

KNIGHT DIVERSITY OF ASSET MANAGERS RESEARCH SERIES: HIGHER EDUCATION, INTERIM RELEASE

An interim study on the degree to which the endowments of the country's wealthiest private and public colleges and universities are hiring asset management firms owned by women and racial or ethnic minorities

2022

Global Economics Group
Candice Rosevear, Principal



Foreword from Knight Foundation and Center for Business and Human Rights, New York University Stern School of Business

This study is part of Knight Foundation's [ongoing research series](#) studying diversity in asset management.

The first step to equity is transparency. Without a shared understanding of the facts, we cannot know where we stand, where we want to go or whether we are making any progress.

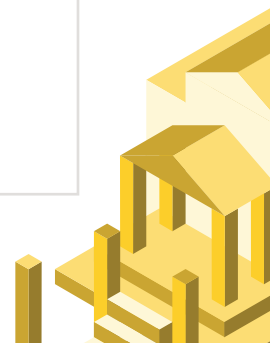
In that spirit, in the fall of 2021, Knight and [Global Economics Group](#) (GEG) embarked on a study to assess the degree to which the endowments of the country's wealthiest 25 private and 25 public colleges and universities hire asset management firms owned by women and racial or ethnic minorities. Our partner in this study is the Center for Business and Human Rights at New York University's Stern School of Business ("the Center"), the first human rights center housed in a business school.

We applaud the 16 of 50 colleges and universities that participated in this initial Knight Diversity of Asset Managers (KDAM) study of higher education—12 by providing data for GEG's independent analysis and four by providing summary statistics from their own internal analysis. Collectively these 16 schools hold 54% of the group's endowment assets, or \$314 billion. They deserve special recognition and our thanks for their commitment to transparency. These schools are:

- | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• University of California System• University of Chicago• University of Colorado• Columbia University• Duke University• University of Illinois | <ul style="list-style-type: none">• Michigan State University• Princeton University• Rice University• Rutgers University• University of Texas System• Vanderbilt University | Self-reporting Schools <ul style="list-style-type: none">• Dartmouth College• Harvard University• University of Pennsylvania• Stanford University |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

At the same time, it is disheartening and revealing that 34 institutions elected not to participate, denying any visibility into who is managing the \$273 billion in assets they hold. These schools are:

- | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Boston College• Brown University• California Institute of Technology• Carnegie Mellon University• Cornell University• Emory University• University of Florida• Georgia Institute of Technology• Indiana University• University of Iowa• Johns Hopkins University• Kansas University | <ul style="list-style-type: none">• The University System of Maryland• Massachusetts Institute of Technology• University of Michigan• University of Minnesota• University of Missouri System• University of Nebraska• New York University• University of North Carolina• Northwestern University• University of Notre Dame• The Ohio State University• Pennsylvania State University | <ul style="list-style-type: none">• University of Pittsburgh• Purdue University• University of Southern California• University of Virginia• Virginia Commonwealth University• Washington University• University of Washington• Williams College• University of Wisconsin• Yale University |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



These 50 institutions of higher learning hold enormous power to influence change in our society, including via their investment decisions. For example, their choice of asset management firms can provide important job opportunities for their graduates. It is a natural fit for schools to invest with firms whose teams are representative of their students and alumni. But without more complete data, we can't fully assess how well asset management firms are tapping into underutilized, but high-performing talent that can help them achieve their investment goals.

Due to the low response rate, we are publishing the information we have without drawing conclusions about the wider field. At the same time as we are grateful for the transparency of some institutions, we also want to alert the public to the opacity that remains. We are committed to securing further participation and, when we do, plan to publish a final report.

Knight and the Center have been historically committed to the issue of diverse asset management. More than 10 years ago, Knight was asked publicly how much of its endowment was invested with diverse-owned asset management firms. The answer at the time amounted to a tiny fraction—just \$7.5 million managed by a single firm. Today, more than a third of Knight Foundation's endowment—over \$1 billion—is overseen by asset management firms owned primarily by women and/or people of color. Passing this milestone required a decade of careful planning and consistent execution. In addition, Knight Foundation is enormously proud that three other foundations join us in having over 30% of their portfolios invested with diverse-owned firms: Silicon Valley Community Foundation, Tulsa Community Foundation/George Kaiser Family Foundation and Casey Family Programs.

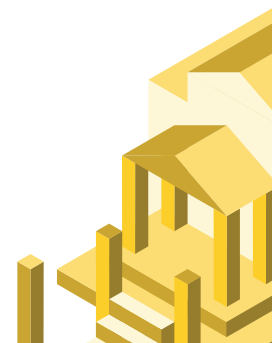
As part of Knight's ongoing research series studying diversity in asset management, in 2020 and 2021, GEG also analyzed the use of diverse asset managers by the nation's largest charitable foundations. In its most recent study, GEG was able to analyze the assets of 30 of the nation's top 55 foundations, as 19 actively provided data and 11 included the necessary information in their IRS-990 PF. In addition, three foundations provided self-reported statistics.

Since 2017, the Center has been working with university leaders, including investment officers, to promote greater diversity in the asset management firms the schools work with. In April 2018, the Center hosted representatives from 13 universities to explore ways to promote the inclusion of more firms owned by women or underrepresented minorities. The Center continues to build on those relationships, and this survey is an extension of its efforts.

We encourage colleges, universities, foundations and corporations to follow the lead of the 16 academic participants and be more transparent about the management of their assets. These institutions will play a central role in shaping the 21st-century global economy and represent huge opportunities for college and university graduates. Transparency and better data would help us improve our fields while better preparing society to meet future challenges and opportunities.

Juan Martinez, Vice President/Chief Financial Officer
Ashley Zohn, Vice President/Learning and Impact
The John S. and James L. Knight Foundation

Michael Posner, Director
Kerin McCauley, Senior Associate Director
**Center for Business and Human Rights, New York
University Stern School of Business**



Executive Summary

This interim study assesses the representation of women- and racial or ethnic minority-owned investment firms (“diverse-owned firms”)¹ among those used by the country’s wealthiest 25 private and 25 public college and university endowments. The endowments collectively hold \$587 billion in total assets.

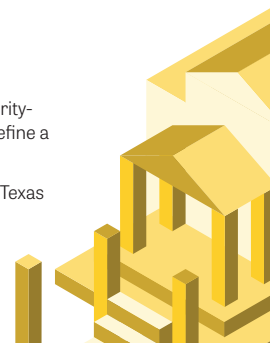
Twelve of the 50 institutions fully participated in the study by providing their asset manager rosters for independent analysis. **Table A** provides the results for those institutions. These 12 institutions allocate \$97.36 billion in assets under management (“AUM”) to U.S.-based firms that are eligible for analysis in this study (“Analyzed AUM”) as of the fiscal year ending June 30, 2021.²

Table A. Institutions That Provided Asset Manager Rosters, Study Results (\$ Billions)

Institution	Total Assets	Analyzed AUM	AUM Managed by Women-Owned Firms	AUM Managed by Minority-Owned Firms*	AUM Managed by Diverse-Owned Firms	AUM Managed by Diverse-Owned Firms
Princeton University	\$37.70	\$21.80	\$2.39	\$3.25	\$5.84	26.8%
Columbia University	\$14.35	\$8.80	\$0.03	\$1.60	\$1.63	18.6%
Duke University	\$12.69	\$7.60	\$0.28	\$2.28	\$2.44	32.1%
University of Chicago	\$11.60	\$7.25	\$0.20	\$0.97	\$1.16	16.0%
Vanderbilt University	\$10.93	\$8.12	\$0.06	\$1.14	\$1.20	14.7%
Rice University	\$8.06	\$5.15	\$0.35	\$0.65	\$0.83	16.1%
Subtotal, Private Institutions	\$95.33	\$58.72				
University of Texas System	\$60.94	\$15.86	\$0.50	\$1.42	\$1.65	10.4%
University of California System	\$27.61	\$14.13	\$0.16	\$1.62	\$1.79	12.6%
Michigan State University	\$3.93	\$3.14	\$0.14	\$0.30	\$0.32	10.3%
University of Illinois	\$3.38	\$1.76	\$0.19	\$0.13	\$0.32	17.9%
University of Colorado	\$2.12	\$2.09	\$0.00	\$0.28	\$0.28	13.6%
Rutgers University	\$2.00	\$1.66	\$0.05	\$0.08	\$0.11	6.6%
Subtotal, Public Institutions	\$99.98	\$38.64				
Total	\$195.31	\$97.36				

* “Minority” in the available datasets refers to people who are Hispanic, Black, Asian and “other,” which includes Native American, Pacific Islanders and others. We are unable to provide a breakdown by race and ethnicity due to data limitations.

- 1 By “diverse-owned,” we mean 50% or more of a firm’s equity ownership is held by women and/or minorities; similarly, “women-owned” or “minority-owned” means a firm has 50% or greater representation by women or racial/ethnic minorities. We include only U.S.-based firms because we define a minority as is typically defined from the perspective of the United States. See **Appendix A** for details on definitions and methodology.
- 2 Analyzed AUM is based on the market value of invested assets. It excludes uninvested capital commitments. Investment values for University of Texas System and Rutgers University are as of August 31, 2021, and September 30, 2021, respectively.



Additionally, four private institutions chose to self-report diversity statistics using this study's definitions.³ **Table B** provides the results for those institutions.

