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Applies to: The Board of Trustees and members of Board of Trustees' committees and university staff who oversee or approve the university's investment programs or who manage or report on investment operations

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**Responsible Office**

**Office of Business and Finance**

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**POLICY**

Issued: 08/30/2013  
Revised: 07/01/2024

This policy sets forth standards and disciplines that enable the Board of Trustees to effectively evaluate the performance and operations of the university's investment programs. The policy is intended to permit sufficient flexibility to capture investment opportunities yet provide parameters that ensure prudence and care in the execution of the investment programs.

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**Purpose of the Policy**

To establish the overall goals, management responsibilities, investment strategies, and discipline for the investment programs of the university.

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**Policy Details**

I. LTIP Investment Policy

A. Background

1. The Long-Term Investment Pool (LTIP) was established to provide financial support for the long-term use and benefit of the university in support of its mission. The goal is to manage LTIP assets with prudence and discipline to achieve that purpose. The LTIP will be invested using a total return objective to meet its goals. Funds in the LTIP will be invested in a manner that over the long term will preserve and maintain the real purchasing power of the principal while allowing for an annual distribution as described herein. As a public institution, while fiscal goals are of central importance, the university also recognizes a duty to support larger societal objectives.

B. Components of the LTIP

1. The LTIP consists of endowment funds, quasi-endowment funds, term endowment funds, and those funds held for the benefit of others.
2. Endowment funds are funds received from donors or other sources that are permanently restricted by the donor to be invested in perpetuity with annual distributions used as specified by the donor.
3. Quasi-endowment funds are funds that have been designated by the Board of Trustees to act like permanently restricted funds for long-term investment purposes, but the restrictions may be modified at the discretion of the university's Board of Trustees. Quasi-endowment funds may include funds derived from sources described in Ohio Revised Code Section 3345.05, including tuition. Quasi-endowment funds also may include operating funds of the university available for long-term investment. A quasi-endowment fund may also be referred to as an institutional fund for purposes of the Ohio Revised Code.
4. Term endowment funds are endowment funds that are restricted by the donor to be invested for a stated period of time or until the occurrence of a certain event. While invested, the annual distributions are used as specified by donor. Upon release of the investment restriction, the principal may also be expended as specified by donor.

C. LTIP fiduciary standards

1. The Board of Trustees, Board of Trustee committee members who review and recommend revisions to the Investment policy and advise the Board of Trustees on the investment program and operations (the "Investment Committee"), the senior vice president for business and finance, and the chief investment officer are fiduciaries with respect to the LTIP. Accordingly, these individuals are required to:
  - a. Act with the duty of loyalty.



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- b. Act in good faith with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- D. Duties and responsibilities of LTIP fiduciaries
1. Board of Trustees. The university Board of Trustees has overall responsibility for this LTIP Investment Policy and approval of Investment Committee members. The Board of Trustees votes on items brought forth by the Investment Committee.
  2. Investment Committee of the Board of Trustees. The Investment Committee has strategic oversight responsibility for the LTIP investment program and operations of the LTIP. The committee must work with the senior vice president for business and finance and the chief investment officer to ensure the LTIP is well managed in accordance with this LTIP Investment Policy. The Investment Committee must meet at least quarterly.
  3. Senior vice president for business and finance. The senior vice president for business and finance has oversight responsibility for the LTIP investment program, operations, and reporting. The senior vice president for business and finance must review operations and reporting within the Office of Investments to ensure compliance with established policies and procedures. An advisory committee to the senior vice president for business and finance, chief investment officer, and vice president and treasurer exists to provide advice on the university's investment program. The senior vice president for business and finance will approve, together with the chief investment officer, the hiring of external investment managers for the LTIP and the making of investments in funds and of direct investments other than those direct investments for which the chief investment officer has sole authority as set forth below. Further, once an investment manager has been hired or an investment has been made in a fund as aforesaid, the senior vice president of business and finance will approve, together with the chief investment officer, additional investments with such investment manager or into the applicable fund. In addition, the senior vice president for business and finance may approve the hiring of one or more investment consultants to assist in policy development, asset allocation, investment structure, investment manager or fund manager selection, manager performance review, and other specialized investment topics with respect to the LTIP. The senior vice president for business and finance may also approve the hiring of one or more custodian banks or other trust institutions to custody and report on the assets of the LTIP. The senior vice president for business and finance may terminate the university's engagement with any such investment manager, fund, investment consultant, or custodian and may partially liquidate any fund position or reduce strategy exposure. The senior vice president for business and finance will determine the annual administrative charge and the portion of the LTIP to which such annual administrative charge will be applied in determining the share account valuation.
  4. Chief investment officer. The chief investment officer is responsible for managing the LTIP's investment program, operations, and reporting. The chief investment officer must review and recommend policies and procedures that are consistent with the investment objectives of the LTIP. The chief investment officer must report to the senior vice president for business and finance and the Investment Committee, at least quarterly. An advisory committee to the senior vice president for business and finance, chief investment officer, and vice president and treasurer exists to provide advice on the university's investment program. The chief investment officer will approve, together with the senior vice president for business and finance, the hiring of external investment managers for the LTIP and the making of investments in funds and of direct investments other than those for which the chief investment officer has authority as set forth below and may, once an investment manager has been engaged or an investment has been made in a fund as aforesaid, approve additional investments with such investment manager or into the applicable fund. In addition, the chief investment officer may approve the hiring of one or more investment consultants for the purposes described above and may also approve the hiring of one or more custodian banks or other trust institutions to custody and report on the assets of the LTIP. The chief investment officer may terminate the university's engagement with any such investment manager, fund



