

Long-Term Investment Pool (LTIP) Overview

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Key Topics

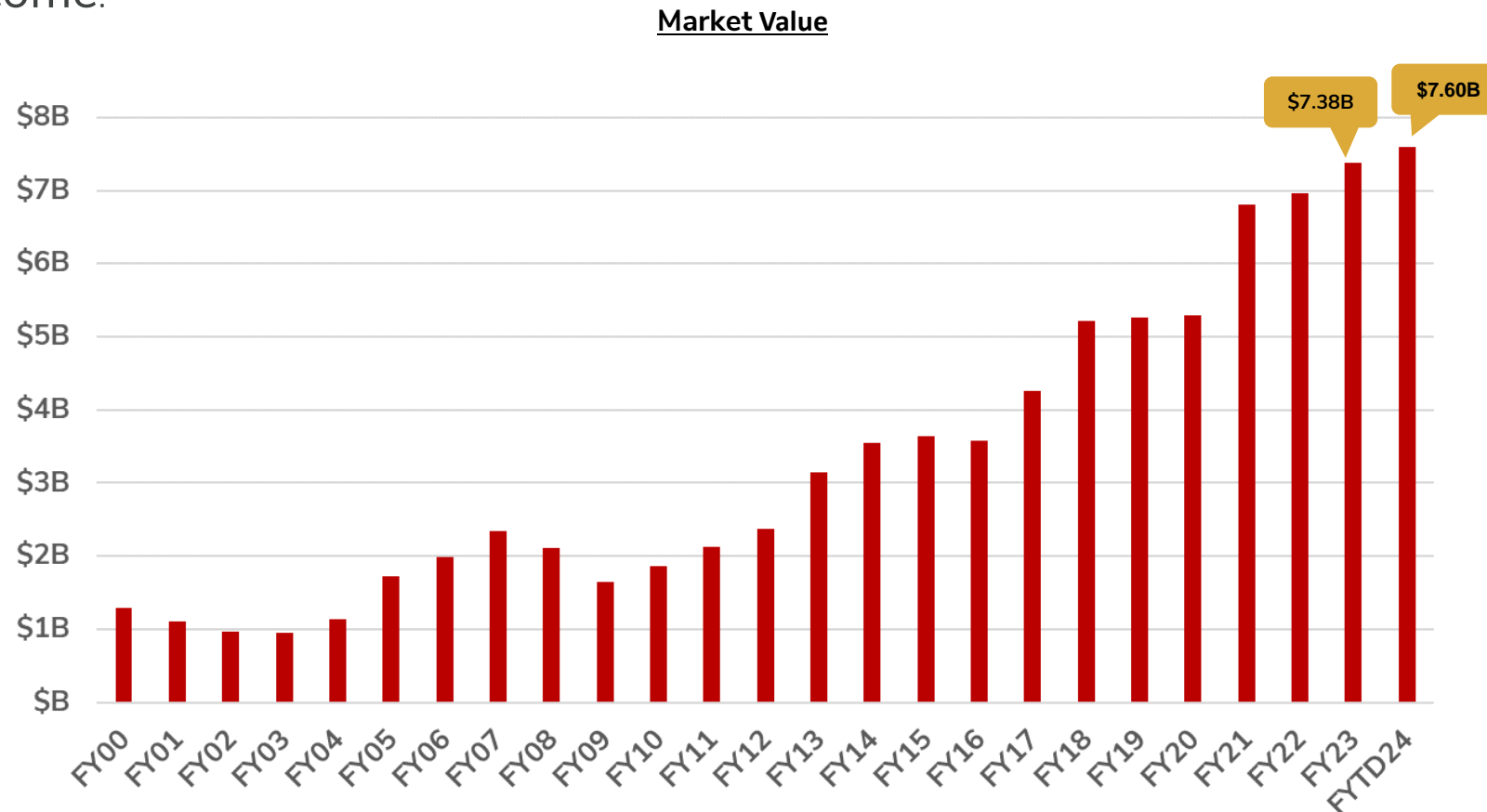
- What is the LTIP and how does it work?
- What are the key priorities that the LTIP supports?
- How does the LTIP measure success?
- What is the LTIP invested in?
- What are the key areas of focus for the LTIP team?
- Who is responsible for managing the LTIP?



Source: Microsoft Copilot AI Image Generator.

