

**POLICY NUMBER:** 2.25.100**EFFECTIVE DATE:** 2/20/25**TITLE:** Permanent Funds**SUPERSEDES:** 9/21/23**BOARD ADOPTION:** 2/20/25**REVIEWED:**

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**PURPOSE**

This document outlines the Washington State Investment Board's (WSIB) investment policy and guidelines for the permanent funds.

These guidelines allow for sufficient flexibility in the management process to capture investment opportunities, yet provide parameters that ensure prudence and care in the execution of the investment program for permanent funds.

The following funds managed by the WSIB are permanent in nature:

1. Agriculture Permanent Fund
2. Normal School Permanent Fund
3. Permanent Common School Fund
4. Scientific Permanent Fund
5. State University Permanent Fund
6. American Indian Scholarship Endowment Fund
7. Foster Care Scholarship Endowment Fund

A full description of each fund, including the specific asset allocation and performance benchmark, is listed in the Addendum.

**POLICY****Standard of Care**

Under Revised Code of Washington (RCW) [RCW 43.33A.030](#), trusteeship of funds under the authority of the WSIB is vested in the voting members of the Board. The Legislature has established a standard of care for investment of these funds in [RCW 43.33A.140](#).

Additionally, the Board and its staff must comply with other state laws, including the Ethics in Public Service Act, [Chapter 42.52 RCW](#), as it makes its investment decisions and seeks to meet the investment objectives listed below.

**Investment Objectives**

The permanent funds' investments are to be managed to preserve the funds' capital consistent with the desire to emphasize high current yield-to-maturity opportunities and to achieve the highest return possible at a prudent level of risk.

The investment objectives include:

1. Safety of principal.
2. Current income.
3. Long-term stability of purchasing power.
4. Preservation of the public's trust.

Taken together, these objectives imply portfolios for which growth keeps pace with inflation over time (preservation of capital) and that are able to provide a stable level of income sufficient to meet each fund's constituent needs.

### **Investment Performance Objectives**

In most cases, the permanent funds' investments are to emphasize stability and maximize income to support the operations of each permanent trust.

Within the required accounting guidelines, the permanent funds' portfolios are managed with a performance objective of meeting or exceeding the return of each fund's specific benchmark with a volatility of returns that, over time, is similar to or less than the benchmarks for a similar level of returns.

Staff will measure both the income distribution and the marked-to-market total rate of return on the funds. The indices listed below will be used for the marked-to-market total return:

1. For money market portfolios, the benchmark will be the 90-day Treasury bill return.
2. For the portfolios allowed to invest in a broad range of fixed income securities (unrestricted by the constitution), the benchmark is the Bloomberg U.S. Aggregate Index.
3. For portfolios invested in global equities, the benchmark will be the MSCI World Investable Market Index (MSCI World IMI) with USA (Gross).

For funds holding more than one of the above portfolios, the performance benchmark shall be a combination of the indices in the percentage allocations that represent the fund's target allocations.

### **Risk Tolerance**

Risk will be managed in a prudent manner. Since the stakeholder only receives the current income adjusted for realized capital gains and losses, the funds have a below-average ability to tolerate volatility in current income.

### **Risk Constraint**

1. All assets under management by the WSIB are to be invested to maximize return at a prudent level of risk in accordance with the requirements of statutes [RCW 43.33A.110](#) and [RCW 43.33A.140](#).
2. No corporate fixed income issue's or common stock holding's cost shall exceed 3 percent of a fund's market value at the time of purchase nor shall its market value exceed 6 percent of a fund's market value at any time ([RCW 43.33A.140](#)).
3. Diversification of the assets at a prudent level to moderate fluctuations in the market value of the funds.

### **Asset Allocation**

The Board has delegated to the Chief Executive Officer the authority to rebalance the asset allocation in accordance with the procedures established by the WSIB.

Assets will be rebalanced across asset classes when market values of the assets fall outside the policy ranges. The timing of any rebalancing will be based on market opportunities, cash flows, and the consideration of transaction costs; therefore, they need not occur immediately.

### **Permissible Investments**

The permanent funds managed by the WSIB have differing legal investment restrictions. The following list is comprehensive, and any restrictions to an individual fund are listed in the Addendum.

