



UCLA Foundation

ANNUAL REPORT
2014





A Message from the Chancellor and the Chair



What can a bold, strategic, rigorously imagined fundraising effort like The Centennial Campaign for UCLA do for an already great institution like ours? It can rally our communities around a shared goal: to maintain and grow UCLA as a force for positive change in people's lives. It can significantly expand our ability to bring great public higher education to a broad swath of society that couldn't access it otherwise. It can enable us to build a new financial model based on self-reliance and powered by the participation of even greater numbers of UCLA alumni, fans, patrons, parents, patients and community partners.

Already our community of donors has answered the call of The Centennial Campaign with full-throated enthusiasm and philanthropic commitments. Gift and pledges to UCLA in 2013-2014 totaled a record-breaking \$557 million in support of the university's mission of teaching, research and service. This amount included more than \$45 million in student support, \$36 million in faculty support, \$116 million for capital projects, \$256 million in research funding and \$104 million in discretionary support.



As our partnerships grow, so does our ability to tackle 21st-century challenges. A \$10 million gift from New York Giants co-owner Steve Tisch to the department of neurosurgery at the David Geffen School of Medicine at UCLA for the UCLA Steve Tisch BrainsPORT Program is creating the world's most sophisticated research, prevention, diagnosis and treatment program for concussions and brain injuries, with a particular emphasis on young athletes. Support for pioneering UCLA faculty is driving new innovations, like the new Internet architecture being developed by a team led by Lixia Zhang, who holds the Jonathan B. Postel Chair in Computer Science. Named after renowned computer scientist Jonathan Postel '66, M.S. '68, Ph.D. '74, the chair was initially established by a distinguished group of Postel's friends and family. And Plastpro, Inc. founder and chief executive officer and UCLA Foundation board member Shirley Wang '90 and her husband, Walter, continued to inspire the philanthropic community with their most recent leadership gift in support of UCLA scholarships. The commitment provides momentum for the university's student support initiative in raise \$1 billion to help fulfill our mission to society as a public research university.

Excellence is a moving target. The generosity and imagination of donors like you adds energy to the innovative approaches and fresh thinking needed to create a higher education model for a new century. Through your support of The Centennial Campaign—the single most important initiative in the history of the university—you are making transformation happen. All of us in your UCLA family are incredibly grateful for your philanthropy.

