

MICHIGAN STATE
UNIVERSITY

April 3, 2013

MEMORANDUM

To: Trustee Finance Committee

From: Mark P. Haas *Mark P. Haas*
Vice President for Finance and Treasurer

Subject: Revised Investment Policy

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees amend its Investment Policy, including the Statement of Investment Objectives for Michigan State University's Common Investment Fund, as set forth in the attachments hereto.

BACKGROUND

The purpose of the amendments to Section V of the Investment Policy is to authorize the Vice Chairperson of the Finance Committee to appoint investment managers in the event of the temporary absence or disability of the Chairperson of the Finance Committee, and to increase the permitted commitment amounts in connection with new investment manager appointments. The permitted commitment amounts will increase from \$15 million to \$25 million per new investment manager and from \$100 million to \$150 million per calendar year. The changes will better enable Michigan State University to continue to take action on investment opportunities when Board action on such new manager appointments at a regularly scheduled Board meeting is not feasible due to the timing of the investment opportunity.

The purpose of the amendments to Table No. 2 in the Statement of Investment Objectives for Michigan State University's Common Investment Fund (CIF) is to expand the Inflation Hedge and Fixed Income asset allocation ranges. These revisions will provide greater flexibility in investment strategy for the CIF.

Cambridge Associates advises, and the Investment Advisory Subcommittee and Administration concur, that these revisions are warranted based on both recent and anticipated future market conditions.

cc: N. Carter, G. Klein



OFFICE OF THE
EXECUTIVE
VICE PRESIDENT FOR
ADMINISTRATIVE
SERVICES

Michigan State University
Hannah Administration Building
426 Auditorium Road, Room 412
East Lansing, Michigan
48824

Phone 517.355.5014
Fax 517.353.6772
www.adminsv.msu.edu

INVESTMENT POLICY

Policy Number: 01-07-01

Updated⁽¹⁾: (1/26/79; 4/15/83; 6/8/84; 2/6/87; 10/14/88; 12/6/91; 9/22/00; 6/5/03; 5/7/04; 11/12/04, 5/15/07, 12/5/08, 4/24/09, 4/16/10, 9/17/10, 12/10/10, 10/21/11, 12/14/12, 1/25/13)

I. General Statement

As stated in the Constitution of the State of Michigan and in the Bylaws of the Board of Trustees of Michigan State University (Board), the Board is responsible for the “control and direction of all expenditures from the institution’s funds.” In carrying out this responsibility with respect to the University’s investments, the Board has established a framework for active, professional investment management. This policy states the responsibilities of the parties involved in carrying out the investment program.

The Board will establish an investment program for the investment of University funds for maximum return with an acceptable degree of risk. Within the context of its fiduciary responsibilities, the Board will exhibit social conscience in the administration of the University’s investment portfolio.

All institutional funds available for long-term investment (generally at least five years), with the exception of funds restricted by law or by special donor limitations, will be consolidated into the Board’s Common Investment Fund (CIF). (See Exhibit A for the CIF Statement of Investment Objectives.) All institutional cash, with the exception of cash restricted by external agreements or by special donor limitations, will be consolidated into the Board’s Pooled Cash Fund for investment purposes. The Pooled Cash Fund shall consist of i) the Liquidity Pool (short and intermediate-term commercially available funds) and ii) the Liquidity Reserve Pool. (See Exhibit B for the Pooled Cash Fund Statement of Investment Objectives.)

II. Nature of Assets

Three distinct types of assets are covered by this policy:

1. Institutional Funds - Assets owned and held for long-term investment by the University, such as employee retirement funds and endowment funds, which include endowment trusts and funds functioning as endowments.
2. Annuity and Life Income Funds - Assets held for permanent investment by the University as trustee for the benefit of named beneficiaries, to revert to the University upon the demise of the last beneficiary or after a specified period of time, which should be invested to produce annual returns at least equal to contractually required payments to beneficiaries.
3. Institutional Cash – Cash being pooled and invested pending its intended use.

⁽¹⁾Revision dates for exhibits are shown on the exhibits.

