

Proposed

**Investment Policy Statement for
Wright State University Investment Fund**

September 26, 2014

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INTRODUCTION

This document establishes the Investment Policy Statement (“Investment Policy”) for the Wright State University Board of Trustees (“the Board”) to direct the prudent investment of the University’s Investment Fund (“the Fund”). The Board is responsible for managing the investment process of the Fund in a prudent manner while providing reasonable risk adjusted returns.

The Board has arrived at this Investment Policy through a careful study of the returns and risks associated with different investment strategies in relation to the current and projected liabilities of the Fund, after consulting with such outside Fiduciary Manager (as defined below) as is deemed appropriate. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Fund which are described in the “Statement of Objectives” section of this document.

The Board has adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Fund will be in compliance with all applicable laws.

Compliance with State of Ohio Guidelines: The University’s Investment Fund will be invested in accordance with the provisions outlined in O.R.C. 3345.05 and 1715.52. This includes ensuring that an amount equal to at least twenty-five percent (25%) of the average of the university’s investment portfolio over the course of the previous fiscal year (July 1 – June 30) shall at all times be invested in securities of the United States government or of its agencies or instrumentalities, the treasurer of the State of Ohio’s pooled investment program, obligations of the State of Ohio, or any political subdivision of the State of Ohio, certificates of deposit of any national bank located in the State of Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds, or bankers acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system.

DUTIES AND RESPONSIBILITIES

The Board is responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns. In carrying out these duties, the Finance & Audit Committee (“Investment Committee”) will serve as the Investment Committee for the Board of Trustees. The Investment Committee has retained Fiduciary Manager, SEI Investments Management Corporation (the “Fiduciary Manager”), to assist in managing the assets of the Fund. The Fiduciary Manager’s role is to provide guidance to the Board on matters pertaining to the investment of Fund assets including Investment Policy, investment selection, asset allocation, monitoring the Fund’s performance and compliance with the Investment Policy. All decisions pertaining to the Investment Policy and guidelines for the Investment Policy’s implementation will be made by the Board. The Fiduciary Manager, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with (and subject to) the terms of the Investment Management Agreement dated May 28th 2014 executed between the Fiduciary Manager and the Fund (the “Investment Management Agreement”).

Duties and responsibilities are described in detail below.

The Board of Trustees

The Board of Trustees will retain a qualified Fiduciary Manager to assist in the development and implementation of the Investment Policy and guidelines.

The Board will establish the Investment Policy of the Fund. This includes, but is not limited to, allocation between equity, fixed income, and alternative investment assets, selection of acceptable asset classes and investment performance expectations. The Investment Committee will review the Investment Policy Statement periodically.

Finance & Audit Committee

The Finance & Audit Committee is appointed the authority to act as and perform the functions of the Investment Committee and is responsible for adopting the provisions of this Investment Policy Statement.

The Investment Committee on behalf of the Board will periodically review the investment performance of the Fund including the performance of the Fiduciary Manager to assure the Investment Policy is being followed and progress is being made toward achieving the portfolio objectives.

The Investment Committee shall have discretion to depart from this Investment Policy when it concludes that it is prudent and in the interest of the Fund to do so especially during times of market distress.

WSU Management

The WSU Management has responsibility for administration of the Fund and will consult with the Investment Committee and Board on all material matters relating to the investment of the Fund's portfolio. The WSU Management will meet quarterly with the Fiduciary Manager to evaluate performance and asset allocation in accordance with this Investment Policy Statement. WSU Management will consist of the Wright State Treasurer and his or her appointees.

Fiduciary Manager

The Fiduciary Manager retained by the Board will assist the Board in establishing the Investment Policy and guidelines contained in this Investment Policy.

In accordance with the terms of the Investment Management Agreement, the Fiduciary Manager will be responsible for managing the asset allocation, determining investment strategy and implementing security selection decisions through the investment sub-advisors for the mutual funds managed by the Fiduciary Manager, within the Investment Policy and as otherwise provided by the Board. The Fiduciary Manager will monitor asset allocation across and among asset classes.

The Fiduciary Manager will monitor investment performance of the Fund. Performance reports will be provided to the Board as needed. The Fiduciary Manager will report in a timely manner any substantive developments that may affect the management of the Fund's assets.

