

UC San Diego

2023

# ENDOWED FUND REPORT

Every great adventure  
starts somewhere.











# A MESSAGE FROM THE CHANCELLOR

*UC San Diego has continued to surpass expectations: We closed the year with more than \$565.7 million in annual philanthropic support — an increase of more than 34% over last year.*

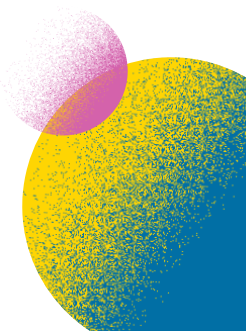
*An important part of that total is the support for endowed funds across campus that inspire curious minds — scholars, creators, physician-scientists and researchers — to set tomorrow in motion. Thanks to donors like you, we are increasing financial and academic support for all our students; advancing innovative research that improves global quality of life; connecting our community with new experiences and resources on campus; creating new standards for personalized, patient-centered health care; and building a campus that welcomes everyone to participate in all that UC San Diego has to offer.*

*Endowed funds are especially important as sources of permanent funding that ensure the ongoing growth and success of our campus programs. In addition to reviewing your personalized endowed fund report, I hope you enjoy reading about the impact of endowed funds on the tenacious explorers who are redefining the line between the known and the unknown and enhancing the human experience for all people.*

*With heartfelt gratitude,*

A handwritten signature in black ink, reading "Pradeep K. Khosla". The signature is fluid and cursive, with a long horizontal line extending from the end.

Pradeep K. Khosla  
Chancellor



# CREATING A FAMILY LEGACY THROUGH AN ENDOWMENT

*A version of this story appeared in the May 2022 edition of Triton magazine, now UC San Diego Magazine.*

When summertime approached San Diego's Hoover High School in the mid-1960s, and students started talking about their vacation plans, Jorge Carrillo '72 remembers being silent. He already knew where he'd be heading, the same place he and his family always went: up to central California where they worked in the fields, first picking peaches and raspberries in the town of Selma, then on to Hollister and Gilroy for apricots and garlic, and finally back down through Fresno harvesting grapes for wine and raisins.

Today, Carrillo recalls this migrant work with pensive objectivity, recounting the difficulty of that life and the dismal conditions. He remembers working a minimum of 10 hours a day, six days a week and often in 90- to 100-degree heat; living in campsites; cooking over a fire; and sleeping in tents or an occasional shed.

The annual odyssey provided Carrillo with an enduring friend group and introduced him to his lifelong companion, Raquel Salazar Carrillo '72. While the pair would eventually marry years later, they first found a meaningful bond in sharing the many parallels of their upbringings.

"My wife was the oldest of 10 and was responsible for raising her brothers and sisters at a young age. When we came to UC San Diego, it was like a liberation — an opportunity to explore and experience a lot of things that we never had the chance to," recalls Carrillo.

But eventually, one summer, Carrillo did not return to work in the fields; instead he entered UC San Diego's Summer Bridge college readiness program in preparation for starting his undergraduate studies.



▲ Jorge Carrillo '72





“When we came to UC San Diego, it was like a liberation —  
an opportunity to explore and experience  
a lot of things that we never had the chance to.”

JORGE CARRILLO '72

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“I knew that education was a way out for me. And in that summer program, I met a lot of other students from underrepresented backgrounds. We had some excellent teachers who taught us what to expect from college, how to think critically and how to write better,” says Carrillo. “Honestly, I would not have made it without that sense of support and belonging.”

On campus, Carrillo took part in grassroots work to promote equity, diversity and inclusion, inspiring him to point his studies toward law and public service. Knowing firsthand the plight of migrant workers who were often victims of an unregulated industry, he viewed these as professions where he could help people.

After passing the bar, Carrillo worked for the Agricultural Labor Relations Board for 10 years. In those and several other roles throughout a long career in law and advocacy, Carrillo did just as he intended as a student — he helped people improve their working conditions and gain more control over their lives and livelihoods.

Now in retirement, he and his wife, along with their two sons, Andres Carrillo '01 and Jaime Carrillo '05, established the ***Jorge Carrillo and Raquel Salazar-Carrillo Family Endowed Scholarship*** to help students in financial need. New recipients of the Carrillos' scholarship receive a special letter from the family.

“We want them to know that we came from humble beginnings and overcame many obstacles to succeed — and that they can do the same,” says Carrillo. “We want to help give them the opportunity to achieve their goals, just as others helped us in college. We let them know how fulfilling it was for us to have careers in public service and helping others. Finally, we express the hope that they consider the possibility of making future contributions of their own to UC San Diego scholarships to help future students with financial need and keep this legacy going for others.”



# UC SAN DIEGO'S FIRST SURF SCHOLARSHIP ENDOWMENT

*A version of this story appeared on July 7, 2022, in UC San Diego Today.*

UC San Diego is known for making waves in research, athletics and beyond. In 2022, the university awarded its first college surfing scholarship recognized by the National Scholastic Surfing Association (NSSA).