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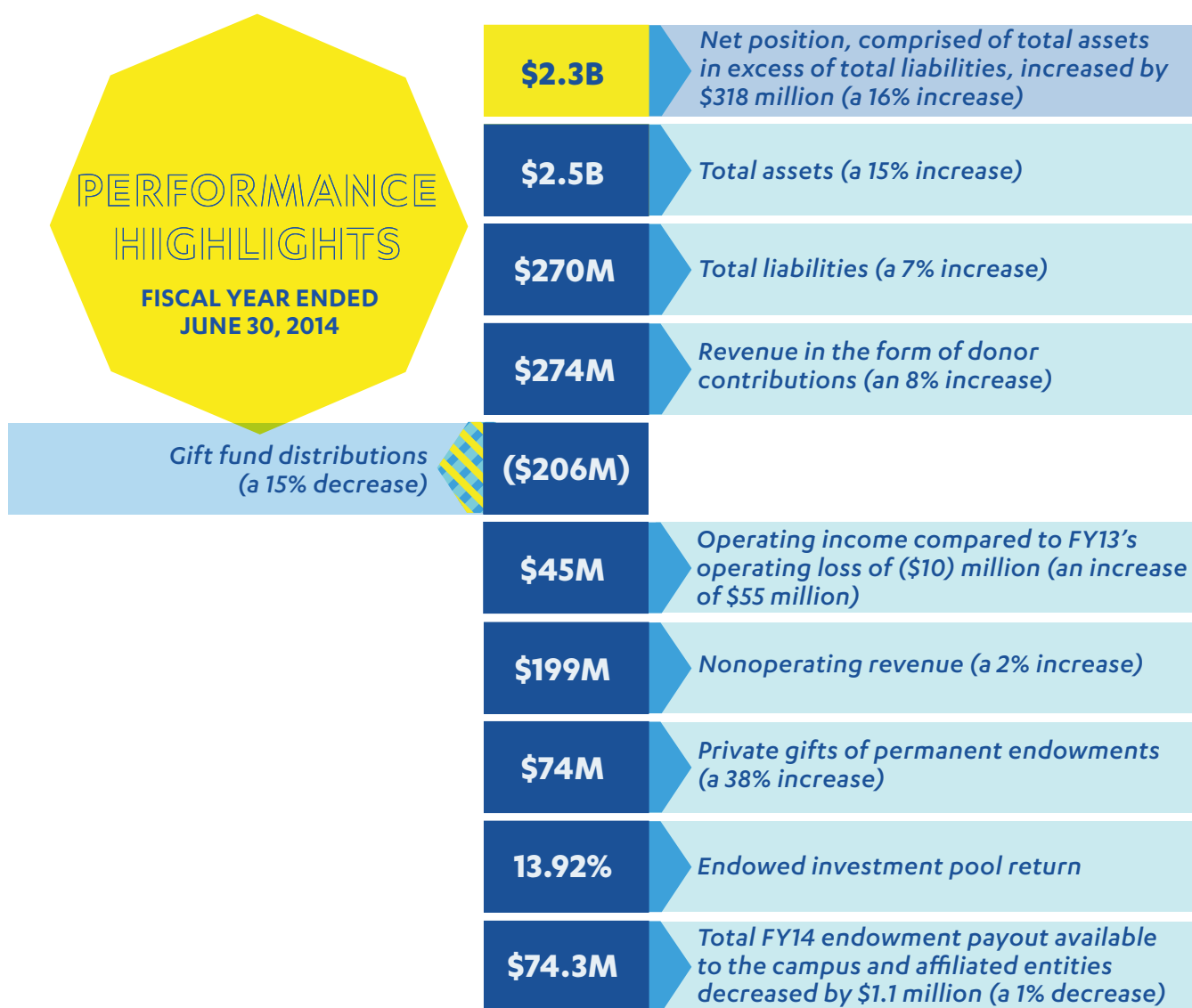
Gene D. Block
Chancellor, UCLA