STATEMENT OF OBJECTIVES

Wright State University Investment Fund

The Wright State University Investment Fund will seek to maximize long-term total returns consistent with prudent levels of risk. In seeking to attain the investment objectives set forth, the Investment Committee shall exercise prudence and appropriate care in all investment actions and decisions must be based solely on what is in the best interest of the Fund.

1. **Safety:** Investments of the University shall be undertaken in a manner that ensures, over time, the preservation of capital in the overall portfolio.
2. **Liquidity:** The University's investment portfolio will remain sufficiently liquid to enable the University to meet all operating requirements. Portfolio liquidity is defined as the maturity or ability to sell a security on a short notice near the purchase price of the security. To help retain the desired liquidity, no security shall be purchased that is likely to have few market makers or poor market bids within the Cash and Liquidity Pools (see next section). Additionally, liquidity shall be assured by keeping an adequate amount of short-term investments to accommodate the cash needs of the University.
3. **Return on Investments:** The University's Investment Fund shall be structured with the objective of attaining the highest possible "total return" for the investment portfolio while adhering to a prudent level of risk.

Fund Financial Objectives

This Policy distinguishes the Fund's objectives, risk constraints and guidelines based on three separate investment portfolios:

- 1. Cash Pool:** The objective of the Cash Pool shall be to meet the day-to-day obligations of the University. It shall be invested in highly liquid instruments with little or no risk of principal loss and maintain an overall weighted average credit rating no less than "AA" (or its equivalent rating by two national rating agencies).
- 2. Liquidity Pool:** The objective of the Liquidity Pool shall be to provide a liquid source of funds in the event the Cash Pool is insufficient to meet the University's cash needs. The investment strategy opportunity for this pool is that its time horizon and flexibility is such as to allow investment in permitted instruments that offer greater return than money market yields. The weighted average life of this pool shall be no longer than five years and maintain an overall weighted average credit rating no less than "AA" (or its equivalent rating by two national rating agencies).
- 3. Diversified Investment Pool:** The objectives of the Diversified Investment Pool shall be to provide an opportunity to earn a higher rate of return through investments in diversified equity or equity-like investments, including private capital, fixed income securities, real assets (real estate and natural resources), and diversifying strategies. Private capital provides the opportunity of return enhancement and real assets provide the added benefit of inflation protection. Fixed income and diversifying strategies will be used to lower short-term volatility and provide stability, especially during periods of deflation and negative equity markets. The Diversified Investment Pool shall be a source of funds in the very unlikely event that the Cash Pool and Liquidity Pool are insufficient to meet the University's day-to-day obligations.

The Investment Fund Composite Portfolio ("Total Portfolio") is expected to outperform the weighted benchmark index over a full market cycle (generally defined as a peak-to-peak cycle, typically close to five years). The benchmark index will be comprised of each asset class index weighted by its target allocation.

STATEMENT OF INVESTMENT POLICY

The Fiduciary Manager develops forward-looking, long-term capital market assumptions for risk, return and correlations for a variety of global asset classes, interest rates and inflation. These assumptions are created using a combination of historical analysis and current market environment. The Fiduciary Manager believes this approach is less biased than using pure historical data, which is often biased by a particular time period or event.

The asset class assumptions are aggregated into a diversified portfolio, so that each portfolio can then be simulated through time using industry best practices. This approach enables the Fiduciary Manager to develop scenarios across a wide variety of market environments so that they can educate the Board/Investment Committee with regard to the potential impact of market variability over time. Ultimately, the value of these assumptions is not in their accuracy as point estimates, but in their ability to capture relevant relationships and changes in those relationships as a function of economic and market influences.

The following target percentages and ranges represent each Pool's allocation of the Total Portfolio and are designed to help manage the cash flow and budgeting needs of the University. The Liquidity Pool will be drawn down based on current budget needs and supplement Cash Pool for near term outflows, until inflows start again and can replenish the Liquidity Pool. The allocation for the Liquidity Pool is designed to be part of the risk management strategy of the Total Portfolio and minimize the impact of market volatility and will therefore be invested 100% in shorter duration fixed income securities, consistent with the 2-5 year time horizon of the investment strategy. Because the Liquidity Pool serves as a liquidity risk management anchor, the Diversified Pool is then primarily designed for long term growth with the risk management features of the Liquidity Pool in mind. The asset allocation of the Diversified Pool is therefore listed separately below and will be more diversified consistent with a longer time horizon for the investment strategy. The Total Portfolio will roll up all the underlying allocations of the three pools based on their

respective weights. This is designed to help integrate and monitor the return expectations and risks at the total portfolio level as discussed in the investment policy statement.