Tyler Callaway, head coach of the UC San Diego Surf Team, says the goal of the scholarship is twofold. "Firstly, championships are won by having a depth of talent in the roster, and the creation of the first-ever surf scholarship will help us attract the top surfing scholars from high schools and junior colleges across the country and the world to compete for UC San Diego. The goal is to have a surf team that is always in the conversation to win a national championship," he said.

## A "swell" school for surf and scholars

"Secondly, we want to attract attention to the surf team from both inside and outside the university and celebrate the heritage of surfing at UC San Diego," added Callaway. "The surf team has a long history of incredibly successful alumni — some who have gone on to make an impact locally and globally — through their career paths and the businesses they've built."

The Surf Team Scholarship is funded through contributions from alumni, parents, staff and other supporters. It currently offers at least one \$2,500 scholarship per year, with the aim of awarding a \$10,000 scholarship annually in the future.

◀ *Makena Burke catches a wave while surfing. (Photo: Blair Austin)*





UC San Diego student Makena Burke holds her Surf Team Scholarship certificate.



Makena Burke, a second-year undergraduate studying public health, was named the inaugural recipient of the Surf Team Scholarship. She is a proud member of the UC San Diego Surf Team, which competes in the NSSA college league. A competitive surfer since age 11, Burke was honored this March as the college women's champion at the 2023 NSSA Interscholastic State Championships. In June 2023, she also took home second place in the NSSA Nationals at Salt Creek, with the UC San Diego Surf Team placing fourth overall.

Inspired by the groundswell of community support for the Surf Team Scholarship, the Matthew and Tracy Smith Family Foundation last year established the **Smith Surf Team Scholarship Endowment**, which, alongside generous gifts from other community members, will ensure perpetual funding for future scholarships for surf team members. During the Campaign for UC San Diego, the Smith Family Foundation's forward-thinking gift qualified for matching as part of the Chancellor's Scholarship and Fellowship Challenge, which provided \$1 match per \$2 of eligible gifts.

For undergraduate and graduate students on the UC San Diego Surf Team, this visionary scholarship will endure for generations of surfers. Whether riding swells in the Pacific or making waves inside the classroom, UC San Diego surfers have the wind — and the support of the Triton community — at their backs.



# A TRANSFORMATIVE ENDOWMENT TO HONOR A MENTOR

A version of this story appeared on October 27, 2022, in *UC San Diego Today*.



▲ With a \$25 million gift, biotech entrepreneur and innovator Gene Lay (right) has named UC San Diego's bioengineering department in honor of his mentor, Professor Emeritus Shu Chien. It will be known as the Shu Chien-Gene Lay Department of Bioengineering.

Across more than three decades of mutual friendship, Shu Chien, renowned UC San Diego emeritus professor of bioengineering and medicine, has served as a mentor and sounding board for Gene Lay, the eminent biotechnology innovator and founder and CEO of the San Diego biotechnology company BioLegend. In 2022, in honor of all that Chien has accomplished throughout his distinguished and prolific career, Lay committed \$25 million through the **Laygend Foundation** as an endowment

gift to UC San Diego. The contribution will offer sustained support for students, faculty and teaching facilities in the Department of Bioengineering at the UC San Diego Jacobs School of Engineering. In recognition of Lay's tremendous gift, the bioengineering department will be renamed the Shu Chien-Gene Lay Department of Bioengineering.

"Gene Lay's generous support will empower our bioengineering department to build on its well-recognized strengths in teaching, research and biotechnology workforce development," said Chancellor Pradeep K. Khosla. "At the same time, Gene

is recognizing and honoring Shu Chien's incalculable contributions to UC San Diego and to the field of bioengineering. It's only fitting that this tribute to Shu comes from Gene, another visionary leader in the worlds of biotechnology and innovation."



Chien joined UC San Diego in 1988, after forging his own path to connect physiology, medicine, math and engineering at Columbia University. Working with a small group of creative thinkers at UC San Diego, Chien founded and served as the inaugural chair of the Department of Bioengineering, which is now regarded as one of the best in the world. Chien also created the UC San Diego Institute of Engineering in Medicine, which synergizes the research activities in engineering, science and medicine across campus, as well as the Bioengineering Institute of California, which links the 10 University of California campuses together to collaborate on research and education in bioengineering. At the national level, Chien played a critical role in the establishment of the National Institute of Biomedical Imaging and Bioengineering in the U.S. National Institutes of Health (NIH).



▲ Students working in the Cardiac Mechanics Research Group, based in the Shu Chien-Gene Lay Department of Bioengineering.

"I am very grateful that Dr. Shu Chien came into my life over 30 years ago. He is my role model," said Lay. "His perseverance, integrity, caring nature and passion continue to inspire me to make a difference in the world. Dr. Chien's work embodies the mission of the Laygend Foundation, which is to translate scientific discovery into life-changing therapies and medicine. I am proud to support Dr. Chien's vision and the students and faculty of the bioengineering department at UC San Diego."