LTIP Market Value

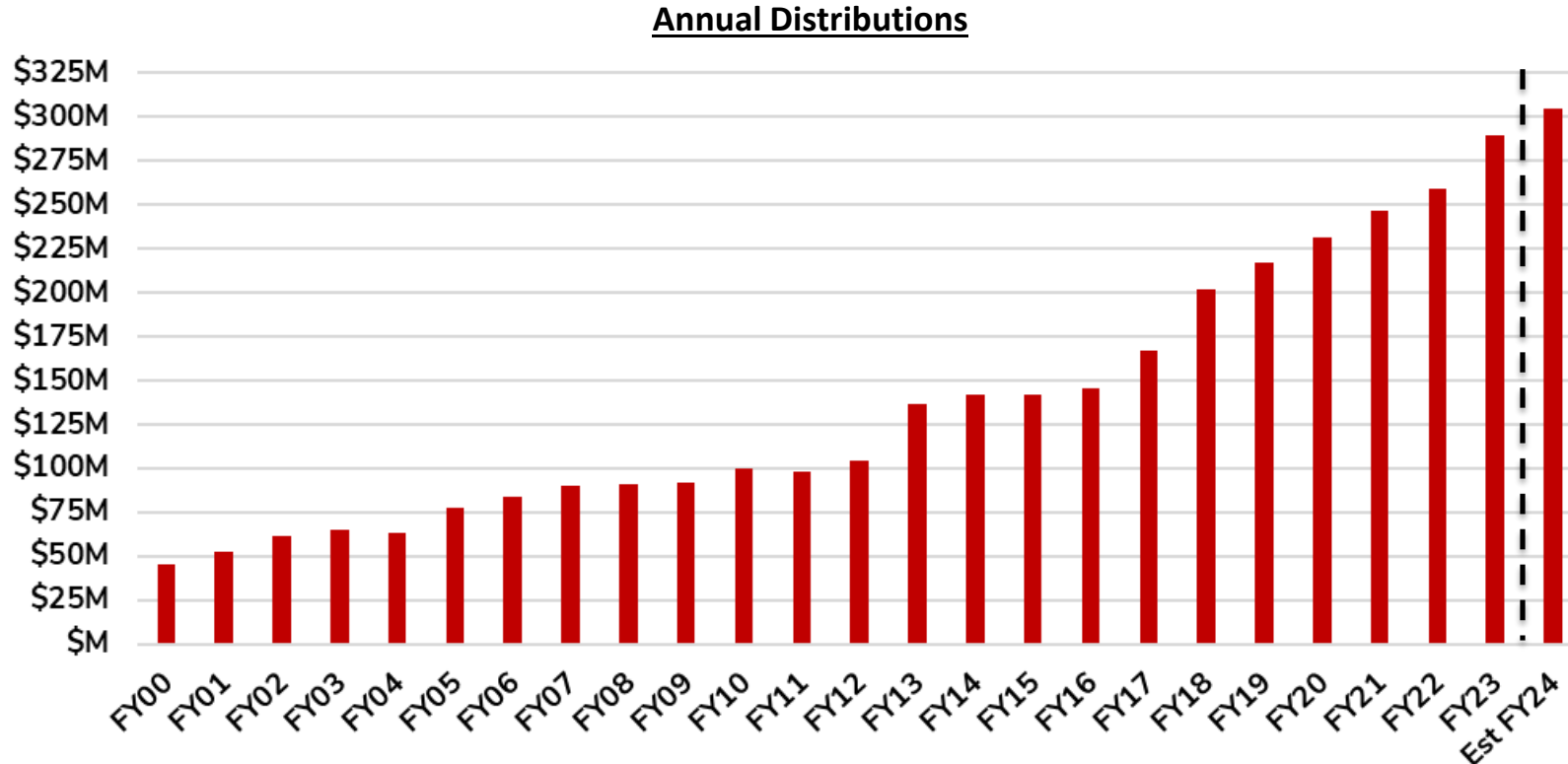
Since FY 2000, the LTIP has grown more than five-fold. Through the first six months of FY 2024 the LTIP has increased in value from \$7.38B to \$7.60B and generated \$344M in investment income.



LTIP Historical and Projected Distributions

Since FY2000, annual distributions from the LTIP to support university priorities have grown more than six-fold from \$46M to \$289M.

- Based on 2023 LTIP performance, FY2024 distribution is estimated to be \$305M.