Asset Class Target (Range)	Diversified Pool	Liquidity Pool	Cash Pool	Total Combined	Total Combined
	65% (55 – 75%)	15% (10 – 20%)	20% (15 – 25%)	Portfolio Targets	Portfolio Range
US Managed Volatility	12.0	-	-	8.0	0 – 25%
S&P 500 Index	10.0	-	-	6.0	0 – 25%
US Small/Mid Cap Equity Index	3.0	-	-	2.0	0 – 15%
US Small Cap Equity	3.0	-	-	2.0	0 – 15%
World Equity Ex-US	15.0	-	-	10.0	0 – 25%
Emerging Markets Equity	4.0	-	-	3.0	0 – 10%
Dynamic Asset Allocation	6.0	-	-	4.0	0 – 10%
Total Global Equity	53.0	-	-	35.0	25 – 55%
US High Yield	4.0	-	-	3.0	0 – 15%
Emerging Markets Debt	6.0	-	-	4.0	0 – 15%
Core Fixed Income	10.0	-	-	5.0	0 – 25%
Limited Duration Fixed Income	-	60.0	-	9.0	0 – 15%
Short Term Corporate Fixed Income	-	40.0	40.0	8.0	0 – 15%
Cash	-	-	60.0	12.0	0 – 10%
Total Global Fixed Income	20.0	100.0	100.0	47.0	25- 55%
Multi-Asset Real Return	7.0	-	-	5.0	0 – 15%
Total Inflation Hedge/Real Assets	7.0	-	-	5.0	0 -15%
Moderate Volatility Hedge	7.0	-	-	4.0	0 -15%
Private Real Estate	3.0	-	-	2.0	0 – 15%
Structured Credit	6.0	-	-	4.0	0 – 10%
Private Equity	4.0	-	-	3.0	0 – 10%
Total Alternatives	20.0	-	-	13.0	0 – 20%

Within each asset class, assets will be invested in accordance with the Guidelines set out below.

In accordance with the terms of the Investment Management Agreement, the Fiduciary Manager will retain discretion with respect to the investment vehicles utilized by the Fiduciary Manager to implement the Strategy within the stated targets. Additionally, the Fiduciary Manager will retain discretion with respect to modifications required to the asset allocation as identified above. In the event the Fiduciary Manager exercises its discretion as noted in this paragraph, the Fiduciary Manager shall notify the WSU Management after implementing any change to the asset allocation or the investment vehicles used to implement the asset allocation as soon as practicable.

Adherence to Policy Targets and Rebalancing

The asset allocation established by this Investment Policy Statement represents a long-term perspective. As such, rapid unanticipated market shifts or changes in economic conditions may cause the asset mix to fall outside of the policy range. These divergences should be of a short-term nature.

To ensure divergence from the target policy is within acceptable limits, rebalancing of assets may be necessary. Rebalancing procedures are authorized in accordance with the Investment Management Agreement and are implemented by the Fiduciary Manager.

Rebalancing only occurs in the assets that the Fiduciary Manager manages.

Generally, rebalancing among funds may occur on a quarterly basis for the registered investment companies (i.e., mutual funds) and quarterly or semi-annually for alternative assets and real estate (as applicable, if required) to ensure that the target asset allocation specified in this Investment Policy is maintained within acceptable ranges as determined by the Fiduciary Manager. The Fiduciary Manager will identify the amount of assets that must be reallocated in order to bring the Fund back into compliance with this Investment Policy and will issue the necessary instructions for the transfer of funds. Portfolio rebalancing between funds will also be triggered when initiated through the SEI Active Asset Allocation program based upon changes in the tactical view of asset classes. Additionally, portfolio rebalancing between the Pools will occur when cash flows transpire.

Notwithstanding the foregoing, under certain circumstances, the Fiduciary Manager may (i) make active investment decisions for the Fund in accordance with the terms of the target variance noted above, (ii) modify the target variance(s) applicable to the strategy, (iii) modify its standard rebalancing operating procedures, and/or (iv) suspend some or all of the rebalancing procedures affecting the strategy. The Fiduciary Manager shall only modify or suspend its rebalancing procedures as outlined in this paragraph if it has prudently determined that such suspension is in the best interest of the Fund in its reasonable sole discretion. If the Fiduciary Manager has suspended rebalancing procedures applicable to the Fund, the Fiduciary Manager shall seek to notify the WSU Management of such a decision as promptly as possible.