The endowment will provide transformative annual recurring support for research and education, enabling the university to bolster the recruitment and retention of outstanding early-career bioengineering faculty and attract more talented bioengineering graduate students. It will also enhance undergraduate bioengineering student experiences and workforce development by creating new and upgraded hands-on instructional laboratories. Collectively, this funding will be critical for the department's efforts to bridge gaps between bioengineering research and clinical impacts that directly improve human health for generations to come.

**"I am very grateful that Dr. Shu Chien came into my life over 30 years ago. He is my role model."**

**GENE LAY**



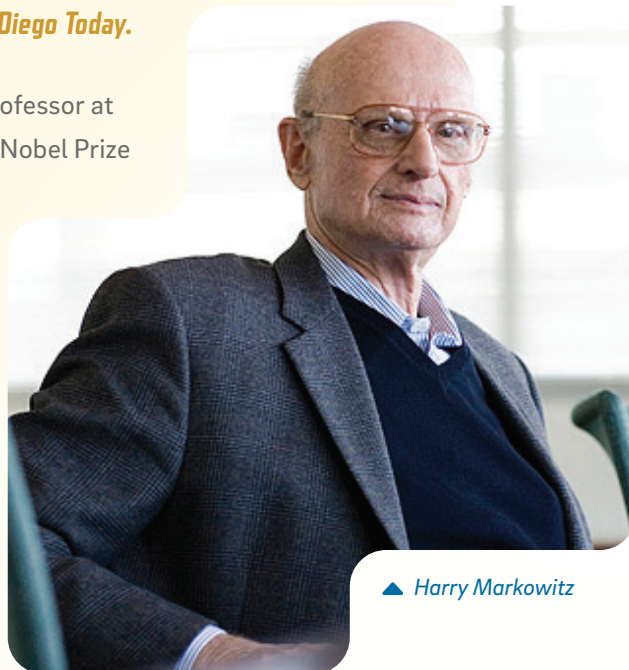
# THE ENDURING INSPIRATION OF A NOBEL LAUREATE

A version of this story appeared on July 3, 2023, in *UC San Diego Today*.

Revered economist Harry Markowitz, a former adjunct professor at UC San Diego's Rady School of Management, earned the Nobel Prize in economic sciences in 1990 for his revolutionary research on buying stocks, which challenged traditional orthodoxy on portfolio investments. Markowitz's paper "Portfolio Selection," published in the *Journal of Finance* in 1952, upended the standard thinking on investing that, at the time, consisted of simply choosing shares of a group of companies that were thought to have the best prospects.

Known as the father of modern portfolio theory, Markowitz drew from statistics and advanced mathematics to introduce the theory that the best portfolio is one that minimizes risk for a given expected return. He was the first to apply portfolio diversification, a new type of investing that has now permeated all aspects of money management.

From 2007 until he retired in 2019, Markowitz taught portfolio theory at the Rady School. During his tenure there, the **Dr. Harry M. Markowitz Endowed Chair in Finance and Investing** was established, funded through an estate gift from the Rady Family Foundation and cumulative gifts from the many donors inspired by Markowitz's enduring influence on the finance and investing community.



▲ Harry Markowitz

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**"Harry Markowitz ... had an indelible impact  
on UC San Diego."**

**CHANCELLOR PRADEEP K. KHOSLA**

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Left to right: Chancellor Pradeep K. Khosla; Rady School Founding Dean Robert Sullivan; Executive Vice Chancellor for Academic Affairs Elizabeth H. Simmons; (center) Nobel laureate Harry Markowitz.



The chair is part of broader efforts to recruit and retain exceptional scholars to the Rady School's nationally recognized faculty, building on its reputation as a pioneer in a new model of business education.

Allan Timmermann, the current holder of the Markowitz Chair, a distinguished professor of finance at the Rady School and a close friend of Markowitz, said, "I always point out to my students that Harry's pathbreaking work on modern portfolio theory continues to be called 'modern' today, even though it was published in 1952. What else remains modern after 70 years?"

Markowitz and his late wife, Barbara, were longtime benefactors to UC San Diego.

They contributed more than \$6 million, primarily to support the **Barbara and Harry Markowitz Fellowship**, which benefits Rady School students. In 2018, Markowitz donated his Nobel Prize medal to the Rady School, and it was placed in the Special Collections & Archives at UC San Diego's Library.