Table B. **Institutions with Self-Reported Diversity Statistics (\$ Billions)**

Institution	Institution Type	Total Assets	Analyzed AUM*	AUM Managed by Diverse-Owned Firms (Self-Reported %)
Harvard University	Private	\$51.90	Not Available	19.0%
Stanford University	Private	\$37.80	Not Available	38.0%
University of Pennsylvania	Private	\$20.52	Not Available	25.0%
Dartmouth College	Private	\$8.48	Not Available	24.0%
Total		\$118.71		

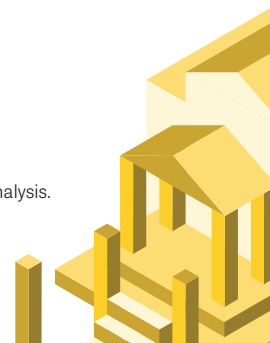
* Self-reporting institutions only provided summary statistics without underlying data.

The remaining 34 institutions with \$273 billion in total assets elected not to participate in the study.

The remainder of this report is organized as follows:

1. Introduction to the Interim Release
2. Why (and How) Do We Measure Diversity of Asset Managers?
3. Interim Results from the 2022 Diversity of Asset Managers Study
4. Conclusion
5. Acknowledgements
6. Appendix A: Data and Methodology
7. Appendix B: Institution Comments
8. Appendix C: Detailed Results
9. Appendix D: Notes on the Available Data

³ The institutions worked with Global Economics Group to understand and apply the study's definitions. GEG did not independently validate the analysis. See Appendix B for institution commentary on the calculations.



Introduction to the Interim Release

This study strives to measure the representation of women- and racial or ethnic minority-owned investment firms (“diverse-owned firms”)⁴ among those used by the country’s top 25 private and top 25 public college and university endowments.⁵ The endowments collectively hold \$587 billion in assets, more than two-thirds of the nation’s higher education endowment dollars. In addition to this vast financial capital, these endowments support the operations of some of the most socially influential institutions in the country and hold tremendous potential to exert influence via investment decisions.

We are releasing this report on an interim basis to disclose what we have learned to date and to recognize the institutions that broke the mold among this relatively secretive group of endowments.⁶

Despite sustained outreach efforts led by the Center for Business and Human Rights at New York University’s Stern School of Business (“the Center”) from November 2021 to May 2022, only 12 of the 50 eligible endowments provided their asset manager rosters to Global Economics Group for analysis or, in the case of three prominent state school systems, made their asset manager rosters publicly available on their websites. **Table A** provides the individual results for these endowments. We applaud these institutions for their transparency on this important issue: **University of California System, University of Chicago, University of Colorado, Columbia University, Duke University, University of Illinois, Michigan State University, Princeton University, Rice University, Rutgers University, University of Texas System and Vanderbilt University.**

In addition to these 12 institutions, four institutions provided self-reported diversity statistics using their own internal analysis and this study’s definitions.⁷ The four self-reported figures could not be independently verified. **Table B** provides the statistics for these endowments.

The 16 schools that are study participants are among the largest of the invited endowments and collectively hold 54% of the group’s total endowment assets, or \$314 billion. While we commend all 16 institutions for their varying levels of participation in the study, there is vast room for improvement, as 34 of the 50 institutions, or 68%, elected not to disclose diversity statistics—or any data at all—leaving us with no visibility into the \$273 billion in assets they hold.

4 By “diverse-owned,” we mean 50% or more of a firm’s equity ownership is held by women and/or minorities; similarly, “women-owned” or “minority-owned” means a firm has 50% or greater representation by women or racial/ethnic minorities. We include only U.S.-based firms because we define a minority as is typically defined from the perspective of the United States. See **Appendix A** for details on definitions and methodology.

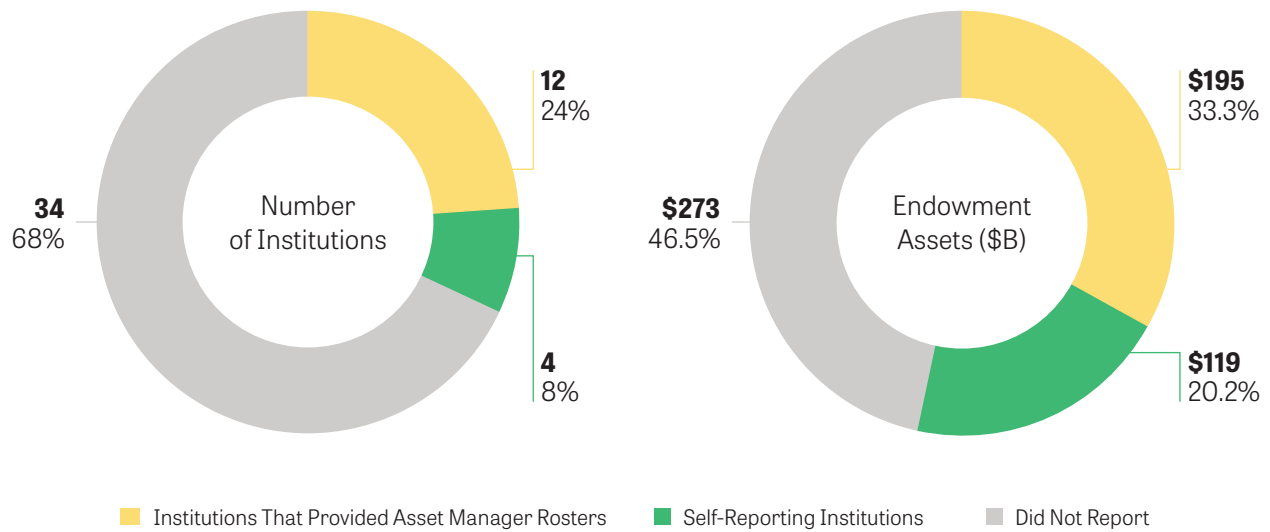
5 The term “top” colleges and universities refers to the market value of endowment assets according to the National Association of College and University Business Officers (NACUBO) as of June 30, 2021. National Association of College and University Business Officers, “2021 NACUBO-TIAA Study of Endowments,” February 18, 2022. The top 25 public and top 25 private institutions were identified using NACUBO’s 2020 list, with endowment asset values as of June 30, 2020. Prior to publication of this report, we updated endowment asset values using NACUBO’s most recent 2021 list, with endowment asset values as of June 30, 2021. FY 2021 asset values for University of California Regents, University of Chicago and Cornell University were sourced directly from the respective investment office websites.

6 The higher education field participation rate is 32% in terms of number of institutions and 54% in terms of endowment assets. For comparison, in 2021, we conducted [this same study](#) on the country’s largest philanthropic foundations and achieved higher participation: 60% in terms of number of institutions and 58% in terms of endowment assets.

7 The institutions worked with Global Economics Group to understand and apply the study’s definitions. See **Appendix B** for institution commentary on the calculations.



Figure 1. Reporting Status of the 50 Institutions Asked to Participate



We anticipated a higher level of reporting given robust outreach efforts by the Center, Knight Foundation and Global Economics Group. **Appendix A** provides a detailed chronology of our efforts. Notably, key stakeholders at several institutions that declined to participate did verbally commit to working to increase awareness within their institutions regarding diversity in asset management. Twenty-two endowments—including ten of the 34 nonparticipants—provided 200-word comments describing their efforts on this issue or explaining why they did not participate. Those comments are provided in **Appendix B**.

Because of the relatively low participation rate, we cannot assert that the findings in this report are representative of higher education as a whole. But we will continue our outreach and, if we can generate greater participation, will publish a full report in the coming months.

That said, we believe the results from this interim study provide a valuable starting point for understanding where we are today and for setting future goals.



Why (and How) Do We Measure Diversity of Asset Managers?

Why Do We Measure Diversity of Asset Managers?

The field of asset management suffers from a lack of racial, ethnic and gender diversity. Minorities and women make up 70% of the U.S. working-age population and 68% of college graduates,⁸ yet diverse-owned firms manage only 1.4% of assets under management (AUM) in the United States, according to a recent Knight Diversity of Asset Managers (KDAM) [study](#). That study, and the two in the series that preceded it, found no statistically significant difference in risk-adjusted returns between diverse and non-diverse asset management firms. Put another way, despite no statistically significant performance advantage, firms owned by white men manage 98.6% of the \$80 trillion under management in the United States. And that \$80 trillion represents more than three times the entire GDP of the United States. A separate K DAM [study](#) shows that firms led by white men are also significantly less likely to employ diverse portfolio management teams than those owned by women and people of color. Findings such as these are helping fuel a passionate national discourse around racial, ethnic and gender diversity in the United States.