Risk and Volatility

The Board, Investment Committee and WSU Management recognize that the Fund's portfolios are subject to various sources of risk. Risk is defined as volatility in asset values, liquidity and the impact of inflation upon purchasing power. Market or systemic risk cannot be circumvented or eliminated by portfolio diversification but some risks can be reduced through diversification at the asset class, investment manager and security level. Thoughtfully constructed portfolios can help minimize risk for a given level of expected return. The Board and Investment Committee has established the asset allocation bands and permissible asset classes after consideration of the various sources of risk and the probability of loss using portfolio modeling scenarios. The Fiduciary Manager will regularly review the portfolio's risk characteristics with the WSU Management.

Investment Securities, Strategies and Diversification

As described in the Investment Management Agreement, the Fiduciary Manager implements this Investment Policy through investments in mutual funds and other pooled asset portfolios. It is the responsibility of the Fiduciary Manager to provide a prospectus for each investment and the responsibility of the committee to read and understand the information contained in the prospectus.

Mutual funds may utilize shorting strategies as outlined in the prospectus. Further, certain mutual funds may participate in securities lending as determined by the prospectus. Such investments are acceptable investments provided they conform to the diversification restrictions set forth by the Investment Company Act of 1940, as amended (the "1940 Act") below.

Additionally, the funds may invest in derivative instruments within a portion of their portfolios. Portfolios may purchase derivatives, generally using only a fraction of the assets that would be needed to purchase equity or fixed income securities directly. As a result, the derivatives could be backed by a wide range of asset classes including but not limited to: U.S. and foreign equities, U.S. and foreign fixed income securities of different types and maturities, mortgage-backed or other asset-backed securities, securities rated below investment grade, non-U.S.

equities, limited partnerships, currencies, commodities, and repurchase or reverse repurchase agreements. The investment goal of such a strategy would be to add diversifying alpha sources within that fund, while efficiently maintaining the beta exposure to the asset class. Derivatives are not to be used for speculative purposes.

Investments will be diversified within asset classes with the intent to minimize the risk of large losses to the Fund. The portfolio is comprised of mutual funds that are managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940, as amended (the "1940 Act"). Pursuant to the provisions of the 1940 Act, a mutual fund may not, with respect to 75% of its assets, (i) purchase securities of any issuer (except securities issued or guaranteed by the United States Government, its agencies or instrumentalities) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer; or (ii) acquire more than 10% of the outstanding voting securities of any one issuer. This restriction does not apply to the International Fixed Income Fund or the Emerging Markets Debt Fund.

No mutual fund may purchase any securities which would cause more than 25% of its total assets to be invested in the securities of one or more issuers conducting their principal business activities in the same industry, provided that this limitation does not apply to investments in securities issued or guaranteed by the United States Government, its agencies or instrumentalities.

Guidelines for Portfolio Holdings

Any new asset classes considered for the Investment Fund will be vetted and subject to the Control Procedures described later in the document.

Global Equity: 35% Target (25-55% Range)

Domestic Equity (*S&P 500 Index, US Small/Mid Cap Equity Index, US Small Cap Equity*):

The Domestic Equity portion of the portfolio will consist primarily of equity securities of companies that are listed on registered exchanges or actively traded in the over the counter market. The equity portion may also be invested in securities that are not readily marketable (illiquid and restricted securities), receipts, securities issued by investment companies, warrants, repurchase agreements, convertible securities and U.S. dollar denominated securities of foreign issuers that are traded on registered exchanges or listed on NASDAQ. A portion of the equity portfolio may also be invested in fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by a nationally recognized statistical rating organization ("NRSRO"), or, if not rated, determined to be of comparable quality by the Fiduciary Manager or a mutual fund sub-Investment Manager. The Fiduciary Manager will equitize cash to remain as fully invested as possible.