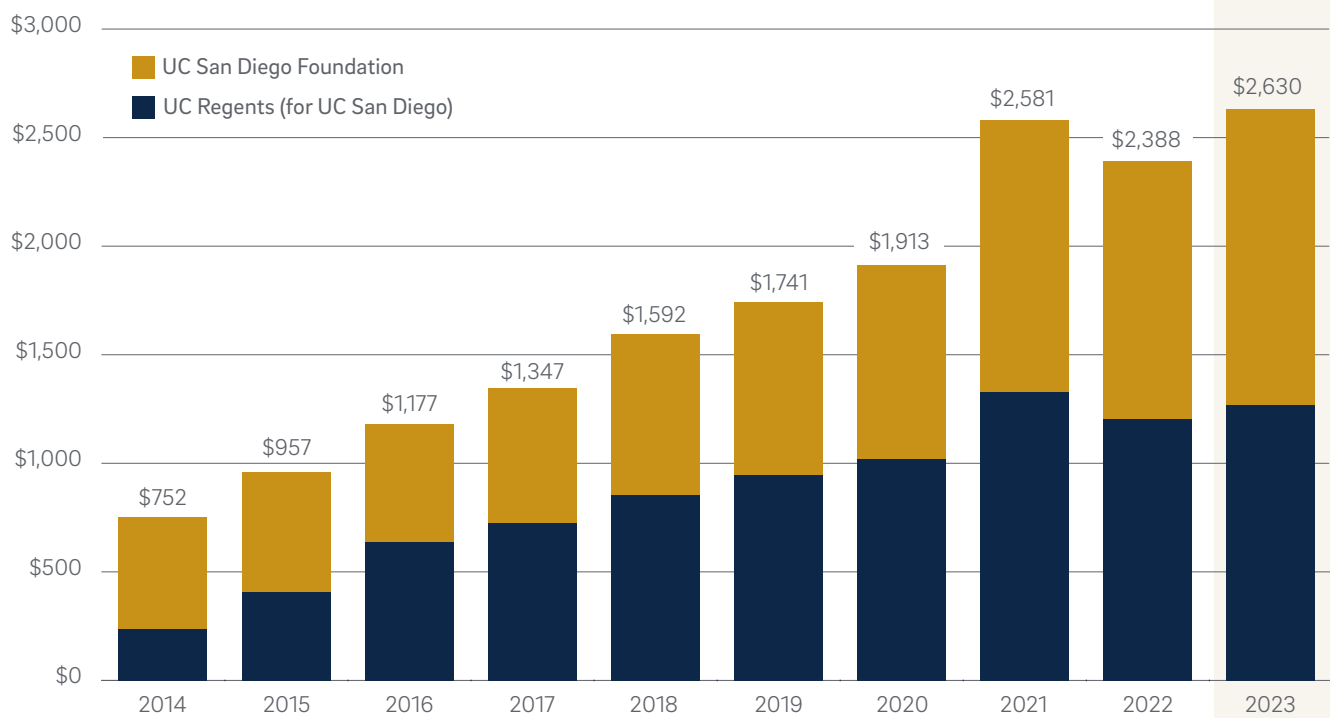
In 2023, at the age of 95, Markowitz died, leaving behind a legacy that will be difficult to match. He once said "I taught full-time, part-time and lectured all over the world, but the Rady School and UC San Diego are my home." Indeed, as Chancellor Pradeep K. Khosla observed, "Harry Markowitz ... had an indelible impact on UC San Diego. His legacy of passion for teaching, quest for truth, innovation and love for UC San Diego will continue to inspire our students and faculty for many, many years to come."

▲ The Royal Swedish Academy of Sciences awarded Markowitz the Nobel Prize in 1990 for his pioneering work in the theory of financial economics. Since Markowitz donated the medal to the Rady School in 2018, it has been on display at the UC San Diego Library.



# IMPACT BY NUMBERS

UC San Diego Foundation and Regents Endowments as of June 30, 2023  
(dollars in millions)



