



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

December 1, 2023

Adoption of Policy R1100, *Higher Education Student Success Endowment*

The Higher Education Student Success Endowment ("Endowment") was established under [Utah Code 53B-7-802](#) and was created by proceeds generated from the divestment of the dissolved Utah Higher Education Assistance Authority's (UHEAA) loan portfolio. UHEAA previously operated as the state's designated student loan guaranty agency and administrator of the federal government's Federal Family Education Loan Program (FFELP). In 2010, the federal government ended the FFELP and replaced it with a direct student loan program administered by the U.S. Department of Education. While UHEAA had been a servicer for this program, the change in structure ultimately proved unprofitable. Consequently, [Senate Bill 172](#) of the 2022 legislative session called for the state's exit from the student loan business and liquidation of the UHEAA portfolio, returning roughly \$290 million of assets to support the creation of a new Utah System of Higher Education endowment.

By statute, the Utah Board of Higher Education shall act as the trustee of the endowment and exercise the state's fiduciary responsibilities over the fund, including reviewing and approving investment policies, financial records, and spending plans, among other activities. That same part of the Utah code charges the state treasurer with investing and managing the endowment with the primary goals of providing stability, income, and growth of principal.

In May of 2022, the Board adopted a draft endowment investment policy statement ("IPS") that provided for asset allocation targets, performance measurement benchmarks, and rebalancing procedures, among other guidelines. This draft policy was adopted with the expectation that it would be annually reviewed and amended as necessary. In March of 2023, the state treasurer drafted its own endowment IPS, informed by its contracted investment advisor, Multilateral Endowment Management Company (MEMCO). If adopted, the proposed Board Policy R1100, *Higher Education Student Success Endowment*, would require the Board to annually review the treasurer's IPS, consider it for approval, and reaffirm the Board's fiduciary role as codified in statute. Key elements of the treasurer's IPS, including the strategic asset allocation guidelines, performance measurement benchmarks, and annual distribution formula, can be found in the attached documentation and below.

Asset Class Performance Benchmarks

Asset Class

Benchmark

Capital Appreciation

MSCI World Index

Public Equity and Alternatives

MSCI World Index

Private Equity and Alternatives

MSCI World Index

Public and Private Real Assets

S&P Real Assets Index

Other Directional Strategies

HFRI Equity Hedge (Total) Index

Capital Preservation

Bloomberg US Aggregate Bond Index

Relative Value Strategies

HFRI Relative Value (Total) Index

Fixed Income

Bloomberg US Aggregate Bond Index

Cash and Cash Alternatives

3-Month U.S. Treasury

Portfolio Hedges

CBOE Eurekahedge Tail Risk Hedge Fund Index

Distribution Policy

Money expended from the endowment may only be used for programs that support prospective or current students enrolled in a USHE institution and that advance the following system priorities found in 53B-1-402(2)(a):

- Quality
- Affordability
- Access and equity
- Completion
- Workforce alignment and preparation for high-quality jobs
- Economic growth

Endowment proceeds may not be used for a capital expenditure, including the construction or lease of a capital facility or operation and maintenance of a capital facility. At a future meeting, the Office of the Commissioner will propose a separate spending policy with various options for endowment proceed expenditures for Board consideration. The treasurer's IPS proposed annual endowment distribution calculation is as follows:

- Market Value Based (50% Weight): $4\% * \text{the fund balance calculated on a 12-quarter rolling average (or quarters of existence before a 12-quarter history)}$. The calculation will be made annually after the books are closed for the fiscal year ending June 30, with an application date of July 1.
- Inflation Based (50% Weight): $(1+\text{CPI}) * \text{the previous year's distribution}$, where CPI is the fiscal year-over change in the U.S. Consumer Price Index and the previous year's distribution amount in year one equals \$5 million.

The maximum allowable spending amount is recommended at 4% of the endowment balance calculated on a 12-quarter rolling average. The Board will be asked to review the distribution calculation each year and approve an annual spending amount that preserves the cost basis of the endowment and accommodates growth in principal.

Financial Record Review & Fiscal Years 2024-2025 Budget Adoption

State statute and proposed Board Policy R1100 require the Board to review financial records of the endowment and to annually approve and submit an endowment budget to the Legislature. Accompanying this memo are monthly audited financial statements, including information on endowment net assets, investment units of participation, realized/unrealized gains/losses, and allocated expenses, along with a proposed Fiscal Year 2024-2025 endowment budget for Board consideration.

Commissioner's Recommendation

The Commissioner recommends the Board review and approve the attached endowment financial records, the fiscal year 2025 budget proposal, and the state treasurer's endowment IPS and adopt Board Policy R1100, *Higher Education Student Success Endowment*.

Attachments

Higher Education Student Success Endowment Budget Proposal ¹		
FY 2024		
Net Assets	Beginning of Period	End of Period
Strategic Asset Allocations	\$55,706,595	\$288,424,218
Public Treasurer's Investment Fund	\$226,863,831	\$0
Total	\$282,570,426	\$288,424,218
Revenue		
Investment Gain, Interest & Earned Income		\$6,008,902
Expenditures		
Allocated Expenses		-\$155,110
UBHE Board Spending Policy Programs		\$0
Total		-\$155,110
Net Change in Position		\$5,853,792
FY 2025		
Net Assets	Beginning of Period	End of Period
Strategic Asset Allocations	\$288,424,218	\$298,158,585
Total	\$288,424,218	\$298,158,585
Revenue		
Investment Gain, Interest & Earned Income		\$18,747,574
Expenditures		
Allocated Expenses		-\$313,542
UBHE Spending Policy Programs ²		-\$8,699,665
Total		-\$9,013,207
Net Change in Position		\$9,734,367

¹All assets, revenue, expenditure and change in position projections use basic assumptions involving a conservative transition to strategic asset allocation holdings and long-term inflation and investment returns.

²The UBHE has not yet adopted a policy on how endowment fund proceeds will be spent. FY 2025 spending opportunity will be assessed and adjusted based on an evaluation of actual FY 2024 returns.

FVH Reconciliation - Level 3 Detail by Security

All Accounts

Period : 9/1/2023 to 9/30/2023

Category	Mellon Security ID	Security Description 1	Asset Tier Number	Opening Balance	Transfer Out	Transfer In	Acquisitions	Dispositions	Realized Gain/Loss	Change in Unrealized Gain/Loss	Closing Balance	Reconciling Difference	Change in Unrealized Gain/Loss of Assets Sold	Change in Unrealized Gain/Loss of Assets Held
GRAND TOTAL				284,474,106.43	0.00	0.00	19,050,757.52	13,560,296.68	24.86	-5,307,066.44	284,657,525.69	0.00	-24.86	-5,307,041.58
UUTF18332702				284,474,106.43	0.00	0.00	19,050,757.52	13,560,296.68	24.86	-5,307,066.44	284,657,525.69	0.00	-24.86	-5,307,041.58
G2 - FIXED INCOME				284,474,106.43	0.00	0.00	19,050,757.52	13,560,296.68	24.86	-5,307,066.44	284,657,525.69	0.00	-24.86	-5,307,041.58
	99VVCNC20	GLOBAL FIXED INCOME	3	724,549.55	0.00	0.00	-2,051.03	1,408.14	24.86	4,703.32	725,818.56	0.00	-24.86	4,728.18
	999L00536	OTHER DIRECTIONAL STRATS MTU	3	32,965,748.49	0.00	0.00	7,628,218.62	0.00	0.00	1,149,130.85	41,743,097.96	0.00	0.00	1,149,130.85
	999L00569	PORTFOLIO HEDGES MTU	3	1,144,315.25	0.00	0.00	0.00	0.00	0.00	-99,579.46	1,044,735.79	0.00	0.00	-99,579.46
	99VVCYA85	PRIVATE AND ALTERN MTU	3	2,269,841.56	0.00	0.00	0.00	0.00	0.00	0.00	2,269,841.56	0.00	0.00	0.00
	999L00544	PUBLIC EQUITY AND ALTER MTU	3	32,350,121.21	0.00	0.00	6,692,399.57	0.00	0.00	-6,387,820.31	32,654,700.47	0.00	0.00	-6,387,820.31
	999L00551	RELATIVE VALUE STRATS MTU	3	7,601,930.23	0.00	0.00	3,814,384.12	0.00	0.00	26,499.16	11,442,813.51	0.00	0.00	26,499.16
	99VVBOSP3	STATE OF UTAH PTIF	3	207,417,600.14	0.00	0.00	917,806.24	13,556,888.54	0.00	0.00	194,776,517.84	0.00	0.00	0.00



