

Policy 129

**External Investment Management  
Services**

Section: 100 – General Administration  
Responsible Executive: Executive Director  
Responsible Department: Executive Office  
First Effective Date: August 21, 1998  
Last Reviewed: March 2018  
Next Scheduled Review: June 2022

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**1.0 PURPOSE**

- 1.1. To provide management with appropriate authority and standards of practice to offer and administer investment management services to qualified external entities.

**2.0 BACKGROUND**

- 2.1. Cal Poly Corporation’s (“CPC”) mission is expressed in broad terms that include appropriate support to, and the enhancement of, California Polytechnic State University (“University”) -related organizations and community-based services. From time to time, the University receives requests from such external entities to provide investment management services through the Cal Poly Corporation (CPC).
- 2.2. California law (Cal. Corp Code §10250 et seq.) authorizes CPC, as a nonprofit public benefit corporation, to establish one or more common trust funds for the purpose of providing investment management services to other qualified entities.
- 2.3. In response to the University’s objective of providing an effective investment program option to affiliated and community-based nonprofit organizations, CPC has developed an External Investment Management Services program.

**3.0 POLICY**

- 3.1. External Investment Management Services. CPC may offer External Investment Management Services (“EIM Services”) over the funds of external entities. EIM Services may be provided by CPC under the standards and conditions set forth below:
  - 3.1.1. The University President or a designee must first make a formal determination that the external entity requesting EIM Services is qualified as an organization affiliated with the University.
  - 3.1.2. EIM Services’ clients shall execute and be bound by an Investment Management Services Agreement and fee schedule in a form authorized by the Executive Director.
  - 3.1.3. EIM Services’ client funds shall be accounted for as separate common trust fund accounts, but may be invested on a pooled basis under the investment policies adopted by the Board of Directors.
  - 3.1.4. CPC will act in a fiduciary capacity over all EIM Services’ funds, but such funds are not subject to the general requirements of California trust law.

#### **4.0 DEFINITIONS**

- 4.1. External Investment Management Services. This may include, but is not limited to, providing investment services (management oversight of long term investments) for groups affiliated with the University.

#### **5.0 PROCEDURES, GUIDELINES AND FORMS**

- 5.1. The Executive Director or his/her designee is charged with the responsibility of implementing this policy through procedures, guidelines and forms, if needed.

#### **6.0 COMPLIANCE**

- 6.1. All CPC units, departments and personnel, including principal investigators, and individuals working on contracts and grants, must comply with this policy.

#### **7.0 REFERENCES AND RELATED POLICY**

- 7.1. Cal. Corp Code §§10250 et seq,

**Technical and administrative change updates**  
*9-14-12 for title and organization structure changes.*