## Endowment benefiting UC San Diego



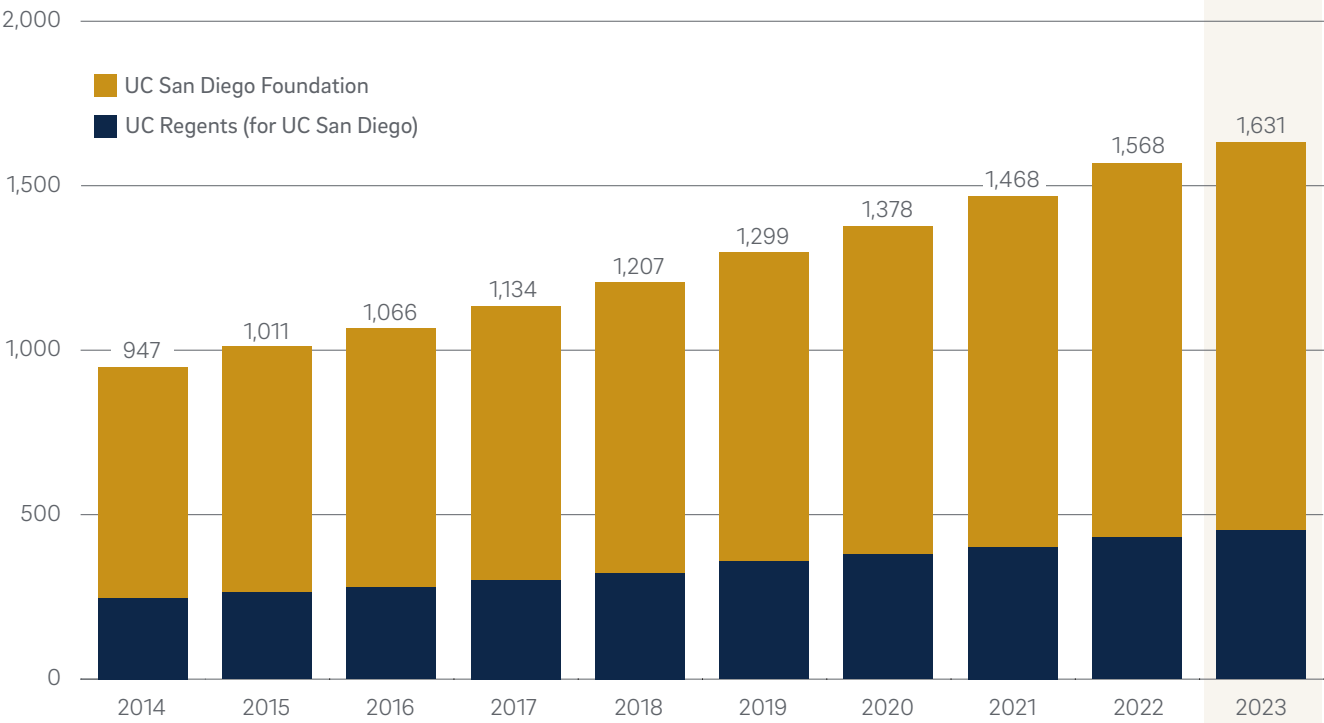
Market Value  
**\$1,362M**



Market Value  
**\$1,268M**



Increase in Number of Endowed Funds as of June 30, 2023



Endowment benefiting UC San Diego



Number of endowments

**1,180**



Number of endowments

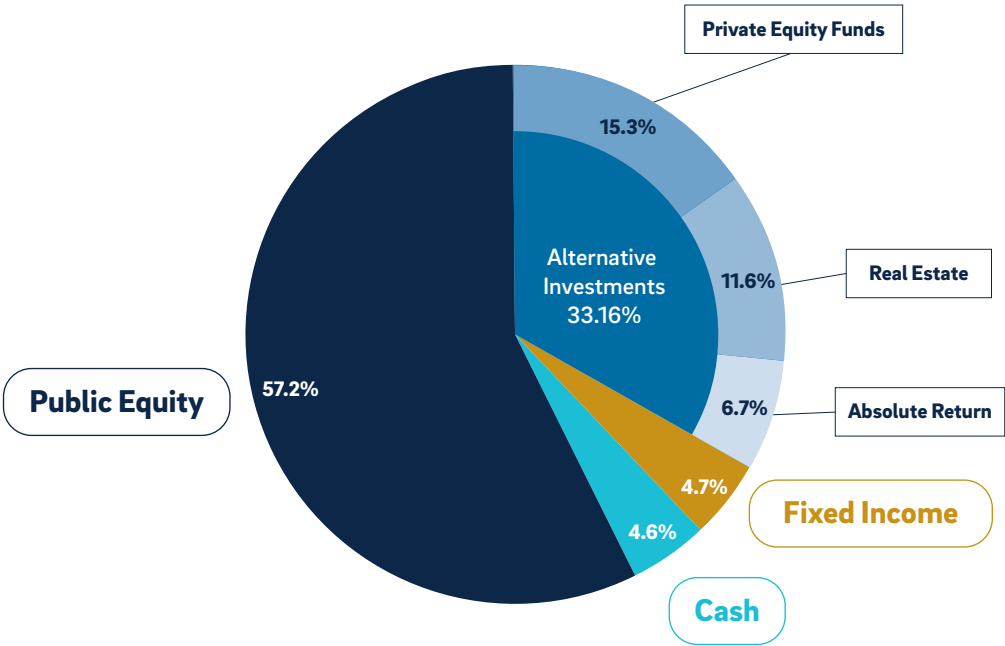
**451**



# INVESTMENT PERFORMANCE

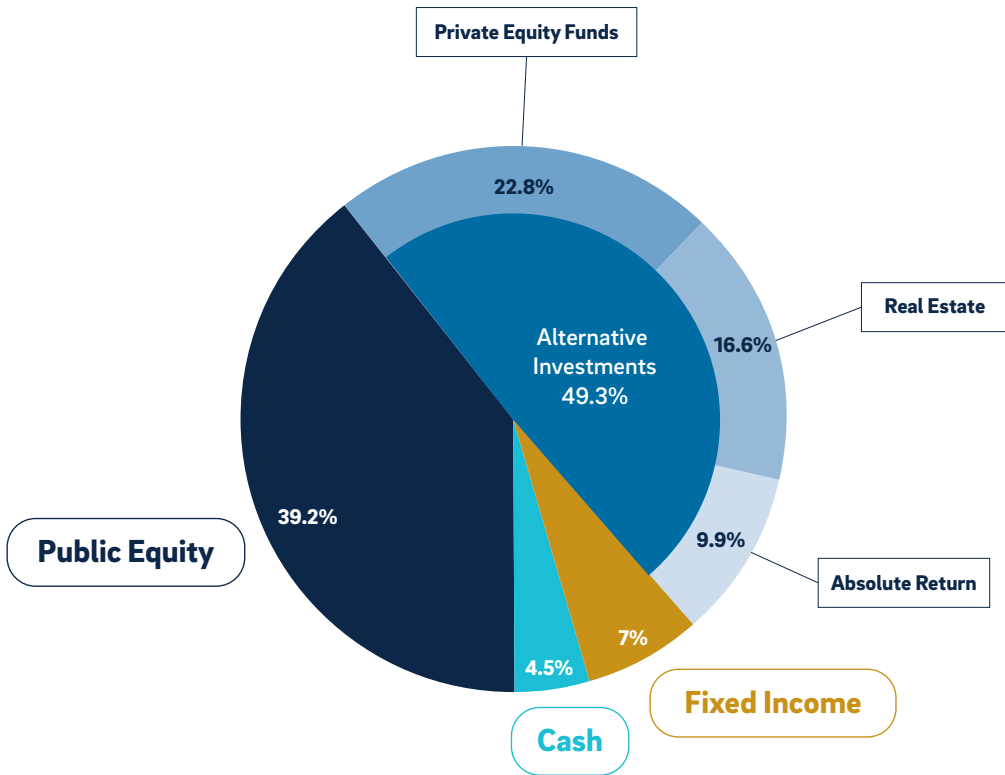
UC San Diego Foundation as of June 30, 2023