This report is the latest release in the KDAM research series. Prior to this report on higher education, we have reported on diversity in the asset management field and the charitable sector. We are not alone in our efforts. Lawmakers, investment offices and others have directed attention at measuring the diversity of asset managers:

- In the summer of 2020, Rep. Emanuel Cleaver II (D-Mo.) and Rep. Joseph P. Kennedy III (D-Mass.) asked 25 colleges and universities associated with the largest endowments: “How much of your institution’s endowment assets are under management with diverse-owned firms? (Defined as women or minority ownership above 50%).” Twenty-four of the 25 institutions provided letters in response to the inquiry and 16 provided a direct response to the question.⁹
- In the fall of 2020, David Swensen, Yale University’s late chief investment officer, sent a [letter](#) to Yale’s asset managers implementing annual diversity reporting requirements and requesting “a more systematic approach to the problem of the lack of women and minorities in the asset management industry.”¹⁰ We note that Yale declined to participate in this study.
- In early 2022, the National Association of College and University Business Officers (NACUBO) and the Teachers Insurance and Annuity Association of America (TIAA) released an annual [report](#) on higher education endowments for the fiscal year ending June 30, 2021. The study found that “the percentage of endowments reporting that their institution had a formal policy addressing diversity and inclusion related to investment manager selection increased modestly in FY2021 [from 5.8% to 7.7%]. Nearly all this increase was driven by private institutions.” It also found that “nearly two-thirds of respondents reported at least some level of gifting that was specifically tagged to support diversity, equity and inclusion (DEI) initiatives.”¹¹

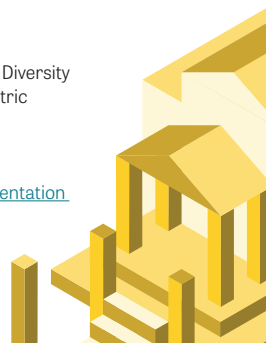
We commend those acting to improve diversity in asset management—and especially the institutions that participated in this study—for paving the way for greater transparency. As change continues to occur, clearly defined measurement will allow us to best monitor progress.

8 United States Census Bureau’s American Community Survey (ACS) Public Use Microdata Sample (PUMS) 5-Year Estimates, 2019.

9 Emanuel Cleaver II and Joseph P. Kennedy III, “Inquiry Into Use of Diverse Asset Managers by College and University Endowments, and Related Diversity and Inclusion Practices,” October 8, 2020. Five of the 24 institutions replied to the survey question with statistics computed under a diversity metric other than ownership and three did not reply to the question at all.

10 David Swensen, “Diversity and Inclusion Letter,” Yale Investments Office, October 2, 2020.

11 National Association of College and University Business Officers, “2021 NACUBO-TIAA Study of Endowments,” February 18, 2022. See also, [“Presentation of key insights from the 2021 NTSE.”](#)



How Do We Measure Diversity of Asset Managers?

Diversity studies face inherent challenges. The United States has no federal regulatory reporting requirements on this topic, and we lack even consistent informal standards. This leads to limitations on publicly available demographic data on investment firms and a lack of consensus on how to best measure diversity in the first place.

We conducted this study by measuring diversity with the most comprehensive data and applying a process that is clear and replicable, based on objectively defined rules, as described in **Appendix A**. We have stressed transparency, a commitment to accuracy and an openness to participant input.

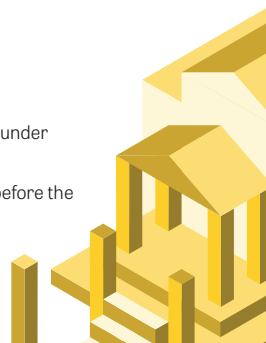
This study focuses on diversity of investment firm ownership because it is the most widely available metric. Several eligible participants in this study—and in KDAM's [2020](#) and [2021](#) philanthropy studies—suggested decision-maker diversity would be a better measure if widely available. In response, Knight Foundation and Global Economics Group released a [report](#) that explored the statistical relationship between these two metrics and found a statistically significant positive correlation between the diversity of ownership and the diversity of decision-making portfolio management teams.¹²

Several institutions also raised concerns about potentially incomplete investment firm demographic data. In response, while this study uses third-party data as a starting point for determining the ownership diversity of investment firms, we encouraged institutions to provide insight into the diversity profile of the firms with which they have investment relationships. We then used these insights to inform the study and enrich the demographics dataset the study relies upon.

In the spirit of collaboration and transparency, Global Economics Group shared underlying individual results with each participant to allow the institutions to review, audit and, if necessary, correct or clarify the underlying data.¹³ Institutional due diligence data and the participant review process were critical to the success and accuracy of this study. This is an important example of why increased study participation enhances the collective knowledge of the field.

¹² The application of the team diversity metric to individual institutional portfolios could increase or decrease diversity levels relative to an analysis under the ownership diversity metric, depending on the mix of firms and funds present in the portfolio and their respective AUM.

¹³ We only shared each institution's own results with each respective institution. We did not disclose the full results of the study for all institutions before the study was finalized.



Interim Results from the 2022 Diversity of Asset Managers Study

Table A shows the results of the study for the institutions that provided asset manager rosters, sorted by private/public status, and ranked by total assets.¹⁴ These 12 institutions allocate \$97.36 billion in AUM to U.S.-based firms that are eligible for analysis in this study (“Analyzed AUM”) as of the fiscal year ending June 30, 2021.¹⁵

All 12 institutions invest more than 5% of their U.S.-based assets with diverse-owned firms, 11 invest more than 10% of their assets with such firms and two, Princeton University (managed by PRINCO) and Duke University (managed by DUMAC), invest more than 20% of their U.S.-based portfolios with diverse-owned firms.¹⁶

Table A. Institutions That Provided Asset Manager Rosters, Study Results (\$ Billions)

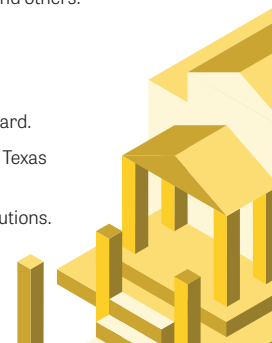
Institution	Total Assets	Analyzed AUM	AUM Managed by Women-Owned Firms	AUM Managed by Minority-Owned Firms*	AUM Managed by Diverse-Owned Firms	AUM Managed by Diverse-Owned Firms
Princeton University	\$37.70	\$21.80	\$2.39	\$3.25	\$5.84	26.8%
Columbia University	\$14.35	\$8.80	\$0.03	\$1.60	\$1.63	18.6%
Duke University	\$12.69	\$7.60	\$0.28	\$2.28	\$2.44	32.1%
University of Chicago	\$11.60	\$7.25	\$0.20	\$0.97	\$1.16	16.0%
Vanderbilt University	\$10.93	\$8.12	\$0.06	\$1.14	\$1.20	14.7%
Rice University	\$8.06	\$5.15	\$0.35	\$0.65	\$0.83	16.1%
Subtotal, Private Institutions	\$95.33	\$58.72				
University of Texas System	\$60.94	\$15.86	\$0.50	\$1.42	\$1.65	10.4%
University of California System	\$27.61	\$14.13	\$0.16	\$1.62	\$1.79	12.6%
Michigan State University	\$3.93	\$3.14	\$0.14	\$0.30	\$0.32	10.3%
University of Illinois	\$3.38	\$1.76	\$0.19	\$0.13	\$0.32	17.9%
University of Colorado	\$2.12	\$2.09	\$0.00	\$0.28	\$0.28	13.6%
Rutgers University	\$2.00	\$1.66	\$0.05	\$0.08	\$0.11	6.6%
Subtotal, Public Institutions	\$99.98	\$38.64				
Total	\$195.31	\$97.36				

* “Minority” in the available datasets refers to people who are Hispanic, Black, Asian and “other,” which includes Native American, Pacific Islanders and others. We are unable to provide a breakdown by race and ethnicity due to data limitations.

14 See **Appendix C** for detailed full results and a second version of the analysis presented in Table A that excludes publicly traded firms and Vanguard.

15 Analyzed AUM is based on the market value of invested assets. It excludes uninvested capital commitments. Investment values for University of Texas System and Rutgers University are as of August 31, 2021 and September 30, 2021, respectively.

16 Private institutions are listed first in Table A because of their collectively higher use of diverse-owned asset managers compared to public institutions.



INDICATIONS OF CHANGE:

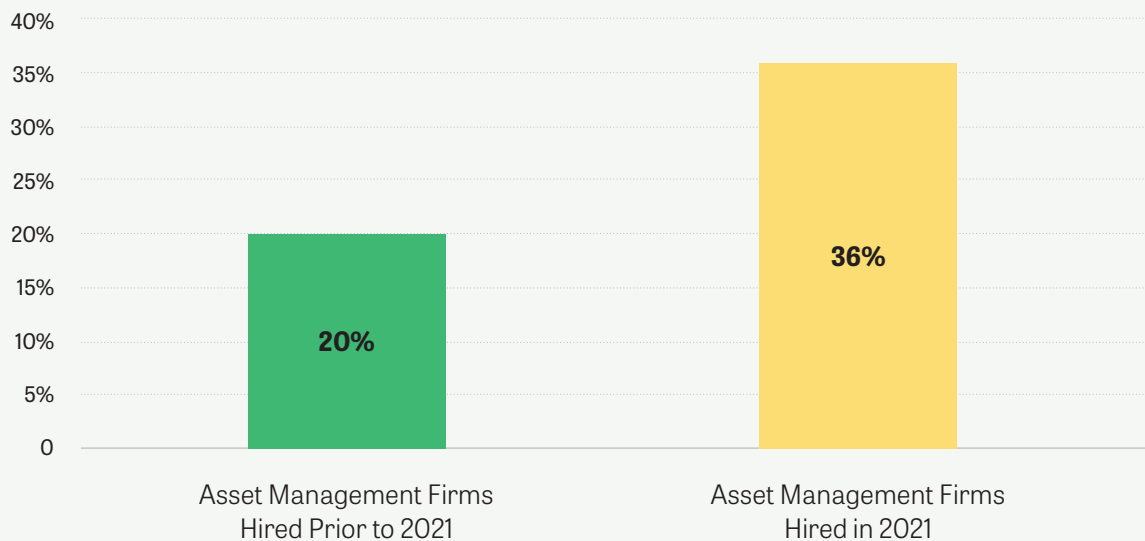
Trends in Recent Hiring and Capital Commitments

Endowment asset manager rosters can be slow to change. There are several reasons for this, including asset managers' intentionally long-term investment objectives and processes, established relationships with current managers, low manager turnover and the need for extensive due diligence before hiring new managers.