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TRDUUT UUTF18332702 MONTHLY FINAL 230254

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STATE OF UTAH
REPORTING PERIOD : MONTHLY
ENDING 30 SEPTEMBER 2023



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TRDUUT UUTF18332702 MONTHLY FINAL 230254

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS 30 SEPTEMBER 2023

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

ASSETS

INVESTMENTS:

COST	\$	290,316,589.92
UNREALIZED APPRECIATION-INVEST		5,659,064.23-

\$ 284,657,525.69

TOTAL ASSETS

284,657,525.69

LIABILITIES

TOTAL LIABILITIES

0.00

NET ASSETS

\$ 284,657,525.69



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TRDUUT UUTF18332702 MONTHLY FINAL 230254

INVESTMENT DETAIL W/ CUSIP
30 SEPTEMBER 2023

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

<u>SHARES/ PAR VALUE</u>	<u>SECURITY DESCRIPTION</u>	<u>COST</u>	<u>PRICE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN/LOSS</u>
<u>INVESTMENTS UNIT OF PARTICIPATION</u>					
194,776,517.8400	STATE OF UTAH PTIF 99VVB0SP3	194,776,517.84	1.0000	194,776,517.84	0.00
689,098.5670	GLOBAL FIXED INCOME 99VVCNC20	708,321.59	1.0532	725,818.56	17,496.97
2,521,723.9560	PRIVATE AND ALTERN MTU 99VVCYA85	2,269,841.33	0.9001	2,269,841.56	0.23
40,594,516.7000	OTHER DIRECTIONAL STRATS MTU 999L00536	40,593,967.11	1.0282	41,743,097.96	1,149,130.85
31,917,564.3230	PUBLIC EQUITY AND ALTER MTU 999L00544	39,380,474.44	1.0230	32,654,700.47	6,725,773.97-
11,456,618.7380	RELATIVE VALUE STRATS MTU 999L00551	11,443,152.36	0.9987	11,442,813.51	338.85-
1,144,315.2500	PORTFOLIO HEDGES MTU 999L00569	1,144,315.25	0.9129	1,044,735.79	99,579.46-
TOTAL INVESTMENTS UNIT OF PARTICIPATION		290,316,589.92		284,657,525.69	5,659,064.23-
TOTAL INVESTMENT		290,316,589.92		284,657,525.69	5,659,064.23-



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STATEMENT OF CHANGE IN NET ASSETS AVAILABLE FOR BENEFIT S 2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

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	CURRENT PERIOD		YEAR TO DATE	
	01-SEP-23	30-SEP-23	01-JUL-23	30-SEP-23
NET ASSETS - BEGINNING OF PERIOD	\$	284,474,106.43	\$	264,670,624.09
RECEIPTS:				
RECEIVED FROM PLAN ADMINISTRATOR		13,350,344.41		87,703,605.14
INVESTMENT INCOME:				
INTEREST	\$	917,806.24	\$	3,058,801.02
REALIZED GAIN/LOSS		24.86		24.86
UNREALIZED GAIN/LOSS-INVESTMENT		5,307,066.44-		5,668,050.81-
		<u>4,389,235.34-</u>		<u>2,609,224.93-</u>
MASTER TRUST ALLOCATED EXPENSES		7,645.41-		7,645.41-
MASTER TRUST CHANGE IN REALIZED G/L		4,742,983.58		5,008,705.82
MASTER TRUST INTEREST INCOME EARNED		2,046.37-		2,046.37-
MASTER TRUST DIVIDEND INCOME EARNED		49,315.07		49,315.07
		<u>4,782,606.87</u>		<u>5,048,329.11</u>
TOTAL RECEIPTS		<u>13,743,715.94</u>		<u>90,142,709.32</u>
DISBURSEMENTS:				
DISTRIBUTION TO PLAN ADMINISTRATOR		13,560,296.68		70,155,807.72
		<u>13,560,296.68</u>		<u>70,155,807.72</u>
TOTAL DISBURSEMENTS		<u>13,560,296.68</u>		<u>70,155,807.72</u>
NET ASSETS - END OF PERIOD	\$	<u>284,657,525.69</u>	\$	<u>284,657,525.69</u>



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STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

DIVIDENDS EARNED
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

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<u>SECURITY DESCRIPTION</u>	<u>TRAN CODE</u>	<u>TRANSACTION DESCRIPTION</u>	<u>PAYMENT/ EFFECTIVE DATE</u>	<u>EX DATE BASE VALUE OF AMOUNT RECEIVED</u>
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* * * NO ACTIVITY FOR THIS PERIOD * * *



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STATE OF UTAH TREASURER INVEST
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CASH AND BASE COST RECONCILIATION - SETTLED
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

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	SETTLE DATE <u>BASE CASH</u>	TRADE DATE BASE COST OF <u>INVESTMENT</u>
<u>BEGINNING OF PERIOD</u>	0.00	284,826,104.22
TRANSACTIONS - CONTRACT BASIS		5,490,485.70
TRANSACTIONS - SETTLED BASIS		
SETTLED RECEIPTS AND DISBURSEMENT TRANSACTIONS	209,952.27-	
SETTLED PURCHASES	14,268,150.65-	
SETTLED SALES	13,560,296.68	
INTEREST RECEIVED	917,806.24	
DIVIDENDS RECEIVED	0.00	
<u>END OF PERIOD</u>	0.00	290,316,589.92



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NET ASSETS - CURRENCY EXPOSURE
30 SEPTEMBER 2023

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STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

G1153

BASE CURRENCY: USD

<u>CURRENCY DESCRIPTION</u> <u>(FX RATE: LOCAL TO BASE)</u>	<u>LOCAL COST/ BASE COST</u>	<u>LOCAL MARKET VALUE/ BASE MARKET VALUE</u>	<u>PCT OF TOTAL</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>	<u>UNREALIZED INVESTMENT GAIN/LOSS IN LOCAL/BASE CURRENCY</u>
U.S. DOLLAR 1.000000000	290,316,589.92 290,316,589.92	284,657,525.69 284,657,525.69	100 %	0.00	5,659,064.23- 5,659,064.23-
<u>TOTAL NET ASSETS</u>	290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-



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NET ASSETS - SUMMARY BY CURRENCY
30 SEPTEMBER 2023

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STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

G1052

BASE CURRENCY: USD

<u>CURRENCY DESCRIPTION</u> <u>(FX RATE: LOCAL TO BASE)</u>	<u>LOCAL COST/</u> <u>BASE COST</u>	<u>LOCAL MARKET VALUE/</u> <u>BASE MARKET VALUE</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>	<u>UNREALIZED</u> <u>INVESTMENT</u> <u>GAIN/LOSS IN</u> <u>LOCAL/BASE CURRENCY</u>	<u>TOTAL</u> <u>UNREALIZED</u> <u>GAIN/LOSS IN</u> <u>LOCAL/BASE CURRENCY</u>
U.S. DOLLAR	1.000000000				
UNIT OF PARTICIPATION	290,316,589.92	284,657,525.69		5,659,064.23-	5,659,064.23-
	290,316,589.92	284,657,525.69	0.00	5,659,064.23-	5,659,064.23-
<u>TOTAL INVESTMENTS</u>	290,316,589.92	284,657,525.69		5,659,064.23-	5,659,064.23-
	290,316,589.92	284,657,525.69	0.00	5,659,064.23-	5,659,064.23-
TOTAL U.S. DOLLAR	290,316,589.92	284,657,525.69		5,659,064.23-	5,659,064.23-
	290,316,589.92	284,657,525.69	0.00	5,659,064.23-	5,659,064.23-
<u>TOTAL NET ASSETS</u>	290,316,589.92	284,657,525.69	0.00	5,659,064.23-	5,659,064.23-



