

FY2026 Q2 INVESTMENT REPORTS AND INVESTMENT MANAGEMENT REVIEW

Finance and Administration Committee
March 12, 2026



Oregon State
University

Item 5d: FY2026 Q2 Investment Reports and Investment Management Review

- The Board of Trustees have responsibilities related to monitoring, distribution, administration and investment of OSU assets.
- Quarterly Investment Reports are submitted to the Finance & Administration Committee for acceptance.
- Presentation Agenda
 - Cash & Investments Performance Highlights
 - Investment Correlation to Policy
 - Recommendation

Background

- Investment management review discussions are held at least biennially to review and recommend amendments to the investment policy.

OSU Cash and Investments

- **Primary Investment Objectives**

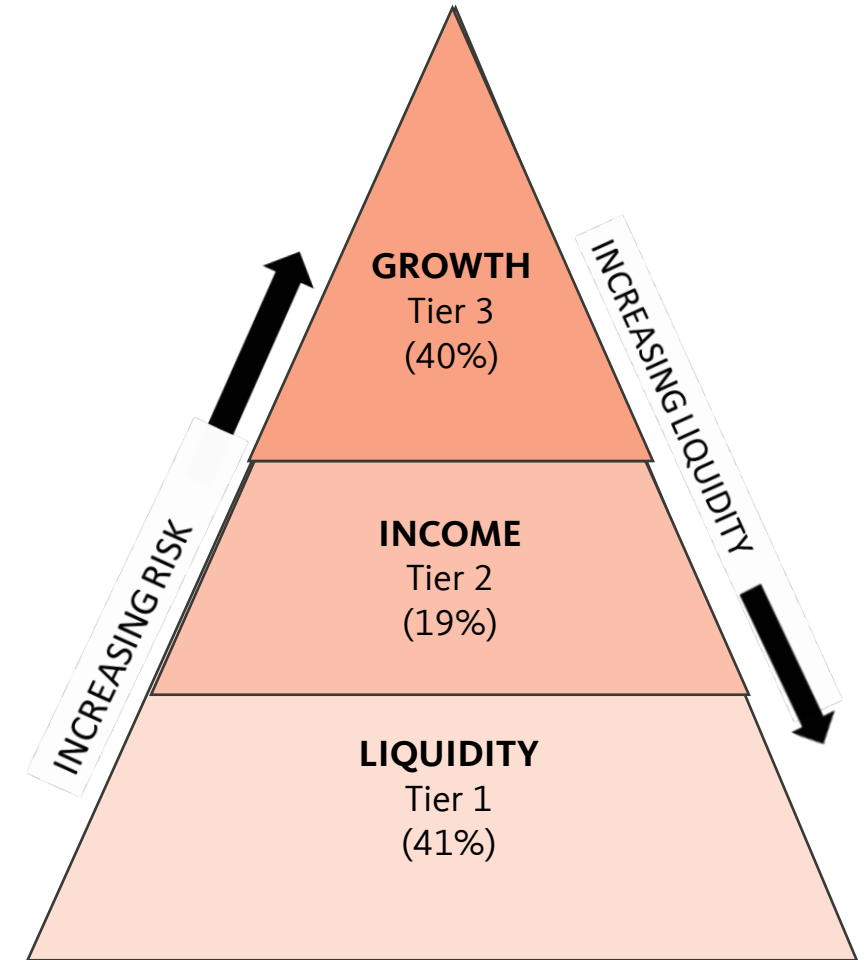
- Tier 1 – Safety and liquidity
- Tier 2 – Safety, liquidity, and return on investment with an expectation of higher return than Tier 1
- Tier 3 – Return on investment with the ability to assume more risk and volatility than Tier 1 or 2

- **Application**

- Safety – Investments of the University shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio. The University shall seek to mitigate credit and interest rate risk.
- Liquidity – The investment portfolio of the University will remain sufficiently liquid to enable the University to meet its cash flow requirements.
- Return on Investment – The investment portfolio shall be designed with the objective of attaining a market rate of return throughout a budgetary and economic cycle, taking into consideration the safety and liquidity needs of the portfolio.

OSU Cash and Investments

Tier 3 – Long-Term Investments	\$ 171,096,261
OSU Foundation Endowment Pool	69,802,055
Calvert US Large Cap Core Responsible Index Fund	49,806,973
Calvert International Responsible Index Fund	21,987,797
OSU PERS SLGRP	8,351,250
Land Held as Separately Invested Endowment Funds	8,240,020
Neuberger Berman Genesis Portfolio	8,196,965
Putnam International Opportunities Fund	4,384,033
Other Endowment Assets	327,168
Tier 2 – Intermediate-Term Investments	\$ 81,431,448
PUF Core Bond Fund	81,431,448
Tier 1 – Short-Term Investments	\$ 179,574,287
Cash Balances held at Bank(s)	91,177,863
Oregon Short-Term Fund	88,396,424