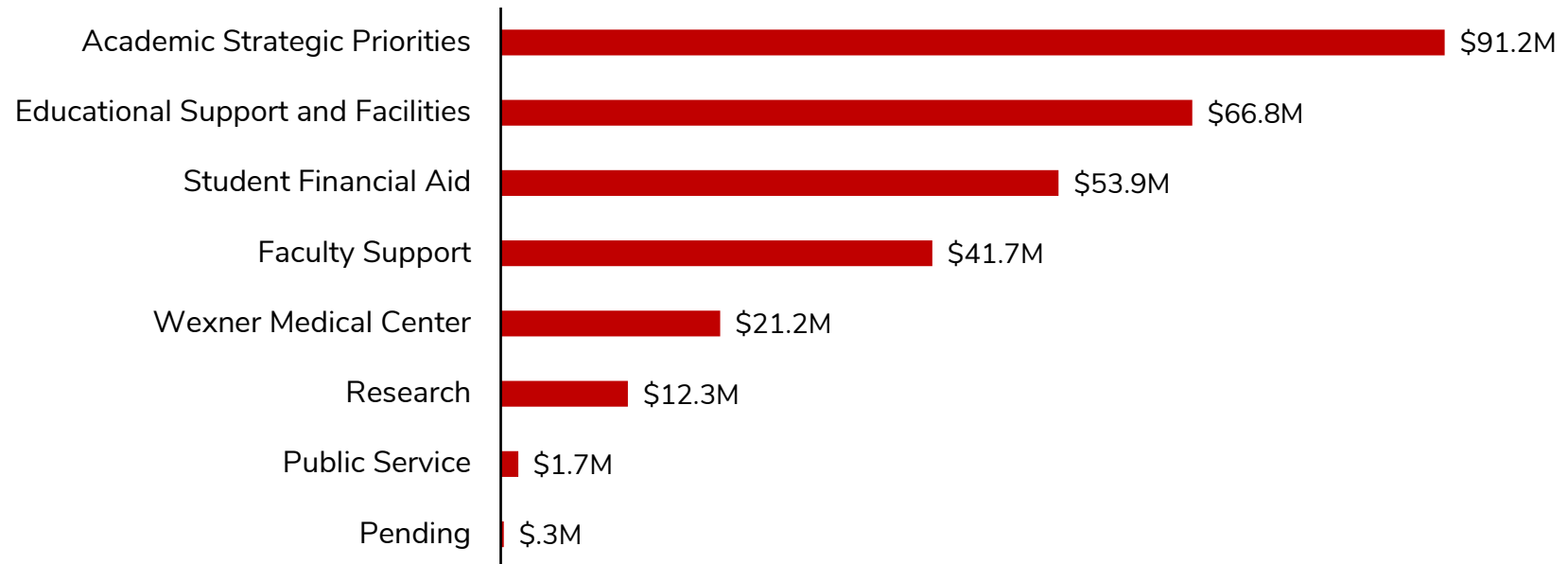


Distributions from the LTIP

Annual payments based on a five-year average.

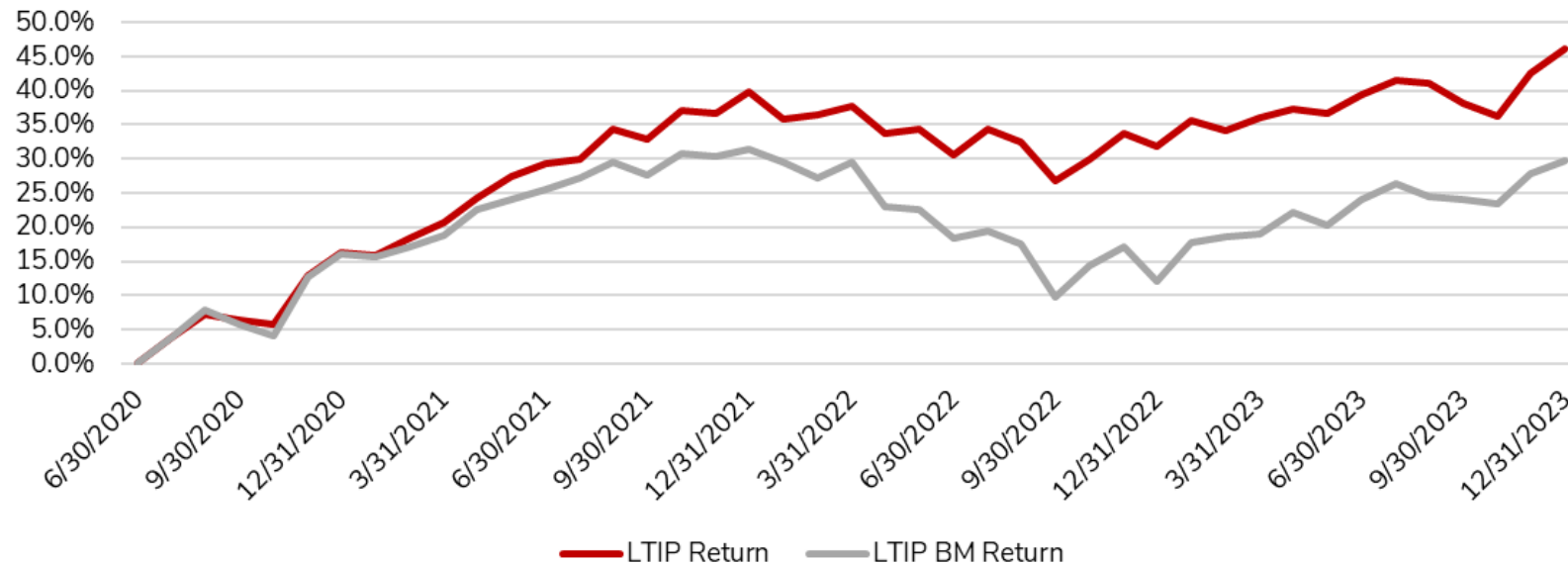
- 4.5% distributed on an annual basis.
- Policy provides steady, reliable funding for campus priorities.