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manager, investment consultant or custodian and may partially liquidate any fund position or reduce strategy exposure. In addition, the chief investment officer may invest directly in exchange traded products and publicly traded securities, foreign currency exchange transactions, open-end mutual funds, and US treasury and agency securities.

E. Account valuation and distribution policy

1. Generally, each named fund is assigned a number of shares in the LTIP based on the value of the gifts, income-to-principal transfers, or transfers of operating funds to that named fund. At the end of each month LTIP investments are valued and a share value is calculated based on the aggregate number of shares assigned to each LTIP fund. The share value calculation takes into account earnings, as well as (i) fees and expenses for investment management and investment administration and (ii) an annual administrative charge that is up to 1.0%, as determined by the senior vice president for business and finance, of the average monthly market value over the most recent five-year period of that portion of the LTIP as determined by the senior vice president for business and finance from time to time, which annual administrative charge will be applied to such portion of the LTIP . New LTIP funds and additions/withdrawals from established funds are processed at the end of each month using the previous month's market value per share. Additions will be allocated shares only with the addition of cash and marketable securities. Non-marketable gifts will be liquidated first, and shares allocated based on cash proceeds. Withdrawals may be made only from invadable funds upon the written request of the applicable dean or vice president in accordance with requirements of other applicable university policies.
2. Generally, each component fund of the LTIP has a separate distribution account. Distributions will be credited to a fund's distribution account at the beginning of each fiscal year using the share method of accounting for pooled investments. According to a formula approved by the Board of Trustees, the annual distribution per share is 4.5% of the average monthly market value per share of the LTIP over the most recent five-year period.
3. Distributions may be reinvested into principal; however, any reinvested distribution cannot be redistributed or withdrawn at another time except as stated above and in accordance with requirements of other applicable university policies.

F. Asset allocation and guidelines

1. Time horizon. The LTIP's investment horizon is perpetual; therefore, interim performance fluctuations should be viewed with this perspective. Similarly, the underlying capital market assumptions of the university's asset allocation plan for the LTIP are based on this long-term perspective.
2. Risk tolerance. The Board of Trustees, the Investment Committee, senior vice president for business and finance, and the chief investment officer recognize the challenge of achieving the LTIP's investment objectives in light of the uncertainties and complexities of investment markets. They also recognize that prudent levels of investment risk are necessary to achieve the stated investment goals.
3. Asset allocation and rebalancing. The Investment Committee and the Board of Trustees will periodically evaluate the LTIP's asset class strategies and opportunities and establish a long-term asset allocation plan. After a thorough study of the available asset class opportunities, return objectives, and risk tolerance, the Board of Trustees and Investment Committee approved the following asset classes and allocations for the LTIP:

<u>Asset Class</u>	<u>Range</u>
Public Equity	30% - 55%
Private Equity	15% - 40%
Real Estate & Infrastructure	5% - 15%
Legacy Natural Resources	N/A
Hedge Funds	0% - 25%
Cash & High-Grade Bonds	0% - 25%



