


Town and Gown of USC Scholarship Fund 2A

CLIFFORD  **SWAN**

INVESTMENT COUNSELORS

November 21, 2019

➤ **Mid 1980s:** The Treasurer's office at USC and the Finance Committee of Town and Gown engaged Clifford Swan to manage two separate funds:

➤ **Scholarship #1** – A balanced fund with an emphasis on income and a maximum allowed allocation to equities of 25%. Income earned at the time was the sole source for scholarships funded.

➤ **Scholarship #2** – An income fund with investments restricted to bonds only

➤ **Mid 1990s:** The emphasis of **Scholarship #1** evolved away from pure income generation and toward a total return approach. A reasonable spending rate was agreed upon and a new cap on equities of 60% of the total portfolio was established.

➤ **Early 2000s:** The emphasis of **Scholarship #2** also shifted to total return and a cap on equities of 60% was agreed upon.

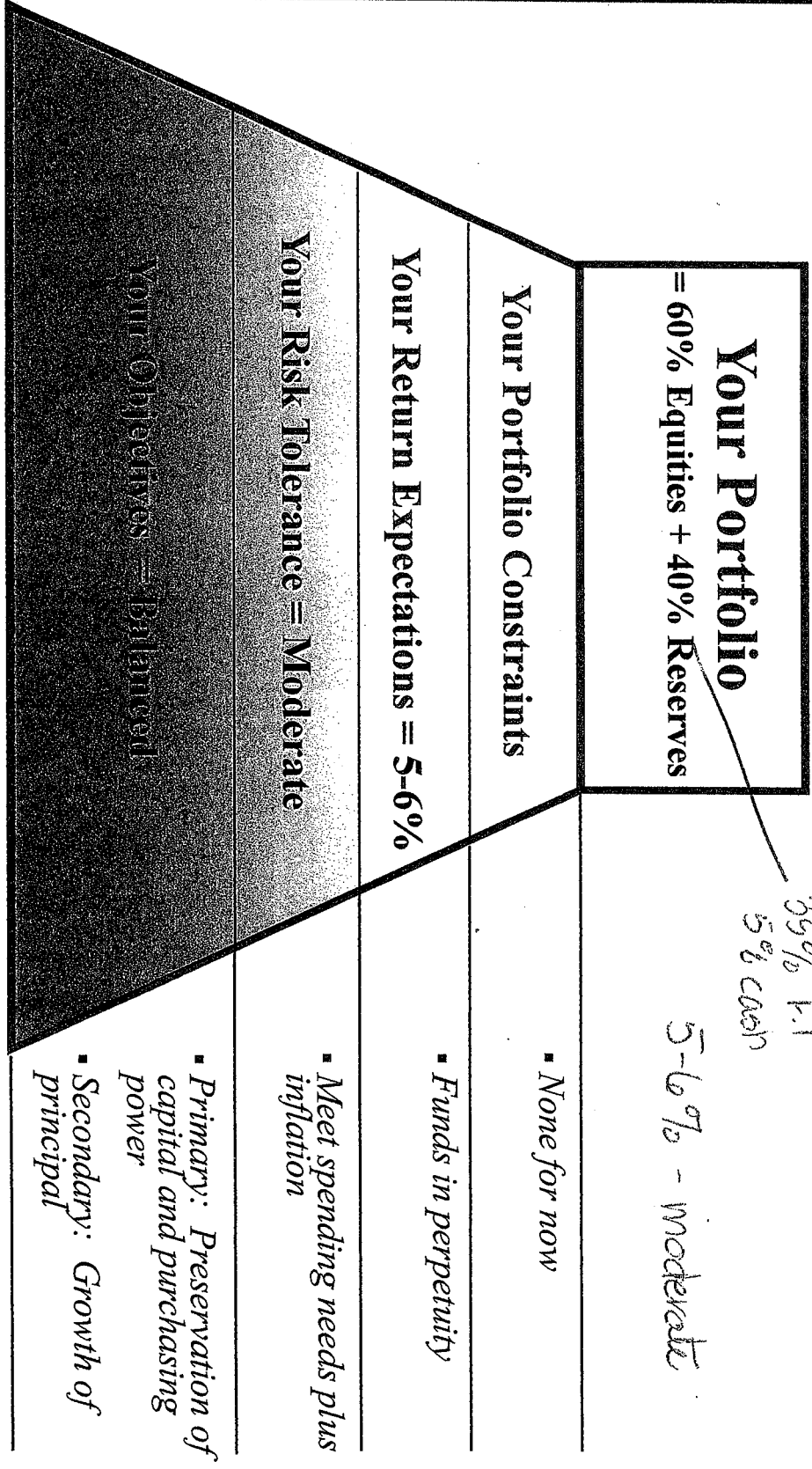
➤ **2007:** **Scholarship #1** was transferred to central management by USC.