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INVESTMENT CLASSIFICATION SUMMARY 30 SEPTEMBER 2023

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

<u>INVESTMENT CLASSIFICATION</u>	<u>LOCAL COST/ BASE COST</u>	<u>LOCAL MARKET VALUE/ BASE MARKET VALUE</u>	<u>PCT OF TOTAL</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>	<u>UNREALIZED INVESTMENT GAIN/LOSS IN LOCAL/BASE CURRENCY</u>	<u>TOTAL UNREALIZED GAIN/LOSS IN LOCAL/BASE CURRENCY</u>
<u>UNIT OF PARTICIPATION</u>						
U.S. DOLLAR	USD	290,316,589.92				
		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-
TOTAL UNIT OF PARTICIPATION		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-
<u>TOTAL INVESTMENTS</u>		290,316,589.92	284,657,525.69		0.00	5,659,064.23-



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CURRENCY BALANCES

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STATE OF UTAH TREASURER INVEST

UBHE ENDOWMENT

30 SEPTEMBER 2023

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BASE CURRENCY: USD

<u>CURRENCY DESCRIPTION</u> (FX RATE: LOCAL TO BASE)	<u>LOCAL COST/ BASE COST</u>	<u>LOCAL MARKET VALUE/ BASE MARKET VALUE</u>	<u>PCT OF TOTAL</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>	<u>FX CONTRACTS PAYABLES/ RECEIVABLES</u>
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* * * NO POSITIONS END OF PERIOD * * *



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INVESTMENT DETAIL BY CURRENCY

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30 SEPTEMBER 2023

G1151

STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: LOCAL TO BASE)</u>	<u>SHARES/PAR VALUE/</u> <u>LOCAL PRICE/</u> <u>BASE PRICE</u>	<u>LOCAL COST/</u> <u>BASE COST</u>	<u>LOCAL MARKET VALUE/</u> <u>BASE MARKET VALUE</u>	<u>PCT</u> <u>OF</u> <u>TOTAL</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>	<u>UNREALIZED</u> <u>INVESTMENT</u> <u>GAIN/LOSS IN</u> <u>LOCAL/BASE CURRENCY</u>
U.S. DOLLAR	1.00000000					
<u>UNIT OF PARTICIPATION</u>						
STATE OF UTAH PTIF	194,776,517.8400					
	1.000000	194,776,517.84	194,776,517.84			0.00
	1.000000	194,776,517.84	194,776,517.84	68 %	0.00	0.00
GLOBAL FIXED INCOME	689,098.5670					
	1.053287	708,321.59	725,818.56			17,496.97
	1.053287	708,321.59	725,818.56	0 %	0.00	17,496.97
PRIVATE AND ALTERN MTU	2,521,723.9560					
	0.900115	2,269,841.33	2,269,841.56			0.23
	0.900115	2,269,841.33	2,269,841.56	1 %	0.00	0.23
OTHER DIRECTIONAL STRATS MTU	40,594,516.7000					
	1.028294	40,593,967.11	41,743,097.96			1,149,130.85
	1.028294	40,593,967.11	41,743,097.96	15 %	0.00	1,149,130.85
PUBLIC EQUITY AND ALTER MTU	31,917,564.3230					
	1.023095	39,380,474.44	32,654,700.47			6,725,773.97-
	1.023095	39,380,474.44	32,654,700.47	11 %	0.00	6,725,773.97-
RELATIVE VALUE STRATS MTU	11,456,618.7380					
	0.998795	11,443,152.36	11,442,813.51			338.85-
	0.998795	11,443,152.36	11,442,813.51	4 %	0.00	338.85-
PORTFOLIO HEDGES MTU	1,144,315.2500					
	0.912979	1,144,315.25	1,044,735.79			99,579.46-
	0.912979	1,144,315.25	1,044,735.79	0 %	0.00	99,579.46-
TOTAL UNIT OF PARTICIPATION		290,316,589.92	284,657,525.69			5,659,064.23-
		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-



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INVESTMENT DETAIL BY CURRENCY

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30 SEPTEMBER 2023

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STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: LOCAL TO BASE)</u>	<u>SHARES/PAR VALUE/</u> <u>LOCAL PRICE/</u> <u>BASE PRICE</u>	<u>LOCAL COST/</u> <u>BASE COST</u>	<u>LOCAL MARKET VALUE/</u> <u>BASE MARKET VALUE</u>	<u>PCT</u> <u>OF</u> <u>TOTAL</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>	<u>UNREALIZED</u> <u>INVESTMENT</u> <u>GAIN/LOSS IN</u> <u>LOCAL/BASE CURRENCY</u>
TOTAL U.S. DOLLAR		290,316,589.92	284,657,525.69			5,659,064.23-
		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-
<u>TOTAL INVESTMENTS</u>		290,316,589.92	284,657,525.69		0.00	5,659,064.23-



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

PURCHASES PENDING SETTLEMENT
30 SEPTEMBER 2023

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GT525

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION/ TRADING BROKER (FX RATE: SETTLE TO BASE)</u>	<u>TRD DATE/ SET DATE</u>	<u>SHARES-PAR VALUE/ (ORIGINAL SHARES)/ PRICE</u>	<u>SETTLEMENT AMOUNT</u>	<u>BASE SETTLEMENT AMOUNT</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
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S INDICATES PARTIAL SETTLEMENT

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

SALES PENDING SETTLEMENT

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GT526

STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

SECURITY DESCRIPTION/ TRADING BROKER (FX RATE: SETTLE TO BASE)	TRD DATE/ SET DATE	SHARES-PAR VALUE/ (ORIGINAL SHARES)/ PRICE	SETTLEMENT AMOUNT	BASE SETTLEMENT AMOUNT	UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY
--	-----------------------	--	----------------------	---------------------------	---

S INDICATES PARTIAL SETTLEMENT

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

PENDING FOREIGN EXCHANGE CONTRACTS

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STATE OF UTAH TREASURER INVEST

GT527

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>UNITS</u>	<u>CONTRACT DESCRIPTION</u>	<u>TRD DATE/ SET DATE</u>	<u>PAY FX RATE/ RCV FX RATE/ CONTRACT RATE</u>	<u>PAY BASE OPENING VALUE/ RCV BASE OPENING VALUE</u>	<u>PAY BASE MARKET VALUE/ RCV BASE MARKET VALUE</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
--------------	-----------------------------	-------------------------------	--	---	---	---

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

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30 SEPTEMBER 2023

GT582

STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: ACCRUAL TO BASE)</u>	<u>PAY DATE/ MAT DATE/ CONTRACT SETTLE DATE</u>	<u>SHARES/PAR VALUE/ INTEREST RATE</u>	<u>TAX PERCENT NET/EXPENSE/REFUND</u>	<u>LOCAL RECEIVABLE NET/EXPENSE/REFUND</u>	<u>BASE RECEIVABLE NET/EXPENSE/REFUND</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
--	---	--	---	--	---	---

P INDICATES PARTIAL RECEIPT
S INDICATES PARTIAL SETTLEMENT
* INDICATES PENDING INTEREST

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

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GT587

STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: ACCRUAL TO BASE)</u>	<u>PAY DATE/ MAT DATE/ CONTRACT SETTLE DATE</u>	<u>SHARES/PAR VALUE/ INTEREST RATE</u>	<u>TAX PERCENT NET/EXPENSE/REFUND</u>	<u>LOCAL PAYABLE NET/EXPENSE/REFUND</u>	<u>BASE PAYABLE NET/EXPENSE/REFUND</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
--	---	--	---	---	--	---