To look into recent roster decisions, we offered participants the option to provide data on the hire date and "uncalled commitments" for the firms that manage their endowment. Uncalled commitments are assets committed to a firm for future investment that have yet to be invested, typically by private investment strategies. Uncalled commitments plus the market value of invested assets provide a measure of total investment dollars allocated to each firm. A subset of the participating institutions provided us with that optional data: University of Chicago, University of Colorado, Columbia University, Princeton University, Rice University and Rutgers University.

Our analysis shows that, collectively, these institutions have allocated a greater portion of investment commitments from their endowments to diverse managers than they had in the past. **Figure 2** shows that, of the \$1.7 billion in total investment commitments made in 2021, 36% were invested with diverse-owned firms. Among the total investments made prior to 2021, that figure was 20%. This 16-point increase indicates a trend toward greater representation of diverse-owned firms among these six endowments. Notably, 100 percent of the 2021 investment commitments made by Princeton University (managed by PRINCO) were awarded to diverse-owned firms, accounting for approximately one-half of the group's increase.

Figure 2. **Portion of Investment Dollars Committed to Diverse-Owned Firms, by Hire Date, Across the Six Institutions with Data**



Additionally, four private institutions chose to self-report diversity statistics using this study's definitions.¹⁷ The self-reporting institutions did not provide asset manager rosters and the provided statistics could not be independently validated. In the interest of transparency, we have included these self-reported statistics in **Table B**.

Table B. **Institutions with Self-Reported Diversity Statistics (\$ Billions)**

Institution	Institution Type	Total Assets	Analyzed AUM*	AUM Managed by Diverse-Owned Firms (Self-Reported %)
Harvard University	Private	\$51.90	Not Available	19.0%
Stanford University	Private	\$37.80	Not Available	38.0%
University of Pennsylvania	Private	\$20.52	Not Available	25.0%
Dartmouth College	Private	\$8.48	Not Available	24.0%
Total		\$118.71		

* Self-reporting institutions only provided summary statistics without underlying data.

Of the 34 nonparticipating institutions with insufficient publicly available data, 18 declined to participate and 16 did not respond to our requests. With 34 of the 50 institutions electing not to disclose diversity data, we cannot assess the \$273 billion in collective assets they hold.

However, ten of the 18 institutions that declined to participate did provide comments for the study (see **Appendix B**). They used their comments to describe other methodological criteria that could be used to assess the diversity of their endowment, to explain why they did not participate or to provide details regarding their own work in this area. **Table C** lists whether institutions declined to participate or did not respond, lists the total assets associated with each institution and indicates which institutions provided a comment for the study.

¹⁷ The institutions worked with Global Economics Group to understand and apply the study's definitions. See **Appendix B** for institution commentary on the calculations.



Table C. **Institutions Not Participating in the Study**

	Provided a Comment	Institution Type	Total Assets (\$B)
Institutions That Declined To Participate			
Yale University	Yes	Private	\$42.28
University of Notre Dame	Yes	Private	\$18.07
University of Michigan		Public	\$17.02
Washington University		Private	\$13.54
Emory University	Yes	Private	\$11.03
University of Virginia	Yes	Public	\$10.53
Johns Hopkins University	Yes	Private	\$9.32
The Ohio State University	Yes	Public	\$6.81
New York University		Private	\$5.57
Williams College		Private	\$4.17
University of Wisconsin		Public	\$3.98
Carnegie Mellon University	Yes	Private	\$3.97
Indiana University	Yes	Public	\$3.32
University of Iowa		Public	\$3.14
Georgia Institute of Technology		Public	\$2.97
Virginia Commonwealth University		Public	\$2.73
Kansas University	Yes	Public	\$2.37
University of Nebraska	Yes	Public	\$2.31
Total			\$163.14
Institutions That Did Not Respond To Requests To Participate			
Massachusetts Institute of Technology		Private	\$27.53
Northwestern University		Private	\$14.96
Cornell University		Private	\$10.00
University of Southern California		Private	\$8.01
Brown University		Private	\$6.52
University of Pittsburgh		Public	\$5.65
University of Minnesota		Public	\$5.44
University of North Carolina		Public	\$5.17
Pennsylvania State University		Public	\$4.61
University of Washington		Public	\$4.08
Boston College		Private	\$3.83
California Institute of Technology		Private	\$3.81
Purdue University		Public	\$3.58
University of Florida		Public	\$2.38
University of Missouri System		Public	\$2.21
The University System of Maryland		Public	\$1.99
Total			\$109.76
Grand Total, All 50 Institutions			\$586.91



Conclusion

Of the 50 institutions we asked to participate, only 16 (or 32%) agreed to do so. But those that participated collectively hold 54% of the group's total endowment assets, so we believe the results of this interim report provide valuable insight into the asset management strategies employed by some of the wealthiest and most socially influential higher education endowments in the United States. These institutions continue to have tremendous potential to initiate change through their investment decisions.

We applaud study participants for their leadership. But, as evidenced by the high rate of nonparticipation, there is ample opportunity for improvement. We hope that this report prompts continued discussion, increased transparency and more action to address the important issue of diversity, equity and inclusion in the asset management industry.

Acknowledgements

Global Economics Group, Knight Foundation and the Center for Business and Human Rights at New York University's Stern School of Business ("the Center") thank Mackenzie Endress of Global Economics Group and Susan Mathew of the Center for excellent research assistance and contributions; the National Association of College and University Business Officers (NACUBO) and Robert Raben for assistance with outreach to the colleges and universities; and third-party data providers eVestment and Preqin for their guidance on navigating their databases along with their responsiveness to questions that arose during the study. We also thank the following institutions for committing to participate in the study before its official launch: University of California, University of Chicago, Columbia University, Duke University, Princeton University and Rice University.



Appendix A: Data and Methodology

Approach

Knight Foundation, the Center for Business and Human Rights at New York University's Stern School of Business ("the Center") and Global Economics Group collaborated to produce this study. We identified the top 25 public and top 25 private institutions using the market value of endowment assets according to NACUBO's 2020 study, with endowment asset values as of June 30, 2020.¹⁸

In the summer and fall of 2021, the Center—which has been encouraging university investment offices to work with a more diverse group of asset management firms since 2017—secured early commitments from six schools to participate in this study: University of California, University of Chicago, Columbia University, Duke University, Princeton University and Rice University.

In November 2021, we officially launched the study by notifying each of the top 25 public and top 25 private institutions of our efforts and inviting them to participate.¹⁹ Knight Foundation, the Center and Global Economics Group closely collaborated with the institutions throughout the study. In December 2021, we began to receive and process data from participants. We also sent a reminder email to the institutions that had yet to respond. From January to May 2022, we had a series of follow-up communications with the remaining schools to encourage their participation and field questions regarding the study's methodology.

In March 2022, we provided preliminary results to the institutions with analyzable investment data, sourced either publicly or directly from the institutions. This notice allowed each participant to review, audit and, if necessary, correct or clarify the underlying data.²⁰ For those institutions that did not respond or declined to participate, we informed them how they would appear in the study.

The interim study concluded in May 2022.

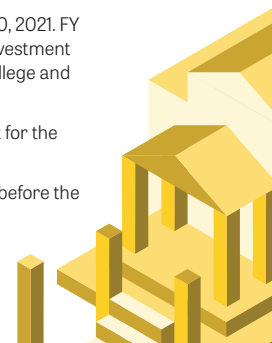
During the process, we afforded each institution the opportunity to provide a comment of up to 200 words, which we have included, unedited, in **Appendix B**. Institutions used this opportunity to describe other methodological criteria that could be used to assess the diversity of their endowment, to explain why they did not participate or to provide details regarding their own work in this area.

While we relied upon third-party data to determine the ownership diversity of investment firms, we also encouraged institutions to provide insight into the diversity profile of firms with which they have investment relationships. We then used such insights to inform the study. We adopted a flexible understanding of diversity when presented with conflicting information for a firm. In other words, if a participating institution classified an investment firm as meeting this study's definition of diverse-owned when the third-party data did not, we accepted the institution's designation and applied that designation of the firm study-wide.

18 Prior to publication, we updated the endowment asset values using NACUBO's most recent 2021 list, with endowment asset values as of June 30, 2021. FY 2021 asset values for University of California Regents, University of Chicago and Cornell University were sourced directly from the respective investment office websites. Updating the endowment values did not change the list of 50 institutions that qualified for the study. National Association of College and University Business Officers, "2021 NACUBO-TIAA Study of Endowments," February 18, 2022.

19 We used the available email addresses for the college or university president and CIO. At times we also used the CFO or other points of contact for the investment offices.

