

Contact: Andrea Anania

INVESTMENT AND CASH MANAGEMENT REPORT
FOR THE QUARTER ENDED MARCH 31, 2011

Recommended Action: Receive the report.

Executive Summary: The Regents institutions maintain two investment portfolios — operating and endowment/quasi-endowment.

Institutional Investment Portfolios
Market Value
(in thousands)
As of March 31, 2011, and March 31, 2010

	<u>Operating</u>		<u>Endowment/ Quasi-Endowment</u>	
	<u>Mar 2010</u>	<u>Mar 2011</u>	<u>Mar 2010</u>	<u>Mar 2011</u>
University of Iowa ¹	\$1,117,377	\$1,297,204	\$312,576 ²	\$360,024 ²
Iowa State University	425,734	497,897	136,051 ³	137,710 ³
University of Northern Iowa	145,199	152,266	-	-
Iowa School for the Deaf	2,667	2,329	-	-
Iowa Braille & Sight Saving School	378	1,149	-	-
Total	\$1,691,355	\$1,950,845	\$448,627	\$497,734

¹ Includes UIHC.

² Includes UNI.

³ Includes ISD and IBSSS.

As of March 31, 2011, the Regents combined operating and endowment portfolios totaled over \$2.4 billion.

OPERATING

The Merrill Lynch 1-3 year Government/Corporate Index rate for the quarter was 0.20%. All internal returns underperformed the benchmark, while all diversified pool returns significantly outperformed the benchmark.

ENDOWMENT

The combined endowment managers' returns for the quarter ended March 31, 2011, were 4.1% for SUI and 4.2% for ISU; the blended asset allocation benchmark was 3.6%. The SUI quasi-endowment returned 0.9% for the quarter; the benchmark was 0.4%.

Endowment and quasi-endowment fund manager performance overviews can be found in *Wilshire Consulting's Executive Summary of Investment Performance*.

Background and Analysis:

The Board:

- ◆ Delegates authority for monitoring institutional investment activities and recommending investment policy to its Investment Committee;
- ◆ Delegates management and oversight authority for investment activities to the vice presidents for finance at each institution; and
- ◆ Appoints the treasurers for each institution, who are delegated authority by the vice presidents for finance, to manage investment and treasury activities within the policies defined by the Board of Regents and by the individual institutions.

The Board's objective is to preserve principal, ensure liquidity sufficient for anticipated needs, and maintain purchasing power of investable assets while obtaining a reasonable return for a prudent level of risk. The institutions, and any designated investment advisor or investment manager, shall exercise the judgment and care which persons of prudence, discretion, and intelligence exercise in accordance with applicable state law.

The Board of Regents employs an investment advisor and money managers to guide its policy of active, diversified investment management. Wilshire Consulting has been the investment advisor to the Board and Regent institutions since May 1996. Wilshire assists with the evaluation of the Board's investment policies and provides quarterly endowment portfolio summary reports.

Below are the Board authorized fund managers (See pages 8-9 for values):

<u>MANAGER</u>	<u>TYPE</u>	<u>AUTHORIZED</u>
Adams Street Partners - 2010 Global Offering (Adams Street Partners)	Private Equity Fund Manager	March 2010
Chicago Equity Partners	Fixed Income Fund Manager	December 2010
Commonfund Capital International Partners VI, L.P. (CF Int'l Partners VI)	International Private Equity Manager	March 2007
Commonfund Capital Private Equity Partners VII, L.P. (CF Private Equity VII)	Domestic Private Equity Manager	March 2007
Commonfund Capital Venture Partners VIII, L.P. (CF Venture Capital VIII)	Primarily Domestic Venture Capital Manager	March 2007
Commonfund Capital Natural Resources Partners VIII, L.P. (CF NR Partners VIII)	Diversified Real Assets and Natural Resources Fund	September 2008
Delaware Investments	Small Cap Core Domestic Fund Manager	December 2008
Dodge & Cox (Income Fund)	Fixed Income Fund Manager	February 2004
Grantham, Mayo, Van Otterloo & Co. (GMO Foreign Fund)	International Equity Fund Manager	February 2004
NB Alternative Advisors (NB Crossroads XVIII)	Private Equity Fund Manager	November 2005
Landmark Partners (Landmark Equity Partners XIV, L.P.)	Private Equity Fund Manager	March 2010
Metropolitan Real Estate Partners Global III Fund (MREP Global III)	Real Estate Fund Manager	September 2009
Post Advisory High Yield (subsidiary of Iowa's Principal Financial Group)	High-Yield Bonds Fund Manager	November 2005
Principal Financial Group (Enhanced Property Fund)	Real Estate Fund Manager	November 2005
Reams Asset Management	Fixed Income Fund Manager SUI Quasi Endowment Institutional Endowments	July 2001 January 2002
State Street Global Advisors (SSGA ACWI ex-U.S. Index)	International Equity Index Fund Manager	April 2009
Vanguard Group (Institutional Index Fund)	Large Cap S&P 500 Index Fund	February 2008

OPERATING PORTFOLIOS

The primary goals for investment prudence of the operating portfolio include safety of principal, maintenance of liquidity to match expected liabilities, and a reasonable return. The operating portfolio is to be managed to ensure funds are available to support operational needs.

**Market Value
(in thousands)
As of March 31, 2011**

	<u>Restricted</u>	<u>Unrestricted</u>		<u>Total</u> ⁵
	<u>Internal</u> ^{1,2}	<u>Internal</u>	<u>Diversified Pool</u>	
SUI ³	\$156,560	\$199,671	\$940,973	\$1,297,204
ISU	109,044	287,593	101,260	497,897
UNI ⁴	44,391	82,388	25,487	152,266
ISD	12	2,317	N/I	2,329
IBSSS	N/I	1,149	N/I	1,149
Total	\$310,007	\$573,118	\$1,067,720	\$1,950,845

N/I = No investments of this type.

1. SUI has additional bond trustee balances of \$82.4 million with Wells Fargo, Des Moines.
2. ISU has additional bond trustee balances of \$5.9 million with Wells Fargo, Des Moines.
3. SUI has an additional investment account at Chicago Equity Partners with a balance of \$23.1 million for the Iowa Medical Mutual Insurance Company.
4. UNI invests in the SUI Diversified Pool.
5. See operating investment summary on the following page.

Total rate of return measures all income and market valuation changes in the portfolios during the period. Rates of return for the quarter are provided in the following table.

**Quarterly Rates of Return
For the Quarter Ended March 31, 2011**

	<u>Restricted</u>	<u>Unrestricted</u>		<u>Combined</u>
	<u>Internal</u>	<u>Internal</u>	<u>Diversified Pool</u>	
SUI	0.04%	0.10%	1.41%	1.15%
ISU	0.04%	0.10%	1.44%	0.45%
UNI	0.03%	0.05%	1.41%	0.37%
ISD	0.11%	0.11%	N/I	0.11%
IBSSS	N/I	0.10%	N/I	0.10%

N/I = No investments of this type.

The comparable industry standard rate of return for the quarter ended March 31, 2011, includes the Merrill Lynch 1-3 year Government/Corporate Index rate of 0.20%. All internal returns underperformed the benchmark, while all diversified pool returns significantly outperformed the benchmark.

