

Contact: Andrea Anania

MINUTES OF JUNE 5, 2013, COMMITTEE MEETING

**IOWA MEMORIAL UNION, MAIN LOUNGE
UNIVERSITY OF IOWA
IOWA CITY, IOWA**

Committee Members

| | | |
|----------------|----------------------|---------------------------------|
| Nicole Carroll | Ruth Harkin (absent) | Bruce Rastetter (Interim Chair) |
| Milt Dakovich | Larry McKibben | Subhash Sahai |
| Robert Downer | Katie Mulholland | Hannah Walsh |

Others

Mike Dudkowski, Wilshire Consulting

Interim Chair Rastetter called the meeting to order at 10:53 a.m.

Minutes of April 24, 2013, Committee Meeting

- MOVED by DOWNER, SECONDED by WALSH, to approve the minutes of the April 24, 2013, Committee meeting. MOTION APPROVED UNANIMOUSLY.

Investment and Cash Management Report for the Quarter Ended March 31, 2013

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

Regent McKibben asked about the potential for rising interest rates and the impact on funds. Mr. Dudkowski said that Wilshire is currently working on a study which will be presented at the September meeting. One of the study's key areas of focus is fixed income and whether or not there is enough protection from rising interest rates. Mr. Dudkowski also explained how federal policy affects interest rates.

- The Committee received the report by GENERAL CONSENT.

Fund Manager Issues

Mike Dudkowski explained the proposal to add two non-U.S. equity investment managers and terminate one international equity fund manager and reallocate assets to the two new managers.

- MOVED by CARROLL, SECONDED by MCKIBBEN, to recommend that the Board approve the addition of the following non-U.S. equity investment managers, Arrowstreet Capital All World ex-U.S. and EARNEST Partners International Equity, within the endowment portfolios of the University of Iowa and Iowa State University, and terminate international equity fund manager GMO Foreign Fund and reallocate assets to the proposed new managers.

MOTION APPROVED UNANIMOUSLY.

Interim Chair Rastetter adjourned the meeting at 11:13 a.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.