



UNIVERSITY OF GUAM
UNIBETSEDAT GUAHAN
BOARD OF REGENTS

RESOLUTION NO. 11-10

RELATIVE TO APPROVING THE REVISED UOG INVESTMENT POLICY STATEMENT

WHEREAS, the University of Guam is the primary U.S. Land Grant institution accredited by the Western Association of Schools and Colleges (WASC) serving the post-secondary needs of the people of Guam and the region; and

WHEREAS, the governance and well-being of the University is vested in the Board of Regents; and

WHEREAS, the University's Investment Fund has a market value of \$16.6 million as of May 3, 2011; and

WHEREAS, the Board of Regents and University administration, who are the investment stewards of the University's Investment Fund, have a fiduciary responsibility as they manage investment decision-making; and

WHEREAS, the Investment Policy Statement for the Investment Fund (IPS) was first adopted by the Board of Regents in 1989 and last amended in 2008; and

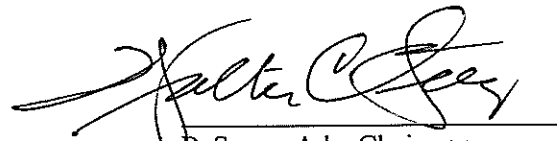
WHEREAS, oversight of the University's Investment Fund is the responsibility of the Investment Committee of the Board's Budget, Finance, Investment and Audit (BFIA) Committee; and

WHEREAS, the Investment Committee together with Morgan Stanley Smith Barney, its Registered Investment Advisor, has taken steps to update and amend the Investment Policy Statement: i) To revise strategic asset allocations with the purpose of maintaining the strategic policy objective of 8.4% per year while lowering the risk profile, which allocations include the addition of alternate investments such as commodities, natural resources, hedge funds, REITS and private equities; ii) To add policy sections on custodial matters addressing custodial credit risk and the selection and duties of the securities custodian, which address the concerns of the University's external auditors in regards to defining custodial duties for incorporation into the IPS; and iii) To show that the FDIC Insurance limit has permanently changed to \$250,000 from \$100,000 per account; and

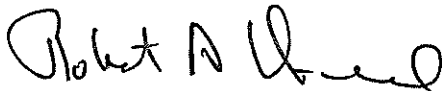
WHEREAS, the President and Investment Committee of the Board Budget, Finance, Investment and Audit (BFIA) Committee reviewed the updated and amended Investment Policy Statement, as attached, and recommend it for approval.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents hereby adopts the updated and amended Investment Policy Statement, as attached.

Adopted this 19th of May, 2011.


P. Sonny Ada, Chairman

ATTESTED:



Dr. Robert A. Underwood, Executive Secretary