Operating Investment Summary
Restricted and Unrestricted Internal, BlackRock, and Diversified Pool
(in thousands)
As of March 31, 2011

	<u>Market Value</u>	<u>Percent Market Value</u>
University of Iowa		
Diversified Pool	\$940,973	72.6%
Money Market / Cash Equivalents	286,449	22.1%
Agency Securities	25,139	1.9%
U.S. Obligations	<u>44,643</u>	<u>3.4%</u>
Total	\$1,297,204	100.0%
Iowa State University		
Diversified Pool	\$101,260	20.3%
Money Market / Cash Equivalents	110,892	22.3%
Agency Securities	198,684	39.9%
U.S. Obligations	<u>87,061</u>	<u>17.5%</u>
Total	\$497,897	100.0%
University of Northern Iowa		
Diversified Pool	\$25,487	16.7%
Money Market / Cash Equivalents	17,684	11.6%
Agency Securities	77,445	50.9%
U.S. Obligations	<u>31,650</u>	<u>20.8%</u>
Total	\$152,266	100.0%
Iowa School for the Deaf		
Money Market / Cash Equivalents	\$2,329	100.0%
Iowa Braille & Sight Saving School		
Money Market / Cash Equivalents	\$1,149	100.0%
Regent Composite		
Diversified Pool	\$1,067,720	54.7%
Money Market / Cash Equivalents	418,503	21.5%
Agency Securities	301,268	15.4%
U.S. Obligations	<u>163,354</u>	<u>8.4%</u>
Total	\$1,950,845	100.0%

ENDOWMENT PORTFOLIOS

Two primary endowment portfolios are maintained – the University of Iowa and Iowa State University. The University of Northern Iowa endowment portfolio is invested through the University of Iowa. The Iowa School for the Deaf and the Iowa Braille and Sight Saving School endowment portfolios are invested through Iowa State University.

The Board's investment policy defines endowment funds as primarily donor gifts and other funds received for specific purposes. The purpose of endowment funds is to provide: (1) intergenerational equity of income in perpetuity; and (2) a stable income sufficient to meet the reasonable spending needs of the component endowments by keeping pace with inflation and not degrading the real value of the corpus over time.

Endowment Asset Class Allocation Policy*
As of March 31, 2011

	<u>Target</u>	<u>Range</u>
Public Equity	50%	+/-5%
Fixed Income	30%	+/-5%
Real Assets	10%	+/-5%
Private Equity	<u>10%</u>	+5/-10%
	100%	

Endowment Manager Allocations*
As of March 31, 2011

<u>Asset Class</u>	<u>Target</u>	<u>Allowable Range</u>	<u>Benchmark</u>
<u>Public Equity</u>	<u>50%</u>	45-55%	<i>(Public equity is not measured on a combined basis)</i>
U.S. Equity	25%	20-30%	Wilshire 5000
Non U.S. Equity	25%	20-30%	MSCI EAFE (N)
<u>Fixed Income</u>	<u>30%</u>	25-35%	Barclays Aggregate <i>(formerly Lehman Aggregate)</i>
Core Fixed Income	25%	20-30%	Barclays Aggregate <i>(formerly Lehman Aggregate)</i>
High Yield Fixed Income	5%	0-10%	Merrill Lynch HY Master II
<u>Real Assets</u>	<u>10%</u>	5-15%	US CPI + 5% Annually
Public	0%	N/A	N/A
Private	10%	5-15%	NACREIF Property Index <i>(for private real estate)</i> US CPI + 5% Annually <i>(for other private real assets)</i>
<u>Private Equity</u>	<u>10%</u>	0-15%	Wilshire 5000

*Approved at the September 2008 meeting; revised at the December 2008 meeting.

**Endowment Allocations
Net of Fees
As of March 31, 2011**

MANAGER	University of Iowa			Iowa State University		
	Value (thousands)	Value (percent)	Fees (thousands)	Value (thousands)	Value (percent)	Fees (thousands)
Public Equity						
U.S. Equity						
Delaware Investments	\$17,889	6.4%	\$21	\$9,930	7.2%	\$13
Vanguard Group	<u>68,528</u>	<u>24.6%</u>	<u>12</u>	<u>38,279</u>	<u>27.8%</u>	<u>6</u>
Subtotal	\$86,417	31.0%	\$33	\$48,209	35.0%	\$19
Non U.S. Equity						
GMO Foreign Fund	\$37,586	13.5%	\$70	\$18,588	13.5%	\$33
SSGA ACWI	<u>42,778</u>	<u>15.4%</u>	<u>8</u>	<u>16,242</u>	<u>11.8%</u>	<u>5</u>
Subtotal	\$80,364	28.9%	\$78	\$34,830	25.3%	\$38
Fixed Income						
Chicago Equity Partners	\$37,562	13.5%	*	\$15,269	11.1%	*
Reams Asset Management	37,626	13.5%	\$23	17,170	12.5%	\$13
Post Advisory High Yield	<u>15,017</u>	<u>5.4%</u>	<u>22</u>	<u>9,277</u>	<u>6.7%</u>	<u>13</u>
Subtotal	\$90,205	32.4%	\$45	\$41,716	30.3%	\$26
Real Assets						
Principal Financial Group	\$12,068	4.3%	\$36	\$7,104	5.2%	\$20
CF NR Partners VIII	1,356	0.5%	*	904	0.7%	*
MREP Global III	<u>493</u>	<u>0.2%</u>	<u>*</u>	<u>296</u>	<u>0.2%</u>	<u>*</u>
Subtotal	\$13,917	5.0%	\$36	\$8,304	6.1%	\$20
Private Equity						
NB Crossroads XVIII	\$4,809	1.7%	*	\$3,006	2.2%	*
CF Int'l Partners VI	514	0.2%	*	343	0.2%	*
CF Private Equity VII	822	0.3%	*	548	0.4%	*
CF Venture Capital VIII	465	0.2%	*	279	0.2%	*
Landmark Equity Partners XIV	421	0.1%	*	249	0.1%	*
Adams Street – U.S. Fund	308	0.1%	*	182	0.1%	*
Adams Street – Non U.S. Fund	<u>75</u>	<u>0.1%</u>	<u>*</u>	<u>44</u>	<u>0.1%</u>	<u>*</u>
Subtotal	\$7,414	2.7%	*	\$4,651	3.3%	*
Total Fund	\$278,317	100.0%	\$192	\$137,710	100.0%	\$103

* No fees reported.

**Endowment Performance
Net of Fees
As of March 31, 2011**

	Assets	Net Returns	
	(thousands)	Quarter	One Year
SUI	\$278,317	4.1%	12.0%
ISU	137,710	4.2%	12.0%
Asset Allocation Benchmark*		3.6%	12.0%
SUI Quasi-Endowment	<u>81,707</u>	0.9%	5.7%
Fixed Income Benchmark**		0.4%	5.1%
Total	\$497,734		

* 35% Wilshire 5000; 25% MSCI EAFE (N); 25% Barclays Aggregate; 10% U.S. CPI + 5% Annually; 5% ML HY Master II.

** 100% Barclays Aggregate.

The quasi-endowment fund is 100% fixed income investments. There are no Board-established fund manager allocations target ranges for the quasi-endowment.

