

# OSU INVESTMENT POLICY REVIEW & RECOMMENDED AMENDMENTS

Finance and Administration Committee  
January 16, 2026



**Oregon State**  
University

# Item 5a: Amendments to OSU Investment Policy

- The OSU Board of Trustees has responsibilities related to monitoring, distribution, administration and investment of OSU assets.
- OSU's investment policy is reviewed by the Board of Trustees no less than biennially. The last review and amendment was January 20, 2023.
- Recommendations:
  - Housekeeping and general policy updates
  - Breakout of asset allocation models for subaccounts in Appendices 1 & 2
  - Changes to the Bond Repayment Investment asset allocation
  - OSU Oregon Paid Family & Medical Leave Plan (OPFMLP) Trust in Appendix 3

# Housekeeping and General Updates

- References to applicable laws
- Clarification of restrictions and exclusions
- Delegation of authority
- Investment manager responsibilities

# Permitted Investment Instruments

- Revising language in the Asset Allocation for Permitted Securities and Registered Funds section:
  - Prior language *Maximum* Asset Allocation for Permitted Securities and Registered Funds
  - New language *Minimum-Maximum* and *Target* Asset Allocation for Permitted Securities and Registered Funds
- Appendices to manage the investment objective and asset allocation strategies for the differing pools of assets.
- Each sub-policy includes statements of the portfolio's purpose, objective, risk tolerance, and asset allocation with ranges and target allocations.

# Policy Updates – Appendix 1, Table 1

- **Operating Assets**
- Board Designated Assets
- OPFMLP Trust Assets

Asset Class	Allocation Range	Target Allocation
<b>Fixed Income</b>	<b>85 - 100%</b>	<b>90%</b>
U.S Treasuries	0 – 100%	
U.S. Agency Obligations	0 – 100%	
Time Deposits	0 – 100%	
Money Market Mutual Funds	0 – 100%	
Corporate Bonds	0 – 40%	
Structured/Securitized Securities	0 – 35%	
Municipal Obligations	0 – 30%	
Bankers’ Acceptances	0 – 25%	
Negotiable Certificates of Deposit	0 – 25%	
Commercial Paper	0 – 25%	
<b>Equity</b>	<b>0 – 15%</b>	<b>10%</b>

# Policy Updates – Appendix 1, Table 2

- Operating Assets
- **Board Designated Assets**
  - **Long-Term Equity**
- OPFMLP Trust Assets

Asset Class	Allocation Range	Target Allocation
<b>U.S Equity</b>	<b>65 – 100%</b>	<b>70%</b>
Large-Cap	45 – 100%	55%
Small-/Mid-Cap	0 – 20%	15%
<b>Non-U.S. Equity</b>	<b>10 – 35%</b>	<b>30%</b>
Developed Markets	10 – 35%	25%
Emerging Markets	0 – 10%	5%

# Policy Updates – Appendix 2, Table 1

- Operating Assets
- **Board Designated Assets**
  - **Bond Repayment**
    - ✓ **Proposed new allocation to fixed income (20%)**

Asset Class	Allocation Range	Target Allocation
<b>Fixed Income</b>	<b>0 - 100%</b>	<b>20%</b>
U.S Treasuries	0 – 100%	
U.S. Agency Obligations	0 – 100%	
Money Market Mutual Funds	0 – 100%	
Corporate Bonds	0 – 40%	
Structured/Securitized Securities	0 – 35%	
Municipal Obligations	0 – 30%	
<b>Equity</b>	<b>0 – 100%</b>	<b>80%</b>
U.S. Equity	0 – 100%	60%
Large-Cap	0 – 100%	48%
Small-/Mid-Cap	0 – 20%	12%
Non-U.S. Equity	0 – 35%	20%
Developed Markets	0 – 35%	16%
Emerging Markets	0 – 10%	4%

# Oregon Paid Family & Medical Leave Plan Trust

## Appendix 3

- Per ORS 657B, OSU employees have access to the Oregon Paid Family and Medical Leave Plan (OPFMLP).
- OSU is allowed to administer an equivalent plan for its employees
- A Trust has been set up to hold assets distinctly separate from university operating assets.
- Assets are to be held in short-term Tier 1 investments to preserve capital and meet liquidity needs.

# OPFMLP Trust– Appendix 3, Table 1

- Operating Assets
- Board Designated Assets
- **OPFMLP Trust Assets**

Asset Class	Allocation Range	Target Allocation
<b>Fixed Income</b>	<b>85 - 100%</b>	<b>100%</b>
U.S Treasuries	0 – 100%	
U.S. Agency Obligations	0 – 100%	
Time Deposits	0 – 100%	
Money Market Mutual Funds	0 – 100%	
Corporate Bonds	0 – 40%	
Structured/Securitized Securities	0 – 35%	
Municipal Obligations	0 – 30%	
Bankers' Acceptances	0 – 25%	
Negotiable Certificates of Deposit	0 – 25%	
Commercial Paper	0 – 25%	

# Recommendation

Staff recommend that the Finance and Administration Committee recommend to the board adoption of the amended OSU Investment Policy, as provided in Attachment 1.