Overview of the Investment Function at the University of Michigan

Board of Regents

Each Board Meeting
- Review investment performance and new investments in existing funds and managers
- Review/Approve investments in new funds and managers

Annually
- Review/Approve full year investment results
- Review/Approve total portfolio allocation/investment strategy
- Participate in Investment Advisory Committee discussions

University President

EVP CFO
- General supervision of the finances, property, and business of the university
- Chief advisor of the president on financial matters
- Assess annual performance of CIO and review/approve total compensation

VP & General Counsel
- Provide advice and support on University policy & legal issues
- Manage engagement of outside council on investment issues

Chief Investment Officer
- Develop overall investment strategy including policy guidelines, asset allocation strategy and risk management parameters
- Present investment strategy for discussion and approval
- Prepare options for diversification of the investment portfolios
- Review and select investment managers and strategies to implement asset allocation and diversification
- On-going monitoring and evaluation of investments
- Prepare monthly and annual investment reports for Regents
- Oversee operational functions of the investment program

Associate VP of Finance

Financial Operations
- Prepare the university's financial statements and ensure investment transactions are recorded consistent with GASB standards
- Reconcile investment pool activity and determine valuations
- Coordinate monthly close with custodian bank, the safe- and record keeper of UM's investments
- Coordinate annual investment audit by external auditors (PWC)
- Review financial statements for illiquid investments and valuation models and methodologies for complex or unusual investments
- Calculate IO incentive awards in accordance with compensation plan

Treasury
- Verify and execute all wire transfers
- Execute and settle all internal transfers between investment accounts
- Oversee Internal Bank along with Financial Operations and Investment Office

Tax Compliance and Planning
- Review investment documents for tax compliance
- Advise on tax structures
- Prepare and file required tax forms