



National Action Network, Inc.

*Rev. Al Sharpton, President & Founder
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Amy Guttman
Office of the President
University of Pennsylvania
1 College Hall, Room 100
Philadelphia, PA 19104

4/29/2020

Dear President Guttman,

The National Action Network (NAN) was impressed to hear about the University of California's decision to address diversity within their institution, issuing an in-depth report detailing their use of diverse managers. You can find that report to the Regents and the California Assembly [here](#).

While the systematic exclusion of people of color and women from the management of endowment assets has been a question of social justice over time, today it is for me a question of fiduciary responsibility. Study after study shows very high performing women and people of color, yet those same studies show under-utilization by asset allocators. If a trustees' responsibility is to maximize returns, why are elite institutions using women and people of color at palpably low rates?

The question is simple: if you aren't working with the best, fail to track or report with whom you are working with, how do you know that you are in fact maximizing performance?

Steps like those taken by the University of California, historic in nature and to be commended, demonstrate that the University takes their fiduciary duty seriously. Moreover, their actions make it clear that they have a commitment to diversity. While there is progress to be made, we are happy to see them taking the first steps.

For the past several years, NAN has been committed to working with institutional investors across the corporate, labor, nonprofit, foundation and endowment sectors to tackle the issue of utilization of diverse-owned asset management firms. Founded in 1991, NAN's inclusion of

economic rights to its longstanding impactful civil rights mission is leading us into the next era of generational wealth in communities of color

This report does not mitigate the harm and moral stain of past transgressions, but it does show that the University of California is receptive to the idea of integrating people of color into every part of their university to create the best possible institution. We appreciate their willingness to take on the challenge directly, and their belief that people of color can contribute meaningfully at this level, and we are now encouraging others to do the same.

Your institution is home to one of the largest university endowments in the country. As a leader in this field we believe now is the time to show how the University of Pennsylvania is achieving its fiduciary duty and living out its ideals of both performance and equality. We look forward to a report that details the following:

- If you manage the assets of the endowment internally, are there any senior African-American professionals managing the endowment?
- If you outsource the management of the endowment, are any of the assets directly managed by asset management firms owned or significantly controlled by African-American asset managers?
- If not, are there African-American professionals in senior leadership roles at the asset management firms with which you work?

We believe that when an institution of your caliber moves, the field moves. We look forward to your prompt attention and continued leadership in this field.

Rev. Al Sharpton



NAN, President and CEO

CC: CIO
Peter Ammon

David L. Cohen, Esq, Chair