20 We only shared each institution's own results with each respective institution. We did not disclose the full results of the study for all institutions before the study was finalized.



Global Economics Group does not take a position on what an appropriate level of diverse investment should be for the institutions analyzed in the study or generally. The study provides only a snapshot of where institutions are directing their investment funds, according to criteria described in this report. We acknowledge that the analysis was performed only on the portion of the institutions' investments that were publicly available for study or voluntarily submitted by institutions. We could not determine whether findings based on this information would apply to participants' total portfolios.

Data Collection

The study used two distinct datasets: participating institutions' invested assets ("Invested Asset Data") and the ownership diversity for investment firms ("Diversity Data").

The Invested Asset Data is sourced directly from participating institutions or from publicly available data. For each institution, where available, it includes the name of the investment firms or funds and the fair market values of the AUM managed and invested by each firm or fund. For each of the 50 invited institutions, we evaluated the online availability of data and, if possible, collected its most recent data. Invested asset data was publicly available for three state school systems: California, Michigan State and Texas. We extracted all relevant data on invested assets from each source, including firm name, fund name, and the fair market value of invested assets, and converted it into spreadsheet format. **Appendix D** provides detailed notes on the available investment data for each institution.

In addition, we offered all participants the option to provide us with the hire date for each firm that manages their endowment and data on "uncalled commitments," which is the portion of assets available for investment but not yet invested by the firm to which it is committed.

The Diversity Data is compiled from the most comprehensive investment firm data sources available: Preqin,²¹ eVestment²² and participating institutions. The Preqin data predominately consists of private equity and hedge funds. The full dataset includes 46,911 firms and 108,116 funds/product offerings. The eVestment data consist of firms investing in public market securities, such as stocks and bonds, through a variety of products like mutual funds and separately managed accounts. It also includes hedge funds. The full dataset includes 3,572 firms and 24,374 funds/product offerings.

Study Definitions

The study includes the invested assets of participating institutions that are held and managed by firms based in the United States.²³ We refer to this set of assets as Analyzed AUM, which may not reflect all invested assets.

Our focus on firms based in the United States is necessary in order to apply a clear definition of diversity—meaning that we classify "minority" as typically defined from the perspective of the United States. "Minority" owners include racial and ethnic minorities (e.g., Hispanic, Black, Asian, Native American and Indigenous people). eVestment provides a percentage breakdown of firm ownership by race and ethnicity—i.e., white, Hispanic, Black, Asian and "other," which includes Native American, Pacific Islanders and others. For the white racial group, it also provides the breakdown by male and female. Preqin provides a binary "Yes/No" flag for "women-owned" and "minority-owned" firms, though the underlying definitions of what constitutes a minority is consistent with eVestment's definition for non-white groups. We use the term "diverse-owned" to refer to the broader group of women- and minority-owned firms.

21 Preqin Alternative Assets diversity data for private equity, venture capital, private debt, hedge fund, real estate, infrastructure and natural resource asset classes, as of January 27, 2022.

22 eVestment® diversity data for separate account, commingled trust fund, institutional mutual fund and exchange-traded fund asset classes, as of February 4, 2022. All eVestment® data © 2022.

23 Of the 692 distinct firms analyzed, only four, or 0.58%, did not exist in our demographic dataset.



The definition of what constitutes a diverse-owned firm differs across the Preqin and eVestment data sources. Preqin considers a firm to be women- or minority-owned if it has a woman or minority founder or co-founder or at least half of the partners are women or minorities. eVestment provides a percentage breakdown of firm equity ownership by gender and ethnicity. In this study, we consider a firm to be women- or minority-owned if it is flagged as such in Preqin or has at least 50% diverse ownership according to the eVestment data. We accept additional demographic data from the institutions under this definition.



Appendix B: Institution Comments²⁴

University of California System

From the Office of the Regents:

UC Investments compiles and makes public an annual report on the demographic composition of its investment partners—see: [Diversified Returns | UCOP](#). Since there is no “industry standard” for measuring demographic data in asset management, it is not surprising that this report and the UC Investments’ report have several methodological differences:

- **Publicly owned asset managers:** In the case of publicly owned asset managers, UC Investments includes demographic data of the team that manages our assets; thus, the demographics (numerator) and AUM (denominator) are covered. This report, by contrast, assumes that the companies are not woman or people of color owned (numerator) and shows two versions of the denominator—one with the public company managed AUM included, the other without.
- **AUM coverage:** UC Investments’ report covers all of its AUM (pension, retirement savings, endowment), but this report is limited to the endowment. As of June 30, 2021, certain managers were managing allocations from UC’s pension, but not its endowment. Thus, those managers are “counted” in the UC Investments’ report but are not “counted” in this report.
- **Demographic dimensions:** This report provides data on race and gender; the UC Investments’ report also includes data on veteran and disability status and sexual orientation.

From the University of California at Los Angeles:

The UCLA Investment Company has a policy of not disclosing investment details to 3rd parties. We have developed an internal Diversity, Equity and Inclusion questionnaire to better understand diversity across the endowed investment pool. This survey is sent to our asset managers on an anonymous and confidential basis and collects data on diversity, ownership levels, and profit participations of women and minority groups. The most recent survey had a 62% response rate. A number of managers that we believe would be categorized as “diverse” elected not to respond. In addition, certain EU-based managers noted that processing employees’ personal sensitive data is prohibited under current privacy rights in the EU.

Of the respondents we have the following data:

- 55% have women in senior management roles in the firm
 - » 75% of respondents had women make up more than 25% of the firm
- 66% have minorities in senior management in the firm
 - » 50% of respondents had minorities make up more than 25% of the firm
- 34% of assets were managed by firms where women or minorities **owned the majority** of the business

24 Comments are limited to 200 words per institution and are unedited. The list is in alphabetical order.



Carnegie Mellon University

Embracing and integrating staff members' and external managers' diverse backgrounds, life experiences, perspectives, skills, and strengths in the investment process can significantly improve outcomes for the shared mission. Attracting and retaining outstanding, diverse talent remains a critical challenge for the university and is critical to sourcing diverse managers. The Investment Office strives to promote an inclusive environment, build a sense of community and belonging, and create a practical, effective process (1) to recruit and retain qualified, diverse staff candidates, (2) to engage in a diversity dialogue with existing and prospective managers, and (3) to source investment managers who promote our values of expanding opportunities for women and underrepresented minorities.

CMU declined to participate in this study due to our inability to share confidential information regarding our managers and funds. We thank the Knight Foundation for its important work concerning diversity in the investment industry. We will continue to champion similar efforts alongside our peers and industry leaders to promote diversity among our staffs and our third-party managers.

University of Colorado

The University of Colorado Foundation's Outsourced Chief Investment Officer ("Agility") actively searches for diverse managers across asset class teams and maintains a broader Mission Aligned Investment ("MAI") pipeline when selecting managers for the CUF portfolio. These managers must meet all of Agility's normal investment standards, as well as the relevant MAI screens. In addition to the broad integration of MAI factors in the investment process, Agility and the University of Colorado Foundation monitor various Gender and Racial Equity Lens ("GREL") metrics that focus on the portfolio's gender, racial, and ethnic representation relative to US demographics. The GREL metrics include:

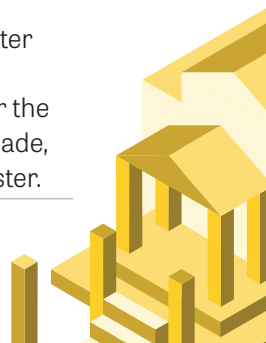
- Majority Diverse Ownership;
- Leadership: Voting members of the Investment Committee or portfolio managers for the strategy in which CUF is investing;
- Next Generation Pipeline Building: Intentional efforts to transition talented women and people of color into positions of investment leadership over time; and
- Diverse-Led Portfolio Companies: Founder and C-suite representation in underlying portfolio companies, representing in excess of 30% of Fund AUM.

Columbia University

Diversity, equity and inclusion ("DEI") is a core value for Columbia University and a central focus for its community. The Columbia Investment Management Company embraces this philosophy and believes diversity is integral to achieving our objectives. We believe that the inclusion of all voices is a powerful competitive advantage in a dynamic, rapidly evolving world.

To achieve this objective, we seek to promote a diverse and inclusive environment within our organization where a wide range of opinions can be comfortably voiced. Over two-thirds of our staff is comprised of people of color and women. Externally, we believe that partnering with managers committed to improving DEI efforts will ultimately lead to outperformance. Our broader goal is to support the development of diverse talent in the investment industry.

With regards to this study, we believe that the diversity in our investment manager roster is under-represented by the managers who decline to self-report their workforce and ownership demographics. We hope that they feel encouraged to do so in the future for the purpose of broadening the industry dialogue about DEI. Despite the efforts we have made, there is more for us to do in our endeavor to broaden diversity within our manager roster.



Dartmouth College

The Dartmouth College Investment Office continues to commit to playing a role in improving diversity in the investment management industry. To do so, we seek to engage with the endowment's external investment managers on topics related to Diversity, Equity, and Inclusion ("DE&I"). In addition to active monitoring, discussion, and collaboration with our managers on their DE&I efforts, we surveyed the managers on the diversity characteristics of their organizations as a basis to evaluate progress against DE&I goals. Diverse-owned firms manage 24% of Dartmouth's U.S.-based assets (additional statistics can be found at <https://www.dartmouth.edu/investments/de-i.html>). We also monitor diversity by seniority within our managers' investment teams, viewing their analyst- and associate-level roles as areas where firms can broaden diversity more rapidly. We plan to re-survey managers periodically to monitor team diversity over time.