**University of Iowa Quasi-Endowment (100% Fixed Income)
As of March 31, 2011**

	Value (thousands)	Value (percent)	Fees (thousands)	Net Returns Quarter	Net Returns Year
Dodge & Cox	\$29,051	35.6%	\$33	1.3%	5.8%
Reams Asset Management	<u>52,656</u>	<u>64.4%</u>	<u>32</u>	0.7%	5.7%
Total Fund	\$81,707	100.0%	\$65		
Fixed Income Benchmark**				0.4%	5.1%

**100% Barclays Aggregate.

**Endowment / Quasi-Endowment Portfolios
Market Value - Accrual Basis
(in thousands)
As of March 31, 2011**

Portfolio Manager	Endowment Market Value	Quasi-Endowment Market Value	Total Market Value	Percent of Total
Reams Asset Management				
SUI	\$37,626	\$52,656	\$90,282	
ISU	<u>17,170</u>	<u>-</u>	<u>17,170</u>	
Total	\$54,796	\$52,656	\$107,452	21.6%
Vanguard Group				
SUI	\$68,528	-	\$68,528	
ISU	<u>38,279</u>	<u>-</u>	<u>38,279</u>	
Total	\$106,807	-	\$106,807	21.5%
SSGA ACWI				
SUI	\$42,778	-	\$42,778	
ISU	<u>16,242</u>	<u>-</u>	<u>16,242</u>	
Total	\$59,020	-	\$59,020	11.9%
GMO Foreign Fund				
SUI	\$37,586	-	\$37,586	
ISU	<u>18,588</u>	<u>-</u>	<u>18,588</u>	
Total	\$56,174	-	\$56,174	11.3%
Chicago Equity Partners				
SUI	\$37,562	-	\$37,562	
ISU	<u>15,269</u>	<u>-</u>	<u>15,269</u>	
Total	\$52,831	-	\$52,831	10.6%
Dodge & Cox				
SUI	-	\$29,051	\$29,051	
ISU	<u>-</u>	<u>-</u>	<u>-</u>	
Total	-	\$29,051	\$29,051	5.8%
Delaware Investments				
SUI	\$17,889	-	\$17,889	
ISU	<u>9,930</u>	<u>-</u>	<u>9,930</u>	
Total	\$27,819	-	\$27,819	5.6%
Post Advisory High Yield				
SUI	\$15,017	-	\$15,017	
ISU	<u>9,277</u>	<u>-</u>	<u>9,277</u>	
Total	\$24,294	-	\$24,294	4.9%
Principal Financial Group				
SUI	\$12,068	-	\$12,068	
ISU	<u>7,104</u>	<u>-</u>	<u>7,104</u>	
Total	\$19,172	-	\$19,172	3.9%

Portfolio Manager	Endowment Market Value	Quasi-Endowment Market Value	Total Market Value	Percent of Total
NB Crossroads XVIII				
SUI	\$4,809	-	\$4,809	
ISU	<u>3,006</u>	-	<u>3,006</u>	
Total	\$7,815	-	\$7,815	1.5%
CF NR Partners VIII				
SUI	\$1,356	-	\$1,356	
ISU	<u>904</u>	-	<u>904</u>	
Total	\$2,260	-	\$2,260	0.4%
CF Private Equity VII				
SUI	\$822	-	\$822	
ISU	<u>548</u>	-	<u>548</u>	
Total	\$1,370	-	\$1,370	0.3%
CF Int'l Partners VI				
SUI	\$514	-	\$514	
ISU	<u>343</u>	-	<u>343</u>	
Total	\$857	-	\$857	0.2%
MREP Global III				
SUI	\$493	-	\$493	
ISU	<u>296</u>	-	<u>296</u>	
Total	\$789	-	\$789	0.1%
CF Venture Capital VIII				
SUI	\$465	-	\$465	
ISU	<u>279</u>	-	<u>279</u>	
Total	\$744	-	\$744	0.1%
Landmark Equity Partners XIV				
SUI	\$421	-	\$421	
ISU	<u>249</u>	-	<u>249</u>	
Total	\$670	-	\$670	0.1%
Adams Street – U.S. Fund				
SUI	\$308	-	\$308	
ISU	<u>182</u>	-	<u>182</u>	
Total	\$490	-	\$490	0.1%
Adams Street – Non U.S. Fund				
SUI	\$75	-	\$75	
ISU	<u>44</u>	-	<u>44</u>	
Total	\$119	-	\$119	0.1%
TOTAL				
SUI	\$278,317	\$81,707	\$360,024	
ISU	<u>137,710</u>	<u>-</u>	<u>137,710</u>	
Total	\$416,027	\$81,707	\$497,734	100.0%

PRINCIPAL DEMUTUALIZATION FUNDS

In November 2001, the Board established an endowment with proceeds from the demutualization of Principal Mutual Holding Company for the benefit of employees and the institutions. The balances of the proceeds are reported on a quarterly basis.

**Market Value
(in thousands)
As of March 31, 2011**

University of Iowa	\$42,087
Iowa State University	23,518
University of Northern Iowa	6,717
Iowa School for the Deaf	293
Iowa Braille and Sight Saving School	171
Board Office	<u>46</u>
Total	\$72,832

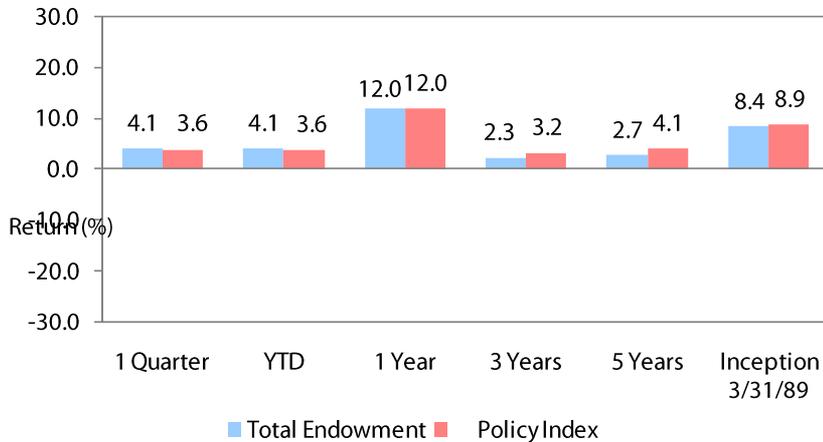


*Board of Regents, State of Iowa
Executive Summary of Investment Performance
As of March 31, 2011*

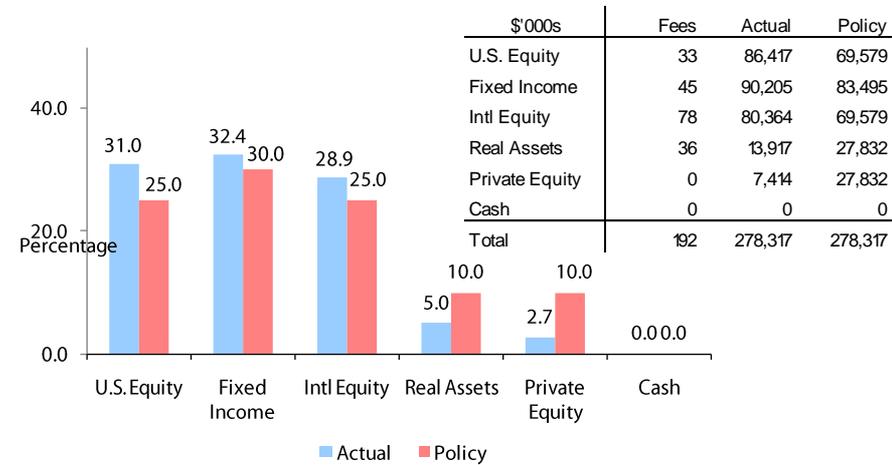
Total Endowment Fund Results University of Iowa