FY23 Distributions: \$289.1M



Measurement of LTIP Performance

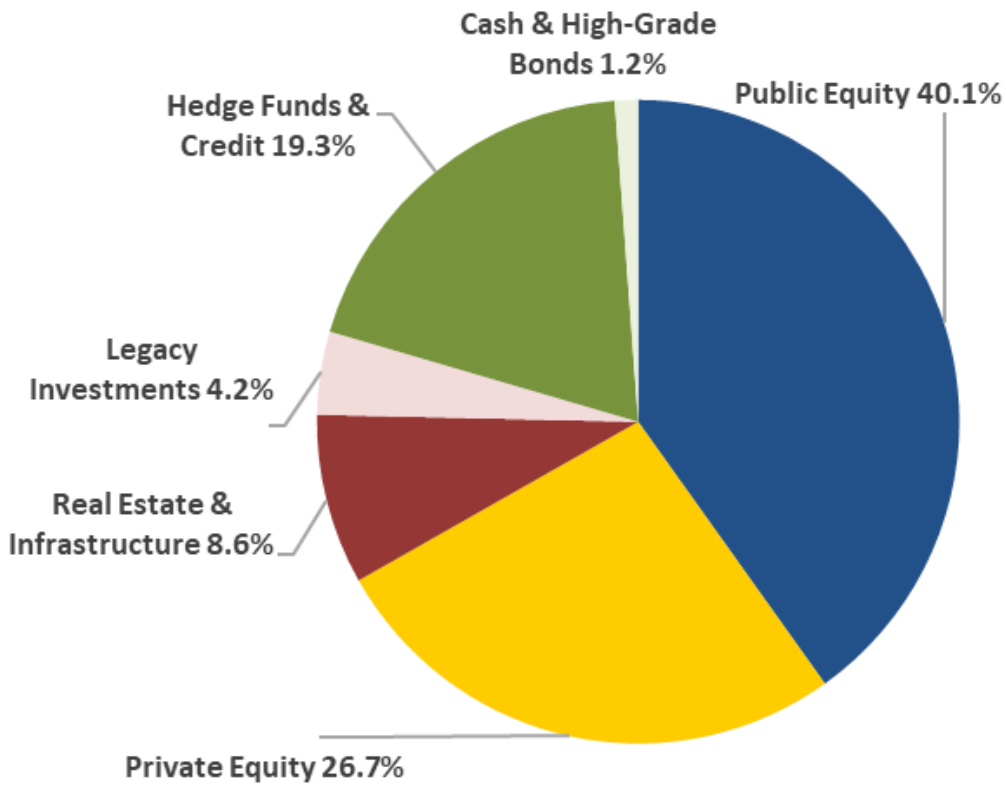
- Over time, LTIP seeks to generate ~8% annualized returns.
- Since July 1, 2020, the LTIP has generated \$2.4 billion in total gains.
- During this same time period, the LTIP generated a total return of 46.0% compared to a return of 29.7% for the benchmark, resulting in \$792 million of gains in excess of being invested in the benchmark.
- LTIP performance has also been strong relative to peer institutions. Per Cambridge Associates, an industry consultant, OSU's performance places it in the top quartile versus all other Endowments & Foundations over the last three years.



