCI AC World Index (Net)</i>			-2.4	-1.0	-	-	-	-	12.3	
Fixed Income	148,778,681	12.8	-0.3	-0.2	6.4	2.4	-	-	1.7	Jan-21
Core Fixed Income	44,070,859	3.8	-0.9	-1.9	3.5	-0.2	1.0	1.2	3.4	Jan-98
<i>Blmbg. U.S. Aggregate Index</i>			-1.6	-3.1	1.3	-2.4	-0.3	1.3	3.9	
Loop Capital	44,070,859	3.8	-0.9	-1.9	3.5	0.0	0.9	-	1.8	Feb-17
<i>Blmbg. U.S. Intermediate Aggregate</i>			-0.9	-2.1	2.5	-0.8	0.3	-	1.4	
Short-Duration Fixed Income	39,152,924	3.4	0.2	0.5	6.1	-	-	-	4.9	Jul-22
Lord Abbett Short Duration Credit	39,152,924	3.4	0.2	0.5	6.1	-	-	-	4.9	Jul-22
<i>ICE BofA 1-3 Year U.S. Corporate Index</i>			0.2	0.2	5.4	-	-	-	4.4	
Diversified Fixed Income	18,701,040	1.6	0.2	1.2	7.1	2.3	-	-	2.2	Nov-20
<i>Blmbg. Global Aggregate</i>			-2.1	-5.1	-1.7	-4.5	-	-	-3.7	
PIMCO Dynamic Bond Fund	18,701,040	1.6	0.2	1.2	7.1	2.3	-	-	2.3	Oct-20
<i>Blmbg. Global Aggregate</i>			-2.1	-5.1	-1.7	-4.5	-	-	-3.6	
High Yield Fixed Income	46,853,858	4.0	-0.5	0.5	9.3	-	-	-	14.6	Nov-23
<i>Blmbg. U.S. Corp: High Yield Index</i>			-0.4	0.2	8.2	-	-	-	14.7	
Barings US High Yield Fund LLC	46,853,858	4.0	-0.5	0.5	9.3	-	-	-	14.6	Nov-23
<i>Blmbg. U.S. Corp: High Yield Index</i>			-0.4	0.2	8.2	-	-	-	14.7	
Cash and Equivalents	50,901,608	4.4	0.0	-0.1	3.5	3.1	2.0	1.5	2.1	Jan-98
90 Day U.S. Treasury Bill			0.4	1.2	5.3	3.9	2.5	1.8	2.1	
Cash	49,978,990	4.3	0.0	-0.1	3.5	3.1	2.0	1.6	2.2	Jan-98
Global Alpha Int'l Small Cap (Holdback)	922,618	0.1								

PERFORMANCE DETAIL

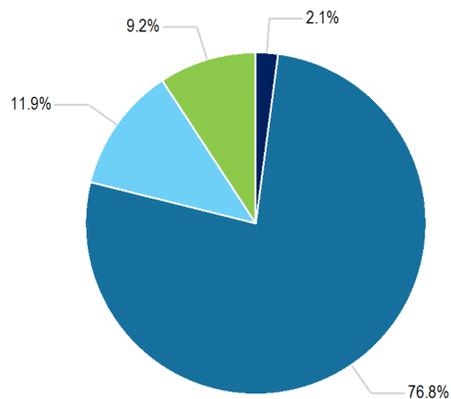
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Marketable Real Assets	20,874,069	1.8	-8.4	-4.5	-0.5	-1.5	4.1	2.3	5.1	Oct-03
<i>Marketable Real Assets Benchmark</i>			-3.9	-3.8	4.4	2.5	5.7	-	-	
Vanguard Real Estate Index Fund	296,217	0.0	0.0	0.7	14.4	-1.9	4.8	-	7.0	Oct-18
<i>MSCI U.S. IMI Real Estate 25/50 Index</i>			-8.2	-7.6	5.1	-4.6	3.1	-	5.6	
T. Rowe Price New Era Fund	20,577,853	1.8	-8.5	-4.6	4.7	4.4	6.9	-	4.6	Oct-18
<i>MSCI World Select Natural Resources</i>			-7.6	-5.8	1.4	10.0	8.9	-	5.8	
Hedge Funds	90,489,837	7.8	1.2	3.9	8.1	6.8	8.9	5.3	5.7	Aug-03
<i>HFRI Fund of Funds Composite Index</i>			0.2	2.3	9.4	3.2	5.3	3.8	3.8	
SRS Partners	11,250,416	1.0	-1.0	4.0	-8.1	7.7	11.8	10.3	9.4	Jun-14
Davidson Kempner	20,640,598	1.8	0.1	2.2	9.9	5.0	6.0	5.4	6.6	Aug-03
HBK Offshore	16,794,969	1.4	0.7	2.5	8.7	6.5	7.2	5.3	5.5	Mar-11
400 Capital Credit Opportunities	20,139,648	1.7	0.4	1.5	10.3	-	-	-	6.8	Jun-22
Broad Reach Fund Limited	21,601,808	1.9	4.8	-	-	-	-	-	8.0	Nov-24
Manager Holdbacks	62,398	0.0	0.0	0.0	0.0	3.5	0.7	-0.3	-4.7	Jul-12
Private Markets	401,451,507	34.4	2.1	2.1	6.7	3.8	-	-	15.0	Jan-21
Private Equity	310,761,409	26.6	2.6	2.6	6.6	1.9	15.8	15.4	12.7	Jan-98
<i>CJA Global All PE (Qtr Lag)</i>			2.6	2.6	7.6	2.8	13.1	12.1	-	
Private Debt	8,660,371	0.7	4.5	4.5	13.7	-	-	-	11.5	Nov-22
<i>CJA Global Credit (Qtr Lag)</i>			2.2	2.2	7.7	-	-	-	7.0	
Private Real Assets	82,029,727	7.0	-0.1	-0.1	6.5	11.3	10.2	8.3	7.1	Nov-03
<i>Private Real Assets Benchmark</i>			1.9	1.9	5.0	8.1	8.2	7.2	9.6	



University of Houston System Endowment Fund

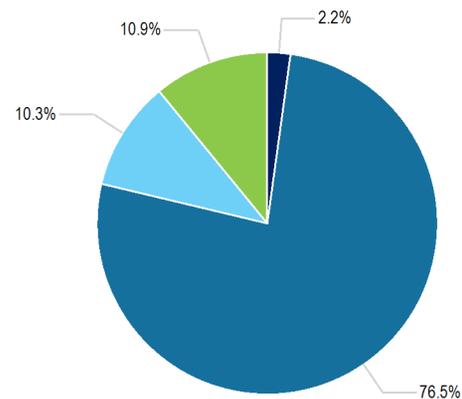
EXECUTIVE SUMMARY

Valuation by Asset Class



Private Debt Private Equity Real Assets Real Estate

Fund Exposure by Asset Class



Private Debt Private Equity Real Assets Real Estate

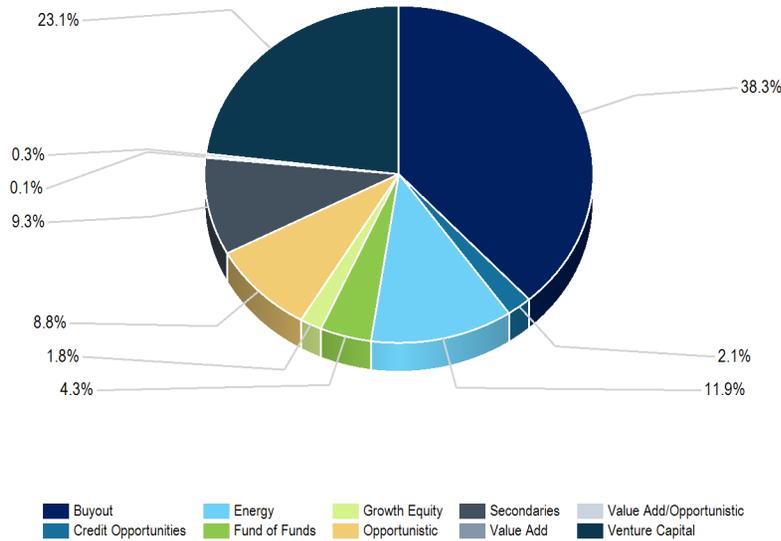
Asset Class	Investments \$				Trailing Period Performance (IRR)						Multiples		
	Commitment	Cumulative Contributions	Unfunded Commitment	Valuation	(QTR)	(YTD)	(1 YR)	(3 YRS)	(5 YRS)	(10 YRS)	SI IRR	DPI	TVPI
Total Private Debt	\$10,000,000	\$7,086,857	\$2,913,143	\$8,635,988	4.54%	13.06%	15.41%				15.19%	0.00	1.21
Total Private Equity	\$367,131,535	\$277,507,866	\$89,623,669	\$316,008,785	2.40%	4.35%	6.39%	1.73%	16.58%	16.89%	16.02%	0.68	1.81
Total Real Assets	\$74,500,000	\$68,556,035	\$5,944,014	\$48,868,560	0.56%	16.98%	16.70%	23.03%	15.50%	10.92%	12.26%	0.86	1.58
Total Real Estate	\$85,235,295	\$65,322,212	\$19,913,083	\$38,040,147	-1.33%	-4.11%	-5.91%	-0.82%	4.99%	9.07%	4.24%	0.65	1.22
Total	\$536,866,830	\$418,472,970	\$118,393,909	\$411,553,480	1.88%	5.05%	6.45%	3.74%	15.13%	14.94%	12.58%	0.69	1.67



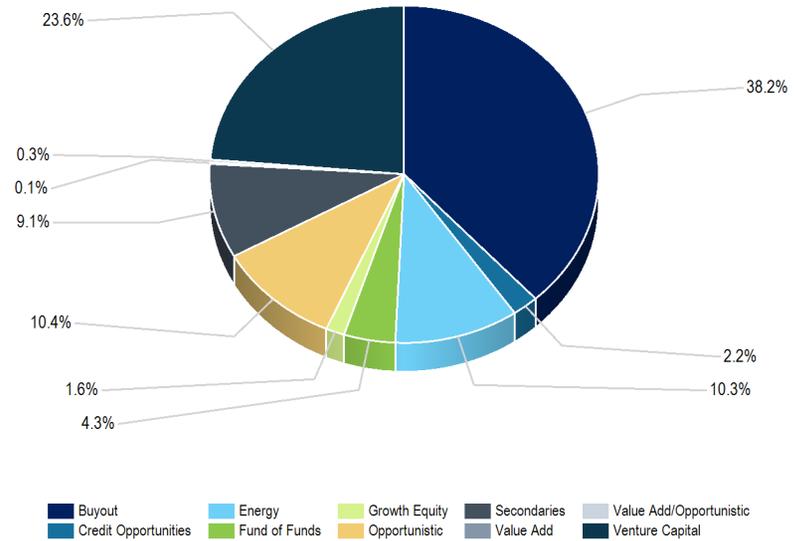
University of Houston System Endowment Fund

ANALYSIS BY STRATEGY

Private Markets Valuation by Strategy



Private Markets Fund Exposure by Strategy



Investment Strategy	Commitments			Contributions & Distributions			Valuations				Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Fund Exposure	DPI	TVPI	IRR
Total Buyout	\$178,500,000	\$44,754,649	0.75	\$133,745,351	\$131,286	\$91,617,264	\$157,690,029	\$249,307,294	\$115,430,657	\$202,444,678	0.68	1.86	17.53%
Total Credit Opportunities	\$10,000,000	\$2,913,143	0.71	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	\$11,549,131	0.00	1.21	15.19%
Total Energy	\$74,500,000	\$5,944,014	0.92	\$68,556,035	\$156,246	\$59,434,708	\$48,868,560	\$108,303,268	\$39,590,988	\$54,812,574	0.86	1.58	12.26%
Total Fund of Funds	\$34,000,000	\$5,013,612	0.85	\$28,986,388	\$47,561	\$38,980,177	\$17,617,871	\$56,598,048	\$27,564,098	\$22,631,483	1.34	1.95	10.38%
Total Growth Equity	\$5,000,000	\$713,322	0.86	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	\$8,220,972	0.24	1.99	21.74%
Total Opportunistic	\$61,500,000	\$18,622,082	0.70	\$42,877,918	\$1,665,655	\$23,201,871	\$36,367,854	\$59,569,725	\$15,026,151	\$54,989,936	0.52	1.34	10.74%
Total Secondaries	\$54,000,000	\$9,588,242	0.82	\$44,411,758	\$254	\$30,407,478	\$38,381,027	\$68,788,505	\$24,376,493	\$47,969,269	0.68	1.55	15.68%
Total Value Add	\$7,500,000	\$338,987	0.95	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	\$778,368	0.52	0.58	-46.73%
Total Value Add/Opportunitic	\$8,235,295	\$252,899	0.97	\$7,982,396	\$0	\$7,772,220	\$1,157,349	\$8,929,569	\$947,173	\$1,410,248	0.97	1.12	1.01%
Total Venture Capital	\$103,631,535	\$30,252,959	0.71	\$73,378,576	-\$6,091	\$34,378,265	\$94,887,771	\$129,266,036	\$55,893,550	\$125,140,730	0.47	1.76	14.96%
Total	\$536,866,830	\$118,393,909	0.78	\$418,472,970	\$2,165,686	\$290,604,244	\$411,553,480	\$702,157,724	\$281,519,068	\$529,947,389	0.69	1.67	12.58%



University of Houston System Endowment Fund

ANALYSIS BY VINTAGE YEAR

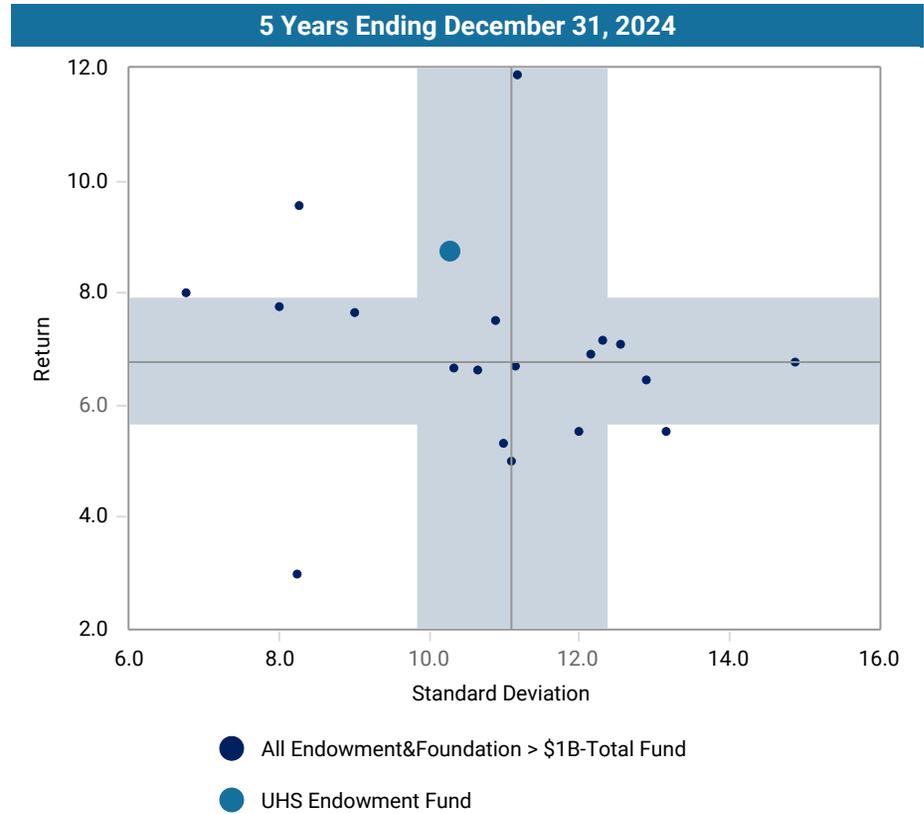
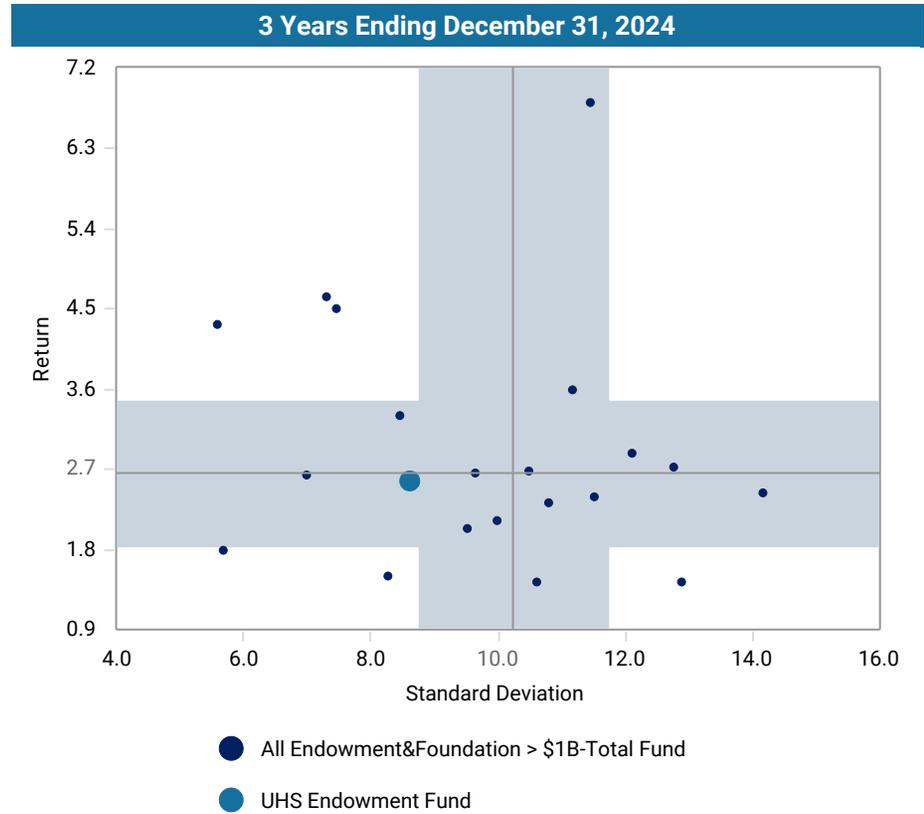
Commitments By Vintage Year



Vintage Year	Commitments			Contributions & Distributions			Valuations			Performance		
	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Total 2007	\$12,750,000	\$709,375	0.94	\$12,040,625	\$0	\$22,170,770	\$2,002,742	\$24,173,512	\$12,132,887	1.84	2.01	11.47%
Total 2008	\$5,000,000	\$755,000	0.85	\$4,245,000	\$0	\$7,365,680	\$493,095	\$7,858,775	\$3,613,775	1.74	1.85	9.39%
Total 2010	\$3,000,000	\$510,000	0.83	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
Total 2011	\$4,000,000	\$88,560	0.98	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
Total 2012	\$13,000,000	\$637,722	0.95	\$12,362,278	\$31,269	\$20,056,830	\$6,752,844	\$26,809,674	\$14,416,128	1.62	2.16	17.28%
Total 2013	\$9,000,000	\$240,000	0.97	\$8,760,000	\$0	\$15,066,514	\$8,932,986	\$23,999,500	\$15,239,500	1.72	2.74	18.95%
Total 2014	\$22,500,000	\$2,333,264	0.90	\$20,166,736	\$97,789	\$21,529,718	\$17,957,189	\$39,486,907	\$19,222,382	1.06	1.95	14.80%
Total 2015	\$27,250,000	\$2,128,280	0.92	\$25,121,720	\$0	\$28,837,556	\$26,627,067	\$55,464,623	\$30,342,903	1.15	2.21	19.19%
Total 2016	\$34,631,535	\$4,174,044	0.88	\$30,457,491	\$22,793	\$22,800,780	\$43,094,660	\$65,895,440	\$35,415,156	0.75	2.16	19.48%
Total 2017	\$19,000,000	\$1,053,246	0.94	\$17,946,754	-\$6,091	\$6,606,566	\$33,586,735	\$40,193,301	\$22,252,637	0.37	2.24	21.86%
Total 2018	\$49,000,000	\$6,947,761	0.86	\$42,052,239	\$35,166	\$16,275,466	\$56,048,173	\$72,323,639	\$30,236,234	0.39	1.72	20.05%
Total 2019	\$47,000,000	\$6,262,053	0.87	\$40,737,948	\$0	\$9,164,988	\$49,236,398	\$58,401,385	\$17,663,438	0.22	1.43	13.70%
Total 2020	\$17,000,000	\$1,429,727	0.92	\$15,570,273	\$77	\$612,657	\$19,696,496	\$20,309,153	\$4,738,803	0.04	1.30	10.63%
Total 2021	\$40,000,000	\$17,776,537	0.56	\$22,223,463	\$10,340	\$344,827	\$24,685,546	\$25,030,373	\$2,796,570	0.02	1.13	8.26%
Total 2022	\$29,000,000	\$17,658,089	0.39	\$11,341,911	-\$18,333	\$2,291	\$13,787,353	\$13,789,644	\$2,466,066	0.00	1.22	16.51%
Total 2023	\$25,000,000	\$17,705,000	0.29	\$7,295,000	\$0	\$0	\$7,665,986	\$7,665,986	\$370,986	0.00	1.05	6.80%
Total 2024	\$10,000,000	\$9,215,011	0.08	\$784,989	\$0	\$0	\$593,626	\$593,626	-\$191,363	0.00	0.76	-24.38%
Total	\$367,131,535	\$89,623,669	0.76	\$277,507,866	\$173,011	\$187,437,859	\$316,008,785	\$503,446,644	\$225,765,767	0.68	1.81	16.02%



RISK VS. RETURN VS. E&F INSTITUTIONS > \$1B



3 Years Ending December 31, 2024

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
UHS Endowment Fund	2.6	8.6	-0.1	-0.1
Dynamic Benchmark	3.6	8.3	0.0	0.0

5 Years Ending December 31, 2024

	Return	Standard Deviation	Sharpe Ratio	Sortino Ratio
UHS Endowment Fund	8.8	10.3	0.6	0.9
Dynamic Benchmark	7.6	11.1	0.5	0.7



UHS ENDOWMENT CASH FLOWS BY CATEGORY

Period	Beginning Market Value (in \$000s)	Net Cash Flows (in \$000s)	Net Investment Change (in \$000s)	Management Fees (in \$000s)	Ending Market Value (in \$000s)
2012	\$486,853	\$10,962	\$61,391	-\$3,798	\$555,408
2013	\$555,408	-\$42,572	\$76,384	-\$3,885	\$585,336
2014	\$585,336	\$9,127	\$20,615	-\$4,495	\$610,582
2015	\$610,582	-\$24,614	-\$12,203	-\$3,678	\$570,086
2016	\$570,086	-\$16,937	\$32,186	-\$4,666	\$580,670
2017	\$580,670	\$7,757	\$95,836	-\$5,011	\$679,252
2018	\$679,252	\$26,657	-\$17,775	-\$4,834	\$683,300
2019	\$683,300	\$17,003	\$120,690	-\$6,372	\$814,623
2020	\$814,624	-\$37,486	\$121,586	-\$6,854	\$891,870
2021	\$891,870	-\$6,840	\$225,818	-\$6,917	\$1,102,842
2022	\$1,102,842	\$34,534	-\$105,342	-\$7,227	\$1,024,789
2023	\$1,024,789	-\$28,349	\$103,443	-\$3,351	\$1,099,883
2024	\$1,100,013	-\$32,501	\$99,227	-\$4,545	\$1,166,739

Net cash flows include transfers in and out of the plan, including but not limited to gifts, annual payouts, and non-management fees such as custodial fees, consulting fees, and performance fees.

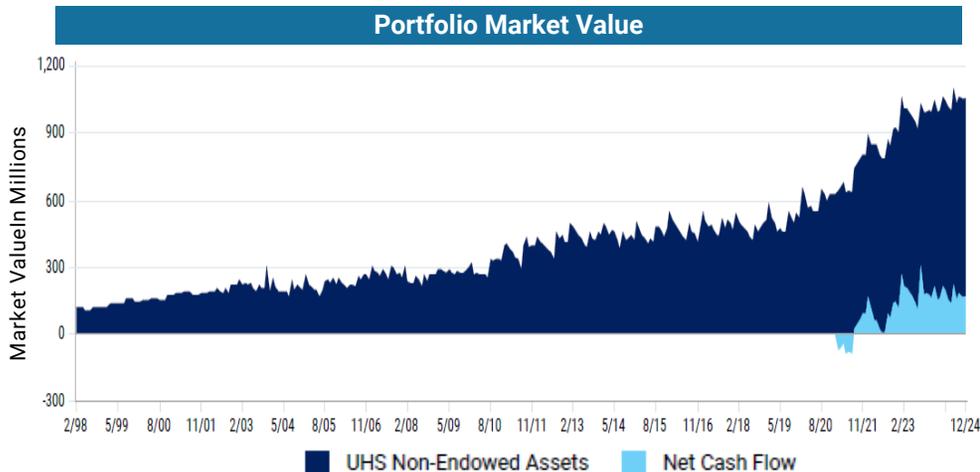
Net investment change includes all unrealized and realized gains and losses, dividends, and interest income.

Management fees reflect all investment management fees. Private fund investment management fees reflect estimates. Management fees do not include performance-based fees for hedge funds and private investments.

INVESTMENT PERFORMANCE: UHS NON- ENDOWED ASSETS

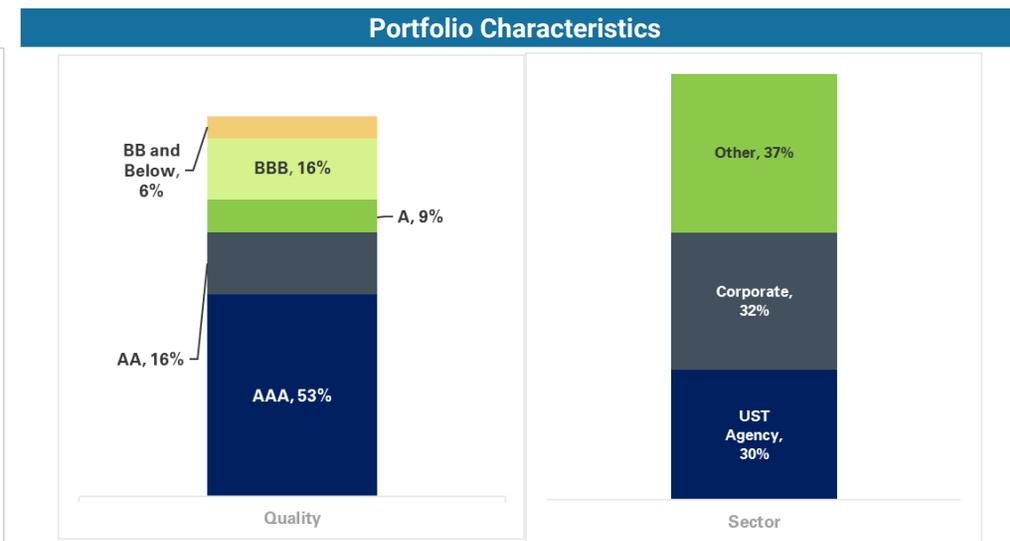
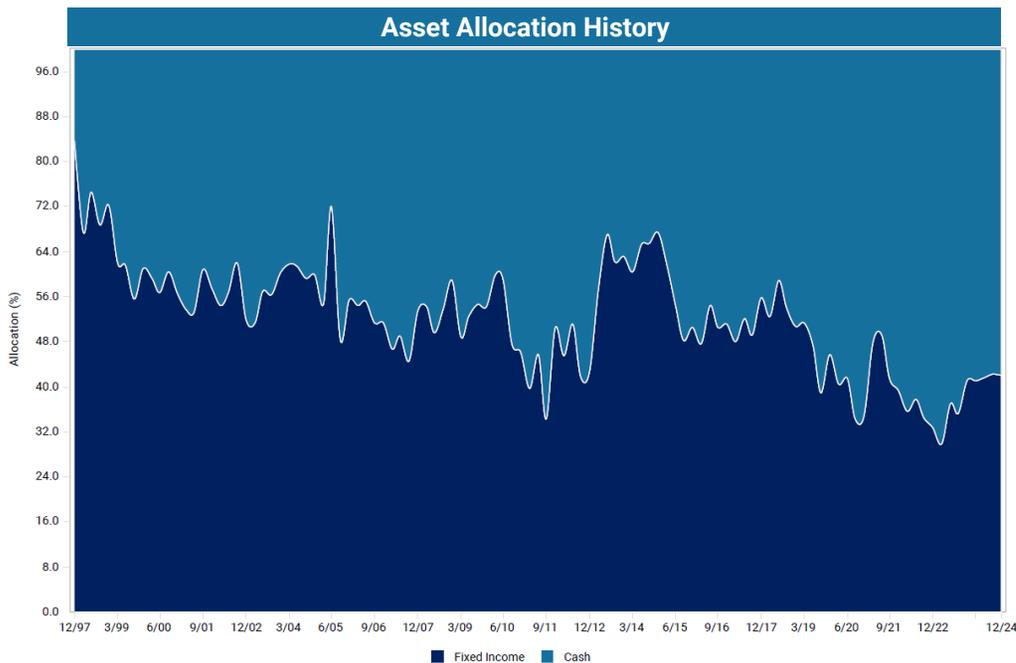


EXECUTIVE SUMMARY



	FYTD (%)	1Yr (%)	3Yr (%)	5Yr (%)
UHS Non-Endowed Assets	1.1	4.8	2.8	2.3
Dynamic Benchmark Non-Endowed Assets	0.7	4.3	2.4	-
Non-Endowed Policy Benchmark	0.9	4.6	2.4	1.9
Cash Pool	1.1	4.8	2.8	1.7
90 Day U.S. Treasury Bill	1.6	5.3	3.9	2.5
Liquidity Pool	0.4	4.4	1.2	1.8
ICE BofA 1-5 Year U.S. Corp/Govt	0.3	3.9	1.0	1.3

	Market Value
UHS Non-Endowed Assets	1,035,665,964



Duration: 3.1

Dynamic Benchmark: Designed to match the actual composition of the portfolio, the Dynamic Benchmark evolves over time with market movements and changes to the portfolio. The Dynamic Benchmark is calculated monthly using the return for each manager's passive index multiplied by that manager's percentage weight within the portfolio at the beginning of the month. Because it evolves to match the way dollars are actually invested, the Dynamic Benchmark is a useful tool for evaluating the impact of manager performance.

Non-Endowed Policy Benchmark: The Policy Benchmark changes only infrequently. It is calculated monthly according to a formula specified in the Investment Policy Statement. For each asset class, the return for the passive benchmark for an asset class is multiplied by the target weight outlined in the Policy; the Policy Benchmark is simply the sum of these figures. The Policy Benchmark measures the return for the Policy asset allocation. Currently comprised of 50% ICE BofA AAA-A US Corp & Govt TR and 50% BofA Merrill Lynch 91-Day T-Bill.



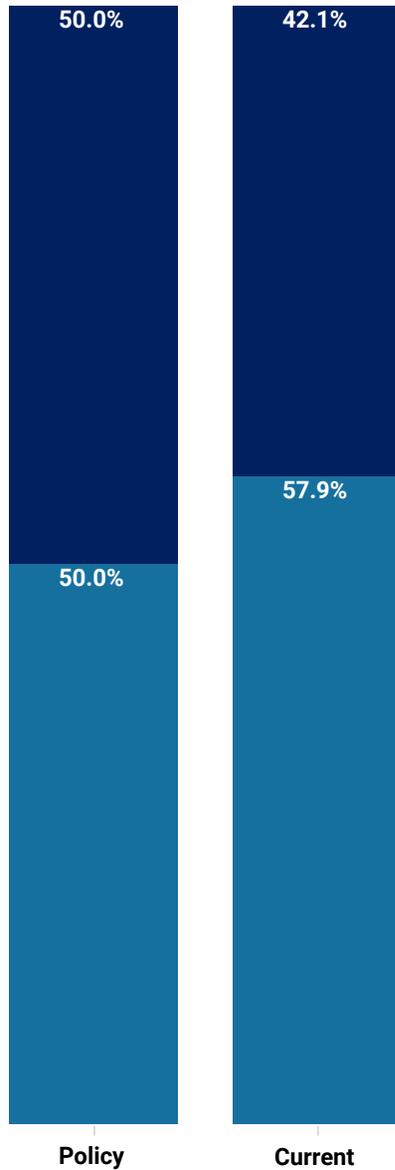
NON-ENDOWED ASSETS COMPOSITION



- Used for daily cash needs
- Overnight sweep T-Bills
- Cash rate of return
- Managed by Morgan Stanley
- Duration 0.0 years

- Used for excess cash
- Diversified across fixed income spectrum
- Managed by J.P. Morgan, Lord Abbett, PIMCO, and Loomis Sayles
- Effective Duration 3.2 years

ASSET ALLOCATION VS. POLICY TARGETS

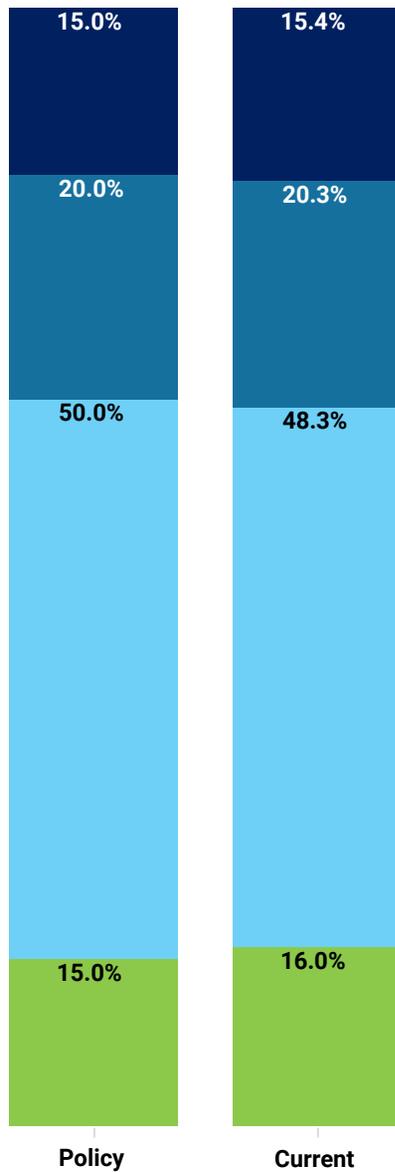


Asset Allocation vs. Target						
	Current	Policy	Current	Differences*	Policy Range	Within Range
■ Fixed Income	435,760,661	50.0	42.1	-7.9	0.0 - 70.0	Yes
■ Cash	599,905,303	50.0	57.9	7.9	30.0 - 100.0	Yes
Total	1,035,665,964	100.0	100.0	0.0		

*Difference between Policy and Current Allocation



ASSET ALLOCATION VS. POLICY TARGETS



Asset Allocation vs. Target						
	Current	Policy	Current	Difference*	Policy Range	Within Range
Core Plus	67,125,294	15.0	15.4	0.4	0.0 - 25.0	Yes
Short Duration Credit	88,252,792	20.0	20.3	0.3	0.0 - 30.0	Yes
Gov/Credit	210,556,337	50.0	48.3	-1.7	40.0 - 100.0	Yes
Absolute Return	69,826,237	15.0	16.0	1.0	0.0 - 25.0	Yes
Total	435,760,661	100.0	100.0	0.0		

*Difference between Policy and Current Allocation



PERFORMANCE DETAIL

	Ending December 31, 2024								
	Market Value (\$)	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
UHS Non-Endowed Assets	1,035,665,964	100.0	0.4	4.8	2.8	2.3	1.9	2.8	Jan-98
<i>Dynamic Benchmark Non-Endowed Assets</i>			0.0	4.3	2.4	-	-	-	
<i>Non-Endowed Policy Benchmark</i>			0.3	4.6	2.4	1.9	1.7	-	
Cash Pool	599,905,303	57.9	1.1	5.0	3.8	2.2	1.6	2.1	Jan-98
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	3.9	2.5	1.8	2.1	
Morgan Stanley Instl. Liquid Treasuries- Clear Lake	25,904,828	2.5	1.2	5.1	3.8	1.5	1.2	2.0	Jan-98
Morgan Stanley Instl. Liquid Treasuries- Downtown	31,719,580	3.1	1.1	5.1	3.8	1.5	1.1	2.0	Jan-98
Morgan Stanley Instl. Liquid Treasuries- U. of Houston	474,900,481	45.9	1.1	5.0	3.8	1.5	1.2	2.0	Jan-98
Morgan Stanley Instl. Liquid Treasuries- UofH System	66,095,370	6.4	1.2	4.9	3.7	1.4	1.1	2.0	Jan-98
Morgan Stanley Instl. Liquid Treasuries- Victoria	1,285,045	0.1	1.1	4.6	3.6	1.4	1.1	1.9	Jul-98
Liquidity Pool	435,760,661	42.1	-0.6	4.4	1.2	1.8	1.8	3.3	Jan-98
<i>ICE BofA 1-5 Year U.S. Corp/Govt</i>			-0.7	3.9	1.0	1.3	1.7	3.4	
JP Morgan - Univ. of Houston	210,556,337	20.3	-0.8	3.6	0.9	1.2	1.5	3.2	Jan-98
<i>ICE BofAML 1-5 Year AAA-A U.S. Corp. & Gov. Index</i>			-0.7	3.7	0.9	1.2	1.5	3.2	
<i>ICE BofA 1-5 Year U.S. Corp/Govt</i>			-0.7	3.9	1.0	1.3	1.7	3.4	
PIMCO Dynamic Bond Fund	69,826,237	6.7	1.2	7.1	2.3	2.5	-	2.6	May-19
<i>SOFR 90 Day</i>			1.2	5.4	4.4	2.8	2.1	2.7	
Lord Abbett Short Duration Credit	88,252,792	8.5	0.3	5.6	-	-	-	4.1	Apr-22
<i>ICE BofA 1-3 Year U.S. Corporate Index</i>			0.2	5.4	2.2	2.2	2.3	3.6	
Loomis Sayles Core Plus Full Discretion Strategy	67,125,294	6.5	-3.0	2.9	-0.2	2.2	-	2.7	Jun-19
<i>Blmbg. U.S. Gov't/Credit</i>			-3.1	1.2	-2.6	-0.2	1.5	0.5	

ENDOWMENT PORTFOLIO: Portfolio Rebalance



RECENT ACTIONS

Oldfield Emerging Markets

- **NEPC notified UHS of a dramatic decline in Oldfield's assets in this fund, as well as departures of senior Oldfield personnel**
 - We recommended a prompt full redemption; UHS approved and submitted mid-January
 - Proceeds from Oldfield expected to be ~\$15.3M

Frontenac Private Capital XIII

- **UHS Endowment invested in Frontenac's prior fund (Fund XII)**
 - Due to outstanding performance and strong investor demand, Frontenac fundraise timeline for fund XIII was exceptionally short. UHS moved efficiently to commit \$10M to Fund XIII.
 - Frontenac is a buyout fund focused on industrial, consumer and services companies

REBALANCE RECOMMENDATION

- A portfolio rebalance is necessary to adhere to the new asset allocation targets approved by the regents in November 2024
- Below transactions bring public fixed income down to the 10% allocation target, and public equity up to the 45% target

Recommended Transactions

Investment	Action Buy/Sell	Amount (\$)
Northern Trust Russell 3000 Index	Buy	\$30M
Acadian Non-U.S. All Cap Hedged	Buy	\$30M
Independent Franchise Partners Global Equity	Buy	\$30M
Loop Capital	Sell	\$10M
Lord Abbett Short Duration	Sell	\$20M
Barings US High Yield	Sell	\$23M

- Acadian and Independent Franchise Partners represent new investment managers for UHS

RECOMMENDATION: ACADIAN NON-US ALL CAP

- Acadian employs dynamic, multifactor quantitative models incorporating fundamental and technical analysis to create a high-quality equity portfolio
- Provides exposure to large, mid and small-cap companies in developed international economies
- Acadian hedges foreign currency risk back to the U.S. Dollar

	1-year	3-Year	5-year
Acadian Non-US All Cap USD Hedged	23.3%	10.4%	13.1%
<i>MSCI EAFE</i>	<i>3.6%</i>	<i>0.9%</i>	<i>4.4%</i>

- As part of the portfolio rebalance NEPC recommends a \$30M investment in the Acadian Non-US All Cap USD hedged strategy

NON-U.S. ALL-CAP EQUITY HEDGED TO USD

DECEMBER 2024

Acadian Asset Management's Non-U.S. All-Cap Equity Hedged to USD strategy seeks to provide institutional clients with the opportunity to capture long-term capital appreciation by investing in a portfolio of non-U.S. equity securities across the full range of market capitalization. The strategy invests in developed markets and opportunistically within emerging markets, and employs currency hedging in an effort to reduce the impact of currency movements relative to the U.S. dollar.