III. Role of Board of Trustees

The Board:

1. Shall exercise its investment responsibilities through its Finance Committee;
2. Shall, upon the recommendation of the Finance Committee, establish investment policies relating to the administration of its investment portfolio;
3. Shall, upon the recommendation of the Finance Committee, establish investment objectives;
4. Shall, upon the recommendation of the Finance Committee, appoint an investment consultant, investment managers and investment custodians for the Institutional Funds; and
5. Shall receive periodic reports on investment results through the Finance Committee.

IV. Role of Finance Committee

The Finance Committee:

1. Shall, in consultation with the Investment Advisory Subcommittee, make recommendations about policies relating to the administration of the University's investment portfolio to the Board;
2. Shall, in consultation with the Investment Advisory Subcommittee, recommend to the Board an investment consultant, investment managers and investment custodians for the Institutional Funds;
3. Shall receive periodic reports on the investment status of the portfolios and shall transmit relevant information from such reports to the Board; and
4. Shall consider other investment-related matters.

V. Role of the Chairperson of the Finance Committee

1. The Chairperson of the Finance Committee, or in the event of the temporary absence or disability of the Chairperson, the Vice Chairperson of the Finance Committee, is authorized to appoint investment managers when recommended by the Vice President for Finance and Treasurer (VPFT), in consultation with the investment consultant, when Board action on such new manager appointments at a regularly scheduled Board meeting is not feasible due to the timing of the investment opportunity; *provided that* (a) the VPFT shall notify the Board and members of the Investment Advisory Subcommittee of each proposed new manager appointment by fax or email at least one week prior to action on the proposed appointment ~~by the Chairperson of the Finance Committee;~~ (b) the ~~Chairperson of the Finance Committee shall not act on the~~ proposed new manager appointment ~~shall not be acted upon-~~ if, within forty-eight hours of the notification, at least three Trustees

request a special Board meeting on the proposed appointment; (c) ~~the Chairperson of the Finance Committee shall consult with~~ available members of the Investment Advisory Subcommittee shall be consulted prior to making any new manager appointment pursuant to this Section V; and (d) amounts committed in connection with new manager appointments ~~by the Chairperson of the Finance Committee~~ shall be within the targeted asset allocation range specified in the CIF Statement of Investment Objectives.

2. In connection with the appointment of an investment manager under this Section V, the Chairperson of the Finance Committee, or in the event of the temporary absence or disability of the Chairperson, the Vice Chairperson of the Finance Committee, is authorized to approve University administration implementing the appointment through the formation of an entity that will function as an investment vehicle through which University funds may be committed to the newly appointed investment manager; provided that (a) the proposed investment vehicle entity and proposed equity holders of such entity are included in the notice provided under subsection 1 of this Section V, (b) the ~~Chairperson of the Finance Committee shall not authorize the~~ proposed investment vehicle entity shall not be authorized if within forty-eight hours of the notification, at least three Trustees request a special Board meeting on the use of the proposed entity; and (c) the ~~Chairperson of the Finance Committee shall consult with~~ available members of the Investment Advisory Subcommittee shall be consulted prior to authorizing the use of any new investment vehicle entity pursuant to this Section V.
3. The amount of University funds committed under this Section V in connection with new manager appointments ~~by the Chairperson of the Finance Committee~~ shall not exceed:
 - a. \$~~1525~~ million per new investment manager, or
 - b. an aggregate amount of \$~~100-150~~ million per calendar year.
4. The VPFT shall document compliance with each of the conditions of this Section V before implementing the appointment of a new investment manager or the creation of an investment vehicle entity.
5. Any new investment manager appointment ~~by the Chairperson of the Finance Committee~~ and any new joint investment vehicle created in connection with such appointment pursuant to this Section V shall be reported to the Board and members of the Investment Advisory Subcommittee.