➤ **2013:** For simplification and clarity, **Scholarship #2** was split into five separate funds:

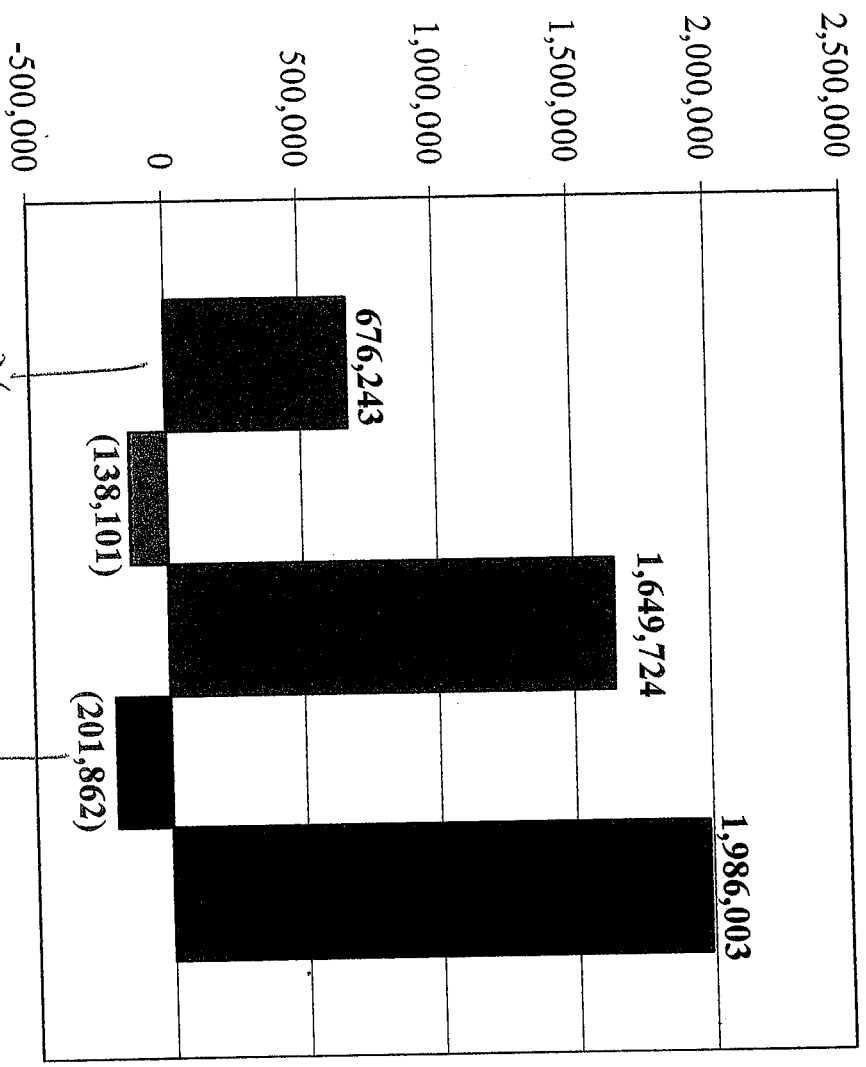
- **2A:** Scholarship Fund – *invested*
 - **2B:** Administrative Reserves
 - **2C:** Beautification Reserves
 - **2D:** Life Membership Reserves
 - **2E:** Scholarship Operating Reserves
- into money market*

Asset Allocation Strategies:

Building a Foundation for Accomplishing Your Goals



Why never start



Market Value Reconciliation
 From 12/31/92
 To 11/18/19

1/1/2007 -

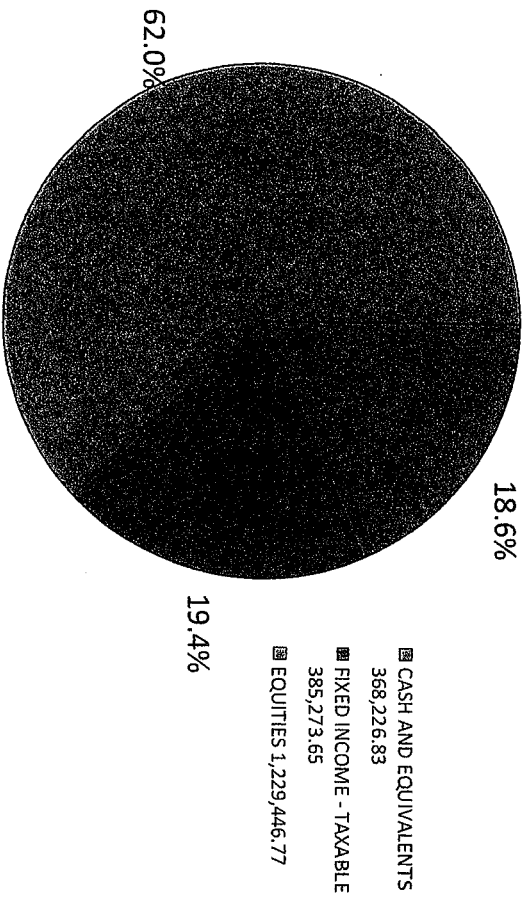
- Initial Value
- Contributions & Withdrawals
- Int., Div'ds & Gains
- Fees
- Current Market Value

1/1/1993 -
 04 10
 13 90

ASSET ALLOCATION - SETTLED TRADES

*Town and Gown of USC
Scholarship - Fund 2A
November 18, 2019*

Asset Allocation



Equities by Sector