ASSETS UNDER MANAGEMENT

As of September 30

Strategy: \$US

700.6 MILLION

PARAMETERS

Typical Portfolio

Active Risk

4 – 6%

Max Active Position

2.25%

Number of Holdings

300 - 800

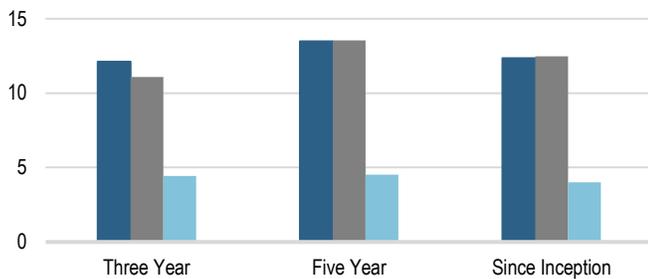
COMPOSITE PERFORMANCE*

Performance Inception Jul 1, 2015	COMPOSITE (GROSS)	COMPOSITE (NET)	MSCI EAFE 100% HEDGED USD (NET)	VALUE-ADDED (GROSS) VS. BENCHMARK
Year-To-Date	23.3	22.4	14.1	9.2
One Year Annualized Return	23.3	22.4	14.1	9.2
Three Year Annualized Return	10.4	9.6	9.3	1.1
Five Year Annualized Return	13.1	12.3	9.8	3.3
Since-Inception Annualized Return	11.3	10.5	8.5	2.8

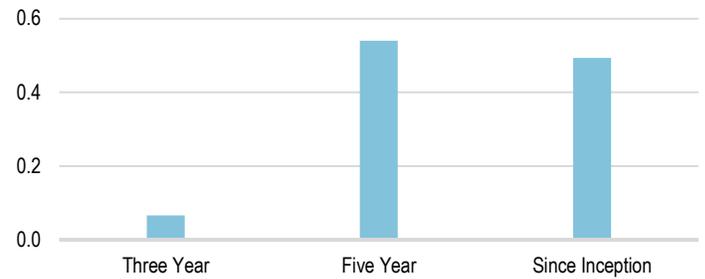
■ Composite ■ Benchmark** ■ Active

COMPOSITE NET ANNUALIZED STANDARD DEVIATION*

VOLATILITY (%)

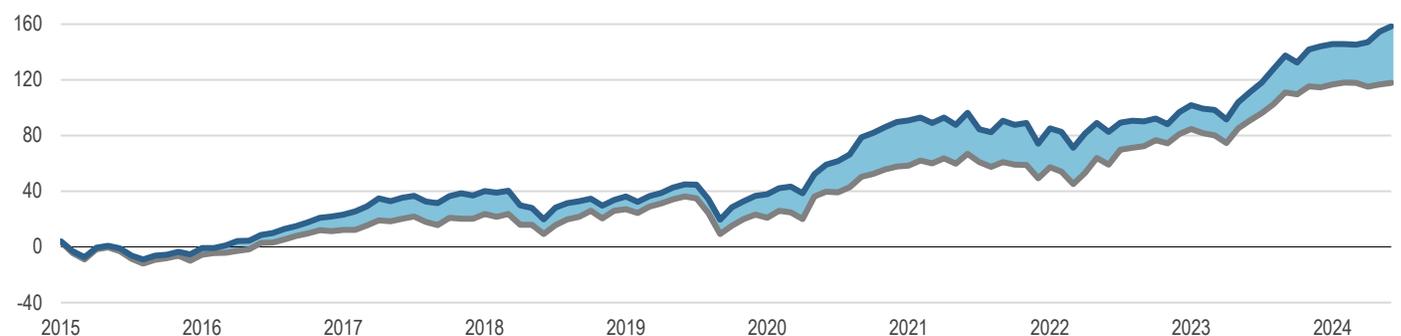


COMPOSITE NET INFORMATION RATIO*



COMPOSITE CUMULATIVE PERFORMANCE*

NET RETURNS (%)



*Returns that include the most recent month are preliminary. **Benchmark: MSCI EAFE 100% Hedged USD (net). Acadian Asset Management LLC claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. The complete performance disclosure can be found in the composite performance disclosure page attached. Index Source: Please see the benchmark disclosures in the attached Disclosures.

STRATEGY CHARACTERISTICS

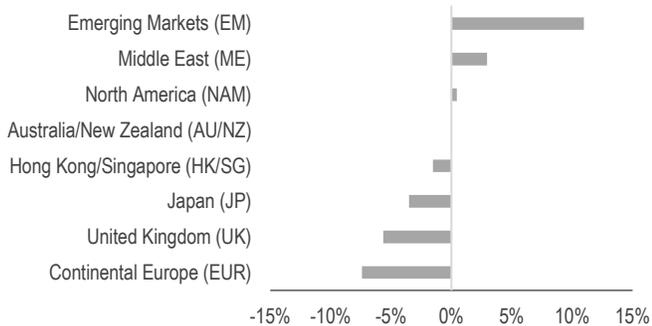
	NON-US ALL-CAP EQUITY HEDGED TO USD	MSCI EAFE
VALUATION		
Price/Earnings	14.8	15.1
Price/Book	1.7	1.9
Price/Sales	1.2	1.5
Price/Cash Earnings	8.9	9.5
Yield	2.6%	3.1%
MARKET CAP		
Large > \$50B	20.5%	53.0%
Med/Large \$20-\$50	29.9%	26.2%
Medium \$10-\$20	18.9%	12.8%
Med/Small \$3-\$10	17.4%	8.0%
Small < \$3	9.6%	0.0%
WEIGHTED AVERAGE (B)	45.0	88.1
MEDIAN (B)	1.1	14.8
ACTIVE SHARE OF PORTFOLIO (%)	81.8	

TOP TEN HOLDINGS

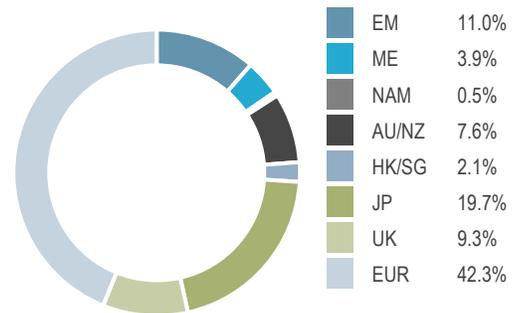
	% OF PORTFOLIO
ROCHE HOLDING AG	3.2
ABB LTD	2.5
RECRUIT HOLDINGS CO LTD	2.1
ARISTOCRAT LEISURE LTD	1.9
ADIDAS AG	1.8
CHINA CONSTRUCTION BANK CORP.	1.7
WOLTERS KLUWER NV	1.6
CHECK POINT SOFTWARE TECHNOLOGIES LTD	1.6
TELEFONAKTIEBOLAGET LM ERICSSON	1.5
FAST RETAILING CO LTD	1.5
NUMBER OF SECURITIES	662
% OF PORTFOLIO FOR TOP 20 CURRENT HOLDINGS	33.0
% OF NON-BENCHMARK PORTFOLIO HOLDINGS	26.1

CURRENT POSITIONING - REGION

ACTIVE

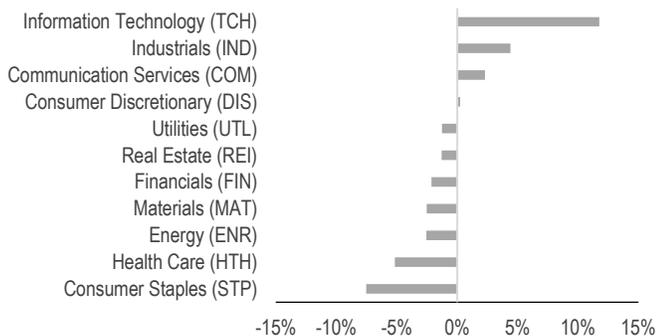


ABSOLUTE

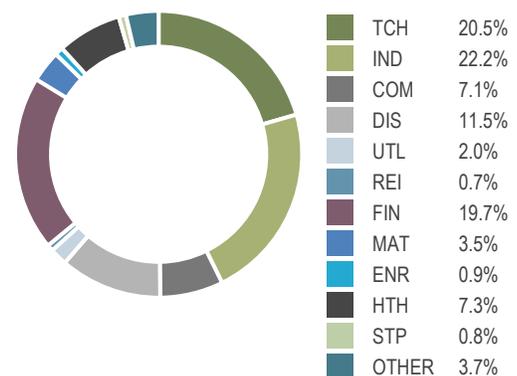


CURRENT POSITIONING - SECTOR

ACTIVE



ABSOLUTE



FEE SCHEDULE

SEPARATE & COMMINGLED

- 75 bps on all assets

MINIMUM INVESTMENT

- Separate: \$50 Million
- Commingled: \$1 Million

ANNUAL PERFORMANCE DISCLOSURE – NON-U.S. ALL-CAP EQUITY HEDGED TO USD

	Composite Return (%) Gross-of-Fees	Composite Return (%) Net-of-Fees	Benchmark Return (%)	Dispersion of Returns Within Composite (%)	Three-Year ex-Post Standard Deviation of Absolute Gross Returns		Number of Portfolios in Composite	Assets In Composite (\$MMs)	Total Firm Assets Under Management (\$MMs)
					Composite	Benchmark			
2015*	-0.7	-1.1	-3.2	n/a	n/a	n/a	1	135	66,834
2016	10.6	9.8	6.1	n/a	n/a	n/a	1	210	74,174
2017	25.6	24.7	16.8	n/a	n/a	n/a	1	391	96,765
2018	-10.9	-11.5	-9.0	n/a	10.0	9.6	1	577	85,338
2019	21.9	21.0	24.6	n/a	9.8	9.4	1	643	101,232
2020	10.6	9.8	2.5	n/a	14.6	15.6	1	724	107,229
2021	24.3	23.4	19.4	n/a	13.5	14.6	1	664	116,160
2022	-6.3	-7.0	-4.6	n/a	15.9	16.0	1	543	92,796
2023	16.5	15.6	19.9	n/a	12.6	11.5	1	593	102,930

*Performance Inception: July 1, 2015. This composite was created on: August 1, 2015. All figures stated in USD.

Acadian Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Acadian Asset Management has been independently verified for the periods January 1, 1994 through December 31, 2023¹. A copy of the verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the composite will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. **Past performance is no guarantee of future returns.** Acadian Asset Management is an investment adviser specializing in global equity management. Acadian Asset Management is defined to include assets managed by Acadian Asset Management LLC, an investment adviser registered with and regulated by the United States Securities and Exchange Commission, as well as assets managed by its wholly-owned affiliates, Acadian Asset Management (Australia) Limited (ABN 41 114 200 127), Acadian Asset Management Singapore Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore, and Acadian Asset Management (UK) Limited, authorized and regulated by the Financial Conduct Authority of the United Kingdom. On June 30, 2015, Acadian acquired the assets of Acadian's Australian office.

Methodology: Returns are net of foreign withholding taxes on dividends, interest, and capital gains. Since January 1, 2010 Acadian's methodology was augmented to produce a more accurate gross return figure by eliminating modest cash flows such as securities lending income and custodial fees which are regarded as independent of the investment management process; the reinvestment of all income and trading expenses continue to be included. Monthly composite results are asset-weighted by beginning-of-month asset values of member portfolios which are geometrically linked to arrive at the annual composite return. Net-of-fee performance is calculated on a monthly basis by deducting a model management fee equal to 1/12 of the highest annual management fee listed in the standard fee schedule for accounts shown below. The standard fee schedule for accounts managed with this product is 0.75% on assets managed. The standard management fee schedule and total expense ratio for the Acadian Non-US All Cap Equity Fund, USD Hedged, which is included in the composite, are 0.75% on all assets and 0.86%, respectively. Management fees may vary according to the range of services provided, investment performance, and the amount of assets under management. Constituent portfolios are included from the first full month after inception to the present or the last full month prior to cessation of the client relationship with the firm. For example, an account that opened January 15, 2019 will be included beginning February 1, 2019. An account that terminated February 12, 2019 will be included through January 31, 2019. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request.

Dispersion and Standard Deviation: Acadian's broad definitions are mainly the product of a highly customized process that may result in modest differences with regards to portfolio characteristics among constituents. All accounts managed with directly comparable investment objectives are included, though it's possible for members to utilize slightly different benchmarks in optimization and reporting. Although at times dispersion among constituents may be high, the long-term forecast for each portfolio is consistent with the overall composite. The 'Dispersion' statistic presented above uses gross of fee returns and is an annual, asset-weighted standard deviation calculation performed only on those portfolios who have been members for the entire calendar year. These figures are not applicable if there is only one portfolio in the composite for the full year. Thirty-six months are required to calculate the 'Three Year ex-Post Standard Deviation' statistic. These figures are not applicable if thirty-six months of composite returns are not available.

Composite Description: This composite invests in non-U.S. equities across the full range of capitalization, with freedom to move opportunistically between emerging and developed markets. Currency hedging is employed to reduce the impact of currency movements relative to the United States Dollar. This composite's name was changed from 'Non-U.S. All-Cap Hedged USD Equity' as of May 1, 2016. Complete lists of the firm's composite descriptions, limited distribution pooled fund descriptions, and broad distribution funds are available upon request.

Benchmark Description: The benchmark for the composite is MSCI EAFE 100% Hedged to USD (net of dividend withholding taxes). The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The MSCI Hedged Indices are designed to represent a close approximation of the return that can be achieved by hedging the currency exposures of the index in the one-month Forward market at each end of month.

Index Source: The MSCI data is comprised of a custom Index calculated by MSCI for, and as requested by Acadian Asset Management LLC. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warrantless of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. MSCI Copyright MSCI 2025. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

¹Ashland Partners verified Acadian's GIPS Compliance claim through March 31, 2017. ACA Compliance Group acquired Ashland's GIPS Verification unit and provided subsequent verifications.

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RECOMMENDATION: IFP GLOBAL EQUITY

- Independent Franchise Partners (IFP) seeks quality companies with strong business franchises trading at compelling valuations
- IFP's valuation focus serves as a strong complement to UHS's other global public equity managers, Arrowstreet and Jennison

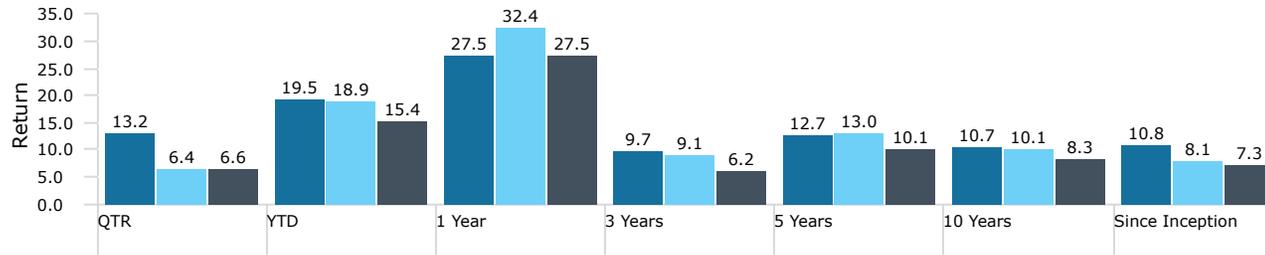
	1-year	3-Year	5-year
IFP Global Equity	27.5%	9.7%	12.7%
<i>MSCI World</i>	32.4%	9.1%	13.0%

- As part of the portfolio rebalance NEPC recommends a \$30M investment in the IFP Global Equity strategy

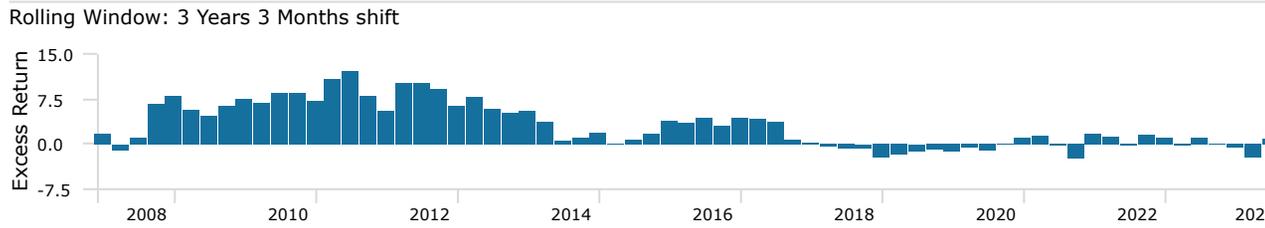
Independent Franchise Partners Global Equity

● Independent Franchise Partners Global Equity ■ MSCI World NR USD ▲ US Fund Global Large-Stock Blend

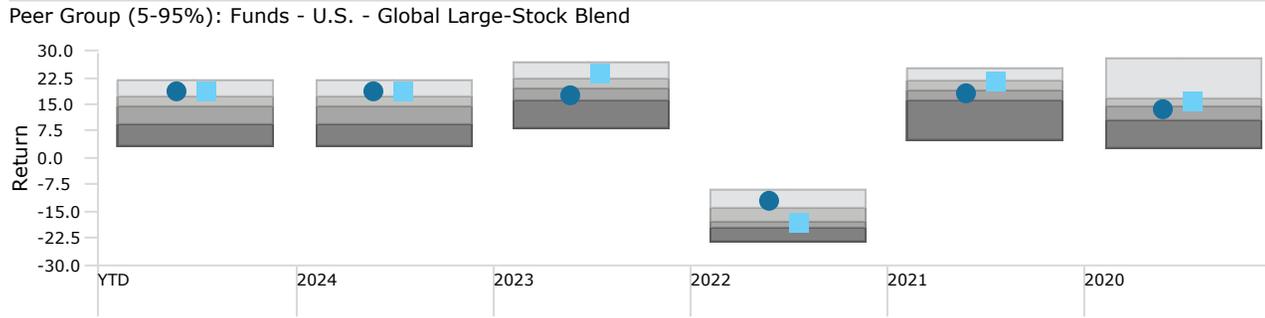
Trailing Period Returns



Rolling Excess Returns



Performance Relative to Peer Group



Quarterly Returns

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2024	5.73	-0.21	13.23		18.79
2023	7.61	7.03	-4.14	6.75	17.86
2022	0.51	-12.52	-9.77	10.93	-11.99
2021	6.61	5.79	-1.25	6.52	18.63
2020	-17.29	16.85	5.17	11.85	13.70
2019	15.44	2.13	0.95	8.75	29.44
2018	-2.26	3.61	2.60	-11.50	-8.04
2017	9.56	4.54	0.52	3.94	19.68

Excess Returns

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
2024	-3.15	-2.84	6.87		0.11
2023	-0.12	0.20	-0.68	-4.66	-5.93
2022	5.67	3.66	-3.58	1.17	6.15
2021	1.69	-1.95	-1.24	-1.25	-3.18
2020	3.76	-2.51	-2.76	-2.11	-2.21
2019	2.96	-1.87	0.42	0.19	1.77
2018	-0.98	1.88	-2.38	1.92	0.67
2017	3.19	0.52	-4.32	-1.57	-2.72

Summary Statistics

Time Period: 10/1/2019 to 9/30/2024

	Strategy	Benchmark
Up Capture Ratio	95.84	100.00
Down Capture Ratio	95.06	100.00
Std Dev	16.98	17.76
Information Ratio	-0.05	—
Alpha	0.75	0.00
Beta	0.89	1.00
R2	87.38	100.00
Tracking Error	6.31	0.00
Sharpe Ratio	0.65	0.64

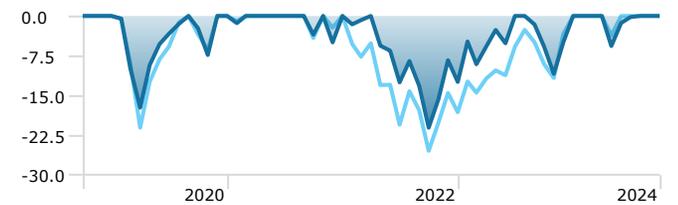
Drawdown Statistics

Time Period: Since Common Inception (3/1/2005) to 9/30/2024

	Strategy	Benchmark
Max Drawdown	-39.61	-54.03
Max Drawdown # of Months	16	16
Max Drawdown Peak Date	11/1/2007	11/1/2007
Max Drawdown Valley Date	2/28/2009	2/28/2009
Recovery # of Months	20	53

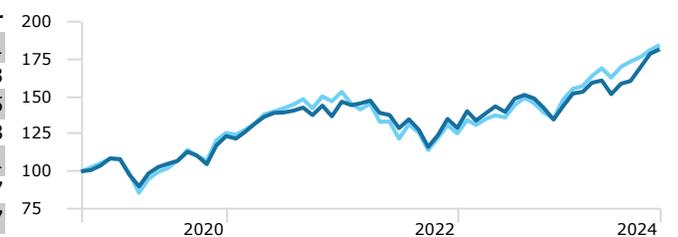
Drawdown

Time Period: 10/1/2019 to 9/30/2024



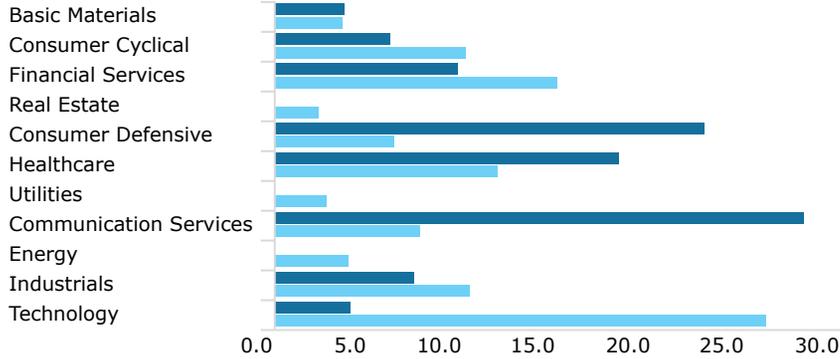
	Strategy	Benchmark
M-Squared (Risk Adjusted-Return)	14.63%	13.88%

Investment Growth

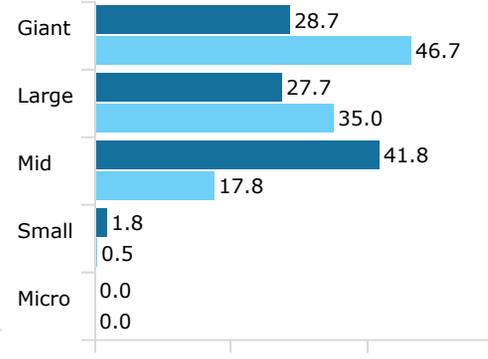


Independent Franchise Partners Global Equity

Sector Exposure



Market Cap



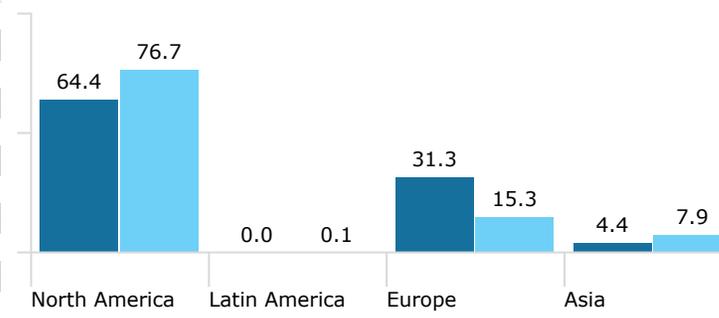
Characteristics

	Strategy	Benchmark
P/E	25.56	23.44
P/B	3.10	3.37
Dividend Yield	2.36%	1.94%
Average Market Cap	53,515	202,073
% Asset in Top 10 Holdings	43.9%	26.3%
# of Holdings	34	1,395
Turnover Ratio %	29%	—
Inception Date	2/28/2005	12/31/1969

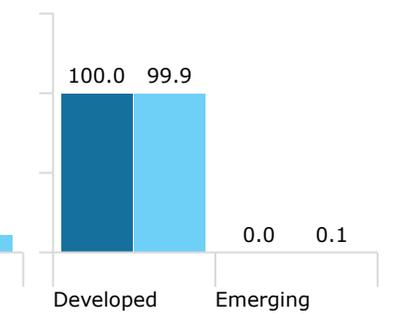
Top Holdings

Company	Weight
Philip Morris International Inc	5.6%
Reckitt Benckiser Group PLC	4.8%
RB Global Inc	4.7%
Intercontinental Exchange Inc	4.6%
Bristol-Myers Squibb Co	4.2%
Zillow Group Inc Class C	4.1%
News Corp Class A	4.1%
Fox Corp Class A	4.0%
Oracle Corp	3.9%
Aon PLC Class A	3.8%

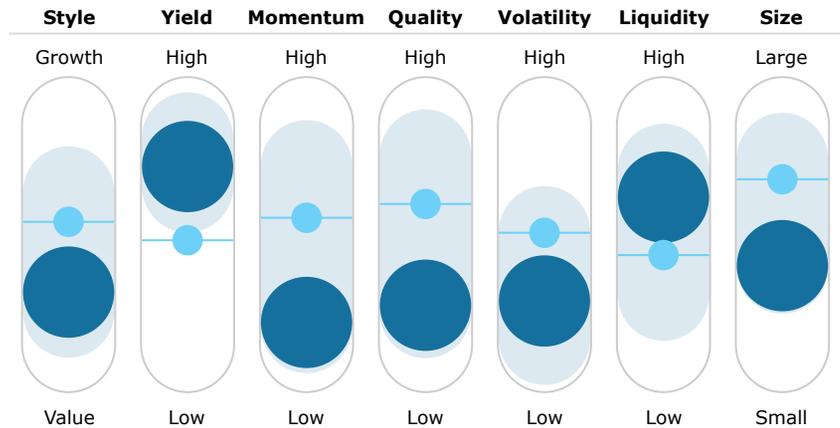
Region Exposure



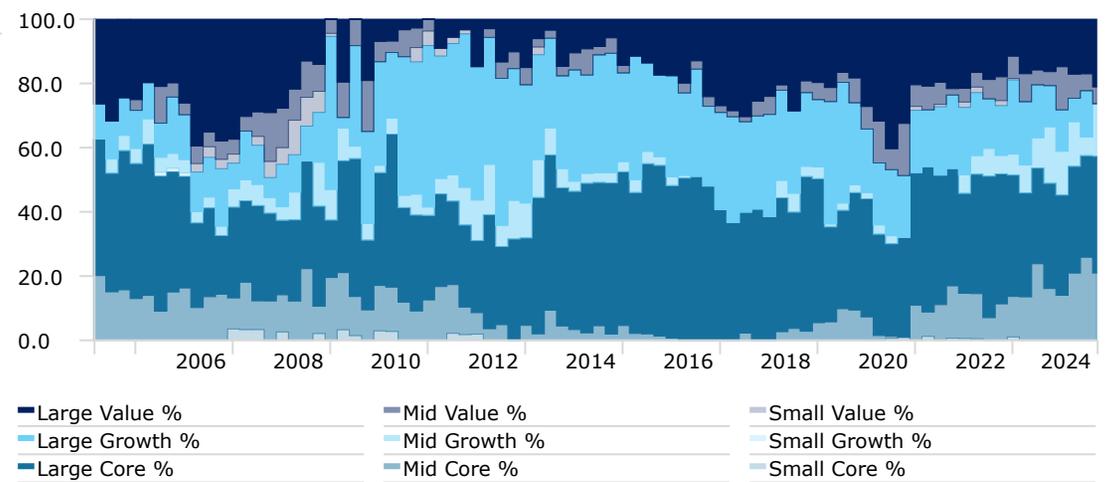
Market Classification



Factor Profile



Equity Style



● Independent Franchise Partners Global Equity ● Historical Range ◆ MSCI World NR USD



PORTFOLIO REBALANCE

Manager	Pro Forma Market Value	Current % of Portfolio	Recommended Rebalance	Ending Market Value	New % of Portfolio	Interim Policy Targets	Policy Targets
Composite	\$ 1,158,266,344	100.0%	\$ 37,000,000	\$ 1,109,766,344	100.0%	99.0%	100.0%
Public Equity	\$ 439,340,931	37.9%	\$ 90,000,000	\$ 529,340,931	47.7%	47.0%	45.0%
Domestic Equity	\$ 216,105,180	18.7%	\$ 30,000,000	\$ 246,105,180	22.2%	22.0%	22.0%
<i>US Equity</i>	\$ 216,105,180	18.7%	\$ 30,000,000	\$ 246,105,180	22.2%	22.0%	22.0%
Northern Trust Russell 3000 Index Fund	\$ 127,759,147	11.0%	\$ 30,000,000	\$ 157,759,147	14.2%		
Northern Trust Russell 1000 Value Fund	\$ 34,366,323	3.0%		\$ 34,366,323	3.1%		
Deprince, Race, & Zollo Small Cap Value Fund	\$ 22,533,217	1.9%		\$ 22,533,217	2.0%		
Granahan Focused Small Cap Growth	\$ 28,857,311	2.5%		\$ 28,857,311	2.6%		
Cougar Investment Fund	\$ 2,589,182	0.2%		\$ 2,589,182	0.2%		
International Equity	\$ 98,691,774	8.5%	\$ 30,000,000	\$ 128,691,774	11.6%	11.0%	13.0%
<i>Non-US Developed Equity</i>	\$ 84,818,389	7.3%	\$ 30,000,000	\$ 114,818,389	10.3%	10.0%	10.0%
William Blair International Growth	\$ 42,655,008	3.7%		\$ 42,655,008	3.8%		
Acadian Non-U.S. All Cap Hedged Equity			\$ 30,000,000	\$ 30,000,000	2.7%		
Silchester International Value	\$ 42,163,381	3.6%		\$ 42,163,381	3.8%		
<i>Emerging Market Equity</i>	\$ 13,873,385	1.2%	\$ -	\$ 13,873,385	1.3%	1.0%	3.0%
Edgbaston Asian Equity	\$ 13,873,385	1.2%		\$ 13,873,385	1.3%		
Global Equity	\$ 124,543,976	10.8%	\$ 30,000,000	\$ 154,543,976	13.9%	14.0%	10.0%
Arrowstreet Global Equity	\$ 67,667,760	5.8%		\$ 67,667,760	6.1%		
Independent Franchise Partners Global Equity			\$ 30,000,000	\$ 30,000,000	2.7%		
Jennison Global Opportunity Fund	\$ 56,876,216	4.9%		\$ 56,876,216	5.1%		
Fixed Income	\$ 147,840,129	12.8%	\$ (53,000,000)	\$ 94,840,129	8.5%	8.0%	8.0%
Core Fixed Income	\$ 43,813,206	3.8%	\$ (10,000,000)	\$ 33,813,206	3.0%		
Loop Capital	\$ 43,813,206	3.8%	\$ (10,000,000)	\$ 33,813,206	3.0%		
Short-Duration Fixed Income	\$ 39,099,446	3.4%	\$ (20,000,000)	\$ 19,099,446	1.7%		
Lord Abbett Short Duration Credit	\$ 39,099,446	3.4%	\$ (20,000,000)	\$ 19,099,446	1.7%		
Diversified Yield Fixed Income	\$ 18,031,538	1.6%	\$ -	\$ 18,031,538	1.6%		
PIMCO Dynamic Bond Fund	\$ 18,031,538	1.6%		\$ 18,031,538	1.6%		
High Yield Fixed Income	\$ 46,895,938	4.0%	\$ (23,000,000)	\$ 23,895,938	2.2%		
Barings US High Yield Fund LLC	\$ 46,895,938	4.0%	\$ (23,000,000)	\$ 23,895,938	2.2%		
Hedge Funds	\$ 69,778,782	6.0%	\$ -	\$ 69,778,782	6.3%	6.0%	6.0%
SRS Partners	\$ 11,447,672	1.0%		\$ 11,447,672	1.0%		
HBK Offshore	\$ 17,466,439	1.5%		\$ 17,466,439	1.6%		
400 Capital Credit Opportunities	\$ 20,113,397	1.7%		\$ 20,113,397	1.8%		
Broad Reach Fund Limited	\$ 20,751,274	1.8%		\$ 20,751,274	1.9%		
Private Markets	\$ 394,472,477	34.1%		\$ 394,472,477	35.5%	36.0%	39.0%
Cash and Other	\$ 106,834,026	9.2%	\$ (85,500,000)	\$ 21,334,026	1.9%	2.0%	2.0%
Cash Account	\$ 106,834,026	9.2%	\$ (85,500,000)	\$ 21,334,026	1.9%		

NON-ENDOWED FUNDS:

Portfolio Rebalance



THE WAY FORWARD FOR UHS

	Cash Pool	Liquidity Pool	Core Pool	Total
Current Value	\$600M	\$436M	\$179M	\$1,215M

- **Careful analysis of historical cash flow suggests that a minimum cash reserve of \$200m is prudent and appropriate to retain in the Cash Pool**
- **NEPC recommends redeploying \$211 million of excess cash**
 - \$147 million from Cash Pool to Liquidity Pool
 - \$64 million from Cash Pool to Core Pool Quasi-Endowment
- **Additionally, we recommend:**
 - 1) Updated policy targets for the Non-Endowed Funds
 - 2) Deploying this cash over a period of six months

	Current Allocation	Current Target Allocation	Proposed Target Allocation	Allowable Range
Cash Pool	58%	50%	40%	30% - 100%
Liquidity Pool	42%	50%	60%	0% - 70%

SUGGESTED DEPLOYMENT PLAN / TIMELINE

	12/31 Value	Now	Three Months	Six Months	Actual %	6-Mo Target %
Cash Pool	\$600M	-\$71M	-\$70M	-\$70M	57.9%	40%
Liquidity Pool	\$436M	+\$49M	+\$49M	+\$49M	42.1%	60%

- **\$243M is allocated to the Core Pool, which is 20% of the total non-endowed portfolio, and is set to increase by \$64M over six months (~\$20M over each period)**

LIQUIDITY POOL INVESTMENT APPROACH

Cash moving into the Liquidity Pool will be invested according to targets in the current investment policy statement for the UHS Non-Endowed Funds:

Investment	Allocation Target (%)
JPM Short Duration Gov't/Credit	50%
Lord Abbett Short Duration Credit	20%
Loomis Sayles Core Plus	15%
PIMCO Dynamic Bond	15%

UHS MANAGER WATCH LIST



UHS MANAGER WATCH LIST

- **Objective:**

- The purpose of the Watch List is to highlight managers whose ability to generate long-term excess returns has come into question.