Asset Allocation



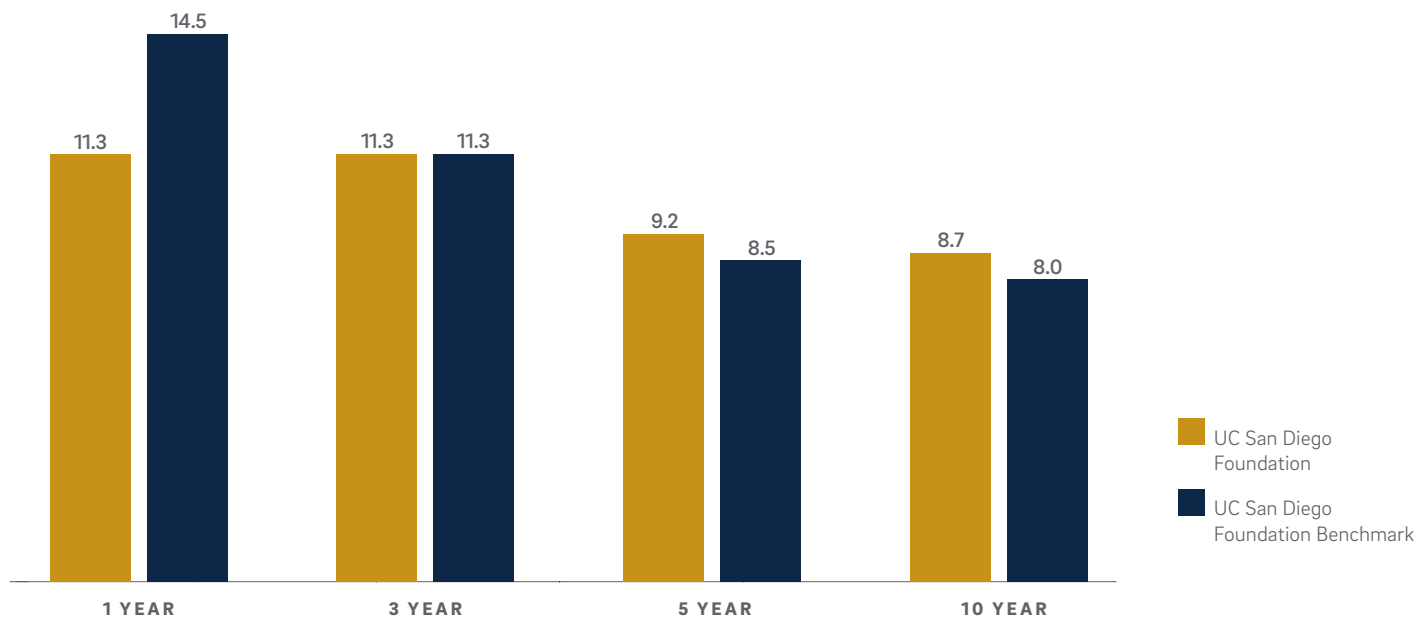
UC Regents General Endowment Pool as of June 30, 2023

