

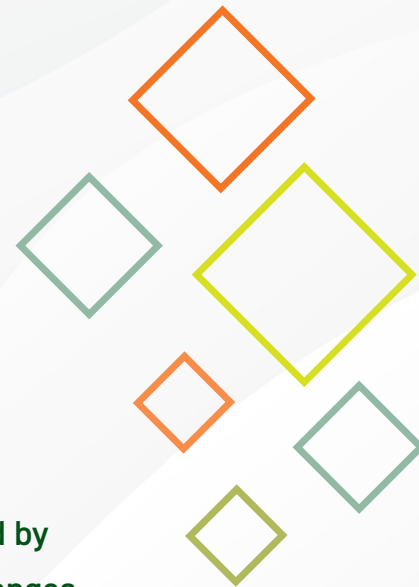
# Report on Endowment

From Charmel Maynard



**In Fiscal Year 2023, financial markets were marked by substantial volatility and unprecedented challenges.**

**During this time, the University of Miami's Growth Pool ("GP"), mainly comprising our endowment, achieved a net investment return of 0.07% and reached an unprecedented fiscal year-end market value of \$1.4 billion.**



Capital markets faced several headwinds throughout the fiscal year. Pervasive inflation was met with tightening monetary policy and significant interest rate hikes as well as geopolitical tensions such as the Russia-Ukraine war. Notwithstanding these challenges, the GP exhibited resilience and navigated the volatile environment thanks to the steady hand of the Board of Trustees Investments Committee. The selection of skilled active managers and a well-diversified asset allocation strategy played pivotal roles by ensuring downside protection, and therefore contributing to the outperformance of our Total Portfolio Benchmark. The GP's outperformance was driven by a range of asset classes such as Private Equity, Fixed Income, and Infrastructure investments.

One strategic assessment during this fiscal year centered around a critical examination of the GP's mission, which prioritizes the enduring support of present and future spending requirements while safeguarding our financial assets against the negative effects of inflation through robust asset growth. This review examined whether our existing asset allocation accurately aligned with this mission, and following a comprehensive assessment with the invaluable guidance from the Board of Trustees Investments Committee, we made slight refinements to asset allocation targets across asset classes. These refinements are anticipated to strategically position the portfolio for sustained, reliable, and repeatable success across market cycles and economic conditions.

The administration deeply appreciates the invaluable guidance and stewardship provided by the Board of Trustees. Their engagement and unwavering support enables us to uphold a steadfast investment strategy geared toward long-term performance excellence. This enduring partnership—coupled with the continued generosity of alumni, donors, and stakeholders—constitutes a significant competitive edge for our portfolio. We hold great confidence in the GP's ability to effectively carry out its mission, ultimately benefiting the broader University of Miami community.

**Charmel Maynard**  
Associate Vice President, Chief Investment Officer, and University Treasurer

## HISTORICAL GP PERFORMANCE VS. BENCHMARKS

	Actual <sup>1</sup>	Benchmarks	
		Total Portfolio	75/25
2019	0.04%	0.28%	2.04%
2020	2.20%	4.17%	7.62%
2021	33.61%	33.48%	23.51%
2022	-2.66%	-3.58%	-6.96%
2023	0.07%	-2.01%	.28%

<sup>1</sup> Net of Fees

## POLICY PORTFOLIO TARGETS AND RANGES

	Range	Target	May 31, 2023
Public Equity	50-70%	66%	66%
Absolute Return	5-15%	7%	7%
Private Equity	7-17%	12%	11%
Real Assets	0-15%	5%	4%
Fixed Income	5-15%	10%	11%
Cash	0-5%	0%	1%

## ENDOWMENT GROWTH AT MARKET (IN MILLIONS)

	One Year	Five Years	Ten Years	Fifteen Years
Beginning Balance	\$ 1,344.3	\$ 1,021.5	\$ 777.9	\$ 736.2
Return, Including Unrealized Appreciation (Depreciation)	(4.5)	319.2	599.4	696.2
Distributions to Operations, etc. <sup>1</sup>	(54.2)	(228.0)	(428.8)	(589.9)
Gifts and Other Net Additions	80.1	253.0	417.2	523.2
Net Increase (Decrease)	21.4	344.2	587.8	629.5
Ending Balance	\$ 1,365.7	\$ 1,365.7	\$ 1,365.7	\$ 1,365.7

<sup>1</sup>For most endowments, this is pursuant to the University's Endowment Spending Policy.