VI. Role of the Investment Advisory Subcommittee

The Investment Advisory Subcommittee:

1. Shall advise the Finance Committee in the review and evaluation of investment opportunities and strategies;
2. Shall provide knowledgeable, objective and independent advice to the members of the Finance Committee and University administration on strategic investment

planning and policy, investment opportunities, and such other matters as shall be determined by the Board;

3. Shall review policies relating to the administration of the University's investment portfolio and, when appropriate, shall advise the Finance Committee about such policies;
4. Shall, in consultation with the investment consultant, the investment managers and the University administration, annually review the performance and investment objectives of the portfolio of Institutional Funds investments;
5. Shall, in consultation with the University administration, semiannually review the performance and investment objectives of the Pooled Cash Fund;
6. Shall, in consultation with the University administration, advise the Finance Committee concerning the investment consultant, investment managers and investment custodians for the Institutional Funds; and
7. Shall usually meet with the investment consultant quarterly, but in no case less frequently than three times a year, and shall periodically evaluate the performance of the investment managers, in consultation with the University administration and the investment consultant.

VII. Role of the Investment Consultant

The investment consultant:

1. Shall annually develop and communicate to the Finance Committee, through its meetings with the Investment Advisory Subcommittee, an appropriate strategy to meet the Board's long-term investment objectives for the Institutional Funds;
2. Shall usually meet with the Investment Advisory Subcommittee quarterly, but in no case less frequently than three times a year, and with the Finance Committee as needed;
3. Shall advise the Finance Committee, through its meetings with the Investment Advisory Subcommittee, regarding searches for investment managers and investment custodians;
4. Shall provide a monitoring and measurement program that will permit evaluation of the performance of the CIF portfolio, asset classes within the portfolio and investment managers in comparison with applicable investment market benchmarks and with other managers;
5. Shall provide a monitoring and measurement program that will permit evaluation of the performance of the Liquidity Reserve Pool and investment managers in comparison with applicable investment market benchmarks and with other managers;
6. Shall provide a monitoring and measurement program that will permit evaluation of the performance of the Liquidity Pool and investment managers in comparison with applicable investment market benchmarks and with other managers; and

7. Shall provide such other information pertaining to the Board's investment program as may reasonably be required and shall report immediately to the Board any major change in its confidence regarding the securities markets.

VIII. Role of the Investment Managers

Each investment manager:

1. Shall report at least quarterly to the University administration on performance and other appropriate matters;
2. Is authorized to execute investment transactions within its established guidelines, subject to any restrictions established by the Board;
3. Shall provide other necessary information for the development of interim reports and shall meet, as necessary, with the Finance Committee, the Investment Advisory Subcommittee and the VPFT; and
4. Shall vote all proxies in a manner most likely to preserve or enhance the value of the underlying investments and normally to support management on routine matters.

IX. Role of the Investment Custodians

Each investment custodian:

1. Shall hold all securities in an agreed-upon nominee name and form;
2. Shall execute all transactions as directed by the relevant investment manager;
3. Shall collect all income pertaining to the securities held, and shall temporarily invest such income in cash equivalents;
4. Shall periodically remit accumulated income to the University, for credit to the appropriate funds or trusts, pursuant to instructions received from the University administration;
5. Shall provide the University with a full monthly accounting of all transactions, together with a listing of all holdings at cost and market; and
6. Shall provide such other information as may reasonably be required.

X. Role of the University Administration

The University administration through the VPFT:

1. Shall continuously monitor and review the investment consultant's reports, the actions of the investment managers and the status of the University's investment portfolios;

