

ACTION ITEM #2

WSU Foundation – Proposed Amendments to Investment Policy Statement (Leslie Brunelli/Mike Connell)

January 26, 2024

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Proposed amendments to the Investment Policy Statement and Spending Policy (Investment Policy Statement) for the Consolidated Endowment Fund

PROPOSED: That the Board of Regents approve the proposed amendments to the Investment Policy Statement

SUBMITTED BY: Leslie Brunelli, Executive Vice President, Finance & Administration/CFO
Mike Connell, Vice President for Advancement & WSU Foundation CEO

SUPPORTING INFORMATION: The Investment Policy Statement applies to both University endowed assets and Washington State University Foundation endowed assets, collectively referred to in the Washington State University Foundation Consolidated Endowment Fund (Fund).

The proposed changes seek to: (i) clarify the scope of the Investment Policy Statement to include all institutional funds held for investment and to exclude planned gift assets; (ii) recognize the WSU Foundation as the principal entity for promoting, receiving, and managing private gifts and support; (iii) require the Chair of the Board of Directors and the Chair of the Investment Committee to appoint committee members jointly; (iv) require the Chair of the Investment Committee to report at least annually to the Board of Directors and the Board of Regents; (v) reference the recently adopted Washington Nonprofit Corporation Act, RCW 24.03A; (vi) allow waiver of 1.5% management and advancement fee at the joint discretion of University President and Foundation CEO; and (vii) update Appendices A (asset class allocations) and B (asset class benchmarks). A few other revisions were made to sections without changing their meaning.

The proposed amended Investment Policy Statement was reviewed by the Foundation Investment Committee on May 30, 2023, and is recommended to the Board of Regents for approval. The proposed amended Investment Policy Statement was approved by the Foundation Board of Directors at its October 13, 2023 meeting.

ATTACHMENT: [Consolidated Endowment Fund Investment Policy Statement](#) (Draft Redline Version)