Market Values as of December 31, 2025

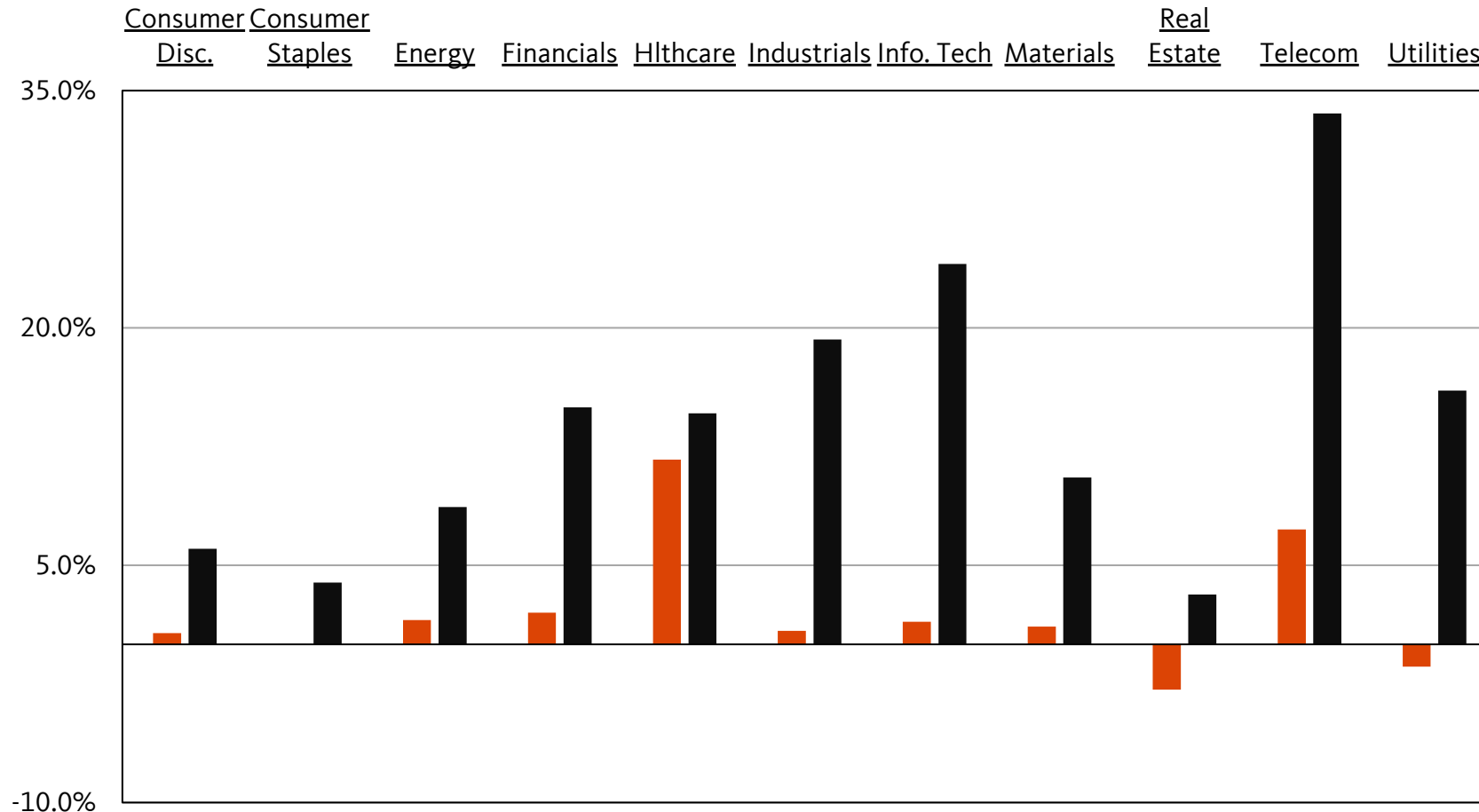
Market Performance

	Quarter	1-Year	3-Year	5-Year
S&P 500	2.7%	17.9%	23.0%	14.4%
MSCI EAFE –ND	4.9%	31.2%	17.2%	8.9%
MSCI EM-ND	4.7%	33.6%	16.4%	4.2%
MSCI China-ND	-7.4%	31.2%	11.6%	-3.2%
Bloomberg US Aggregate	1.1%	7.3%	4.7%	-0.4%
Bloomberg US TIPS	0.1%	7.0%	4.2%	1.1%
Bloomberg US Corporate High Yield	1.3%	8.6%	10.1%	4.5%
ICE BofA ML US 3-Month T-Bill	1.0%	4.2%	4.8%	3.2%
ICE BofA ML 1-3 Year US Treasury	1.1%	5.1%	4.5%	1.8%
ICE BofA ML 10+ Year US Treasury	-0.4%	5.6%	0.7%	-6.9%