William E. Mitchell, P '07
Chair, The UCLA Foundation

Performance Highlights

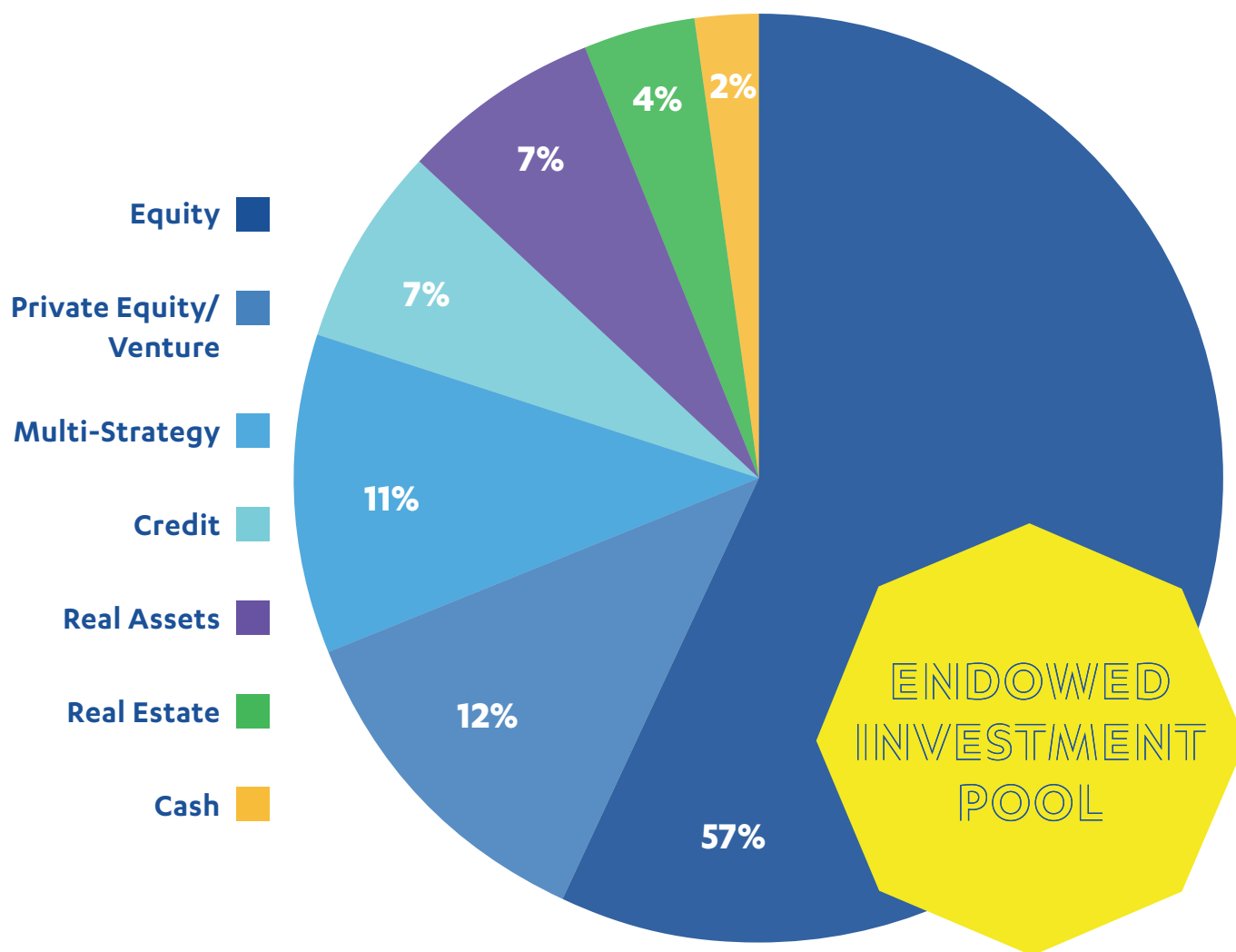
The UCLA Foundation’s support to the campus remains strong, and the investment returns were robust for the fiscal year. The Foundation’s net position increased by 16% (\$318 million) to \$2.3 billion. Total assets increased by 15% (\$337 million) to \$2.5 billion, while total liabilities only increased by 7% (\$19 million) to \$270 million.

The financial statements reflect \$199 million of nonoperating revenue resulting from positive investment returns.