Asset Allocation



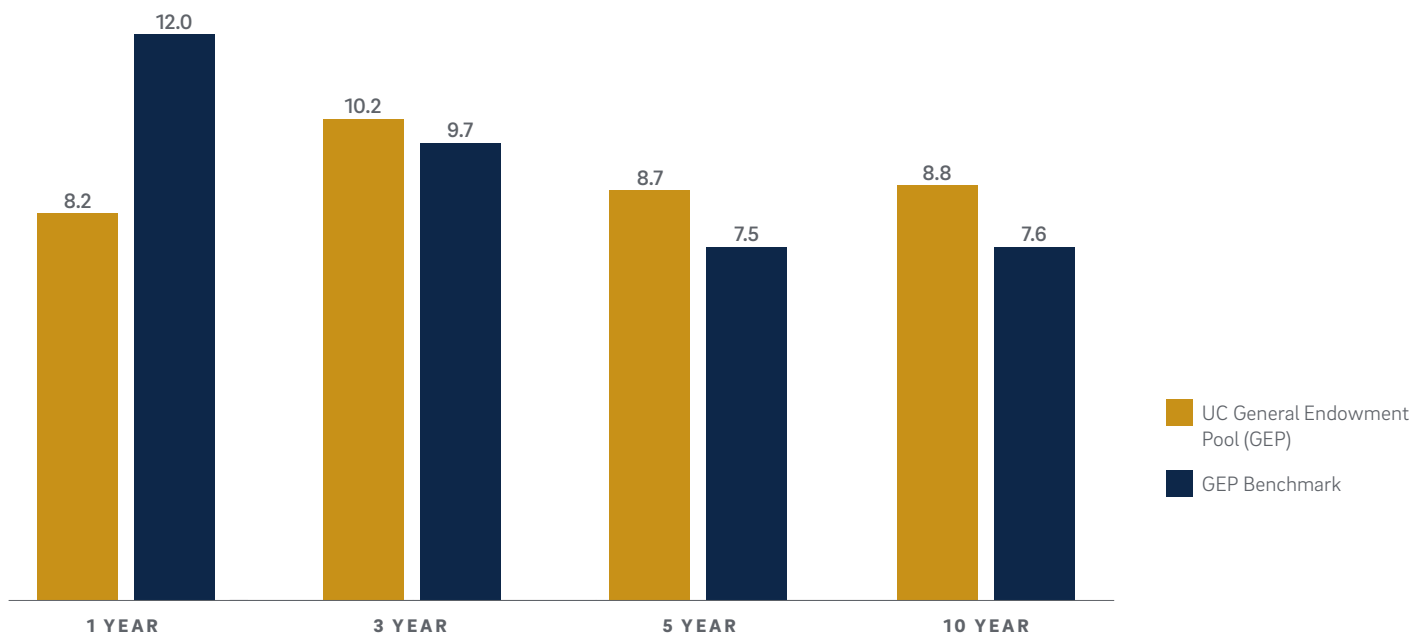
## UC San Diego Foundation Endowment as of June 30, 2023

Average Annualized Returns (return %)



## UC Regents Endowment as of June 30, 2023

Average Annualized Returns (return %)



## TERMS

**Asset Allocation** is the process of dividing the investments in a portfolio among different asset classes such as equities, alternative investments, fixed income securities, and cash to optimize the risk/reward trade-off based on an institution's situation and goals.

**Average Annualized Return** provides the yearly return averaged over a specified time period (one year, three year, five year, 10 year).

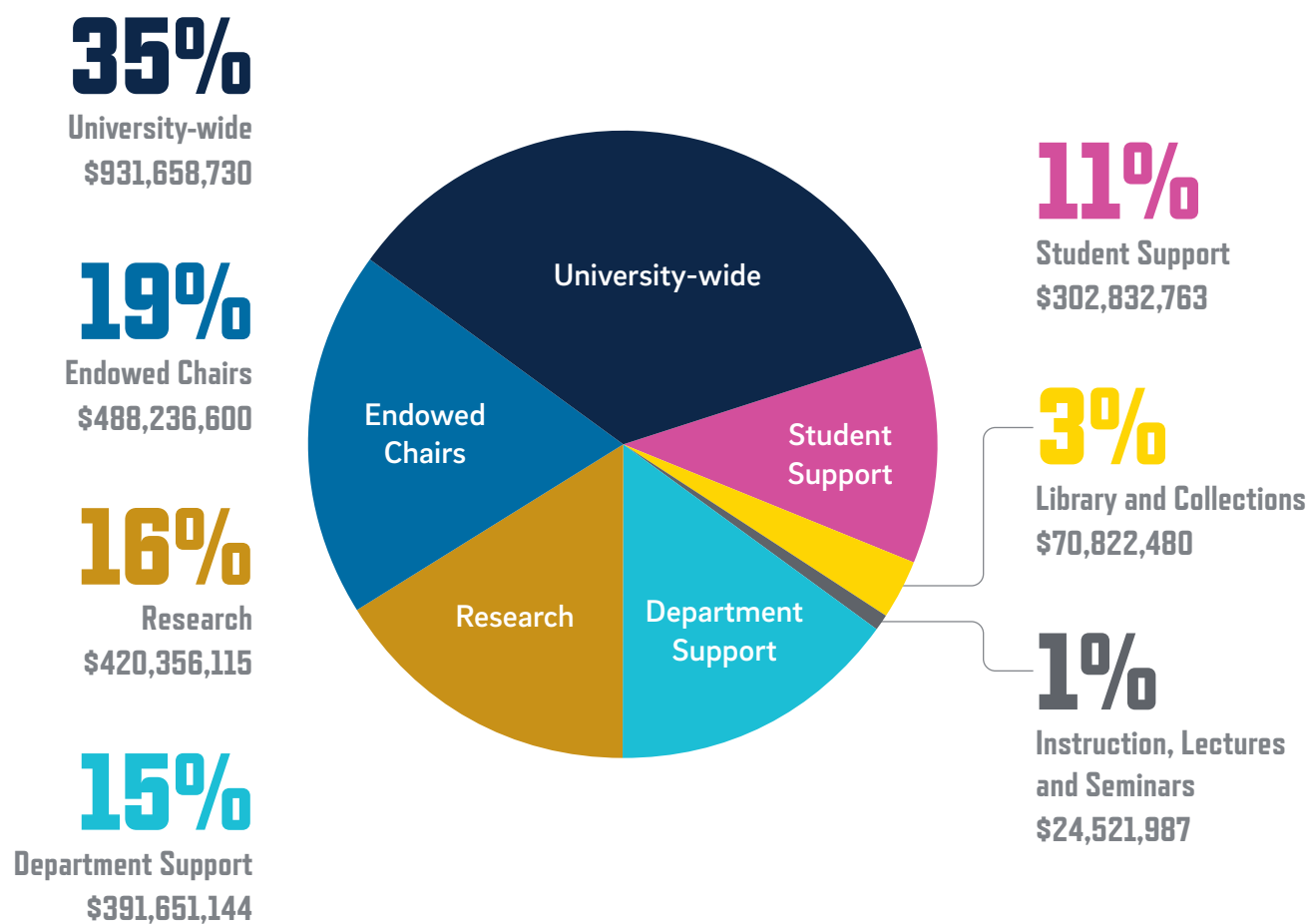
**The UC Regents General Endowment Pool (GEP)** is the Regents' primary investment vehicle for endowed gift funds and is invested by the Office of the Chief Investment Officer (OCIO) of the Regents. More information can be found at [ucop.edu/investment-office](https://ucop.edu/investment-office).