*Source: Oregon State Treasury
Performance as of December 31, 2025*

Equity Sector Performance

S&P 500 Index Performance

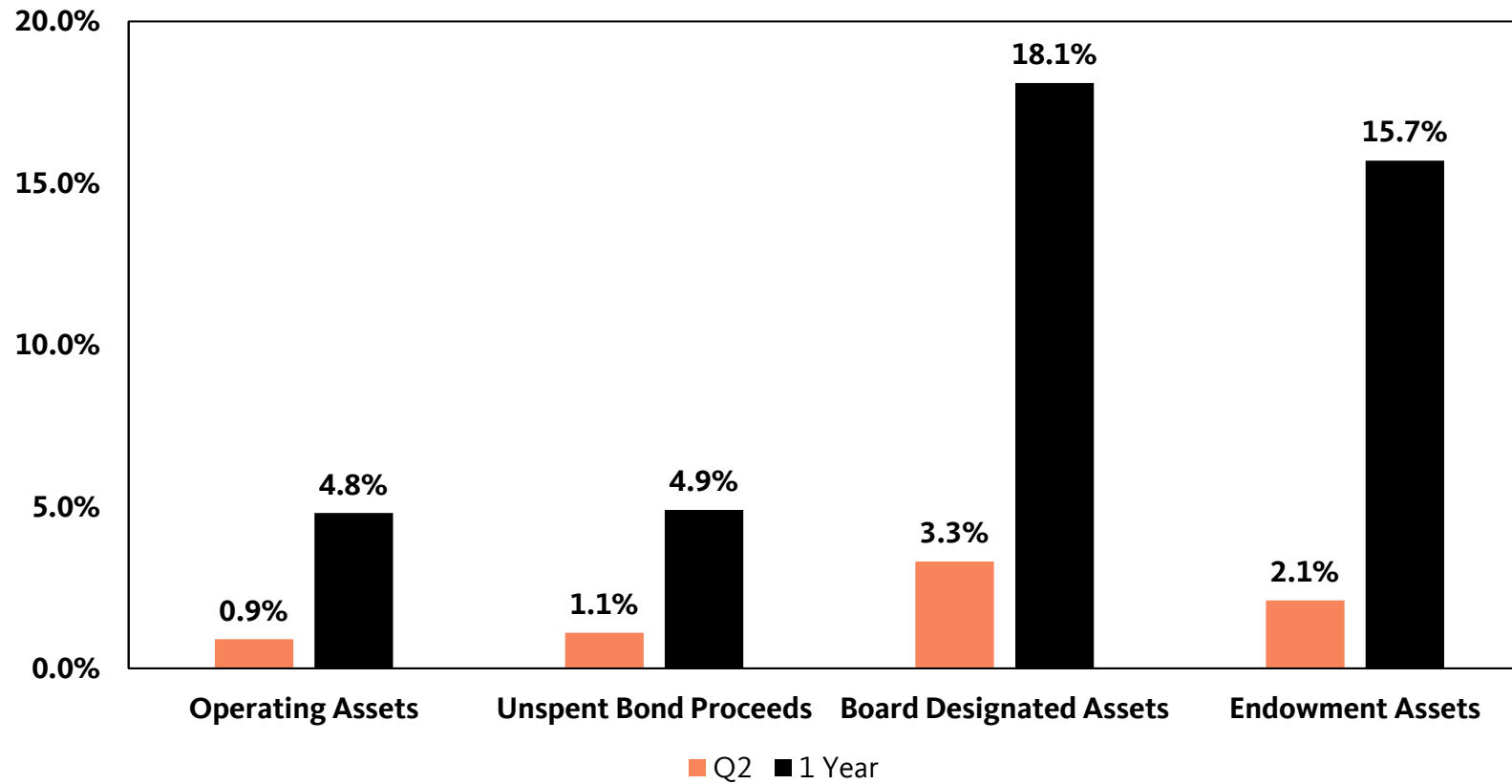


Source: Bloomberg data as of 12/31/2025

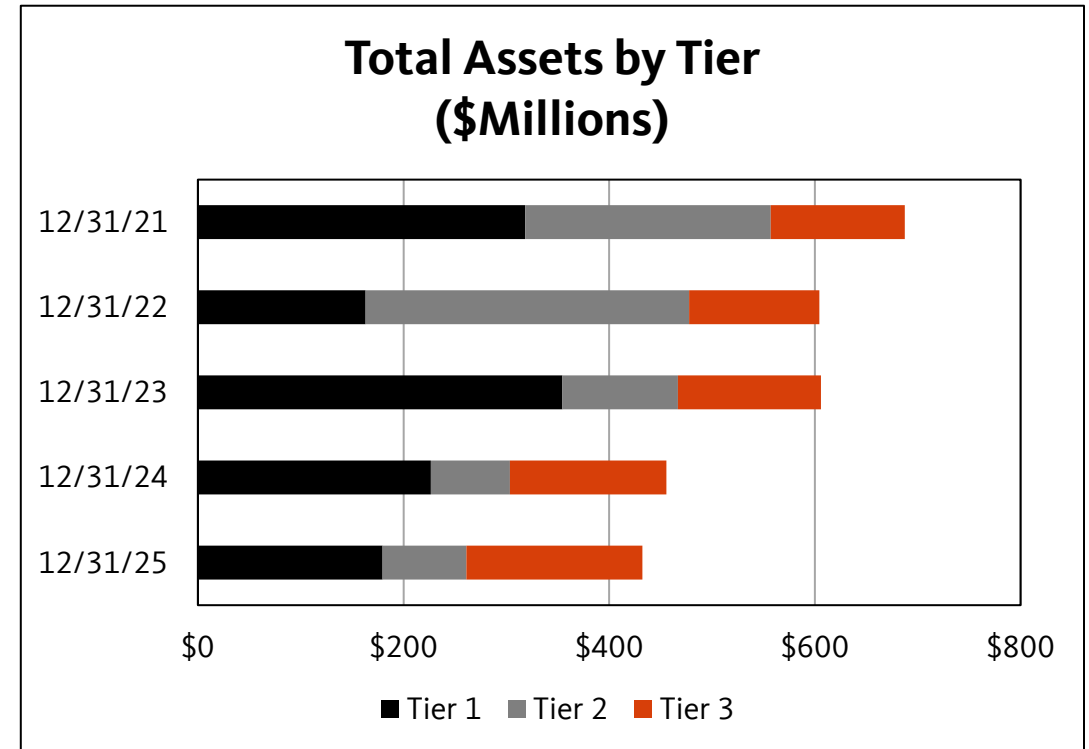
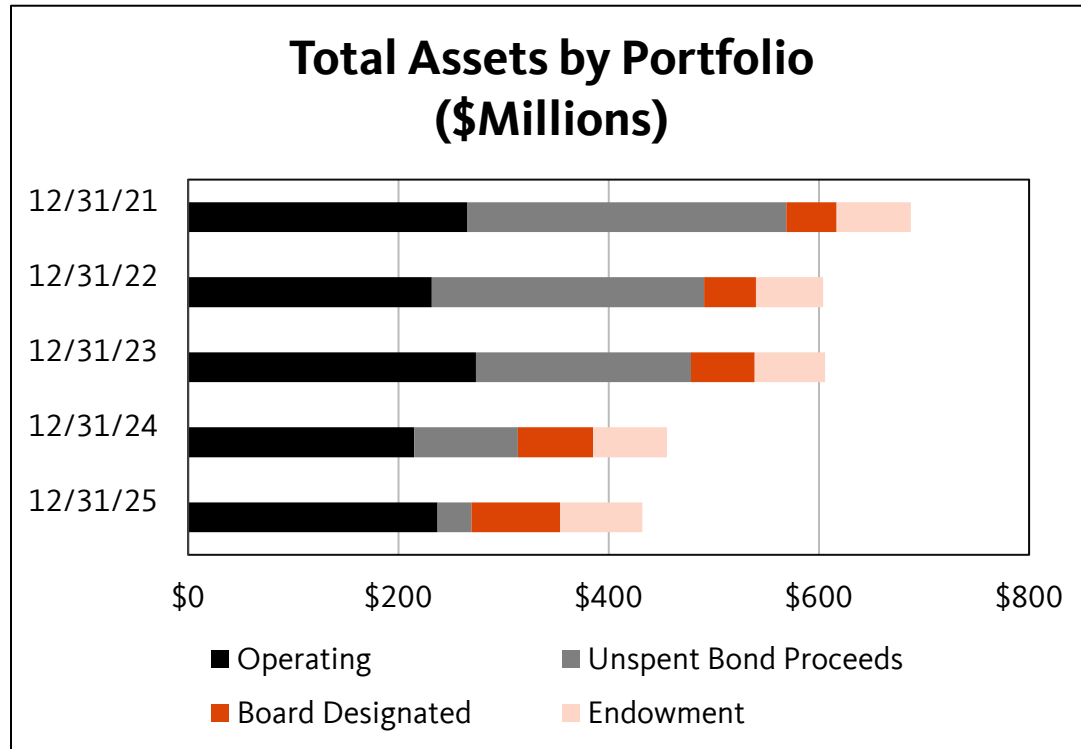
■ QTD ■ 1 Year