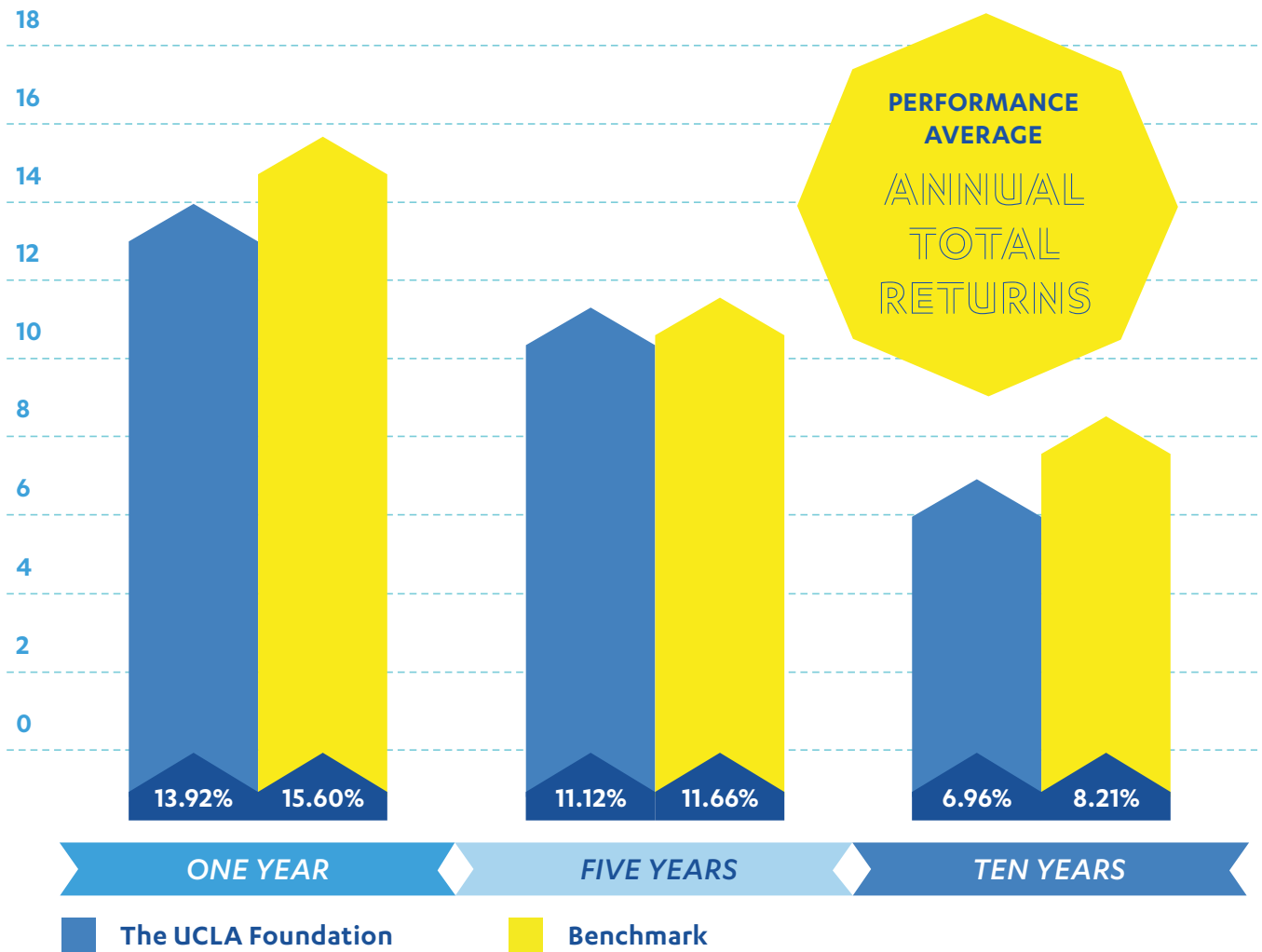
Endowed Investment Pool Asset Mix

The UCLA Foundation’s endowed investment pool totaled \$1.73 billion as of June 30, 2014. The endowed long-term pool is invested in a diversified investment portfolio designed to maximize long-term returns at prudent levels of risk, consistent with accepted institutional investing principles and practices. The pool is diversified by asset class, sector and geography, and has been constructed to achieve a return objective sufficient to cover annual payout, inflation and costs over the long term.