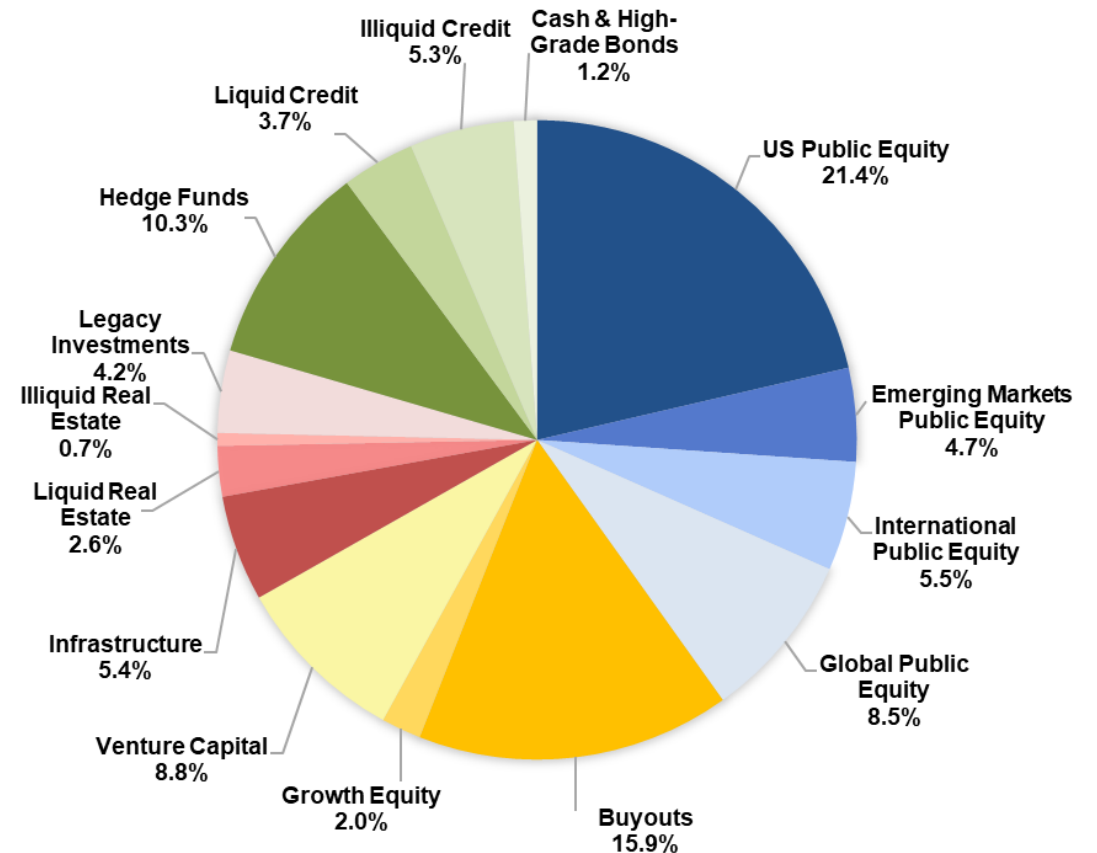
Note: Total Consolidated Benchmark based on preliminary data for HFRI and Cambridge Associates Indices. Finalized numbers published approximately four months after quarter end. Results and benchmarks for illiquid categories both reflect a lag of one quarter.