OSU Investment Performance

**OSU Investment Performance
12/31/2025**



OSU Total Assets



Operating Assets

	Quarter Ended 12/31/2025	Market Value 12/31/2025	Actual Asset Allocation	Annualized Yield	Market Value 12/31/2024	1 Year Change
OSU Operating Assets						
OSU Cash (Liquidity)	N/A	\$91,177,863	39.8%	1.5%	\$77,579,352	
Oregon Short-Term Fund (Liquidity) Benchmark – 91-day T-Bill	1.1% 1.0%	56,316,217	24.6%	4.3%	50,452,166	
PUF Core Bond Fund (Intermediate-Term Fixed Income) Benchmark – BB Intermediate U.S. Gov't./Cr. Index	1.4% 1.2%	81,431,448	50.4%	4.3%	76,865,559	
Total Operating Cash and Investments		\$228,925,528	100.0%		\$204,897,077	11.7%¹
OSU Unspent Bond Proceeds						
Oregon Short-Term Fund (Liquidity) Benchmark – 91-day T-Bill	1.1% 1.0%	32,080,207	100%	4.3%	17,640,488	
RBC Short-Duration Fixed Income Portfolio (ST Fixed Income) Benchmark – 91-day T-Bill	N/A N/A	0	0.0	N/A	80,942,382	
Total Unspent Bond Proceeds		\$32,080,207	100.0%		\$98,582,870	(67.5%)²
OSU PERS SLGRP	5.1%	8,351,250 ³		N/A	10,217,586	
Total OSU Operating Assets		\$269,356,985			\$456,741,807	(41.0%)

¹First half of FY25 included a \$60M commercial paper repayment that was repaid with cash.

²Spend down of bond proceeds for project costs.

³Includes amortization of \$2,390,158.

