Triton Endowment For Scholarships
July 1, 2017 through June 30, 2018
Invested by the UC San Diego Foundation

Fund Purpose
To award scholarships to deserving undergraduate students at the University of California San Diego. This endowment has made $49,086 available for this purpose since inception.

Financial Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value at June 30, 2017</td>
<td>$271,261</td>
</tr>
<tr>
<td>Net Gifts and Transfers</td>
<td>75,200</td>
</tr>
<tr>
<td>Realized and Unrealized Gain (Loss)</td>
<td>21,800</td>
</tr>
<tr>
<td>Payout</td>
<td>(13,519)</td>
</tr>
<tr>
<td>Market Value at June 30, 2018</td>
<td>$354,742</td>
</tr>
</tbody>
</table>

Expenditure Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available Expendable Balance at June 30, 2017</td>
<td>$17,132</td>
</tr>
<tr>
<td>Payout</td>
<td>13,519</td>
</tr>
<tr>
<td>Endowment Cost Recovery Assessment</td>
<td>(1,565)</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(10,000)</td>
</tr>
<tr>
<td>Available Expendable Balance at June 30, 2018</td>
<td>$19,086</td>
</tr>
</tbody>
</table>

Fund Holder: King Triton
Fund Number: F-1234
Division: Admissions & Enrollment Management
Department: Financial Aid and Scholarships Office

This report was produced by the UC San Diego Office of Donor and Fund Stewardship. If you have any questions or comments, please contact Stewardship at fundstewardship@ucsd.edu or (858) 534-0727.
In the pocket folder of your endowment report brochure, we’ve provided personalized information for the endowed funds that you have a vested interest in at UC San Diego.

Starting with the Fund Name and Fund Purpose, the first page is a financial information sheet that summarizes the activity and performance of the fund.

The Financial Summary section shows the beginning and ending Market Value for the fund this past fiscal year and represents the current worth of the endowment principal. The change in market value will depend on Net Gifts and Transfers which are any new additions to the fund, Realized Gains/Losses which represents market performance, less Payout which is the annual distribution from the fund.

Below the Financial Summary section is the Expenditures Summary which shows the available balance of the endowed payout. Expendable Balances are the amount available to spend from the payout at the beginning and end of the reported fiscal year. Endowment Cost Recovery is assessed for all payout distributions. Expenditures show the total actual amount spent from the endowed payout during the fiscal year.

See Glossary on the following page for detailed definitions.
### How do endowments strengthen UC San Diego?
With funds invested in perpetuity, UC San Diego’s endowment provides the university with a reliable, long-term financial resource. Growth in the size of the endowment helps to ensure our most critical programs and needs are permanently funded.

### What are the goals of the endowment?
The Board of Trustees of the UC San Diego Foundation and the Regents of the University of California seek to:
- Maximize long-term total return
- Preserve and enhance real purchasing power
- Maximize the predictability of annual payout allocations to fund beneficiaries

### Who manages UC San Diego’s endowment investments?
The Foundation’s endowment is managed by its Board of Trustees through the Investment/Finance Committee. The Foundation uses both UC pooled funds and separate investments for its endowment.

### Are there minimum gift levels to establish an endowment fund? 1
Yes, by setting minimum gift levels for the establishment of the endowment funds, the university ensures that sufficient annual payout from the endowment will be available to support the designated purpose.

### What was UC San Diego’s endowment payout policy during fiscal year 2017–18?
Both the Foundation’s and Regents’ payout rates are set annually and applied to the rolling average market values to determine the actual amount of payout. Payout rates are set giving consideration to expected long-term returns and inflation, balanced against preservation of principal. Both the Foundation’s and Regents’ policies during fiscal year 2018 were set at 4.75 percent of the 60-month average unitized market value. Per policy, a portion of the payout is taken annually (endowment cost recovery) to cover administration of endowed funds by both the Foundation and the Regents. Payout is calculated and allocated monthly for the Foundation and annually for the Regents.

### What is the university’s responsibility to the donor of an endowment?
The university has a fiduciary responsibility to ensure that an endowment gift is prudently invested and that an appropriate amount of payout from the gift will be made available now and in the future, and to comply with any donor restrictions on the use of the endowment.

### Are endowed funds subject to specific state laws?
The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was enacted and effective in California as of January 1, 2009. The UC San Diego Foundation and the UC Regents endowment investment and payout policies conform to this law.

### Endowment Payout
Payout is calculated and allocated monthly for the Foundation and annually for the Regents at a gross amount of 4.75% of the 60-month average unitized in the endowment pool. Per UC and campus policy, a .55% Endowment Cost Recovery (ECR) is included in the gross calculation. The ECR component is transferred to the campus for endowment administration. There may be timing differences between when payout is provided and when it is expended.

### How to Read Your 2018 Endowment Report
Where endowments are making a difference.

![Endowment Composition Chart](chart.png)

### Glossary

- **Market Value**
  Represents the actual worth of the endowment fund principal as of a specified date. The financial summary on the report reflects the change in the fund market values from the beginning to the end of the fiscal year.

- **Realized and Unrealized Gain (Loss)**
  Represents the difference between beginning and ending market values of the principal after accounting for gifts received, payout, and other transfers. It reflects market performance during the fiscal year.

- **Net Gifts and Transfers**
  (including reinvestment of payout)
  The sum of all gifts received into the fund during the fiscal year (July 1 to June 30) including any transfers of gifts from other funds and/or reinvestment of payout to principal. Timing differences between when charitable contributions are recorded by the campus and when they are actually credited to the specific endowed fund may impact the amount shown.

- **Payout**
  Payout is calculated and allocated monthly for the Foundation and annually for the Regents at a gross amount of 4.75% of the 60-month average unitized in the endowment pool. Per UC and campus policy, a .55% Endowment Cost Recovery (ECR) is included in the gross calculation. The ECR component is transferred to the campus for endowment administration. There may be timing differences between when payout is provided and when it is expended.

- **Available Balance**
  Represents the balance that is available to spend as of a specified date. The financial summary on the report reflects the change in the expendable balance from the beginning to the end of the fiscal year. Commitments are not accounted for in this balance.

- **Expenditures**
  The amount that has been spent from the available expendable balance of the endowment during the fiscal year.

---

1. The Endowed and Current Use Gift Funds Minimum policy (PPM 410-4) is the current reference document for endowment minimums at UC San Diego.