1. Any WSIB-managed fund that meets a permanent fund's investment objectives and its permissible investments constraints.
2. Global public equity.
3. Investment Grade Fixed Income.

Investment Grade is defined by the Bloomberg Global Family of Fixed Income Indices. Although fixed income securities that are rated below investment grade may not be purchased, portfolio holdings that are downgraded to those levels or are no longer rated may continue to be held.

### **Fixed Income**

#### Permissible Fixed Income Market Segments

Any and all fixed income securities are permissible unless specifically prohibited, including, but not limited to:

1. Government Securities.
2. Credit Bonds (unrestricted fixed income portfolios only).
3. Mortgage-Backed Securities (unrestricted fixed income portfolios only).
4. Asset-Backed Securities (unrestricted fixed income portfolios only).
5. Commercial Mortgage-Backed Securities (unrestricted fixed income portfolios only).
6. Convertible Securities (unrestricted fixed income portfolios only).
7. Non-Dollar Bonds (unrestricted fixed income portfolios only).

Other fixed income segments and instruments may be added from time to time as they are developed or deemed appropriate.

#### Sector Allocations

Portfolio allocations are to be managed within the ranges presented below. These targets are long term in nature. Deviations may occur in the short term as a result of interim market conditions; however, if a range is exceeded, the portfolio must be rebalanced to the target allocations.

(The target allocations below are applicable to the unrestricted fixed income portfolios.)

Target allocations for the Fixed Income Sectors:	<u>Range</u>
Government Securities	10 – 50%
Credit Bonds	10 – 50%
Asset Backed Securities	0 – 10%
Commercial Mortgage-Backed Securities	0 – 10%
<u>Mortgage-Backed Securities</u>	<u>5 – 40%</u>
Total Bonds	100%

#### Duration Target

The fixed income portfolio's duration is to be targeted within plus or minus 25 percent of the duration of the portfolio's benchmark.

#### Reporting

1. A management information system is to be used for reporting internally to the Chief Investment Officer (CIO) or their designee on the fixed income implementation of this policy. This report is prepared monthly to include, but is not limited to, the following:
  - A. Current market values and allocations, by sector, compared to the index and the policy ranges.
  - B. Aggregate and individual portfolio characteristics compared to guidelines. Delinquencies and defaults will be reported to the CIO immediately.

2. A report is to be provided to the Board quarterly showing market values and performance.
3. Reports on the asset allocation, income distribution, and market value will be provided to stakeholders at least annually.

## **RESPONSIBILITIES**

### **Washington State Investment Board**

The Washington State Investment Board is responsible for approving the funds' investment policy, setting the funds' asset allocations, and reviewing the structure, strategy, and performance of the funds. The Board is also responsible for approving recommended public equity investment manager hires.

### **Public Markets Committee**

The Committee is responsible for reviewing the investment policy of the funds and recommending any revisions to the Board. The Committee is also responsible for making public equity investment manager hire recommendations to the Board.

### **Staff**

Staff is responsible for recommending to the Public Markets Committee enhancements and changes to the investment policy, as well as implementing policy, managing the assets, rebalancing the asset allocation, and reporting performance and policy compliance to the Board. Staff is also responsible for recommending strategic asset allocation to the Board. Additionally, staff is responsible for providing annual reports on the asset allocation, income return, and market value to stakeholders.

## **POLICY REVIEW**

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

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Policy Adopted 11/18/93

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Revised 9/21/23

Revised 2/20/25

**Permanent Funds Policy 2.25.100**  
**Addendum A**

FUND: AGRICULTURAL PERMANENT FUND

DESCRIPTION: This is a permanent fund and moneys are invested in securities, the income from which must be distributed to the stakeholder and used exclusively for the use and support of the Agricultural College. The citizens of Washington voted in 2007 to amend the state Constitution to allow this permanent fund to invest in other securities beyond fixed income.

STAKEHOLDER: Washington State University

AUTHORITY: **ARTICLE XVI SCHOOL AND GRANTED LANDS . . .**  
**SECTION 6 INVESTMENT OF HIGHER EDUCATION**  
**PERMANENT FUNDS.** Notwithstanding the provisions of Article VIII, sections 5 and 7 and Article XII, section 9, or any other section or article of the Constitution of the state of Washington, the moneys of the permanent funds established for any of the institutions of higher education in this state may be invested as authorized by law. Without limitation, this shall include the authority to invest permanent funds held for the benefit of institutions of higher education in stocks or bonds issued by any association, company, or corporation if authorized by law. [AMENDMENT 102, 2007 Substitute House Joint Resolution No. 4215, p 3145. Approved November 6, 2007.]