- **Criteria for Inclusion:**

- Underperformance relative to its market-based benchmark
 - Returns lag 300bps or more relative to the funds' benchmark over the trailing 3-year period.
- Receives a rating of "Watch", "Hold", "Client Review", or "Terminate" as a result of analysis by NEPC's Research (not simply performance concerns)
 - Ratings are assigned for numerous reasons, primarily:
 - Organizational Concerns
 - "Key Person" considerations
 - Meaningful deviation from strategy
 - Significant growth/decline in Assets Under Management
 - Changes in firm ownership
 - Other organizational developments

Key Ratings	
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot be in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with a manager; manager cannot be in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot be in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

UHS MANAGER WATCH LIST

- **“Stoplight” Rating:**
 - Red, Yellow, or Green rating accompanies each manager
 - Green: Intended as a “FYI”; often associated with shorter time intervals
 - Yellow: Necessitates closer monitoring
 - Red: Reflects significant concern and may warrant action including possibly termination
 - Greater emphasis is given to longer time periods; relative performance for shorter periods may not be meaningful for evaluation

- **Ongoing Monitoring/Process for Removal:**
 - Watch List rating and recommendation will be updated on a quarterly basis.
 - On an annual basis (at a minimum) we will provide a detailed summary that highlights changes over the prior year that has bettered or worsened our view; a recommendation from NEPC regarding the extension/removal of the manager will then be provided
 - Detailed summary will also be provided on an ad-hoc basis if the situation calls for a more expedited approach; annual, detailed summary in place to incentivize long-term outlook

UHS MANAGER WATCH LIST

Details		View		Trailing Performance			
Manager	Allocation	Driver	Rating	3 Yr	SI	SI Date	Added to List
Loop Capital <i>Bloomberg U.S. Intermediate Aggregate</i>	Core Fixed Income	<i>Staff Changes</i>		<i>0.5%</i> <i>-0.3%</i>	2.1% 1.7%	February 2017	Q3 2024
Silchester Intl. Value <i>MSCI EAFE</i>	Non-US Developed Equity	<i>Staff Changes</i>		4.2% 1.6%	7.5% 5.9%	August 2009	Q4 2024
William Blair Int'l Growth <i>MSCI AC World ex USA</i>	Non-US Developed Equity	<i>Performance</i>		<i>-5.4%</i> <i>0.8%</i>	6.9% 6.4%	October 2003	Q3 2023

- Loop Capital was placed on the list as a function of key staff changes**
 - Loop suggested this is the only reorganization activity they foresee, and no further changes are expected
- Silchester was placed on the list as a function of the retention of shares from the deceased founding partner**
 - NEPC is not concerned but is monitoring as none of Michael Cowan's shares have changed since he passed away, requiring cash on hand to pay out family members
- William Blair International Growth was reported on the list as a function of performance (3-year return trails the MSCI AC World ex USA benchmark by > 300bps)**
 - Volatile environment for Growth managers; since inception results outperformed index

DUE DILIGENCE MONITOR

Investment Strategy	Plan Name	Manager Changes/ Announcements	DD Event Date	NEPC Due Diligence Committee Recommendations
Loop Capital <i>Core Fixed Income</i>	UHS Endowment Fund	Loop Capital Partial Reorganization	10/3/2024	Watch
Silchester International Value Equity <i>Non-U.S. Equity</i>	UHS Endowment Fund	Ownership structure remains unchanged	11/21/24	Watch
Arrowstreet Global Equity <i>Global Equity</i>	UHS Endowment Fund	Partnership promotions and retirements	10/16/24	No Action



DUE DILIGENCE MONITOR

Investment Strategy	Commentary	NEPC Rating
<p>Silchester International Value Equity <i>Non-U.S. Developed Equity</i></p>	<p>Michael Cowan, a founding partner of Silchester Investment Partners, passed away on October 1, 2023. Michael had been suffering from an illness and stepped away slightly from some responsibilities in 2022 for treatment, but remained active in firm and strategy management until a short time before his death.</p> <p>Members of Silchester, except for Michael and Stephen Butt and their families, have been increasing their stake in Silchester through this company. Their combined ownership now amounts to 25%. To safeguard the independence of Silchester, no outside party can take an ownership position of more than 25% of the firm. Silchester has the opportunity to reject any third-party transaction for sale of shares.</p> <p>Employees have \$1.7 billion of their own funds invested in the program. They have the same fees and entry and exit provisions as clients. They are now 25% owned by internal employees, and can only sell shares when they leave, but do not have to sell when they leave. Control and voting stays with active employees, most of the employees have net worth tied into the firm. None of Michael Cowan's shares have changed since he passed away. The family collects a dividend, and Silchester has enough in reserves if all the family sells their shares back, and his investments in the program remain. In order to safeguard the interests of the working partners of Silchester, there can be no change in the Business Purpose of Silchester nor of Remuneration arrangements without the approval of 50% of the working partners</p> <p>Based on the current ownership alignment, and the status of the Portfolio Implementation Group (PIG) and Daily Implementation Group (DIG), which have been functioning as expected since the passing of Michael Cowan, NEPC Research recommends upgrading the Due Diligence Status to No Action from Watch.</p> <p>NEPC recommends Watch.</p>	<p>1</p>
<p>Loop Capital <i>Core Fixed Income</i></p>	<p>Loop Capital notified NEPC recently that they underwent a reorganization of their investment professionals. Part of the re-org included a relocation package offered to some investment professionals outside of their Miami home office. Most team members from their Smith Graham & Associates affiliate have decided to not relocate to Miami and have separated from the company. Two portfolio managers, one research associate and one assistant trader will not be part of the Loop team, effective immediately. Loop Capital will fully adopt the management responsibility of the fixed income strategies impacted. Loop suggested this is the only reorganization activity they foresee, and no further changes are expected. This announcement was not entirely unexpected by NEPC Research, as the original acquisition of Smith Graham & Associates seemed to mostly benefit Loop Capital, from an AUM perspective.</p> <p>NEPC recommends Watch.</p>	<p>3</p>



DUE DILIGENCE MONITOR

Investment Strategy	Commentary	NEPC Rating
<p>Arrowstreet Global Equity <i>Global Equity</i></p>	<p>NEPC Research is comfortable with anticipated retirements and believes there is sufficient talent bench to ensure smooth transition. As a reminder Arrowstreet utilizes a team-based quantitative investment approach across its strategies that is less reliant on any one person to implement the investment portfolios. Summary of senior investment personnel: Partner Promotions (Effective November 2024)- Leslie Baccini - Business Development, Magnus Bjorkman (Research Solutions)</p> <p>Retirement Announcements (Effective March 31, 2025)- Manolis Liodakis, Head of Portfolio Management has decided to retire from the firm. Mr. Liodakis joined Arrowstreet in August 2012 and has helped expand and build a deep portfolio management team. Brandon Berger will succeed Mr. Liodakis as the Head of Portfolio Management. He joined Arrowstreet in 2013 and has been a partner since 2019 and currently leads the portfolio construction function within the Portfolio Management team.</p>	<p>1</p>



INVESTMENT PERFORMANCE : UHS ENDOWMENT FUND





APPENDIX

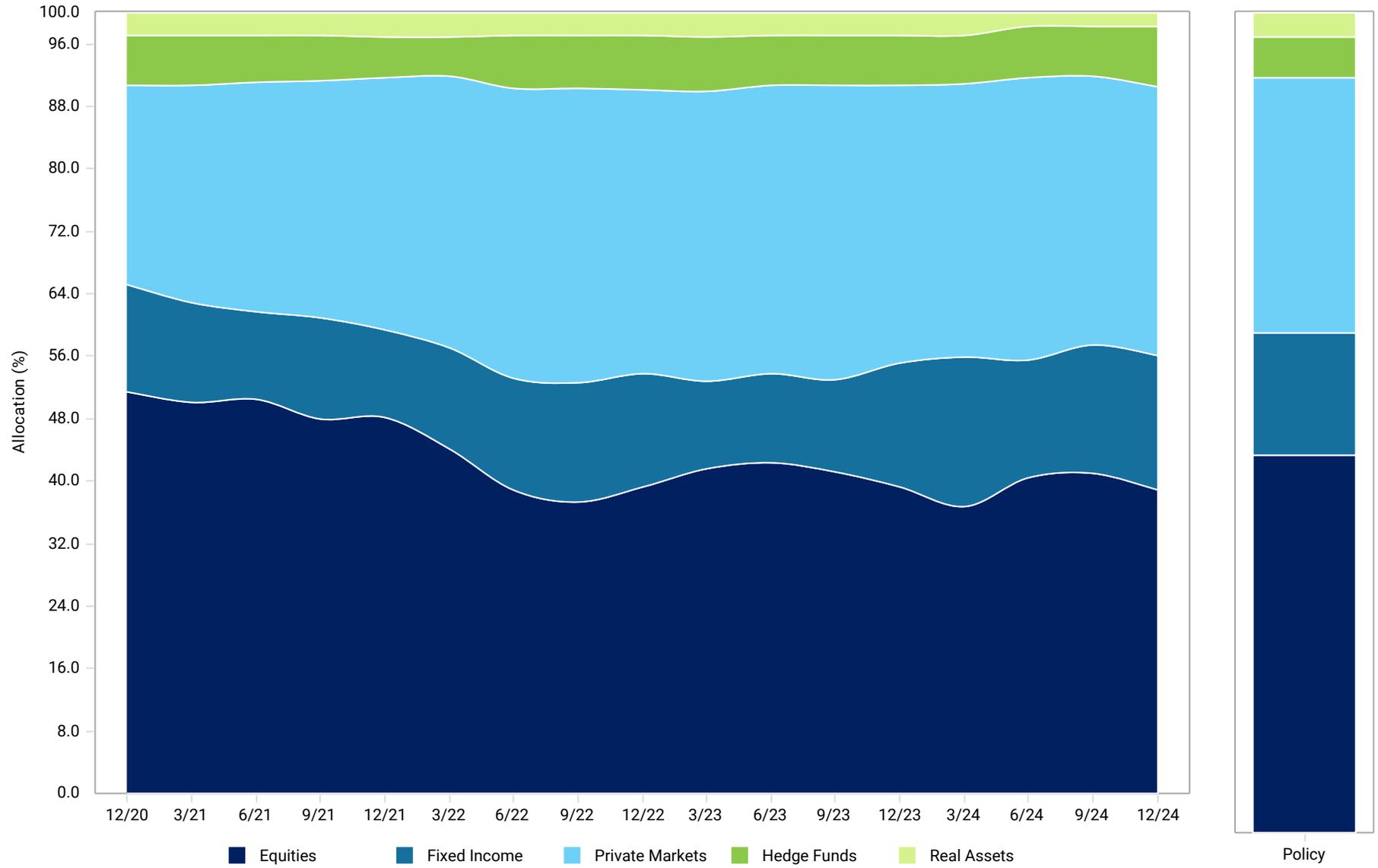


UHS ENDOWMENT SUPPLEMENTAL INFORMATION



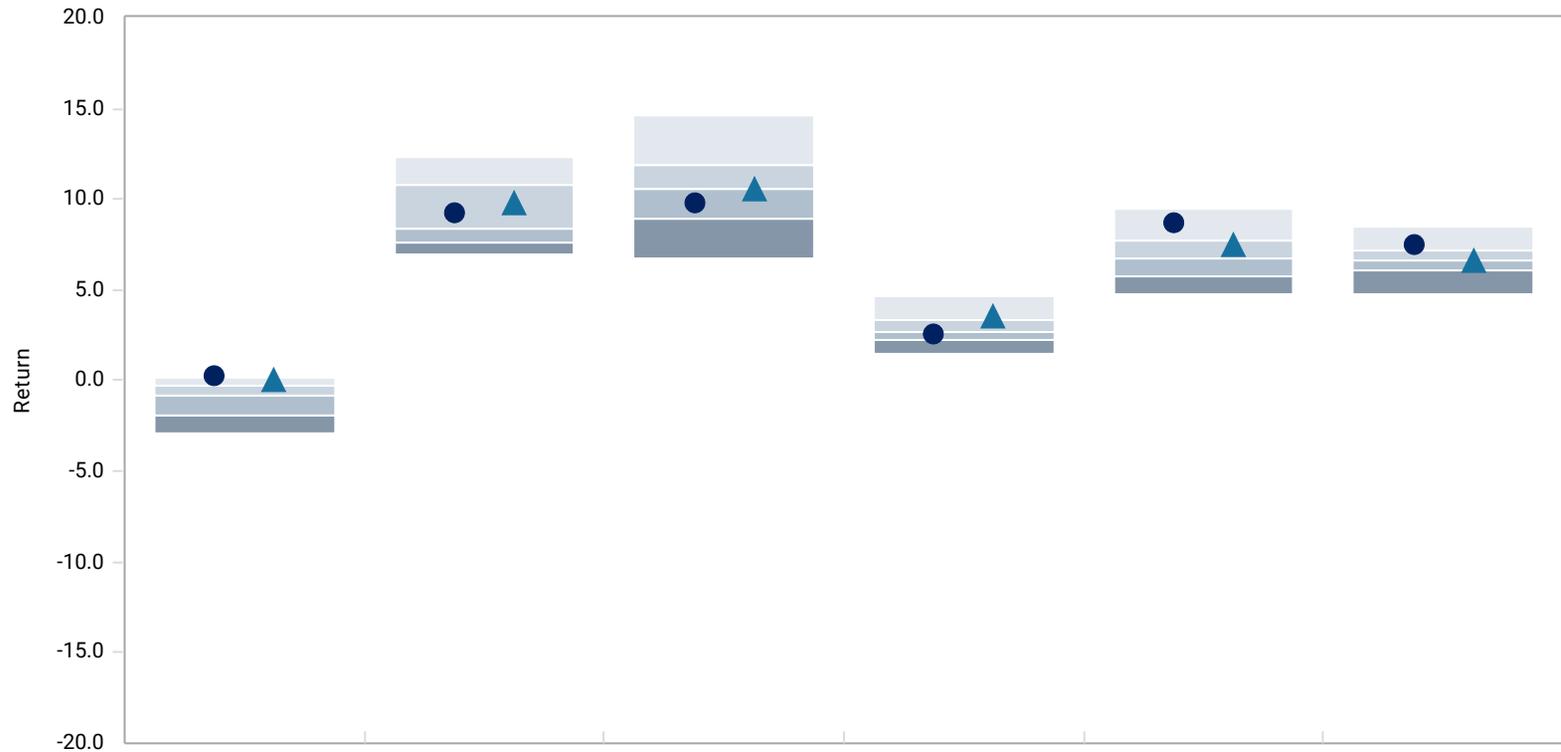
ASSET ALLOCATION HISTORY

Asset Allocation History



RETURN SUMMARY VS. E&F INSTITUTIONS > \$1B

UHS Endowment Fund vs. InvMetrics All E&F > \$1B

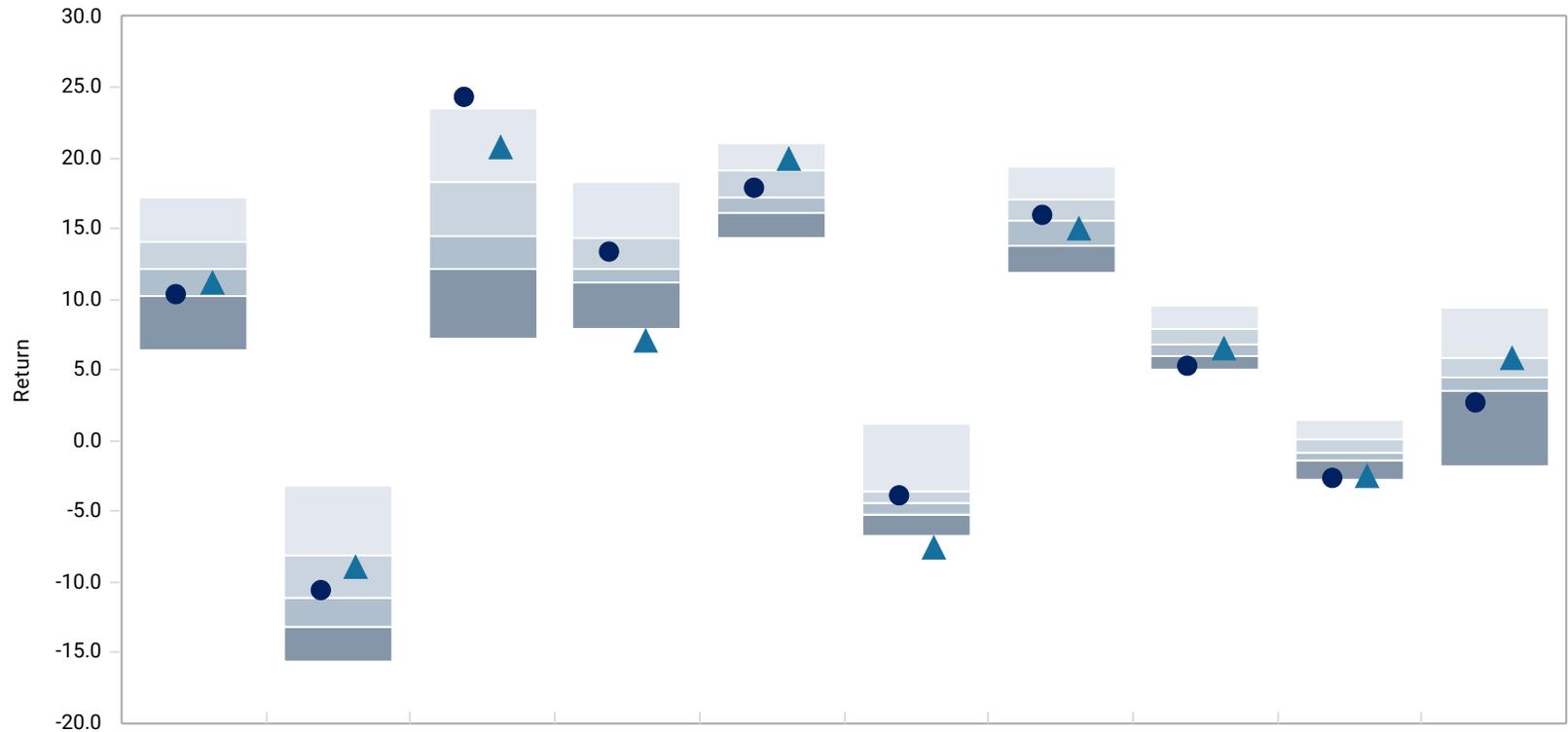


	3 Mo	1 Year	2 Years	3 Years	5 Years	10 Years
● UHS Endowment Fund	0.3 (4)	9.2 (40)	9.8 (58)	2.6 (59)	8.8 (11)	7.5 (11)
▲ Dynamic Benchmark	0.0 (9)	9.8 (36)	10.5 (51)	3.6 (22)	7.6 (31)	6.7 (51)
5th Percentile	0.1	12.4	14.6	4.6	9.5	8.4
1st Quartile	-0.3	10.8	11.8	3.4	7.7	7.2
Median	-0.8	8.3	10.6	2.7	6.8	6.7
3rd Quartile	-1.9	7.6	8.9	2.3	5.7	6.1
95th Percentile	-2.9	6.9	6.7	1.4	4.8	4.8
Population	25	25	25	24	23	18



RETURN SUMMARY VS. E&F INSTITUTIONS > \$1B

UHS Endowment Fund vs. InvMetrics All E&F > \$1B



	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
● UHS Endowment Fund	10.4 (74)	-10.5 (40)	24.3 (4)	13.4 (32)	18.0 (41)	-3.9 (38)	16.1 (45)	5.4 (90)	-2.6 (92)	2.8 (90)
▲ Dynamic Benchmark	11.2 (63)	-8.9 (32)	20.8 (9)	7.1 (99)	19.9 (14)	-7.6 (99)	15.0 (58)	6.6 (61)	-2.5 (91)	5.9 (25)
5th Percentile	17.3	-3.1	23.6	18.4	21.2	1.2	19.5	9.7	1.5	9.5
1st Quartile	14.1	-8.1	18.4	14.3	19.2	-3.6	17.2	7.9	0.1	5.8
Median	12.2	-11.1	14.6	12.2	17.2	-4.4	15.5	6.9	-0.9	4.6
3rd Quartile	10.2	-13.2	12.2	11.3	16.2	-5.2	13.8	6.0	-1.4	3.5
95th Percentile	6.5	-15.6	7.3	7.9	14.4	-6.7	11.9	5.1	-2.8	-1.8
Population	66	59	85	63	50	37	43	32	25	27



RISK STATISTICS VS. E&F INSTITUTIONS > \$1B



	3 Yrs (%)					
● UHS Endowment Fund	2.6 (59)	8.6 (35)	-1.1 (46)	-0.1 (64)	-0.1 (63)	1.1 (1)
▲ Dynamic Benchmark	3.6 (22)	8.3 (30)	0.0 (19)	0.0 (24)	0.0 (24)	0.0 (1)
5th Percentile	4.6	5.9	1.8	0.1	0.2	2.2
1st Quartile	3.4	7.7	-0.3	0.0	0.0	2.5
Median	2.7	10.2	-1.5	-0.1	-0.1	3.3
3rd Quartile	2.3	11.5	-2.2	-0.1	-0.2	4.3
95th Percentile	1.4	13.0	-3.4	-0.2	-0.3	6.3

ASSET GROWTH SUMMARY BY MANAGER

	Quarter Ending December 31, 2024			
	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
400 Capital Credit Opportunities	\$19,850,606	-	\$289,042	\$20,139,648
ACME Fund III, LP	\$4,436,715	-\$889,447	\$31,365	\$3,578,633
Advent International Global Private Equity VIII-B	\$5,198,947	-\$120,001	\$150,466	\$5,229,412
Advent International GPE IX Limited Partnership	\$8,386,143	-\$424,662	\$954,024	\$8,915,505
Advent International GPE VII-B, L.P.	\$526,213	-	\$27,492	\$553,705
Advent International GPE X	\$4,594,487	-	\$620,323	\$5,214,810
Arrowstreet Global Equity	\$66,852,063	-	-\$285,786	\$66,566,277
ASF VIII B L.P.	\$5,826,856	\$458,284	\$150,360	\$6,435,500
Barings US High Yield Fund LLC	\$46,643,090	-	\$210,768	\$46,853,858
Binary Capital Fund II, L.P.	\$108,282	-	-\$1,431	\$106,851
Blackstone Real Estate Partners Europe V, L.P. (USD)	\$4,196,203	-	-\$422,543	\$3,773,660
Blackstone Real Estate Partners IX.F L.P.	\$9,870,827	-\$39,392	-\$3,929	\$9,827,506
Blackstone Real Estate Partners VIII, L.P.	\$4,900,566	\$49,640	\$56,339	\$5,006,545
BPG Investment Partnership VII, L.P.	\$1,156,174	-	\$1,175	\$1,157,349
Broad Reach Fund Limited	-	\$20,000,000	\$1,601,808	\$21,601,808
BREP Europe VI (Cayman) L.P. (USD)	\$7,713,481	\$137,658	\$353,072	\$8,204,211
Cash	\$43,396,168	\$6,610,418	-\$27,596	\$49,978,990
Cash (Pending)	-	-	-	-
Clear Ventures II, L.P.	\$4,484,781	\$205,000	\$581,845	\$5,271,626
Commonfund Capital International Partners VI, L.P.	\$304,847	-\$43,487	-\$59,289	\$202,071
Commonfund Capital Private Equity Partners VII, L.P.	\$778,000	-\$32,054	-\$1,308	\$744,638
Commonfund Capital Venture Partners VIII, L.P.	\$979,889	-\$76,188	\$603	\$904,304
Cougar Investment Fund	\$2,564,120	-	-\$13,902	\$2,550,218
CVE-Kauffman Fellows Endowment Fund II, L.P.	\$3,860,312	-\$84,706	\$42,983	\$3,818,589
CVE-Kauffman Fellows Endowment Fund III, L.P.	\$4,461,857	-\$118,525	\$106,161	\$4,449,493
Dalfen Last Mile V	\$4,657,367	-	-\$183,311	\$4,474,056
Davidson Kempner	\$20,196,803	-	\$443,795	\$20,640,598
Denham Commodity Partners Fund VI, L.P.	\$2,078,932	-	-\$35,304	\$2,043,628
Denham Oil & Gas Fund L.P.	\$8,170,040	-\$296,345	-\$147,266	\$7,726,429

ASSET GROWTH SUMMARY BY MANAGER

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
Deprince, Race, & Zollo Small Cap Value	\$23,814,790	-	-\$606,755	\$23,208,035
Dover Street IX, L.P. (Cayman)	\$4,295,874	-\$716,227	-\$130,230	\$3,449,417
Dover Street VIII, L.P.	\$242,084	-\$42,200	\$4,047	\$203,931
Dover Street X Feeder Fund L.P.	\$6,701,050	-\$94,993	\$123,932	\$6,729,989
Edgbaston Asian Equity	\$14,886,946	-	-\$735,473	\$14,151,473
Embarcadero Capital Investors V, L.P.	\$439,381	-	-	\$439,381
EnCap Energy Capital Fund X, L.P.	\$2,798,749	-\$903,565	\$107,630	\$2,002,814
EnCap Energy Capital Fund XI, L.P.	\$11,858,253	-\$4,213,392	\$174,578	\$7,819,439
EnCap Flatrock Midstream Fund II, L.P.	\$286,305	-	\$25,516	\$311,821
EnCap Flatrock Midstream Fund III, L.P.	\$2,505,320	-	\$13,948	\$2,519,268
EnCap Flatrock Midstream Fund IV	\$3,663,349	\$330,366	\$56,067	\$4,049,782
Energy Spectrum Partners VIII LP	\$2,915,098	\$281,440	-	\$3,196,538
EnerVest Energy Institutional Fund XIV	\$4,549,281	-\$495,001	-	\$4,054,280
Fisher Lynch Venture Partnership II, L.P.	\$502,282	-\$108,722	-\$9,187	\$384,373
Francisco Partners IV, L.P.	\$2,996,882	-	\$682,755	\$3,679,637
Francisco Partners V, L.P.	\$6,530,608	-	\$214,435	\$6,745,043
Francisco Partners VI, L.P.	\$5,556,317	-\$115,000	\$365,645	\$5,806,962
Frontenac Fund XII	\$6,378,742	\$382,857	\$258,949	\$7,020,548
Global Alpha Int'l Small Cap	\$20,160,747	-\$18,452,363	-\$1,708,384	-
Global Alpha Int'l Small Cap (Holdback)	-	\$922,618	-	\$922,618
Granahan Focused Small Cap Growth	\$24,625,070	-	\$2,371,455	\$26,996,524
Great Hill Equity Partners V, L.P.	\$3,134,516	-	\$35,054	\$3,169,570
Great Hill Equity Partners VI, L.P.	\$10,436,959	-\$2,330,639	\$63,328	\$8,169,648
Great Hill Equity Partners VII, L.P.	\$5,682,188	-\$370,755	\$514,726	\$5,826,159
Great Point Partners III, L.P.	\$3,696,494	-	\$4,425	\$3,700,919
Grosvenor Advance, Ltd	\$7,855,160	\$281,168	\$193,585	\$8,329,913
Hastings Equity Fund IV-B, L.P.	\$9,770,680	\$93,044	\$77,383	\$9,941,107
HBK Offshore	\$21,847,549	-\$5,601,906	\$549,326	\$16,794,969
Insight Equity III L.P.	\$9,417,640	-	-\$247,021	\$9,170,619
Jenssion Global Opportunity Fund	\$56,945,878	-\$90,237	-\$243,453	\$56,612,188
J.H. Whitney VII, L.P.	\$574,310	-\$12,598	\$370,284	\$931,996

ASSET GROWTH SUMMARY BY MANAGER

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
Jackson Square Ventures II, L.P.	\$7,038,753	-	-\$1,002,594	\$6,036,159
Jackson Square Ventures III, L.P.	\$3,887,018	\$67,568	-\$17,706	\$3,936,880
Kelso Investment Associates X, L.P.	\$10,906,119	-	-\$28,413	\$10,877,706
Kelso Investment Associates XI	\$4,618,548	-	\$29,728	\$4,648,276
Kennedy Lewis III	\$8,261,219	\$24,383	\$374,769	\$8,660,371
Kholsa Ventures VIII, L.P.	\$1,932,024	-	\$79,809	\$2,011,833
Khosla Ventures Opportunity II, L.P.	\$1,140,732	\$456,000	-\$12,932	\$1,583,800
Khosla Ventures Seed Fund, L.P.	\$452,728	\$115,000	\$35,679	\$603,407
Lexington Capital Partners IX, L.P.	\$10,004,407	-\$196,451	\$19,555	\$9,827,511
Lexington Capital Partners VIII, L.P.	\$5,048,314	-\$270,296	\$58,619	\$4,836,637
LiveOak Venture Partners I, L.P.	\$1,419,217	-	-\$223,819	\$1,195,398
LiveOak Venture Partners II	\$5,000,973	-	\$660,358	\$5,661,331
Lord Abbett Short Duration Credit	\$38,955,423	-	\$197,501	\$39,152,924
Mercury Fund Ventures IV, LP	\$10,082,036	-	\$1,468,775	\$11,550,811
Mercury Fund Ventures V, LP	\$3,587,599	\$500,000	-\$59,459	\$4,028,140
Newlin Realty Partners II, L.P.	\$76,318	-	-\$755	\$75,563
Northern Trust Russell 1000 Value Fund	\$35,324,594	-	-\$691,638	\$34,632,956
Northern Trust Russell 3000 Index Fund - Lending	\$125,551,658	-	\$3,280,440	\$128,832,098
Oldfield Emerging Markets	\$16,466,700	-	-\$1,673,711	\$14,792,989
PeakSpan Capital Growth Partners II, L.P.	\$7,206,795	-	\$300,855	\$7,507,650
Penzance DC Real Estate Fund II LP	\$2,122,760	-	\$4,254	\$2,127,014
Penzance DC Real Estate Fund L.P.	\$3,287,755	\$155,858	-\$222,211	\$3,221,402
Penzance DC Real Estate Fund III LP	\$147,524	\$20,711	-\$110,300	\$57,935
PIMCO Dynamic Bond Fund	\$18,488,362	-	\$212,677	\$18,701,040
Silchester International Value	\$47,264,230	-	-\$4,283,763	\$42,980,467
Silver Lake Partners IV, L.P.	\$6,126,355	-\$269,483	-\$173,347	\$5,683,525
Silver Lake Partners V, L.P.	\$7,352,409	-\$17,492	-\$20,247	\$7,314,670
Silver Lake Partners VI, L.P.	\$8,074,362	-\$375,586	\$196,811	\$7,895,587
Silver Lake Partners VII	\$2,240,121	\$86,063	\$31,561	\$2,357,745
Loop Capital	\$44,921,937	-	-\$851,078	\$44,070,859
Mill Point	-	\$790,763	-	\$790,763

ASSET GROWTH SUMMARY BY MANAGER

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
SRS Partners	\$10,814,779	-	\$435,637	\$11,250,416
SV Life Sciences Fund VI, L.P.	\$3,230,442	-	-\$246,978	\$2,983,464
T. Rowe Price New Era Fund	\$20,888,075	-	-\$310,222	\$20,577,853
Thoma Bravo Fund XIII-A, L.P.10	\$7,255,023	-\$1,224,469	\$149,096	\$6,179,650
Thoma Bravo XIV, L.P.	\$5,365,876	-\$33,862	\$137,485	\$5,469,499
Trident VII, L.P.	\$11,456,934	-\$994,867	\$180,586	\$10,642,653
Trident VIII, L.P.	\$9,476,434	-\$56,795	\$294,770	\$9,714,409
TrueBridge Capital Partners Fund V, L.P.	\$9,588,324	-\$162,024	\$41,226	\$9,467,526
TrueBridge Capital Partners Fund VI, L.P.	\$3,590,264	-	\$108,848	\$3,699,112
TrueBridge Capital Partners Fund VIII, L.P.	\$532,910	\$150,000	-\$23,104	\$659,806
Truebridge Capital Partners VII	\$5,275,655	\$500,000	\$75,179	\$5,850,834
Truebridge-Kauffman Fellows Endowment Fund IV, L.P.	\$14,135,866	-\$607,916	-\$7,320	\$13,520,630
U.S. Venture Partners XII, L.P.	\$5,896,724	-	\$72,579	\$5,969,303
Vanguard Real Estate Index Fund	\$302,526	-	-\$6,309	\$296,217
Vivo Capital Fund IX, L.P.	\$4,554,760	-\$246,748	\$32,538	\$4,340,550
Warren Equity Partners ELIDO II	\$784,989	\$446,311	-\$191,362	\$1,039,937
Weathergage Venture Capital IV, L.P.	\$7,383,527	-	\$98,154	\$7,481,681
Whippoorwill Distressed Opp. Fund NEW	\$62,398	-	-	\$62,398
William Blair International Growth	\$45,870,428	-	-\$2,950,249	\$42,920,179
WindRose Health Investors VI	\$5,828,392	\$349,804	\$472,469	\$6,650,665
Total	\$1,170,543,585	-\$6,713,443	\$2,908,964	\$1,166,739,106

University of Houston System Endowment Fund

RETURN SUMMARY

Investments			Trailing Period Returns (IRR) %						
Investment Name	Vintage Year	Commitment	(Qtr)	(YTD)	(1 Yr)	(3 Yrs)	(5 Yrs)	(10 Yrs)	SI IRR
Private Debt									
Kennedy Lewis Capital Partners III	2022	\$10,000,000	4.54%	13.06%	15.41%				15.19%
Total Private Debt		\$10,000,000	4.54%	13.06%	15.41%				15.19%
Private Equity									
ACME Fund III, L.P.	2019	\$5,000,000	0.71%	-6.10%	-13.64%	-14.41%			-2.38%
Advent International GPE Fund VII, L.P.	2012	\$5,000,000	5.22%	-4.97%	3.92%	-16.51%	3.81%	11.05%	13.23%
Advent International GPE IX, L.P.	2019	\$7,000,000	10.64%	8.67%	18.76%	-8.49%			16.77%
Advent International GPE VIII-B, L.P.	2015	\$6,000,000	2.82%	1.42%	1.66%	-2.43%	17.59%		16.62%
Advent International GPE X, L.P.	2022	\$9,000,000	14.93%	27.86%	39.67%				23.13%
ASF VIII B L.P.	2018	\$7,500,000	2.69%	5.34%	6.29%	3.46%	15.47%		16.18%
Binary Capital Fund II, L.P.	2016	\$631,535	-1.32%	-13.71%	-14.98%	-6.39%	-1.62%		-2.83%
Clear Ventures II, L.P.	2019	\$5,000,000	13.09%	21.83%	26.34%	15.85%	14.52%		13.83%
Commonfund Capital International Partners VI, L.P.	2007	\$5,000,000	-19.45%	-31.10%	-33.27%	-21.39%	1.19%	11.93%	8.60%
Commonfund Capital International Partners VII, L.P.	2007	\$5,000,000	-0.16%	-1.23%	3.19%	-2.34%	13.89%	16.56%	13.70%
Commonfund Capital Venture Partners VIII, L.P.	2007	\$2,750,000	0.06%	-0.27%	-0.51%	-13.21%	12.59%	10.04%	11.91%
Dover Street IX Cayman Fund, L.P.	2015	\$7,500,000	-2.96%	-5.88%	-4.77%	-3.15%	11.16%		18.75%
Dover Street VIII, L.P.	2012	\$4,000,000	1.67%	-12.00%	-12.15%	-11.74%	7.51%	13.99%	18.42%
Dover Street X Feeder Fund, L.P.	2019	\$7,500,000	1.85%	2.43%	4.69%	8.06%	20.12%		21.17%
Fisher Lynch Buyout Partnership, L.P.	2008	\$2,500,000							9.53%
Fisher Lynch Venture Partnership II, L.P.	2008	\$2,500,000	-1.83%	-6.57%	-9.05%	-18.33%	11.87%	5.61%	9.27%
Francisco Partners IV, L.P.	2014	\$5,000,000	14.85%	16.33%	24.48%	-10.88%	21.57%		26.51%
Francisco Partners V, L.P.	2017	\$5,000,000	3.07%	10.81%	13.62%	12.50%	20.82%		19.46%
Francisco Partners VI, L.P.	2020	\$5,000,000	6.62%	10.04%	12.91%	14.73%			15.66%
Frontenac XII, L.P.	2021	\$10,000,000	4.64%	19.49%	28.06%				13.07%
GCM Grosvenor Advance Fund, L.P.	2021	\$10,000,000	2.46%	2.80%	5.43%				9.27%
Great Hill Equity Partners V, L.P.	2013	\$4,000,000	1.12%	4.61%	23.31%	7.92%	53.31%	24.49%	24.11%
Great Hill Equity Partners VI, L.P.	2016	\$7,000,000	0.58%	5.61%	5.73%	11.64%	36.11%		42.29%
Great Hill Equity Partners VII, L.P.	2019	\$7,000,000	8.01%	11.67%	18.32%	10.49%			30.69%
Great Point Partners III, L.P.	2018	\$4,000,000	0.12%	-3.88%	-5.71%	18.17%	13.86%		17.90%
Insight Equity III, L.P.	2014	\$7,500,000	-2.63%	-0.90%	-2.20%	8.62%	9.73%		5.14%
J.H. Whitney VII, L.P.	2011	\$4,000,000	64.47%	67.57%	168.09%	20.99%	12.44%	14.90%	13.36%
Jackson Square Ventures II, L.P.	2016	\$7,500,000	-14.24%	-16.49%	-33.02%	-7.61%	-8.03%		6.28%
Jackson Square Ventures III, L.P.	2019	\$5,000,000	-0.46%	0.77%	-6.61%	3.04%			3.58%
Kelso Investment Associates X, L.P.	2018	\$7,500,000	-0.26%	-0.55%	0.21%	13.88%	22.91%		22.67%