P INDICATES PARTIAL RECEIPT
* INDICATES PENDING INTEREST

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

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GT583

STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: ACCRUAL TO BASE)</u>	<u>EX DATE/</u> <u>PAY DATE</u>	<u>SHARES/PAR VALUE/</u> <u>DIVIDEND RATE/</u> <u>UNFRANKED</u> <u>DIVIDEND RATE</u>	<u>TAX PERCENT</u> <u>NET/EXPENSE/REFUND</u>	<u>LOCAL RECEIVABLE</u> <u>NET/EXPENSE/REFUND</u>	<u>BASE RECEIVABLE</u> <u>NET/EXPENSE/REFUND</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>
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P INDICATES PARTIAL RECEIPT

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

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STATE OF UTAH TREASURER INVEST

BASE CURRENCY: USD

UBHE ENDOWMENT

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: ACCRUAL TO BASE)</u>	<u>EX DATE/</u> <u>PAY DATE</u>	<u>SHARES/PAR VALUE/</u> <u>DIVIDEND RATE/</u> <u>UNFRANKED</u> <u>DIVIDEND RATE</u>	<u>TAX PERCENT</u> <u>NET/EXPENSE/REFUND</u>	<u>LOCAL PAYABLE</u> <u>NET/EXPENSE/REFUND</u>	<u>BASE PAYABLE</u> <u>NET/EXPENSE/REFUND</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>
--	------------------------------------	---	---	---	--	---

P INDICATES PARTIAL RECEIPT

* * * NO POSITIONS END OF PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

MULTICURRENCY TRANSACTION REPORT
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G2570

BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/ SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR))	(ORIGINAL SHARES/ PAR VALUE TRADE DATE LOCAL/BASE AMOUNT)	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
<u>RECEIPTS AND DISBURSEMENT TRANSACTIONS</u>							
CASH/SECURITIES RECEIVED FROM PLAN ADMINISTRATOR							
<u>U.S. DOLLAR</u>							
CD							
27-SEP-23	USD (UNITED STATES DOLLAR)	1,907,192.02	0.00		1,907,192.02	1,907,192.02	
	CD	1,907,192.02	0.00		1,907,192.02		0.00
CD							
27-SEP-23	USD (UNITED STATES DOLLAR)	1,907,192.02	0.00		1,907,192.02	1,907,192.02	
	CD	1,907,192.02	0.00		1,907,192.02		0.00
CD							
27-SEP-23	USD (UNITED STATES DOLLAR)	1,907,192.06	0.00		1,907,192.06	1,907,192.06	
	CD	1,907,192.06	0.00		1,907,192.06		0.00
CD							
27-SEP-23	USD (UNITED STATES DOLLAR)	1,907,192.06	0.00		1,907,192.06	1,907,192.06	
	CD	1,907,192.06	0.00		1,907,192.06		0.00
CD							
27-SEP-23	USD (UNITED STATES DOLLAR)	3,814,384.17	0.00		3,814,384.17	3,814,384.17	
	CD	3,814,384.17	0.00		3,814,384.17		0.00
CD							
29-SEP-23	USD (UNITED STATES DOLLAR)	1,907,192.08	0.00		1,907,192.08	1,907,192.08	
	CD	1,907,192.08	0.00		1,907,192.08		0.00



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TRDUUT UUTF18332702 MONTHLY FINAL 230254

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
TOTAL U.S. DOLLAR		13,350,344.41	0.00	0.00	13,350,344.41	13,350,344.41	
		13,350,344.41	0.00	0.00	13,350,344.41	0.00	
				0.00 I			0.00 T
				0.00 C			0.00 S
<u>TOTAL</u>		13,350,344.41	0.00	0.00	13,350,344.41	0.00	0.00
<u>CASH/SECURITIES RECEIVED FROM PLAN ADMINISTRATOR</u>				0.00 I			0.00 T
				0.00 C			0.00 S
MASTER TRUST INVESTMENT GAIN/LOSS							
<u>U.S. DOLLAR</u>							
AVG							
29-SEP-23	GLOBAL FIXED INCOME	0.00	54.50		0.00	0.00	
	REALIZED GAIN/LOSS	0.00	54.50		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
29-SEP-23	GLOBAL FIXED INCOME	0.00	2,046.37-		0.00	0.00	
	GENERAL INCOME	0.00	2,046.37-		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
30-SEP-23	GLOBAL FIXED INCOME	0.00	59.16-		0.00	0.00	
	REALIZED GAIN/LOSS	0.00	59.16-		0.00	0.00	
	FOR THE PERIOD 09/30/2023						



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TRDUUT UUTF18332702 MONTHLY FINAL 230254

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MULTICURRENCY TRANSACTION REPORT
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STATE OF UTAH TREASURER INVEST
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BASE CURRENCY: USD

		INVESTMENT			CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
AVG							
29-SEP-23	OTHER DIRECTIONAL STRATS MTU	0.00	549.59-		0.00	0.00	
	REALIZED GAIN/LOSS	0.00	549.59-		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
29-SEP-23	PUBLIC EQUITY AND ALTER MTU	0.00	9,565,550.31		0.00	0.00	
	REALIZED GAIN/LOSS	0.00	9,565,550.31		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
29-SEP-23	PUBLIC EQUITY AND ALTER MTU	0.00	49,315.07		0.00	0.00	
	DIVIDEND INCOME	0.00	49,315.07		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
29-SEP-23	PUBLIC EQUITY AND ALTER MTU	0.00	7,645.41-		0.00	0.00	
	INVEST MANAGER FEES	0.00	7,645.41-		0.00	0.00	
	FOR PERIOD ENDED 09/29/23						
AVG							
30-SEP-23	PUBLIC EQUITY AND ALTER MTU	0.00	4,822,012.48-		0.00	0.00	
	REALIZED GAIN/LOSS	0.00	4,822,012.48-		0.00	0.00	
	FOR THE PERIOD 09/30/2023						
TOTAL U.S. DOLLAR		0.00	4,782,606.87	0.00	0.00	0.00	
		0.00	4,782,606.87	0.00	0.00	0.00	
				0.00 I			0.00 T
				0.00 C			0.00 S



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
<u>TOTAL</u>		0.00	4,782,606.87	0.00	0.00	0.00	0.00
<u>MASTER TRUST INVESTMENT GAIN/LOSS</u>				0.00 I 0.00 C			0.00 T 0.00 S
DISTRIBUTION TO PLAN ADMINISTRATOR							
<u>U.S. DOLLAR</u>							
CW							
29-SEP-23	USD (UNITED STATES DOLLAR)	1,408.14-	0.00		1,408.14-	1,408.14-	
	CW	1,408.14-	0.00		1,408.14-	0.00	
CW							
19-SEP-23	STATE OF UTAH PTIF WITHDRAWAL	208,544.13-	0.00		208,544.13-	208,544.13-	
		208,544.13-	0.00		208,544.13-	0.00	
CW							
26-SEP-23	STATE OF UTAH PTIF WITHDRAWAL	1,907,192.06-	0.00		1,907,192.06-	1,907,192.06-	
		1,907,192.06-	0.00		1,907,192.06-	0.00	
CW							
27-SEP-23	STATE OF UTAH PTIF WITHDRAWAL	9,535,960.27-	0.00		9,535,960.27-	9,535,960.27-	
		9,535,960.27-	0.00		9,535,960.27-	0.00	
CW							
29-SEP-23	STATE OF UTAH PTIF WITHDRAWAL	1,907,192.08-	0.00		1,907,192.08-	1,907,192.08-	
		1,907,192.08-	0.00		1,907,192.08-	0.00	



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MULTICURRENCY TRANSACTION REPORT
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BASE CURRENCY: USD

		INVESTMENT			CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
TOTAL U.S. DOLLAR		13,560,296.68- 13,560,296.68-	0.00 0.00	0.00 0.00 0.00 I 0.00 C	13,560,296.68- 13,560,296.68-	13,560,296.68- 0.00	0.00 T 0.00 S
<u>TOTAL</u> <u>DISTRIBUTION TO PLAN ADMINISTRATOR</u>		13,560,296.68-	0.00	0.00 0.00 I 0.00 C	13,560,296.68-	0.00	0.00 T 0.00 S
TOTAL RECEIPTS AND DISBURSEMENT TRANSACTIONS U.S. DOLLAR		209,952.27-	4,782,606.87	0.00	209,952.27-	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 T 0.00 S