**RCW 43.79.130 Agricultural Permanent Fund.** There shall be in the state treasury a permanent fund known as the "agricultural permanent fund," into which shall be paid all moneys derived from the sale of lands set apart by the enabling act or otherwise for an agricultural college. The income derived from investments pursuant to RCW 43.84.080 and 43.33A.140 shall be credited to the Washington State University building account less the applicable allocations to the state treasurer's service fund pursuant to RCW 43.08.190 or to the state investment board expense account pursuant to RCW 43.33A.160. [2007 c 215 § 8; 1991 sp.s. c 13 § 94; 1965 c 8 §

**RCW 43.84.170 Investment of Surplus Moneys in Common School Fund, Agricultural College Fund, Normal School Fund, Scientific School Fund or University Fund.** Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such funds in the manner prescribed by RCW 43.84.150 and 28A.515.330, and not otherwise. [2007 c 505 § 4; 1981 c 3 § 21; 1973 1st ex.s. c 103 § 14.]

**ASSET ALLOCATION:**

<b>Asset Class</b>	<b>Target</b>	<b>Range*</b>
Unrestricted Fixed Income	60%	55-65%
Global Equity	40%	35-45%

\*The above policy ranges are long-term and may deviate in the short term as a result of funding schedules and interim market movements.

**BENCHMARK:**

A blend of the unrestricted fixed income and equity benchmarks identified in the Permanent Funds Policy 2.25.100 that represents the fund's target allocations.

FUND: NORMAL SCHOOL PERMANENT FUND

DESCRIPTION: This is a permanent fund and all moneys are invested in securities. All income earned from such investments must be distributed to the stakeholders and used exclusively for the benefit of the normal school; i.e., Eastern Washington University, Western Washington University, Central Washington University, and The Evergreen State College. The citizens of Washington voted in 2007 to amend the state Constitution to allow this permanent fund to invest in other securities beyond fixed income.

STAKEHOLDERS: Eastern Washington University, Western Washington University, Central Washington University, and The Evergreen State College.

AUTHORITY: **ARTICLE XVI SCHOOL AND GRANTED LANDS . . . SECTION 6 INVESTMENT OF HIGHER EDUCATION PERMANENT FUNDS.** Notwithstanding the provisions of Article VIII, sections 5 and 7 and Article XII, section 9, or any other section or article of the Constitution of the state of Washington, the moneys of the permanent funds established for any of the institutions of higher education in this state may be invested as authorized by law. Without limitation, this shall include the authority to invest permanent funds held for the benefit of institutions of higher education in stocks or bonds issued by any association, company, or corporation if authorized by law. [AMENDMENT 102, 2007 Substitute House Joint Resolution No. 4215, p 3145. Approved November 6, 2007.]

**RCW 43.79.160 Normal School Permanent Fund.**

There shall be in the state treasury a permanent fund known as the "normal school permanent fund," into which shall be paid all moneys derived from the sale of lands set apart by the enabling act or otherwise for state normal schools. [2007 c 215 § 9; 1965 c 8 §.]

**RCW 43.84.170 Investment of Surplus Moneys in Common School Fund, Agricultural College Fund, Normal School Fund, Scientific School Fund or University Fund.**

Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such funds in the manner prescribed by RCW 43.84.150 and 28A.515.330, and not otherwise. [2007 c 505 § 4; 1981 c 3 § 21; 1973 1st ex.s. c 103 § 14.]

ASSET ALLOCATION:

<b>Asset Class</b>	<b>Target</b>	<b>Range*</b>
Unrestricted Fixed Income	60%	55-65%
Global Equity	40%	35-45%

\*The above policy ranges are long-term and may deviate in the short term as a result of funding schedules and interim market movements.

BENCHMARK:

A blend of the unrestricted fixed income and equity benchmarks identified in the Permanent Funds Policy 2.25.100 that represents the fund's target allocations.