Board Designated Assets

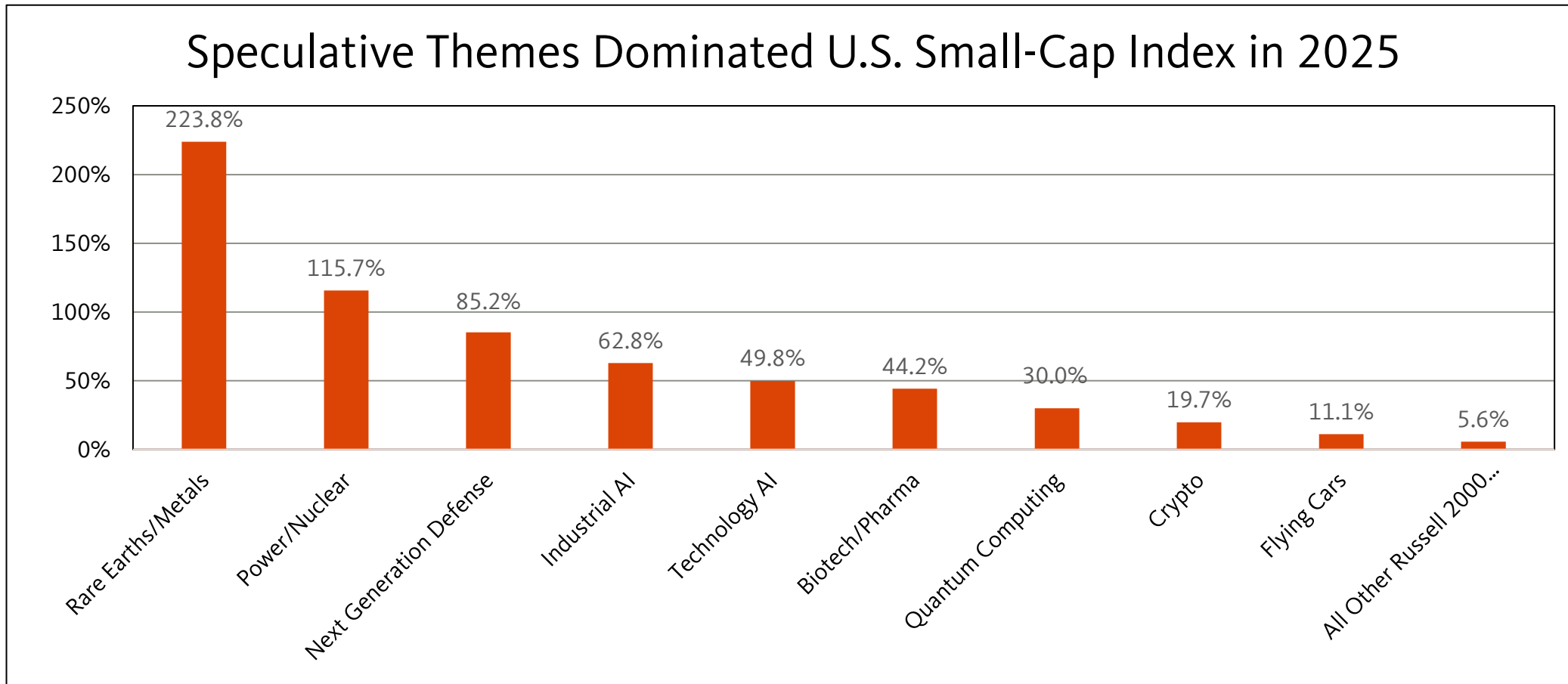
FAC Agenda Item 5d

	Quarter Ended 12/31/2025	Market Value 12/31/2025	Actual Asset Allocation	Policy Target Allocation	Market Value 12/31/2024	1 Year Change
Bond Repayment Investment						
Calvert US Large Cap Core Resp. Index Fund (US Equity) Benchmark – Russell 1000 Index	3.2% 2.4%	\$37,337,715	59.2%	0% - 100%	\$32,220,556	15.9%
Calvert International Resp. Index Fund (Non-US Equity) Benchmark – MSCI World ex USA Index	5.7% 5.2%	16,273,910	25.8%	0% - 35%	12,212,859	33.2%
Neuberger Berman Genesis (US Small Cap Equity) Benchmark – Russell 2000 Index	-2.0% 2.2%	6,249,701	9.9%	0% - 20%	6,563,279	-4.8%
Putnam International Cap Opp Fund (Non-US Small Equity) Benchmark – MSCI AC World ex USA Smid Cap Index	3.7% 3.1%	3,223,067	5.1%	0% - 35%	2,467,611	30.6%
Total Bond Repayment Investment	3.3%	\$63,084,393	100.0%		\$53,464,305	18.0%
Long-Term Equity						
Calvert US Large Cap Core Resp. Index Fund (US Equity) Benchmark – Russell 1000 Index	3.2% 2.4%	\$12,469,258	58.6%	0% - 100%	\$10,760,338	15.9%