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

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UBHE ENDOWMENT

G2570
BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
<u>PURCHASES</u> (* INDICATES PENDING SETTLEMENT)							
UNIT OF PARTICIPATION							
<u>U.S. DOLLAR</u>							
B	917,806.240						
30-SEP-23	STATE OF UTAH PTIF	917,806.24-	917,806.24		917,806.24-	917,806.24-	
30-SEP-23	(USD/USD)	917,806.24-	917,806.24		917,806.24-	0.00	
B	1,907,192.020						
27-SEP-23	OTHER DIRECTIONAL STRATS MTU	1,907,192.02-	1,907,192.02		1,907,192.02-	1,907,192.02-	
27-SEP-23	(USD/USD)	1,907,192.02-	1,907,192.02		1,907,192.02-	0.00	
B	1,907,192.020						
27-SEP-23	OTHER DIRECTIONAL STRATS MTU	1,907,192.02-	1,907,192.02		1,907,192.02-	1,907,192.02-	
27-SEP-23	(USD/USD)	1,907,192.02-	1,907,192.02		1,907,192.02-	0.00	
B	3,814,384.170						
27-SEP-23	OTHER DIRECTIONAL STRATS MTU	3,814,384.17-	3,814,384.17		3,814,384.17-	3,814,384.17-	
27-SEP-23	(USD/USD)	3,814,384.17-	3,814,384.17		3,814,384.17-	0.00	
B	1,776,932.282						
29-SEP-23	PUBLIC EQUITY AND ALTER MTU	1,907,192.08-	1,907,192.08		1,907,192.08-	1,907,192.08-	
29-SEP-23	(USD/USD)	1,907,192.08-	1,907,192.08		1,907,192.08-	0.00	
B	1,913,925.249						
27-SEP-23	RELATIVE VALUE STRATS MTU	1,907,192.06-	1,907,192.06		1,907,192.06-	1,907,192.06-	
27-SEP-23	(USD/USD)	1,907,192.06-	1,907,192.06		1,907,192.06-	0.00	



BNY MELLON

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STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

TRAN CODE/ EFFECTIVE/ SETTLE DTE	SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	INVESTMENT			CURRENCY		
		(ORIGINAL SHARES/PAR VALUE) TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
B	1,913,925.249						
27-SEP-23	RELATIVE VALUE STRATS MTU	1,907,192.06-	1,907,192.06		1,907,192.06-	1,907,192.06-	
27-SEP-23	(USD/USD)	1,907,192.06-	1,907,192.06		1,907,192.06-	0.00	
TOTAL U.S. DOLLAR		14,268,150.65-	14,268,150.65	0.00	14,268,150.65-	14,268,150.65-	
		14,268,150.65-	14,268,150.65	0.00	14,268,150.65-	0.00	
				0.00 I			0.00 T
				0.00 C			0.00 S
<u>TOTAL</u>							
UNIT OF PARTICIPATION							
TRADED - SETTLED CURRENT PERIOD							
U.S. DOLLAR		14,268,150.65-	14,268,150.65	0.00	14,268,150.65-	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00	0.00	0.00	0.00
				0.00 I			0.00 T
				0.00 C			0.00 S
TRADED - PENDING SETTLEMENT							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00	0.00	0.00	0.00
				0.00 I			0.00 T
				0.00 C			0.00 S
SETTLED - TRADED PRIOR PERIOD							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00	0.00	0.00	0.00
				0.00 I			0.00 T
				0.00 C			0.00 S



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

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UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
TOTAL PURCHASES							
TRADED - SETTLED CURRENT PERIOD							
U.S. DOLLAR		14,268,150.65-	14,268,150.65	0.00	14,268,150.65-	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
TRADED - PENDING SETTLEMENT							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
SETTLED - TRADED PRIOR PERIOD							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

MULTICURRENCY TRANSACTION REPORT
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 10
G2570

BASE CURRENCY: USD

			INVESTMENT		CURRENCY		
TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS	SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
<u>TOTAL</u>							
<u>UNIT OF PARTICIPATION</u>							
TRADED - SETTLED CURRENT PERIOD							
U.S. DOLLAR		13,560,296.68	13,560,271.82-	24.86	13,560,296.68	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
TRADED - PENDING SETTLEMENT							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
SETTLED - TRADED PRIOR PERIOD							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

MULTICURRENCY TRANSACTION REPORT
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 11
G2570

BASE CURRENCY: USD

TRAN CODE/ EFFECTIVE/ SETTLE DTE	(ORIGINAL SHARES/PAR VALUE) SHARES/PAR VALUE SECURITY DESCRIPTION (LOCAL CURR/SETTLE CURR)	TRADE DATE LOCAL/BASE AMOUNT	INVESTMENT		SETTLE DATE LOCAL/BASE AMOUNT	CURRENCY	
			INVESTMENT LOCAL/BASE COST	INVESTMENT LOCAL/BASE GAIN/LOSS		CURRENCY LOCAL/BASE COST	CURRENCY GAIN/LOSS IN BASE CURRENCY
TOTAL SALES							
TRADED - SETTLED CURRENT PERIOD							
U.S. DOLLAR		13,560,296.68	13,560,271.82-	24.86	13,560,296.68	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
TRADED - PENDING SETTLEMENT							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
SETTLED - TRADED PRIOR PERIOD							
U.S. DOLLAR		0.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (BASE VALUE)		0.00	0.00	0.00 0.00 I 0.00 C	0.00	0.00	0.00 0.00 T 0.00 S
<u>TOTAL ACTIVITY OF U.S. DOLLAR</u>		917,806.24-	5,490,485.70	24.86	917,806.24-	0.00	0.00
<u>TOTAL ACTIVITY OF FOREIGN (BASE VALUE)</u>		0.00	0.00	0.00	0.00	0.00	0.00
<u>GRAND TOTAL ACTIVITY (BASE VALUE)</u>		917,806.24-	5,490,485.70	24.86 24.86 I 0.00 C	917,806.24-	0.00	0.00 0.00 T 0.00 S



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

FOREIGN EXCHANGE CONTRACT TRANSACTIONS
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1
G2540

BASE CURRENCY: USD



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

INTEREST EARNED
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1

G2520

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION</u>	<u>TRAN CODE</u>	<u>TRANSACTION DESCRIPTION</u>	<u>PAYMENT/EFFECTIVE DATE</u>	<u>TRADE DATE LOCAL/BASE AMOUNT RECEIVED</u>	<u>SETTLE DATE LOCAL/BASE AMOUNT RECEIVED</u>	<u>CURRENCY LOCAL/BASE COST</u>	<u>CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
* INDICATES PENDING SETTLEMENT							
<u>U.S. DOLLAR</u>							
STATE OF UTAH PTIF	CD	INTEREST	30-SEP-23	917,806.24 917,806.24	917,806.24 917,806.24	917,806.24	
TOTAL U.S. DOLLAR				917,806.24 917,806.24	917,806.24 917,806.24	917,806.24 0.00	0.00 C 0.00 T 0.00 S
SETTLED INTEREST RECEIVED - U.S. DOLLAR				917,806.24	917,806.24	0.00	0.00 C
SETTLED INTEREST RECEIVED - FOREIGN (BASE VALUE)				0.00	0.00	0.00	0.00 C 0.00 T 0.00 S
PENDING INTEREST RECEIVED - U.S. DOLLAR				0.00	0.00	0.00	0.00 C
PENDING INTEREST RECEIVED - FOREIGN (BASE VALUE)				0.00	0.00	0.00	0.00 C 0.00 T 0.00 S
TOTAL NET INTEREST RECEIVED FOR PERIOD				917,806.24	917,806.24	0.00	
LESS - INTEREST RECEIVABLE - BEGINNING OF PERIOD				0.00			
PLUS - INTEREST RECEIVABLE - END OF PERIOD				0.00			
INTEREST EARNED FOR PERIOD				917,806.24			