FUND:	PERMANENT COMMON SCHOOL FUND
DESCRIPTION:	<p>This is a permanent and irreducible fund and all moneys are invested in securities. Income derived from the fund primarily is used for support of the common schools and may be reinvested in the fund or distributed to the stakeholder. The citizens of Washington voted in 1966 to amend the state Constitution to allow this permanent fund to invest in other securities beyond fixed income.</p>
STAKEHOLDER:	Superintendent of Public Instruction for use by common schools.
AUTHORITY:	<p><b>ARTICLE XVI SCHOOL AND GRANTED LANDS . . .</b> <b>SECTION 5 INVESTMENT OF PERMANENT COMMON SCHOOL FUND.</b> The permanent common school fund of this state may be invested as authorized by law. [AMENDMENT 44, 1965 ex.s. Senate Joint Resolution No. 22, part 2, p 2817. Approved November 8, 1966.]</p> <p><b><u>RCW 28A.515.330</u> Permanent Common School Fund – Allowable Investments – Irreducible Principal.</b> The state investment board may invest the permanent common school fund in various types of allowable investments in order to achieve a balance of long-term growth and current income, when consistent with the best interest of the state and the permanent common school fund, and in conformance with RCW 43.84.150. The state treasurer shall calculate the irreducible principal amount of the fund in accordance with the state Constitution and state law. The irreducible principal shall not include investment gains on the principal, and the fund may retain or distribute income and investment earnings in order to achieve the appropriate balance between growth and income. [2007 c 505 § 3.]</p> <p><b><u>RCW 43.84.170</u> Investment of Surplus Moneys in Common School Fund, Agricultural College Fund, Normal School Fund, Scientific School Fund or University Fund.</b> Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such funds in the manner prescribed by <u>RCW 43.84.150</u> and <u>28A.515.330</u>, and not otherwise. [2007 c 505 § 4; 1981c 3 § 21; 1973 1st ex.s. c 103 § 14.]</p>

## ASSET ALLOCATION:

<b>Asset Class</b>	<b>Target</b>	<b>Range*</b>
Unrestricted Fixed Income	60%	55-65%
Global Equity	40%	35-45%

\*The above policy ranges are long-term and may deviate in the short term as a result of funding schedules and interim market movements.

## BENCHMARK:

A blend of the unrestricted fixed income and equity benchmarks identified in the Permanent Funds Policy 2.25.100 that represents the fund's target allocations.

FUND: SCIENTIFIC PERMANENT FUND

DESCRIPTION: This is a permanent fund and all moneys are invested in securities. All income earned from such investments must be distributed to the stakeholder and used exclusively for the benefit of the scientific school located at the Washington State University. The citizens of Washington voted in 2007 to amend the state Constitution to allow this permanent fund to invest in other securities beyond fixed income.

STAKEHOLDER: Washington State University.

AUTHORITY: **ARTICLE XVI SCHOOL AND GRANTED LANDS . . . SECTION 6 INVESTMENT OF HIGHER EDUCATION PERMANENT FUNDS.** Notwithstanding the provisions of Article VIII, sections 5 and 7 and Article XII, section 9, or any other section or article of the Constitution of the state of Washington, the moneys of the permanent funds established for any of the institutions of higher education in this state may be invested as authorized by law. Without limitation, this shall include the authority to invest permanent funds held for the benefit of institutions of higher education in stocks or bonds issued by any association, company, or corporation if authorized by law. [AMENDMENT 102, 2007 Substitute House Joint Resolution No. 4215, p 3145. Approved November 6, 2007.]

**RCW 43.79.110 Scientific Permanent Fund.** There shall be in the state treasury a permanent fund known as the "scientific permanent fund," into which shall be paid all moneys derived from the sale of lands set apart by the enabling act or otherwise for a scientific school. The income derived from investments pursuant to RCW 43.84.080 and 43.33A.140 shall be credited to the Washington State University building account less the applicable allocations to the state treasurer's service fund pursuant to RCW 43.08.190 or to the state investment board expense account pursuant to RCW 43.33A.160. [2007 c 215 § 7; 1991 sp.s. c 13 § 96; 1965 c 8 §. Prior: 1901 c 81 § 4; RRS § 5526.]

