3361:20-41-03 Investments: investment committee.

(A) Purpose

(1) The investment committee shall oversee the management of the university's endowment assets, subject to the investment policies stated in rule 3361:20-41-01 of the Administrative Code, which include the university's obligations under the uniform prudent management of institutional funds act of Ohio (UPMIFA), and such supplementary guidelines as may be approved by the finance and administration committee of the board of trustees.

(2) The investment committee shall oversee the management of the university's temporary investment pool ("TIP") in accordance with the provisions of section 3345.05 of the Ohio Revised, policies stated in rule 3361:20-41-01 of the Administrative Code, and such supplementary guidelines as may be approved by the finance and administration committee of the board of trustees.

(B) Voting membership

(1) Voting membership of the investment committee shall be no fewer than five and no more than ten persons, at least two-thirds of whom shall be active in the field of investment management, or have ten years' experience in the field of investment management, and at least two-thirds of whom shall have a close affiliation with the university. The field of investment management is defined by the work experience guidelines for membership in CFA institute.

(2) The chairperson of the board of trustees appoints members to the committee except as provided in paragraph (B) (3) of this rule.

(3) So long as the investments of the university of Cincinnati foundation are managed in one or more common investment pools with the investments of the university of Cincinnati, the board of trustees of the foundation may appoint the greater of three voting members of the committee, or the number of members approximately proportionate to foundation investments in the pools relative to total investments of the pools.

(4) Appointment terms are three years and will not exceed three successive terms. Notwithstanding the foregoing, a voting member can be reappointed for an additional successive three-year term upon written recommendation of the investment committee chair and approval by the original appointing body (either the university of Cincinnati board chair or the university of Cincinnati foundation board).

(5) In making appointments, the chairperson of the board of trustees and the board of trustees of the university of Cincinnati foundation will consider the recommendations of the chairperson of the investment committee and the chief investment officer if those positions have incumbents.

(C) Ex officio members

The president, at his or her discretion, may appoint any or all of the following as nonvoting members of the committee: himself or herself; the senior vice president for administration and finance; the vice president for finance; the chief financial officer of the university of Cincinnati foundation; the controller of the university of Cincinnati foundation; and any three other employees of the university or the university of Cincinnati foundation.

(D) Chairperson

(1) The chairperson of the committee will be appointed from among the voting members by either the chairperson of the board of trustees or the board of trustees of the university of Cincinnati foundation, according to whether the university or the foundation has the greatest portion of investments in the common investment pool.

(2) In the event of a tie vote on an issue before the investment committee, the chairperson will cast the deciding vote.

(E) Chief investment officer

(1) The chief investment officer shall manage the university's endowment assets and that portion of the university's TIP not managed by the treasurer with the guidance, advice and oversight of the investment committee regarding policy and strategic direction.

(2) In appointing the chief investment officer, the president will consider the recommendations of the investment committee, and the investment committee will provide assessment of the performance of the chief investment officer to the senior vice president for administration and finance.

(F) Treasurer

(1) The treasurer shall manage that portion of the university's TIP needed to satisfy the day-to-day financial obligations of the university in amounts determined by the treasurer with the guidance, advice and oversight of the investment committee regarding policy and strategic direction.

(2) The treasurer shall be authorized to select, buy, and sell money market securities needed to invest that portion of the university's TIP needed to satisfy the day-to-day financial obligations of the university.

(G) Authorities

(1) Within the authority granted to the investment committee and such supplementary guidelines as may be approved by the investment committee, the chief investment officer, or his or her duly appointed designee subject to

the terms and conditions of any delegation of authority, is authorized, without prior approval of the board of trustees or the investment committee, to approve, execute or otherwise enter into contracts or agreements, and modifications thereof and amendments thereto, and to take other actions to:

(a) Retain the services of specialized investment consultants for advice in asset allocation, performance measurement and other services which may be of value in the management of the university's endowment assets;

(b) Retain investment managers;

(c) Retain appraisers, brokers, consultants and such other financial advisers as may be necessary or advisable in the performance of his or her duties;

(d) Enter into custodial arrangements for the safekeeping of endowment securities or other assets;(e) Buy or otherwise acquire, hold and sell or otherwise dispose of investments, including investment real estate, directly or through instructions to investment managers; and

(f) Request distributions from banks or other persons who act as third-party trustees for funds of which the university is a beneficiary to the full extent provided by law; and to correspond, communicate and, where applicable, give direction to such trustees on investment policies, asset allocation, and all other matters.

(2) The signature of the chief investment officer will be conclusive evidence of his or her authority to approve and execute any and all contracts, leases, deeds, certificates, instruments, delegations, and other documents as may be necessary or advisable to consummate transactions described in paragraph (F)(1) of this rule, and other transactions approved by the investment committee.

(3) The signature of the designee of the chief investment officer when accompanied by a written delegation of authority executed by the chief investment officer, will be conclusive evidence of such designee’s authority to approve and execute such contracts, leases, deeds, certificates, instruments and other documents described in such delegation, during the absence, unavailability, or incapacity of the chief investment officer.

(4) All delegations of contracting authority by the chief investment officer pursuant to paragraph (F) (1) of this rule shall be in writing, shall identify the delegate by name, title and/or position of employment, shall describe the scope of the authority provided by the delegation, shall bear the signature of the chief investment officer, and shall expire on the earlier of: (a) the date of expiration contained in the written delegation, (b) the date of death or separation from employment with the university of the chief investment officer making the delegation, (c) the date of death or separation from employment with the university of the delegate, (d) the date written notice of revocation of the delegation signed by the chief investment officer is delivered to the delegate,

or (e) the date that is three years from the date of the delegation. The chief investment officer shall provide copies of all such delegations to the board of trustees at the next regular meeting of the board following any such the delegation. No person receiving a delegation of authority from the chief investment officer may further assign or delegate to any other person all or any part of the delegated authority. No delegation of authority by the chief investment officer shall exceed the limits established herein.

(5) All contracts and other documents approved under paragraph (F) of this rule will be reviewed as to form by the office of the general counsel, and the signature of the chief investment officer will be conclusive evidence that such review has taken place.

(H) The investment committee or the chief investment officer will report to the finance and administration committee of the board of trustees:

(1) Quarterly on endowment fund investment performance;

(2) Annually on investment performance and long-range goals of the endowment fund “A”, endowment fund “C”, and of the university’s TIP; and

(3) On other matters as the finance and administration committee requests or as the investment committee deems appropriate.

Effective: 1/28/2025

CERTIFIED ELECTRONICALLY

Certification

01/13/2025

Date

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