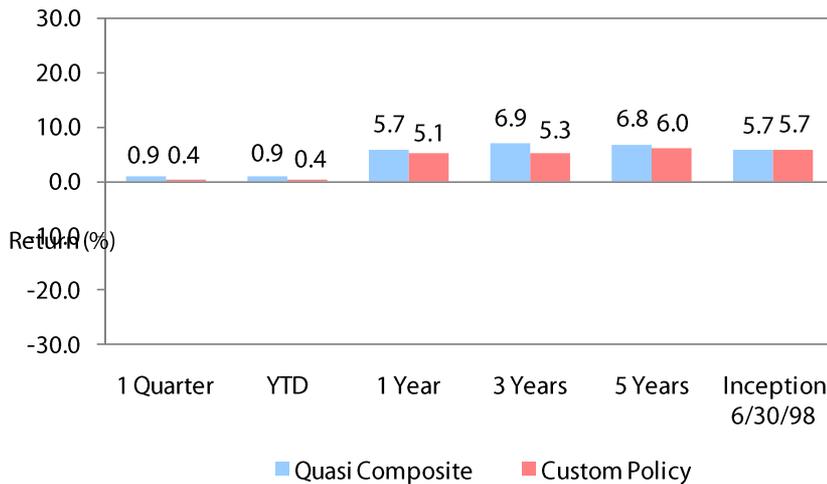
Investment Performance



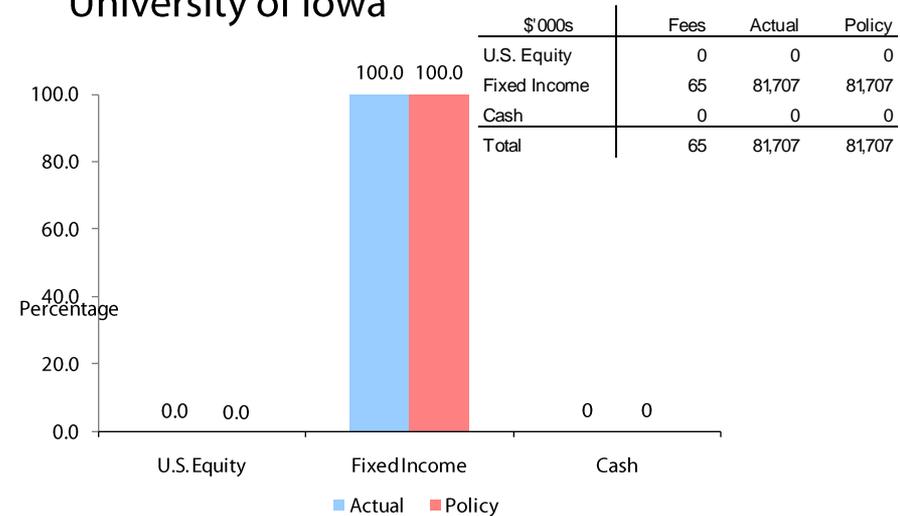
Asset Allocation vs. Policy



Total Quasi-Endowment Fund Results



University of Iowa



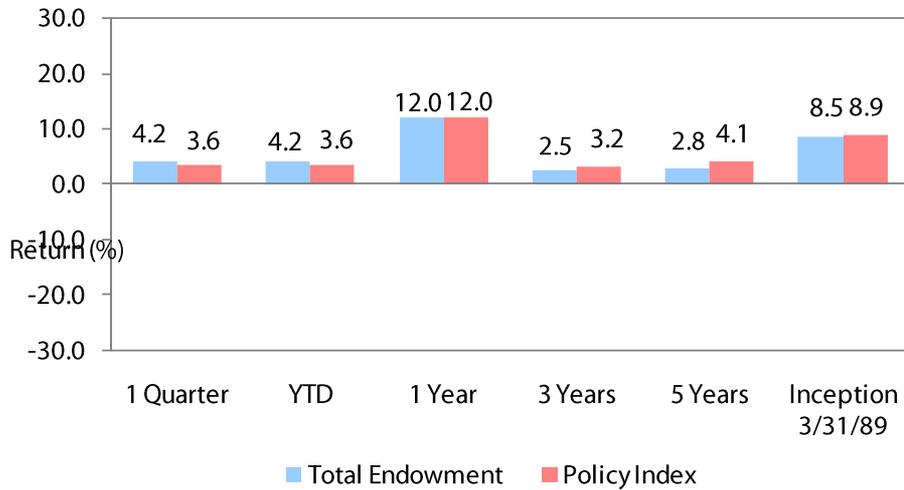
(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

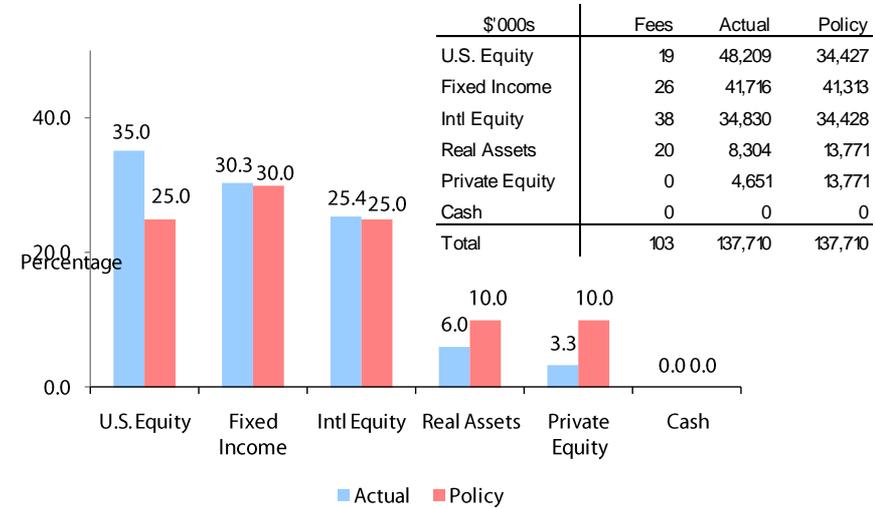
Total Endowment Fund Results Iowa State University



Investment Performance



Asset Allocation vs. Policy



	\$'000s	Fees	Actual	Policy
U.S. Equity	19	48,209	34,427	
Fixed Income	26	41,716	41,313	
Intl Equity	38	34,830	34,428	
Real Assets	20	8,304	13,771	
Private Equity	0	4,651	13,771	
Cash	0	0	0	
Total		103	137,710	137,710

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

Endowment Manager Performance Overview



University of Iowa

Inception	Asset Class / Manager	Assets (thousands)	Net Return 1 Quarter	Benchmark 1 Quarter	Variance (bps) 1 Quarter	Net Return 1 Year	Benchmark 1 Year	Variance (bps) 1 Year	Net Return 5 Years	Benchmark 5 Years	Variance (bps) 5 Years
Domestic Equity		\$86,417	6.3%	6.2%	14	17.5%	17.3%	20	1.4%	3.0%	-161
3/31/2008	Vanguard	\$68,528	5.9%	5.9%	-5	15.5%	15.6%	-17	--	--	--
3/31/2009	Delaware Investments	\$17,889	8.1%	7.9%	18	27.7%	25.8%	195	--	--	--
International Equity		\$80,364	3.5%	3.4%	16	10.7%	10.4%	25	1.1%	1.3%	-18
3/31/2004	GMO Foreign Fund	\$37,586	3.8%	3.4%	40	8.5%	10.4%	-196	0.2%	1.3%	-106
6/30/2009	SSGA ACWI ex-U.S. Index	\$42,778	3.3%	3.5%	-18	12.9%	13.6%	-76	--	--	--
Fixed Income		\$90,205	1.6%	0.4%	120	7.1%	5.1%	201	7.0%	6.0%	96
3/31/2011	Chicago Equity Partners Core Fixed	\$37,562	--	--	--	--	--	--	--	--	--
9/30/2002	Reams Asset Management	\$37,626	0.7%	0.4%	27	5.5%	5.1%	40	6.7%	6.0%	67
3/31/2006	Post Advisory	\$15,017	4.6%	3.9%	73	14.8%	14.2%	59	8.3%	9.0%	-75
Real Assets		\$13,917	3.1%	3.2%	-11	14.5%	7.9%	659	--	--	--
3/31/2006	Principal Group	\$12,068	2.6%	4.6%	-201	12.7%	13.1%	-40	-6.3%	3.5%	-984
9/30/2006	CF NR Partners VIII	\$1,356	4.9%	3.2%	168	28.2%	7.9%	2,033	--	--	--
3/31/2010	MREP Global III	\$493	12.5%	4.6%	790	--	--	--	--	--	--
Private Equity		\$7,414	18.8%	6.2%	1,259	17.1%	17.3%	-26	--	--	--
12/31/2006	NB Crossroads XVIII	\$4,809	22.8%	6.2%	1,660	30.5%	17.3%	1,322	--	--	--
3/31/2007	CF Int'l Partners VI	\$514	12.6%	6.2%	645	0.8%	17.3%	-1,648	--	--	--
3/31/2007	CF Private Equity VII	\$822	23.1%	6.2%	1,690	-0.8%	17.3%	-1,813	--	--	--
6/30/2007	CF Venture Capital VIII	\$465	11.7%	6.2%	547	-4.0%	17.3%	-2,134	--	--	--
3/31/2010	Landmark Equity Partners XIV	\$421	0.0%	6.2%	-618	-24.2%	17.3%	-4,153	--	--	--
6/30/2010	Adams Street 2010 U.S. Fund	\$308	2.8%	6.2%	-336	--	--	--	--	--	--
6/30/2010	Adams Street 2010 Non-U.S. Developed Fund	\$75	-1.5%	6.2%	-766	--	--	--	--	--	--
Total Endowment		\$278,317	4.1%	3.6%	49	12.0%	12.0%	2	2.7%	4.1%	-143