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4. Futures, options, forward contracts, and swap agreements may be used in a manner that is consistent with the policies and objectives contained within this LTIP Investment Policy. Such instruments should be used to hedge risk in the LTIP portfolio or to implement investment strategies more efficiently and at a lower cost than would be possible in the cash market. Such instruments should not be used for purely speculative purposes. Notwithstanding the foregoing, fund managers may use such instruments in accordance with their stated fund policy and objectives.
- G. Governance
1. **Benchmarks.** The Board of Trustees is responsible for approving performance benchmarks to evaluate the performance of the LTIP program. The chief investment officer will review the benchmarks annually and recommend changes, if any, to the senior vice president for business and finance. Based on such recommendations by the chief investment officer, the senior vice president for business and finance may recommend to the Investment Committee changes to the benchmarks. If the Investment Committee approves such recommendations, then the Investment Committee will bring the recommendations forward for a vote by the Board of Trustees.
  2. **Investment monitoring process.** The LTIP's investment managers, fund managers, and consultants will be monitored for consistency of investment philosophy, return relative to objectives, and investment risk. The Office of Investments will monitor the overall LTIP results and investment portfolios, but results will be evaluated on a long-term basis.
- H. Economic development fund. The university recognizes a duty to support societal needs and strategic objectives and, in part, to further those objectives has established an economic development fund. The goal of the economic development fund is to catalyze the university's startup and innovation ecosystem through investment and the creation of a permanent and sustainable source of funding for the university's and region's entrepreneurship and technology commercialization efforts.
1. The executive vice president for research, innovation and knowledge, the executive vice president and chancellor for health affairs, and the senior vice president for business and finance (together, the "ED Executive Committee") may direct that the following funds be invested as set forth in this Section H:
    - a. Certain funds that are transferred from operating funds, up to a cumulative maximum amount of \$100 million,
    - b. Net cash proceeds from the underlying investments of the economic development fund, and
    - c. Gifts made to or for the benefit of the university that have been designated by the president as made for the purpose of furthering the university's efforts to catalyze the university's startup and innovation ecosystem through the investment of the economic development fund.
  2. The president will approve economic development fund investments in excess of \$10 million.
  3. The economic development fund will not be allocated units in the LTIP and any investments made using funds from the economic development fund will not be included in the unit value calculation referred to above. The economic development fund will not be subject to the asset allocation or benchmark provisions of the LTIP Investment Policy.
  4. The economic development fund will receive distributions in the amount of and only to the extent of distributions on the underlying investments made using such funds and will not be subject to the distribution policy set forth herein. Distributions received from the underlying investments, less fees and expenses for investment management and administration, may be distributed in such amount, at such time and for such purpose, as approved by the ED Executive Committee.
  5. Each member of the ED Executive Committee and the president are fiduciaries with respect to the economic development fund as are the Board of Trustees and the Investment Committee members. The ED Executive Committee has oversight and management responsibility for the economic development fund investment program, operations, and reporting and must review operations and reporting to ensure compliance with established university policies and procedures.
- I. Exercise of shareholder rights



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1. The university recognizes that publicly traded securities and other assets of the LTIP may include certain ancillary rights, such as the right to vote on shareholder resolutions at companies' shareholders' meetings and the right to assert claims in securities class action lawsuits or other litigation. The university requires of itself and its external managers the prudent management of these LTIP assets for the exclusive purpose of enhancing the value of the LTIP. The chief investment officer has the authority to delegate proxy voting to external managers to maximize fund value, reserving the right to direct the voting on specific issues as needed. The chief investment officer will make best efforts to implement this Investment policy in a socially and environmentally responsible manner.

J. Review and modification of LTIP Investment Policy

1. This LTIP Investment Policy is in effect until modified by the Board of Trustees. While material changes are expected infrequently, the chief investment officer will review the LTIP Investment Policy at least annually for continued appropriateness and recommend any changes to the senior vice president for business and finance. Based on such recommendations by the chief investment officer or the ED Executive Committee with respect to economic development funds, the senior vice president for business and finance may recommend such changes to the Investment Committee. If the Investment Committee approves such recommendations, then the Investment Committee will bring the recommendations forward for a vote by the Board of Trustees.

K. Exceptions and Divestment Process

1. Modifications and exceptions to this LTIP Investment Policy must be authorized by resolution of the Board of Trustees or as provided herein.
2. Divestment for non-economic reasons should be recommended through an appropriate university governance process, i.e., student government, University Senate, or another appropriate committee or decision-making body. That recommendation must be brought forward for a vote by the Board of Trustees, accompanied by an impact review report from the senior vice president for business and finance regarding the potential impact of the proposed divestment on the LTIP.