2. Shall serve as a liaison for communication among the Board, the Finance Committee, the Investment Advisory Subcommittee, the investment consultant and the investment managers;
3. Shall maintain communications, as appropriate, among the Board, the Finance Committee, the Investment Advisory Subcommittee, the investment consultant and the investment managers;
4. Shall make recommendations to the Finance Committee, in consultation with the Investment Advisory Subcommittee, concerning investment policies, structure, objectives and selection of investment managers;
5. Shall rebalance the portfolio, generally on a quarterly basis, in order to stay within the asset allocation parameters established by the Board and to maintain proper diversification among individual investment managers, (a) by reallocating funds among accounts or investment vehicles managed by investment managers already approved by the Board or by the Chairperson of the Finance Committee pursuant to Section V of this policy, or (b) by managing net cash flows into and out of the CIF by adding to underweight positions or withdrawing from overweight positions;
6. Shall report all rebalancing transactions and all new financial commitments to private investments completed during the quarter to the Finance Committee and Investment Advisory Subcommittee, and shall provide quarterly reports to the Finance Committee and Investment Advisory Subcommittee showing potential rebalancing transactions that are likely to occur over the ensuing quarter;
7. Shall have the authority to allocate funds to investment managers already approved by the Board or by the Chairperson of the Finance Committee through use of a joint investment vehicle entity, such as a limited liability company, and shall have the authority to take all actions and execute all documents in connection with the formation, management, operation and dissolution of any such joint investment vehicle entity.
8. Shall report monthly to the Board and the Investment Advisory Subcommittee any market value decline in excess of both 10 percent and \$500,000 in the value of the CIF, of the Liquidity Reserve Pool, of the Liquidity Pool or of Institutional Funds that are separately invested due to donor limitations;
9. Shall report quarterly to the Board and the Investment Advisory Subcommittee any market value decline in excess of both 10 percent and \$500,000 in the value of the University's investment with an investment manager; and
10. Shall have the authority to appoint, or may act in the role of, the investment managers and investment custodians for the Pooled Cash Fund and shall report any such appointments to the Finance Committee, the Investment Advisory Subcommittee and the Board.

XI. Endowment Spending

1. In fulfillment of its fiduciary duties as trustee of the University's endowment and other Institutional Funds, the Board causes those Funds to be invested to generate amounts that may be expended for the purposes for which those Funds were established ("programmatic spending") and amounts that may be accumulated for reinvestment to preserve the value of those Funds, and their purchasing power, against inflation. These are the priorities for the use of the University's endowment and other Institutional Funds. The Board may also permit reasonable and appropriate costs to be charged to the endowment and other Institutional Funds. These charges may include reasonable and appropriate costs of administering and managing the Institutional Funds, such as reasonable and appropriate internal and external investment costs and, for certain Institutional Funds, fund-raising costs. Additional returns, if any, generated by the investment of the Institutional Funds may be used to add real principal growth to such Funds, to better preserve their long-term value, to improve and further diversify the investment options for such Funds, and, thus, to enhance opportunities to stabilize and increase annual expenditure rates for such Funds.

2. In accordance with these precepts:

(a)(i) The University will make available for programmatic spending 5.0 percent of the average market value of the CIF as calculated for the 20 quarters of the five calendar years prior to the beginning of the fiscal year in which the spending is expected to occur, expressed as a dollar per unit annual distribution amount based on the number of units in the CIF at the time of the calculation. Programmatic spending distributions will be made to CIF unit holders on a periodic basis during the fiscal year based on the number of units in the CIF held when each periodic programmatic spending distribution is made.¹ The VPFT will determine when the periodic programmatic spending distributions will occur.

(ii) This programmatic spending rate shall be reviewed annually by the Finance Committee, in consultation with the Investment Advisory Subcommittee. In connection with each of these reviews, the University's investment staff shall present an analysis of the projected impact of inflation on the University's endowment and other Institutional Funds, including how inflation is expected to affect their purchasing power (i.e., the expenditures of amounts for the purposes for which those funds were established).

b. Reasonable and appropriate internal and external investment costs for the CIF, including the costs of the investment consultant, the investment managers and the investment custodians and the University's own investment management costs (staff and support), shall be deducted in determining the average market value of the CIF available for programmatic spending pursuant to Section XI (2)(a)(i) of this policy.