Iowa State University

Inception	Asset Class / Manager	Assets (thousands)	Net Return 1 Quarter	Benchmark 1 Quarter	Variance (bps) 1 Quarter	Net Return 1 Year	Benchmark 1 Year	Variance (bps) 1 Year	Net Return 5 Years	Benchmark 5 Years	Variance (bps) 5 Years
Domestic Equity		\$48,209	6.3%	6.2%	16	17.4%	17.3%	8	1.2%	3.0%	-183
3/31/2008	Vanguard	\$38,279	5.9%	5.9%	-3	15.5%	15.6%	-16	--	--	--
3/31/2009	Delaware Investments	\$9,930	8.1%	7.93%	19	27.8%	25.8%	200	--	--	--
International Equity		\$34,830	3.5%	3.4%	16	10.8%	10.4%	38	1.1%	1.3%	-17
3/31/2004	GMO Foreign Fund	\$18,588	3.8%	3.4%	40	8.5%	10.4%	-196	0.2%	1.3%	-108
6/30/2009	SSGA ACWI ex-U.S. Index	\$16,242	3.3%	3.5%	-18	12.9%	13.6%	-75	--	--	--
Fixed Income		\$41,716	1.8%	0.4%	142	7.7%	5.1%	260	7.3%	6.0%	124
3/31/2011	Chicago Equity Partners Core Fixed	\$15,269	--	--	--	--	--	--	--	--	--
9/30/2002	Reams Asset Management	\$17,170	0.7%	0.4%	27	5.9%	5.1%	73	7.1%	6.0%	105
3/31/2006	Post Advisory	\$9,277	4.8%	3.9%	89	14.8%	14.2%	61	8.3%	9.0%	-71
Real Assets		\$8,304	3.1%	3.2%	-8	14.5%	7.9%	659	--	--	--
3/31/2006	Principal Group	\$7,104	2.6%	4.6%	-201	12.6%	13.1%	-50	-6.4%	3.5%	-986
9/30/2006	CF NR Partners VIII	\$904	4.9%	3.2%	168	28.2%	7.9%	2,033	--	--	--
3/31/2010	MREP Global III	\$296	12.5%	4.6%	790	--	--	--	--	--	--
Private Equity		\$4,651	18.9%	6.2%	1,273	17.1%	17.3%	-19	--	--	--
12/31/2006	NB Crossroads XVIII	\$3,006	22.8%	6.2%	1,660	30.5%	17.3%	1,322	--	--	--
3/31/2007	CF Int'l Partners VI	\$343	12.6%	6.2%	645	0.8%	17.3%	-1,648	--	--	--
3/31/2007	CF Private Equity VII	\$548	23.1%	6.2%	1,693	-0.8%	17.3%	-1,814	--	--	--
6/30/2007	CF Venture Capital VIII	\$279	11.7%	6.2%	547	-4.1%	17.3%	-2,143	--	--	--
3/31/2010	Landmark Equity Partners XIV	\$249	0.0%	6.2%	-618	-24.2%	17.3%	-4,153	--	--	--
6/30/2010	Adams Street 2010 U.S. Fund	\$182	2.8%	6.2%	-336	--	--	--	--	--	--
6/30/2010	Adams Street 2010 Non-U.S. Developed Fund	\$44	-1.5%	6.2%	-767	--	--	--	--	--	--
Total Endowment		\$137,710	4.2%	3.6%	54	12.0%	12.0%	0	2.8%	4.1%	-136

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

University of Iowa Operating Account



	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	YTD %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Investment Fee \$'000
University of Iowa Diversified Pool Composite^{1,3} <i>Policy Index</i>	(3/31/09)	966,461	100.0%	1.4 1.5	1.4 1.5	5.7 6.1	-- --	-- --	10.0 10.4	143
Blackrock Money Market <i>91 Day T-Bill</i>	(3/31/10)	146,830	15.2%	0.0 0.1	0.0 0.1	0.2 0.2	-- --	-- --	0.2 0.1	0
Diversified Pool Money Market <i>91 Day T-Bill</i>	(3/31/10)	140,223	14.5%	0.1 0.1	0.1 0.1	0.2 0.2	-- --	-- --	0.2 0.1	0
Vanguard Prime Money Market Fund Inst. <i>91 Day T-Bill</i>	(3/31/09)	98,850	10.2%	0.1 0.1	0.1 0.1	0.2 0.2	-- --	-- --	0.3 0.2	32
University of Iowa Diversified Pool Composite Ex Cash² <i>Policy Index</i>	(3/31/09)	580,558	60.1%	2.4 2.4	2.4 2.4	9.8 10.2	-- --	-- --	16.8 17.6	111
Vanguard Total Stock Market Index <i>MSCI US Broad Market Index</i>	(3/31/09)	77,610	8.0%	6.4 6.4	6.4 6.4	17.6 17.6	-- --	-- --	34.1 34.1	12
Vanguard FTSE All World Ex US Index <i>FTSE All World Ex US Index</i>	(3/31/09)	19,685	2.0%	3.2 3.5	3.2 3.5	13.5 13.8	-- --	-- --	35.3 35.8	7
Vanguard REIT Index Fund Inst. <i>MSCI U.S. REIT Index</i>	(3/31/09)	49,363	5.1%	6.6 6.5	6.6 6.5	24.4 24.3	-- --	-- --	61.7 61.7	12
Vanguard Total Bond Market Index <i>Barclays U.S. Aggregate Bond Index</i>	(3/31/09)	288,377	30.0%	0.3 0.4	0.3 0.4	5.1 5.1	-- --	-- --	6.3 6.4	36
Vanguard High Yield Corp Fund Adm. <i>Barclays High Yield Index</i>	(3/31/09)	48,495	5.0%	3.6 3.9	3.6 3.9	12.5 14.3	-- --	-- --	24.5 33.6	22
Vanguard Inflation-Protected Sec Inst. <i>Barclays U.S. TIPS Index</i>	(3/31/09)	97,028	10.0%	1.9 2.1	1.9 2.1	7.9 7.9	-- --	-- --	6.8 7.0	22

¹UNI invests in the SUI diversified pool.