L. Conflicts of interest

1. It is critical that there be no conflicts of interest or perceptions of conflicts of interest when making investment decisions related to the management of the LTIP. Generally and to the extent required by law, the university will not invest in any privately held limited partnership, limited liability company or corporation in which a fiduciary, family member, business associate, or related entity of such fiduciary has a material interest, financial or otherwise. Fiduciaries and university staff who oversee or approve the university's LTIP investment program or who manage or report on LTIP investment operations must comply with all applicable university policies and federal and Ohio laws, including the restrictions and prohibitions of the Ohio Ethics Laws. Generally, fiduciaries and university staff will not be prohibited from making investments in annuity contracts, bank deposits, exchange traded products and publicly traded securities, foreign currency exchange transactions, open-end mutual funds, or US treasury and agency securities.

## II. Operating Funds Portfolio Investment Policy

A. Background

1. The Operating Funds Portfolio represents funds of or in support of the university's mission. The portfolio is to be invested in a diversified manner with the intention of obtaining a reasonable yield, while adhering to a prudent level of risk, and retaining sufficient liquidity to meet cash flow requirements of the university.

B. Components of the Operating Funds Portfolio

1. The Operating Funds Portfolio consists of operating funds (excluding operating funds invested in the LTIP) and certain other non-LTIP funds which are separately invested and are under the control and/or supervision of the vice president and treasurer.

C. Operating Funds Portfolio fiduciary standards



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1. The Board of Trustees, Investment Committee members, senior vice president for business and finance, and the vice president and treasurer are fiduciaries with respect to the Operating Funds Portfolio. Accordingly, these individuals are required to:
  - a. Act with the duty of loyalty.
  - b. Act in good faith with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- D. Duties and responsibilities of the Operating Funds Portfolio fiduciaries
  1. Board of Trustees. The university Board of Trustees has overall responsibility for this Operating Funds Portfolio Investment Policy and approval of the Investment Committee members. The Board of Trustees votes on items brought forth by the Investment Committee.
  2. Investment Committee of the Board of Trustees. The Investment Committee has strategic oversight responsibility for the Operating Funds Portfolio investment program and operations of the Operating Funds Portfolio. The committee must work with the senior vice president for business and finance and the vice president and treasurer to ensure operating funds are well managed, in accordance with this Operating Funds Portfolio Investment Policy. The Investment Committee must meet at least quarterly.
  3. Senior vice president for business and finance. The senior vice president for business and finance has oversight responsibility for the Operating Funds Portfolio investment program, operations, and reporting. The senior vice president for business and finance must review operations and reporting within the Office of the Treasurer to ensure compliance with established policies and procedures. An advisory committee to the senior vice president for business and finance, chief investment officer, and vice president and treasurer exists to provide advice on the university's investment program. The senior vice president for business and finance will approve, together with the vice president and treasurer, the hiring of external investment managers for the Operating Funds Portfolio and may, once an investment manager has been hired as aforesaid, approve additional investments with such investment manager. In addition, the senior vice president for business and finance may approve the hiring of one or more investment consultants to assist in policy development, asset allocation, investment structure, investment manager selection, manager performance review, and other specialized investment topics for the Operating Funds Portfolio. The senior vice president for business and finance may terminate the university's engagement with any such investment manager or investment consultant and may reduce strategy exposure.
  4. Vice president and treasurer. The vice president and treasurer is responsible for managing the Operating Funds Portfolio investment program, operations, and reporting. The vice president and treasurer must review and recommend policies and procedures that are consistent with the investment objectives of the Operating Funds Portfolio. The vice president and treasurer must report to the senior vice president for business and finance and the Investment Committee, at least quarterly. An advisory committee to the senior vice president for business and finance, chief investment officer, and vice president and treasurer exists to provide advice on the university's investment program. The vice president and treasurer will approve, together with the senior vice president for business and finance, the hiring of external investment managers for the Operating Funds Portfolio and may, once an investment manager has been hired as aforesaid, approve additional investments with such investment manager. In addition, the vice president and treasurer may approve the hiring of one or more investment consultants for the purposes described above. The vice president and treasurer may terminate the university's engagement with any such investment manager or investment consultant and may reduce strategy exposure.
- E. Asset allocation and guidelines for university operating funds
  1. Structure. Operating funds are managed through two pools, a short-term working capital pool (Tier 1 Capital) and an intermediate-term investment pool (Tier 2 Capital).
  2. Duration. Operating funds are used to maintain adequate liquidity within an appropriate risk profile. The short-term working capital pool's weighted average duration may not exceed one (1) year. The intermediate-term investment pool's weighted average duration may not exceed five (5) years.