University of Houston System Endowment Fund

RETURN SUMMARY

Investments			Trailing Period Returns (IRR) %						
Investment Name	Vintage Year	Commitment	(Qtr)	(YTD)	(1 Yr)	(3 Yrs)	(5 Yrs)	(10 Yrs)	SI IRR
Kelso Investment Associates XI, LP	2021	\$10,000,000	1.05%	3.17%	5.81%				17.21%
Khosla Ventures Opportunity II, L.P.	2023	\$4,000,000	-1.24%	1.77%	-0.27%				-2.19%
Khosla Ventures Seed, L.P.	2023	\$1,000,000	8.22%	35.80%					29.18%
Khosla Ventures VIII, L.P.	2023	\$5,000,000	5.05%	11.42%					9.07%
Lexington Capital Partners IX, L.P.	2018	\$10,000,000	0.19%	3.02%	2.50%	3.92%			17.95%
Lexington Capital Partners VIII, L.P.	2014	\$10,000,000	1.13%	-0.25%	0.66%	0.75%	11.57%		14.70%
LiveOak Venture Partners I, L.P.	2013	\$2,000,000	-15.77%	-27.67%	-28.12%	-45.11%	-0.12%	12.44%	13.34%
LiveOak Venture Partners II, L.P.	2017	\$4,000,000	11.65%	10.45%	6.87%	-4.77%	16.39%		14.35%
Mercury Fund Ventures IV, L.P.	2017	\$5,000,000	14.57%	3.37%	12.21%	15.65%	34.71%		30.96%
Mercury Fund Ventures V, L.P.	2023	\$5,000,000	-1.66%	-3.09%	5.70%				12.17%
PeakSpan Capital Growth Partners II, L.P.	2018	\$5,000,000	4.18%	6.88%	11.81%	2.64%	22.74%		21.74%
Silver Lake Partners IV, L.P.	2012	\$4,000,000	-2.82%	5.52%	15.39%	1.49%	16.16%	20.02%	21.49%
Silver Lake Partners V, L.P.	2016	\$7,000,000	-0.27%	6.33%	12.34%	-2.71%	11.95%		12.19%
Silver Lake Partners VI, L.P.	2020	\$7,000,000	2.49%	4.16%	19.34%	5.11%			9.23%
Silver Lake Partners VII, L.P.	2022	\$10,000,000	1.41%	4.76%					10.15%
SV Life Sciences Fund VI, L.P.	2015	\$7,500,000	-6.24%	-5.15%	-7.79%	-13.49%	12.40%		14.92%
Thoma Bravo Fund XIII-A, L.P.	2018	\$5,000,000	2.02%	3.30%	7.29%	6.35%	27.61%		25.06%
Thoma Bravo Fund XIV, L.P.	2020	\$5,000,000	2.52%	10.14%	13.17%	8.82%			8.45%
Trident Capital VII, L.P.	2016	\$7,500,000	1.48%	6.66%	11.54%	12.05%	19.16%		18.94%
Trident Capital VIII, L.P.	2019	\$7,500,000	3.53%	10.37%	13.16%	8.80%			14.02%
TrueBridge Capital Partners Fund V, L.P.	2017	\$5,000,000	0.42%	6.76%	4.46%	0.84%	22.81%		21.59%
TrueBridge Capital Partners Fund VI (Cayman), L.P.	2019	\$3,000,000	3.03%	6.11%	8.83%	1.91%			8.58%
TrueBridge Capital Partners Fund VII, L.P.	2021	\$10,000,000	1.49%	5.77%	10.61%				-1.71%
TrueBridge Capital Partners Fund VIII, L.P.	2023	\$10,000,000	-5.34%	-18.30%	-27.75%				-43.66%
TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	2010	\$3,000,000	1.11%	4.13%	8.25%	-11.80%	35.21%	20.95%	19.83%
TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	2013	\$3,000,000	-0.08%	-1.15%	-0.37%	-7.55%	16.17%	17.19%	16.37%
TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	2015	\$6,250,000	-0.05%	5.29%	7.01%	-3.50%	24.51%		24.50%
US Venture Partners XII, L.P.	2018	\$5,000,000	1.23%	3.39%	2.82%	12.91%	17.03%		17.03%
Vivo Capital Fund IX, L.P.	2018	\$5,000,000	0.67%	-2.30%	-10.45%	-6.01%	19.87%		16.43%
Warren Equity Partners ELIDO Fund II, L.P.	2024	\$10,000,000							-24.38%
Weathergage Venture Capital IV, L.P.	2016	\$5,000,000	1.28%	1.29%	4.92%	-5.68%	15.97%		15.52%
WindRose Health Investors VI, L.P.	2022	\$10,000,000	8.11%	7.59%	12.98%				13.87%
Total Private Equity		\$367,131,535	2.40%	4.35%	6.39%	1.73%	16.58%	16.89%	16.02%



University of Houston System Endowment Fund

RETURN SUMMARY

Investments			Trailing Period Returns (IRR) %						
Investment Name	Vintage Year	Commitment	(Qtr)	(YTD)	(1 Yr)	(3 Yrs)	(5 Yrs)	(10 Yrs)	SI IRR
Real Assets									
Denham Commodity Partners Fund VI, L.P.	2013	\$4,000,000	-1.70%	-1.27%	-4.28%	5.49%	-2.19%	-1.48%	-1.05%
Denham Oil and Gas Fund, L.P.	2015	\$7,500,000	-1.80%	11.85%	8.69%	14.02%	11.67%		9.61%
EnCap Energy Capital Fund VII-B, L.P.	2007	\$15,000,000				15.97%	4.68%	-7.01%	11.64%
EnCap Energy Capital Fund X, L.P.	2015	\$4,000,000	3.85%	29.38%	27.96%	42.99%	21.69%		16.37%
EnCap Energy Capital Fund XI, L.P.	2016	\$10,000,000	1.46%	25.25%	22.88%	36.81%	26.34%		21.39%
EnCap Flatrock Midstream Fund II-C, L.P.	2012	\$3,000,000	7.99%	8.86%	12.43%	5.81%	-4.18%	21.66%	20.89%
EnCap Flatrock Midstream Fund III, L.P.	2014	\$5,000,000	0.54%	4.03%	4.00%	13.84%	6.27%	9.90%	9.75%
EnCap Flatrock Midstream Fund IV, L.P.	2017	\$6,000,000	1.52%	7.80%	9.38%	8.97%	6.76%		8.02%
Energy Spectrum Partners VIII, L.P.	2018	\$5,000,000	0.00%	8.49%	9.89%	21.79%	13.74%		12.08%
EnerVest Energy Institutional Fund XIV, L.P.	2015	\$7,500,000	0.00%	28.48%	27.07%	24.62%	16.26%		10.97%
Hastings Equity Fund IV-B, L.P.	2018	\$7,500,000	0.79%	19.11%	23.78%	24.06%	26.71%		23.31%
Total Real Assets		\$74,500,000	0.56%	16.98%	16.70%	23.03%	15.50%	10.92%	12.26%
Real Estate									
Blackstone Real Estate Partners Europe V, L.P.	2016	\$7,500,000	-10.06%	-15.90%	-18.03%	-9.98%	3.72%		7.04%
Blackstone Real Estate Partners Europe VI SCSp	2019	\$10,000,000	4.73%	2.05%	5.89%	11.47%			12.25%
Blackstone Real Estate Partners IX L.P.	2018	\$9,000,000	-0.32%	-1.23%	-5.90%	6.18%	13.09%		13.07%
Blackstone Real Estate Partners VIII, L.P.	2015	\$7,500,000	0.56%	1.18%	-4.13%	4.84%	12.13%		13.55%
BPG Investment Partnership VII, L.P.	2005	\$5,000,000	0.10%	0.10%	-1.36%	3.48%	1.63%	7.82%	-0.12%
BPG Investment Partnership VIII, L.P.	2007	\$3,235,295							3.68%
Dalfen Last Mile Industrial Fund V, L.P.	2021	\$7,500,000	-3.94%	-6.62%	-6.96%				0.40%
Embarcadero Capital Investors V, L.P.	2016	\$7,500,000	0.00%	-48.82%	-49.72%	-65.55%	-56.25%		-46.73%
Newlin Realty Partners II LP	2007	\$3,000,000	-0.99%	-9.17%	-29.03%	-14.79%	-5.34%	20.07%	8.61%
Newlin Realty Partners LP	2006	\$5,000,000							0.23%
Penzance DC Real Estate Fund II, L.P.	2020	\$5,000,000	0.20%	9.14%	8.97%	591.90%			50.44%
Penzance DC Real Estate Fund III, L.P.	2024	\$7,500,000	51.82%						
Penzance DC Real Estate Fund, L.P.	2018	\$7,500,000	-7.46%	-11.82%	-12.77%	5.16%	7.34%		6.48%
Total Real Estate		\$85,235,295	-1.33%	-4.11%	-5.91%	-0.82%	4.99%	9.07%	4.24%
Total		\$536,866,830	1.88%	5.05%	6.45%	3.74%	15.13%	14.94%	12.58%



University of Houston System Endowment Fund

ANALYSIS BY FUND

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Private Debt												
Kennedy Lewis Capital Partners III	2022	\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%
Total Private Debt		\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%
Private Equity												
ACME Fund III, L.P.	2019	\$5,000,000	\$0	\$5,000,000	\$0	\$145,892	\$4,468,080	\$4,613,972	-\$386,028	0.03	0.92	-2.38%
Advent International GPE Fund VII, L.P.	2012	\$5,000,000	\$200,000	\$4,800,000	\$0	\$8,145,713	\$553,705	\$8,699,418	\$3,899,418	1.70	1.81	13.23%
Advent International GPE IX, L.P.	2019	\$7,000,000	\$454,551	\$6,545,449	\$0	\$1,294,635	\$9,340,167	\$10,634,802	\$4,089,353	0.20	1.62	16.77%
Advent International GPE VIII-B, L.P.	2015	\$6,000,000	\$0	\$6,000,000	\$0	\$7,221,122	\$5,349,413	\$12,570,535	\$6,570,535	1.20	2.10	16.62%
Advent International GPE X, L.P.	2022	\$9,000,000	\$4,791,479	\$4,208,521	\$0	\$0	\$5,214,810	\$5,214,810	\$1,006,289	0.00	1.24	23.13%
ASF VIII B L.P.	2018	\$7,500,000	\$2,257,778	\$5,242,222	-\$3,177	\$1,563,392	\$5,977,216	\$7,540,608	\$2,301,563	0.30	1.44	16.18%
Binary Capital Fund II, L.P.	2016	\$631,535	\$65,099	\$566,436	\$0	\$397,852	\$106,851	\$504,703	-\$61,733	0.70	0.89	-2.83%
Clear Ventures II, L.P.	2019	\$5,000,000	\$1,495,000	\$3,505,000	\$0	\$0	\$5,066,626	\$5,066,626	\$1,561,626	0.00	1.45	13.83%
Commonfund Capital International Partners VI, L.P.	2007	\$5,000,000	\$322,500	\$4,677,500	\$0	\$7,151,252	\$245,558	\$7,396,810	\$2,719,310	1.53	1.58	8.60%
Commonfund Capital International Partners VII, L.P.	2007	\$5,000,000	\$325,000	\$4,675,000	\$0	\$9,678,192	\$776,692	\$10,454,884	\$5,779,884	2.07	2.24	13.70%
Commonfund Capital Venture Partners VIII, L.P.	2007	\$2,750,000	\$61,875	\$2,688,125	\$0	\$5,341,326	\$980,492	\$6,321,818	\$3,633,693	1.99	2.35	11.91%
Dover Street IX Cayman Fund, L.P.	2015	\$7,500,000	\$675,000	\$6,825,000	\$0	\$7,246,041	\$4,165,644	\$11,411,685	\$4,586,685	1.06	1.67	18.75%
Dover Street VIII, L.P.	2012	\$4,000,000	\$320,000	\$3,680,000	\$3,431	\$5,862,312	\$246,131	\$6,108,443	\$2,425,012	1.59	1.66	18.42%
Dover Street X Feeder Fund, L.P.	2019	\$7,500,000	\$1,575,000	\$5,925,000	\$0	\$2,172,578	\$6,824,982	\$8,997,560	\$3,072,560	0.37	1.52	21.17%
Fisher Lynch Buyout Partnership, L.P.	2008	\$2,500,000	\$458,750	\$2,041,250	\$0	\$3,628,016	\$0	\$3,628,016	\$1,586,766	1.78	1.78	9.53%
Fisher Lynch Venture Partnership II, L.P.	2008	\$2,500,000	\$296,250	\$2,203,750	\$0	\$3,737,664	\$493,095	\$4,230,759	\$2,027,009	1.70	1.92	9.27%
Francisco Partners IV, L.P.	2014	\$5,000,000	\$127,500	\$4,872,500	\$0	\$11,598,463	\$3,679,637	\$15,278,100	\$10,405,600	2.38	3.14	26.51%
Francisco Partners V, L.P.	2017	\$5,000,000	\$147,500	\$4,852,500	\$0	\$3,855,612	\$6,745,043	\$10,600,655	\$5,748,155	0.79	2.18	19.46%
Francisco Partners VI, L.P.	2020	\$5,000,000	\$295,000	\$4,705,000	\$0	\$612,657	\$5,921,962	\$6,534,619	\$1,829,619	0.13	1.39	15.66%
Frontenac XII, L.P.	2021	\$10,000,000	\$4,227,321	\$5,772,679	\$0	\$0	\$6,637,691	\$6,637,691	\$865,012	0.00	1.15	13.07%
GCM Grosvenor Advance Fund, L.P.	2021	\$10,000,000	\$2,916,997	\$7,083,003	\$47,561	\$336,099	\$8,048,745	\$8,384,844	\$1,254,280	0.05	1.18	9.27%
Great Hill Equity Partners V, L.P.	2013	\$4,000,000	\$0	\$4,000,000	\$0	\$8,301,482	\$3,169,570	\$11,471,052	\$7,471,052	2.08	2.87	24.11%
Great Hill Equity Partners VI, L.P.	2016	\$7,000,000	\$387,100	\$6,612,900	\$0	\$10,738,216	\$10,500,287	\$21,238,503	\$14,625,603	1.62	3.21	42.29%
Great Hill Equity Partners VII, L.P.	2019	\$7,000,000	\$235,522	\$6,764,478	\$0	\$4,860,177	\$6,196,914	\$11,057,091	\$4,292,612	0.72	1.63	30.69%
Great Point Partners III, L.P.	2018	\$4,000,000	\$15,195	\$3,984,805	\$0	\$2,162,520	\$3,700,919	\$5,863,439	\$1,878,634	0.54	1.47	17.90%
Insight Equity III, L.P.	2014	\$7,500,000	\$270,445	\$7,229,555	\$97,789	\$863,985	\$9,170,619	\$10,034,604	\$2,707,260	0.12	1.37	5.14%
J.H. Whitney VII, L.P.	2011	\$4,000,000	\$88,560	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
Jackson Square Ventures II, L.P.	2016	\$7,500,000	\$1,001,480	\$6,498,520	\$0	\$2,026,102	\$6,036,159	\$8,062,261	\$1,563,741	0.31	1.24	6.28%
Jackson Square Ventures III, L.P.	2019	\$5,000,000	\$1,493,243	\$3,506,757	\$0	\$0	\$3,869,312	\$3,869,312	\$362,555	0.00	1.10	3.58%



University of Houston System Endowment Fund

ANALYSIS BY FUND

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Kelso Investment Associates X, L.P.	2018	\$7,500,000	\$932,228	\$6,567,772	\$38,363	\$2,276,431	\$10,877,706	\$13,154,137	\$6,548,002	0.34	1.99	22.67%
Kelso Investment Associates XI, LP	2021	\$10,000,000	\$6,132,219	\$3,867,781	-\$37,221	\$8,728	\$4,648,276	\$4,657,004	\$826,444	0.00	1.22	17.21%
Khosla Ventures Opportunity II, L.P.	2023	\$4,000,000	\$2,860,000	\$1,140,000	\$0	\$0	\$1,127,800	\$1,127,800	-\$12,200	0.00	0.99	-2.19%
Khosla Ventures Seed, L.P.	2023	\$1,000,000	\$595,000	\$405,000	\$0	\$0	\$488,407	\$488,407	\$83,407	0.00	1.21	29.18%
Khosla Ventures VIII, L.P.	2023	\$5,000,000	\$3,075,000	\$1,925,000	\$0	\$0	\$2,011,833	\$2,011,833	\$86,833	0.00	1.05	9.07%
Lexington Capital Partners IX, L.P.	2018	\$10,000,000	\$1,823,665	\$8,176,335	\$0	\$2,469,783	\$10,023,962	\$12,493,745	\$4,317,410	0.30	1.53	17.95%
Lexington Capital Partners VIII, L.P.	2014	\$10,000,000	\$1,935,319	\$8,064,681	\$0	\$9,067,270	\$5,106,933	\$14,174,203	\$6,109,522	1.12	1.76	14.70%
LiveOak Venture Partners I, L.P.	2013	\$2,000,000	\$0	\$2,000,000	\$0	\$2,655,250	\$1,195,398	\$3,850,648	\$1,850,648	1.33	1.93	13.34%
LiveOak Venture Partners II, L.P.	2017	\$4,000,000	\$200,000	\$3,800,000	\$0	\$708,134	\$5,661,331	\$6,369,465	\$2,569,465	0.19	1.68	14.35%
Mercury Fund Ventures IV, L.P.	2017	\$5,000,000	\$0	\$5,000,000	-\$6,091	\$1,197,895	\$11,550,811	\$12,748,706	\$7,754,797	0.24	2.55	30.96%
Mercury Fund Ventures V, L.P.	2023	\$5,000,000	\$1,875,000	\$3,125,000	\$0	\$0	\$3,528,140	\$3,528,140	\$403,140	0.00	1.13	12.17%
PeakSpan Capital Growth Partners II, L.P.	2018	\$5,000,000	\$713,322	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	0.24	1.99	21.74%
Silver Lake Partners IV, L.P.	2012	\$4,000,000	\$117,722	\$3,882,278	\$27,838	\$6,048,805	\$5,953,008	\$12,001,813	\$8,091,698	1.55	3.07	21.49%
Silver Lake Partners V, L.P.	2016	\$7,000,000	\$897,437	\$6,102,563	\$22,793	\$2,999,764	\$7,332,162	\$10,331,926	\$4,206,569	0.49	1.69	12.19%
Silver Lake Partners VI, L.P.	2020	\$7,000,000	\$345,634	\$6,654,366	\$77	\$0	\$8,271,173	\$8,271,173	\$1,616,730	0.00	1.24	9.23%
Silver Lake Partners VII, L.P.	2022	\$10,000,000	\$7,930,770	\$2,069,230	-\$914	\$0	\$2,271,682	\$2,271,682	\$203,366	0.00	1.10	10.15%
SV Life Sciences Fund VI, L.P.	2015	\$7,500,000	\$757,103	\$6,742,897	\$0	\$8,825,985	\$2,983,464	\$11,809,449	\$5,066,552	1.31	1.75	14.92%
Thoma Bravo Fund XIII-A, L.P.	2018	\$5,000,000	\$433,107	\$4,566,893	-\$20	\$2,906,534	\$7,404,119	\$10,310,653	\$5,743,780	0.64	2.26	25.06%
Thoma Bravo Fund XIV, L.P.	2020	\$5,000,000	\$789,093	\$4,210,907	\$0	\$0	\$5,503,361	\$5,503,361	\$1,292,454	0.00	1.31	8.45%
Trident Capital VII, L.P.	2016	\$7,500,000	\$422,928	\$7,077,072	\$0	\$5,539,739	\$11,637,520	\$17,177,259	\$10,100,187	0.78	2.43	18.94%
Trident Capital VIII, L.P.	2019	\$7,500,000	\$903,737	\$6,596,263	\$0	\$691,706	\$9,771,204	\$10,462,910	\$3,866,647	0.10	1.59	14.02%
TrueBridge Capital Partners Fund V, L.P.	2017	\$5,000,000	\$705,746	\$4,294,254	\$0	\$844,924	\$9,629,550	\$10,474,474	\$6,180,220	0.20	2.44	21.59%
TrueBridge Capital Partners Fund VI (Cayman), L.P.	2019	\$3,000,000	\$105,000	\$2,895,000	\$0	\$0	\$3,699,112	\$3,699,112	\$804,112	0.00	1.28	8.58%
TrueBridge Capital Partners Fund VII, L.P.	2021	\$10,000,000	\$4,500,000	\$5,500,000	\$0	\$0	\$5,350,834	\$5,350,834	-\$149,166	0.00	0.97	-1.71%
TrueBridge Capital Partners Fund VIII, L.P.	2023	\$10,000,000	\$9,300,000	\$700,000	\$0	\$0	\$509,806	\$509,806	-\$190,194	0.00	0.73	-43.66%
TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	2010	\$3,000,000	\$510,000	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	2013	\$3,000,000	\$240,000	\$2,760,000	\$0	\$4,109,782	\$4,568,018	\$8,677,800	\$5,917,800	1.49	3.14	16.37%
TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	2015	\$6,250,000	\$696,177	\$5,553,823	\$0	\$5,544,408	\$14,128,546	\$19,672,954	\$14,119,131	1.00	3.54	24.50%
US Venture Partners XII, L.P.	2018	\$5,000,000	\$550,000	\$4,450,000	\$0	\$971,682	\$5,969,303	\$6,940,985	\$2,490,985	0.22	1.56	17.03%
Vivo Capital Fund IX, L.P.	2018	\$5,000,000	\$222,466	\$4,777,534	\$0	\$2,908,145	\$4,587,298	\$7,495,443	\$2,717,909	0.61	1.57	16.43%
Warren Equity Partners ELIDO Fund II, L.P.	2024	\$10,000,000	\$9,215,011	\$784,989	\$0	\$0	\$593,626	\$593,626	-\$191,363	0.00	0.76	-24.38%
Weathergage Venture Capital IV, L.P.	2016	\$5,000,000	\$1,400,000	\$3,600,000	\$0	\$1,099,107	\$7,481,681	\$8,580,788	\$4,980,788	0.31	2.38	15.52%
WindRose Health Investors VI, L.P.	2022	\$10,000,000	\$4,935,840	\$5,064,160	-\$17,419	\$2,291	\$6,300,861	\$6,303,152	\$1,256,411	0.00	1.25	13.87%



University of Houston System Endowment Fund

ANALYSIS BY FUND

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Total Private Equity		\$367,131,535	\$89,623,669	\$277,507,866	\$173,011	\$187,437,859	\$316,008,785	\$503,446,644	\$225,765,767	0.68	1.81	16.02%
Real Assets												
Denham Commodity Partners Fund VI, L.P.	2013	\$4,000,000	\$203,391	\$3,796,609	\$0	\$1,500,603	\$2,043,628	\$3,544,231	-\$252,378	0.40	0.93	-1.05%
Denham Oil and Gas Fund, L.P.	2015	\$7,500,000	\$35,612	\$7,464,388	-\$23,570	\$2,980,621	\$8,022,774	\$11,003,395	\$3,562,577	0.40	1.48	9.61%
EnCap Energy Capital Fund VII-B, L.P.	2007	\$15,000,000	\$5,227	\$14,994,773	\$0	\$19,899,805	\$0	\$19,899,805	\$4,905,033	1.33	1.33	11.64%
EnCap Energy Capital Fund X, L.P.	2015	\$4,000,000	\$134,314	\$3,865,735	\$153,487	\$5,575,705	\$2,906,379	\$8,482,085	\$4,462,862	1.39	2.11	16.37%
EnCap Energy Capital Fund XI, L.P.	2016	\$10,000,000	\$947,554	\$9,052,446	\$0	\$5,384,513	\$12,032,831	\$17,417,344	\$8,364,898	0.59	1.92	21.39%
EnCap Flatrock Midstream Fund II-C, L.P.	2012	\$3,000,000	\$917,291	\$2,082,709	\$0	\$3,314,890	\$311,821	\$3,626,712	\$1,544,002	1.59	1.74	20.89%
EnCap Flatrock Midstream Fund III, L.P.	2014	\$5,000,000	\$166,714	\$4,833,286	\$7,029	\$4,766,754	\$2,519,268	\$7,286,023	\$2,445,708	0.98	1.51	9.75%
EnCap Flatrock Midstream Fund IV, L.P.	2017	\$6,000,000	\$1,063,252	\$4,936,748	\$927	\$2,507,834	\$3,719,416	\$6,227,250	\$1,289,575	0.51	1.26	8.02%
Energy Spectrum Partners VIII, L.P.	2018	\$5,000,000	\$1,267,092	\$3,732,908	\$0	\$2,125,177	\$2,915,098	\$5,040,276	\$1,307,368	0.57	1.35	12.08%
EnerVest Energy Institutional Fund XIV, L.P.	2015	\$7,500,000	\$610,818	\$6,889,182	\$18,373	\$7,793,281	\$4,549,281	\$12,342,562	\$5,435,007	1.13	1.79	10.97%
Hastings Equity Fund IV-B, L.P.	2018	\$7,500,000	\$592,750	\$6,907,250	\$0	\$3,585,523	\$9,848,063	\$13,433,586	\$6,526,336	0.52	1.94	23.31%
Total Real Assets		\$74,500,000	\$5,944,014	\$68,556,035	\$156,246	\$59,434,708	\$48,868,560	\$108,303,268	\$39,590,988	0.86	1.58	12.26%
Real Estate												
Blackstone Real Estate Partners Europe V, L.P.	2016	\$7,500,000	\$797,358	\$6,702,642	\$219,115	\$5,260,315	\$3,773,660	\$9,033,975	\$2,112,219	0.76	1.31	7.04%
Blackstone Real Estate Partners Europe VI SCSp	2019	\$10,000,000	\$1,716,183	\$8,283,817	\$374,999	\$2,911,864	\$8,066,553	\$10,978,417	\$2,319,601	0.34	1.27	12.25%
Blackstone Real Estate Partners IX L.P.	2018	\$9,000,000	\$132,602	\$8,867,398	\$408,065	\$2,934,382	\$9,866,898	\$12,801,280	\$3,525,817	0.32	1.38	13.07%
Blackstone Real Estate Partners VIII, L.P.	2015	\$7,500,000	\$865,575	\$6,634,425	\$667,190	\$7,866,686	\$4,956,905	\$12,823,591	\$5,521,976	1.08	1.76	13.55%
BPG Investment Partnership VII, L.P.	2005	\$5,000,000	\$0	\$5,000,000	\$0	\$3,761,064	\$1,157,349	\$4,918,413	-\$81,587	0.75	0.98	-0.12%
BPG Investment Partnership VIII, L.P.	2007	\$3,235,295	\$252,899	\$2,982,396	\$0	\$4,011,156	\$0	\$4,011,156	\$1,028,760	1.34	1.34	3.68%
Dalfen Last Mile Industrial Fund V, L.P.	2021	\$7,500,000	\$3,000,000	\$4,500,000	\$0	\$62,324	\$4,474,056	\$4,536,380	\$36,380	0.01	1.01	0.40%
Embarcadero Capital Investors V, L.P.	2016	\$7,500,000	\$338,987	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	0.52	0.58	-46.73%
Newlin Realty Partners II LP	2007	\$3,000,000	\$193,674	\$2,806,326	\$0	\$4,385,176	\$75,563	\$4,460,739	\$1,654,413	1.56	1.59	8.61%
Newlin Realty Partners LP	2006	\$5,000,000	\$505,441	\$4,494,559	\$0	\$4,577,128	\$0	\$4,577,128	\$82,569	1.02	1.02	0.23%
Penzance DC Real Estate Fund II, L.P.	2020	\$5,000,000	\$3,086,091	\$1,913,909	-\$220	\$539,834	\$2,127,014	\$2,666,848	\$753,158	0.28	1.39	50.44%
Penzance DC Real Estate Fund III, L.P.	2024	\$7,500,000	\$7,352,476	\$147,524	\$0	\$0	\$37,224	\$37,224	-\$110,300	0.00	0.25	
Penzance DC Real Estate Fund, L.P.	2018	\$7,500,000	\$1,671,797	\$5,828,203	-\$3,493	\$3,626,466	\$3,065,544	\$6,692,010	\$867,300	0.62	1.15	6.48%
Total Real Estate		\$85,235,295	\$19,913,083	\$65,322,212	\$1,774,911	\$43,731,677	\$38,040,147	\$81,771,824	\$14,674,701	0.65	1.22	4.24%
Total		\$536,866,830	\$118,393,909	\$418,472,970	\$2,165,686	\$290,604,244	\$411,553,480	\$702,157,724	\$281,519,068	0.69	1.67	12.58%



University of Houston System Endowment Fund

ANALYSIS BY LIFECYCLE

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Investing												
ACME Fund III, L.P.	2019	\$5,000,000	\$0	\$5,000,000	\$0	\$145,892	\$4,468,080	\$4,613,972	-\$386,028	0.03	0.92	-2.38%
Advent International GPE IX, L.P.	2019	\$7,000,000	\$454,551	\$6,545,449	\$0	\$1,294,635	\$9,340,167	\$10,634,802	\$4,089,353	0.20	1.62	16.77%
Advent International GPE X, L.P.	2022	\$9,000,000	\$4,791,479	\$4,208,521	\$0	\$0	\$5,214,810	\$5,214,810	\$1,006,289	0.00	1.24	23.13%
ASF VIII B L.P.	2018	\$7,500,000	\$2,257,778	\$5,242,222	-\$3,177	\$1,563,392	\$5,977,216	\$7,540,608	\$2,301,563	0.30	1.44	16.18%
Blackstone Real Estate Partners Europe VI SCSp	2019	\$10,000,000	\$1,716,183	\$8,283,817	\$374,999	\$2,911,864	\$8,066,553	\$10,978,417	\$2,319,601	0.34	1.27	12.25%
Blackstone Real Estate Partners IX L.P.	2018	\$9,000,000	\$132,602	\$8,867,398	\$408,065	\$2,934,382	\$9,866,898	\$12,801,280	\$3,525,817	0.32	1.38	13.07%
Clear Ventures II, L.P.	2019	\$5,000,000	\$1,495,000	\$3,505,000	\$0	\$0	\$5,066,626	\$5,066,626	\$1,561,626	0.00	1.45	13.83%
Dalfen Last Mile Industrial Fund V, L.P.	2021	\$7,500,000	\$3,000,000	\$4,500,000	\$0	\$62,324	\$4,474,056	\$4,536,380	\$36,380	0.01	1.01	0.40%
Dover Street X Feeder Fund, L.P.	2019	\$7,500,000	\$1,575,000	\$5,925,000	\$0	\$2,172,578	\$6,824,982	\$8,997,560	\$3,072,560	0.37	1.52	21.17%
Embarcadero Capital Investors V, L.P.	2016	\$7,500,000	\$338,987	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	0.52	0.58	-46.73%
EnCap Flatrock Midstream Fund IV, L.P.	2017	\$6,000,000	\$1,063,252	\$4,936,748	\$927	\$2,507,834	\$3,719,416	\$6,227,250	\$1,289,575	0.51	1.26	8.02%
Energy Spectrum Partners VIII, L.P.	2018	\$5,000,000	\$1,267,092	\$3,732,908	\$0	\$2,125,177	\$2,915,098	\$5,040,276	\$1,307,368	0.57	1.35	12.08%
Francisco Partners V, L.P.	2017	\$5,000,000	\$147,500	\$4,852,500	\$0	\$3,855,612	\$6,745,043	\$10,600,655	\$5,748,155	0.79	2.18	19.46%
Francisco Partners VI, L.P.	2020	\$5,000,000	\$295,000	\$4,705,000	\$0	\$612,657	\$5,921,962	\$6,534,619	\$1,829,619	0.13	1.39	15.66%
Frontenac XII, L.P.	2021	\$10,000,000	\$4,227,321	\$5,772,679	\$0	\$0	\$6,637,691	\$6,637,691	\$865,012	0.00	1.15	13.07%
GCM Grosvenor Advance Fund, L.P.	2021	\$10,000,000	\$2,916,997	\$7,083,003	\$47,561	\$336,099	\$8,048,745	\$8,384,844	\$1,254,280	0.05	1.18	9.27%
Great Hill Equity Partners VII, L.P.	2019	\$7,000,000	\$235,522	\$6,764,478	\$0	\$4,860,177	\$6,196,914	\$11,057,091	\$4,292,612	0.72	1.63	30.69%
Great Point Partners III, L.P.	2018	\$4,000,000	\$15,195	\$3,984,805	\$0	\$2,162,520	\$3,700,919	\$5,863,439	\$1,878,634	0.54	1.47	17.90%
Hastings Equity Fund IV-B, L.P.	2018	\$7,500,000	\$592,750	\$6,907,250	\$0	\$3,585,523	\$9,848,063	\$13,433,586	\$6,526,336	0.52	1.94	23.31%
Jackson Square Ventures III, L.P.	2019	\$5,000,000	\$1,493,243	\$3,506,757	\$0	\$0	\$3,869,312	\$3,869,312	\$362,555	0.00	1.10	3.58%
Kelso Investment Associates X, L.P.	2018	\$7,500,000	\$932,228	\$6,567,772	\$38,363	\$2,276,431	\$10,877,706	\$13,154,137	\$6,548,002	0.34	1.99	22.67%
Kelso Investment Associates XI, LP	2021	\$10,000,000	\$6,132,219	\$3,867,781	-\$37,221	\$8,728	\$4,648,276	\$4,657,004	\$826,444	0.00	1.22	17.21%
Kennedy Lewis Capital Partners III	2022	\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%
Khosla Ventures Opportunity II, L.P.	2023	\$4,000,000	\$2,860,000	\$1,140,000	\$0	\$0	\$1,127,800	\$1,127,800	-\$12,200	0.00	0.99	-2.19%
Khosla Ventures Seed, L.P.	2023	\$1,000,000	\$595,000	\$405,000	\$0	\$0	\$488,407	\$488,407	\$83,407	0.00	1.21	29.18%
Khosla Ventures VIII, L.P.	2023	\$5,000,000	\$3,075,000	\$1,925,000	\$0	\$0	\$2,011,833	\$2,011,833	\$86,833	0.00	1.05	9.07%
Lexington Capital Partners IX, L.P.	2018	\$10,000,000	\$1,823,665	\$8,176,335	\$0	\$2,469,783	\$10,023,962	\$12,493,745	\$4,317,410	0.30	1.53	17.95%
LiveOak Venture Partners II, L.P.	2017	\$4,000,000	\$200,000	\$3,800,000	\$0	\$708,134	\$5,661,331	\$6,369,465	\$2,569,465	0.19	1.68	14.35%
Mercury Fund Ventures IV, L.P.	2017	\$5,000,000	\$0	\$5,000,000	-\$6,091	\$1,197,895	\$11,550,811	\$12,748,706	\$7,754,797	0.24	2.55	30.96%
Mercury Fund Ventures V, L.P.	2023	\$5,000,000	\$1,875,000	\$3,125,000	\$0	\$0	\$3,528,140	\$3,528,140	\$403,140	0.00	1.13	12.17%
PeakSpan Capital Growth Partners II, L.P.	2018	\$5,000,000	\$713,322	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	0.24	1.99	21.74%
Penzance DC Real Estate Fund II, L.P.	2020	\$5,000,000	\$3,086,091	\$1,913,909	-\$220	\$539,834	\$2,127,014	\$2,666,848	\$753,158	0.28	1.39	50.44%



University of Houston System Endowment Fund

ANALYSIS BY LIFECYCLE

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Penzance DC Real Estate Fund III, L.P.	2024	\$7,500,000	\$7,352,476	\$147,524	\$0	\$0	\$37,224	\$37,224	-\$110,300	0.00	0.25	
Penzance DC Real Estate Fund, L.P.	2018	\$7,500,000	\$1,671,797	\$5,828,203	-\$3,493	\$3,626,466	\$3,065,544	\$6,692,010	\$867,300	0.62	1.15	6.48%
Silver Lake Partners V, L.P.	2016	\$7,000,000	\$897,437	\$6,102,563	\$22,793	\$2,999,764	\$7,332,162	\$10,331,926	\$4,206,569	0.49	1.69	12.19%
Silver Lake Partners VI, L.P.	2020	\$7,000,000	\$345,634	\$6,654,366	\$77	\$0	\$8,271,173	\$8,271,173	\$1,616,730	0.00	1.24	9.23%
Silver Lake Partners VII, L.P.	2022	\$10,000,000	\$7,930,770	\$2,069,230	-\$914	\$0	\$2,271,682	\$2,271,682	\$203,366	0.00	1.10	10.15%
Thoma Bravo Fund XIV, L.P.	2020	\$5,000,000	\$789,093	\$4,210,907	\$0	\$0	\$5,503,361	\$5,503,361	\$1,292,454	0.00	1.31	8.45%
Trident Capital VIII, L.P.	2019	\$7,500,000	\$903,737	\$6,596,263	\$0	\$691,706	\$9,771,204	\$10,462,910	\$3,866,647	0.10	1.59	14.02%
TrueBridge Capital Partners Fund V, L.P.	2017	\$5,000,000	\$705,746	\$4,294,254	\$0	\$844,924	\$9,629,550	\$10,474,474	\$6,180,220	0.20	2.44	21.59%
Truebridge Capital Partners Fund VI (Cayman), L.P.	2019	\$3,000,000	\$105,000	\$2,895,000	\$0	\$0	\$3,699,112	\$3,699,112	\$804,112	0.00	1.28	8.58%
TrueBridge Capital Partners Fund VII, L.P.	2021	\$10,000,000	\$4,500,000	\$5,500,000	\$0	\$0	\$5,350,834	\$5,350,834	-\$149,166	0.00	0.97	-1.71%
TrueBridge Capital Partners Fund VIII, L.P.	2023	\$10,000,000	\$9,300,000	\$700,000	\$0	\$0	\$509,806	\$509,806	-\$190,194	0.00	0.73	-43.66%
US Venture Partners XII, L.P.	2018	\$5,000,000	\$550,000	\$4,450,000	\$0	\$971,682	\$5,969,303	\$6,940,985	\$2,490,985	0.22	1.56	17.03%
Vivo Capital Fund IX, L.P.	2018	\$5,000,000	\$222,466	\$4,777,534	\$0	\$2,908,145	\$4,587,298	\$7,495,443	\$2,717,909	0.61	1.57	16.43%
Warren Equity Partners ELIDO Fund II, L.P.	2024	\$10,000,000	\$9,215,011	\$784,989	\$0	\$0	\$593,626	\$593,626	-\$191,363	0.00	0.76	-24.38%
Weathergage Venture Capital IV, L.P.	2016	\$5,000,000	\$1,400,000	\$3,600,000	\$0	\$1,099,107	\$7,481,681	\$8,580,788	\$4,980,788	0.31	2.38	15.52%
WindRose Health Investors VI, L.P.	2022	\$10,000,000	\$4,935,840	\$5,064,160	-\$17,419	\$2,291	\$6,300,861	\$6,303,152	\$1,256,411	0.00	1.25	13.87%
Total Investing		\$325,500,000	\$103,046,126	\$222,453,874	\$995,025	\$56,287,817	\$265,905,272	\$322,193,089	\$98,744,191	0.25	1.44	14.40%
Harvesting												
Advent International GPE Fund VII, L.P.	2012	\$5,000,000	\$200,000	\$4,800,000	\$0	\$8,145,713	\$553,705	\$8,699,418	\$3,899,418	1.70	1.81	13.23%
Advent International GPE VIII-B, L.P.	2015	\$6,000,000	\$0	\$6,000,000	\$0	\$7,221,122	\$5,349,413	\$12,570,535	\$6,570,535	1.20	2.10	16.62%
Binary Capital Fund II, L.P.	2016	\$631,535	\$65,099	\$566,436	\$0	\$397,852	\$106,851	\$504,703	-\$61,733	0.70	0.89	-2.83%
Blackstone Real Estate Partners Europe V, L.P.	2016	\$7,500,000	\$797,358	\$6,702,642	\$219,115	\$5,260,315	\$3,773,660	\$9,033,975	\$2,112,219	0.76	1.31	7.04%
Blackstone Real Estate Partners VIII, L.P.	2015	\$7,500,000	\$865,575	\$6,634,425	\$667,190	\$7,866,686	\$4,956,905	\$12,823,591	\$5,521,976	1.08	1.76	13.55%
Commonfund Capital International Partners VII, L.P.	2007	\$5,000,000	\$325,000	\$4,675,000	\$0	\$9,678,192	\$776,692	\$10,454,884	\$5,779,884	2.07	2.24	13.70%
Denham Commodity Partners Fund VI, L.P.	2013	\$4,000,000	\$203,391	\$3,796,609	\$0	\$1,500,603	\$2,043,628	\$3,544,231	-\$252,378	0.40	0.93	-1.05%
Denham Oil and Gas Fund, L.P.	2015	\$7,500,000	\$35,612	\$7,464,388	-\$23,570	\$2,980,621	\$8,022,774	\$11,003,395	\$3,562,577	0.40	1.48	9.61%
Dover Street IX Cayman Fund, L.P.	2015	\$7,500,000	\$675,000	\$6,825,000	\$0	\$7,246,041	\$4,165,644	\$11,411,685	\$4,586,685	1.06	1.67	18.75%
Dover Street VIII, L.P.	2012	\$4,000,000	\$320,000	\$3,680,000	\$3,431	\$5,862,312	\$246,131	\$6,108,443	\$2,425,012	1.59	1.66	18.42%
EnCap Energy Capital Fund X, L.P.	2015	\$4,000,000	\$134,314	\$3,865,735	\$153,487	\$5,575,705	\$2,906,379	\$8,482,085	\$4,462,862	1.39	2.11	16.37%
EnCap Energy Capital Fund XI, L.P.	2016	\$10,000,000	\$947,554	\$9,052,446	\$0	\$5,384,513	\$12,032,831	\$17,417,344	\$8,364,898	0.59	1.92	21.39%
EnCap Flatrock Midstream Fund II-C, L.P.	2012	\$3,000,000	\$917,291	\$2,082,709	\$0	\$3,314,890	\$311,821	\$3,626,712	\$1,544,002	1.59	1.74	20.89%
EnCap Flatrock Midstream Fund III, L.P.	2014	\$5,000,000	\$166,714	\$4,833,286	\$7,029	\$4,766,754	\$2,519,268	\$7,286,023	\$2,445,708	0.98	1.51	9.75%
EnerVest Energy Institutional Fund XIV, L.P.	2015	\$7,500,000	\$610,818	\$6,889,182	\$18,373	\$7,793,281	\$4,549,281	\$12,342,562	\$5,435,007	1.13	1.79	10.97%