Non-U.S. Equity (*World Equity ex-US, Emerging Markets Equity*):

The non-U.S. equity portion of the portfolio will consist primarily of equity securities (common stocks, securities that are convertible into common stocks, preferred stocks, warrants and rights to subscribe to common stocks, American Depository Receipts, European Depository Receipts and investment company securities including securities issued by foreign investment companies) of non-U.S. issuers purchased in foreign markets, on U.S. or foreign registered exchanges, or the over-the-counter markets. The issuers of the securities are located in countries other than the United States, including emerging market countries. Additionally, the portfolio may seek to enhance returns by active management of currency exposure. This strategy may involve taking long and short positions using futures, foreign currency forward contracts, foreign currencies and other derivatives. The portfolio may also engage in currency transactions in an attempt to take advantage of certain inefficiencies in the currency exchange market, to increase the exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one currency to another. Any remaining assets may be invested in fixed income securities of emerging market governments and companies. Certain securities issued by governments of emerging market countries are, or may be, eligible for conversion into investments in emerging market companies under debt conversion programs sponsored by such governments.

Managed Volatility:

The managed volatility portion of the portfolio will typically consist of securities of U.S. and global companies of all capitalization ranges. These securities may include common stocks, preferred stocks, warrants, ETFs, depository

receipts and equity options. The portfolio will invest primarily in companies located in developed countries, but may also invest in companies located in emerging markets. The portfolio seeks to achieve lower volatility by constructing a portfolio of securities that are expected to produce a less volatile return stream to the market. The securities are weighed based on their total expected risk and return, without regard to market capitalization and industry.

Dynamic Asset Allocation Strategy:

The goal of this strategy is to serve as an active overlay to broader strategic allocations. The strategy seeks to maintain an asset allocation between the broad U.S. equity and U.S. fixed income markets primarily through the use of derivatives, and mainly index futures contracts. The allocation between U.S. equity and U.S. fixed income markets will be active based on the views of current market conditions and outlook for each asset class. The strategy may also opportunistically seek to add value to the portfolio by investing in other asset classes, such as global equities and bonds and derivatives thereon, currencies, and other asset classes. The proportional investments in each asset class may change from time to time as risk-adjusted return expectations shift.

Global Fixed Income: 47% Target (25-55% Range)

Domestic Fixed Income (Core Fixed Income, Limited Duration Fixed Income and High Yield Bonds):

The investment grade portion of the domestic fixed income portfolio will consist primarily of fixed income securities that are rated investment grade or better, i.e., rated in one of the four highest rating categories by an NRSRO at the time of purchase, or, if not rated are determined to be of comparable quality by the Fiduciary Manager or a mutual fund sub-Investment Manager. The portfolio may invest in traditional fixed income securities, such as bonds and debentures, including mortgage-backed and asset-backed securities. In addition, the portfolio may also contain structured securities that make interest and principal payments based upon the performance of specified assets or indices. Structured securities include mortgage-backed securities such as pass-through certificates, collateralized mortgage obligations and interest and principal only components of mortgage-backed securities. Other investments include mortgage dollar roll transactions, Yankee obligations and obligations of supranational entities.

The high yield strategy will consist primarily of fixed income securities that are rated below investment grade, i.e., rated below the top four rating categories by a NRSRO at the time of purchase, or, if not rated, determined to be of comparable quality by the Fiduciary Manager or a mutual fund sub-Investment Manager. There is no minimum rating requirement of the high yield securities that may be purchased and held in the high yield strategy. Any remaining assets may be invested in equity, investment grade fixed income and money market securities. The high yield allocation is targeted at 3% of the overall Investment Fund.

Ultra Short Duration Fixed Income (Short Term Corporate Fixed Income):

The Ultra Short Duration Fixed Income strategy invests in investment grade U.S. dollar-denominated debt instruments, including: (i) commercial paper and other corporate obligations; (ii) certificates of deposit, time deposits, bankers' acceptances, bank notes and other obligations of U.S. savings and loan and thrift institutions, U.S. commercial banks (including foreign branches of such banks), and foreign banks, that meet certain asset requirements; (iii) U.S. Treasury obligations and obligations issued or guaranteed as to principal and interest by agencies or instrumentalities of the U.S. Government; (iv) mortgage-backed securities; (v) asset-backed securities; (vi) fully-collateralized repurchase agreements involving any of the foregoing obligations; and (vii) U.S. dollar-denominated instruments of foreign issuers. In addition, the Fund may invest in futures contracts, options, swaps and other similar instruments. The portfolio will maintain portfolio duration of 18 months or less under normal market conditions.

Non U.S. Fixed Income (Emerging Markets Debt):

The non-U.S. investment grade portion of the fixed income portfolio will consist primarily of securities of non-U.S. issuers located in at least three countries other than the United States. Any remaining assets may be invested in obligations issued or guaranteed as to principal and interest by the U.S. Government, its agencies or instrumentalities and preferred stocks. The non-U.S. investment grade portion will concentrate its investments in developed countries.