**RCW 43.84.170 Investment of Surplus Moneys in Common School Fund, Agricultural College Fund, Normal School Fund, Scientific School Fund or University Fund.** Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such

funds in the manner prescribed by RCW 43.84.150 and 28A.515.330, and not otherwise. [2007 c 505 § 4; 1981 c 3 § 21; 1973 1st ex.s. c 103 § 14.]

**ASSET ALLOCATION:**

<b>Asset Class</b>	<b>Target</b>	<b>Range*</b>
Unrestricted Fixed Income	60%	55-65%
Global Equity	40%	35-45%

\*The above policy ranges are long-term and may deviate in the short term as a result of funding schedules and interim market movements.

**BENCHMARK:**

A blend of the unrestricted fixed income and equity benchmarks identified in the Permanent Funds Policy 2.25.100 that represents the fund's target allocations.

FUND:	STATE UNIVERSITY PERMANENT FUND
DESCRIPTION:	<p>This is a permanent fund and all moneys are invested in securities. All income earned from such investments must be distributed to the stakeholder and used exclusively for the benefit of the University of Washington. The citizens of Washington voted in 2007 to amend the state Constitution to allow this permanent fund to invest in other securities beyond fixed income.</p>
STAKEHOLDER:	University of Washington
AUTHORITY:	<p><b>ARTICLE XVI SCHOOL AND GRANTED LANDS . . .</b> <b>SECTION 6 INVESTMENT OF HIGHER EDUCATION</b> <b>PERMANENT FUNDS.</b> Notwithstanding the provisions of Article VIII, sections 5 and 7 and Article XII, section 9, or any other section or article of the Constitution of the state of Washington, the moneys of the permanent funds established for any of the institutions of higher education in this state may be invested as authorized by law. Without limitation, this shall include the authority to invest permanent funds held for the benefit of institutions of higher education in stocks or bonds issued by any association, company, or corporation if authorized by law. [AMENDMENT 102, 2007 Substitute House Joint Resolution No. 4215, p 3145. Approved November 6, 2007.]</p> <p><b><u>RCW 43.79.060</u> State University Permanent Fund.</b> There shall be in the state treasury a permanent fund known as the "state university permanent fund," into which shall be paid all moneys derived from the sale of lands granted, held, or devoted to state university purposes. [2007 c 215 § 6; 1965 c 8 § 43.79.060. Prior: 1907 c 168 § 1; RRS § 5518.]</p> <p><b><u>RCW 43.84.170</u> Investment of Surplus Moneys in Common School Fund, Agricultural College Fund, Normal School Fund, Scientific School Fund or University Fund.</b> Whenever there are surplus moneys available for investment in the permanent common school fund, the agricultural college permanent fund, the normal school permanent fund, the scientific school permanent fund, or the university permanent fund, the state investment board has full power to invest or reinvest such funds in the manner prescribed by <u>RCW 43.84.150</u> and <u>28A.515.330</u>, and not otherwise. [2007 c 505 § 4; 1981 c 3 § 21; 1973 1st ex.s. c 103 § 14.]</p>

ASSET ALLOCATION:

<b>Asset Class</b>	<b>Target</b>	<b>Range*</b>
Unrestricted Fixed Income	60%	55-65%
Global Equity	40%	35-45%

\*The above policy ranges are long-term and may deviate in the short term as a result of funding schedules and interim market movements.

BENCHMARK:

A blend of the unrestricted fixed income and equity benchmarks identified in the Permanent Funds Policy 2.25.100 that represents the fund's target allocations.

**FUND:** AMERICAN INDIAN SCHOLARSHIP ENDOWMENT FUND

**DESCRIPTION:** The fund was created in 1990 to help American Indian students obtain a higher education. The fund contains both private donations and matching funds appropriated by the state. The fund was originally invested by the State Treasurer's office then transferred to the management of the Board in 2007. In 2012, investment authority for the public funds was transferred back to the State Treasurer. The State Investment Board retained investment authority for non-public funds.