University of Houston System Endowment Fund

ANALYSIS BY LIFECYCLE

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Fisher Lynch Venture Partnership II, L.P.	2008	\$2,500,000	\$296,250	\$2,203,750	\$0	\$3,737,664	\$493,095	\$4,230,759	\$2,027,009	1.70	1.92	9.27%
Francisco Partners IV, L.P.	2014	\$5,000,000	\$127,500	\$4,872,500	\$0	\$11,598,463	\$3,679,637	\$15,278,100	\$10,405,600	2.38	3.14	26.51%
Great Hill Equity Partners V, L.P.	2013	\$4,000,000	\$0	\$4,000,000	\$0	\$8,301,482	\$3,169,570	\$11,471,052	\$7,471,052	2.08	2.87	24.11%
Great Hill Equity Partners VI, L.P.	2016	\$7,000,000	\$387,100	\$6,612,900	\$0	\$10,738,216	\$10,500,287	\$21,238,503	\$14,625,603	1.62	3.21	42.29%
Insight Equity III, L.P.	2014	\$7,500,000	\$270,445	\$7,229,555	\$97,789	\$863,985	\$9,170,619	\$10,034,604	\$2,707,260	0.12	1.37	5.14%
J.H. Whitney VII, L.P.	2011	\$4,000,000	\$88,560	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
Jackson Square Ventures II, L.P.	2016	\$7,500,000	\$1,001,480	\$6,498,520	\$0	\$2,026,102	\$6,036,159	\$8,062,261	\$1,563,741	0.31	1.24	6.28%
Lexington Capital Partners VIII, L.P.	2014	\$10,000,000	\$1,935,319	\$8,064,681	\$0	\$9,067,270	\$5,106,933	\$14,174,203	\$6,109,522	1.12	1.76	14.70%
LiveOak Venture Partners I, L.P.	2013	\$2,000,000	\$0	\$2,000,000	\$0	\$2,655,250	\$1,195,398	\$3,850,648	\$1,850,648	1.33	1.93	13.34%
Newlin Realty Partners II LP	2007	\$3,000,000	\$193,674	\$2,806,326	\$0	\$4,385,176	\$75,563	\$4,460,739	\$1,654,413	1.56	1.59	8.61%
Silver Lake Partners IV, L.P.	2012	\$4,000,000	\$117,722	\$3,882,278	\$27,838	\$6,048,805	\$5,953,008	\$12,001,813	\$8,091,698	1.55	3.07	21.49%
SV Life Sciences Fund VI, L.P.	2015	\$7,500,000	\$757,103	\$6,742,897	\$0	\$8,825,985	\$2,983,464	\$11,809,449	\$5,066,552	1.31	1.75	14.92%
Thoma Bravo Fund XIII-A, L.P.	2018	\$5,000,000	\$433,107	\$4,566,893	-\$20	\$2,906,534	\$7,404,119	\$10,310,653	\$5,743,780	0.64	2.26	25.06%
Trident Capital VII, L.P.	2016	\$7,500,000	\$422,928	\$7,077,072	\$0	\$5,539,739	\$11,637,520	\$17,177,259	\$10,100,187	0.78	2.43	18.94%
TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	2013	\$3,000,000	\$240,000	\$2,760,000	\$0	\$4,109,782	\$4,568,018	\$8,677,800	\$5,917,800	1.49	3.14	16.37%
TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	2015	\$6,250,000	\$696,177	\$5,553,823	\$0	\$5,544,408	\$14,128,546	\$19,672,954	\$14,119,131	1.00	3.54	24.50%
Total Harvesting		\$169,881,535	\$13,231,091	\$156,650,494	\$1,170,661	\$177,204,132	\$139,361,514	\$316,565,646	\$158,744,492	1.12	2.01	15.25%
Liquidating												
BPG Investment Partnership VII, L.P.	2005	\$5,000,000	\$0	\$5,000,000	\$0	\$3,761,064	\$1,157,349	\$4,918,413	-\$81,587	0.75	0.98	-0.12%
Commonfund Capital International Partners VI, L.P.	2007	\$5,000,000	\$322,500	\$4,677,500	\$0	\$7,151,252	\$245,558	\$7,396,810	\$2,719,310	1.53	1.58	8.60%
Commonfund Capital Venture Partners VIII, L.P.	2007	\$2,750,000	\$61,875	\$2,688,125	\$0	\$5,341,326	\$980,492	\$6,321,818	\$3,633,693	1.99	2.35	11.91%
TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	2010	\$3,000,000	\$510,000	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
Total Liquidating		\$15,750,000	\$894,375	\$14,855,625	\$0	\$24,996,189	\$6,286,694	\$31,282,883	\$16,427,258	1.68	2.11	7.86%
Completed												
BPG Investment Partnership VIII, L.P.	2007	\$3,235,295	\$252,899	\$2,982,396	\$0	\$4,011,156	\$0	\$4,011,156	\$1,028,760	1.34	1.34	3.68%
EnCap Energy Capital Fund VII-B, L.P.	2007	\$15,000,000	\$5,227	\$14,994,773	\$0	\$19,899,805	\$0	\$19,899,805	\$4,905,033	1.33	1.33	11.64%
Fisher Lynch Buyout Partnership, L.P.	2008	\$2,500,000	\$458,750	\$2,041,250	\$0	\$3,628,016	\$0	\$3,628,016	\$1,586,766	1.78	1.78	9.53%
Newlin Realty Partners LP	2006	\$5,000,000	\$505,441	\$4,494,559	\$0	\$4,577,128	\$0	\$4,577,128	\$82,569	1.02	1.02	0.23%
Total Completed		\$25,735,295	\$1,222,317	\$24,512,978	\$0	\$32,116,105	\$0	\$32,116,105	\$7,603,128	1.31	1.31	6.11%
Total		\$536,866,830	\$118,393,909	\$418,472,970	\$2,165,686	\$290,604,244	\$411,553,480	\$702,157,724	\$281,519,068	0.69	1.67	12.58%



University of Houston System Endowment Fund

ANALYSIS BY VINTAGE YEAR

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
2005												
BPG Investment Partnership VII, L.P.	2005	\$5,000,000	\$0	\$5,000,000	\$0	\$3,761,064	\$1,157,349	\$4,918,413	-\$81,587	0.75	0.98	-0.12%
Total 2005		\$5,000,000	\$0	\$5,000,000	\$0	\$3,761,064	\$1,157,349	\$4,918,413	-\$81,587	0.75	0.98	-0.12%
2006												
Newlin Realty Partners LP	2006	\$5,000,000	\$505,441	\$4,494,559	\$0	\$4,577,128	\$0	\$4,577,128	\$82,569	1.02	1.02	0.23%
Total 2006		\$5,000,000	\$505,441	\$4,494,559	\$0	\$4,577,128	\$0	\$4,577,128	\$82,569	1.02	1.02	0.23%
2007												
BPG Investment Partnership VIII, L.P.	2007	\$3,235,295	\$252,899	\$2,982,396	\$0	\$4,011,156	\$0	\$4,011,156	\$1,028,760	1.34	1.34	3.68%
Commonfund Capital International Partners VI, L.P.	2007	\$5,000,000	\$322,500	\$4,677,500	\$0	\$7,151,252	\$245,558	\$7,396,810	\$2,719,310	1.53	1.58	8.60%
Commonfund Capital International Partners VII, L.P.	2007	\$5,000,000	\$325,000	\$4,675,000	\$0	\$9,678,192	\$776,692	\$10,454,884	\$5,779,884	2.07	2.24	13.70%
Commonfund Capital Venture Partners VIII, L.P.	2007	\$2,750,000	\$61,875	\$2,688,125	\$0	\$5,341,326	\$980,492	\$6,321,818	\$3,633,693	1.99	2.35	11.91%
EnCap Energy Capital Fund VII-B, L.P.	2007	\$15,000,000	\$5,227	\$14,994,773	\$0	\$19,899,805	\$0	\$19,899,805	\$4,905,033	1.33	1.33	11.64%
Newlin Realty Partners II LP	2007	\$3,000,000	\$193,674	\$2,806,326	\$0	\$4,385,176	\$75,563	\$4,460,739	\$1,654,413	1.56	1.59	8.61%
Total 2007		\$33,985,295	\$1,161,175	\$32,824,120	\$0	\$50,466,907	\$2,078,305	\$52,545,212	\$19,721,093	1.54	1.60	9.96%
2008												
Fisher Lynch Buyout Partnership, L.P.	2008	\$2,500,000	\$458,750	\$2,041,250	\$0	\$3,628,016	\$0	\$3,628,016	\$1,586,766	1.78	1.78	9.53%
Fisher Lynch Venture Partnership II, L.P.	2008	\$2,500,000	\$296,250	\$2,203,750	\$0	\$3,737,664	\$493,095	\$4,230,759	\$2,027,009	1.70	1.92	9.27%
Total 2008		\$5,000,000	\$755,000	\$4,245,000	\$0	\$7,365,680	\$493,095	\$7,858,775	\$3,613,775	1.74	1.85	9.39%
2010												
TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	2010	\$3,000,000	\$510,000	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
Total 2010		\$3,000,000	\$510,000	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
2011												
J.H. Whitney VII, L.P.	2011	\$4,000,000	\$88,560	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
Total 2011		\$4,000,000	\$88,560	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
2012												
Advent International GPE Fund VII, L.P.	2012	\$5,000,000	\$200,000	\$4,800,000	\$0	\$8,145,713	\$553,705	\$8,699,418	\$3,899,418	1.70	1.81	13.23%
Dover Street VIII, L.P.	2012	\$4,000,000	\$320,000	\$3,680,000	\$3,431	\$5,862,312	\$246,131	\$6,108,443	\$2,425,012	1.59	1.66	18.42%
EnCap Flatrock Midstream Fund II-C, L.P.	2012	\$3,000,000	\$917,291	\$2,082,709	\$0	\$3,314,890	\$311,821	\$3,626,712	\$1,544,002	1.59	1.74	20.89%
Silver Lake Partners IV, L.P.	2012	\$4,000,000	\$117,722	\$3,882,278	\$27,838	\$6,048,805	\$5,953,008	\$12,001,813	\$8,091,698	1.55	3.07	21.49%
Total 2012		\$16,000,000	\$1,555,013	\$14,444,987	\$31,269	\$23,371,720	\$7,064,665	\$30,436,386	\$15,960,130	1.61	2.10	17.65%
2013												
Denham Commodity Partners Fund VI, L.P.	2013	\$4,000,000	\$203,391	\$3,796,609	\$0	\$1,500,603	\$2,043,628	\$3,544,231	-\$252,378	0.40	0.93	-1.05%



University of Houston System Endowment Fund

ANALYSIS BY VINTAGE YEAR

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Great Hill Equity Partners V, L.P.	2013	\$4,000,000	\$0	\$4,000,000	\$0	\$8,301,482	\$3,169,570	\$11,471,052	\$7,471,052	2.08	2.87	24.11%
LiveOak Venture Partners I, L.P.	2013	\$2,000,000	\$0	\$2,000,000	\$0	\$2,655,250	\$1,195,398	\$3,850,648	\$1,850,648	1.33	1.93	13.34%
TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	2013	\$3,000,000	\$240,000	\$2,760,000	\$0	\$4,109,782	\$4,568,018	\$8,677,800	\$5,917,800	1.49	3.14	16.37%
Total 2013		\$13,000,000	\$443,391	\$12,556,609	\$0	\$16,567,117	\$10,976,614	\$27,543,731	\$14,987,122	1.32	2.19	13.98%
2014												
EnCap Flatrock Midstream Fund III, L.P.	2014	\$5,000,000	\$166,714	\$4,833,286	\$7,029	\$4,766,754	\$2,519,268	\$7,286,023	\$2,445,708	0.98	1.51	9.75%
Francisco Partners IV, L.P.	2014	\$5,000,000	\$127,500	\$4,872,500	\$0	\$11,598,463	\$3,679,637	\$15,278,100	\$10,405,600	2.38	3.14	26.51%
Insight Equity III, L.P.	2014	\$7,500,000	\$270,445	\$7,229,555	\$97,789	\$863,985	\$9,170,619	\$10,034,604	\$2,707,260	0.12	1.37	5.14%
Lexington Capital Partners VIII, L.P.	2014	\$10,000,000	\$1,935,319	\$8,064,681	\$0	\$9,067,270	\$5,106,933	\$14,174,203	\$6,109,522	1.12	1.76	14.70%
Total 2014		\$27,500,000	\$2,499,978	\$25,000,022	\$104,818	\$26,296,472	\$20,476,457	\$46,772,930	\$21,668,090	1.05	1.86	14.00%
2015												
Advent International GPE VIII-B, L.P.	2015	\$6,000,000	\$0	\$6,000,000	\$0	\$7,221,122	\$5,349,413	\$12,570,535	\$6,570,535	1.20	2.10	16.62%
Blackstone Real Estate Partners VIII, L.P.	2015	\$7,500,000	\$865,575	\$6,634,425	\$667,190	\$7,866,686	\$4,956,905	\$12,823,591	\$5,521,976	1.08	1.76	13.55%
Denham Oil and Gas Fund, L.P.	2015	\$7,500,000	\$35,612	\$7,464,388	-\$23,570	\$2,980,621	\$8,022,774	\$11,003,395	\$3,562,577	0.40	1.48	9.61%
Dover Street IX Cayman Fund, L.P.	2015	\$7,500,000	\$675,000	\$6,825,000	\$0	\$7,246,041	\$4,165,644	\$11,411,685	\$4,586,685	1.06	1.67	18.75%
EnCap Energy Capital Fund X, L.P.	2015	\$4,000,000	\$134,314	\$3,865,735	\$153,487	\$5,575,705	\$2,906,379	\$8,482,085	\$4,462,862	1.39	2.11	16.37%
EnerVest Energy Institutional Fund XIV, L.P.	2015	\$7,500,000	\$610,818	\$6,889,182	\$18,373	\$7,793,281	\$4,549,281	\$12,342,562	\$5,435,007	1.13	1.79	10.97%
SV Life Sciences Fund VI, L.P.	2015	\$7,500,000	\$757,103	\$6,742,897	\$0	\$8,825,985	\$2,983,464	\$11,809,449	\$5,066,552	1.31	1.75	14.92%
TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	2015	\$6,250,000	\$696,177	\$5,553,823	\$0	\$5,544,408	\$14,128,546	\$19,672,954	\$14,119,131	1.00	3.54	24.50%
Total 2015		\$53,750,000	\$3,774,599	\$49,975,451	\$815,479	\$53,053,849	\$47,062,406	\$100,116,256	\$49,325,326	1.04	1.97	15.63%
2016												
Binary Capital Fund II, L.P.	2016	\$631,535	\$65,099	\$566,436	\$0	\$397,852	\$106,851	\$504,703	-\$61,733	0.70	0.89	-2.83%
Blackstone Real Estate Partners Europe V, L.P.	2016	\$7,500,000	\$797,358	\$6,702,642	\$219,115	\$5,260,315	\$3,773,660	\$9,033,975	\$2,112,219	0.76	1.31	7.04%
Embarcadero Capital Investors V, L.P.	2016	\$7,500,000	\$338,987	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	0.52	0.58	-46.73%
EnCap Energy Capital Fund XI, L.P.	2016	\$10,000,000	\$947,554	\$9,052,446	\$0	\$5,384,513	\$12,032,831	\$17,417,344	\$8,364,898	0.59	1.92	21.39%
Great Hill Equity Partners VI, L.P.	2016	\$7,000,000	\$387,100	\$6,612,900	\$0	\$10,738,216	\$10,500,287	\$21,238,503	\$14,625,603	1.62	3.21	42.29%
Jackson Square Ventures II, L.P.	2016	\$7,500,000	\$1,001,480	\$6,498,520	\$0	\$2,026,102	\$6,036,159	\$8,062,261	\$1,563,741	0.31	1.24	6.28%
Silver Lake Partners V, L.P.	2016	\$7,000,000	\$897,437	\$6,102,563	\$22,793	\$2,999,764	\$7,332,162	\$10,331,926	\$4,206,569	0.49	1.69	12.19%
Trident Capital VII, L.P.	2016	\$7,500,000	\$422,928	\$7,077,072	\$0	\$5,539,739	\$11,637,520	\$17,177,259	\$10,100,187	0.78	2.43	18.94%
Weathergag Venture Capital IV, L.P.	2016	\$5,000,000	\$1,400,000	\$3,600,000	\$0	\$1,099,107	\$7,481,681	\$8,580,788	\$4,980,788	0.31	2.38	15.52%
Total 2016		\$59,631,535	\$6,257,943	\$53,373,592	\$351,164	\$37,240,891	\$59,340,532	\$96,581,423	\$42,856,667	0.69	1.80	15.27%



University of Houston System Endowment Fund

ANALYSIS BY VINTAGE YEAR

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
2017												
EnCap Flatrock Midstream Fund IV, L.P.	2017	\$6,000,000	\$1,063,252	\$4,936,748	\$927	\$2,507,834	\$3,719,416	\$6,227,250	\$1,289,575	0.51	1.26	8.02%
Francisco Partners V, L.P.	2017	\$5,000,000	\$147,500	\$4,852,500	\$0	\$3,855,612	\$6,745,043	\$10,600,655	\$5,748,155	0.79	2.18	19.46%
LiveOak Venture Partners II, L.P.	2017	\$4,000,000	\$200,000	\$3,800,000	\$0	\$708,134	\$5,661,331	\$6,369,465	\$2,569,465	0.19	1.68	14.35%
Mercury Fund Ventures IV, L.P.	2017	\$5,000,000	\$0	\$5,000,000	-\$6,091	\$1,197,895	\$11,550,811	\$12,748,706	\$7,754,797	0.24	2.55	30.96%
TrueBridge Capital Partners Fund V, L.P.	2017	\$5,000,000	\$705,746	\$4,294,254	\$0	\$844,924	\$9,629,550	\$10,474,474	\$6,180,220	0.20	2.44	21.59%
Total 2017		\$25,000,000	\$2,116,498	\$22,883,502	-\$5,164	\$9,114,400	\$37,306,151	\$46,420,551	\$23,542,212	0.40	2.03	19.80%
2018												
ASF VIII B L.P.	2018	\$7,500,000	\$2,257,778	\$5,242,222	-\$3,177	\$1,563,392	\$5,977,216	\$7,540,608	\$2,301,563	0.30	1.44	16.18%
Blackstone Real Estate Partners IX L.P.	2018	\$9,000,000	\$132,602	\$8,867,398	\$408,065	\$2,934,382	\$9,866,898	\$12,801,280	\$3,525,817	0.32	1.38	13.07%
Energy Spectrum Partners VIII, L.P.	2018	\$5,000,000	\$1,267,092	\$3,732,908	\$0	\$2,125,177	\$2,915,098	\$5,040,276	\$1,307,368	0.57	1.35	12.08%
Great Point Partners III, L.P.	2018	\$4,000,000	\$15,195	\$3,984,805	\$0	\$2,162,520	\$3,700,919	\$5,863,439	\$1,878,634	0.54	1.47	17.90%
Hastings Equity Fund IV-B, L.P.	2018	\$7,500,000	\$592,750	\$6,907,250	\$0	\$3,585,523	\$9,848,063	\$13,433,586	\$6,526,336	0.52	1.94	23.31%
Kelso Investment Associates X, L.P.	2018	\$7,500,000	\$932,228	\$6,567,772	\$38,363	\$2,276,431	\$10,877,706	\$13,154,137	\$6,548,002	0.34	1.99	22.67%
Lexington Capital Partners IX, L.P.	2018	\$10,000,000	\$1,823,665	\$8,176,335	\$0	\$2,469,783	\$10,023,962	\$12,493,745	\$4,317,410	0.30	1.53	17.95%
PeakSpan Capital Growth Partners II, L.P.	2018	\$5,000,000	\$713,322	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	0.24	1.99	21.74%
Penzance DC Real Estate Fund, L.P.	2018	\$7,500,000	\$1,671,797	\$5,828,203	-\$3,493	\$3,626,466	\$3,065,544	\$6,692,010	\$867,300	0.62	1.15	6.48%
Thoma Bravo Fund XIII-A, L.P.	2018	\$5,000,000	\$433,107	\$4,566,893	-\$20	\$2,906,534	\$7,404,119	\$10,310,653	\$5,743,780	0.64	2.26	25.06%
US Venture Partners XII, L.P.	2018	\$5,000,000	\$550,000	\$4,450,000	\$0	\$971,682	\$5,969,303	\$6,940,985	\$2,490,985	0.22	1.56	17.03%
Vivo Capital Fund IX, L.P.	2018	\$5,000,000	\$222,466	\$4,777,534	\$0	\$2,908,145	\$4,587,298	\$7,495,443	\$2,717,909	0.61	1.57	16.43%
Total 2018		\$78,000,000	\$10,612,002	\$67,387,998	\$439,738	\$28,547,014	\$81,743,776	\$110,290,790	\$42,463,054	0.42	1.63	18.41%
2019												
ACME Fund III, L.P.	2019	\$5,000,000	\$0	\$5,000,000	\$0	\$145,892	\$4,468,080	\$4,613,972	-\$386,028	0.03	0.92	-2.38%
Advent International GPE IX, L.P.	2019	\$7,000,000	\$454,551	\$6,545,449	\$0	\$1,294,635	\$9,340,167	\$10,634,802	\$4,089,353	0.20	1.62	16.77%
Blackstone Real Estate Partners Europe VI SCSp	2019	\$10,000,000	\$1,716,183	\$8,283,817	\$374,999	\$2,911,864	\$8,066,553	\$10,978,417	\$2,319,601	0.34	1.27	12.25%
Clear Ventures II, L.P.	2019	\$5,000,000	\$1,495,000	\$3,505,000	\$0	\$0	\$5,066,626	\$5,066,626	\$1,561,626	0.00	1.45	13.83%
Dover Street X Feeder Fund, L.P.	2019	\$7,500,000	\$1,575,000	\$5,925,000	\$0	\$2,172,578	\$6,824,982	\$8,997,560	\$3,072,560	0.37	1.52	21.17%
Great Hill Equity Partners VII, L.P.	2019	\$7,000,000	\$235,522	\$6,764,478	\$0	\$4,860,177	\$6,196,914	\$11,057,091	\$4,292,612	0.72	1.63	30.69%
Jackson Square Ventures III, L.P.	2019	\$5,000,000	\$1,493,243	\$3,506,757	\$0	\$0	\$3,869,312	\$3,869,312	\$362,555	0.00	1.10	3.58%
Trident Capital VIII, L.P.	2019	\$7,500,000	\$903,737	\$6,596,263	\$0	\$691,706	\$9,771,204	\$10,462,910	\$3,866,647	0.10	1.59	14.02%
Truebridge Capital Partners Fund VI (Cayman), L.P.	2019	\$3,000,000	\$105,000	\$2,895,000	\$0	\$0	\$3,699,112	\$3,699,112	\$804,112	0.00	1.28	8.58%
Total 2019		\$57,000,000	\$7,978,236	\$49,021,764	\$374,999	\$12,076,852	\$57,302,951	\$69,379,802	\$19,983,039	0.24	1.40	13.51%



University of Houston System Endowment Fund

ANALYSIS BY VINTAGE YEAR

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
2020												
Francisco Partners VI, L.P.	2020	\$5,000,000	\$295,000	\$4,705,000	\$0	\$612,657	\$5,921,962	\$6,534,619	\$1,829,619	0.13	1.39	15.66%
Penzance DC Real Estate Fund II, L.P.	2020	\$5,000,000	\$3,086,091	\$1,913,909	-\$220	\$539,834	\$2,127,014	\$2,666,848	\$753,158	0.28	1.39	50.44%
Silver Lake Partners VI, L.P.	2020	\$7,000,000	\$345,634	\$6,654,366	\$77	\$0	\$8,271,173	\$8,271,173	\$1,616,730	0.00	1.24	9.23%
Thoma Bravo Fund XIV, L.P.	2020	\$5,000,000	\$789,093	\$4,210,907	\$0	\$0	\$5,503,361	\$5,503,361	\$1,292,454	0.00	1.31	8.45%
Total 2020		\$22,000,000	\$4,515,818	\$17,484,182	-\$143	\$1,152,491	\$21,823,510	\$22,976,001	\$5,491,962	0.07	1.31	11.85%
2021												
Dalfen Last Mile Industrial Fund V, L.P.	2021	\$7,500,000	\$3,000,000	\$4,500,000	\$0	\$62,324	\$4,474,056	\$4,536,380	\$36,380	0.01	1.01	0.40%
Frontenac XII, L.P.	2021	\$10,000,000	\$4,227,321	\$5,772,679	\$0	\$0	\$6,637,691	\$6,637,691	\$865,012	0.00	1.15	13.07%
GCM Grosvenor Advance Fund, L.P.	2021	\$10,000,000	\$2,916,997	\$7,083,003	\$47,561	\$336,099	\$8,048,745	\$8,384,844	\$1,254,280	0.05	1.18	9.27%
Kelso Investment Associates XI, LP	2021	\$10,000,000	\$6,132,219	\$3,867,781	-\$37,221	\$8,728	\$4,648,276	\$4,657,004	\$826,444	0.00	1.22	17.21%
TrueBridge Capital Partners Fund VII, L.P.	2021	\$10,000,000	\$4,500,000	\$5,500,000	\$0	\$0	\$5,350,834	\$5,350,834	-\$149,166	0.00	0.97	-1.71%
Total 2021		\$47,500,000	\$20,776,537	\$26,723,463	\$10,340	\$407,151	\$29,159,602	\$29,566,753	\$2,832,950	0.02	1.11	6.59%
2022												
Advent International GPE X, L.P.	2022	\$9,000,000	\$4,791,479	\$4,208,521	\$0	\$0	\$5,214,810	\$5,214,810	\$1,006,289	0.00	1.24	23.13%
Kennedy Lewis Capital Partners III	2022	\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%
Silver Lake Partners VII, L.P.	2022	\$10,000,000	\$7,930,770	\$2,069,230	-\$914	\$0	\$2,271,682	\$2,271,682	\$203,366	0.00	1.10	10.15%
WindRose Health Investors VI, L.P.	2022	\$10,000,000	\$4,935,840	\$5,064,160	-\$17,419	\$2,291	\$6,300,861	\$6,303,152	\$1,256,411	0.00	1.25	13.87%
Total 2022		\$39,000,000	\$20,571,232	\$18,428,768	\$43,185	\$2,291	\$22,423,341	\$22,425,632	\$3,953,679	0.00	1.21	15.99%
2023												
Khosla Ventures Opportunity II, L.P.	2023	\$4,000,000	\$2,860,000	\$1,140,000	\$0	\$0	\$1,127,800	\$1,127,800	-\$12,200	0.00	0.99	-2.19%
Khosla Ventures Seed, L.P.	2023	\$1,000,000	\$595,000	\$405,000	\$0	\$0	\$488,407	\$488,407	\$83,407	0.00	1.21	29.18%
Khosla Ventures VIII, L.P.	2023	\$5,000,000	\$3,075,000	\$1,925,000	\$0	\$0	\$2,011,833	\$2,011,833	\$86,833	0.00	1.05	9.07%
Mercury Fund Ventures V, L.P.	2023	\$5,000,000	\$1,875,000	\$3,125,000	\$0	\$0	\$3,528,140	\$3,528,140	\$403,140	0.00	1.13	12.17%
TrueBridge Capital Partners Fund VIII, L.P.	2023	\$10,000,000	\$9,300,000	\$700,000	\$0	\$0	\$509,806	\$509,806	-\$190,194	0.00	0.73	-43.66%
Total 2023		\$25,000,000	\$17,705,000	\$7,295,000	\$0	\$0	\$7,665,986	\$7,665,986	\$370,986	0.00	1.05	6.80%
2024												
Penzance DC Real Estate Fund III, L.P.	2024	\$7,500,000	\$7,352,476	\$147,524	\$0	\$0	\$37,224	\$37,224	-\$110,300	0.00	0.25	
Warren Equity Partners ELIDO Fund II, L.P.	2024	\$10,000,000	\$9,215,011	\$784,989	\$0	\$0	\$593,626	\$593,626	-\$191,363	0.00	0.76	-24.38%
Total 2024		\$17,500,000	\$16,567,487	\$932,513	\$0	\$0	\$630,850	\$630,850	-\$301,663	0.00	0.68	-38.00%
Total		\$536,866,830	\$118,393,909	\$418,472,970	\$2,165,686	\$290,604,244	\$411,553,480	\$702,157,724	\$281,519,068	0.69	1.67	12.58%



University of Houston System Endowment Fund

ANALYSIS BY INVESTMENT STRATEGY

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Buyout												
Advent International GPE Fund VII, L.P.	2012	\$5,000,000	\$200,000	\$4,800,000	\$0	\$8,145,713	\$553,705	\$8,699,418	\$3,899,418	1.70	1.81	13.23%
Advent International GPE IX, L.P.	2019	\$7,000,000	\$454,551	\$6,545,449	\$0	\$1,294,635	\$9,340,167	\$10,634,802	\$4,089,353	0.20	1.62	16.77%
Advent International GPE VIII-B, L.P.	2015	\$6,000,000	\$0	\$6,000,000	\$0	\$7,221,122	\$5,349,413	\$12,570,535	\$6,570,535	1.20	2.10	16.62%
Advent International GPE X, L.P.	2022	\$9,000,000	\$4,791,479	\$4,208,521	\$0	\$0	\$5,214,810	\$5,214,810	\$1,006,289	0.00	1.24	23.13%
Fisher Lynch Buyout Partnership, L.P.	2008	\$2,500,000	\$458,750	\$2,041,250	\$0	\$3,628,016	\$0	\$3,628,016	\$1,586,766	1.78	1.78	9.53%
Francisco Partners IV, L.P.	2014	\$5,000,000	\$127,500	\$4,872,500	\$0	\$11,598,463	\$3,679,637	\$15,278,100	\$10,405,600	2.38	3.14	26.51%
Francisco Partners V, L.P.	2017	\$5,000,000	\$147,500	\$4,852,500	\$0	\$3,855,612	\$6,745,043	\$10,600,655	\$5,748,155	0.79	2.18	19.46%
Francisco Partners VI, L.P.	2020	\$5,000,000	\$295,000	\$4,705,000	\$0	\$612,657	\$5,921,962	\$6,534,619	\$1,829,619	0.13	1.39	15.66%
Frontenac XII, L.P.	2021	\$10,000,000	\$4,227,321	\$5,772,679	\$0	\$0	\$6,637,691	\$6,637,691	\$865,012	0.00	1.15	13.07%
Great Hill Equity Partners V, L.P.	2013	\$4,000,000	\$0	\$4,000,000	\$0	\$8,301,482	\$3,169,570	\$11,471,052	\$7,471,052	2.08	2.87	24.11%
Great Hill Equity Partners VI, L.P.	2016	\$7,000,000	\$387,100	\$6,612,900	\$0	\$10,738,216	\$10,500,287	\$21,238,503	\$14,625,603	1.62	3.21	42.29%
Great Hill Equity Partners VII, L.P.	2019	\$7,000,000	\$235,522	\$6,764,478	\$0	\$4,860,177	\$6,196,914	\$11,057,091	\$4,292,612	0.72	1.63	30.69%
Great Point Partners III, L.P.	2018	\$4,000,000	\$15,195	\$3,984,805	\$0	\$2,162,520	\$3,700,919	\$5,863,439	\$1,878,634	0.54	1.47	17.90%
Insight Equity III, L.P.	2014	\$7,500,000	\$270,445	\$7,229,555	\$97,789	\$863,985	\$9,170,619	\$10,034,604	\$2,707,260	0.12	1.37	5.14%
J.H. Whitney VII, L.P.	2011	\$4,000,000	\$88,560	\$3,911,440	\$0	\$7,860,669	\$944,594	\$8,805,263	\$4,893,823	2.01	2.25	13.36%
Kelso Investment Associates X, L.P.	2018	\$7,500,000	\$932,228	\$6,567,772	\$38,363	\$2,276,431	\$10,877,706	\$13,154,137	\$6,548,002	0.34	1.99	22.67%
Kelso Investment Associates XI, LP	2021	\$10,000,000	\$6,132,219	\$3,867,781	-\$37,221	\$8,728	\$4,648,276	\$4,657,004	\$826,444	0.00	1.22	17.21%
Silver Lake Partners IV, L.P.	2012	\$4,000,000	\$117,722	\$3,882,278	\$27,838	\$6,048,805	\$5,953,008	\$12,001,813	\$8,091,698	1.55	3.07	21.49%
Silver Lake Partners V, L.P.	2016	\$7,000,000	\$897,437	\$6,102,563	\$22,793	\$2,999,764	\$7,332,162	\$10,331,926	\$4,206,569	0.49	1.69	12.19%
Silver Lake Partners VI, L.P.	2020	\$7,000,000	\$345,634	\$6,654,366	\$77	\$0	\$8,271,173	\$8,271,173	\$1,616,730	0.00	1.24	9.23%
Silver Lake Partners VII, L.P.	2022	\$10,000,000	\$7,930,770	\$2,069,230	-\$914	\$0	\$2,271,682	\$2,271,682	\$203,366	0.00	1.10	10.15%
Thoma Bravo Fund XIII-A, L.P.	2018	\$5,000,000	\$433,107	\$4,566,893	-\$20	\$2,906,534	\$7,404,119	\$10,310,653	\$5,743,780	0.64	2.26	25.06%
Thoma Bravo Fund XIV, L.P.	2020	\$5,000,000	\$789,093	\$4,210,907	\$0	\$0	\$5,503,361	\$5,503,361	\$1,292,454	0.00	1.31	8.45%
Trident Capital VII, L.P.	2016	\$7,500,000	\$422,928	\$7,077,072	\$0	\$5,539,739	\$11,637,520	\$17,177,259	\$10,100,187	0.78	2.43	18.94%
Trident Capital VIII, L.P.	2019	\$7,500,000	\$903,737	\$6,596,263	\$0	\$691,706	\$9,771,204	\$10,462,910	\$3,866,647	0.10	1.59	14.02%
Warren Equity Partners ELIDO Fund II, L.P.	2024	\$10,000,000	\$9,215,011	\$784,989	\$0	\$0	\$593,626	\$593,626	-\$191,363	0.00	0.76	-24.38%
WindRose Health Investors VI, L.P.	2022	\$10,000,000	\$4,935,840	\$5,064,160	-\$17,419	\$2,291	\$6,300,861	\$6,303,152	\$1,256,411	0.00	1.25	13.87%
Total Buyout		\$178,500,000	\$44,754,649	\$133,745,351	\$131,286	\$91,617,264	\$157,690,029	\$249,307,294	\$115,430,657	0.68	1.86	17.53%
Credit Opportunities												
Kennedy Lewis Capital Partners III	2022	\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%
Total Credit Opportunities		\$10,000,000	\$2,913,143	\$7,086,857	\$61,518	\$0	\$8,635,988	\$8,635,988	\$1,487,613	0.00	1.21	15.19%