Endowed Investment Pool

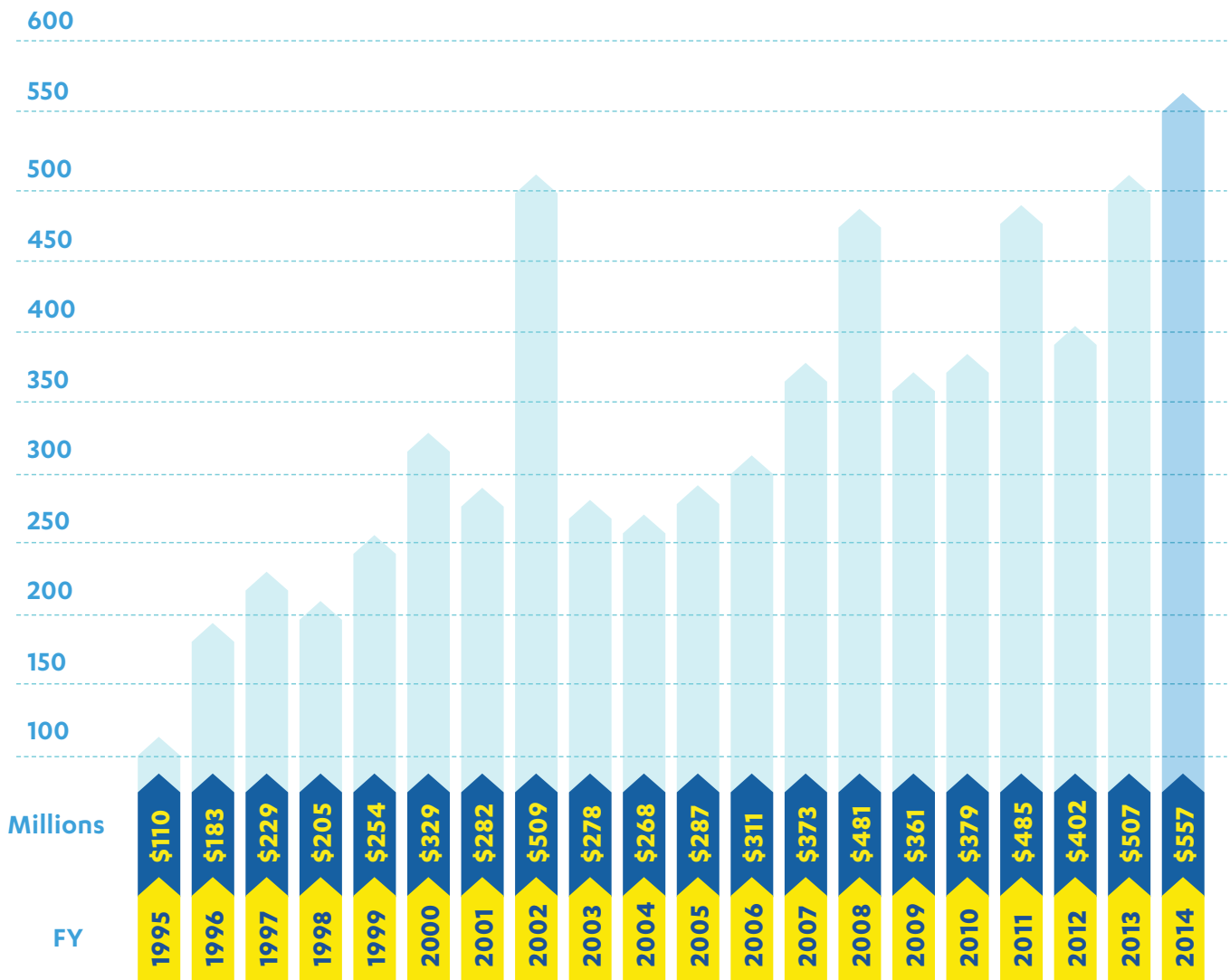
In fiscal year 2013-2014, The UCLA Foundation's endowed pool experienced strong returns as the financial markets extended gains. The endowed pool returned 13.9% for the fiscal year ended June 30, 2014.