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

DIVIDENDS EARNED
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1
G2530

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION</u>	<u>TRAN CODE</u>	<u>TRANSACTION DESCRIPTION</u>	<u>PAYMENT/ EFFECTIVE DATE</u>	<u>EX DATE LOCAL/BASE AMOUNT RECEIVED</u>	<u>RECEIPT DATE LOCAL/BASE AMOUNT RECEIVED</u>	<u>CURRENCY LOCAL/BASE COST</u>	<u>CURRENCY GAIN/LOSS IN BASE CURRENCY</u>
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* * * NO ACTIVITY FOR THIS PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

CASH AND BASE COST RECONCILIATION - TRADED
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1
G2580

BASE CURRENCY: USD

	<u>BASE CASH</u>	<u>BASE COST OF INVESTMENT</u>	<u>BASE COST OF FOREIGN CURRENCY</u>
<u>BEGINNING OF PERIOD</u>	0.00	284,826,104.22	0.00
* TRANSACTION REPORT - CONTRACT BASIS	917,806.24-	5,490,485.70	
LESS - TRADES PENDING SETTLEMENT IN USD - END OF PERIOD	0.00		
PLUS - TRADES PENDING SETTLEMENT IN USD - BEG OF PERIOD	0.00		
TRANSACTION REPORT - SETTLED BASIS	917,806.24-		0.00
INTEREST RECEIVED	917,806.24		0.00
DIVIDENDS RECEIVED	0.00		0.00
<u>END OF PERIOD</u>	0.00	290,316,589.92	0.00

* TRADES ARE PRESENTED IN THE TRANSACTION REPORT ON A CONTRACTUAL BASIS RATHER THAN ON A SETTLED BASIS. TO CONVERT THESE VALUES TO A SETTLED BASIS THE UNSETTLED TRADES AT THE END OF THE PERIOD MUST BE SUBTRACTED AND THE UNSETTLED TRADES AT THE BEGINNING OF THE PERIOD MUST BE ADDED TO THE CONTRACTUAL VALUES.



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

GENERAL LEDGER JOURNAL ENTRIES
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1
G2560

BASE CURRENCY: USD

GENERAL LEDGER ACCOUNT:
GENERAL LEDGER NUMBER :

<u>EFFECTIVE</u> <u>DATE</u>	<u>JOURNAL DESCRIPTION</u>	<u>LOCAL AMOUNT/</u> <u>BASE AMOUNT</u>	<u>OFFSET</u> <u>ACCOUNT</u>
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* * * NO ACTIVITY FOR THIS PERIOD * * *



BNY MELLON

TRDUUT UUTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

LOCAL SUMMARY CURRENCY STATEMENT
FOR THE PERIOD 01 SEPTEMBER 2023 THROUGH 30 SEPTEMBER 2023

PAGE: 1
G2576

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

BASE CURRENCY: USD
LOCAL CURRENCY: USD

BEGINNING BALANCE U.S. DOLLAR 0.00

PLUS RECEIPTS

INVESTMENTS SOLD 13,560,296.68

INTEREST 917,806.24

MISCELLANEOUS RECEIPTS 13,350,344.41

27,828,447.33

LESS DISBURSEMENTS

INVESTMENTS PURCHASED 14,268,150.65

MISCELLANEOUS DISBURSEMENTS 13,560,296.68

27,828,447.33

ENDING BALANCE U.S. DOLLAR 0.00
=====



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

INVESTMENT DETAIL BY CURRENCY WITH CUSIPS
30 SEPTEMBER 2023

PAGE: 1

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

G1154

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION</u> (FX RATE: LOCAL TO BASE)	<u>SHARES/PAR VALUE/ LOCAL PRICE/ BASE PRICE</u>	<u>LOCAL COST/ BASE COST</u>	<u>LOCAL MARKET VALUE/ BASE MARKET VALUE</u>	<u>PCT OF TOTAL</u>	<u>UNREALIZED CURRENCY GAIN/LOSS IN BASE CURRENCY</u>	<u>UNREALIZED INVESTMENT GAIN/LOSS IN LOCAL/BASE CURRENCY</u>
<u>U.S. DOLLAR</u>	1.00000000					
<u>UNIT OF PARTICIPATION</u>						
STATE OF UTAH PTIF	194,776,517.8400 1.000000 1.000000	194,776,517.84 194,776,517.84	194,776,517.84 194,776,517.84	68 %	0.00	0.00
99VVB0SP3						
GLOBAL FIXED INCOME	689,098.5670 1.053287 1.053287	708,321.59 708,321.59	725,818.56 725,818.56	0 %	0.00	17,496.97 17,496.97
99VVCNC20						
PRIVATE AND ALTERN MTU	2,521,723.9560 0.900115 0.900115	2,269,841.33 2,269,841.33	2,269,841.56 2,269,841.56	1 %	0.00	0.23 0.23
99VVCYA85						
OTHER DIRECTIONAL STRATS MTU	40,594,516.7000 1.028294 1.028294	40,593,967.11 40,593,967.11	41,743,097.96 41,743,097.96	15 %	0.00	1,149,130.85 1,149,130.85
999L00536						
PUBLIC EQUITY AND ALTER MTU	31,917,564.3230 1.023095 1.023095	39,380,474.44 39,380,474.44	32,654,700.47 32,654,700.47	11 %	0.00	6,725,773.97- 6,725,773.97-
999L00544						
RELATIVE VALUE STRATS MTU	11,456,618.7380 0.998795 0.998795	11,443,152.36 11,443,152.36	11,442,813.51 11,442,813.51	4 %	0.00	338.85- 338.85-
999L00551						
PORTFOLIO HEDGES MTU	1,144,315.2500 0.912979 0.912979	1,144,315.25 1,144,315.25	1,044,735.79 1,044,735.79	0 %	0.00	99,579.46- 99,579.46-
999L00569						



BNY MELLON

TRDUUT UTF18332702 MONTHLY FINAL 230254

2023-09-30 CYCLE A 23:02:57 RUN DATE: 26-OCT-23

INVESTMENT DETAIL BY CURRENCY WITH CUSIPS
30 SEPTEMBER 2023

PAGE: 2

UUT F183327
STATE OF UTAH TREASURER INVEST
UBHE ENDOWMENT

G1154

BASE CURRENCY: USD

<u>SECURITY DESCRIPTION</u> <u>(FX RATE: LOCAL TO BASE)</u>	<u>SHARES/PAR VALUE/</u> <u>LOCAL PRICE/</u> <u>BASE PRICE</u>	<u>LOCAL COST/</u> <u>BASE COST</u>	<u>LOCAL MARKET VALUE/</u> <u>BASE MARKET VALUE</u>	<u>PCT</u> <u>OF</u> <u>TOTAL</u>	<u>UNREALIZED</u> <u>CURRENCY</u> <u>GAIN/LOSS IN</u> <u>BASE CURRENCY</u>	<u>UNREALIZED</u> <u>INVESTMENT</u> <u>GAIN/LOSS IN</u> <u>LOCAL/BASE CURRENCY</u>
U.S. DOLLAR	1.000000000					
TOTAL UNIT OF PARTICIPATION		290,316,589.92	284,657,525.69			5,659,064.23-
		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-
TOTAL U.S. DOLLAR		290,316,589.92	284,657,525.69			5,659,064.23-
		290,316,589.92	284,657,525.69	100 %	0.00	5,659,064.23-
<u>TOTAL INVESTMENTS</u>		290,316,589.92	284,657,525.69		0.00	5,659,064.23-

INVESTMENT POLICY STATEMENT FOR

Higher Education Student Success Endowment Fund

I. SCOPE AND PURPOSE

This Investment Policy Statement (the “Policy Statement”) outlines the goals and investment objectives of the Higher Education Student Success Endowment Fund (“the Fund”). Since this Policy Statement is intended to provide guidance to the Utah State Treasurer’s Office (“Office”) in managing the Fund’s assets, it outlines certain specific investment policies that govern how the fiduciaries intend to achieve the Fund’s goals and objectives. This Policy Statement, upon the review and approval of the Utah State Treasurer:

- Describes a risk posture for the investment of the Fund’s assets;
- Specifies the target asset allocation for those assets;
- Establishes guidelines regarding diversification of assets;
- Specifies the criteria for evaluating the Fund’s performance as a whole; and
- Defines responsibilities of the Investment Committee, Chief Deputy State Treasurer, Investment Officer, Consultant, Custodian, and other specified parties.

