

Summary of Amendments

Investment Policy: Spending Policy, Appendix B

The CUNY Portfolio is a pooled investment vehicle for multiple individual accounts that include both endowed and non-endowed accounts received by CUNY for its general purposes, for the benefit of specific CUNY Colleges or College Foundations that have chosen to invest in the Portfolio. CUNY's policies and procedures with respect to spending from the Portfolio comply with the New York Prudent Management of Institutional Funds Act (NYPMIFA).

In order to preserve the integrity of the Pool and its investments and enhance the purchasing power of the Portfolio for the benefit of future generations of students, CUNY does not distinguish between endowed and non-endowed CUNY Funds when making appropriation decisions in accordance with NYPMIFA.

From time-to-time we have received special spending requests, which deviate from policy, have significant accounting implications and may cause legal issues to the extent that the ensuing spending runs contrary to the intended underlying fund purpose. Therefore, we recommend amending the policy to clarify the following issues:

- Participant spending is on an as-needed basis. This clarification is needed as we receive requests for lump-sum withdrawals that are difficult to track and cause accounting and potential legal issues.
- Unspent funds will not be accumulated. This clarification is needed as we receive requests to combine spending allotments over multiple years. Unfortunately, to permit this would require the creation of a separate fund to mirror the Portfolio's allocation and managers.
- Requests for "exception spending" with respect to non-endowed accounts can be made by following the related procedures, which are posted on the Portfolio's website. Though we endeavor to be flexible in this regard, we need to review these on a case-by-case basis with uniform information and procedures.