Non-U.S. investment grade fixed income securities will be traditional fixed income securities, such as bonds and debentures, and will be issued by foreign private and governmental issuers and may include mortgage-backed and asset-backed securities. The portfolio may also contain structured securities that derive interest and principal

payments from specified assets or indices. The portfolio will be comprised primarily of investment grade securities denominated in various currencies, including the European Currency Unit. Investment grade securities are rated in one of the highest four rating categories by an NRSRO, or, if not rated, determined to be of comparable quality as determined by the Fiduciary Manager or a mutual fund sub-Investment Manager.

Inflation Hedge Strategies: 5% Target (0-15% Range)

Multi Asset Real Return Strategy:

This portfolio will pursue its investment goal by selecting investments from a broad range of asset classes, including fixed income and equity securities, and commodity linked instruments. The portfolio seeks “real return” (i.e., total returns that exceed the rate of inflation over a full market cycle). Fixed income securities will include: (i) securities issued or guaranteed by the U.S. Government and its agencies and instrumentalities and obligations of U.S. and foreign commercial banks, (ii) obligations of foreign governments; (iii) Treasury Inflation Protected Securities (“TIPS”) and other inflation-linked debt securities; (iv) U.S. and foreign corporate debt securities, including commercial paper, and fully-collateralized repurchase agreements with highly rated counterparties (those rated A or better); and (v) securitized issues such as mortgage-backed securities, asset-backed securities, commercial mortgage-backed securities and collateralized debt obligations. The portfolio may invest in debt securities of any credit quality and with a broad range of maturities. Equity securities may include common or preferred stocks, warrants, rights, depositary receipts, equity-linked securities and other equity interests. In addition to direct investment in securities and other instruments, the portfolio may invest in other funds, including exchange traded funds (“ETFs”), other pooled investment vehicles, and real estate investment trusts (“REITs”) and U.S. and non-U.S. real estate companies. A portion of the portfolio assets may also be invested in commodity-linked securities to provide exposure to the investment returns of the commodities markets, without investing directly in physical commodities. The portfolio may also invest in equity securities of issuers in commodity-related industries. Further the portfolio will have the ability to invest in commodity-linked swap agreements and other commodity-linked derivative instruments, futures contracts on individual commodities and options on them. The portfolio may also invest in futures contracts, options, forward contracts and swaps and credit default swaps for return enhancement or hedging purposes.

Alternative Strategies: 13% Target (0-20% Range)

Hedge Fund:

Hedge fund of funds will pursue its investment objective by investing primarily in underlying hedge funds, while also opportunistically making other investments. Individual hedge funds may engage in investment strategies that include temporary or dedicated directional market exposures; and will also choose and combine hedge funds in order to target the fund’s return objectives.

A fund’s portfolio may be allocated across several hedge fund styles and strategies. For example, the hedge fund portion of the portfolio may consist of various index-listed as well as over-the-counter securities including but not limited to: common or preferred stock issued by U.S. and non-U.S. corporations, debt securities issued by U.S. and non-U.S. corporations, governments, or government-sponsored agencies, asset-backed securities, convertible bonds, warrants, and exchange-traded funds. The hedge fund portion of the portfolio may also consist of various index-listed or over-the-counter derivative instruments including but not limited to: forward contracts, futures contracts, options, swaps, and swap options. Derivatives may be valued based on the price of underlying debt or equity securities or the level of particular economic variables such as interest rates, inflation rates, currency exchange rates, or commodity prices. In addition to purchasing securities outright, hedge funds may employ specialized investment techniques, such as short-selling and using leverage.

Certain funds may also invest in less liquid, private investment funds. These investments are illiquid, non-publicly traded assets and securities, such as shares in private operating companies. These investments can include strategies such as leveraged buyout funds, venture capital funds, real estate funds and distressed debt funds.

Structured Credit:

The portfolio pursues its investment objective by investing in a portfolio comprised of collateralized debt obligations (“CDOs”) and other structured credit investments. The portfolio will primarily invest in the equity and mezzanine

debt securities of CDOs. CDOs involve special purpose investment vehicles formed to acquire and manage a pool of loans, bonds and/or other fixed income assets of various types.