Calvert International Resp. Index Fund (Non-US Equity) Benchmark – MSCI World ex USA Index	5.7% 5.2%	5,713,887	26.8%	0% - 35%	4,288,023	33.3%
Neuberger Berman Genesis (US Small Cap Equity) Benchmark – Russell 2000 Index	-2.0% 2.2%	1,947,264	9.1%	0% - 20%	2,044,722	-4.8%
Putnam International Cap Opp Fund (Non-US Small Equity) Benchmark – MSCI AC World ex USA Smid Cap Index	3.7% 3.1%	1,160,966	5.5%	0% - 35%	888,847	30.6%
Total Long-Term Equity	3.4%	\$21,291,375	100.0%		\$17,981,930	18.4%

Neuberger Berman Genesis

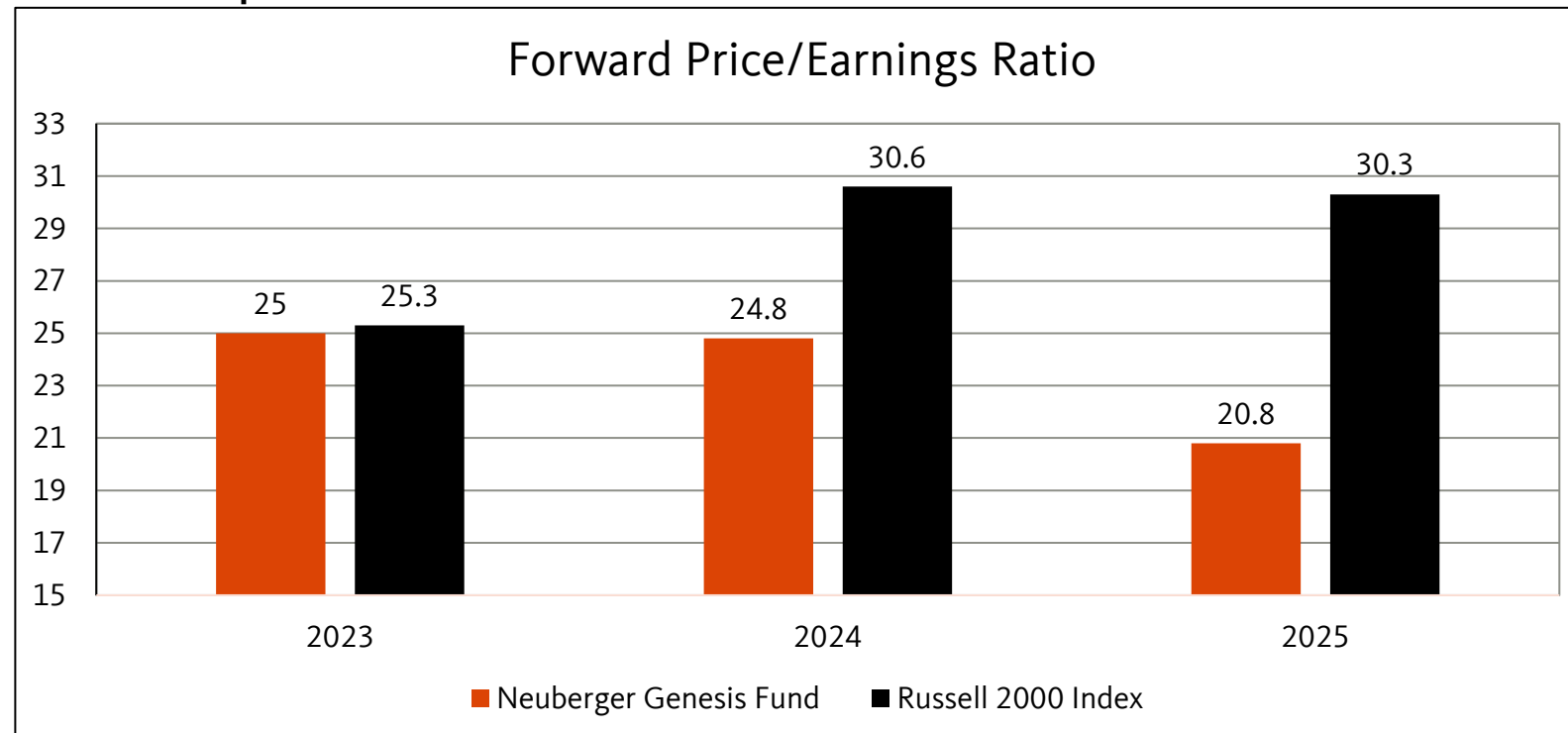
- **High-Quality Investment Philosophy:** Seeks companies with consistent free cash flow generation, above average profitability, conservative balance sheets, sustainable growth prospects and differentiated business models with durable barriers to entry, trading at below-average to average valuations.
- **Risk/Return Profile:** Seeks to mitigate risks inherent in the small-cap asset class, providing less volatility and potential downside mitigation.
- **Russell 2000 Index:** 43% of companies in the index are unprofitable.