In addition to our engagement with investment managers, we remain focused on ensuring our office is well equipped to recruit and retain a diverse staff over time. We also seek to advance the College's educational mission to create opportunities for a diverse group of students to learn about the investment management industry. The Investment Office offers endowment fellowship and internship opportunities to further these goals.

Emory University

Endowments have long understood the value of diversity of asset classes in their portfolios to help portfolios weather market volatility. Many are also aware of a growing body of academic work that demonstrates the value of diversity in teams in generating smarter, more creative outcomes. The implication within asset management is that investment teams that are diverse in background, gender and ethnicity also offer opportunities to generate better investment outcomes. Emory sources investment managers globally in all asset classes first and foremost on the quality of their team and their history of execution over time.

Harvard University**Introduction**

As Harvard President Lawrence Bacow stated in his July 31, 2020 letter to Congressmen Cleaver and Kennedy: "Harvard improves with each action we take in support of a more diverse and inclusive environment." In that same letter, President Bacow noted that Harvard Management Company (HMC) must "continue to be attentive and responsive to the need for diversity both within HMC and among its external investment managers." HMC works diligently to meet this expectation.

Methodology

In the Spring of 2021, HMC conducted a survey of its active, US-based, external managers seeking information regarding the diversity of their organizations. These surveys were followed by individual conversations with our external managers to better understand their practices to promote diversity, equity, and inclusion within their own organization, as well as the investment management industry more generally. HMC also collects diversity data from new US-based managers through our operational due diligence program.

Results¹

As of April 2022, 26% of HMC's active, US-based managers were majority diverse, which represents approximately 19% of our capital with active, US-based managers.

¹ To inform its definition of "diverse-owned firms," HMC looked to three primary sources for guidance: The Knight Foundation's February 2020 report, *Diversity of Asset Managers in Philanthropy*, the University of California's December 2019 *Office of the Chief Investment Officer Report*, and the Rockefeller Brothers Fund March 2020 statement on *Aligning Investment with our Mission: Diversifying Investment Managers*.



Indiana University

Indiana University Foundation (IUF) commends the efforts of the Knight Foundation and NYU in shining a light on the unsatisfactorily low level of diverse representation in the ownership structure within the investment management industry and have followed your work and leadership in this area with great interest in recent years. Our investment consultant does a third-party calculation on behalf of IUF annually to evaluate the percentage of our portfolio managed by firms categorized as diverse and/or female-owned. We are proud to have substantially higher numbers than the industry averages.

We are especially gratified to see meaningful initiatives at many of the firms we work with to hire more diverse analyst classes, promote the importance of improving diversity at the board and executive levels at underlying portfolio companies, and fund college scholarships to aspiring investment professionals from underrepresented groups. To be sure, there is much work to be done in the coming years, and we believe this survey provides invaluable transparency that can catalyze change in many ways.

Johns Hopkins University

The Johns Hopkins University (JHU) is committed to advancing diversity and inclusion within the Investment Office, across the university and through our investment manager relationships. We not only promote equitable opportunity in the investment portfolio but also within the Investment Office team through cultivating a long-term sustainable pipeline of candidates with diverse backgrounds. Over 56% of our team members are from underrepresented populations in the U.S. investment management industry including women and minorities. We actively engage with our managers to understand their diversity and inclusion efforts and to underscore the importance of these efforts to JHU. Where possible, the Investment Office proactively engages women and minority-owned asset management firms to participate in the investment diligence process.

While the JHU Investment Office declined to participate in this study due to our inability to share investment names and proprietary information regarding our investment managers, we applaud the Knight Foundation for its important work around diversity in the investment industry. JHU will continue to support similar efforts alongside our peers and industry leaders.

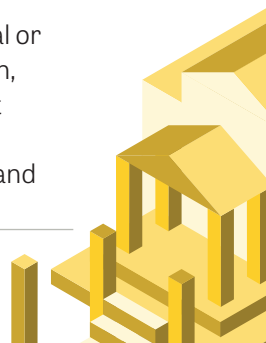
Kansas University

KU Endowment applauds the Knight Foundation and NYU's CBHR for undertaking this survey, and eagerly look forward to reviewing the results. As the independent foundation that works on behalf of the University of Kansas, we recognize the importance of having investment managers from all backgrounds. We internally benchmark investment managers on a range of issues, including their teams' diversity by gender and ethnicity, the utilization of ESG factors, and membership in the United Nations' Principles on Responsible Investing. This survey will hopefully provide a richer dataset for these benchmarking efforts.

Michigan State University

At Michigan State University (MSU) we believe that diversity, equity and inclusion must be upheld at all institutional levels.

MSU Investment Office continuously seeks to identify a diverse pool of investment funds, however we do not select investment funds based on identity. MSU is bound by the Michigan Constitution as amended by the passage of Proposal 2 in 2006 and upheld by the U.S. Supreme Court in 2014, which prohibits Michigan public universities from providing preferential treatment to, discriminating against, or protecting any individual or group based on classifications in the operation of public employment, public education, or public contracting. Therefore, every academic and administrative unit at MSU must honor these principles; the MSU Investment Office is no exception. While Proposal 2 prevents discrimination and preferential treatment, it in no way negates our ongoing and fundamental commitment to DEI.



University of Nebraska The University of Nebraska Foundation has an active DEI program which is rooted in our organizational mission and values. As one of the largest public university foundations in the country we are frequently asked to participate in studies, surveys, focus groups, etc. and we must balance these requests against our primary mission which is to grow relationships and resources for the University of Nebraska. Lack of participation in this study should not be interpreted to mean anything other than we have a finite number of staff with finite resources (i.e., time) to invest in responding to such surveys.

University of Notre Dame Notre Dame does not disclose the names of its investment partners and therefore declined to participate in the study. Notre Dame strongly supports, and is working to promote, the goals of increasing diversity, equity and inclusion in the asset management industry. Notre Dame's Investment Office works hard to find skilled firms to execute our investment strategy. As part of that search and diligence process, we have been very welcoming of minority- and women-owned firms. A broad mix of asset managers from around the globe have been retained by the University, including firms that are owned by women and minorities.

The Ohio State University The Ohio State University (OSU) strives to increase opportunities for diversity in all facets of our academic and research enterprise and in our investment activities.

OSU targets and currently has more than 10% of its Intermediate Pool assets managed by diverse firms. Since 1990, the institution has completed 34 bond offerings, with 22 including a diverse underwriting firm. OSU has greater than 0% but less than 5% of its Long-Term Pool (LTIP) assets managed by diverse firms.

With the hiring of a new CIO in 2020, OSU made tangible modifications to the LTIP to increase the pipeline and evaluation of diverse managers, collect data on the demographics of each manager's employee base and implement a formal process to source and interview diverse candidates for each hire.

While these initiatives are fairly new, we highlight progress made over the last year:

- 40% of the LTIP's total new U.S.-based manager hires in 2021 were in firms with 50% or greater women or minority ownership.
 - 77% of LTIP managers responded to our diversity survey request; the average employee population for this group was 36% women and 28% minority.
 - 50% of the Office of Investments team is comprised of women and minorities with diverse representation across positions.
-

University of Pennsylvania The University of Pennsylvania strongly supports the goal of improving diversity within the investment management field. We are committed both to partnering with diverse investment management firms and to working with our existing partners in support of their diversity-related initiatives. Within the University, we actively engage with students from backgrounds historically underrepresented in investment management, seeking to provide industry education, mentorship, and career opportunities.

While we recognize that firm ownership is often used as shorthand for evaluating firm diversity, we do not believe it adequately reflects the importance of many issues, including how firm profits are shared, the diversity of key decisionmakers, and a firm's ability to develop and retain diverse talent. Nonetheless, using this survey's criteria, we estimate that approximately 25% of our US portfolio is managed by diverse firms. Importantly, over the past three years, over half of our new US manager relationships were founded or co-founded by diverse investors.



Princeton University

PRINCO seeks to promote diversity within our organization, our manager roster, and the investment industry overall. Diverse teams have advantages in solving complex problems. Besides promoting societal good, improved diversity should lead to higher returns.

We appreciate the survey designers' recognition that ownership metrics give an incomplete image of diversity. In the investment segments comprising the bulk of our manager roster, economic and power differentials between owners and other senior staff can be quite small. Non-owner staff can accumulate eight-figure financial net worth by their early thirties.

Past Knight surveys reported 25%, as well as 50%, ownership statistics. Using the lower standard, over 40% by number and over a third by assets of Princeton's U.S.-based manager relationships (excluding those in liquidation mode) qualify as diverse.

Reshaping a long-term oriented manager roster takes time. Princeton uses fewer than 50 U.S.-based managers; turnover is typically three slots per year. Generally, relationships start small, growing over time.