²University of Iowa Diversified Pool Composite Ex Cash excludes the three following cash accounts: BlackRock Money Market, Diversified Pool Money Market, & Vanguard Prime Money Market Fund Inst.

³Assets were liquidated from BlackRock Short Duration during Q1 2011 and transferred to the Diversified Pool Composite

	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	YTD %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Qtr. Inv. Fee \$'000
University of Iowa Quasi Composite <i>Custom Policy</i>	(6/30/98)	81,707	100.0%	0.9 0.4	0.9 0.4	5.7 5.1	6.9 5.3	6.8 6.0	5.7 5.7	65
Dodge & Cox Income Fund Quasi <i>Barclays U.S. Aggregate Bond Index</i>	(3/31/04)	29,051	35.6%	1.3 0.4	1.3 0.4	5.8 5.1	7.5 5.3	6.6 6.0	5.2 4.8	33
Reams Asset Management Core Quasi <i>Barclays U.S. Aggregate Bond Index</i>	(9/30/01)	52,656	64.4%	0.7 0.4	0.7 0.4	5.7 5.1	6.2 5.3	6.9 6.0	5.5 5.3	32

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

*Please see page 13 for policy specifications.

Iowa State Operating Account



	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	YTD %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Investment Fee \$'000
Iowa State University Diversified Pool Composite <i>Policy Index</i>	(12/31/09)	91,140	100.0%	1.6 1.5	1.6 1.5	6.3 6.1	-- --	-- --	6.5 6.4	14
Diversified Cash <i>T-Bill</i>	(12/31/09)	30,011	32.9%	0.1 0.1	0.1 0.1	0.5 0.2	-- --	-- --	0.4 0.1	0
Iowa State University Diversified Pool Composite Ex Cash¹ <i>Policy Index</i>	(12/31/09)	61,129	67.1%	2.3 2.4	2.3 2.4	9.8 10.2	-- --	-- --	10.4 10.7	14
Vanguard Total Stock Market Index <i>MSCI US Broad Market Index</i>	(12/31/09)	8,439	9.3%	6.4 6.4	6.4 6.4	17.6 17.6	-- --	-- --	19.3 19.4	1
Vanguard FTSE All World Ex US Index <i>FTSE All World Ex US Index</i>	(12/31/09)	2,056	2.3%	3.2 3.5	3.2 3.5	13.2 13.8	-- --	-- --	12.1 12.3	2
Vanguard REIT Index Fund Inst. <i>MSCI U.S. REIT Index</i>	(12/31/09)	5,297	5.8%	6.6 6.5	6.6 6.5	24.4 24.3	-- --	-- --	28.6 28.5	2
Vanguard Total Bond Market Index <i>Barclays Aggregate Index</i>	(12/31/09)	30,033	33.0%	0.3 0.4	0.3 0.4	5.1 5.1	-- --	-- --	5.5 5.6	5
Vanguard High Yield Corp Fund Adm. <i>Barclays High Yield Index</i>	(12/31/09)	5,143	5.6%	3.6 3.9	3.6 3.9	12.5 14.3	-- --	-- --	13.1 15.4	2
Vanguard Infla-Protected Sec Inst. <i>Barclays U.S. TIPS Index</i>	(12/31/09)	10,161	11.1%	1.9 2.1	1.9 2.1	7.9 7.9	-- --	-- --	6.6 6.8	2

¹Iowa State University Diversified Pool Composite Ex Cash excludes the following cash account: Diversified Cash

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

*Please see page 13 for policy specifications.

Total Endowment Fund Results



	Inception Date	Mkt. Value \$'000	Comp %	QTR %	YTD %	1 Year %	3 Years %	5 Years %	Inception %	Qtr. Inv. Fee \$'000
University of Iowa Total Endowment	(3/31/89)	278,317	100.0%	4.1	4.1	12.0	2.3	2.7	8.4	192
Iowa State University Total Endowment	(3/31/89)	137,710	100.0%	4.2	4.2	12.0	2.5	2.8	8.5	103
<i>Policy Index</i>				3.6	3.6	12.0	3.2	4.1	8.9	
University of Iowa Domestic Equity Composite	(3/31/89)	86,417	31.0%	6.3	6.3	17.5	2.8	1.4	9.2	33
Iowa State University Domestic Equity Composite	(3/31/89)	48,209	35.0%	6.3	6.3	17.4	2.8	1.2	9.0	19
<i>Wilshire 5000</i>				6.2	6.2	17.3	3.5	3.0	9.5	
University of Iowa: Vanguard Group (Institutional Index Fund) ¹	(3/31/08)	68,528	24.6%	5.9	5.9	15.5	2.4	--	2.4	12
Iowa State University: Vanguard Group (Institutional Index Fund) ¹	(3/31/08)	38,279	27.8%	5.9	5.9	15.5	2.4	--	2.4	6
<i>S&P 500 Index</i>				5.9	5.9	15.6	2.4	--	2.4	
University of Iowa: Delaware Investments	(3/31/09)	17,889	6.4%	8.1	8.1	27.7	--	--	41.9	21
Iowa State University: Delaware Investments	(3/31/09)	9,930	7.2%	8.1	8.1	27.8	--	--	42.0	13
<i>Russell 2000 Index</i>				7.9	7.9	25.8	--	--	43.1	
University of Iowa International Equity Composite	(9/30/94)	80,364	28.9%	3.5	3.5	10.7	-2.9	1.1	5.8	78
Iowa State University International Equity Composite	(9/30/94)	34,830	25.3%	3.5	3.5	10.8	-2.8	1.1	5.6	38
<i>MSCI EAFE (N) Index</i>				3.4	3.4	10.4	-3.0	1.3	5.1	
University of Iowa: GMO Foreign Fund	(3/31/04)	37,586	13.5%	3.8	3.8	8.5	-4.3	0.2	5.7	70
Iowa State University: GMO Foreign Fund	(3/31/04)	18,588	13.5%	3.8	3.8	8.5	-4.3	0.2	5.7	33
<i>MSCI EAFE (N) Index</i>				3.4	3.4	10.4	-3.0	1.3	6.2	
University of Iowa: SSGA ACWI ex-U.S. Index	(6/30/09)	42,778	15.4%	3.3	3.3	12.9	--	--	22.2	8
Iowa State University: SSGA ACWI ex-U.S. Index	(6/30/09)	16,242	11.8%	3.3	3.3	12.9	--	--	22.2	5
<i>MSCI ACWI Ex. U.S. (G) Index</i>				3.5	3.5	13.6	--	--	23.0	
University of Iowa Fixed Income Composite	(3/31/89)	90,205	32.4%	1.6	1.6	7.1	7.7	7.0	7.4	45
Iowa State University Fixed Income Composite	(3/31/89)	41,716	30.3%	1.8	1.8	7.7	8.1	7.3	7.0	26
<i>Custom Policy</i>				0.4	0.4	5.1	5.3	6.0	7.3	
University of Iowa: Chicago Equity Partners Core Fixed ²	(3/31/11)	37,562	13.5%	--	--	--	--	--	--	0
Iowa State University: Chicago Equity Partners Core Fixed ²	(3/31/11)	15,269	11.1%	--	--	--	--	--	--	0
<i>Barclays U.S. Aggregate Bond Index</i>				--	--	--	--	--	--	
University of Iowa: Reams Asset Management	(9/30/02)	37,626	13.5%	0.7	0.7	5.5	6.0	6.7	5.3	23
Iowa State University: Reams Asset Management	(9/30/02)	17,170	12.5%	0.7	0.7	5.9	6.6	7.1	5.6	13
<i>Barclays U.S. Aggregate Bond Index</i>				0.4	0.4	5.1	5.3	6.0	4.9	
University of Iowa: Post Advisory High Yield	(3/31/06)	15,017	5.4%	4.6	4.6	14.8	11.4	8.3	8.3	22
Iowa State University: Post Advisory High Yield	(3/31/06)	9,277	6.7%	4.8	4.8	14.8	11.4	8.3	8.3	13
<i>Merrill Lynch High Yield Master II Index</i>				3.9	3.9	14.2	12.7	9.0	9.0	

¹Assets were liquidated from Lotsoff Capital during Q4 2010 and Q1 2011 and transferred to Vanguard Group Institutional Index Fund

²Assets were liquidated from Dodge & Cox Income Fund during Q1 2011 and transferred to Chicago Equity Partners Core Fixed

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

*Please see page 13 for policy specifications.