Neuberger Berman Genesis



Neuberger Berman Genesis

- S&P 600 Index: Quality company bias
- 2026 Small Cap Outlook: Attractive relative valuations and positive economic backdrop



Endowment Assets

	Quarter Ended 12/31/2025	Market Value 12/31/2025	Actual Asset Allocation	Policy Target Allocation	Market Value 12/31/2024	1 Year Change ¹
OSU Foundation Endowment Pool						
Total Global Equity	2.8%	\$34,154,146	48.9%	45.0%	\$30,984,130	10.2%
Benchmark – MSCI ACWI	3.3%					
Total Global Fixed Income	0.2%	5,660,947	8.1%	7.5%	4,869,480	16.3%
Benchmark – BB Global Aggregate Bond Index	0.2%					
Total Absolute Return	4.2%	6,666,096	9.6%	10.0%	5,517,896	20.8%
Benchmark – HFRI Fund of Funds Index	3.3%					
Total Real Assets	2.2%	6,435,750	9.2%	12.5%	5,988,316	7.5%
Benchmark – Real Assets Custom	1.8%					
Total Private Capital	1.6%	15,147,046	21.7%	25.0%	14,761,008	2.6%
No benchmark provided						
Total Cash	0.0%	1,738,070	2.5%	0.0%	1,499,401	15.9%
Total OSU Foundation Endowment Pool	2.3%	\$69,802,055	100.0%	100.0%	\$63,570,231	9.8%
Benchmark – 77.5% MSCI ACWI/ 22.5% Bloomberg Global Agg	2.6%					
Other OSU Endowment Assets						
Land Held as Separately Invested Endowment Funds	0.0%	8,240,020	96.2%	N/A	6,503,565	26.7%
Other Endowment Assets		327,168	3.8%	N/A	318,827	2.6%
Total Other OSU Endowment Assets		8,567,188	100.0%	N/A	6,816,421	25.6%
Total OSU Endowment Assets	2.1%	\$78,369,243	100.0%	N/A	\$70,386,652	11.3%