**UC San Diego Foundation Endowment** is managed by its Board of Trustees and is separate from that of the Regents. More information can be found at [foundation.ucsd.edu](https://foundation.ucsd.edu).



# WHERE ENDOWMENTS ARE MAKING A DIFFERENCE

Market value as of June 30, 2023



Between July 1, 2022 and June 30, 2023



# A MESSAGE FROM FOUNDATION LEADERSHIP

*Dear Friends,*

*The endowment benefiting UC San Diego provides enduring resources that empower our community with the courage to create and the tools to transform. As of June 30, 2023, more than 1,600 unique endowed funds with a total endowment value of \$2.6 billion are fueling interdisciplinary collaboration and innovation among scholars, physician-scientists and researchers today and well into the future.*

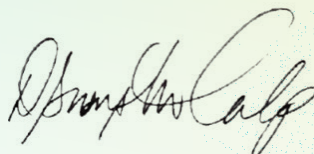
*After challenging financial market conditions in fiscal year 2022, we were met with considerable volatility, high inflation, and increasing interest rates in 2023. Despite the recent headwinds, we are happy to report the Foundation Endowment's investment performance of 11.3%, aided by UC Investments' return of 8.2% and an additional boost from our investment in the S&P 500 ETF. The UC San Diego Foundation and University of California Investments, our largest asset manager, continue to be focused on the long-term, and the 10-year annual returns for the Foundation and UC Investments are 8.7% and 8.8%, respectively.*

*Our commitment continues to be providing a viable and healthy endowment payout to support teaching, research, health care and public service programs in accordance with the wishes of our donors. We are confident that our steady investment philosophy and process will bring continued success to the UC San Diego Foundation.*

*On behalf of the UC San Diego Foundation Board of Trustees, the Regents and all of our UC San Diego beneficiaries, thank you for your investment in UC San Diego!*



Christina J. Chase, CPA, JD  
CFO/COO, UC San Diego Foundation  
Associate Vice Chancellor, Advancement Services



Deborah Bronston-Culp '80  
Chair, Investment/Finance Committee  
Trustee, UC San Diego Foundation







**Top 10  
Positive Impact**

Among the best in the nation for contributions to social mobility, research and public service  
*(Washington Monthly, 2023)*

**5-Star Rating**

For quality and affordability, the highest rating available  
*(Money, Best Colleges in America 2023)*

**3rd Best  
Public College  
in the Nation**

*(Forbes, America's Top Colleges 2023)*

**\$1.76 Billion**

Research funding secured during fiscal year 2022-23 in support of the discovery and innovation taking place across campus


**4th Best Public  
Institution in the Nation**

For high-quality research  
*(Nature Index, 2023)*

**#1 Health System in  
San Diego and National  
Honor Roll Hospital**

*(U.S. News & World Report, 2022-23 Best Hospitals)*





At UC San Diego, we believe that what we don't know today will forever change our tomorrows. Empowered by generosity and fueled by curiosity, we are unafraid to chase the unknown — to ask the questions no one has asked before and to push the boundaries of possibility.

Together, we unite diverse people and unconventional perspectives to propel limitless impact. Because we know that when we come together, nothing is beyond us.

**UC San Diego**

**ADVANCEMENT**

**Office of Donor and Fund Stewardship**

9500 Gilman Drive # 0940

La Jolla, CA 92093-0940

**[giving.ucsd.edu](https://giving.ucsd.edu)**