Total Endowment Fund Results



	Inception Date	Mkt. Value \$'000	Comp %	QTR %	YTD %	1 Year %	3 Years %	5 Years %	Inception %	Qtr. Inv. Fee \$'000
University of Iowa Real Assets Composite	(3/31/06)	13,917	5.0%	3.1	3.1	14.5	-17.9	-5.7	-5.7	36
Iowa State University Real Assets Composite	(3/31/06)	8,304	6.1%	3.1	3.1	14.4	-18.0	-5.7	-5.7	20
<i>Policy Index</i>				<i>3.2</i>	<i>3.2</i>	<i>7.9</i>	<i>-0.7</i>	<i>5.8</i>	<i>5.8</i>	
University of Iowa: Principal Group ¹ (Enhanced Property Fund)	(3/31/06)	12,068	4.3%	2.6	2.6	12.7	-18.9	-6.3	-6.3	36
Iowa State University: Principal Group ¹ (Enhanced Property Fund)	(3/31/06)	7,104	5.2%	2.6	2.6	12.6	-18.9	-6.4	-6.4	20
<i>NCREIF Property Index Lagged</i>				<i>4.6</i>	<i>4.6</i>	<i>13.1</i>	<i>-4.2</i>	<i>3.5</i>	<i>3.5</i>	
University of Iowa: CF NR Partners VIII ²	(9/30/08)	1,356	0.5%	4.9	4.9	28.2	--	--	17.1	--
Iowa State University: CF NR Partners VIII ²	(9/30/08)	904	0.7%	4.9	4.9	28.2	--	--	17.1	--
<i>U.S. CPI +5%</i>				<i>3.2</i>	<i>3.2</i>	<i>7.9</i>	<i>--</i>	<i>--</i>	<i>6.0</i>	
University of Iowa: MREP Global III	(3/31/10)	493	0.2%	12.5	12.5	-27.5	--	--	-27.5	--
Iowa State University: MREP Global III	(3/31/10)	296	0.2%	12.5	12.5	-27.5	--	--	-27.5	--
<i>NCREIF Property Index Lagged</i>				<i>4.6</i>	<i>4.6</i>	<i>13.1</i>	<i>--</i>	<i>--</i>	<i>13.1</i>	
University of Iowa Private Equity Composite²	(12/31/06)	7,414	2.7%	18.8	18.8	17.1	1.4	--	1.2	0
Iowa State University Private Equity Composite²	(12/31/06)	4,651	3.3%	18.9	18.9	17.1	1.4	--	1.2	0
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>3.5</i>	<i>--</i>	<i>1.3</i>	
University of Iowa: NB Crossroads XVIII ²	(12/31/06)	4,809	1.7%	22.8	22.8	30.5	4.8	--	4.6	0
Iowa State University: NB Crossroads XVIII ²	(12/31/06)	3,006	2.2%	22.8	22.8	30.5	4.8	--	4.6	0
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>3.5</i>	<i>--</i>	<i>1.3</i>	
University of Iowa: CF Int'l Partners VI ²	(3/31/07)	514	0.2%	12.6	12.6	0.8	0.0	--	-19.7	--
Iowa State University: CF Int'l Partners VI ²	(3/31/07)	343	0.2%	12.6	12.6	0.8	0.0	--	-19.7	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>3.5</i>	<i>--</i>	<i>1.1</i>	
University of Iowa: CF Private Equity VII ²	(3/31/07)	822	0.3%	23.1	23.1	-0.8	3.3	--	-48.1	--
Iowa State University: CF Private Equity VII ²	(3/31/07)	548	0.4%	23.1	23.1	-0.8	3.3	--	-48.1	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>3.5</i>	<i>--</i>	<i>1.1</i>	
University of Iowa: CF Venture Capital VIII ²	(6/30/07)	465	0.2%	11.7	11.7	-4.0	15.2	--	-34.9	--
Iowa State University: CF Venture Capital VIII ²	(6/30/07)	279	0.2%	11.7	11.7	-4.1	15.2	--	-34.9	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>3.5</i>	<i>--</i>	<i>-0.4</i>	
University of Iowa: Landmark Equity Partners XIV	(3/31/10)	421	0.1%	0.0	0.0	-24.2	--	--	-24.2	--
Iowa State University: Landmark Equity Partners XIV	(3/31/10)	249	0.1%	0.0	0.0	-24.2	--	--	-24.2	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>17.3</i>	<i>--</i>	<i>--</i>	<i>17.3</i>	
University of Iowa: Adams Street 2010 U.S. Fund ²	(6/30/10)	308	0.1%	2.8	2.8	--	--	--	13.0	--
Iowa State University: Adams Street 2010 U.S. Fund ²	(6/30/10)	182	0.1%	2.8	2.8	--	--	--	13.0	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>32.1</i>	
University of Iowa: Adams Street 2010 Non-U.S. Developed Fund. ²	(6/30/10)	75	0.1%	-1.5	-1.5	--	--	--	-30.0	--
Iowa State University: Adams Street 2010 Non-U.S. Developed Fund	(6/30/10)	44	0.1%	-1.5	-1.5	--	--	--	-30.0	--
<i>Wilshire 5000</i>				<i>6.2</i>	<i>6.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>32.1</i>	

¹Principal Enhanced Property Fund & NCREIF Property Index is lagged one quarter

²For reporting purposes, valuations of investments are shown on a quarter lag, but include current quarter cash flows

(Periods Ending March 31, 2011)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

*Please see page 13 for policy specifications.

Manager Overview



Vanguard Group (Institutional Index Fund)

- **Style:** Large Capitalization U.S. Core Equity
- **Construction Process:** Replication
- **Investment Philosophy:** Passive Index
- **Selection Method:** Quantitative Valuation

Delaware Investments

- **Style:** Small Capitalization U.S. Core Equity
- **Construction Process:** Optimization
- **Investment Philosophy:** Active- Bottom Up
- **Selection Method:** Quantitative & Qualitative Valuation

Chicago Equity Partners Core Fixed

- **Style:** Market Core Fixed Income
- **Construction Process:** Fundamental, Adheres to Strict Disciplined Risk Management Process
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative & Qualitative Valuation, Relative value analysis

Reams Asset Management

- **Style:** Market Core Fixed Income
- **Construction Process:** Conviction Weighted based upon fundamental analysis
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Relative value analysis on credit and mortgage securities

Dodge & Cox (Income Fund)

- **Style:** Market Core Fixed Income
- **Construction Process:** Fundamental, Favors securities with yield greater than the market
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative & Qualitative Valuation, Relative value analysis

Post Advisory High Yield

- **Style:** High Yield Fixed Income
- **Construction Process:** Conviction Weighted based upon fundamental credit analysis
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Scoring Model Based on Quantitative & Qualitative Inputs