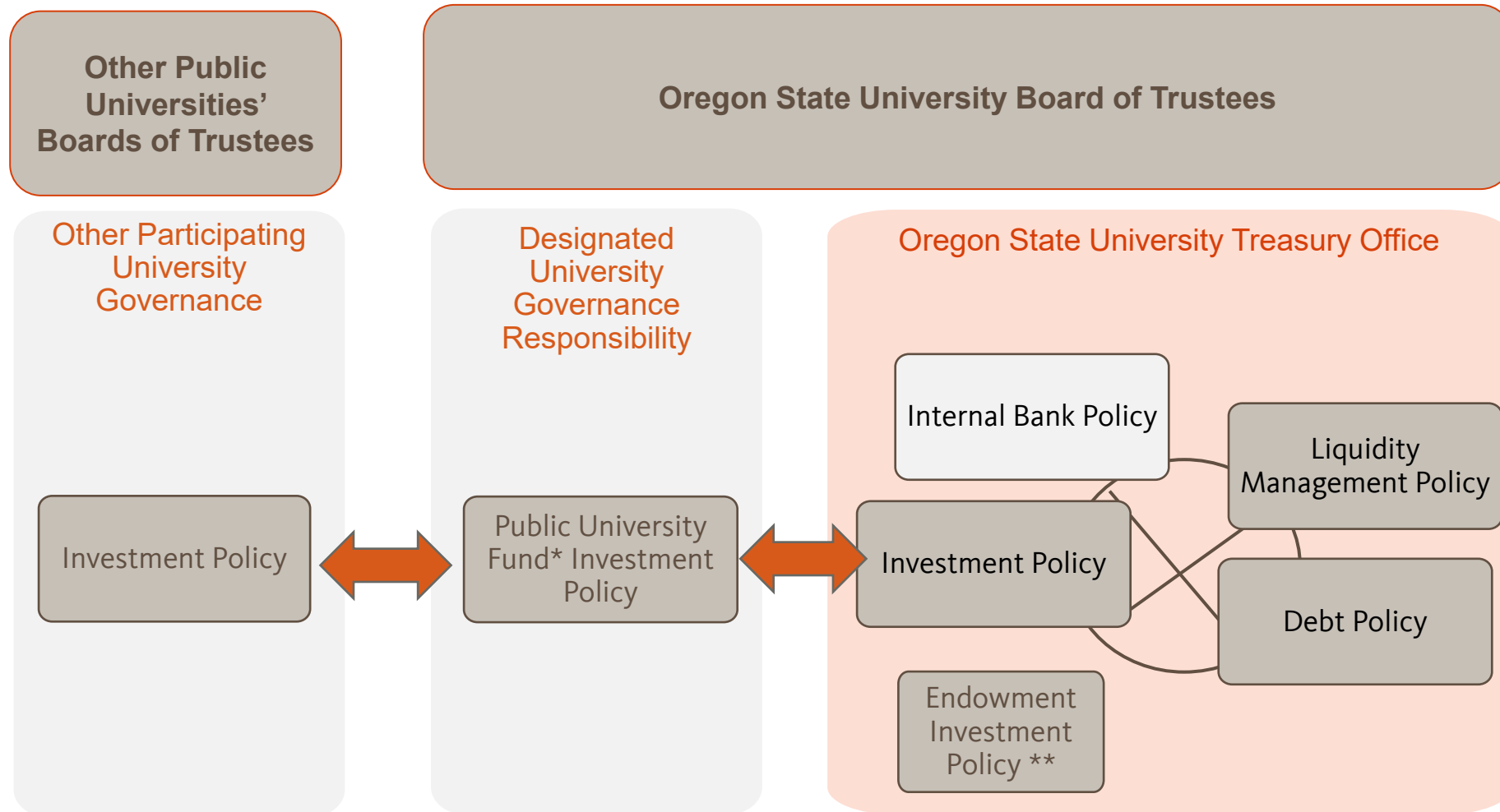
¹ Net of OSUF Fees and quarterly distributions. Includes cash flow changes due to portfolio reallocations.

Recommendation

Staff recommend that the Finance & Administration Committee accept the FY2026 Q2 Investment Report.

Supplemental Information

Treasury Oversight Responsibilities



*Public University Fund – policy owner OSU with input from university participants

**Endowment Assets invested with OSUF – policy owner OSUF

OSU Cash and Investments

Asset Allocation – Investment Types as of December 31, 2025

- Cash
- Bonds (Fixed Income)
- Stocks (Equities)
- Alternatives

Operating Asset Allocation

Asset Class	Maximum Allocation
Fixed Income ¹	100%
U.S. Treasuries	100%
U.S. Agency Obligations	100%
Time Deposits	100%
Money Market Mutual Funds	100%
Corporate Bonds	40%
Structured/Securitized Securities	35%
Municipal Obligations	30%
Bankers' Acceptances	25%
Negotiable Certificates of Deposit	25%

Commercial Paper 25%

Equity ² Long-Term Equity Asset Allocation 15%

Asset Class	Maximum Allocation
U.S. Equity ²	100%
Large Cap	100%
Small-/Mid-Cap	20%
Non-U.S. Equity	35%
Developed Markets ³	35%
Emerging Markets ³	10%

Bond Repayment Investment Asset Allocation

Asset Class	Maximum Allocation
U.S. Equity	100%
Large Cap	100%
Small-/Mid-Cap	20%
Non-U.S. Equity	35%
Developed Markets ³	35%
Emerging Markets ³	10%

¹ Tier 1, Tier 2, Tier 3 investment objective (s)

² Tier 3 investment objective. Assets allocated into the Long-Term Equity portfolio.

³ As defined by Morgan Stanley Capital International (MSCI)