

MINUTES OF DECEMBER 4, 2013, TELEPHONIC COMMITTEE MEETING

(host location)
ALUMNI CENTER, UELNER EXECUTIVE BOARD ROOM
IOWA STATE UNIVERSITY
AMES, IOWA

Committee Members

Nicole Carroll

Milt Dakovich

Robert Downer (Chair)

Ruth Harkin

Larry McKibben

Katie Mulholland

Bruce Rastetter

Subhash Sahai

Hannah Walsh

Others

Mike Dudkowski, Wilshire Consulting

Chair Downer called the meeting to order at 1:25 p.m.

Minutes of August 8, 2013, Committee Meeting

- MOVED by CARROLL, SECONDED by MCKIBBEN, to approve the minutes of the October 24, 2013, Committee meeting. MOTION APPROVED UNANIMOUSLY.

Revision to the Board of Regents Policy Manual – Investment Policy

Chief Business Officer Patrice Sayre explained the proposed policy manual revision.

- MOVED by RASTETTER, SECONDED by SAHAI, to recommend that the Board approve, as a first and final reading, a revision to the Investment Policy, Chapter 7.04G(11) of the Board of Regents Policy Manual. MOTION APPROVED UNANIMOUSLY.

Investment and Cash Management Report for the Quarter Ended September 30, 2013

Mike Dudkowski from Wilshire Consulting provided highlights on investment performance for the institutions' operating, intermediate, and long-term endowment portfolios.

- The Committee received the report by GENERAL CONSENT.

Fund Manager Issues

Mike Dudkowski explained the fund manager search process. He then provided highlights on the candidates proposed in each of the three fund manager strategy areas.

- MOVED by MCKIBBEN, SECONDED by DAKOVICH, to recommend that the Board approve the following fund manager strategies:
 - ▶ Private Real Assets*
 - ◆ FLAG Capital Management – FLAG Energy & Resources Partners III, L.P.
 - ◆ Landmark Partners – Landmark Real Estate Fund VII
 - * Recommended commitment amount is \$18 million SUI; \$6 million ISU. Fund manager will draw capital over time.
 - ▶ Ex-US Real Estate Fund**
 - ◆ The Vanguard Group – Vanguard Global ex-U.S. Real Estate Index Fund
 - ▶ Ultra-Short Bond Funds**
 - ◆ Dimensional Fund Advisors – DFA 1-Year Fixed Income Fund
 - ◆ Federated Investors – Federated Ultra-Short Bond Fund
 - ◆ PIMCO – PIMCO Short-Term Bond Fund

** Investment size will be subject to asset allocation policy parameters.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Chair Downer adjourned the meeting at 1:55 p.m.

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934. Audio of the meeting is also available on the web site.
