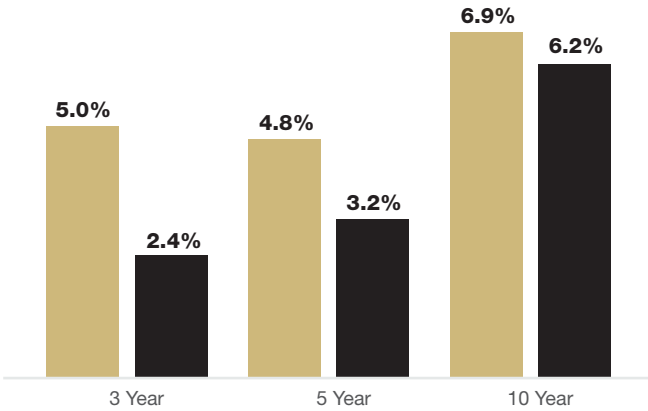




For the three months ending March 31, 2020, the University of Colorado Foundation's Long Term Investment Pool (LTIP) returned -11.08%, which compares to -16.77% for our policy benchmark. While the LTIP's value declined due to a market correction caused by COVID-19, the Foundation believes the LTIP is well-positioned to weather these unusual times because of our long-term investment strategy. Diversification and risk management tactics helped minimize losses last quarter, and a judicious rebalancing of the LTIP's portfolio helped us take advantage of opportunities. Long-term results show a consistent track record of investment growth, in line with the Foundation's goal of maximizing returns while managing risk. Achieving this objective is critical to CU's long-term educational mission.

See page 2 of this update for more information about CU's endowments and the LTIP during this correction.



CU investments vs. policy benchmark

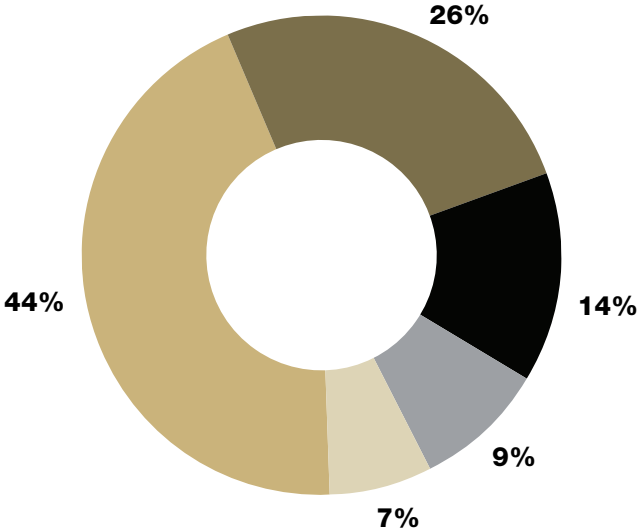
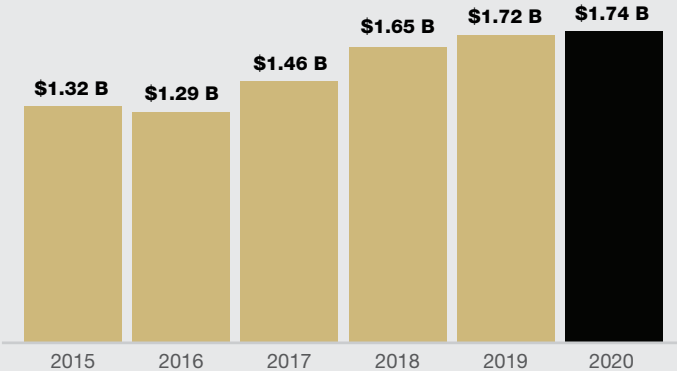
As of March 31, 2020, the LTIP's 3-year annualized investment performance was +5.01%, its 5-year performance was +4.75%, and its 10-year performance was +6.87%.

LTIP Policy Benchmark*

*The Policy Benchmark, effective FY 2018, is a blend of 80% MSCI ACWI (equities) and 20% Barclays US Aggregate Bond Index (fixed income). Depending on the return period presented, historical benchmarks of 40% Russell 3000, 40% MSCI EAFE and 20% Barclays US Agg (FY 2009 – 2017) and 50% Russell 3000, 30% Barclays US Agg and 20% MSCI EAFE (fund inception – FY 2008) are components of the policy benchmark as applicable.

Current LTIP value: \$1.74 billion

As of March 31, 2020, the LTIP was valued at \$1.74 billion. The value of endowments invested for the benefit of CU is a subset of the LTIP, totaling \$1.36 billion. Note that increases/decreases of these funds over time do not precisely mirror investment performance, due to increases reflecting fundraising inflows and decreases reflecting distributions made to university programs.



LTIP asset allocation as of March 31, 2020

The LTIP's \$1.74 billion is invested in a diverse portfolio of asset classes with a long-term strategic investment horizon. Here is the proportion of investment by asset class.

Global public equities Real assets Global private capital Fixed income and cash Global hedge funds



The CU Foundation's Investment Policy Committee, Board of Directors and staff, including the investment management team at Agility, the Foundation's outsourced CIO, are closely monitoring economic developments and market conditions.

The LTIP is well-positioned to weather the market volatility and economic disruptions brought on by the COVID-19 pandemic.

- The LTIP is invested in a diverse portfolio of asset classes that includes global public equities, private capital, real assets, hedge funds, fixed income and cash with a long-term strategic investment horizon.
- Diversification and risk management are helping to minimize losses to date.
- Forced sellers are creating attractive buying opportunities for long-term investors like the Foundation.
- The LTIP has the liquidity to buy stocks and take advantage of discounted prices.

We are adjusting quickly every day. The investment professionals at Agility are communicating daily to discuss the market and identify investment opportunities. The team is fully engaged and in close contact with the LTIP's underlying investment managers. The Foundation and Agility have successfully transitioned their staffs to work remotely from home.

We are being patient. The crisis is not over and will likely persist for some time. COVID-19 continues to expand globally and major economies are effectively shut down for an unknowable amount of time.

- Agility is judiciously rebalancing the portfolio to take advantage of opportunities.
- The LTIP has made both purchases at the market's recent nadir in mid-March and sales when the market rebounded more than 25% at the end of April.
- The LTIP's underlying investment managers are also rotating their portfolios into the areas they view as most attractive.

To learn more, contact:

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