¹ The per unit annual distribution amount will be allocated evenly over the periodic programmatic spending distributions during the fiscal year. The amount of the periodic programmatic spending distributions will not be reduced if the number of units in the CIF increases between when the per unit annual distribution amount is calculated and when the periodic programmatic spending distributions occur.

c. The President and the VPFT are authorized to establish annual assessments for endowment stewardship, including fund raising, against those of the University's endowment and other Institutional Funds established entirely or primarily with private donations. The amount of the assessments must be reasonable and appropriate, particularly when considered in the context of the University's priorities for the use of its endowment and other Institutional Funds. In any event, the amount assessed may not, without further Board action, exceed 1 percent of the average market value of the CIF units held by such Funds. The calculation of the amount assessed and its allocation to the Funds subject to assessment shall be conceptually consistent with the methodology by which programmatic spending distributions are calculated and allocated under Section XI (2)(a)(i) of this policy. Assessments will be made periodically during the fiscal year, as determined by the VPFT. Not less than 30 days prior to the annual review of the programmatic spending rate pursuant to Section (2)(a)(ii) of this policy, the President and the VPFT shall provide a written report to the Finance Committee and other members of the Board stating the amount, if any, of the assessment for the following fiscal year and how it was determined.

3. If the University has accepted a gift to an endowment fund documented by a gift instrument in which the donor gives legally binding instructions for the investment of, or expenditures from, that fund which are inconsistent with the foregoing, the University will comply with those special instructions. The VPFT shall calculate the annual programmatic spending distribution and assessment for each endowment fund which is not invested in the CIF in accordance with applicable law and report the programmatic spending rate and assessment amount for each such fund to the Finance Committee. Insofar as possible, given each such fund's investments and the instructions of its donor, the priorities for the use of such funds should be the same as those for endowment funds invested in the CIF.

Statement of Investment Objectives

Michigan State University's Common Investment Fund

Updated: 10/14/88, 6/8/90, 12/6/91, 12/11/92, 3/31/94, 7/14/95, 11/8/96, 9/22/00, 6/5/03, 11/14/03, 11/12/04, 6/17/05, 2/10/06, 5/15/07, 12/5/08, 6/19/09, 9/17/10, 10/21/11, 12/14/12, [4/12/13](#)

INTRODUCTION

This statement defines the investment objectives of Michigan State University's Common Investment Fund ("CIF"), which is composed primarily of the University's endowment funds. While other Institutional Funds (e.g., the Retirement Fund) may use the CIF as an investment vehicle, the separate statements of investment objectives for these funds shall govern their investment if their investment objectives are materially different from those of the endowment funds.

INVESTMENT OBJECTIVES

The investment objectives of the CIF are:

- 1) to achieve a total rate of return sufficient to generate the amount annually made available for spending ⁽¹⁾ by the University's programs supported by endowment funds and still provide a modest increase in the inflation-adjusted unit value, and
- 2) to achieve the desired return while assuming only moderate risk.

The University will seek to achieve these investment objectives by diversifying across major asset classes (e.g., marketable equities, private investments, marketable alternatives, fixed income) as well as within each asset class (e.g., by investment style, capitalization, industry).

SHORT-TERM PERFORMANCE GOALS

Short-term performance goals for the CIF and for individual managers will be to outperform appropriate market and peer benchmarks over rolling three and five-year periods. Furthermore, adherence to the investment style for which individual managers were selected will be monitored. Private investments will be expected to outperform their respective median vintage year benchmarks.