In addition to CDOs, the investments may include fixed income securities, loan participations, credit-linked notes, medium term notes, registered and unregistered investment companies or pooled investment vehicles, and derivative instruments, such as credit default swaps and total return swaps (collectively with CDOs, “Structured Credit Investments”).

Private Equity:

Private equity investments will consist of primary limited partnership interests in corporate finance and venture capital funds. In addition, secondary partnership and co-investment deals are acceptable. Corporate finance investments may include leveraged buy-out, industry consolidation, growth or fundamental business change, acquisitions, refinancing and recapitalization, mezzanine investments and distressed and turnaround strategies. Venture capital investments include start-up companies and companies developing new business solutions and technologies. New technologies may include semi-conductors, telecommunications, software, biotechnology, computers and medical devices. Investments may be made to domestic and international partnerships.

Core Property:

The Property strategy will pursue its investment objective by utilizing a “fund of funds” approach, which includes investments in various investment funds that invest directly in commercial real estate properties, such as real estate investment trusts (“REITS”), hedge funds, private equity funds, hybrid funds and any other “alternative” investment funds (collectively, “Underlying Funds”). The primary investments will be in domestic, open-end funds focused on core real estate properties. Core real estate properties are high-quality, income-generating office and industrial properties, leased or pre-leased to creditworthy companies and governmental entities. The strategy is also permitted to invest in less liquid strategies and properties focused on value-added and opportunistic real estate opportunities. Value-added and opportunistic investment strategies offer the potential for higher returns, often entail some amount of illiquidity, and are typically perceived as having a higher risk profile than core investment strategies.

Cash Equivalent Reserves:

The investments selected by the Fiduciary Manager in accordance with this Investment Policy Statement may include a small portion of total assets in cash reserves when deemed appropriate.

Cash equivalent reserves will consist of money market securities such as high quality, short-term debt instruments. They include: (i) bankers' acceptances, certificates of deposits, notes and time deposits of highly-rated U.S. and foreign banks; (ii) U.S. Treasury obligations and obligations issued or guaranteed by the agencies and instrumentalities of the U.S. Government; (iii) high-quality commercial paper issued by U.S. and foreign corporations; (iv) debt obligations with a maturity of one year or less issued by corporations with outstanding high-quality commercial paper; (v) repurchase agreements involving any of the foregoing obligations entered into with highly-rated banks and broker-dealers; and (vi) foreign government obligations.

Proxy Statements

Proxies, tender offers and the like for any SEI mutual funds will be voted by WSU Management in accordance with the terms of the Investment Management Agreement. Proxies, tender offers and the like for individual securities will be voted by the sub-advisors within each respective mutual fund.

Execution of Security Trades

The Fund expects the purchase and sale of its securities to be made in a manner designed to receive the combination of best price and execution. The Board recognizes that mutual fund shares are purchased and sold at the net asset value next determined after receipt of the order and that accordingly, best price and execution may not be applicable to such transactions.

CONTROL PROCEDURES

Review of Investment Objectives

Investment performance will be reviewed quarterly to determine the continued feasibility of achieving the investment objectives and the appropriateness of the Investment Policy for achieving these objectives. In addition, the validity of the stated objective will be reviewed annually.

It is not expected that the Investment Policy will change frequently. In particular, short-term changes in the financial markets should not require an adjustment to the Investment Policy.

Review of Fiduciary Manager and Investments

The Fiduciary Manager will report to the WSU Management on a quarterly basis to review the investment performance of the Diversified Portfolio and the Liquidity Portfolio. The Fiduciary Manager will be charged with reviewing the weights between the Diversified, Liquidity and Cash Portfolios and ensure the WSU Management they are in compliance with the Investment Policy Statement and Ohio laws.

The Fiduciary Manager will be responsible for keeping the WSU Management advised of any material change in its personnel, the investment strategy, or other pertinent information potentially affecting performance of all investments.

On a monthly basis, the Fiduciary Manager provides the WSU Management with monthly performance reports complete with market commentary and performance versus appropriate benchmarks. Additionally, WSU Management will receive a monthly Trust Report complete with financial transactions, cash flows and net asset values (NAVs) of all the strategies in the Investment Fund that is managed by the Fiduciary Manager.