Fiscal Year Ended June 30, 2014

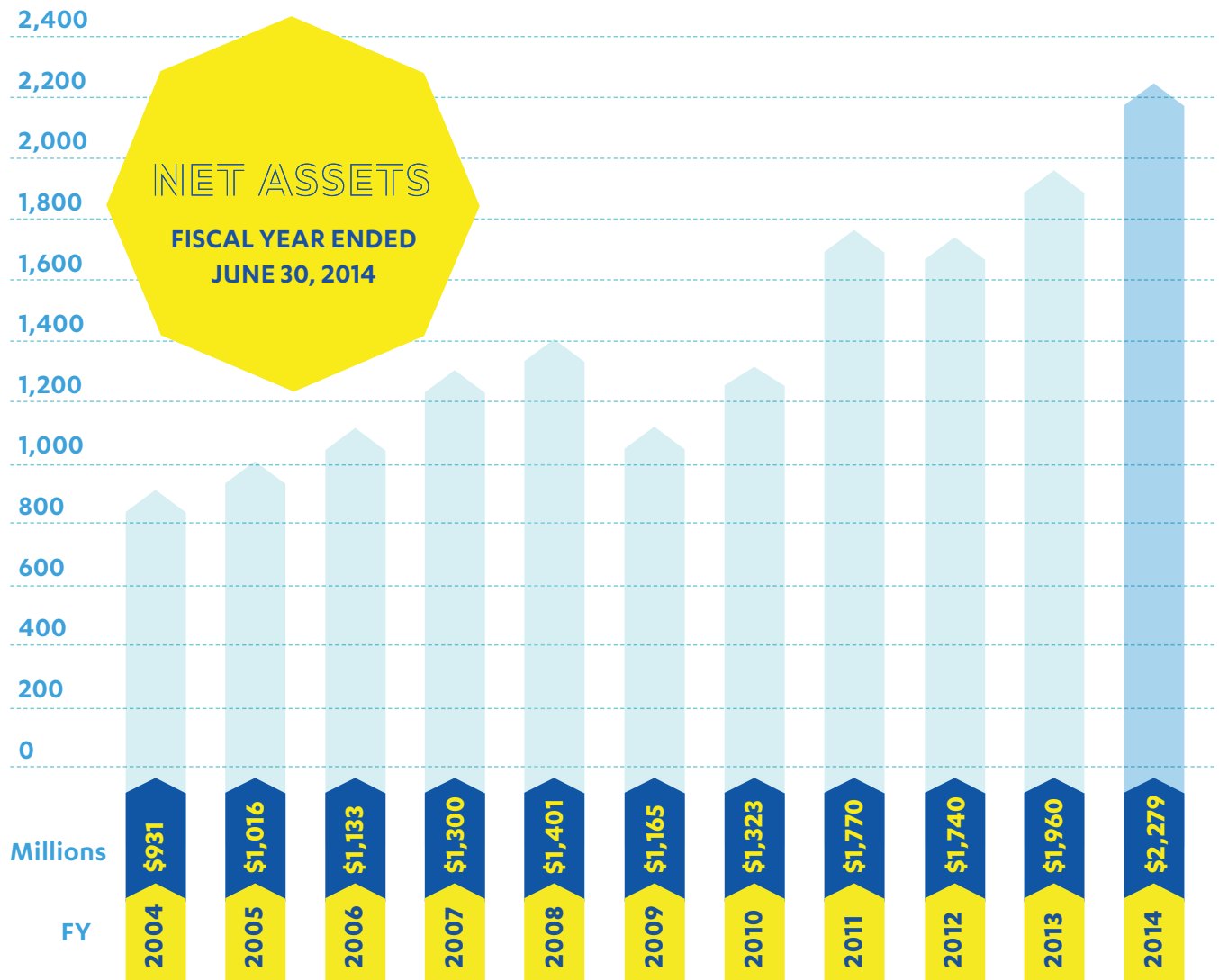
UCLA Gift History

UCLA set a new fundraising record last year, with \$557 million in gifts and pledges. In doing so, we created a stronger foundation from which to attract the best students and support innovative research and teaching. The generosity of nearly 60,000 donors enabled us to surpass our goal of \$500 million by 11%. This includes gifts to both The Regents and The Foundation.



The UCLA Foundation Net Position

The UCLA Foundation’s net position (total assets exceeding total liabilities) reached \$2.3 billion in 2014, an increase of 16% from the previous year. These funds support UCLA’s mission and address campus priorities. Over the past 10 years, The Foundation’s net position has grown by 145%.



Endowed Investment Pool Payout

The UCLA Foundation has more than doubled its payout over the last 10 years as a result of increasing levels of donor support and prudent investment management. The Foundation has been able to meet its objective of providing a stable source of funding to the campus. The payout rate was 5% for the fiscal year ending on June 30, 2014.



Fiscal Year Ended June 30, 2014

About The UCLA Foundation

The UCLA Foundation is grateful for the generous support of tens of thousands of donors who help ensure UCLA's excellence. Their gifts provide extraordinary faculty, high-achieving students and innovative researchers with the transformative resources they need to impact the university and the world. As we seek to develop a new financial model based on self-reliance, donor support of our endowment enables the university to fulfill better than ever before its mission as a public research university.

The Foundation's Board of Directors is deeply committed to providing leadership to grow a culture of philanthropy among all of our partners and to provide the support needed to turn philanthropy into meaningful action. Partnering with the UCLA Investment Company, The Foundation provides fiduciary oversight of the investment of assets managed to benefit the university. The Foundation receives contributions from UCLA's donor community of alumni, friends, private foundations and corporations, faculty, staff and students. It invests and manages resources to maximize long-term returns and support current and future generations of scholars and leaders.

The UCLA Foundation is proud to play a role in advancing the campus mission of teaching, research and service. UCLA's donors are more than philanthropists; they are advocates for excellence. Their confidence fuels the optimism of our campus today and the leadership of Bruins tomorrow.

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