LTIP Asset Allocation as of December 31, 2023

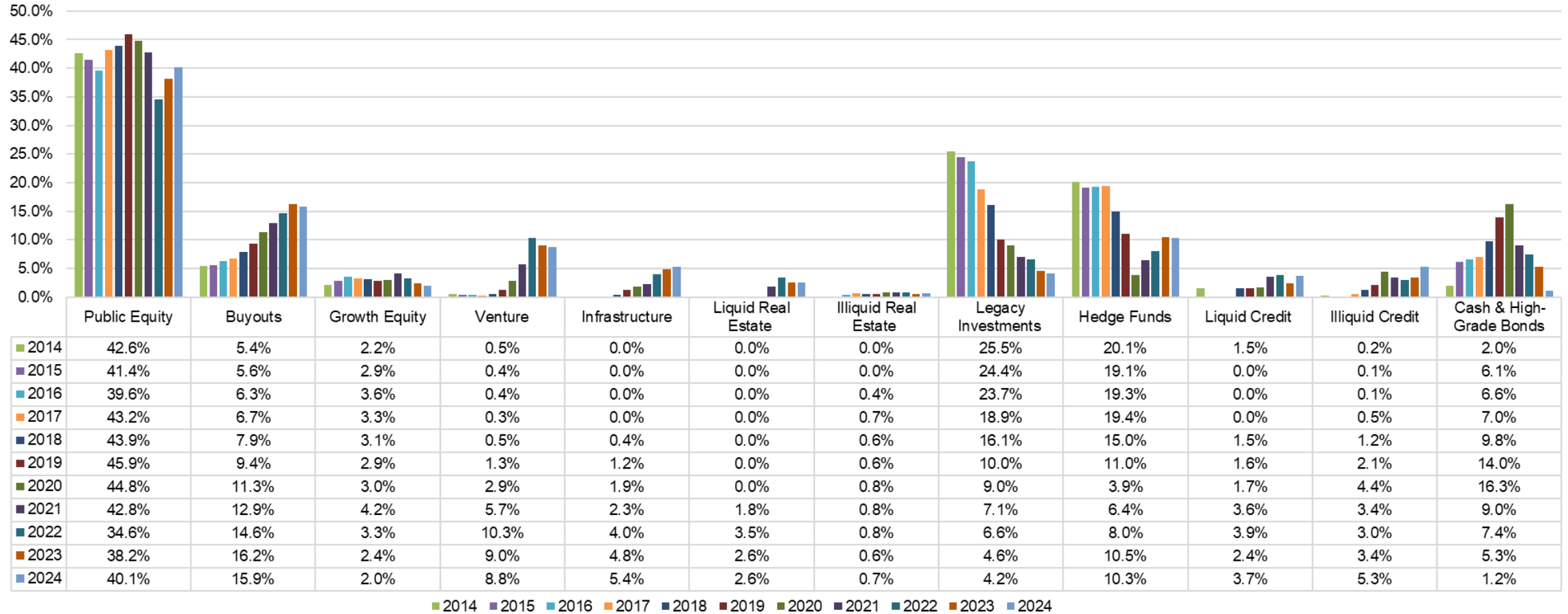
Simple Asset Allocation



Granular Asset Allocation

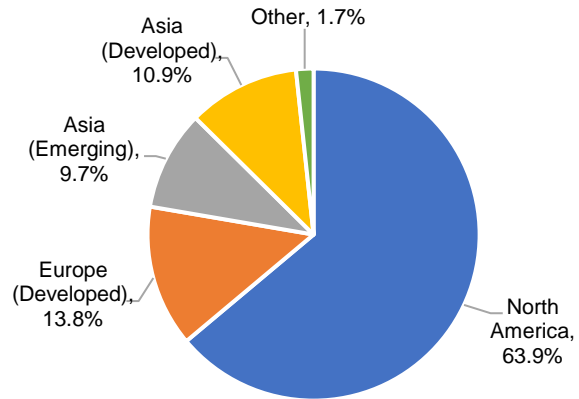


LTIP Asset Allocation Over Time

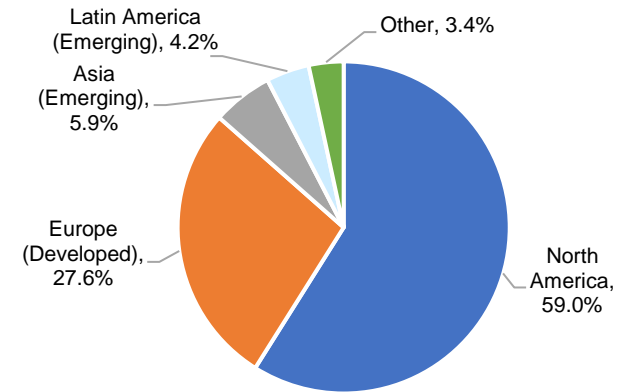


LTIP Geographic Exposure

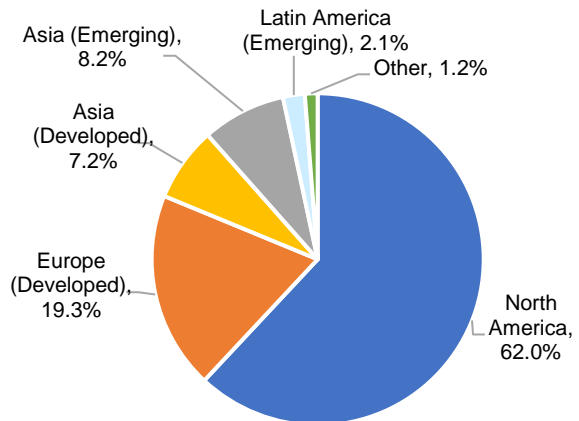
Public Equity



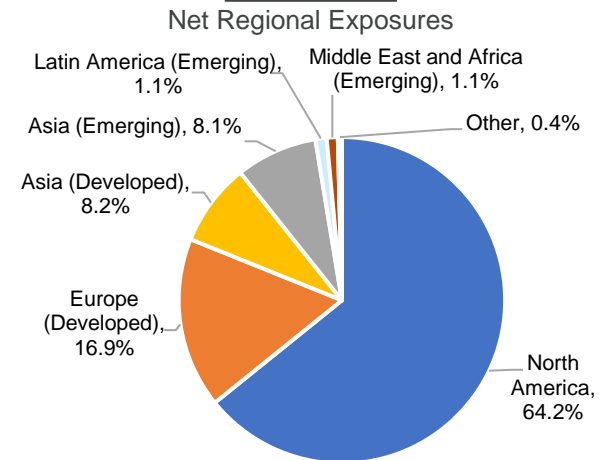
Private Equity
Net Regional Exposures



Public + Private Equity
Net Regional Exposures



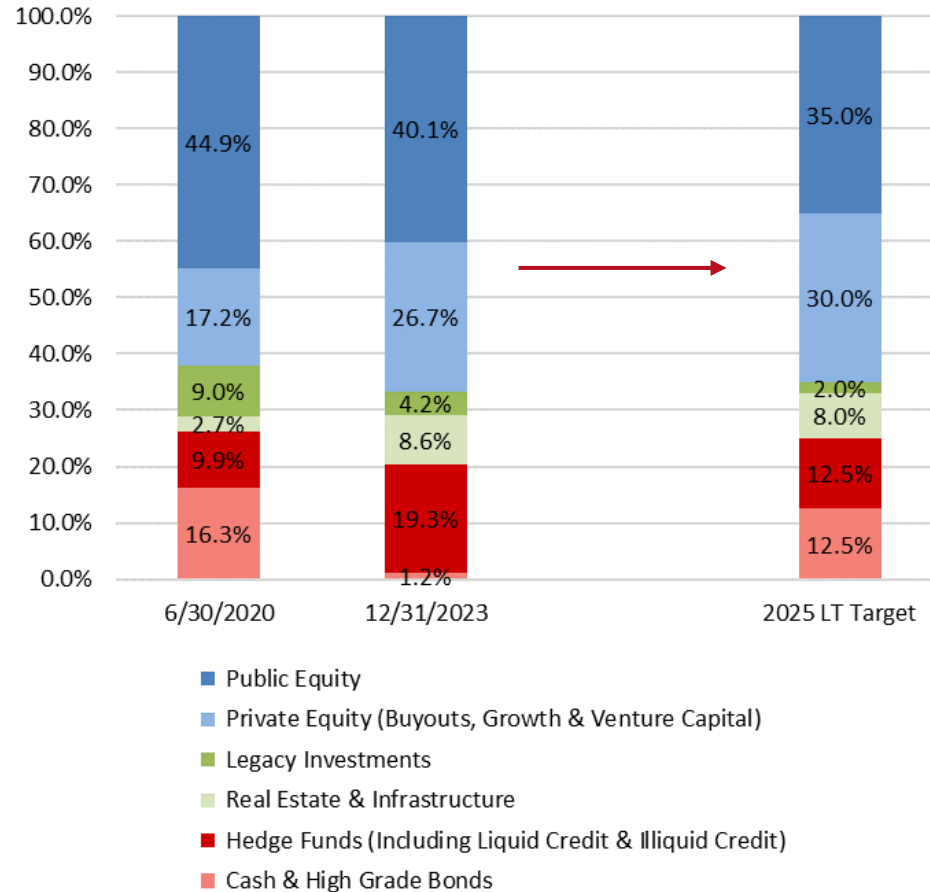
MSCI ACWI



Long-Term Areas of Focus

Core Themes by Asset Class

LTIP Asset Allocation



- **Public Equity**
 - Build exposure to proven compounders.
 - Add niche managers focused on certain geographies, sectors or capitalization.
 - Retain passive index exposure.

- **Private Equity**
 - Target smaller managers with sector focus.
 - Grow Venture Capital exposure.

- **Real Assets**
 - Expect gradual reduction in Legacy Investments.
 - Grow exposure to Digital Infrastructure.

- **Hedge Funds**
 - Grow Hedge Funds with uncorrelated return profile.
 - Seek niche Liquid Credit and Illiquid Credit strategies with attractive risk/return attributes.

