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## 1601 STRUCTURE & ADMINISTRATION OF INVESTMENT FUNDS

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Subject: Investments  
Effective: December 1986  
Revised: March 2011  
Last Reviewed: April 2018  
Resp. Office: Investment  
Approval: Trustees

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### PURPOSE

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To provide policy governing the structure and administration of Investment Funds.

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### BACKGROUND

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The vast majority of the University's endowment is invested in the Associated Investments Fund (AIF), a pooled investment vehicle in which individual endowments and trusts hold individual shares or units. The AIF is managed by the Office of Investments under the supervision of an Investment Board appointed by the Trustees. Funds are invested with external managers in accordance with a strategic asset allocation that aims to maximize total return from both current income and capital appreciation without excessive risk.

The University also maintains a sizeable operating reserve. These funds are under the supervision of the Vice President for Finance and Treasurer. Depending on the expected time horizon, these funds are invested in some combination of the Temporary Investments Fund, the Intermediate Term Fund or the AIF.

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### POLICY

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1. All Endowment Funds will be invested in the AIF.
2. Short-term funds, except those held as a buying reserve for individual funds, will be invested in the Temporary Investments Fund (TIF) or the Intermediate Term Fund (ITF).
3. Funds to be invested in the AIF will be admitted at the current market valuation at the beginning of the next calendar month admission date after receipt and sale of the gift.
4. All Building Funds with cash balances derived from external gifts or donations, will earn TIF income.