1.0 PURPOSE

1.1 The Shawnee State University Board of Trustees has title to University investments and these funds are held in trust. The investments are to be made consistent with this investment policy as stipulated below.

1.2 All fiduciaries implementing this investment policy are required to discharge their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

2.0 MEMBERSHIP

2.1 Effective beginning July 1, 2002, the Shawnee State University Investment Committee is established.

2.2 Chair: A member of the Board of Trustees Finance and Administration Committee as appointed by the Chair, Shawnee State University Board of Trustees. Term: A fiscal year appointment, renewable, at the discretion of the Chair, Shawnee State University Board of Trustees.

2.3 Member: The Shawnee State University Vice President for Finance and Administration or delegate.

2.4 Members: Three members nominated by the Chair, Shawnee State University Board of Trustees and approved by the Shawnee State University Board of Trustees. Term: Initial appointments of one, two and three years respectively. Thereafter, appointments are for three fiscal years or parts thereof.

2.5 The Investment Committee shall meet at least quarterly.

2.6 The Investment Committee shall review and recommend revision to this
investment policy and shall advise the Shawnee State University Board of Trustees through its Finance and Administration Committee on its investments.

2.7 The Investment Committee is authorized to retain an investment advisor that meets the credential criteria as outlined in law.

2.8 Each Investment Committee member must sign an agreement indicating that they will avoid conflicts of interest in performing their duties as committee members.

3.0 INVESTMENT OBJECTIVE

3.1 The primary objectives of the University's investment activities shall be:

3.1.1 Safety: Assets of the University shall be undertaken in a manner that diversifies its investments mitigating the magnitude of potential capital loss inherent in investment risk.

3.1.2 Return on Investment: To have, over time, return net-of-fees that at least equals common indexes in capital markets in which the University's assets are invested.

4.0 INVESTMENT ALLOCATION

4.1 Liquid pool and diversified investment pool are established.

4.1.1 The liquid pool investments can only be made in securities of the United States Government or of its agencies or instrumentalities, the treasurer of state’s pooled investment program, obligation of this state or any political subdivision of this state, certificates of deposit of any national bank located in this state, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system, as a reserve.

4.1.1.1 A minimum of 25% of the prior fiscal year’s average investment portfolio will be invested in eligible liquid pool securities. The actual percentage may be higher than this figure dependent upon anticipated cash flow needs with some buffer for unanticipated needs as determined by Section 4.4 of this Policy.

4.1.1.2 The administration of this pool is to remain with the Shawnee State University Finance Office as an agent of the Investment
Committee. Returns will be reported quarterly to the Investment Committee, in-turn to the Board of Trustees.

4.2 The diversified investment pool will be invested in publicly traded securities with the following ranges of asset allocation within that pool:

<table>
<thead>
<tr>
<th>Target Allocation</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Equity</td>
<td>30%</td>
</tr>
<tr>
<td>Large Cap</td>
<td>20%</td>
</tr>
<tr>
<td>Mid and Small Cap</td>
<td>5%</td>
</tr>
<tr>
<td>International</td>
<td>5%</td>
</tr>
<tr>
<td>Total Fixed Income</td>
<td>60%</td>
</tr>
<tr>
<td>Cash</td>
<td>10%</td>
</tr>
<tr>
<td>Alternative Assets</td>
<td>0%</td>
</tr>
</tbody>
</table>

4.2.1 Asset Target Allocations will be reviewed with the Investment Committee no less than on an annual basis for critical changes that will recognize the University’s long-term financial needs and be responsive to investment market conditions.

4.2.2 The Vice President for Finance and Administration or delegate has authority to allocate funds between these pools.

4.2.3 Asset Target Allocations will be reviewed with the Investment Committee no less than on an annual basis for critical changes that will recognize the University’s long-term financial needs and be responsive to investment market conditions.

4.3 The University may transfer a portion of the Diversified Investment Pool to the Liquid Investment Pool as follows:

4.3.1 The University may transfer up to 2.5% times the Diversified Investment Pool’s previous twelve quarter moving average of market value from the Diversified Investment Pool to the Liquid Investment Pool.

4.3.2 This calculation will be applied to the twelve quarters ending on December 31 of the current fiscal year so the level of additional funding will be available during the subsequent year’s budgeting process.

4.3.3 The amount eligible to be transferred may be moved as a lump sum or periodically during the fiscal year but the total of the transfer(s) may not exceed the original calculated amount (other than for exceptions noted in other sections of the Investment Policy).

4.3.4 The Vice President for Finance and Administration will recommend the amount (and the related investment accounts from which the funds will be
withdrawn) of eligible funds to be transferred from the Diversified
Investment Pool to the Liquid Investment Pool based on the University’s
anticipated cash needs and consultation with the University’s Investment
Consultant. The transfer will require the approval of the University
President and subsequently reported to the Investment Committee and the
Board of Trustees at their respective meetings following the transfer.

4.4 The Vice President for Finance and Administration may request a transfer from
the Diversified Investment Pool to either the Liquid Investment Pool or the
University’s Main Operating checking account outside of the formula restrictions
noted in Section 4.3 based on unanticipated cash needs of the University. Based
upon the amount of the request, the recommendation will require the approval of:

4.4.1 Requested Transfer Amount: Requires Approval From:
$1 to $1,000,000 Vice President of Finance &
Administration

$1,000,001 to $2,500,000 University President

$2,500,001 to $5,000,000 Chair-Shawnee State University
Board of Trustees

4.4.2 The transfer will also be reported to the Investment Committee and the
Board of Trustees at their respective meetings following any transfer.

5.0 INVESTMENT SECURITIES DIVERSIFICATION AND QUALITY

5.1 No more than 5% of the Diversified Investment Pool portfolio can be invested in
any single issue except U. S. government securities.

5.2 Investment in fixed income securities shall be limited to government and agency
issues and other issues in the top four quality ratings of recognized credit services.
Prohibited investments include bonds rated below investment grade and
derivatives which comprise a substantial part of an investment fund.

6.0 ALTERNATIVE INVESTMENTS

Inclusion of alternative investments is at the discretion of the investment committee.
Alternative investment categories may include: gold and other commodities.

7.0 MARKET BENCHMARKS

7.1 Given short-term market fluctuations, it is intended investment manager(s) will
achieve the following performance objectives over a 5-year moving period, net of
investment fees. It is understood that performance evaluation will occur in shorter
intervals, the results of which may cause the Investment Committee to make an investment manager change.

7.2 Policy Benchmarks are: 45% Barclays Capital U.S. Aggregate Index, 36% Russell 3000 Index, 18% MSCI ACWI, and 1% Lipper Money Market Fund.

7.3 In evaluating the Investment Manager’s performance, relative to the established benchmarks, any University requested revisions of the asset allocations will be taken into consideration.

8.0 EVALUATION OF INVESTMENT MANAGERS

8.1 Investment managers will be reviewed quarterly based upon the following criteria:

8.1.1 Ability to exceed the performance objectives stated in this policy.

8.1.2 Adherence to the philosophy and style that were articulated to the Investment Committee at, or subsequent to, the time an investment manager was retained.

8.1.3 Ability to exceed the investment performance (net of fees) of other investment managers who adhere to the same or similar style.

8.1.4 Continuity of personnel and practices at the firm.

History
Effective: 10/11/02
Revised: 04/12/19, 10/14/16, 05/02/14, 06/14/12, 11/18/11, 04/13/07, 04/22/05