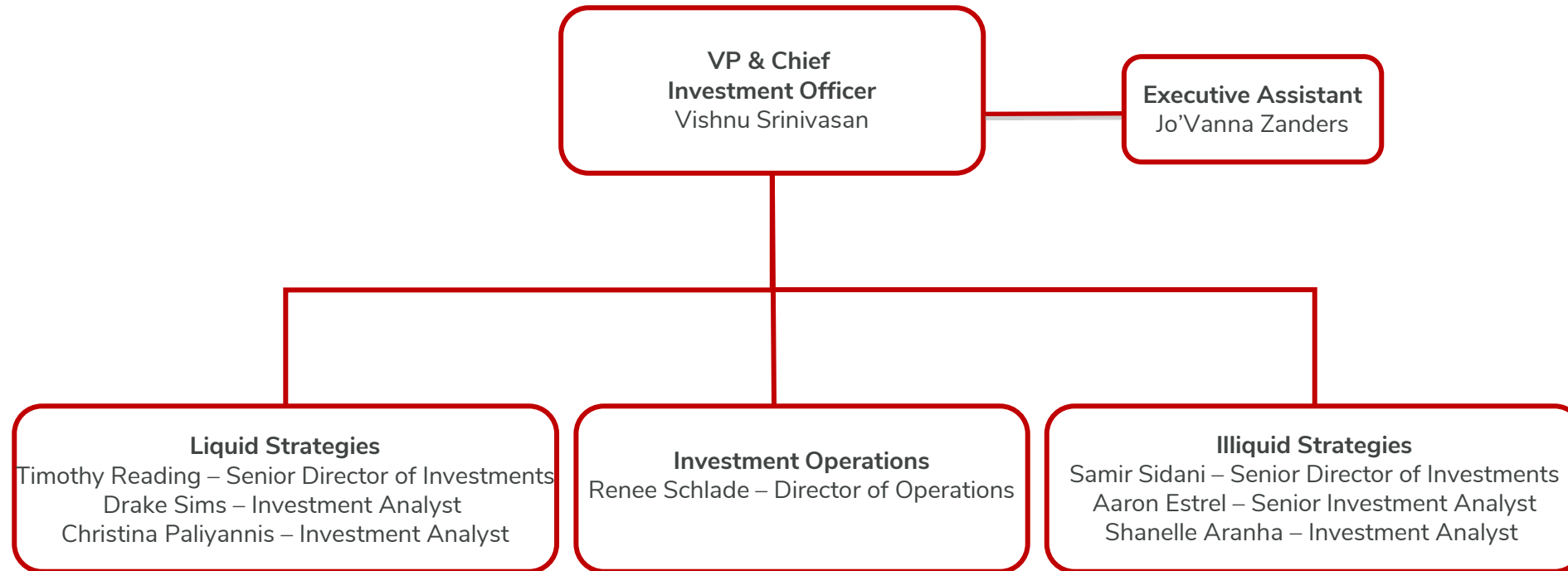
- **Cash & High-Grade Bonds**
 - Maintain underweight to long-term target.

Managing the LTIP

- **Multiple groups and individuals at OSU assist in ensuring that the LTIP is invested in the best possible manner to generate strong risk adjusted returns**
 - **OSU Board of Trustees Investment Committee** – Fiduciary group responsible for ensuring that LTIP is managed in accordance with Investment Policy.
 - **Investment Working Group** – Non-fiduciary group of 10 individuals that provide advice to CFO and CIO on asset allocation, governance and investments.
 - **CFO**– Responsible for oversight of investment program, operations and reporting. Reviews and approves new investment managers.
 - **CIO & Office of Investments Staff** – Responsible for managing investment program, operations and reporting including sourcing, evaluating and monitoring investment managers.
 - **Investment Managers** – External investment funds hired by the LTIP to invest in various asset classes (e.g. Public Equity, Private Equity, Credit). Managers have full discretion, but must adhere to their investment mandate.



Office of Investments Organization Chart



IWG Member Biographies

IWG Member	Role	Background
Kent Stahl	IWG Chair, Liquid Subcommittee	Retired CIO of Wellington Management OSU BOT: Public Member, Finance & Investment Committee Board of Directors: Diebold Nixdorf, Longfellow Investment Advisors, Dogwood Healthcare Trust
Richard Charlton	Governance Subcommittee	Chairman emeritus and founder of New England Pension Consultants (NEPC)
Sandor Hau	Illiquid Subcommittee	Managing Director at Charlesbank Capital Partners/Head of Opportunistic Credit Investing Formerly Managing Director at Nomura and Goldman Sachs
Lisa Howie	Illiquid Subcommittee	CIO of Smith College Endowment Formerly Director of Investments at Yale University Endowment
James Klingbeil	Illiquid Subcommittee	Chairman of Klingbeil Capital Management OSU BOT: Charter Member, Finance & Investment Committee (Vice Chair), Master Planning & Facilities Board of Directors: United Dominion Realty Trust
Matt Magee	Liquid Subcommittee	Partner and Head of Investment Strategy & Research at Adage Capital Management OSU Foundation: Board and Audit Committee Member
Greg Mattiko	Liquid Subcommittee	Portfolio Manager at Wellington Management with a focus in Emerging Markets Formerly Portfolio Manager at JP Morgan Asset Management
Martin Murrer	Illiquid Subcommittee	Partner at Muirfield Capital Management Formerly at Sagent Advisors, Salomon Brothers, Goldman Sachs, DLJ and Merrill Lynch Board of Directors: Catholic Charities of the Archdiocese of New York
Ron Ongaro	Governance Subcommittee	Morgan Stanley Wealth Management Former Managing Director at Goldman Sachs
Ashi Parikh	Liquid Subcommittee	Formerly CEO and CIO of RidgeWorth Investments Board of Directors: PNC Funds (Independent Trustee), World Methodist Council Endowment Fund, Action Ministries

Q&A

Add any questions in the comment section