**STAKEHOLDER:** Washington Student Achievement Council

**AUTHORITY:** **RCW 28B.108.060 Scholarship Endowment Fund.**  
The American Indian scholarship endowment fund is created in the custody of the state treasurer. Funds appropriated by the legislature for the endowment fund must be deposited into the fund.  
(1) Moneys received from the office, private donations, state moneys, and funds received from any other source may be deposited into the endowment fund. Private moneys received as a gift subject to conditions may be deposited into the fund. The investment of private moneys in the fund shall be managed by the state investment board.  
(2) At the request of the office, the state investment board shall release earnings from the private moneys invested by it to the state treasurer.  
(3) When a condition attached to a gift of private moneys in the fund has failed, the office shall then release the moneys to the donors according to the terms of the conditional gift.  
(4) The principal of the endowment fund shall not be invaded. The release of moneys under subsection (3) of this section shall not constitute an invasion of corpus.  
(5) The earnings on the funds shall be used solely for the purposes set forth in RCW 28B.108.040, except when the terms of a conditional gift of private moneys in the fund require that a portion of earnings on such moneys be reinvested in the fund. An appropriation is not required for the expenditures from the endowment fund. [2012 c 187 § 3; (2012 c 187 § 2 expired July 1, 2012); 2011 1st sp.s. c 11 § 194; 2009 c 259 § 2; 2007 c 73 § 2; 1993 c 372 § 1; 1991 sp.s. c 13 § 110; 1990 c 287 § 7.]

Sections 3 and 5 of the act took effect July 1, 2012.  
Sections 2 and 4 of the act expired July 1, 2012.

ASSET ALLOCATION:

Private Funds – 100 percent unrestricted fixed income securities.

BENCHMARK:

The benchmark identified in the Permanent Funds Policy 2.25.100 for unrestricted fixed income.

FUND:	FOSTER CARE SCHOLARSHIP ENDOWMENT FUND
DESCRIPTION:	<p>The fund was created in 2005 to give access to higher education to children in foster care. The fund will contain both private donations and matching funds appropriated by the state. Originally the fund was to be invested by the State Treasurer's office but was transferred to the management of the Board in 2007. In 2012, investment authority for the public funds was transferred back to the State Treasurer. The State Investment Board retained investment authority for nonpublic funds.</p>
STAKEHOLDER:	Washington Student Achievement Council
AUTHORITY:	<p><b><u>RCW 28B.116.060 Foster Care Scholarship Endowment Fund.</u></b> The foster care scholarship endowment fund is created in the custody of the state treasurer.</p> <p>(1) Moneys received from the office, private donations, state matching moneys, and funds received from any other source may be deposited into the foster care scholarship endowment fund. Private moneys received as a gift subject to conditions may be deposited into the endowment fund if the conditions do not violate state or federal law. The investment of private moneys in the fund shall be managed by the state investment board.</p> <p>(2) At the request of the office, the state investment board shall release earnings from the private moneys invested by it to the state treasurer.</p> <p>(3) The office may disburse grant to eligible students from the foster care scholarship endowment fund. No appropriation is required for expenditures from the endowment fund.</p> <p>(4) When notified by court order that a condition attached to a gift of private moneys from the foster care scholarship endowment fund has failed, the office shall release those moneys to the donors according to the terms of the conditional gift.</p> <p>(5) The principal of the foster care scholarship endowment fund shall not be invaded. For the purposes of this section, only the first twenty-five thousand dollars deposited into the foster care scholarship endowment fund shall be considered the principal. The release of moneys under subsection (4) of this section shall not constitute an invasion of the corpus.</p> <p>(6) The foster care scholarship endowment fund shall be used solely for the purposes in this chapter, except when the conditional gift of private moneys in the endowment fund require a portion of the earnings on such moneys be reinvested in the endowment fund.</p> <p>[2012 c 187 § 5; (2012 c 187 § 4 expired July 1, 2012); 2011 1st sp.s. c 11 § 218; 2007 c 73 § 3; 2005</p>

c 215 § 7.]

Sections 3 and 5 of the act took effect July 1, 2012.

Sections 2 and 4 of the act expired July 1, 2012.

**ASSET ALLOCATION:**

Private Funds – 100 percent unrestricted fixed income securities. Until such time that it is operationally viable to invest these funds in fixed income securities, the assets will reside in a money market fund.

**BENCHMARK:**

The benchmark identified in the Permanent Funds Policy 2.25.100 for money market portfolios until the fund is fully invested. Thereafter, the benchmark identified in the Permanent Funds Policy 2.25.100 for unrestricted fixed income.