University of Houston System Endowment Fund

ANALYSIS BY INVESTMENT STRATEGY

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Energy												
Denham Commodity Partners Fund VI, L.P.	2013	\$4,000,000	\$203,391	\$3,796,609	\$0	\$1,500,603	\$2,043,628	\$3,544,231	-\$252,378	0.40	0.93	-1.05%
Denham Oil and Gas Fund, L.P.	2015	\$7,500,000	\$35,612	\$7,464,388	-\$23,570	\$2,980,621	\$8,022,774	\$11,003,395	\$3,562,577	0.40	1.48	9.61%
EnCap Energy Capital Fund VII-B, L.P.	2007	\$15,000,000	\$5,227	\$14,994,773	\$0	\$19,899,805	\$0	\$19,899,805	\$4,905,033	1.33	1.33	11.64%
EnCap Energy Capital Fund X, L.P.	2015	\$4,000,000	\$134,314	\$3,865,735	\$153,487	\$5,575,705	\$2,906,379	\$8,482,085	\$4,462,862	1.39	2.11	16.37%
EnCap Energy Capital Fund XI, L.P.	2016	\$10,000,000	\$947,554	\$9,052,446	\$0	\$5,384,513	\$12,032,831	\$17,417,344	\$8,364,898	0.59	1.92	21.39%
EnCap Flatrock Midstream Fund II-C, L.P.	2012	\$3,000,000	\$917,291	\$2,082,709	\$0	\$3,314,890	\$311,821	\$3,626,712	\$1,544,002	1.59	1.74	20.89%
EnCap Flatrock Midstream Fund III, L.P.	2014	\$5,000,000	\$166,714	\$4,833,286	\$7,029	\$4,766,754	\$2,519,268	\$7,286,023	\$2,445,708	0.98	1.51	9.75%
EnCap Flatrock Midstream Fund IV, L.P.	2017	\$6,000,000	\$1,063,252	\$4,936,748	\$927	\$2,507,834	\$3,719,416	\$6,227,250	\$1,289,575	0.51	1.26	8.02%
Energy Spectrum Partners VIII, L.P.	2018	\$5,000,000	\$1,267,092	\$3,732,908	\$0	\$2,125,177	\$2,915,098	\$5,040,276	\$1,307,368	0.57	1.35	12.08%
EnerVest Energy Institutional Fund XIV, L.P.	2015	\$7,500,000	\$610,818	\$6,889,182	\$18,373	\$7,793,281	\$4,549,281	\$12,342,562	\$5,435,007	1.13	1.79	10.97%
Hastings Equity Fund IV-B, L.P.	2018	\$7,500,000	\$592,750	\$6,907,250	\$0	\$3,585,523	\$9,848,063	\$13,433,586	\$6,526,336	0.52	1.94	23.31%
Total Energy		\$74,500,000	\$5,944,014	\$68,556,035	\$156,246	\$59,434,708	\$48,868,560	\$108,303,268	\$39,590,988	0.86	1.58	12.26%
Fund of Funds												
Commonfund Capital International Partners VI, L.P.	2007	\$5,000,000	\$322,500	\$4,677,500	\$0	\$7,151,252	\$245,558	\$7,396,810	\$2,719,310	1.53	1.58	8.60%
Commonfund Capital International Partners VII, L.P.	2007	\$5,000,000	\$325,000	\$4,675,000	\$0	\$9,678,192	\$776,692	\$10,454,884	\$5,779,884	2.07	2.24	13.70%
GCM Grosvenor Advance Fund, L.P.	2021	\$10,000,000	\$2,916,997	\$7,083,003	\$47,561	\$336,099	\$8,048,745	\$8,384,844	\$1,254,280	0.05	1.18	9.27%
Newlin Realty Partners II LP	2007	\$3,000,000	\$193,674	\$2,806,326	\$0	\$4,385,176	\$75,563	\$4,460,739	\$1,654,413	1.56	1.59	8.61%
Newlin Realty Partners LP	2006	\$5,000,000	\$505,441	\$4,494,559	\$0	\$4,577,128	\$0	\$4,577,128	\$82,569	1.02	1.02	0.23%
TrueBridge-Kauffman Fellows Endowment Fund II, L.P.	2010	\$3,000,000	\$510,000	\$2,490,000	\$0	\$8,742,547	\$3,903,295	\$12,645,842	\$10,155,842	3.51	5.08	19.83%
TrueBridge-Kauffman Fellows Endowment Fund III, L.P.	2013	\$3,000,000	\$240,000	\$2,760,000	\$0	\$4,109,782	\$4,568,018	\$8,677,800	\$5,917,800	1.49	3.14	16.37%
Total Fund of Funds		\$34,000,000	\$5,013,612	\$28,986,388	\$47,561	\$38,980,177	\$17,617,871	\$56,598,048	\$27,564,098	1.34	1.95	10.38%
Growth Equity												
PeakSpan Capital Growth Partners II, L.P.	2018	\$5,000,000	\$713,322	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	0.24	1.99	21.74%
Total Growth Equity		\$5,000,000	\$713,322	\$4,286,678	\$0	\$1,016,979	\$7,507,650	\$8,524,629	\$4,237,951	0.24	1.99	21.74%
Opportunistic												
Blackstone Real Estate Partners Europe V, L.P.	2016	\$7,500,000	\$797,358	\$6,702,642	\$219,115	\$5,260,315	\$3,773,660	\$9,033,975	\$2,112,219	0.76	1.31	7.04%
Blackstone Real Estate Partners Europe VI SCSP	2019	\$10,000,000	\$1,716,183	\$8,283,817	\$374,999	\$2,911,864	\$8,066,553	\$10,978,417	\$2,319,601	0.34	1.27	12.25%
Blackstone Real Estate Partners IX L.P.	2018	\$9,000,000	\$132,602	\$8,867,398	\$408,065	\$2,934,382	\$9,866,898	\$12,801,280	\$3,525,817	0.32	1.38	13.07%
Blackstone Real Estate Partners VIII, L.P.	2015	\$7,500,000	\$865,575	\$6,634,425	\$667,190	\$7,866,686	\$4,956,905	\$12,823,591	\$5,521,976	1.08	1.76	13.55%
Dalfen Last Mile Industrial Fund V, L.P.	2021	\$7,500,000	\$3,000,000	\$4,500,000	\$0	\$62,324	\$4,474,056	\$4,536,380	\$36,380	0.01	1.01	0.40%
Penzance DC Real Estate Fund II, L.P.	2020	\$5,000,000	\$3,086,091	\$1,913,909	-\$220	\$539,834	\$2,127,014	\$2,666,848	\$753,158	0.28	1.39	50.44%



University of Houston System Endowment Fund

ANALYSIS BY INVESTMENT STRATEGY

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Penzance DC Real Estate Fund III, L.P.	2024	\$7,500,000	\$7,352,476	\$147,524	\$0	\$0	\$37,224	\$37,224	-\$110,300	0.00	0.25	
Penzance DC Real Estate Fund, L.P.	2018	\$7,500,000	\$1,671,797	\$5,828,203	-\$3,493	\$3,626,466	\$3,065,544	\$6,692,010	\$867,300	0.62	1.15	6.48%
Total Opportunistic		\$61,500,000	\$18,622,082	\$42,877,918	\$1,665,655	\$23,201,871	\$36,367,854	\$59,569,725	\$15,026,151	0.52	1.34	10.74%
Secondaries												
ASF VIII B L.P.	2018	\$7,500,000	\$2,257,778	\$5,242,222	-\$3,177	\$1,563,392	\$5,977,216	\$7,540,608	\$2,301,563	0.30	1.44	16.18%
Dover Street IX Cayman Fund, L.P.	2015	\$7,500,000	\$675,000	\$6,825,000	\$0	\$7,246,041	\$4,165,644	\$11,411,685	\$4,586,685	1.06	1.67	18.75%
Dover Street VIII, L.P.	2012	\$4,000,000	\$320,000	\$3,680,000	\$3,431	\$5,862,312	\$246,131	\$6,108,443	\$2,425,012	1.59	1.66	18.42%
Dover Street X Feeder Fund, L.P.	2019	\$7,500,000	\$1,575,000	\$5,925,000	\$0	\$2,172,578	\$6,824,982	\$8,997,560	\$3,072,560	0.37	1.52	21.17%
Jackson Square Ventures II, L.P.	2016	\$7,500,000	\$1,001,480	\$6,498,520	\$0	\$2,026,102	\$6,036,159	\$8,062,261	\$1,563,741	0.31	1.24	6.28%
Lexington Capital Partners IX, L.P.	2018	\$10,000,000	\$1,823,665	\$8,176,335	\$0	\$2,469,783	\$10,023,962	\$12,493,745	\$4,317,410	0.30	1.53	17.95%
Lexington Capital Partners VIII, L.P.	2014	\$10,000,000	\$1,935,319	\$8,064,681	\$0	\$9,067,270	\$5,106,933	\$14,174,203	\$6,109,522	1.12	1.76	14.70%
Total Secondaries		\$54,000,000	\$9,588,242	\$44,411,758	\$254	\$30,407,478	\$38,381,027	\$68,788,505	\$24,376,493	0.68	1.55	15.68%
Value Add												
Embarcadero Capital Investors V, L.P.	2016	\$7,500,000	\$338,987	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	0.52	0.58	-46.73%
Total Value Add		\$7,500,000	\$338,987	\$7,161,013	\$109,256	\$3,795,282	\$439,381	\$4,234,663	-\$3,035,606	0.52	0.58	-46.73%
Value Add/Opportunistic												
BPG Investment Partnership VII, L.P.	2005	\$5,000,000	\$0	\$5,000,000	\$0	\$3,761,064	\$1,157,349	\$4,918,413	-\$81,587	0.75	0.98	-0.12%
BPG Investment Partnership VIII, L.P.	2007	\$3,235,295	\$252,899	\$2,982,396	\$0	\$4,011,156	\$0	\$4,011,156	\$1,028,760	1.34	1.34	3.68%
Total Value Add/Opportunistic		\$8,235,295	\$252,899	\$7,982,396	\$0	\$7,772,220	\$1,157,349	\$8,929,569	\$947,173	0.97	1.12	1.01%
Venture Capital												
ACME Fund III, L.P.	2019	\$5,000,000	\$0	\$5,000,000	\$0	\$145,892	\$4,468,080	\$4,613,972	-\$386,028	0.03	0.92	-2.38%
Binary Capital Fund II, L.P.	2016	\$631,535	\$65,099	\$566,436	\$0	\$397,852	\$106,851	\$504,703	-\$61,733	0.70	0.89	-2.83%
Clear Ventures II, L.P.	2019	\$5,000,000	\$1,495,000	\$3,505,000	\$0	\$0	\$5,066,626	\$5,066,626	\$1,561,626	0.00	1.45	13.83%
Commonfund Capital Venture Partners VIII, L.P.	2007	\$2,750,000	\$61,875	\$2,688,125	\$0	\$5,341,326	\$980,492	\$6,321,818	\$3,633,693	1.99	2.35	11.91%
Fisher Lynch Venture Partnership II, L.P.	2008	\$2,500,000	\$296,250	\$2,203,750	\$0	\$3,737,664	\$493,095	\$4,230,759	\$2,027,009	1.70	1.92	9.27%
Jackson Square Ventures III, L.P.	2019	\$5,000,000	\$1,493,243	\$3,506,757	\$0	\$0	\$3,869,312	\$3,869,312	\$362,555	0.00	1.10	3.58%
Khosla Ventures Opportunity II, L.P.	2023	\$4,000,000	\$2,860,000	\$1,140,000	\$0	\$0	\$1,127,800	\$1,127,800	-\$12,200	0.00	0.99	-2.19%
Khosla Ventures Seed, L.P.	2023	\$1,000,000	\$595,000	\$405,000	\$0	\$0	\$488,407	\$488,407	\$83,407	0.00	1.21	29.18%
Khosla Ventures VIII, L.P.	2023	\$5,000,000	\$3,075,000	\$1,925,000	\$0	\$0	\$2,011,833	\$2,011,833	\$86,833	0.00	1.05	9.07%
LiveOak Venture Partners I, L.P.	2013	\$2,000,000	\$0	\$2,000,000	\$0	\$2,655,250	\$1,195,398	\$3,850,648	\$1,850,648	1.33	1.93	13.34%
LiveOak Venture Partners II, L.P.	2017	\$4,000,000	\$200,000	\$3,800,000	\$0	\$708,134	\$5,661,331	\$6,369,465	\$2,569,465	0.19	1.68	14.35%
Mercury Fund Ventures IV, L.P.	2017	\$5,000,000	\$0	\$5,000,000	-\$6,091	\$1,197,895	\$11,550,811	\$12,748,706	\$7,754,797	0.24	2.55	30.96%



University of Houston System Endowment Fund

ANALYSIS BY INVESTMENT STRATEGY

Investments		Commitments		Contributions & Distributions			Valuations			Performance		
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Paid In Capital	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Mercury Fund Ventures V, L.P.	2023	\$5,000,000	\$1,875,000	\$3,125,000	\$0	\$0	\$3,528,140	\$3,528,140	\$403,140	0.00	1.13	12.17%
SV Life Sciences Fund VI, L.P.	2015	\$7,500,000	\$757,103	\$6,742,897	\$0	\$8,825,985	\$2,983,464	\$11,809,449	\$5,066,552	1.31	1.75	14.92%
TrueBridge Capital Partners Fund V, L.P.	2017	\$5,000,000	\$705,746	\$4,294,254	\$0	\$844,924	\$9,629,550	\$10,474,474	\$6,180,220	0.20	2.44	21.59%
TrueBridge Capital Partners Fund VI (Cayman), L.P.	2019	\$3,000,000	\$105,000	\$2,895,000	\$0	\$0	\$3,699,112	\$3,699,112	\$804,112	0.00	1.28	8.58%
TrueBridge Capital Partners Fund VII, L.P.	2021	\$10,000,000	\$4,500,000	\$5,500,000	\$0	\$0	\$5,350,834	\$5,350,834	-\$149,166	0.00	0.97	-1.71%
TrueBridge Capital Partners Fund VIII, L.P.	2023	\$10,000,000	\$9,300,000	\$700,000	\$0	\$0	\$509,806	\$509,806	-\$190,194	0.00	0.73	-43.66%
TrueBridge-Kauffman Fellows Endowment Fund IV, L.P.	2015	\$6,250,000	\$696,177	\$5,553,823	\$0	\$5,544,408	\$14,128,546	\$19,672,954	\$14,119,131	1.00	3.54	24.50%
US Venture Partners XII, L.P.	2018	\$5,000,000	\$550,000	\$4,450,000	\$0	\$971,682	\$5,969,303	\$6,940,985	\$2,490,985	0.22	1.56	17.03%
Vivo Capital Fund IX, L.P.	2018	\$5,000,000	\$222,466	\$4,777,534	\$0	\$2,908,145	\$4,587,298	\$7,495,443	\$2,717,909	0.61	1.57	16.43%
Weathergage Venture Capital IV, L.P.	2016	\$5,000,000	\$1,400,000	\$3,600,000	\$0	\$1,099,107	\$7,481,681	\$8,580,788	\$4,980,788	0.31	2.38	15.52%
Total Venture Capital		\$103,631,535	\$30,252,959	\$73,378,576	-\$6,091	\$34,378,265	\$94,887,771	\$129,266,036	\$55,893,550	0.47	1.76	14.96%
Total		\$536,866,830	\$118,393,909	\$418,472,970	\$2,165,686	\$290,604,244	\$411,553,480	\$702,157,724	\$281,519,068	0.69	1.67	12.58%



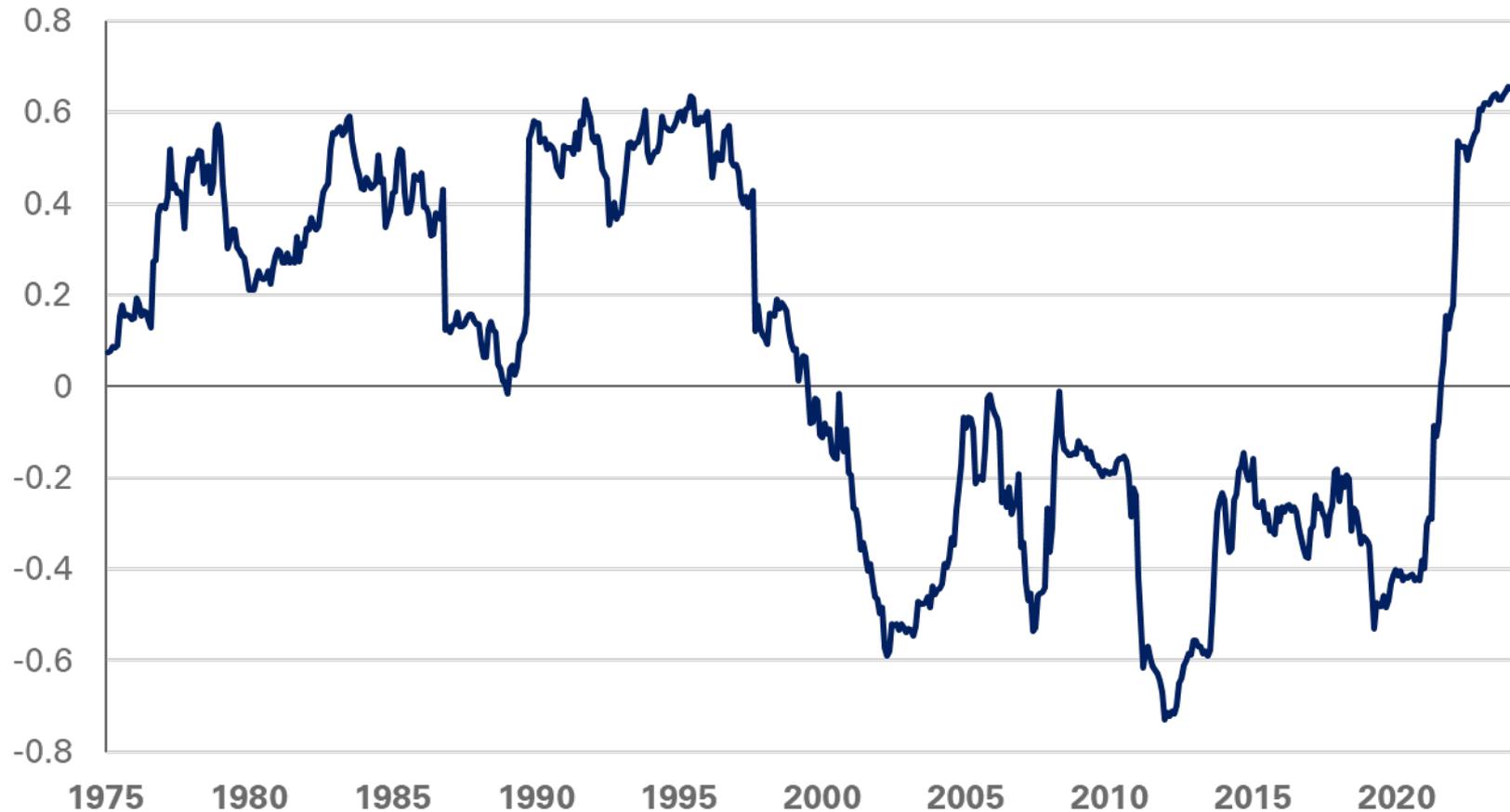


SUPPLEMENTAL MARKET OUTLOOK INFORMATION



STOCK-BOND CORRELATIONS REMAIN POSITIVE

3-YEAR ROLLING CORRELATION S&P 500 AND U.S. TREASURIES



Sources: S&P, Bloomberg, FactSet

THE U.S. YIELD CURVE UN-INVERTED

10-2 TREASURY YIELD CURVE SPREAD

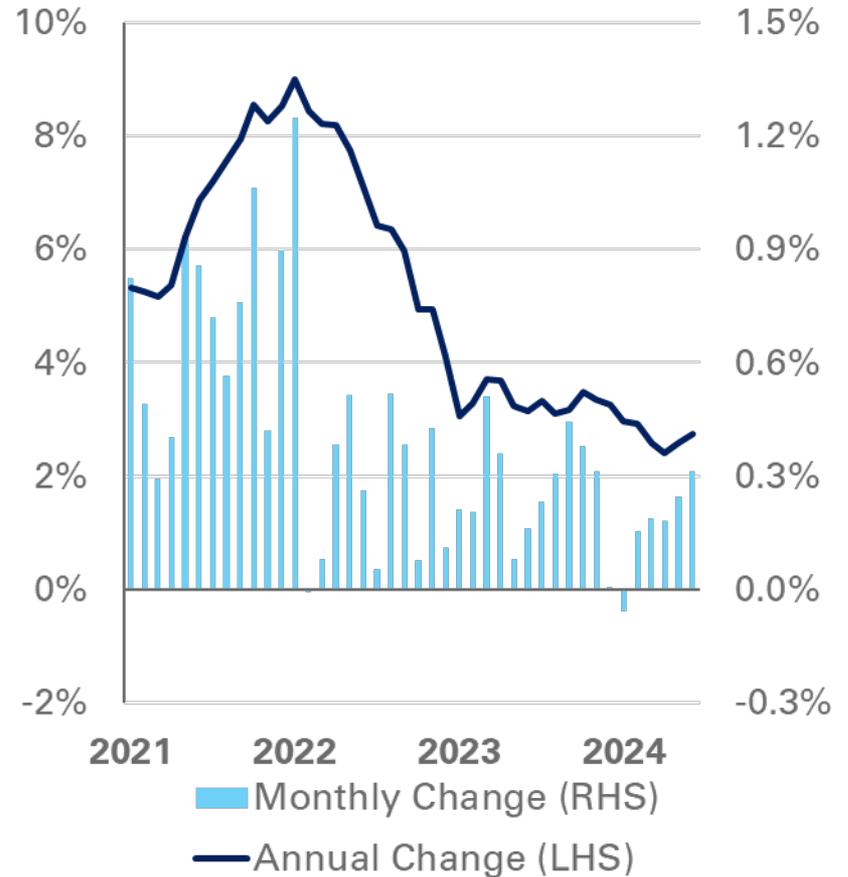
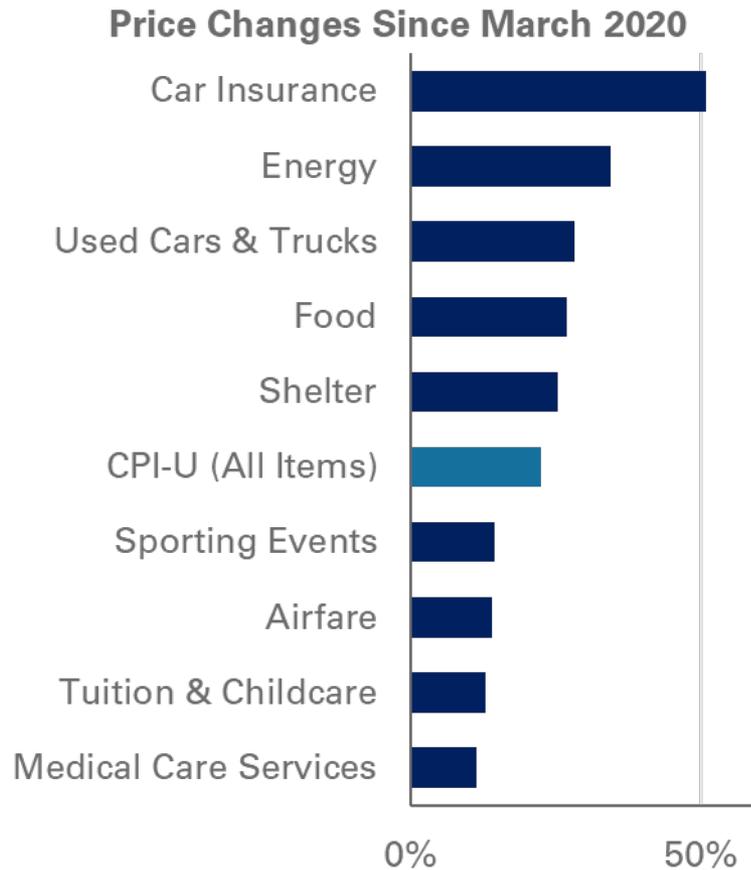


Note: Shaded bands indicate recessionary time periods
Sources: NFIB, FactSet



INFLATION SLOWED, BUT PRICES STILL ELEVATED

U.S. CONSUMER PRICE INDEX



Note: Data as of 11/30/2024
Sources: Bureau of Labor Statistics, FactSet, NEPC



PORTFOLIO POSITIONING VIEWS

CURRENT OPPORTUNITIES

Diversify S&P 500 exposure and complement with value and quality factors to produce a balanced U.S. large-cap position

Global equity strategies offer a compelling alpha opportunity, we **encourage greater use of active equity approaches**

With **attractive real interest rates**, we recommend introducing dedicated U.S. TIPS exposure to strategic policy targets

We are comfortable holding excess liquidity and maintaining neutral duration targets relative to safe-haven fixed income

POCKETS OF EUPHORIA

2025 MARKET THEMES



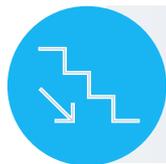
Magnificent 7 & AI

Concentration is high but financial profile is far from extreme dot-com valuations



Cryptocurrency

Mirrors the mania of past bubbles but link to broader financial system is not clear



Credit Spreads

Spreads near historic lows and risk-aversion priced away but debt and maturity profile is quite healthy



M&A Activity

Deal volume is low but regulatory shift and lower Fed Funds can spur activity

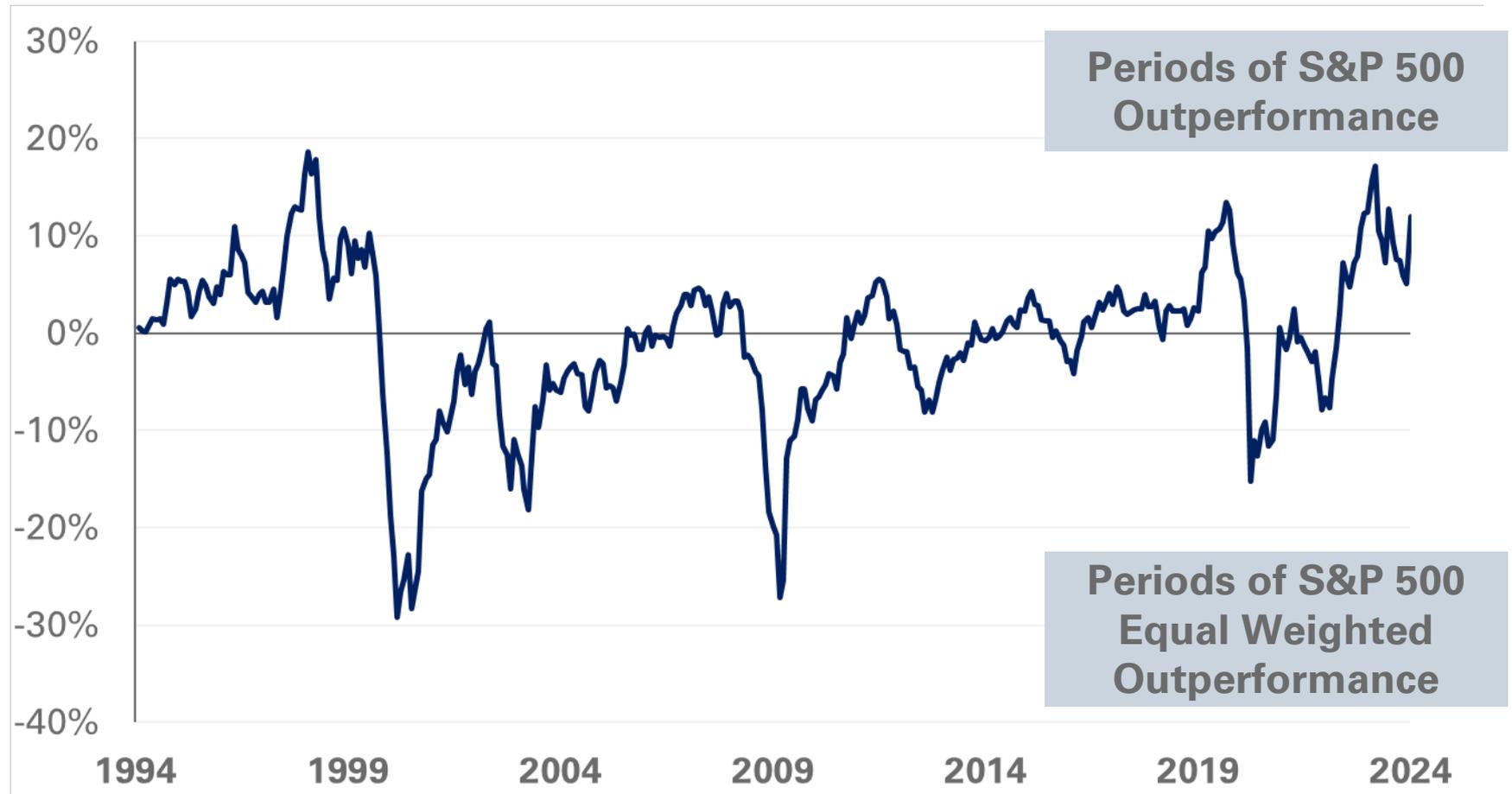


Debt Expansion

Fed policy has slowed consumer and corporate debt expansion, federal debt issuance is the exception

S&P CONCENTRATION HIGHLIGHTS EUPHORIA

ROLLING 12-MONTH RETURN OF S&P 500 VS. EQUAL WEIGHT



Sources: S&P, FactSet

ARTIFICIAL INTELLIGENCE SPENDING

2025 MARKET THEMES



Faith in AI Adoption

AI adoption across economy and jobs must be widespread to support current and expected AI spending



AI as a Tool

AI need to deliver sizable productivity gains to capture ROI from vast spending



Financing AI

AI leverage is not in the system and spend is partially sourced from free cash flow



Data Centers

Data centers are the engines for AI and capex is driving rapid expansion and excess demand for power consumption

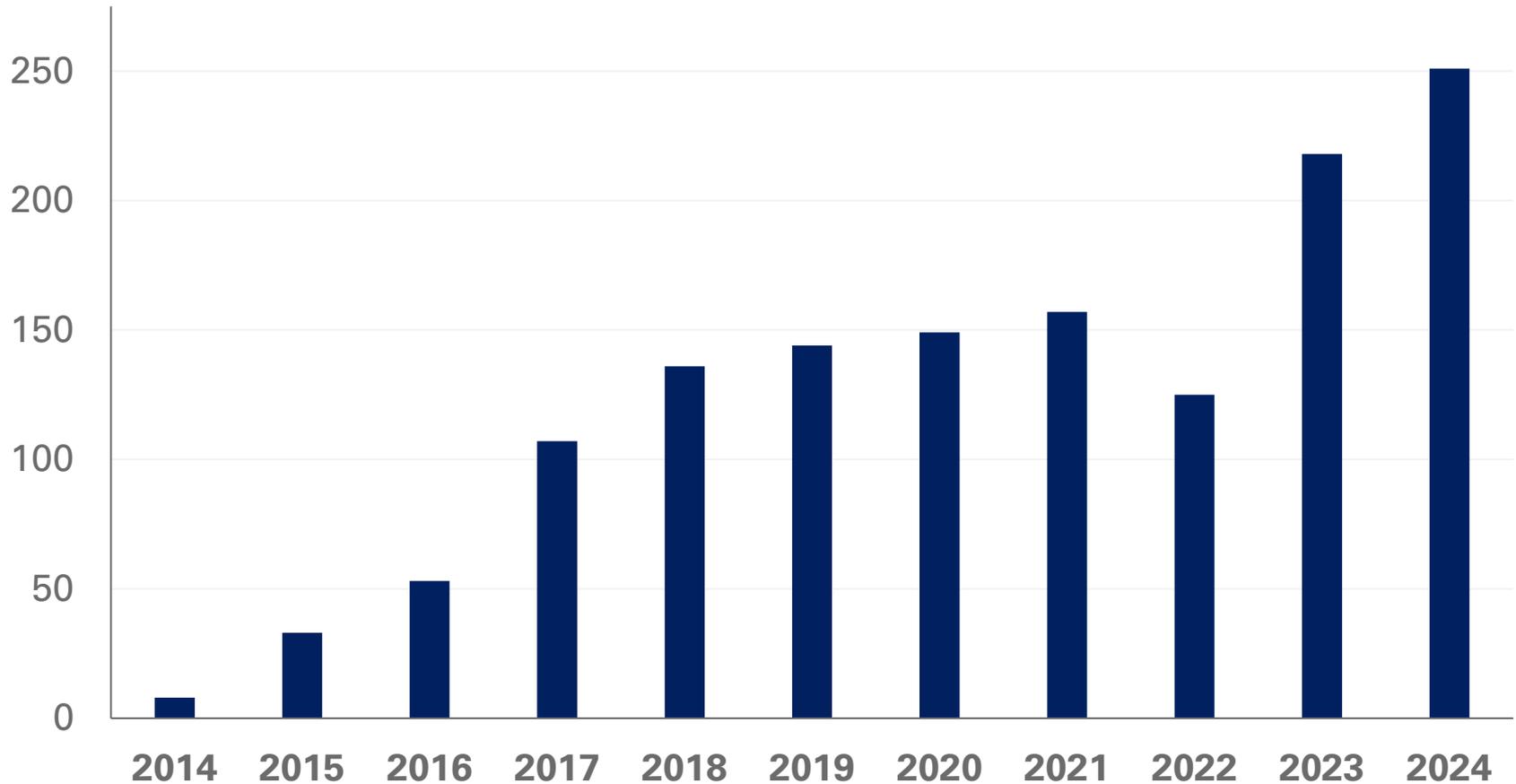


Data is a Commodity

Is data, chips, or electricity the key AI commodity? Accessibility of data needs to be unfettered to support AI growth

EXECUTIVE TEAMS ARE FOCUSED ON AI

S&P 500 COMPANIES MENTIONING "AI" IN EARNINGS CALLS



TARIFFS EXPLAINED

2025 MARKET THEMES



Separate Fact and Fiction

What tariff proposals have economic rationale vs. what is a negotiating tool?