Quarterly investment reviews will focus on:

- A review of recent global economic and financial markets activity.
- An update of SEI's Economic Outlook and current view of asset classes including tactical over and under weightings.
- A review of the Diversified and Liquidity portfolios' Asset Allocation compared with strategic targets.
- A review of the financial transactions during the quarter.
- Comparison of the Fund's investment results will be done at three levels:
 - Level one, the individual investment vehicles will be compared individually with appropriate asset class specific benchmarks (see Exhibit A for a representative list of funds and benchmarks)
 - Level two, an appropriate Blended asset class benchmark based on the current targets. The Blended benchmark is designed to follow any discretionary allocation changes so that security and manager selection can be isolated for comparative purposes (these changes will be described in the performance report). As the asset allocation changes, the Blended asset class benchmark will adjust accordingly.
 - Level three, a Strategic asset class benchmark that is defined as the targets in the Fiduciary Manager's initial portfolio recommendation (see Table 4 for initial target allocations). The Strategic asset class benchmark will *not* be adjusted as allocations are changed to isolate the value added of those allocation decisions from the initial strategic targets.
- Reallocation of funds between the three WSU Portfolios.
- When applicable, recommendation of new asset classes to the WSU Portfolios will be discussed and vetted with the WSU Management and a sub-group of members of the Investment Committee before being added to the Investment Policy. Strategic allocations may be re-established at that time.
- Adherence to this Investment Policy and guidelines.
- An update of all investment manager changes within underlying funds

- An update of material changes at SEI and the organizations of the underlying investment managers such as in investment philosophy and personnel, etc.
- Update on any interactions with the Fund’s auditor’s or other outside advisors.

Performance Expectations

The most important performance expectation is the achievement of long-term investment results that are consistent with the Fund’s Investment Policy. Implementation of the policy will be directed toward achieving capital preservation and not toward maximizing return without regard to risk. As such, the portfolio is constructed to optimize return opportunities within shorter time periods while also providing for long term asset appreciation.

ADOPTION OF INVESTMENT POLICY STATEMENT

The Board has reviewed, approved and adopted this Investment Policy Statement, dated September 26, 2014, prepared with the assistance of SEI Investments Management Corporation.

Signature

Date

EXHIBIT A:

ASSET CLASS BENCHMARKS

FUND NAME	BENCHMARK
<i>SEI S&P 500 Index Fund</i>	S&P 500 Index
<i>SEI Small/Mid Cap Equity Index Fund</i>	Russell Completeness Index
<i>SEI Small Cap Fund</i>	Russell 2000 Index
<i>SEI US Managed Volatility Fund</i>	Russell 3000 Index
<i>SEI World Equity ex-US Fund</i>	MSCI All Country World ex US
<i>SEI Emerging Markets Equity</i>	MSCI Emerging Markets Equity Index
<i>SEI Dynamic Asset Allocation Fund</i>	S&P 500 Index
<i>SEI Core Fixed Income Fund</i>	Barclays Aggregate Index
<i>SEI Emerging Markets Debt</i>	JP Morgan EMBI Global Diversified
<i>SEI High Yield Bond Fund</i>	B of A ML US High Master II
<i>SEI Opportunistic Income Fund</i>	B of A ML USD 3 Month Libor CM
<i>SEI Ultra Short Duration Bond Fund</i>	Barclays 9-12 Month Treasury
<i>SEI Limited Duration Fixed Income Fund</i>	BofA ML 1-3 Year Treasury Index
<i>SEI Multi Asset Real Return Fund</i>	Barclays 1-5 Yr U.S. TIPS Index
<i>SEI Special Situations Fund</i>	HFRI Diversified FofF Index
<i>SEI Structured Credit Fund</i>	CS Leveraged Loan Index
<i>SEI Core Property Fund</i>	NRI Index

* Benchmarks will be updated as appropriate when strategic changes are made. All discretionary changes within the stated bands will be reflected in the Blended Benchmark described on page 10 and disclosed on the performance report.

EXHIBIT B:

	Board of Trustees for Wright State	Finance and Audit Committee	WSU Management Team	Fiduciary Manager
Set/approve investment policy	Decides			
Asset allocation guidelines	Delegates	Approves	Monitors	Implements
Investment strategy		Approves	Monitors	Implements
Evaluate/select investment managers		Delegates	Delegates	Implements
Portfolio rebalancing		May set ranges	Monitors Ranges	Implements
Monitor ongoing activities and reports performance	Delegates	Delegates	Monitors	Oversees/ Provides
Portfolio holdings			Delegates	Monitors
Committee education/ Asset allocation studies				Provides
Fiduciary responsibility	Yes (ultimate)	Yes	Yes	Yes