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3. Risk tolerance. The Operating Funds Portfolio fiduciaries recognize the challenge of achieving the Operating Funds Portfolio investment objectives in light of the uncertainties and complexities of investment markets. They also recognize that prudent levels of investment risk are necessary to achieve the stated investment goals. Operating funds will be invested in securities that, in aggregate, represent a credit quality of "A" or better (on a weighted average basis). Not more than five percent (5%) of operating funds will be invested in below investment grade securities.
4. LTIP allocation. The book value of operating funds invested in the LTIP at any time cannot exceed 60% of the book value of the aggregate of operating funds. No bond proceeds will be transferred to the LTIP.
5. Policy restrictions. Market fluctuations, cash flows, and liquidity issues will cause the actual asset allocations to fluctuate. The university operating funds must maintain compliance with the following:
  - a. Liquidity.
    - i. Operating funds available for liquidity will exclude operating funds invested in the LTIP, bond proceeds, and certain other funds as designated by the vice president and treasurer.
    - ii. A minimum of 90 days liquidity will be maintained at all times. A minimum of 30 days liquidity will be maintained in the short-term working capital pool.
    - iii. Liquidity calculation will be based on the most recent Board of Trustees' approved university budget's total expenditures.
  - b. Other requirements.
    - i. Ohio Revised Code Section 3345.05(c)(i). At least 25% of the average amount of the operating funds over the course of the previous fiscal year will be invested in securities of the U.S. government or of its agencies or instrumentalities, the treasurer of Ohio's pooled investment program, obligations of Ohio or any political subdivision of Ohio, certificates of deposit of any national bank located in Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in 270 days or less which are eligible for purchase by the federal reserve system as a reserve. Eligible funds above the funds that meet the foregoing condition may be pooled with other university funds, including the LTIP, and invested in accordance with Ohio Revised Code Section 1715.52.
    - ii. The amount of operating funds must be greater than or equal to 110% of all variable rate debt including commercial paper.

### F. Governance

1. Investment monitoring process. The Operating Funds Portfolio investment managers and consultants will be monitored for consistency of investment philosophy, return relative to objectives, and investment risk. The vice president and treasurer and the senior vice president for business and finance will monitor the overall results and investment portfolios of the Operating Funds Portfolio, but performance will be evaluated on a long-term basis.
2. Benchmarks. The Board of Trustees is responsible for approving performance benchmarks to evaluate the performance of the operating funds. The vice president and treasurer will review the benchmarks annually and recommend changes, if any, to the senior vice president for business and finance. Based on such recommendations by the vice president and treasurer, the senior vice president for business and finance may recommend to the Investment Committee changes to the benchmarks. If the Investment Committee approves such recommendations, then the Investment Committee will bring the recommendations forward for a vote by the Board of Trustees. Other separately managed funds' benchmarks will be separately approved by the vice president and treasurer in consultation with the senior vice president for business and finance.

### G. Separately invested funds

1. Certain separately invested funds may have additional goals and policies specific to their use. Such policies will be in writing and approved by the senior vice president for business and finance. Asset



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allocations for certain other separately invested funds will be approved by the vice president and treasurer.

H. Exercise of shareholders rights

1. The university recognizes that publicly traded securities and other assets of the Operating Funds Portfolio may include certain ancillary rights, such as the right to vote on shareholder resolutions at companies' shareholders' meetings, and the right to assert claims in securities class action lawsuits or other litigation. The university requires of itself and its external managers the prudent management of these assets for the exclusive purpose of enhancing the value of the Operating Funds Portfolio. The vice president and treasurer has the authority to delegate proxy voting to external managers to maximize fund value, reserving the right to direct the voting on specific issues as needed. The vice president and treasurer will make best efforts to implement this Investment policy in a socially and environmentally responsible manner.

I. Review and modification of Operating Funds Portfolio Investment Policy

1. This Operating Funds Portfolio Investment Policy is in effect until modified by the Board of Trustees. While material changes are expected infrequently, the vice president and treasurer will review this Operating Funds Portfolio Investment Policy at least annually for continued appropriateness and recommend any changes to the senior vice president for business and finance. Based on such recommendations by the vice president and treasurer, the senior vice president for business and finance may recommend such changes to the Investment Committee. If the Investment Committee approves such recommendations, then the Investment Committee will bring the recommendations forward for a vote by the Board of Trustees.