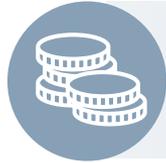
Mechanics Matter

How tariffs are implemented will dictate timeline and scope of potential actions



Speculation is Dangerous

Tariffs don't exist in a vacuum; scope, exemptions, potential retaliations are key



Economic Implications

Tariffs likely to have a muted economic impact, but escalation restricting the flow of goods poses a broader risk

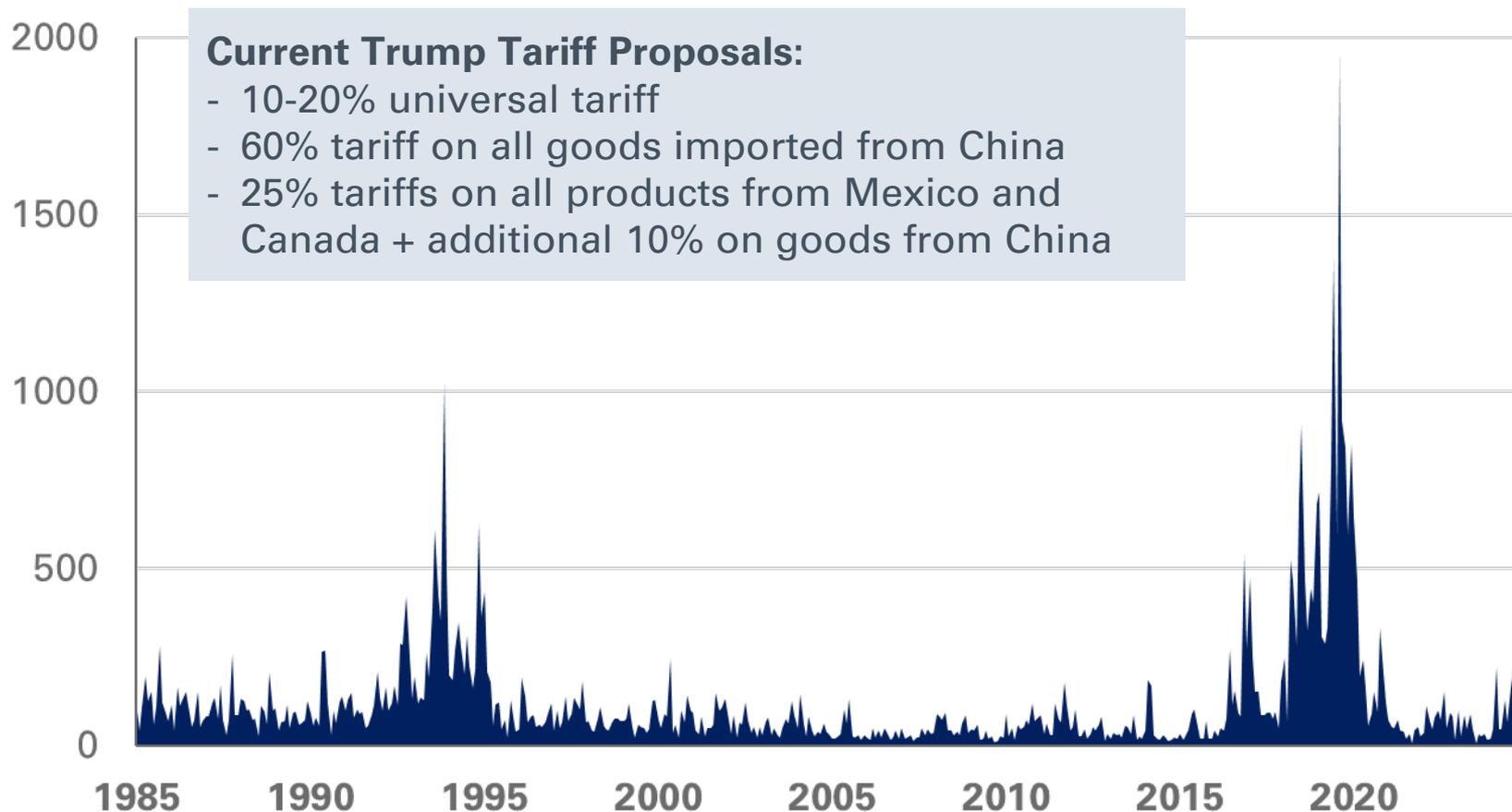


Market Sensitivity is High

Tariff threats likely fuel volatility given the market's binary expectations for negative growth-inflation consequences

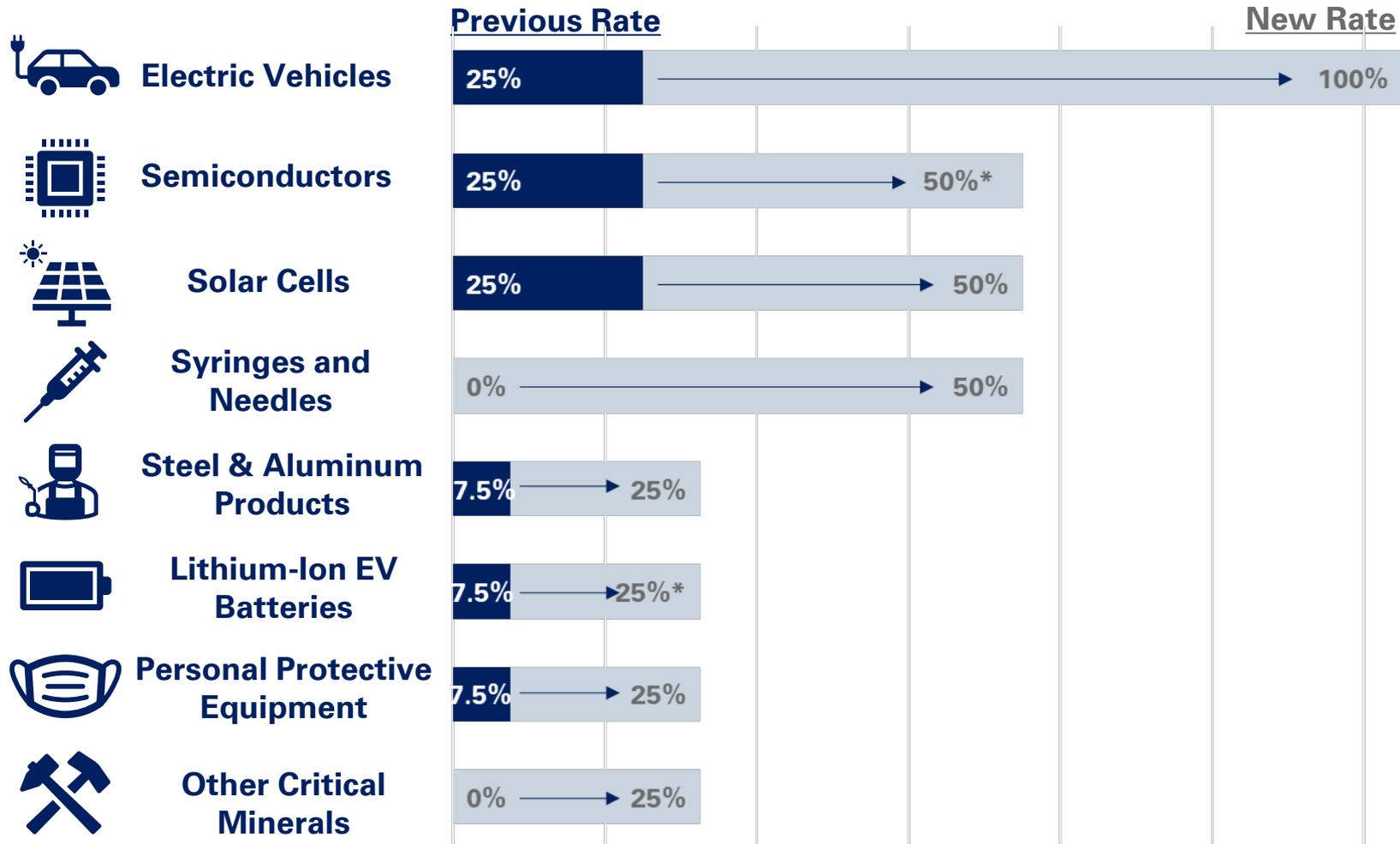
TARIFF THREATS BRING MARKET UNCERTAINTY

TRADE POLICY UNCERTAINTY INDEX



EXISTING TARIFFS LIKELY TO BE EXPANDED

SECTION 301 ONGOING TARIFF INCREASES ON CHINESE GOODS



Note: *To be implemented in future years. 7.5% tariffs started at 15% and were reduced in January 2020.
 Source: [The White House](#)

WORLD AFFAIRS

2025 MARKET THEMES



Geopolitical Tensions

Potentially exposes economic tail risks and increases market volatility



Post-Election Dust Settling

Policy uncertainty is high as new governments take office following the global election “supercycle” in 2024



Protectionist Policy Push

Global shift to protectionist policies can aggravate inflation and growth pressures



Fiscal Spending

Bloated debt levels and elevated rates may challenge the ability for governments to leverage fiscal policy

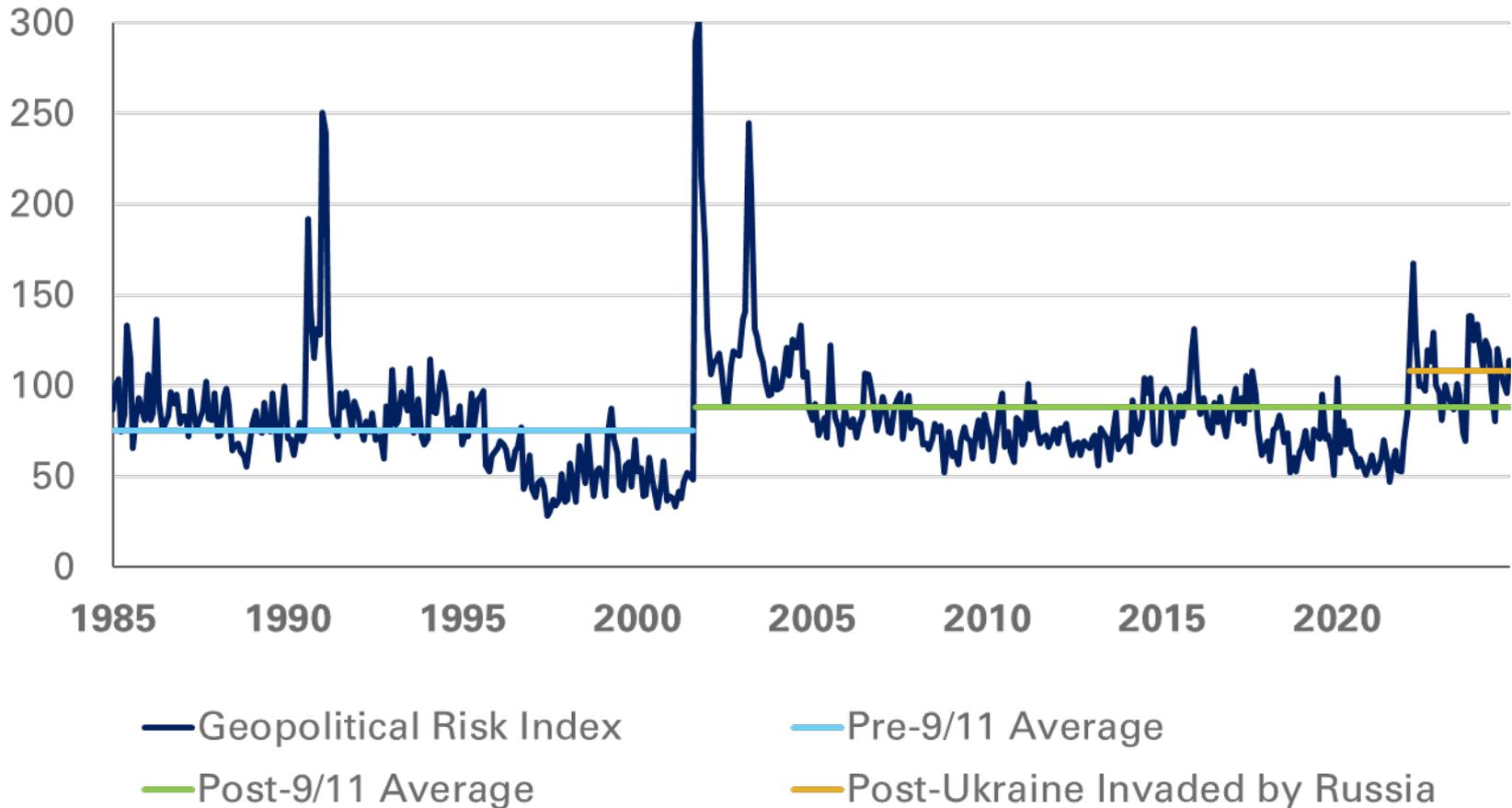


Market Sensitivity Often Short-Lived

Markets generally look past geopolitical headlines – look to rebalance amid market drawdowns and volatility

GEOPOLITICAL BACKDROP REMAINS TENSE

GEOPOLITICAL RISK INDEX



PORTFOLIO CONSIDERATIONS

2025 MARKET THEMES



Embrace Diversification

Can you afford to be different? Look to diversifiers across real assets and hedge fund approaches



Be A Liquidity Provider

Opportunities are present with consistent pacing across private market investments



Importance of Alpha

Active management takes on greater importance when betas are expensive



Are Real Assets For You?

We see a favorable environment for diversified real assets exposure relative to geopolitical risks and inflation surprises



Be Boring

Don't stretch for returns; look to conduct a strategic policy review and review investment policy benchmarks

DISCLAIMERS & DISCLOSURES



DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

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Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv





**UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA**

COMMITTEE: Endowment Management Committee

ITEM: Approval is requested to rebalance the portfolio of the University of Houston System Endowment Fund to align with policy targets which will include the hiring and partial redemption of managers and to make changes to the University of Houston System Endowment Fund Statement of Objectives and Policies

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

NEPC will discuss with the Committee their recommendation to rebalance the portfolio of the University of Houston System Endowment Fund to align with new policy targets established by the Board at the November 2024 meeting. Changes will include:

New Investment: \$30M to Independent Franchise Partners, who invests in global public equities that exhibit strong fundamentals and business franchises trading at compelling valuations.

New Investment: \$30M to Acadian Non-US All Cap Hedged, who invests in non-US public equity across all market caps through a multifactor quantitative model.

These new investments, plus a \$30M increase in the existing Northern Trust Russell 3000 Index, will be funded by the partial liquidation of three fixed income managers: the Barings U.S. High Yield Fund (\$23M), the Lord Abbett Short Duration Credit Fund (\$20M), and Loop Capital (\$10M) as well as the use of \$37M in cash in the Endowment Cash Fund.

NEPC will also discuss with the Committee recommended changes to the UH System Endowment Fund Statement of Objectives and Policies as indicated in the redlined version of the policy provided as supporting documentation to this item.

SUPPORTING

DOCUMENTATION: NEPC discussion materials report; UH System Endowment Fund Statement of Investment Objectives and Policies – redlined/clean copy

FISCAL NOTE: Sources: \$23M Barings, \$20M Lord Abbett, \$10M Loop Capital, \$37M Cash. Uses: \$30M Independent Franchise Partners, \$30M Acadian, \$30M Northern Trust

**RECOMMENDATION/
ACTION REQUESTED:** Administration recommends approval of this item

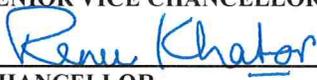
COMPONENT: University of Houston System



SENIOR VICE CHANCELLOR Raymond S. Bartlett

2/10/25

DATE



CHANCELLOR Renu Khator

2/14/25

DATE

UNIVERSITY OF HOUSTON SYSTEM ENDOWMENT FUND
STATEMENT OF INVESTMENT OBJECTIVES AND POLICIES
Approved by the Board of Regents

November 21, 2024**February 19,**

2025

PREFACE

The University of Houston System Board of Regents is charged with the fiduciary responsibility for preserving and augmenting the value of the endowment, thereby sustaining its ability to generate support for both current and future generations of students. As part of a commitment to long-range financial equilibrium, the Regents have adopted the broad objective of investing endowment assets so as to preserve both their real value and the long-range purchasing power of endowment income so as to keep pace with inflation and evolving university needs, while generally performing above the average of the markets in which the assets are invested. Pursuant to Board Bylaw, the Endowment Management Committee has been established as a standing committee to assist the Board in fulfilling its fiduciary responsibilities.

To achieve its investment objectives the University of Houston System retains independent investment managers each of whom plays a part in meeting the System's goals over a variety of capital market cycles. The Endowment Management Committee shall:

- a) Review and recommend to the Board changes to investment policies;
- b) Review and recommend to the Board the university advancement assessment rate;
- c) Review and recommend to the Board asset allocation long-term targets and ranges;
- d) Review and recommend to the Board external investment consultants;
- e) Monitor, evaluate, hire or terminate external investment managers;
- f) Establish investment manager guidelines;
- g) Monitor the actual allocation of assets through additions and withdrawals of funds among managers and investment media to conform to the long-term targets insofar as practical; and
- h) Oversee the results of the independent managers and report periodically to the Board and the university community.

FORWARD

This policy is intended to be ongoing until the next review is completed. Comprehensive reviews are to be completed every five years.

In addition to complying with the duty of loyalty imposed by Texas state law, each person responsible for making or retaining each and all investments and in acquiring, investing, reinvesting, exchanging, retaining, selling, supervising and managing System funds shall do so in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. It is the general practice of the University of Houston System to pool endowment resources. For investment purposes however, the assets are

managed in separate endowment fund accounts. The following statement sets out explicit policies for the pooled endowment but would apply to non-pooled holdings as well. The Regents seek superior investment returns through professional management without assuming imprudent risks. In managing and investing the System's endowment assets, the following factors, if relevant, must be considered:

- a) general economic/capital market conditions;
- b) the possible effect of inflation or deflation;
- c) the expected tax consequences, if any, of investment decisions or strategies;
- d) the role that each investment or course of action plays within the overall investment portfolio;
- e) the expected return based on levels of liquidity and investment risk that are prudent and reasonable under present circumstances, and such circumstances may change over time;
- f) the expected total return from income and the appreciation of investments;
- g) other resources of the institution;
- h) the needs of the institution and the fund to make distributions and to preserve capital; and
- i) an asset's special relationship or special value, if any, to the charitable purposes of the institution.

Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the System endowment's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably aligned with the endowment fund's stated goals and objectives.

FINANCIAL OBJECTIVES

The primary long-term financial objective for the University endowment is to preserve and enhance the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation, and costs of portfolio management. Costs to manage and administer the endowment assets should be appropriate and reasonable in relation to the assets, the purposes of the endowment, and the skills of investment consultant(s) and investment manager(s) to whom investment management functions are delegated. Performance of the overall endowment against this objective is measured over rolling periods of five years.

INVESTMENT OBJECTIVES

In order to meet the financial objective stated above, the primary long-term investment objective of the endowment is to earn a total rate of return that exceeds the spending rate plus university advancement assessment fee, if any, plus the costs of managing the investment fund, and expressed in real (or inflation-adjusted) terms. Given the long-term System spending rate of 5.0% (which includes 4% payout and 1.0% university advancement assessment effective FY2024), the objective of this fund will be to earn a real (inflation adjusted) return of at least 5% when measured over rolling periods of at least five years. It is

also understood that due to market conditions there may be five-year periods where this objective is exceeded and purchasing power is enhanced, as well as five-year periods where the objective is not met and purchasing power is diminished. The medium-term objective for the endowment is to outperform each of the capital markets in which assets are invested, measured over rolling periods of three to five years or complete market cycles, with emphasis on whichever measure is longer. In addition, the performance of the overall endowment is expected to be consistently in at least the second quartile of the university's peer group, as measured by the NACUBO Study of Endowments over rolling five-year time periods, as well as comparison annually to a peer group provided by an outside investment advisor. Thus, the Endowment Management Committee is responsible for allocating assets to segments of the market and to managers who will provide superior performance when compared with both the median performance of other educational endowments and with capital markets generally.

Finally, the total return of the University's investment portfolio should be evaluated against the return of a composite index consisting of appropriate benchmarks weighted according to the Endowment Management Committee's asset allocation targets.

INVESTMENT MANAGERS

In accordance with Board policy, hiring of investment consultants requires approval of the Board. Hiring of investment managers requires Endowment Management Committee approval except, when on the recommendation of the committee staff and the investment consultant, the chair of the Endowment Management Committee and the chair of the Finance, [Facilities](#), and Administration Committee jointly determine that time is of the essence and immediate action in lieu of a called committee meeting is necessary to hire or terminate an investment manager, the recommended change can then be made. The chair of the Endowment Management Committee will have the staff immediately report any such action taken to the members of the Endowment Management Committee and the Chairman of the Board of Regents after such action is taken.

Managers of marketable securities are expected to produce a cumulative annualized total return net of fees and commissions that exceeds an appropriate benchmark index over moving three to five-year periods, and should be above a median for active investment managers using similar investment philosophies over the same time periods. At their discretion, managers may hold cash and cash equivalents up to 25% of portfolio market value with the understanding that their benchmark will not be adjusted to reflect cash holdings. Managers who wish to exceed these limits should secure prior approval from the Treasurer. The Treasurer, in turn, shall seek approval from the Senior Vice Chancellor for Administration and Finance or designee.

ENDOWMENT PAYOUT POLICY

The Regents of the University of Houston System have established an endowment payout policy which attempts to balance the long-term objective of maintaining the purchasing power of the endowment with the goal of providing a reasonable, predictable, stable, and sustainable level of income to support current needs. Payout is derived from interest, dividends and realized gains, net of portfolio management fees. The historical rate of payout has been 4 to 5 percent. Going forward, the endowment will maintain a payout rate of approximately 4% to 5%, with any change to this range to be approved by the Board. The payout rate will be based as a percentage of the fiscal year end market value average over rolling twelve quarter periods. If an endowment has been in existence less than twelve quarters, the average will be based on the number of quarters in existence.

UNIVERSITY ADVANCEMENT ASSESSMENT

The System will annually assess a reasonable fee against the earnings of specified endowment funds to offset expenses associated with gift acquisition and fundraising at the System universities. The Board shall review and approve changes to the fee rate. The fee will be based as a percentage of the fiscal year end market value averaged over rolling twelve quarter periods. If an endowment has been in existence less than twelve quarters, the average will be based on the number of quarters in existence.

APPROPRIATION FOR EXPENDITURE

The endowment payout and the University Advancement Assessment fee constitute the appropriation for annual expenditure. In making a determination to appropriate or accumulate, the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors:

- a) the duration and preservation of the endowment fund;
- b) the purposes of the institution and the endowment fund;
- c) general economic conditions;
- d) the possible effect of inflation or deflation;
- e) the expected total return from income and the appreciation of investments;
- f) other resources of the institution; and
- g) the investment policy of the institution.

Generally, pursuant to the Uniform Prudent Management of Institutional Funds Act, Chapter 163, Texas Property Code, as amended, subject to the intent of a donor in a gift instrument, the Board of Regents may appropriate for expenditure or accumulate so much of the endowment as it determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established. Notwithstanding the preceding sentence, the Board of Regents may not appropriate for expenditure in any year an amount greater than nine percent (9%) of the endowment, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately

preceding the year in which the appropriation for expenditure was made, so long as the fair market value of the endowment fund is at least \$450 million, otherwise the limit on the appropriation for expenditure in any year is 7%.

EXPENDITURE FROM UNDERWATER ENDOWMENTS

The Board, in managing and investing endowment assets, shall consider the charitable purposes of the institution and the purposes of the endowment fund. Subject to the intent of a donor expressed in an endowment gift instrument, the appropriation for expenditure from an endowment that is underwater in any year shall decrease incrementally and is eventually suspended when the market value of the endowment drops to a designated percentage of the endowment’s historical dollar value. Historical dollar value (HDV) is the aggregate value of contributions made to an endowment over time without regard to increases or decreases because of investment results. The declining spending rate from endowments that are underwater, and not otherwise expressly prohibited by a donor, is as follows:

Fund Value as a Percent of HDV	Spending rate
90 – 99.9%	75% of normal spending rate
80 – 89.9%	50% of normal spending rate
<80.0%	Suspend distributions

ASSET SELECTION AND ALLOCATION

It is understood that return enhancement assets (or equities), including both public and private equities, are to be the dominant asset class in the Endowment due to the superior long-term return offered by such assets. As such, equity assets may be thought of as the drivers of long-term Endowment return.

Although the long-term return from equity assets is superior, they have three primary drawbacks that must be addressed by investing in diversifying growth and risk reduction assets. The first is that periods of prolonged economic contraction (deflation) can be catastrophic. Although such periods are rare, the results of such periods are severe enough to warrant holding a portion of the Endowment in assets that are likely to retain value or appreciate in value during such periods. The goal of such holdings would be to provide liquidity to the Endowment and a measure of protection from market drawdowns.

The second drawback to an overreliance on return enhancement assets is the effects of an unexpected rise in the rate of inflation. Such rises have traditionally been problematic for most types of equity assets, and given the System’s stated goal of preserving purchasing power by achieving an attractive inflation adjusted return, some portion of the Endowment may be invested in assets that will appreciate in value during periods of unexpected inflation.

Lastly, equity assets are subject to greater degrees of risk. Risk takes many forms and is usually thought of in terms of volatility of investment returns. Volatile investment returns translate into a level of support for the System's programs that (even with the smoothing effect of the rolling three-year average market value payout rule) is variable over time. In order to control this variability to a tolerable level, some allocation to diversified growth assets that produce attractive returns, but in a more absolute (or less variable) pattern, may be warranted. It is understood that such absolute return assets will often return less than equity assets, but should provide some degree of volatility mitigation over the course of a market cycle.

After providing for the three broad categories noted above, the remainder of the Endowment should be invested in equity assets, broadly defined and broadly diversified. Broad diversification is required not only to further smooth the pattern of returns, but to protect the endowment from the risks associated with undue concentration in any one type of equity asset. Although other forms of diversification may be considered, it is understood that the Endowment's equity assets will be diversified by style (growth versus value), geography (domestic versus foreign), and market capitalization (large-cap versus small).

Current policy targets and ranges for the Endowment can be found in Appendix A.

ALTERNATIVE INVESTMENT RISKS

For the purposes of this section, "alternative investments" refers to investments in Private Equity, Private Debt, and Private Real Assets, as well as other investment types employing leverage, short sales, or illiquidity. The investments are made in the Endowment in order to improve diversification, reduce overall volatility, and enhance return. However, the Endowment Management Committee recognizes that these investments also present additional risks beyond those posed by investments in traditional marketable securities such as stocks and bonds. Among these risks are:

1. *Liquidity Risk*: most alternative investments impose restrictions on redemptions or require multi-year locks.

This risk is mitigated by imposing restrictions on the amount of the Endowment that may be allocated to alternative investments as detailed above. In addition, the Endowment Management Committee will review at least annually the level of portfolio liquidity across all asset classes in order to ensure that there is sufficient liquidity to meet all obligations.
2. *Non-regulation risk*: Historically, alternative managers have been exempt from registration with the SEC, which has allowed them to employ strategies (such as short sales and use of leverage) forbidden by most traditional investment managers, as well as to avoid disclosing specific details of their investment practices or portfolio holdings.
 - a. With the passage of the Dodd-Frank Act of 2010, almost all alternative investment managers will be required to register with the SEC under the Investment Advisers Act of 1940. This Act will require registered managers

- to file documents with the SEC and for public record describing the nature of the business, fees charged, types of clients, and details on compliance policies. It will also provide to investors a greater level of detail into portfolio strategy and investment.
- b. Venture capital managers will, however, remain exempt from the Investment Advisers Act and will therefore remain unregistered with the SEC.
 - i. This risk will be mitigated by performing detailed due diligence on these managers and monitoring them regularly as described below, as well as by diversifying manager risk through multiple direct and fund-of-fund investments.
3. *Transparency Risk*: alternative managers are not required to disclose portfolio holding details to the same extent that traditional marketable managers are, and are often reluctant to do so in order to preserve their perceived advantage over other investors.
- a. This risk will be mitigated somewhat by the Dodd-Frank Act and the increased transparency provided by the requirement to file Form ADV with the SEC. Beyond that, however, the Endowment Management Committee, staff, and any outside advisors shall emphasize those managers who will provide at least the following level of detail into their investment portfolios:
 - i. Number of short and long positions
 - ii. The use of leverage
 - iii. Net market exposure
4. *Investment Strategy Risk*: alternatives often employ sophisticated and potentially riskier strategies, and may use leverage.
- a. This risk will be mitigated by intensive due diligence and monitoring of potential alternative managers described below. An emphasis will be placed on those managers who have extensive experience in employing these strategies, a demonstrated ability to consistently employ them effectively, and an established track record of superior performance.
5. *Foreign Currency Risk*: changes in exchange rates could adversely affect fair value of the Endowment Fund.
- a. The Endowment Management Committee recognizes that exposure to foreign currency acts as a hedge against a declining or collapsing dollar. In this way, such investments help to reduce risk in the portfolio. However, the Committee will review the level of exposure to foreign currencies periodically in order to ensure that there are no unintended risks in the portfolio.

The following principles shall guide the selection of alternative investment managers:

- Diversify across managers to mitigate systematic and organizational risk, but avoid over-diversification.
- Diversify by strategy and geography to decrease correlations within the program.
- Emphasize qualitative evaluation of managers, as a manager's quantitative characteristics may change over time and in different market conditions.
- Discourage the use of significant leverage, and emphasize managers with a

- demonstrated skill in generating returns on assets as opposed to returns on equity.
- Avoid strategies that are trading oriented, highly complex, or quantitatively driven.

In addition, the investment manager due diligence process shall include the following functions, to be performed by some combination of outside consultants/advisors and internal staff:

- Background checks
 - o Reference checks
 - o News searches
 - o Industry consultation
- Review of vendor relationships
 - o Prime brokers
 - o Auditors
 - o Fund administrators
 - o Legal counsel
- Operational review
 - o On site visits
 - o Procedural
 - o Organizational

Monitoring of the overall program-level and manager-level exposures and investment results shall be administered in accordance with the following schedule by some combination of outside consultants/advisors and internal staff:

Monthly (For Long/Short Equity and Absolute Return Managers)

- Reports of performance and asset allocation.
- Proactive contact with investment managers whose performance falls outside of the expected range.

Quarterly or Semi-Annually

- Calls with investment managers.
- For long/short equity and absolute return managers, detailed performance reports and analysis providing information such as top long positions, net and gross exposures, exposure by strategy and geography, and organizational changes.

Annually

- Diligence meetings with managers and attendance at annual meetings.

The Endowment Management Committee reviews and recommends to the Board the asset allocation long-term targets and ranges provided in Appendix A, and the actual allocation of assets will be adjusted through additions and withdrawals of funds among managers and investment media to conform to these targets insofar as practical.

REBALANCING

The Committee recognizes the importance of periodically rebalancing the Endowment's asset allocation, namely to ensure that variation in returns among assets do not create outsized deviations from target allocations that cause Endowment performance to diverge

from expected policy performance. To the extent possible, and in order to control transaction costs, the Endowment will utilize naturally occurring cash movement opportunities to rebalance the Endowment portfolio. Such naturally occurring opportunities include:

- The sourcing of cash for spending needs (withdrawals)
- The infusion of cash (contributions) into the existing portfolio
- Manager changes (partial or complete subscriptions or redemptions)
- Other cash transactions (i.e., dividends, interest income, return on capital, etc.)

In recognition that market action may force portfolio allocations outside of their allowable ranges in between Endowment Management Committee meetings, authority is delegated to the Treasurer to rebalance the portfolio in order to bring it back into compliance with the Investment Policy. More generally, the Treasurer, in conjunction with the investment consultant, will closely monitor asset allocation, and will periodically rebalance the portfolio, within allowable ranges, in light of major market movements or material changes in relative asset class valuations, in an effort to control risk and enhance long-term return. Further, with the assistance of the investment consultant, the Treasurer may rebalance up to 2.0% of the Endowment Fund's market value intra-meeting to raise cash for meeting capital calls as well as to invest any cash inflows into the Endowment based on portfolio targets. Any rebalancing must occur across previously approved managers already held within the portfolio.

Any rebalancing actions taken by the Treasurer and investment consultant shall be communicated to the Chair of the Endowment Management Committee and to the Committee by the Senior Vice Chancellor for Administration and Finance or designee in a timely manner, but in any case no later than the next Committee meeting.

The objective of this rebalancing policy is to improve the compound return of the portfolio and to ensure that it is invested in accordance with long-term asset allocation targets. It is not the intention of this policy to force the System to take any action that may endanger the safety or impair the long-term return of the portfolio simply in order to remain in compliance with allowable ranges.

A clear illustration of such a scenario might be a market correction that reduces the value of the portfolio's marketable assets to an extent that forces the private investment allocation (the valuations of which lag those of marketable securities) beyond the allowable limits prescribed above. In order to stay in compliance in such a scenario, the System may be forced to sell interests in its private investment portfolio on the secondary market at a loss, impairing the overall Endowment's ability to recover from a correction of that magnitude.

Therefore, in the event of market action that forces any allocation outside its allowable ranges, the chair of the Endowment Management Committee, in conjunction with the Board chair, with the advice of staff and investment consultant, may temporarily waive the allocation limits imposed above if it is determined that remaining in compliance may cause harm to the long-term return potential of the endowment.

INVESTMENT MANAGEMENT

The endowment of the System will be managed primarily by external investment management organizations. Investment managers have discretion to manage the assets in each portfolio to best achieve the investment objectives, within the policies and requirements set forth in this statement, the investment manager agreement with the System including the guidelines for each investment manager, and subject to the usual standards of fiduciary prudence.

Each active investment manager with whom the System has a separate account will be provided with written statements of investment objectives and guidelines as part of the investment management contract that will govern his or her portfolio. These objectives shall describe the role the investment manager is expected to play within the manager structure, the objectives and comparative benchmarks that will be used to evaluate performance, and the allowable securities that can be used to achieve these objectives. Each manager will report performance quarterly, and if applicable monthly, consistent with these objectives. These statements will be consistent with the Statement of Investment Objectives and Policies for the overall endowment as set forth herein. Investment managers will be provided with a copy of the Statement of Investment Objectives and Policies.

Additionally, each manager will be expected to use best efforts to realize the best execution price when trading securities, and the settlement of all transactions (except investment pool funds and mutual funds) shall be done on a delivery versus payment basis.

SECURITIES LENDING

Securities owned by the endowment but held in custody by the endowment custodian may be lent to other parties through a contract between the System and the custodian pursuant to a written agreement approved by the Board of Regents. Managers may not enter into securities lending agreements without the consent of the Board of Regents. The System recognizes, however, that, for those investments placed in commingled vehicles, the Board cannot dictate whether or not the manager will engage in securities lending. Therefore, System and its investment consultant shall make every effort to limit investment to those managers who will not engage in securities lending. The limited partnerships of marketable and non- marketable alternative investments are excluded from this limitation.

PROXY VOTING

The System has delegated proxy voting responsibility for separately managed accounts to its investment managers. Such separate account managers are to vote proxies in such a way as to maximize the value of related shares and in a manner consistent with the best interests of the System. It is noted in the case of commingled vehicles, voting rights on underlying company shares do not flow through to the System.

ADVISORY COMMITTEES

The Endowment Management Committee may establish advisory groups to provide general

investment advice, as well as advice on special investments, to the Endowment Management Committee and the staff of the Senior Vice Chancellor for Administration and Finance.

DISCLOSURE AND CONFLICTS OF INTEREST

Investment managers, advisors, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the System. Investment managers and advisors must, on an annual basis, ensure that such disclosures are prominently set forth, are delivered in plain language, and communicate the relevant information using the Texas State Auditor's Uniform Disclosure Form. Furthermore, investment managers, advisors, and potential managers are investing public funds and are subject to the Texas Open Records Act.

REVIEW PROCEDURES

A. Performance Measurement

The Endowment Management Committee will review quarterly the performance of the endowment and each investment manager's portfolio relative to the objectives and guidelines described herein. The investment performance review will include comparisons with unmanaged market indices. A time-weighted return formula (that minimizes the effect of contributions and withdrawals) will be utilized for the overall endowment, although it is understood that individual managers may be evaluated using a dollar-weighted methodology, where appropriate.

B. Review and Modification of Policy

The Endowment Management Committee shall review this Policy at least once a year to determine if modifications are necessary or desirable. If substantive modifications are made, they shall be promptly communicated to responsible parties.

APPENDIX A

Current Policy Targets, Ranges, and Benchmarks

Asset Class	LT Target	Range	Benchmark
Public Equities	45%	38% to 60%	MSCI ACWI
<i>U.S. Equity</i>	22%	15% to 30%	Russell 3000
<i>Non-U.S. Developed Markets Equity</i>	10%	5% to 15%	MSCI EAFE
<i>Emerging Markets Equity</i>	3%	0% to 7%	MSCI Emerging Markets
<i>Global Equity</i>	10%	0% to 20 5%	MSCI ACWI
Private Markets	39%	25% to 45%	
<i>Private Equity</i> ¹	30%	20% to 40%	C A Global All PE (Qtr Lag)
<i>Private Debt</i>	3%	0% to 6%	C A Global Credit (Qtr Lag)
<i>Private Real Assets</i> ²	6%	3% to 9%	C A Global Real Assets w/ RE (Qtr Lag)
Diversifying Growth Assets	6%	0% to 10%	
Hedge Funds ³	6%	0% to 10%	HFRI Fund of Funds Composite
Risk Reduction Assets	10%	5% to 15%	
<i>Bonds and Cash</i>	10%	5%-15%	Dynamic Bonds and Cash Benchmark (Bloomberg Barclays Intermediate Aggregate Index and BofA ML 91 Day Treasury Bills)

¹ Private Equity: Managers to be considered for inclusion in this category include private equity and other related partnership funds with similar return objectives subject to multi-year lock-ups. Unfunded commitments plus NAV of Private Equity investments should not exceed 45% of the Endowment. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

Unfunded commitments plus NAV of all Private Investments (Private Equity, Private Debt, and Private Real Assets) should not exceed 55% of the Endowment total market value as of the period measured. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

² Private Real Assets: Assets included in this category may include private real estate, Energy, Infrastructure, Natural Resources, and Commodities. Unfunded commitments plus NAV of Private Real Assets investments should not exceed 18% of the Endowment total market value as of the period measured. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

³ Hedge Funds: Assets to be considered for inclusion in this category would primarily include Equity-Oriented Long-Short Hedge Funds, Defensive Arbitrage, Global Macro, and Multi-Strategy Hedge Funds. Other more liquid diversifying funds may also be included. Credit strategies may also be held in some circumstances as absolute return vehicles, and in some circumstances a particular real estate manager may be viewed to qualify as such a holding as well.

UNIVERSITY OF HOUSTON SYSTEM ENDOWMENT FUND
STATEMENT OF INVESTMENT OBJECTIVES AND POLICIES
Approved by the Board of Regents

February 19, 2025

PREFACE

The University of Houston System Board of Regents is charged with the fiduciary responsibility for preserving and augmenting the value of the endowment, thereby sustaining its ability to generate support for both current and future generations of students. As part of a commitment to long-range financial equilibrium, the Regents have adopted the broad objective of investing endowment assets so as to preserve both their real value and the long-range purchasing power of endowment income so as to keep pace with inflation and evolving university needs, while generally performing above the average of the markets in which the assets are invested. Pursuant to Board Bylaw, the Endowment Management Committee has been established as a standing committee to assist the Board in fulfilling its fiduciary responsibilities.

To achieve its investment objectives the University of Houston System retains independent investment managers each of whom plays a part in meeting the System's goals over a variety of capital market cycles. The Endowment Management Committee shall:

- a) Review and recommend to the Board changes to investment policies;
- b) Review and recommend to the Board the university advancement assessment rate;
- c) Review and recommend to the Board asset allocation long-term targets and ranges;
- d) Review and recommend to the Board external investment consultants;
- e) Monitor, evaluate, hire or terminate external investment managers;
- f) Establish investment manager guidelines;
- g) Monitor the actual allocation of assets through additions and withdrawals of funds among managers and investment media to conform to the long-term targets insofar as practical; and
- h) Oversee the results of the independent managers and report periodically to the Board and the university community.

FORWARD

This policy is intended to be ongoing until the next review is completed. Comprehensive reviews are to be completed every five years.

In addition to complying with the duty of loyalty imposed by Texas state law, each person responsible for making or retaining each and all investments and in acquiring, investing, reinvesting, exchanging, retaining, selling, supervising and managing System funds shall do so in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. It is the general practice of the University of Houston System to pool endowment resources. For investment purposes however, the assets are

managed in separate endowment fund accounts. The following statement sets out explicit policies for the pooled endowment but would apply to non-pooled holdings as well. The Regents seek superior investment returns through professional management without assuming imprudent risks. In managing and investing the System's endowment assets, the following factors, if relevant, must be considered:

- a) general economic/capital market conditions;
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Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the System endowment's portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably aligned with the endowment fund's stated goals and objectives.

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INVESTMENT OBJECTIVES

In order to meet the financial objective stated above, the primary long-term investment objective of the endowment is to earn a total rate of return that exceeds the spending rate plus university advancement assessment fee, if any, plus the costs of managing the investment fund, and expressed in real (or inflation-adjusted) terms. Given the long-term System spending rate of 5.0% (which includes 4% payout and 1.0% university advancement assessment effective FY2024), the objective of this fund will be to earn a real (inflation adjusted) return of at least 5% when measured over rolling periods of at least five years. It is

also understood that due to market conditions there may be five-year periods where this objective is exceeded and purchasing power is enhanced, as well as five-year periods where the objective is not met and purchasing power is diminished. The medium-term objective for the endowment is to outperform each of the capital markets in which assets are invested, measured over rolling periods of three to five years or complete market cycles, with emphasis on whichever measure is longer. In addition, the performance of the overall endowment is expected to be consistently in at least the second quartile of the university's peer group, as measured by the NACUBO Study of Endowments over rolling five-year time periods, as well as comparison annually to a peer group provided by an outside investment advisor. Thus, the Endowment Management Committee is responsible for allocating assets to segments of the market and to managers who will provide superior performance when compared with both the median performance of other educational endowments and with capital markets generally.

Finally, the total return of the University's investment portfolio should be evaluated against the return of a composite index consisting of appropriate benchmarks weighted according to the Endowment Management Committee's asset allocation targets.

INVESTMENT MANAGERS

In accordance with Board policy, hiring of investment consultants requires approval of the Board. Hiring of investment managers requires Endowment Management Committee approval except, when on the recommendation of the committee staff and the investment consultant, the chair of the Endowment Management Committee and the chair of the Finance, Facilities, and Administration Committee jointly determine that time is of the essence and immediate action in lieu of a called committee meeting is necessary to hire or terminate an investment manager, the recommended change can then be made. The chair of the Endowment Management Committee will have the staff immediately report any such action taken to the members of the Endowment Management Committee and the Chairman of the Board of Regents after such action is taken.

Managers of marketable securities are expected to produce a cumulative annualized total return net of fees and commissions that exceeds an appropriate benchmark index over moving three to five-year periods, and should be above a median for active investment managers using similar investment philosophies over the same time periods. At their discretion, managers may hold cash and cash equivalents up to 25% of portfolio market value with the understanding that their benchmark will not be adjusted to reflect cash holdings. Managers who wish to exceed these limits should secure prior approval from the Treasurer. The Treasurer, in turn, shall seek approval from the Senior Vice Chancellor for Administration and Finance or designee.