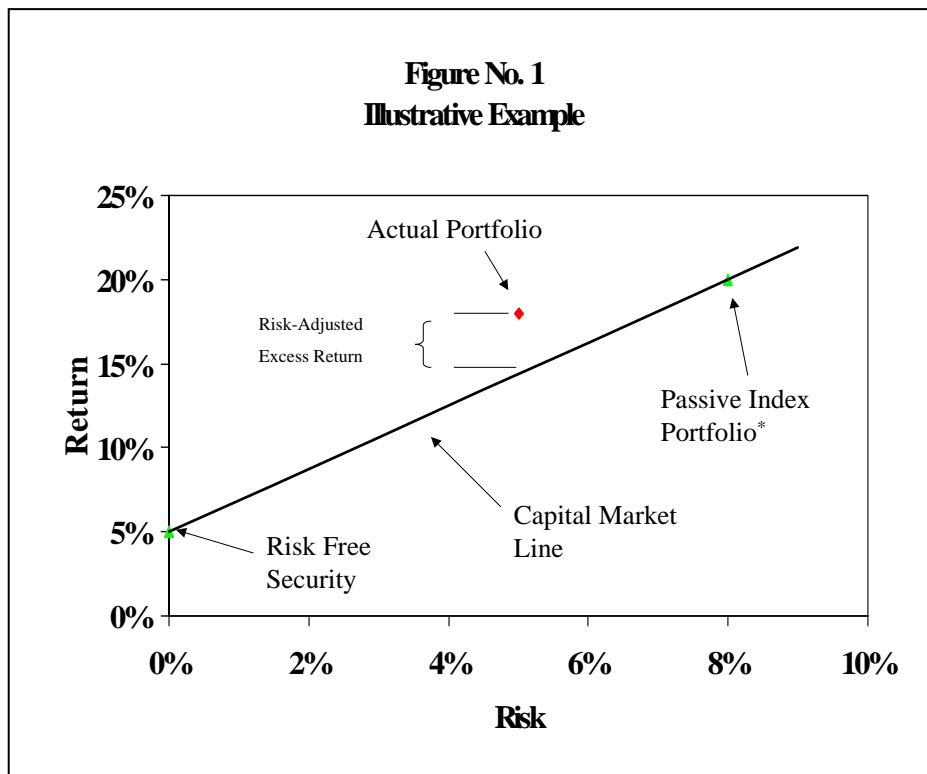
LONG-TERM PERFORMANCE GOALS

The following long-term performance goals of the CIF are expected to be achieved over rolling ten-year periods:

- 1) A total annual return greater than the rate of inflation plus 6.0%, after fees and expenses.
- 2) To the extent an actively managed strategy is used, a risk-adjusted, excess annual return greater than 1.0%, after fees and expenses. Risk-adjusted, excess return is defined as a portfolio's actual return over and above that of the benchmark portfolio as predicted by the Capital Asset Pricing Model. (See Figure No. 1.) The Jensen measure is used to calculate the risk-adjusted return.

⁽¹⁾ The current endowment spending policy authorizes the University to make available 5.75% of the average market value of the endowment as calculated for the twenty quarters of the five calendar years prior to the beginning of the fiscal year in which the spending is expected to occur.

Figure No. 1
Illustrative Example



*The passive index portfolio will be composed of benchmark indices, for which passive index funds exist, and weighted to reflect the CIF's asset allocation. It should be noted, however, for private investments for which passive index funds do not exist, well-established indices corresponding to marketable securities will be used.

Table No. 1 lists the benchmark indices and long-term performance goals for each major asset class. The long-term performance goal for each individual manager will be based on the asset class and investment style for which the manager was selected.

Table No. 1 Benchmarks & Long-Term Performance Goals		
Major Asset Class	Benchmark	Long-Term Performance Goals
U.S. Equity	Russell 3000	If passive, benchmark. If active, risk-adjusted excess return of 1.0% after fees
Developed Global ex U.S. Equity	MSCI EAFE	If passive, benchmark. If active, risk-adjusted excess return of 1.0% after fees
Emerging Markets Equity	MSCI Emerging Markets	If passive, benchmark. If active, risk-adjusted excess return of 1.0% after fees
Inflation Hedge- Marketable	Inflation Hedge Blended Benchmark (50% MSCI U.S. Natural Resources / 25% FTSE NAREIT Equity Index / 25% S&P GSCI)	If passive, benchmark. If active, risk-adjusted excess return of 1.0% after fees
Inflation Hedge- Private Investments	Vintage year median IRR for asset class	Meet or exceed benchmark
Private Investments	Vintage year median IRR for asset class	Meet or exceed benchmark
Marketable Alternatives	HFRI Fund of Funds Diversified Index	Meet or exceed benchmark
Fixed Income	Barclays Aggregate	If passive, benchmark. If active, risk-adjusted excess return of 0.50% after fees

