

**Contact: Andrea Anania**

**MINUTES OF OCTOBER 28, 2010, COMMITTEE MEETING**

**Committee Members**

Jack Evans (Chair)  
Bonnie Campbell  
Robert Downer

Michael Gartner  
Ruth Harkin  
Greta Johnson

Craig Lang  
David Miles  
Rose Vasquez

Chair Evans called the meeting to order at 11:28 a.m.

**Minutes of August 5, 2010, Committee Meeting**

- MOVED by DOWNER, SECONDED by HARKIN, to approve the minutes from the August 5, 2010, Committee meeting as modified to reflect the correct start time, which was 9:13 a.m. rather than 11:25 a.m. Motion APPROVED unanimously.

**Investment and Cash Management Report for the Quarters Ended June 30, 2010, and September 30, 2010**

Chair Evans welcomed Mike Dudkowski from Wilshire, the Board's investment advisor. Mr. Dudkowski reviewed operating and endowment performance results for the past two quarters.

Chair Evans reported that he, President Miles, and Regent Downer attend various investment meetings with Wilshire Consulting and institutional representatives.

- The Committee received the reports by GENERAL CONSENT.

**State Audit Reports**

Chair Evans reported that he, Executive Director Bob Donley, Chief Business Officer Patrice Sayre and Internal Audit Director Todd Stewart met with Auditor of State David Vaudt and Deputy Auditor of State Andy Nielsen to discuss the reports presented this month.

With respect to the FY 2009 Reports of Recommendation, he said that: (1) no material findings were reported; (2) comments were reported, but none were considered significant; and (3) the State Auditor's Office would perform follow up.

- The Committee received the reports by GENERAL CONSENT.

**Internal Audit Reports Issued**

Internal Audit Director Todd Stewart highlighted the reports presented this month.

Director Stewart reported that the Internal Audit Department (IAD) is in the process of implementing an electronic workpaper system, which will allow the department to reduce the volume of paper used, enhance workflow between audit management and staff, and allow IAD to manage quality control processes to ensure compliance with audit policies and professional auditing standards. He said that his entire staff would attend training in November and then begin using the system.

Director Stewart discussed the status of SUI's OMB A-21 Allowable Direct Charges audit at Regent Downer's request and current internal audit staffing levels per Chair Evans' request.

- The Committee received the original and follow-up internal audit reports by GENERAL CONSENT.

**Annual Review of Brokerage Firms and Financial Institutions**

- MOVED by LANG, SECONDED by HARKIN, to recommend that the Board approve changes to the financial institutions as shown in the memorandum; no changes to brokerage firms were proposed. Motion APPROVED unanimously.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x		x		x	x	x	x	x
Nay									
Abstain		x		x					

MOTION APPROVED by ROLL CALL.

Chair Evans adjourned the meeting at 11:55 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.