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The Regents of the University of Houston System have established an endowment payout policy which attempts to balance the long-term objective of maintaining the purchasing power of the endowment with the goal of providing a reasonable, predictable, stable, and sustainable level of income to support current needs. Payout is derived from interest, dividends and realized gains, net of portfolio management fees. The historical rate of payout has been 4 to 5 percent. Going forward, the endowment will maintain a payout rate of approximately 4% to 5%, with any change to this range to be approved by the Board. The payout rate will be based as a percentage of the fiscal year end market value average over rolling twelve quarter periods. If an endowment has been in existence less than twelve quarters, the average will be based on the number of quarters in existence.

UNIVERSITY ADVANCEMENT ASSESSMENT

The System will annually assess a reasonable fee against the earnings of specified endowment funds to offset expenses associated with gift acquisition and fundraising at the System universities. The Board shall review and approve changes to the fee rate. The fee will be based as a percentage of the fiscal year end market value averaged over rolling twelve quarter periods. If an endowment has been in existence less than twelve quarters, the average will be based on the number of quarters in existence.

APPROPRIATION FOR EXPENDITURE

The endowment payout and the University Advancement Assessment fee constitute the appropriation for annual expenditure. In making a determination to appropriate or accumulate, the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors:

- a) the duration and preservation of the endowment fund;
- b) the purposes of the institution and the endowment fund;
- c) general economic conditions;
- d) the possible effect of inflation or deflation;
- e) the expected total return from income and the appreciation of investments;
- f) other resources of the institution; and
- g) the investment policy of the institution.

Generally, pursuant to the Uniform Prudent Management of Institutional Funds Act, Chapter 163, Texas Property Code, as amended, subject to the intent of a donor in a gift instrument, the Board of Regents may appropriate for expenditure or accumulate so much of the endowment as it determines is prudent for the uses, benefits, purposes, and duration for which the endowment is established. Notwithstanding the preceding sentence, the Board of Regents may not appropriate for expenditure in any year an amount greater than nine percent (9%) of the endowment, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately

preceding the year in which the appropriation for expenditure was made, so long as the fair market value of the endowment fund is at least \$450 million, otherwise the limit on the appropriation for expenditure in any year is 7%.

EXPENDITURE FROM UNDERWATER ENDOWMENTS

The Board, in managing and investing endowment assets, shall consider the charitable purposes of the institution and the purposes of the endowment fund. Subject to the intent of a donor expressed in an endowment gift instrument, the appropriation for expenditure from an endowment that is underwater in any year shall decrease incrementally and is eventually suspended when the market value of the endowment drops to a designated percentage of the endowment’s historical dollar value. Historical dollar value (HDV) is the aggregate value of contributions made to an endowment over time without regard to increases or decreases because of investment results. The declining spending rate from endowments that are underwater, and not otherwise expressly prohibited by a donor, is as follows:

Fund Value as a Percent of HDV	Spending rate
90 – 99.9%	75% of normal spending rate
80 – 89.9%	50% of normal spending rate
<80.0%	Suspend distributions

ASSET SELECTION AND ALLOCATION

It is understood that return enhancement assets (or equities), including both public and private equities, are to be the dominant asset class in the Endowment due to the superior long-term return offered by such assets. As such, equity assets may be thought of as the drivers of long-term Endowment return.

Although the long-term return from equity assets is superior, they have three primary drawbacks that must be addressed by investing in diversifying growth and risk reduction assets. The first is that periods of prolonged economic contraction (deflation) can be catastrophic. Although such periods are rare, the results of such periods are severe enough to warrant holding a portion of the Endowment in assets that are likely to retain value or appreciate in value during such periods. The goal of such holdings would be to provide liquidity to the Endowment and a measure of protection from market drawdowns.

The second drawback to an overreliance on return enhancement assets is the effects of an unexpected rise in the rate of inflation. Such rises have traditionally been problematic for most types of equity assets, and given the System’s stated goal of preserving purchasing power by achieving an attractive inflation adjusted return, some portion of the Endowment may be invested in assets that will appreciate in value during periods of unexpected inflation.

Lastly, equity assets are subject to greater degrees of risk. Risk takes many forms and is usually thought of in terms of volatility of investment returns. Volatile investment returns translate into a level of support for the System's programs that (even with the smoothing effect of the rolling three-year average market value payout rule) is variable over time. In order to control this variability to a tolerable level, some allocation to diversified growth assets that produce attractive returns, but in a more absolute (or less variable) pattern, may be warranted. It is understood that such absolute return assets will often return less than equity assets, but should provide some degree of volatility mitigation over the course of a market cycle.

After providing for the three broad categories noted above, the remainder of the Endowment should be invested in equity assets, broadly defined and broadly diversified. Broad diversification is required not only to further smooth the pattern of returns, but to protect the endowment from the risks associated with undue concentration in any one type of equity asset. Although other forms of diversification may be considered, it is understood that the Endowment's equity assets will be diversified by style (growth versus value), geography (domestic versus foreign), and market capitalization (large-cap versus small).

Current policy targets and ranges for the Endowment can be found in Appendix A.

ALTERNATIVE INVESTMENT RISKS

For the purposes of this section, "alternative investments" refers to investments in Private Equity, Private Debt, and Private Real Assets, as well as other investment types employing leverage, short sales, or illiquidity. The investments are made in the Endowment in order to improve diversification, reduce overall volatility, and enhance return. However, the Endowment Management Committee recognizes that these investments also present additional risks beyond those posed by investments in traditional marketable securities such as stocks and bonds. Among these risks are:

1. *Liquidity Risk*: most alternative investments impose restrictions on redemptions or require multi-year locks.

This risk is mitigated by imposing restrictions on the amount of the Endowment that may be allocated to alternative investments as detailed above. In addition, the Endowment Management Committee will review at least annually the level of portfolio liquidity across all asset classes in order to ensure that there is sufficient liquidity to meet all obligations.

2. *Non-regulation risk*: Historically, alternative managers have been exempt from registration with the SEC, which has allowed them to employ strategies (such as short sales and use of leverage) forbidden by most traditional investment managers, as well as to avoid disclosing specific details of their investment practices or portfolio holdings.

- a. With the passage of the Dodd-Frank Act of 2010, almost all alternative investment managers will be required to register with the SEC under the Investment Advisers Act of 1940. This Act will require registered managers

- to file documents with the SEC and for public record describing the nature of the business, fees charged, types of clients, and details on compliance policies. It will also provide to investors a greater level of detail into portfolio strategy and investment.
- b. Venture capital managers will, however, remain exempt from the Investment Advisers Act and will therefore remain unregistered with the SEC.
 - i. This risk will be mitigated by performing detailed due diligence on these managers and monitoring them regularly as described below, as well as by diversifying manager risk through multiple direct and fund-of-fund investments.
3. *Transparency Risk*: alternative managers are not required to disclose portfolio holding details to the same extent that traditional marketable managers are, and are often reluctant to do so in order to preserve their perceived advantage over other investors.
- a. This risk will be mitigated somewhat by the Dodd-Frank Act and the increased transparency provided by the requirement to file Form ADV with the SEC. Beyond that, however, the Endowment Management Committee, staff, and any outside advisors shall emphasize those managers who will provide at least the following level of detail into their investment portfolios:
 - i. Number of short and long positions
 - ii. The use of leverage
 - iii. Net market exposure
4. *Investment Strategy Risk*: alternatives often employ sophisticated and potentially riskier strategies, and may use leverage.
- a. This risk will be mitigated by intensive due diligence and monitoring of potential alternative managers described below. An emphasis will be placed on those managers who have extensive experience in employing these strategies, a demonstrated ability to consistently employ them effectively, and an established track record of superior performance.
5. *Foreign Currency Risk*: changes in exchange rates could adversely affect fair value of the Endowment Fund.
- a. The Endowment Management Committee recognizes that exposure to foreign currency acts as a hedge against a declining or collapsing dollar. In this way, such investments help to reduce risk in the portfolio. However, the Committee will review the level of exposure to foreign currencies periodically in order to ensure that there are no unintended risks in the portfolio.

The following principles shall guide the selection of alternative investment managers:

- Diversify across managers to mitigate systematic and organizational risk, but avoid over-diversification.
- Diversify by strategy and geography to decrease correlations within the program.
- Emphasize qualitative evaluation of managers, as a manager's quantitative characteristics may change over time and in different market conditions.
- Discourage the use of significant leverage, and emphasize managers with a

- demonstrated skill in generating returns on assets as opposed to returns on equity.
- Avoid strategies that are trading oriented, highly complex, or quantitatively driven.

In addition, the investment manager due diligence process shall include the following functions, to be performed by some combination of outside consultants/advisors and internal staff:

- Background checks
 - o Reference checks
 - o News searches
 - o Industry consultation
- Review of vendor relationships
 - o Prime brokers
 - o Auditors
 - o Fund administrators
 - o Legal counsel
- Operational review
 - o On site visits
 - o Procedural
 - o Organizational

Monitoring of the overall program-level and manager-level exposures and investment results shall be administered in accordance with the following schedule by some combination of outside consultants/advisors and internal staff:

Monthly (For Long/Short Equity and Absolute Return Managers)

- Reports of performance and asset allocation.
- Proactive contact with investment managers whose performance falls outside of the expected range.

Quarterly or Semi-Annually

- Calls with investment managers.
- For long/short equity and absolute return managers, detailed performance reports and analysis providing information such as top long positions, net and gross exposures, exposure by strategy and geography, and organizational changes.

Annually

- Diligence meetings with managers and attendance at annual meetings.

The Endowment Management Committee reviews and recommends to the Board the asset allocation long-term targets and ranges provided in Appendix A, and the actual allocation of assets will be adjusted through additions and withdrawals of funds among managers and investment media to conform to these targets insofar as practical.

REBALANCING

The Committee recognizes the importance of periodically rebalancing the Endowment's asset allocation, namely to ensure that variation in returns among assets do not create outsized deviations from target allocations that cause Endowment performance to diverge

from expected policy performance. To the extent possible, and in order to control transaction costs, the Endowment will utilize naturally occurring cash movement opportunities to rebalance the Endowment portfolio. Such naturally occurring opportunities include:

- The sourcing of cash for spending needs (withdrawals)
- The infusion of cash (contributions) into the existing portfolio
- Manager changes (partial or complete subscriptions or redemptions)
- Other cash transactions (i.e., dividends, interest income, return on capital, etc.)

In recognition that market action may force portfolio allocations outside of their allowable ranges in between Endowment Management Committee meetings, authority is delegated to the Treasurer to rebalance the portfolio in order to bring it back into compliance with the Investment Policy. More generally, the Treasurer, in conjunction with the investment consultant, will closely monitor asset allocation, and will periodically rebalance the portfolio, within allowable ranges, in light of major market movements or material changes in relative asset class valuations, in an effort to control risk and enhance long-term return. Further, with the assistance of the investment consultant, the Treasurer may rebalance up to 2.0% of the Endowment Fund's market value intra-meeting to raise cash for meeting capital calls as well as to invest any cash inflows into the Endowment based on portfolio targets. Any rebalancing must occur across previously approved managers already held within the portfolio.

Any rebalancing actions taken by the Treasurer and investment consultant shall be communicated to the Chair of the Endowment Management Committee and to the Committee by the Senior Vice Chancellor for Administration and Finance or designee in a timely manner, but in any case no later than the next Committee meeting.

The objective of this rebalancing policy is to improve the compound return of the portfolio and to ensure that it is invested in accordance with long-term asset allocation targets. It is not the intention of this policy to force the System to take any action that may endanger the safety or impair the long-term return of the portfolio simply in order to remain in compliance with allowable ranges.

A clear illustration of such a scenario might be a market correction that reduces the value of the portfolio's marketable assets to an extent that forces the private investment allocation (the valuations of which lag those of marketable securities) beyond the allowable limits prescribed above. In order to stay in compliance in such a scenario, the System may be forced to sell interests in its private investment portfolio on the secondary market at a loss, impairing the overall Endowment's ability to recover from a correction of that magnitude.

Therefore, in the event of market action that forces any allocation outside its allowable ranges, the chair of the Endowment Management Committee, in conjunction with the Board chair, with the advice of staff and investment consultant, may temporarily waive the allocation limits imposed above if it is determined that remaining in compliance may cause harm to the long-term return potential of the endowment.

INVESTMENT MANAGEMENT

The endowment of the System will be managed primarily by external investment management organizations. Investment managers have discretion to manage the assets in each portfolio to best achieve the investment objectives, within the policies and requirements set forth in this statement, the investment manager agreement with the System including the guidelines for each investment manager, and subject to the usual standards of fiduciary prudence.

Each active investment manager with whom the System has a separate account will be provided with written statements of investment objectives and guidelines as part of the investment management contract that will govern his or her portfolio. These objectives shall describe the role the investment manager is expected to play within the manager structure, the objectives and comparative benchmarks that will be used to evaluate performance, and the allowable securities that can be used to achieve these objectives. Each manager will report performance quarterly, and if applicable monthly, consistent with these objectives. These statements will be consistent with the Statement of Investment Objectives and Policies for the overall endowment as set forth herein. Investment managers will be provided with a copy of the Statement of Investment Objectives and Policies.

Additionally, each manager will be expected to use best efforts to realize the best execution price when trading securities, and the settlement of all transactions (except investment pool funds and mutual funds) shall be done on a delivery versus payment basis.

SECURITIES LENDING

Securities owned by the endowment but held in custody by the endowment custodian may be lent to other parties through a contract between the System and the custodian pursuant to a written agreement approved by the Board of Regents. Managers may not enter into securities lending agreements without the consent of the Board of Regents. The System recognizes, however, that, for those investments placed in commingled vehicles, the Board cannot dictate whether or not the manager will engage in securities lending. Therefore, System and its investment consultant shall make every effort to limit investment to those managers who will not engage in securities lending. The limited partnerships of marketable and non- marketable alternative investments are excluded from this limitation.

PROXY VOTING

The System has delegated proxy voting responsibility for separately managed accounts to its investment managers. Such separate account managers are to vote proxies in such a way as to maximize the value of related shares and in a manner consistent with the best interests of the System. It is noted in the case of commingled vehicles, voting rights on underlying company shares do not flow through to the System.

ADVISORY COMMITTEES

The Endowment Management Committee may establish advisory groups to provide general

investment advice, as well as advice on special investments, to the Endowment Management Committee and the staff of the Senior Vice Chancellor for Administration and Finance.

DISCLOSURE AND CONFLICTS OF INTEREST

Investment managers, advisors, and potential managers must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with their respective duties to the System. Investment managers and advisors must, on an annual basis, ensure that such disclosures are prominently set forth, are delivered in plain language, and communicate the relevant information using the Texas State Auditor's Uniform Disclosure Form. Furthermore, investment managers, advisors, and potential managers are investing public funds and are subject to the Texas Open Records Act.

REVIEW PROCEDURES

A. Performance Measurement

The Endowment Management Committee will review quarterly the performance of the endowment and each investment manager's portfolio relative to the objectives and guidelines described herein. The investment performance review will include comparisons with unmanaged market indices. A time-weighted return formula (that minimizes the effect of contributions and withdrawals) will be utilized for the overall endowment, although it is understood that individual managers may be evaluated using a dollar-weighted methodology, where appropriate.

B. Review and Modification of Policy

The Endowment Management Committee shall review this Policy at least once a year to determine if modifications are necessary or desirable. If substantive modifications are made, they shall be promptly communicated to responsible parties.

APPENDIX A

Current Policy Targets, Ranges, and Benchmarks

Asset Class	LT Target	Range	Benchmark
Public Equities	45%	38% to 60%	MSCI ACWI
<i>U.S. Equity</i>	22%	<i>15% to 30%</i>	Russell 3000
<i>Non-U.S. Developed Markets Equity</i>	10%	<i>5% to 15%</i>	MSCI EAFE
<i>Emerging Markets Equity</i>	3%	<i>0% to 7%</i>	MSCI Emerging Markets
<i>Global Equity</i>	10%	<i>0% to 20%</i>	MSCI ACWI
Private Markets	39%	25% to 45%	
<i>Private Equity</i> ¹	30%	<i>20% to 40%</i>	C A Global All PE (Qtr Lag)
<i>Private Debt</i>	3%	<i>0% to 6%</i>	C A Global Credit (Qtr Lag)
<i>Private Real Assets</i> ²	6%	<i>3% to 9%</i>	C A Global Real Assets w/ RE (Qtr Lag)
Diversifying Growth Assets	6%	0% to 10%	
Hedge Funds ³	6%	0% to 10%	HFRI Fund of Funds Composite
Risk Reduction Assets	10%	5% to 15%	
<i>Bonds and Cash</i>	10%	<i>5%-15%</i>	Dynamic Bonds and Cash Benchmark (Bloomberg Barclays Intermediate Aggregate Index and BofA ML 91 Day Treasury Bills)

¹ Private Equity: Managers to be considered for inclusion in this category include private equity and other related partnership funds with similar return objectives subject to multi-year lock-ups. Unfunded commitments plus NAV of Private Equity investments should not exceed 45% of the Endowment. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

Unfunded commitments plus NAV of all Private Investments (Private Equity, Private Debt, and Private Real Assets) should not exceed 55% of the Endowment total market value as of the period measured. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

² Private Real Assets: Assets included in this category may include private real estate, Energy, Infrastructure, Natural Resources, and Commodities. Unfunded commitments plus NAV of Private Real Assets investments should not exceed 18% of the Endowment total market value as of the period measured. If this limit is reached, it will be evaluated by the Board to determine if the limit remains appropriate.

³ Hedge Funds: Assets to be considered for inclusion in this category would primarily include Equity-Oriented Long-Short Hedge Funds, Defensive Arbitrage, Global Macro, and Multi-Strategy Hedge Funds. Other more liquid diversifying funds may also be included. Credit strategies may also be held in some circumstances as absolute return vehicles, and in some circumstances a particular real estate manager may be viewed to qualify as such a holding as well.

**UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA**

COMMITTEE: Endowment Management Committee

ITEM: Approval is requested to rebalance the University of Houston System Non-Endowed Fund and to make changes to the University of Houston System Investment Policy for Non-Endowed Funds

DATE PREVIOUSLY SUBMITTED: N/A

SUMMARY:

NEPC will discuss with the Committee their recommendation to rebalance the University of Houston System Non-Endowed Fund to align with proposed policy targets.

Mr. Raymond Bartlett will discuss with the Committee recommended changes to the University of Houston System Investment Policy for Non-Endowed Funds as indicated in the redlined version of the policy provided as supporting documentation to this item.

SUPPORTING

DOCUMENTATION: NEPC discussion materials report
UH System Investment Policy for Non-Endowed Funds – redlined copy

FISCAL NOTE:

Sources: \$211M Cash Pool
Uses: \$147M Liquidity Pool, \$64M Core Pool Quasi Endowment

**RECOMMENDATION/
ACTION REQUESTED:**

Administration recommends approval of this item

COMPONENT:

University of Houston System



SENIOR VICE CHANCELLOR

Raymond S. Bartlett

2/10/25

DATE



CHANCELLOR

Renu Khator

2/14/25

DATE

UNIVERSITY OF HOUSTON SYSTEM INVESTMENT
POLICY FOR NON-ENDOWED FUNDS

Approved by the Board of
Regents February 19,
2025~~21~~, 2024

I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

A. General Statement

All non-endowed financial assets of the University of Houston System are to be invested in a manner that will primarily emphasize safety of principal and liquidity and secondarily provide the an highest investment return with the maximum security while meeting the daily cash flow demands of the System and conforming to all consistent with applicable state statutes law governing regarding investment of such funds. This investment policy applies to all non-endowed financial assets ~~of all funds~~ of the UH System ~~at the present time and any funds to be created in the future.~~

B. Investment Officer

The ~~System~~ Treasurer may invest funds that are not immediately required to pay obligations of the System. The Board shall designate by resolution one or more additional officers or employees as investment officers. The Endowment Management Committee may also hire an Investment Advisor to assist with the managing and monitoring of non-endowed assets, as well as; appoint one or more investment managers to invest the System's funds under the terms of this policy.

If an investment officer has a personal business relationship with an entity or is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the System, the investment officer must ~~file a statement disclosing that personal business interest or relationship with the Texas Ethics Commission~~ follow state law and System policies concerning ethics and conflicts of interest.

C. Quality and Capability of Investment Management

The System will provide periodic training in investments for the System Investment Officers ~~through courses and seminars offered by professional organizations and associations in order~~ to insure the quality, capability and currency of the System Investment Officers in making investment decisions.

II. INVESTMENT OBJECTIVES

There are several key objectives which govern the investment philosophy and management of the System's non-endowed funds:

A. Safety and Maintenance of Adequate Liquidity

Preservation and Safety ~~safety~~ of principal is a primary objective in any investment transaction involving non-endowed financial assets. The System's investment portfolio

must be structured in conformance with an asset/liability management plan that provides for marketability and liquidity necessary to pay obligations as they become due.

B. Diversification

The System will diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments.

C. Yield

The System seeks to earn the maximum rate of return ~~allowed~~ on its investments within constraints imposed by its safety and liquidity objectives, and state and federal law governing investment of public funds.

D. Maturity

Portfolio maturities will be structured to meet the obligations of the System first and then to achieve the highest ~~rate of return of interest~~ within constraints of this policy. When the System has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon investment strategy.

III. ASSET ALLOCATION AND IMPLEMENTATION

The non-endowed funds will be allocated into two tiers of liquidity to better reflect the actual liquidity requirements of these assets. The approved liquidity tiers and target allocation to each tier is as follows:

1. ~~50~~40% allocated to a Cash Pool with an average one-year time horizon; designed to meet the annual operating needs of the system. The benchmark for this pool will be the [BofAML Merrill Lynch 91-Day T-Bill Index](#).
2. ~~50~~60% allocated to a Liquidity Pool with an average horizon of one to five years, designed to serve as a margin of safety in the unlikely event that the cash pool is insufficient to meet spending needs. The benchmark for this pool will be the ICE BofA [1-5 Year AAA-AA US Govt Corporate and Government](#) Index.

A customized Total Portfolio Benchmark will be employed to measure the overall performance of the portfolio. This benchmark will blend the returns of the two benchmarks specified above, weighted according to the target allocation for each respective tier.

Policy targets and allowable ranges for the Non-Endowed Funds are as follows:

	Target Allocation	Allowable Range
Cash Pool	4 50%	30% to 100%
Liquidity	6 50%	0% to 70%

A. Guidelines for the Cash Pool

Safety and liquidity are the primary objectives of the Cash Pool. ~~In order to~~ To meet all cash flow requirements for the System, the Cash Pool shall be continuously invested in readily available, marketable funds ~~such as money market mutual funds, bank deposits, overnight repurchase agreements or securities with an original maturity not greater than 90 days, to ensure consistent with prudent person standards considering the objectives of the Cash Pool and guidance provided by state law.~~ that appropriate liquidity is maintained to meet the University's obligations. ~~Safety and liquidity are the primary objectives of the Cash Pool.~~ The following investments are permitted:

~~a. Commercial bank accounts (FDIC insured or in institutions with a long term rating no lower than A).~~

~~b. Money market mutual funds rated AAA and meeting diversification, quality and maturity requirements of Rule 2a-7 of the Investment Company Act of 1940, or any successor rule. Funds shall be open ended, no load funds.~~

~~c. Certificate of deposit issued in the U.S. by a U.S. financial institution rated with a short term rating no lower than A-1, F-1 or P-1.~~

~~d. U.S. Treasury securities and U.S. Federal Agency securities.~~

~~e. Repurchase and reverse repurchase agreements with a term to maturity of one day, with counterparties having a short term or counterparty rating of A-1, F-1 or P-1 provided the contract is fully secured by deliverable U.S. Treasury or federal agency obligations, having a market value at all times of at least 102 percent of the amount of the contract, with securities free and clear of any lien and held by an independent third party custodian acting solely as agent for the University, provided such third party is not the seller under the repurchase agreement. The contract will include a perfected first security interest under the Uniform Commercial Code.~~

B. Guidelines for the Liquidity Pool

The Liquidity Pool represents non-endowed funds that do not need to be readily available to meet the System's operating needs. Recognizing that this pool will not be accessed on a regular basis and instead serves as a margin of safety in the unlikely event that the cash pool is insufficient to meet spending needs, safety and return are the objectives of this pool. Funds in this pool will be invested in marketable, publicly traded fixed income securities and mutual funds with an average duration of one to five years. ~~In order to~~ To achieve the dual goal of protection of principal as well as yield, the Liquidity Pool will be invested with managers who pursue investments across government bonds and corporate credit as well as with managers who pursue absolute return oriented fixed income mandates. ~~In order to~~ To appropriately manage risk and return, the following guidelines will be implemented for assets held in the Liquidity Pool:-

Liquidity Pool	Target Allocation	Allowable Range
Short-Duration Government Credit	50%	40-100%
Short-Duration Credit	20%	0-30%
Core Fixed Income Plus	15%	0-25%
Absolute Return	15%	0-25%

C. Guidelines for Investment Managers

Hiring of investment managers requires Endowment Management Committee approval except, when on the recommendation of the committee staff and the investment consultant, the chair of the Endowment Management Committee and the chair of the Finance, Facilities, and Administration Committee jointly determine that time is of the essence and immediate action in lieu of a called committee meeting is necessary to hire or terminate an investment manager, the recommended change can then be made. The chair of the Endowment Management Committee will have the staff-Senior Vice Chancellor for Administration and Finance immediately report any such action taken to the members of the Endowment Management Committee and the Chairman of the Board of Regents after such action is taken.

Should the University engage an investment manager to manage a separately managed account for the System, detailed investment management guidelines will be agreed upon and should conform to the guidelines set forth in this document. Although the System cannot dictate investment policy to pooled funds or mutual funds, it is expected that pooled or mutual fund managers will be selected that conform to the investment guidelines found in the Guidelines for the Cash Pool and Liquidity Pool ~~will be selected~~.

D. Guidelines for Rebalancing

Given the difference in expected return among ~~these two~~ the Cash Pool and the Liquidity Pool-pools, and the regular use of funds from the ~~cash-Cash pool-Pool~~ for operational purposes, these pools may need to be rebalanced occasionally. The Endowment Management Committee should consider rebalancing a pool when it exceeds a five percent over-or-underweight relative to its allowable ranges.

Between meetings of the Committee, should the exposure for any pool reach a level of 5% or more beyond the uppermost limit or 5% below the lower end of the specified range as measured at the end of the month, the Treasurer shall consult with the System's Investment Advisor and make a recommendation to the Senior Vice Chancellor for Administration and Finance ~~or designee~~ as to the appropriate rebalancing actions to take. By mutual agreement, those parties may then proceed to take what rebalancing actions they deem to be reasonable and practical. Any rebalancing actions taken shall be communicated to the entire Committee by the Senior Vice Chancellor for Administration and Finance in a timely matter but in any case, no later than the next Committee meeting.

In addition to rebalancing between the Cash and Liquidity Pools, from time to time the ~~System-~~ Treasurer, together with the Investment Advisor, may evaluate the aggregate amount of non-endowed funds to determine if there is excess, longer-term liquidity held across the non-- endowed funds. In the

event that ~~the Treasurer determines excess such longer-term~~ liquidity exists, ~~some the~~ Treasurer shall make a recommendation to the Senior Vice Chancellor for Administration and Finance to invest a portion of non-endowed funds ~~may be invested~~ alongside the University's endowment ~~or Long-Term Investment Pool (LTIP).~~ Such funds would only be invested in the ~~LTIP endowment~~ if it is determined that such excess liquidity is not needed to meet the short term or intermediate term operating needs of the System. The Liquidity Pool may invest a range of 10% to 30% of the total Non-Endowed Funds' value in the System Endowment Fund, with a long-term target of 20%. Such investment in the ~~LTIP System Endowment Fund~~ requires approval by the Endowment Management Committee.

IV. INVESTMENT REPORTING AND PERFORMANCE EVALUATION

Not less than quarterly, the System shall provide to the Endowment Management Committee a written report of the System's investment activity for the preceding reporting period.

V. OTHER INVESTMENT GUIDELINES

A. A Standard of Care

Each person responsible for managing and investing an institutional fund shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances~~Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs,~~ not for speculation, but for investment, considering the probable safety of capital and the probable income return to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal; liquidity; and yield. In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. The investment of all funds, or funds under the System's control, over which the officer ~~had~~ has responsibility rather than a consideration as to the prudence of a single investment; and
2. Whether the investment decision was consistent with the written investment policy of the System.

B. Collateral or Insurance

The System Investment Officer shall ensure that all System funds held as bank deposits are fully collateralized or insured consistent with federal and state law. Acceptable forms of insurance or collateral, as shall be stipulated in the System's Bank Depository Contract, are as follows:

1. United States FDIC insurance coverage; or
2. Obligations of the United States or its agencies and instrumentalities.

C. Safekeeping

All purchased securities shall be held in safekeeping by the System, or a System account in a third-party financial institution, or with the Federal Reserve Bank. All pledged securities as collateral by the Depository Bank shall be held in safekeeping by the System, or a System account in a third-party financial institution, or with a Federal Reserve Bank.

D. Securities Lending

Securities owned by the System and held in custody by the System's custodian may only be lent to other parties through a contract between the System and the custodian pursuant to a written agreement approved by the Board of Regents. Neither custodians nor investment managers may enter into securities lending agreements without the consent of the Board of Regents. The System recognizes, however, that, for those investments placed in mutual funds, the Board cannot dictate whether ~~or not~~ the fund will engage in securities lending.

Therefore, the System and its Investment Advisor shall make every effort either to avoid mutual funds that participate in securities lending, or to otherwise limit investment to those managers who will not engage in securities lending.

VI. Review and Modification of Policy

The Endowment Management Committee shall review this Policy at least once a year to determine if modifications are necessary or desirable. If substantive modifications are made, they shall be promptly communicated to responsible parties.

UNIVERSITY OF HOUSTON SYSTEM INVESTMENT
POLICY FOR NON-ENDOWED FUNDS

Approved by the Board of Regents

February 19, 2025

I. INVESTMENT AUTHORITY AND SCOPE OF POLICY

A. General Statement

All non-endowed financial assets of the University of Houston System are to be invested in a manner that will primarily emphasize safety of principal and liquidity and secondarily provide an investment return consistent with applicable state law regarding investment of such funds. This investment policy applies to all non-endowed financial assets of the UH System.

B. Investment Officer

The Treasurer may invest funds that are not immediately required to pay obligations of the System. The Board shall designate by resolution one or more additional officers or employees as investment officers. The Endowment Management Committee may also hire an Investment Advisor to assist with the managing and monitoring of non-endowed assets, as well as appoint one or more investment managers to invest the System's funds under the terms of this policy.

If an investment officer has a personal business relationship with an entity or is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the System, the investment officer must follow state law and System policies concerning ethics and conflicts of interest.

C. Quality and Capability of Investment Management

The System will provide periodic training in investments for the System Investment Officers to insure the quality, capability and currency of the System Investment Officers in making investment decisions.

II. INVESTMENT OBJECTIVES

There are several key objectives which govern the investment philosophy and management of the System's non-endowed funds:

A. Safety and Maintenance of Adequate Liquidity

Preservation and safety of principal is a primary objective in any investment transaction involving non-endowed financial assets. The System's investment portfolio must be structured in conformance with an asset/liability management plan that provides for marketability and liquidity necessary to pay obligations as they become due.

B. Diversification

The System will diversify its portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of investments.

C. Yield

The System seeks to earn the maximum rate of return on its investments within constraints imposed by its safety and liquidity objectives, and state and federal law governing investment of public funds.

D. Maturity

Portfolio maturities will be structured to meet the obligations of the System first and then to achieve the highest rate of return within constraints of this policy. When the System has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based upon investment strategy.

III. ASSET ALLOCATION AND IMPLEMENTATION

The non-endowed funds will be allocated into two tiers of liquidity to better reflect the actual liquidity requirements of these assets. The approved liquidity tiers and target allocation to each tier is as follows:

1. 40% allocated to a Cash Pool with an average one-year time horizon; designed to meet the annual operating needs of the system. The benchmark for this pool will be the BofAML 91-Day T-Bill Index.
2. 60% allocated to a Liquidity Pool with an average horizon of one to five years, designed to serve as a margin of safety in the unlikely event that the cash pool is insufficient to meet spending needs. The benchmark for this pool will be the ICE BofA 1-5 Year AAA-AA US Corporate and Government Index.

A customized Total Portfolio Benchmark will be employed to measure the overall performance of the portfolio. This benchmark will blend the returns of the two benchmarks specified above, weighted according to the target allocation for each respective tier.

Policy targets and allowable ranges for the Non-Endowed Funds are as follows:

	Target Allocation	Allowable Range
Cash Pool	40%	30% to 100%
Liquidity	60%	0% to 70%

A. Guidelines for the Cash Pool

Safety and liquidity are the primary objectives of the Cash Pool. To meet all cash flow requirements for the System, the Cash Pool shall be continuously invested in readily available, marketable funds consistent with prudent person standards considering the objectives of the Cash Pool and guidance provided by state law.

B. Guidelines for the Liquidity Pool

The Liquidity Pool represents non-endowed funds that do not need to be readily available to meet the System's operating needs. Recognizing that this pool will not be accessed on a regular basis and instead serves as a margin of safety in the unlikely event that the cash pool is insufficient to meet spending needs, safety and return are the objectives of this pool. Funds in this pool will be invested in marketable, publicly traded fixed income securities and mutual funds with an average duration of one to five years. To achieve the dual goal of protection of principal as well as yield, the Liquidity Pool will be invested with managers who pursue investments across government bonds and corporate credit as well as with managers who pursue absolute return oriented fixed income mandates. To appropriately manage risk and return, the following guidelines will be implemented for assets held in the Liquidity Pool:

Liquidity Pool	Target Allocation	Allowable Range
Short-Duration Government Credit	50%	40-100%
Short-Duration Credit	20%	0-30%
Core Fixed Income Plus	15%	0-25%
Absolute Return	15%	0-25%

C. Guidelines for Investment Managers

Hiring of investment managers requires Endowment Management Committee approval except, when on the recommendation of the committee staff and the investment consultant, the chair of the Endowment Management Committee and the chair of the Finance, Facilities, and Administration Committee jointly determine that time is of the essence and immediate action in lieu of a called committee meeting is necessary to hire or terminate an investment manager, the recommended change can then be made. The chair of the Endowment Management Committee will have the Senior Vice Chancellor for Administration and Finance immediately report any such action taken to the members of the Endowment Management Committee and the Chairman of the Board of Regents after such action is taken.

Should the University engage an investment manager to manage a separately managed account for the System, detailed investment management guidelines will be agreed upon and should conform to the guidelines set forth in this document. Although the System cannot dictate investment policy to pooled funds or mutual funds, it is expected that pooled or mutual fund managers will be selected that conform to the investment guidelines found in the Guidelines for the Cash Pool and Liquidity Pool.

D. Guidelines for Rebalancing

Given the difference in expected return among the Cash Pool and the Liquidity Pool, and the regular use of funds from the Cash Pool for operational purposes, these pools may need to be rebalanced occasionally. The Endowment Management Committee should consider rebalancing a pool when it exceeds a five percent over-or-underweight relative to its allowable ranges.

Between meetings of the Committee, should the exposure for any pool reach a level of 5% or more beyond the uppermost limit or 5% below the lower end of the specified range as measured at the end of the month, the Treasurer shall consult with the System's Investment Advisor and make a recommendation to the Senior Vice Chancellor for Administration and Finance as to the appropriate rebalancing actions to take. By mutual agreement, those parties may then proceed to take what rebalancing actions they deem to be reasonable and practical. Any rebalancing actions taken shall be communicated to the entire Committee by the Senior Vice Chancellor for Administration and Finance in a timely matter but in any case, no later than the next Committee meeting.

In addition to rebalancing between the Cash and Liquidity Pools, from time to time the Treasurer, together with the Investment Advisor, may evaluate the aggregate amount of non-endowed funds to determine if there is excess, longer-term liquidity held across the non-endowed funds. In the

event that such longer-term liquidity exists, the Treasurer shall make a recommendation to the Senior Vice Chancellor for Administration and Finance to invest a portion of non-endowed funds alongside the University's endowment. Such funds would only be invested in the endowment if it is determined that such excess liquidity is not needed to meet the short term or intermediate term operating needs of the System. The Liquidity Pool may invest a range of 10% to 30% of the total Non-Endowed Funds' value in the System Endowment Fund, with a long-term target of 20%. Such investment in the System Endowment Fund requires approval by the Endowment Management Committee.

IV. INVESTMENT REPORTING AND PERFORMANCE EVALUATION

Not less than quarterly, the System shall provide to the Endowment Management Committee a written report of the System's investment activity for the preceding reporting period.

V. OTHER INVESTMENT GUIDELINES

A. A Standard of Care

Each person responsible for managing and investing an institutional fund shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances, not for speculation, but for investment, considering the probable safety of capital and the probable return to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority: preservation and safety of principal; liquidity; and yield. In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

1. The investment of all funds, or funds under the System's control, over which the officer has responsibility rather than a consideration as to the prudence of a single investment; and
2. Whether the investment decision was consistent with the written investment policy of the System.

B. Collateral or Insurance

The System Investment Officer shall ensure that all System funds held as bank deposits are fully collateralized or insured consistent with federal and state law. Acceptable forms of insurance or collateral, as shall be stipulated in the System's Bank Depository Contract, are as follows:

1. United States FDIC insurance coverage; or
2. Obligations of the United States or its agencies and instrumentalities.

C. Safekeeping

All purchased securities shall be held in safekeeping by the System, or a System account in a third-party financial institution, or with the Federal Reserve Bank. All pledged securities as collateral by the Depository Bank shall be held in safekeeping by the System, or a System account in a third-party financial institution, or with a Federal Reserve Bank.

D. Securities Lending

Securities owned by the System and held in custody by the System's custodian may only be lent to other parties through a contract between the System and the custodian pursuant to a written agreement approved by the Board of Regents. Neither custodians nor investment managers may enter into securities lending agreements without the consent of the Board of Regents. The System recognizes, however, that, for those investments placed in mutual funds, the Board cannot dictate whether the fund will engage in securities lending.

Therefore, the System and its Investment Advisor shall make every effort either to avoid mutual funds that participate in securities lending, or to otherwise limit investment to those managers who will not engage in securities lending.

VI. Review and Modification of Policy

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