ASSET ALLOCATION

Table No. 2 sets forth the policy targets and ranges for each major asset class:

Table No. 2 Asset Allocation			
Major Asset Class*	Target	Range	Rationale*
U.S. Equity	16.0%	11.0% - 22.0%	Maximize real returns
Developed Global ex U.S. Equity	10.0%	8.0% - 14.0%	Maximize real returns & diversification
Emerging Markets Equity	8.0%	4.0% - 12.0%	Maximize real returns & diversification
Inflation Hedge	10.0%	7.5% - 12.5 15.0%	Inflation hedge & diversification
Private Investments	18.0%	10.0% - 24.0%	Higher returns than equities & diversification
Marketable Alternatives	25.0%	20.0% - 30.0%	Low volatility & moderate correlation with equities
Fixed Income	13.0%	9.5 9.0% - 22.0%	Deflation hedge & diversification

* See detailed descriptions of each asset class listed below.

U.S. Equity. This asset class consists of marketable equity securities of primarily U.S.-based companies. Managers may hold equity securities of non-U.S.-based companies which are traded as American depository receipts (“ADR’s”) on U.S. stock exchanges. It is intended to be a long-term hedge against inflation and provide a real return of about 7%. Several sub-categories of this asset class include: large capitalization companies, small capitalization companies, value-style investing and growth-style investing. While the benchmark for this entire class is the Russell 3000 Index, individual managers may have specific benchmarks corresponding to their investment style and capitalization category.

Developed Global ex U.S. Equity. This asset class consists of marketable equity securities in developed countries outside the U.S. It is intended to provide long-term performance similar to U.S. equities, but will provide some diversification due to imperfect correlation. This class will be diversified geographically.

Emerging Markets Equity. This asset class consists of marketable equity securities in emerging markets. It is intended to provide long-term performance similar to U.S. equities, but will provide some diversification due to imperfect correlation. This class will be diversified geographically.

Inflation Hedge. The University will seek to reduce the volatility of the CIF and provide a hedge against sudden, unanticipated inflation by investing a portion of its available funds in real estate and natural resource investments, such as oil, gas, timber and minerals oriented investments. Risks related to the real estate investments will be minimized by diversifying through use of real estate investment pools or partnerships that are varied as to property type, location, investment life cycle and investment manager. This core real estate portfolio may be supplemented with less diversified specialty funds or direct investments. Risks related to natural resource investments will be controlled by diversifying among operators and acquisition prospects and by geography.

Private Investments. The University will seek to enhance the total return of the CIF by investing a portion of its funds in private investments, which include distressed, private equity and venture capital investments. These investments are illiquid and higher risk/return assets than marketable securities. Risk will be controlled by diversifying across a number of fund managers and by geographic focus, industry emphasis, financing stage and vintage year. This core private investments portfolio may be supplemented with less diversified specialty funds or direct investments.

Marketable Alternatives. The University will seek equity-like returns while reducing the volatility of the CIF by investing a portion of its funds in strategies designed to achieve positive absolute returns with less correlation to broad market trends while employing risk management techniques intended to reduce downside potential. Managers employing “long/short” strategies invest primarily in equities and mitigate market risk by purchasing equity shares that are expected to appreciate in value and selling short equity shares that are expected to decline in value. Managers employing event-driven and arbitrage strategies seek to maximize returns by investing in publicly announced corporate transactions, such as mergers, tender offers, liquidations, bankruptcies and reorganizations or in arbitraging temporary discrepancies in securities pricing in the equity and fixed income markets. Distressed security managers invest primarily in bonds and bank loans trading at a significant discount to par value as a result of the debtor’s troubled financial condition.

Fixed Income. This asset class is intended to reduce the portfolio’s exposure to market risk and provide a hedge against sudden, unanticipated deflation. Foreign currency bonds may be held to enhance total return and provide diversification.

INVESTMENT GUIDELINES

- 1) Investment guidelines are provided in Exhibit C.
- 2) Additional guidelines may be adopted by separate Board action. They will be communicated to the affected investment managers.