The Office believes that the investment policies described in this Policy Statement should be dynamic. These policies should reflect the Fund’s current financial status and the Office’s philosophy regarding the investment of assets. These policies should be reviewed by the Office periodically and revised as necessary to ensure that they continue to reflect the most prudent policy given the current financial situation of the Funds and expectations for the capital markets. This information, as well as the Policy Statement itself, should be reviewed periodically for its continued accuracy and completeness.

Higher Education Student Success Endowment Fund

Utah Code: 53B-7-801, et seq.

The name of this fund is the Higher Education Student Success Endowment Fund, and was funded by proceeds from divestment from the Utah Higher Education Assistance Authority’s loan portfolio. The Fund may be used for programs that advance the system priorities as established in Utah Code 53B-1-402(2)(a) and support prospective students or current students enrolled at an institution, as described in Utah Code 53B-2-101. The Funds may not be used for capital expenditure, including the construction or lease of a capital facility or operation and maintenance of a capital facility.

II. DEFINITIONS OF DUTIES

Utah State Treasurer

The Utah State Treasurer (“Treasurer”) is solely responsible for the investment management of the Funds. The Treasurer will maintain decision-making authority on the Fund, but the Treasurer may delegate other responsibilities regarding the Fund to the following individuals or roles:

Chief Deputy State Treasurer/Investment Officer

The primary fiduciary responsibilities of the Chief Deputy State Treasurer/Investment Officer with respect to the management and oversight of the Funds are:

- Assist in establishing and approving an investment policy statement, and review at least annually for any needed changes based on current conditions;
- Ensure prudent diversification of the portfolio assets to meet the stated risk/return profile;
- Assist the Treasurer in prudently selecting investment managers with the help of any Consultant;
- Monitor the investment managers and the performance of the accounts under management and provide the Treasurer and the Utah Board of Higher Education regular performance reports;
- Measure, assess and report on portfolio risk;
- Consider the information and advice provided by the Consultant and other professional advisors and act accordingly;
- Control and oversee all investments, record keeping and administrative expenses associated with the investment of the Funds; and
- Disclose to the Treasurer and deal prudently with any conflicts of interest, or perceived conflicts of interest.
- Review the allocations and performance of the Funds quarterly and ensure that funds are rebalanced in a timely manner if outside of the target allocation ranges.

Consultant

The Utah State Treasurer may retain an investment consultant (“Consultant”) to:

- Assist the Office in strategic investment planning for the Funds by providing assistance in developing, reviewing, and updating the investment policy, an asset allocation strategy, risk and liquidity budgets, and portfolio structure;
- Provide written performance measurement reports on a quarterly basis and flash reports on a monthly basis;
- Assist the Office in its selection of investment manager(s); and
- Periodically meet with the Office to discuss strategic investment decisions and consider whether any changes or other actions are necessary.

Investment Committee

- The Investment Committee shall be made up of the State Treasurer, Chief Deputy Treasurer, and the Investment Officer.
- The Committee shall meet periodically to review investments, returns, risks, and to create transparency in the investment operations.
- Discuss and approve new investment allocations and investment managers.

Custodian

The Custodian is responsible for the safekeeping of the Fund's investment assets. The specific duties and responsibilities of the custodian include:

- Maintain separate accounts by legal registration;
- Value and report price of the holdings;
- Collect all income and dividends owed to the Funds in its custody;
- Settle all transactions initiated by the Office or its investment managers; and
- Provide monthly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall portfolio since the previous report.
- Provide performance reporting if instructed by the Office.
- Maintain unitization structure to support plan investments.

The Fiduciaries

The fiduciaries of the Fund consist of the Treasurer, the Chief Deputy Treasurer, the State Investment Officer, and the Consultant.

III.OBJECTIVES

Investment Objectives

The Fund's assets should be invested in accordance with sound investment practices and the Prudent Man Rule. The objectives of the Fund are to provide stability, income, and growth of principal consistent with prudent levels of risk. Investment returns are expected to provide adequate funds to sufficiently support reasonably spending requirements and preserve or enhance the long-term real value of the Fund. In establishing the investment objectives of the Fund, the Office has taken into account the time horizon available for investment, liquidity needs, legal constraints, and any other unique constraints that affect the Fund's risk tolerance. The Fund's legal constraints are outlined in Utah State Code 53-7-802.

Risk Tolerance

In approving the Policy Statement, the Treasurer considered the Fund's willingness and financial ability to take risk, and determined that a moderate risk profile is the most appropriate.

Return Objectives

With the risk tolerance of the Fund considered in combination with capital market expectations the real return for the Fund over the ten-year horizon is 4%.

IV. CONSTRAINTS

Time Horizon

The Fund's time horizon is greater than ten years; therefore, interim fluctuations should be viewed with appropriate perspective. Similarly, the Fund's strategic asset allocation is based on a long-term perspective.

Liquidity

Except for the annual spending policy, the Funds' liquidity needs are minimal. Accordingly, a cash equivalent target balance of about 5% or less should be maintained. If additional liquidity is needed, the Office will liquidate securities.

Legal and Regulatory

The Funds are governed by Utah code 53B-7-801 - 803. The code states that assets are to be invested with the primary goal of providing stability, income, and growth of principal. The statute doesn't require any specific investing outcome. Administrative costs incurred in managing fund's assets may be deducted from earnings before distributing them. The code allows the Treasurer to employ professional asset managers to assist in the investing of the Fund's assets, and administrative and manager fees can be paid from the Fund's earnings.

V. STRATEGIC ASSET ALLOCATION

Based on the risk budget, the following asset allocation policy has been adopted, including asset class weights and ranges, and benchmarks for each asset class.

ASSET ALLOCATION GUIDELINES

Asset Class	Weight	Range
Capital Appreciation	75%	60 - 85%
Public Equity and Alternatives	25%	10 - 45%
Private Equity and Alternatives	25%	0 - 35%
Public and Private Real Assets	10%	0 - 20%
Other Directional Strategies	15%	0 - 25%
Capital Preservation	25%	15 - 40%
Relative Value Strategies	18%	10 - 30%
Global Fixed Income	5%	0 - 10%
Cash and Cash Equivalents	1.5%	0 - 5%
Portfolio Hedges	0.5%	0 - 1.5%

Portfolio and manager performance will be measured against benchmarks at least quarterly.

Both absolute and risk-adjusted returns will be compared against the following portfolio benchmarks:

- i. Detailed asset allocation benchmark – rolling quarterly one, three, five, and ten-year returns will be primarily measured against a non-investable composite of passive indices at the Office-approved target weights, as set forth herein. Deviations from this benchmark return may be explained by either manager selection or tactical asset allocation.
- ii. Broad asset allocation benchmark – risk and returns will be measured against a blended benchmark comprised of the Fund’s target asset allocation using passive indices over rolling three, five, and ten-year periods. Exceeding this benchmark implies that diversification (*i.e.*, investing in alternatives to traditional equity and fixed income) has added value.

Absolute returns will be compared against the following additional portfolio benchmark:

- iii. Inflation-adjusted spending policy benchmark – returns will be measured against a non-investable composite benchmark comprised of the Consumer Price Index (All Urban Consumers, All Items, Not Seasonally Adjusted), as reported by the U.S Department of Labor, plus 4% annualized, over five and ten-year periods.

Peer comparisons, where appropriate, will also be reviewed.

Asset class performance will be compared against benchmarks as included below.