J. Exceptions

1. Modifications and exceptions to this Operating Funds Portfolio Investment Policy must be authorized by resolution of the Board of Trustees or as provided herein.

K. Conflicts of interest

1. It is critical that there be no conflicts of interest or perceptions of conflicts of interest when making investment decisions related to the management of the operating funds. Fiduciaries and university staff who oversee or approve the university's Operating Funds Portfolio investment program or who manage or report on the Operating Funds Portfolio investment operations must comply with all applicable university policies and federal and Ohio laws, including the restrictions and prohibitions of the Ohio Ethics Laws. Generally, fiduciaries and university staff will not be prohibited from making investments in annuity contracts, bank deposits, exchange traded products and publicly traded securities, foreign currency exchange transactions, open-end mutual funds, or US treasury and agency securities.

## Responsibilities

Position or Office	Responsibilities
Board of Trustees (BOT)	<ol style="list-style-type: none"> <li>1. Assume overall responsibility for the Investment policy.</li> <li>2. Evaluate the LTIP's asset class strategies and opportunities and establish a long-term asset allocation plan periodically.</li> <li>3. Approve performance benchmarks to evaluate the LTIP portfolio and Operating Funds Portfolio.</li> <li>4. Authorize modifications and exceptions to the LTIP Investment Policy and Operating Funds Portfolio Investment Policy.</li> <li>5. Approve divestment for non-economic reasons.</li> <li>6. Evaluate the allocation between the LTIP and short-term operating fund for appropriateness periodically.</li> </ol>
Fiduciaries (BOT, Investment Committee members, staff)	<ol style="list-style-type: none"> <li>1. Act solely in the interest of the university, for the purposes of providing income and maintaining the real purchasing power of the principal.</li> <li>2. Act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the</li> </ol>





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Position or Office	Responsibilities
	<p>conduct of an enterprise of a like character and with like aims.</p> <ol style="list-style-type: none"> <li>3. Comply with all applicable university policies and federal and Ohio laws, including Ohio Ethics Laws.</li> </ol>
Investment Committee	<ol style="list-style-type: none"> <li>1. Provide strategic oversight for the investment program, the funds, and LTIP operations.</li> <li>2. Work with the SVP-B&amp;F to ensure the LTIP is well managed.</li> <li>3. Work with the SVP-B&amp;F and VP/treasurer to ensure the operating funds are managed consistent with this policy.</li> <li>4. Meet at least quarterly.</li> <li>5. Evaluate the LTIP’s asset class strategies and opportunities and establish a long-term asset allocation plan periodically.</li> <li>6. Approve changes to LTIP and operating funds performance benchmarks to bring to the BOT for a vote.</li> <li>7. Review and approve changes to the LTIP Investment Policy and Operating Funds Portfolio Investment Policy; bring to the BOT for a vote.</li> <li>8. Evaluate the allocation between the LTIP and short-term operating fund for appropriateness periodically.</li> </ol>
Senior VP for Business and Finance (SVP-B&F)	<ol style="list-style-type: none"> <li>1. Provide oversight for the LTIP and operating funds investment operations and reporting.</li> <li>2. Review operations and reporting in the Office of Investments to ensure compliance with established policies and procedures.</li> <li>3. Review operations and reporting in the Office of the Treasurer to ensure compliance with established policies and procedures.</li> <li>4. Approve, with the chief investment officer or vice president and treasurer, the hiring of investment managers and certain fund investments, as well as additional investments with such investment managers or into such funds, as set forth in the policy.</li> <li>5. Approve the hiring of investment consultants and custodial banks or other trust institutions as set forth in the policy.</li> <li>6. Terminate the university’s engagement with investment managers, funds, consultants, or custodians as appropriate.</li> <li>7. Determine the annual administrative charge and the portion of the LTIP to which such annual administrative charge will be applied.</li> <li>8. Partially liquidate any fund position or reduce strategy exposure as appropriate.</li> <li>9. Recommend changes to LTIP and operating funds performance benchmarks to the Investment Committee as needed.</li> <li>10. Recommend changes to the LTIP Investment Policy and Operating Funds Portfolio Investment Policy to the Investment Committee based upon recommendations by the chief investment officer or vice president and treasurer.</li> <li>11. Approve written policies for separately invested funds as appropriate.</li> <li>12. Consult with vice president and treasurer on separately managed funds’ benchmarks.</li> </ol>
Chief investment officer	<ol style="list-style-type: none"> <li>1. Manage the LTIP investment operations and reporting.</li> <li>2. Review and recommend policies and procedures consistent with the investment objectives of the LTIP.</li> <li>3. Report to the SVP-B&amp;F and the Investment Committee at least quarterly.</li> <li>4. Approve, with the SVP-B&amp;F, the hiring of investment managers for the LTIP and certain fund investments for the LTIP, as well as additional investments with such investment managers or into such funds, as appropriate.</li> <li>5. Approve the hiring of investment consultants and custodians for the LTIP as appropriate.</li> <li>6. Terminate the university’s engagement with such investment managers, consultants, or custodians as appropriate.</li> <li>7. Invest directly in exchange traded products and publicly traded securities, foreign currency exchange transactions, open-end mutual funds, and US treasury and agency securities as appropriate.</li> <li>8. Partially liquidate any fund position or reduce strategy exposure as appropriate.</li> <li>9. Review LTIP performance benchmarks annually and recommend changes, if any, to the SVP-B&amp;F.</li> <li>10. Delegate proxy voting as appropriate.</li> <li>11. Make best efforts to implement the Investment policy in a socially and environmentally</li> </ol>



