

THE CITY UNIVERSITY OF NEW YORK - AMENDMENT TO THE 2012 INVESTMENT POLICY-EXHIBIT B:

RESOLVED, That the Board of Trustees approve an amendment to the University's Investment Policy ["Policy"] adopted in June 2012, revising the Spending Policy [which is Exhibit B] as follows: (1) to clarify that Participant spending from the Portfolio shall be on an as-needed basis to the exclusion of withdrawals without specific purpose; and (2) to clarify that to the extent a Participant's needs are less than the applicable spending rate, any residual amount shall remain within the Participant's share of the Portfolio and is not carried over to future years.

NOTE: A copy of the Amended Investment Policy is on file in the Office of the Secretary of the Board, along with the draft minutes of the meetings of the Fiscal Affairs Committee on June 3, 2013 and the Subcommittee on Investment on April 8, 2013.

EXPLANATION: In order to preserve and enhance the purchasing power of the Pool, the Policy does not distinguish between endowed and non-endowed accounts when making spending decisions in accordance with the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA makes a number of changes to the law governing how CUNY manages and invests its investment assets and spends from its endowment funds. CUNY Management, in consultation with CUNY's Office of General Counsel [OGC] and investment consultant, Cambridge Associates, reviewed CUNY's current Investment Policy-Appendix B, and has recommended certain amendments to permit a more efficient process of implementing Policy, as well as to further clarify the Policy in terms of compliance with NYPMIFA and best practices in accounting. The Subcommittee on Investment and the Fiscal Affairs Committee have both reviewed and approved the proposed amended Investment Policy.