<u>Asset Class</u>	<u>Benchmark</u>
Capital Appreciation	MSCI World Index
Public Equity and Alternatives	MSCI World Index
Private Equity and Alternatives	MSCI World Index
Public and Private Real Assets	S&P Real Assets Index
Other Directional Strategies	HFRI Equity Hedge (Total) Index
Capital Preservation	Bloomberg US Aggregate Bond Index
Relative Value Strategies	HFRI Relative Value (Total) Index
Fixed Income	Bloomberg US Aggregate Bond Index
Cash and Cash Alternatives	3-Month US Treasury
Portfolio Hedges	CBOE Eurekahedge Tail Risk Hedge Fund Index

VI. REBALANCING

The allocations to each asset class or within asset classes are not expected to remain static over most market cycles. Since capital appreciation (depreciation) and trading activity in each portfolio can result in a deviation from the overall asset allocation, the allocations should be monitored at least quarterly, and rebalanced in a timely manner if outside of the target allocation ranges.

VII. DISTRIBUTION POLICY

The Fund will have a spending policy that requires regular distributions. There are no estimated cash inflows for the Fund. Cash outflows should come from cash, then from securities in order of liquidity upon recommendation of the Office.

The annual endowment distribution calculation is as follows:

- **Market Value Based (50% Weight):** $4\% \times$ the fund balance calculated on a 12-quarter rolling average (or quarters of existence prior to a 12-quarter history). The calculation will be made annually after the books are closed for the fiscal year ending June 30, with an application date of July 1.
- **Inflation Based (50% Weight):** $(1 + \text{CPI}) \times$ the previous year's distribution, where CPI is the fiscal year year-over change in U.S. Consumer Price Index and the previous year's distribution amount in year-one equals \$5 million.

The maximum allowable spending amount is recommended at 4% of the endowment balance calculated on a 12-quarter rolling average. The Utah Board of Higher Education will review the distribution calculation each year and approve an annual spending amount that preserves the cost basis of the endowment and accommodates a growth in principal.

VIII. RISK MANAGEMENT

Risk Philosophy

In its broadest sense, risk refers to the unpredictability of future asset value, and specifically, the chance that assets may decrease, as well as increase, in value. Investment theory and practical experience both support the notion that expected returns are proportional to market risk taken. Thus, the Fund's risk management does not require the elimination of risk, but the balancing of risk and expected return. Risk in itself is intrinsically neither good nor bad; it is a characteristic that must be managed in order to generate investment returns. The Office recognizes that the essence of investment management is the management of risks, not the management of returns.

Risk Policy

The Office's policy regarding investment risk, consistent with modern portfolio theory, is that risk cannot be eliminated but can be managed. The fiduciaries are responsible for understanding the risks inherent in various investment strategies, ensuring fair compensation for these risks, and measuring and monitoring them continually. In particular, the level of risk taken should be consistent with the return objectives of the Fund.

Fiduciaries set the framework for risk management through the investment policy and guidelines, the strategic asset allocation, and the benchmarks used for performance objectives.

The Treasurer and the Consultant are responsible for monitoring both total and active risk and implementing procedures and safeguards so that the combined risk exposures are kept within limits established by the fiduciaries. However, the Treasurer maintains full decision-making authority on the Fund. Further, within limits of prudent diversification and risk budgets, total and active risk exposures are fungible; the Treasurer may allocate risk exposures within and between asset classes in order to optimize return.

Although the management of investment portfolios may be outsourced, investment oversight and risk management are primary fiduciary duties of the Treasurer and those for which the Treasurer has delegated responsibility.

IX. UNIQUE CIRCUMSTANCES

The Funds have no unique circumstances.

X. MONITORING AND REVIEW PROCESS

The Office and Consultant will monitor the Fund's performance on a quarterly basis and review less detailed flash reporting on a monthly. They will evaluate the Funds' success in achieving the investment objectives outlined in this Policy Statement with particular focus on three and five-year time horizons, and a full market cycle. The Fund's performance should be reported as a time-weighted rate of return. At the time of Consultant retention, the Office and Consultant will agree to appropriate benchmark(s). The investment managers' returns should be compared to these benchmarks over each specified time period to determine manager and tactical return attribution.

The Fund's asset allocation should also be reported and reviewed by the Office on a quarterly basis. An attribution analysis should be performed by the Consultant to evaluate how much of the Fund's investment results are due to the investment managers' investment decisions, as compared to the effect of the financial markets. This analysis will use the policy and/or relevant manager-specific index as the performance benchmark for evaluating both the returns achieved and the level of risk taken for the total portfolio and the individual investment managers.

The Office recognizes the importance of a long-term focus when evaluating the performance of investment managers. The Office understands the potential for performance over short-term periods to deviate from the performance of the representative market benchmarks. The Office will not, as a rule, terminate an investment manager on the basis of short-term underperformance. If the Office determines that the investment approach is sound and the manager is adhering to their stated investment style and approach, if all other qualitative factors are acceptable, the Office will allow a sufficient interval of time to properly evaluate performance. The Consultant will advise the Office on the appropriate length of time to evaluate performance. The investment manager's performance will be viewed in light of the firm's particular investment style and strategy, keeping in mind at all times the Funds' strategies as well as other qualitative factors that the Office and Consultants believe are correlated to better long-term outcomes. The Office, however, may require additional scrutiny or consider termination of an investment manager based on factors such as:

- A material event that affects the ownership or capital structure of the investment management firm;
- Any legal or regulatory action taken against the manager;
- Violation of the terms of the contract or changes to the agreed upon services without prior written approval of the Committee;
- Significant style drift from the intended investment style that the manager was engaged to implement;
- Departure of key investment personnel;
- Lack of diversification.

Furthermore, the investment manager may be replaced at any time as part of an overall restructuring of the portfolio or for any other reason.

XI. ACKNOWLEDGEMENT

Utah State Treasurer

Date

R1100, Higher Education Student Success Endowment¹

R1100-1 Purpose: The purpose of this policy is to outline the Board’s responsibilities regarding the Higher Education Student Success Endowment (“Endowment”).

R-1100-2 References

- 2.1 Utah Code § 53B-2-102, Institutions of Higher Education
- 2.2 Utah Code § 53B-1-402(2)(a), Establishment of Board – Powers, Duties, and Authority
- 2.3 Utah Code Title 53B, Chapter 7, Part 8, Higher Education Student Success Endowment

R1100-3 Definitions

3.1 “Higher Education Student Success Endowment” (“Endowment”) means the endowment created by the legislature under Utah Code section 53B-7-802. The endowment consists of proceeds from the divestment of the dissolved Utah Higher Education Assistance Authority’s loan portfolio, legislative appropriations made to the endowment, income from investment of the endowment, and revenues received from other sources.

R1100-4 Policy

4.1 Board’s Responsibilities as Trustees: As trustees for the endowment, the Utah Board of Higher Education (“Board”) shall:

4.1.1 Annually, review and consider for approval an investment policy prepared by the Utah State Treasurer that provides guidelines for the investment management and oversight of the endowment including policies, projections, rules, criteria, procedures, forms, standards, and performance goals;

4.1.2 Annually, review and consider for approval a distribution policy prepared by the Utah State Treasurer including the budget and spending limits of the endowment. The Board may approve a distribution policy that supports the Treasurer’s investment objectives as established in subsection 4.2.

4.1.3 Ensure that money is only expended from the endowment for programs that advance the Utah System of Higher Education (“USHE”) priorities under Utah Code

¹ Adopted XXX.

section 53B-1-402(2)(a) or support prospective or current students enrolled in a USHE institution;

4.1.4 At least annually, review financial records for the endowment, including receipts, expenditures, and investments; and

4.1.5 Take other action necessary to perform the Board's fiduciary obligations.

4.2 Treasurer's Responsibilities: Under Utah Code section 53B-7-802, the Utah State Treasurer ("Treasurer") manages and invests the endowment intending to provide stability, income, and growth of the principal.

4.3 Annual Report: By November 1 each year, the Board will work with the Treasurer to submit the endowment's budget and expenditures for the prior fiscal year to the legislature's Higher Education Appropriations Subcommittee.