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Position or Office	Responsibilities
	<ul style="list-style-type: none"> <li>responsible manner.</li> <li>12. Review the LTIP Investment Policy at least annually and recommend changes to the SVP-B&amp;F.</li> <li>13. Invest in diversified portfolios as described in this policy.</li> </ul>
Office of Investments	Monitor the overall LTIP results and investment portfolios.
Vice president and treasurer (VP/treasurer)	<ul style="list-style-type: none"> <li>1. Manage the Operating Funds Portfolio investment operations and reporting.</li> <li>2. Review and recommend policies and procedures consistent with the investment objectives of the Operating Funds Portfolio.</li> <li>3. Report to the SVP-B&amp;F and the Investment Committee at least quarterly.</li> <li>4. Approve, with the SVP-B&amp;F, the hiring of investment managers for the Operating Funds Portfolio and additional investments with such investment managers as appropriate.</li> <li>5. Approve the hiring of investment consultants for the Operating Funds Portfolio as appropriate.</li> <li>6. Terminate university's engagement with such investment managers and consultants as appropriate.</li> <li>7. Reduce strategy exposure as appropriate.</li> <li>8. Review operating funds performance benchmarks annually and recommend changes, if any, to the SVP-B&amp;F.</li> <li>9. Approve, in consultation with the SVP-B&amp;F, separately managed funds' benchmarks as appropriate.</li> <li>10. Approve asset allocations for certain separately invested funds as appropriate.</li> <li>11. Delegate proxy voting as appropriate.</li> <li>12. Make best efforts to implement the Investment policy in a socially and environmentally responsible manner.</li> <li>13. Review the Operating Funds Portfolio Investment Policy at least annually and recommend changes to the SVP-B&amp;F.</li> </ul>
Dean/VP	Make written requests for withdrawals from invadable funds as appropriate.
ED Executive Committee	<ul style="list-style-type: none"> <li>1. Oversee and manage the economic development fund investment program, operations, and management.</li> <li>2. Review operations and reporting to ensure compliance with established university policies and procedures.</li> <li>3. May direct that certain transferred operating funds be invested at their discretion with approval of the president as set forth in the policy.</li> <li>4. Approve economic fund distributions as appropriate.</li> </ul>
President	<ul style="list-style-type: none"> <li>1. Approve ED Executive Committee's recommended investments as appropriate.</li> <li>2. Designate a gift as made for the purpose of furthering the university's efforts to catalyze the university's startup and innovation ecosystem through the investment of the economic development fund.</li> </ul>

**Resources**

Financial Code of Ethics, [busfin.osu.edu/sites/default/files/financial-code-of-ethics.pdf](https://busfin.osu.edu/sites/default/files/financial-code-of-ethics.pdf)

**Contacts**

Subject	Office	Telephone	E-mail/URL
Policy questions	Office of Business and Finance	614-292-7970	<a href="mailto:busfin@osu.edu">busfin@osu.edu</a> <a href="https://busfin.osu.edu/">busfin.osu.edu/</a>
Investment questions	Office of Business and Finance, Office of Investment	614-292-7887	<a href="mailto:prospects@osu.edu">prospects@osu.edu</a> <a href="https://busfin.osu.edu/investments">busfin.osu.edu/investments</a>



