
1606 CHARGES TO INVESTMENT INCOME

Subject: Investments
Effective: December 1986
Revised: May 2008
Last Reviewed: April 2017
Resp. Office: VP Finance
Approval: Trustees

PURPOSE

To recover the direct administrative cost (expenses of the offices directly supporting the investment function) and indirect administrative cost (expenses incurred by University administrative and responsibility centers in support of programs that are funded by investment income) from investment income.

POLICY

Direct Investment Administrative Expense (Administration):

1. The Office of the Vice President for Finance is responsible for determining those costs that should be included as direct investment administrative expenses. These include, but are not limited to, the costs of the Office of Investments, the Investment Services section of the Office of the Treasurer, Office of Audit, Compliance & Privacy, stewardship expenses, and legal expenses from the Office of the General Counsel.
2. The allocation of the direct administrative expense shall be made on a pro-rata market value basis.
3. Waiver of the direct investment administrative charge can be granted only by the Vice President for Finance.