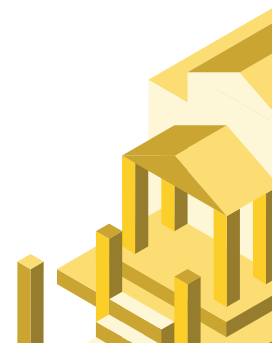
Looking at recent roster additions provides important perspective. Of the ten U.S.-based manager relationships initiated over the past three fiscal years, seven, managing proportionally similar assets, qualify as diverse at the 50% standard (with another qualifying at 25%). Notably, four of the new firms qualify as diverse due to their leadership by African Americans, a particularly underrepresented group within the industry.

Rice University

Rice Management Company values an inclusive environment because we believe that diverse teams make better decisions, for our university, our partners, and our community. We live this belief by creating and maintaining a diverse team of employees, investment partners, and business partners and through our willingness to engage our stakeholders in this belief. As part of this engagement, RMC is participating in the Knight Foundation study to make our diversity data more transparent and readily available and to encourage others to follow suit.

As of June 30, 2021, RMC manages approximately 15% of the endowment in house (i.e., ~15% is managed by RMC employees rather than by third party fund managers). The majority of our team is women, and more than 20% are considered racial minorities in the United States, RMC's domicile.

As part of our due diligence process for third party managers, we track diversity amongst key leadership positions. Specifically, we consider a firm to be diverse if at least 25% of key decision makers or owners are women or are racial minorities in United States domiciled firms. Over the past 10 years, the representation of minority and women managers within our investment partners has more than doubled on a percentage basis.



Rutgers University

Rutgers University is committed to developing a more diverse, equitable, and inclusive environment. The university recently released its first [diversity strategic plan](#), which identifies concrete steps toward charting a more inclusive path forward that models excellence for the institution. Rutgers acknowledges that there are many factors, including ownership, that should be accounted for when assessing the diversity of our investment partners. Factors such as the composition of executive leadership and persons in investment decision-making roles, for example, are also critical evaluation components. Diversifying our portfolio improves when taking these considerations into account. An important component of advancing diversity in the investment management industry is accomplished through the recruitment, development, and retention of new professionals. We monitor the diversity of our partners at all levels of their organizations to understand how they evolve over time.

Stanford University

Diversity, equity, and inclusion are core values at Stanford University. Stanford Management Company (SMC), a business unit of the University, is fully engaged in Stanford's diversity initiatives and has its own DEI Action Plan that can be found on its website. SMC is committed to increasing diversity among its staff, expanding upon the existing diversity of the endowment portfolio, and contributing to diversity in the asset management industry.

SMC manages Stanford's Merged Pool, which comprises the substantial majority of the University's investable assets. Most of these assets are managed by external investment firms. At the end of 2021, 35 percent of the Merged Pool's ongoing U.S.-based investment partners were diverse-led. Those partners managed 38 percent of Stanford's assets placed with ongoing U.S.-based investment firms, with 11 percent managed by women-led partners and 28 percent managed by minority-led partners.

We adhered to this Study's definition of diversity and diverse ownership in calculating these numbers.

Vanderbilt University

The Vanderbilt University Endowment is committed to fostering diversity and inclusion within its operations as well as how it manages the university's investment portfolio.

We believe a diverse, collaborative team provides a competitive advantage. Our professionals are multidisciplinary, originating from diverse social, racial, and ethnic backgrounds with a broad range of perspectives. More than half of our investment team represents minority groups. In addition, we are dedicated to the principles outlined by Chancellor Daniel Diermeier's 2020 pledge toward a more diverse and inclusive Vanderbilt.

Within our portfolio, we are committed to increasing opportunities for women and minority-owned asset management firms. We consider LGBTQI+ a diverse factor and currently have over \$500 million invested in firms that are majority owned by LGBTQI+ individuals.

We recognize that our efforts are only the beginning. We continue to focus on the core values of the university and the values of our investment office, both of which strive to bring out the best in human potential.



University of Virginia

UVIMCO is committed to advancing diversity and inclusion within our organization and through partnerships with investment managers. We promote equitable opportunity in the investment industry and know the diversity of our team adds immense value to UVIMCO. Over 55% of our team members represent populations typically under-represented in the U.S. investment management industry including women and people of color.

Our focus on diversity and inclusion extends to our investment managers. We actively engage with our managers to quantitatively measure and qualitatively understand their diversity and inclusion efforts and to underscore the importance of these efforts to UVIMCO. We maintain a dedicated effort to identify and evaluate prospective firms that are minority-owned or -led with the intent of increasing the diversity of our portfolio. We also invest in funds that support historically underrepresented groups in the industry.

While UVIMCO declined to participate in this study due to our inability to share company-level information regarding funds, we applaud the Knight Foundation for its important work around diversity in the investment industry. We will continue to champion similar efforts alongside our peers and industry leaders.

Yale University

Matters of diversity, equity, and inclusion are extremely important to Yale, as highlighted by David Swensen's work to draw attention to such issues in the industry before he passed away. While we declined to participate in this study for various reasons, we agree that women and people of color face significant barriers in the asset management industry. We at the Yale Investments Office remain committed to building a more inclusive investment organization and a more diverse roster of investment partners and appreciate the work of all who are pushing these important issues forward.



Appendix C: Detailed Results

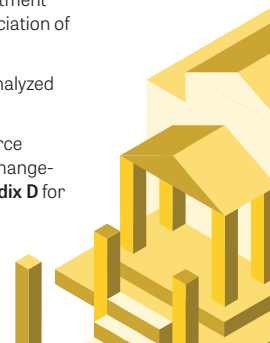
Private Institutions

	Institution	Total Assets (\$B) ¹	Analyzed AUM (\$B) ^{2,3}	AUM Managed by Women-Owned Firms ³		AUM Managed by Minority-Owned Firms ³		AUM Managed by Diverse-Owned Firms ³	
				\$B	As a % of Analyzed AUM	\$B	As a % of Analyzed AUM	\$B	As a % of Analyzed AUM
1	Harvard University	\$51.90	The institution chose to self-report diversity figures. See Appendix B.						
2	Yale University	\$42.28	Declined to participate.						
3	Stanford University	\$37.80	The institution chose to self-report diversity figures. See Appendix B.						
4	Princeton University	\$37.70	\$21.80	\$2.39	11.0%	\$3.25	14.9%	\$5.84	26.8%
5	Massachusetts Institute of Technology	\$27.53	Did not respond to requests.						
6	University of Pennsylvania	\$20.52	The institution chose to self-report diversity figures. See Appendix B.						
7	University of Notre Dame	\$18.07	Declined to participate.						
8	Northwestern University	\$14.96	Did not respond to requests.						
9	Columbia University	\$14.35	\$8.80	\$0.03	0.3%	\$1.60	18.2%	\$1.63	18.6%
10	Washington University	\$13.54	Declined to participate.						
11	Duke University	\$12.69	\$7.60	\$0.28	3.7%	\$2.28	30.1%	\$2.44	32.1%
12	University of Chicago	\$11.60	\$7.25	\$0.20	2.8%	\$0.97	13.3%	\$1.16	16.0%
13	Emory University	\$11.03	Declined to participate.						
14	Vanderbilt University	\$10.93	\$8.12	\$0.06	0.7%	\$1.14	14.0%	\$1.20	14.7%
15	Cornell University	\$10.00	Did not respond to requests.						
16	Johns Hopkins University	\$9.32	Declined to participate.						
17	Dartmouth College	\$8.48	The institution chose to self-report diversity figures. See Appendix B.						
18	Rice University	\$8.06	\$5.15	\$0.35	6.7%	\$0.65	12.6%	\$0.83	16.1%
19	University of Southern California	\$8.01	Did not respond to requests.						
20	Brown University	\$6.52	Did not respond to requests.						
21	New York University	\$5.57	Declined to participate.						
22	Williams College	\$4.17	Declined to participate.						
23	Carnegie Mellon University	\$3.97	Declined to participate.						
24	Boston College	\$3.83	Did not respond to requests.						
25	California Institute of Technology	\$3.81	Did not respond to requests.						
Total, Private Institutions		\$396.64	\$58.72						

1 Total Assets is based upon the market value of endowment assets, as of June 30, 2021, according to NACUBO and, as in the case of University of California Regents, University of Chicago and Cornell University, according to the market value of investments published by the respective investment office websites. This data is used only to rank and identify the top 25 public and top 25 private institutions in terms of total assets. National Association of College and University Business Officers, "2021 NACUBO-TIAA Study of Endowments," February 18, 2022.

2 Analyzed AUM reflects the portion of the institution's invested assets that are held and managed by firms that are based in the United States. Analyzed AUM, therefore, may not reflect all invested assets. See **Appendix A** for additional information on the study's methodology.

3 Preqin Alternative Assets diversity data for private equity, venture capital, private debt, hedge fund, real estate, infrastructure and natural resource asset classes, as of January 27, 2022. eVestment® diversity data for separate account, commingled trust fund, institutional mutual fund, and exchange-traded fund asset classes, as of February 4, 2022. All eVestment® data © 2022. Diversity data submitted by participating institutions. See **Appendix D** for additional information on the data provided by each institution.