Applies to: The Board of Trustees and members of Board of Trustees' committees and university staff who oversee or approve the university's investment programs or who manage or report on investment operations

**History**

**Investments**

- Issued: 09/04/1981 Approved by BOT, 09/04/1981, Resolution #82-24
- Revised: 06/07/1985 Approved by BOT, 06/07/1985, Resolution #85-147
- Revised: 04/07/1989 Approved by BOT, 04/07/1989, Resolution #89-91
- Revised: 06/01/1990 Approved by BOT, 06/01/1990, Resolution #90-125, Revision of Comprehensive, Endowment and Non-endowment policy
- Revised: 11/04/1994 Approved by BOT, 11/04/1994, Resolution #95-56
- Revised: 03/03/1995 Approved by BOT, 03/03/1995, Resolution #95-93, Revision of Endowment Fund Income Distribution section
- Revised: 09/02/1998 Approved by BOT, 09/02/1998, Resolution #99-34, Revision of Endowment Funds Investment, Total Return Operating Fund Investments, and Operating Funds Investments policies

**Endowment Fund Investments**

- Revised: 03/01/2002 Approved by BOT, 03/01/2002, Resolution #2002-93
- Revised: 07/11/2003 Approved by BOT, 07/11/2003, Resolution #2004-16
- Revised: 11/03/2006 Approved by BOT, 11/03/2006, Resolution #2007-55
- Revised: 12/07/2007 Approved by BOT, 12/07/2007, Resolution #2008-71
- Revised: 06/06/2008 Approved by BOT, 06/06/2008, Resolution #2008-122, Renamed to Long-Term Investment Pool

**Long-Term Investment Pool**

- Edited: 11/01/2008
- Revised: 04/03/2009 Approved by BOT, 04/03/2009, Resolution #2009-77, Revision of Distribution Policy section
- 04/03/2009 Approved by BOT, 04/03/2009, Resolution #2009-78, Revision of Asset Allocation and Guidelines Section
- Revised: 06/05/2009 Approved by BOT, 06/05/2009, Resolution #2009-94
- Revised: 08/30/2013 Approved by BOT, 08/30/2013, Resolution #2014-10, Combined with Operating and Agency Funds Investment, Policy 5.30 into Investment, Policy 5.90

**Non-Endowment Investments**

- Revised: 05/02/1997 Approved by BOT, 05/02/1997, Resolution #97-119
- Revised: 12/05/1997 Approved by BOT, 12/05/1997, Resolution #98-79
- Revised: 05/03/2002 Approved by BOT, 05/03/2002, Resolution #2002-124, Operating Fund Investment and Total Return Operating Fund Investment policies combined into Non-Endowment Investments policy
- Revised: 07/11/2003 Approved by BOT, 07/11/2003, Resolution #2004-16, Revision of Authorized Investments section
- Revised: 06/06/2008 Approved by BOT, 06/06/2008, Resolution #2008-123, Renamed to Operating and Agency Funds Investment

**Operating and Agency Funds Investment**

- Revised: 06/05/2009 Approved by BOT, 06/05/2009, Resolution #2009-98
- Revised: 08/30/2013 Approved by BOT, 08/30/2013, Resolution #2014-10, Combined with Long-Term Investment Pool, policy 6.10 into Investment, policy 5.90

**Investment, 5.90**

- Issued: 08/30/2013 Approved by BOT, 08/30/2013, Resolution #2014-10, Combined Long-Term Investment Pool, policy 6.10 and Operating and Agency Funds Investment, policy 5.30 into Investment, policy 5.90
- Revised: 07/01/2014 Approved by BOT, 08/29/2014, Resolution #2015-12
- Revised: 07/01/2016 Approved by BOT, 04/08/2016, Resolution #2016-108
- Revised: 06/03/2016 Approved by BOT, 06/03/2016, Resolution #2016-130

**Investment**

- Edited: 06/01/2019 Number removed from title
- Edited: 06/01/2020 Added Financial Code of Ethics to the Resources section
- Revised: 07/01/2021 Approved by BOT, 05/20/2021, Resolution #2021-144
- Revised: 07/01/2022 Approved by BOT, 05/19/2022, Resolution #2022-138
- Revised: 07/01/2024 Approved by BOT, 08/22/2024, Resolution #2025-28