

Board of Trustees of the University of Oregon

Resolution: Authorization for Certain Use of Derivative Contracts

Whereas, the University of Oregon (University) is authorized to engage the University of Oregon Foundation (Foundation) for purposes of managing and investing certain University assets, including its "Tier 3" portfolio of cash and investments;

Whereas, the Board wishes to allow the University and its fund managers flexibility to use instruments aimed at maximizing returns while mitigating risk exposure for assets held under management for and in the name of the University;

Whereas, the University's current Treasury Management Policy (IV.03.01) stipulates that Board of Trustees (Board) approval is required for "the University's use of investment hedging instruments and other derivatives;"

Whereas, derivative contracts and other hedge positions are sophisticated techniques used to modify risk exposure or mitigate emerging market issues and requiring Board approval for each individual transaction is inefficient and may cause timing issues that negate possible benefits of the techniques; and,

Whereas, the Finance and Facilities Committee has referred this matter to the full Board as a seconded motion, recommending passage.

Now, THEREFORE The Board of Trustees hereby authorizes the Foundation, and by extension fund managers hired by the Foundation, to enter into derivative contracts on behalf of the University provided such contracts are used to hedge or mitigate existing risk exposure for the assets held under management by the Foundation for and in the name of the University. Notwithstanding the above, speculation is prohibited.

VOTE: Voice Vote Recorded – Ayes carried (no dissention)

DATE: December 2, 2016

Recorded by the University Secretary: 