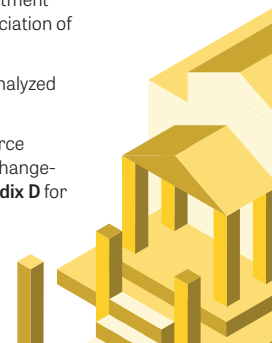
Public Institutions

	Institution	Total Assets (\$B) ¹	Analyzed AUM (\$B) ^{2,3}	AUM Managed by Women-Owned Firms ³		AUM Managed by Minority-Owned Firms ³		AUM Managed by Diverse-Owned Firms ³	
				\$B	As a % of Analyzed AUM	\$B	As a % of Analyzed AUM	\$B	As a % of Analyzed AUM
1	University of Texas System	\$60.94	\$15.86	\$0.50	3.2%	\$1.42	9.0%	\$1.65	10.4%
2	University of California System	\$27.61	\$14.13	\$0.16	1.2%	\$1.62	11.5%	\$1.79	12.6%
3	University of Michigan	\$17.02							Declined to participate.
4	University of Virginia	\$10.53							Declined to participate.
5	The Ohio State University	\$6.81							Declined to participate.
6	University of Pittsburgh	\$5.65							Did not respond to requests.
7	University of Minnesota	\$5.44							Did not respond to requests.
8	University of North Carolina	\$5.17							Did not respond to requests.
9	Pennsylvania State University	\$4.61							Did not respond to requests.
10	University of Washington	\$4.08							Did not respond to requests.
11	University of Wisconsin	\$3.98							Declined to participate.
12	Michigan State University	\$3.93	\$3.14	\$0.14	4.5%	\$0.30	9.4%	\$0.32	10.3%
13	Purdue University	\$3.58							Did not respond to requests.
14	University of Illinois	\$3.38	\$1.76	\$0.19	10.6%	\$0.13	7.3%	\$0.32	17.9%
15	Indiana University	\$3.32							Declined to participate.
16	University of Iowa	\$3.14							Declined to participate.
17	Georgia Institute of Technology	\$2.97							Declined to participate.
18	Virginia Commonwealth University	\$2.73							Declined to participate.
19	University of Florida	\$2.38							Did not respond to requests.
20	Kansas University	\$2.37							Declined to participate.
21	University of Nebraska	\$2.31							Declined to participate.
22	University of Missouri System	\$2.21							Did not respond to requests.
23	University of Colorado	\$2.12	\$2.09	\$0.00	0.0%	\$0.28	13.6%	\$0.28	13.6%
24	Rutgers University	\$2.00	\$1.66	\$0.05	3.2%	\$0.08	4.6%	\$0.11	6.6%
25	The University System of Maryland	\$1.99							Did not respond to requests.
	Total, Public Institutions	\$190.28	\$38.64						

1 Total Assets is based upon the market value of endowment assets, as of June 30, 2021, according to NACUBO and, as in the case of University of California Regents, University of Chicago and Cornell University, according to the market value of investments published by the respective investment office websites. This data is used only to rank and identify the top 25 public and top 25 private institutions in terms of total assets. National Association of College and University Business Officers, "2021 NACUBO-TIAA Study of Endowments," February 18, 2022.

2 Analyzed AUM reflects the portion of the institution's invested assets that are held and managed by firms that are based in the United States. Analyzed AUM, therefore, may not reflect all invested assets. See **Appendix A** for additional information on the study's methodology.

3 Preqin Alternative Assets diversity data for private equity, venture capital, private debt, hedge fund, real estate, infrastructure and natural resource asset classes, as of January 27, 2022. eVestment® diversity data for separate account, commingled trust fund, institutional mutual fund, and exchange-traded fund asset classes, as of February 4, 2022. All eVestment® data © 2022. Diversity data submitted by participating institutions. See **Appendix D** for additional information on the data provided by each institution.

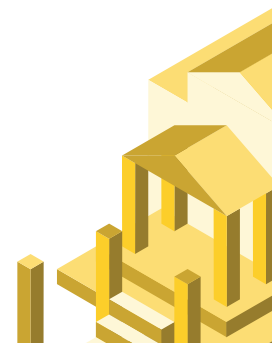


Based on participant feedback in this study and the KDAM philanthropy studies in [2020](#) and [2021](#), we also provide a second version of the analysis presented in **Table A** that excludes publicly traded firms and Vanguard, whose ownership structure is similar to a public company but rather than being owned by shareholders it is owned by the investors in its funds. Our reasoning is twofold: at these firms, owners are widely dispersed and unlikely to make business decisions like a closely held firm with owners that regularly interact with one another, and such publicly traded firms often offer index investment vehicles, many of which are not actively managed.

Table D shows the results of the supplemental analysis for the institutions that provided asset manager rosters. The University of California System shows the biggest change under this analysis compared to that in **Table A**—a near doubling from 12.6% to 24.2%.

Table D. **Institutions That Provided Asset Manager Rosters, Study Results Excluding Publicly Traded Firms and Vanguard (\$ Billions)**

Institution	Total Assets	Analyzed AUM	AUM Managed by Women-Owned Firms	AUM Managed by Minority-Owned Firms	AUM Managed by Diverse-Owned Firms	AUM Managed by Diverse-Owned Firms
Princeton University	\$37.70	\$21.80	\$2.39	\$3.25	\$5.84	26.8%
Columbia University	\$14.35	\$8.69	\$0.03	\$1.60	\$1.63	18.8%
Duke University	\$12.69	\$7.34	\$0.28	\$2.28	\$2.44	33.3%
University of Chicago	\$11.60	\$6.87	\$0.20	\$0.97	\$1.16	16.9%
Vanderbilt University	\$10.93	\$8.04	\$0.06	\$1.14	\$1.20	14.9%
Rice University	\$8.06	\$5.09	\$0.35	\$0.65	\$0.83	16.2%
Subtotal, Private Institutions	\$95.33	\$57.83				
University of Texas System	\$60.94	\$14.86	\$0.50	\$1.42	\$1.65	11.1%
University of California System	\$27.61	\$7.39	\$0.16	\$1.62	\$1.79	24.2%
Michigan State University	\$3.93	\$2.48	\$0.14	\$0.30	\$0.32	13.0%
University of Illinois	\$3.38	\$1.76	\$0.19	\$0.13	\$0.32	17.9%
University of Colorado	\$2.12	\$2.08	\$0.00	\$0.28	\$0.28	13.6%
Rutgers University	\$2.00	\$1.35	\$0.05	\$0.08	\$0.11	8.1%
Subtotal, Public Institutions	\$99.98	\$29.93				
Total	\$195.31	\$87.76				



Appendix D: Notes on the Available Data

Private Institutions

Harvard University	The institution chose to self-report diversity figures. See Appendix B.
Stanford University	The institution chose to self-report diversity figures. See Appendix B.
Princeton University	The asset manager data used in this study was provided by PRINCO, the investment manager for Princeton University, on December 22, 2021, with investment values as of June 30, 2021.
University of Pennsylvania	The institution chose to self-report diversity figures. See Appendix B.
Columbia University	The asset manager data used in this study was provided by Columbia IMC, the investment manager for Columbia University, on December 21, 2021, with investment values as of June 30, 2021.
Duke University	The asset manager data used in this study was provided by DUMAC, the investment manager for Duke University, on December 16, 2021, with investment values as of June 30, 2021.
University of Chicago	The asset manager data used in this study was provided by the University of Chicago Office of Investments on February 21, 2022, with investment values as of June 30, 2021.
Vanderbilt University	The asset manager data used in this study was provided by the Vanderbilt University Office of Investments on February 28, 2022, with investment values as of June 30, 2021.
Dartmouth College	The institution chose to self-report diversity figures. See Appendix B.
Rice University	The asset manager data used in this study was provided by Rice Management Company, the investment manager for Rice University, on December 22, 2021, with investment values as of June 30, 2021.

Public Institutions

University of Texas System	The asset manager data used in this study is from UTIMCO, the investment manager for the University of Texas System, based on the most recent publicly available audited financial statement for its Permanent University Fund (PUF), with investment values as of August 31, 2021. The PUF contributes to the support of the University of Texas and the Texas A&M University Systems. See 2021 PUF Detailed Schedule of Investments .
University of California System	<p>The asset manager data used in this study is from University of California Investments, the Office of the Chief Investment Officer of the Regents, based on the most recent publicly available list of investments for its General Endowment Pool (GEP) as of June 30, 2021. See GEP Holdings.</p> <p>The GEP contributes to the support of the individual campuses, UC Berkeley, UC Davis, UC Irvine, UC Los Angeles, UC Merced, UC Riverside, UC San Diego, UC San Francisco, UC Santa Barbara and UC Santa Cruz. The GEP includes approximately two-thirds of the endowment assets for the University of California system as of June 30, 2021; it excludes assets managed solely by the individual campus Foundations. See Annual Endowment Report.</p> <p>The individual campus foundations received a belated invitation to participate in the study and did not provide additional data for analysis.</p>
Michigan State University	The asset manager data used in this study is from the Michigan State University Investment Office, based on the most recent publicly available list of investments for its Common Investment Fund (Endowment), with investment values as of June 30, 2021, excluding investments valued at less than \$50,000. See List of Investments .
University of Illinois	The asset manager data used in this study was provided by the University of Illinois Foundation on May 19, 2022, with investment values as of June 30, 2021. Total Assets includes the assets of the University of Illinois and the University of Illinois Foundation.
University of Colorado	The asset manager data used in this study was provided by Agility, the investment manager for the University of Colorado Foundation, on February 22, 2022, with investment values as of June 30, 2021.
Rutgers University	The asset manager data used in this study was provided by Rutgers University Investment Office on December 20, 2021, with investment values as of September 30, 2021.