GMO Foreign Fund

- **Style:** International Value Non-U.S. Equity
- **Construction Process:** Valuation measures with optimization focus
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Fundamental Earnings Forecast, Proprietary Dividend Discount Model

SSGA ACWI ex-U.S. Index Fund

- **Style:** International Core Non-U.S. Equity
- **Construction Process:** Replication
- **Investment Philosophy:** Passive Index
- **Selection Method:** Quantitative Valuation

Manager Overview



Principal Group (Enhanced Property Fund)

- **Style:** Open-End Private Real Estate Fund
- **Investment Philosophy:** Primarily Core Real Estate but strategically utilizes value-added real estate, development projects, and forward commitments.
- **Selection Method:** Quantitative & Qualitative Valuation
- **Fund Size:** \$1.5 Billion

CF NR Partners VIII

- **Style:** Real Asset Fund of Funds
- **Asset Allocation:** 40% Oil & Gas PE, 19% Oilfield Serv., 14% Oil Infrastructure, 10% Oil & Gas Acquisition., 10% Clean energy, 7% Other
- **Fund Size:** \$0.8 Billion

NB Crossroads XVIII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 20-30% Venture Capital, 45-65% Buyouts, 15-25% Distressed Securities, <20% Secondary & Direct Co-Investments
- **Fund Size:** \$1.0 Billion +

CF Int'l Partners VI

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% Int'l Buyout
- **Fund Size:** \$0.5 Billion - \$0.75 Billion

CF Private Equity VII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% U.S. Buyout
- **Fund Size:** \$0.75 Billion - \$1 Billion

CF Venture Capital VIII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% Venture Capital
- **Fund Size:** \$0.5 Billion – \$0.65 Billion

MREP Global III

- **Style:** Real Estate Fund of Funds
- **Selection Method:** Value-Added and Opportunistic Strategies
- **Fund Size:** \$0.2 Billion

Landmark Equity Partners XIV

- **Style:** Private Equity Secondary Investments
- **Selection Method:** Top-Down & Bottom-Up Valuation
- **Fund Size:** \$2.0 billion.

Adams Street 2010 U.S. Fund & Non-U.S. Developed Fund

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** Broadly Diversified Venture Capital & Buyouts
- **Geographic Diversification %:** 50-55% U.S., 30-35% Non-U.S. Developed Markets, 10-15% Non-U.S. Emerging Markets
- **Fund Size:** \$5.0 billion.

Quarterly Active Manager Attribution



Delaware Investments

- Delaware Small Core posted a +8.11% return for the quarter, outperforming the Russell 2000 Index by ~0.18%.
- Strong stock selection combined with an overweight to the Financial sector added ~ 50 bps to the portfolio during the first quarter.
- Strong stock selection combined with an underweight to the Energy sector added ~ 35 bps to the portfolio during the quarter.
- Poor stock selection within the Consumer Staple sector detracted value from the portfolio during the quarter.

GMO Foreign Fund

- The GMO Foreign fund posted a +3.76% return for the quarter, outperforming the MSCI EAFE Index by ~0.50%.
- An overweight position combined with strong stock selection within the Italian markets added ~50 bps and ~20 bps respectively during the first quarter.
- A slight underweight position to Japan added value to the portfolio despite the devastating earthquake / tsunami and subsequent nuclear disaster in the country on March 11.
- The largest negative detractor of relative performance was an underweight exposure to Spain.

Reams Asset Management

- Reams Core Fixed Income posted a +0.69% return for the quarter, outperforming the Barclays Aggregate by ~0.27%.
- An overweight combined with strong security selection within the ABS sector added value to the portfolio. The holdings in this sector focused on auto finance backed by solid collateral.
- An overweight to the corporate sector, specifically financial issuers, also added value as spreads widened briefly as a result of court specific litigation.

Post Advisory

- The Post High Yield Fund posted a +4.63%, outperforming the Merrill Lynch High Yield II Total Return by ~0.73%.
- Strong security selection within the healthcare sector added value to the portfolio during the quarter, as Angiotech Pharmaceutical and Axcan both posted double digit returns.
- Strong security selection within the industrial sector also added value as both Terremark Worldwide and CNG Holdings Inc. surged ahead during first quarter.

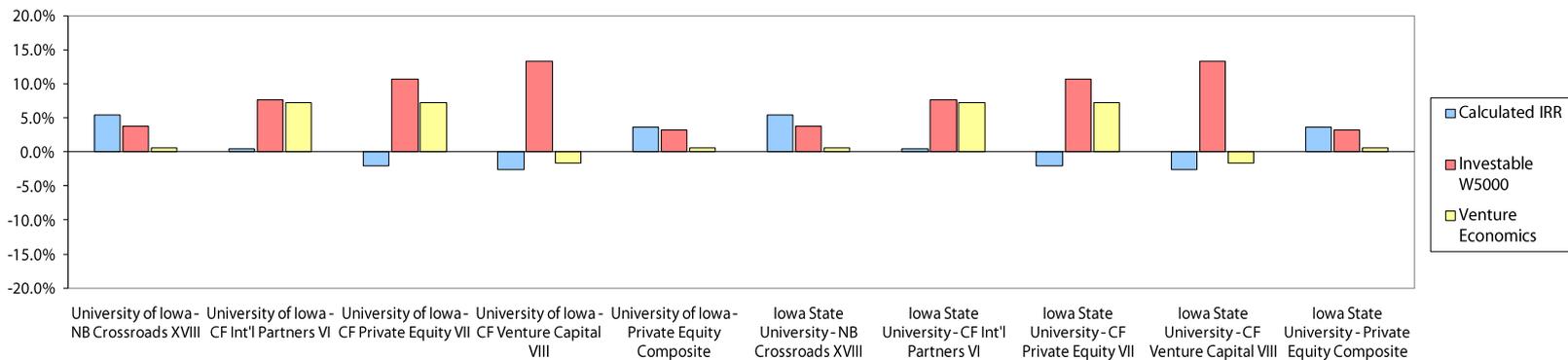
Private Equity Analysis



Fund	Inception	Total Commitment	Capital Called		Distributions*	Investment Gain/Loss	Market Value	Performance			
								Calculated IRR	Investable W5000	Venture Economics	
University of Iowa - NB Crossroads XVIII	4q2006	6,000,000	4,500,000	75%	428,290	737,478	4,809,188	5.4%	3.7%	0.6%	1
University of Iowa - CF Int'l Partners VI	2q2007	1,200,000	510,000	43%	220	4,440	514,220	0.5%	7.7%	7.3%	2
University of Iowa - CF Private Equity VII	2q2007	2,400,000	848,400	35%	159	-25,793	822,448	-2.1%	10.8%	7.3%	3
University of Iowa - CF Venture Capital VIII	3q2007	1,000,000	482,500	48%	0	-17,918	464,582	-2.7%	13.4%	-1.7%	4
University of Iowa - Landmark Equity Partners XIV	2q2010	4,400,000	650,435	15%	99,489	-129,501	421,445	-31.1%	--	--	
University of Iowa - Adams Street 2010 U.S. Fund	3q2010	2,440,000	283,040	12%	0	24,826	307,866	17.0%	--	--	
University of Iowa - Adams Street 2010 Non-U.S. Developed Fund	3q2010	1,470,000	82,810	4%	0	-7,914	74,896	-25.2%	--	--	
University of Iowa - Adams Street 2010 Non-U.S. Emerging Markets Fund	1q2011	490,000	--	--	--	--	--	--	--	--	
University of Iowa - Private Equity Composite	4q2006	19,400,000	7,357,185	38%	528,158	585,618	7,414,645	3.6%	3.2%	0.6%	5

Fund	Inception	Total Commitment	Capital Called		Distributions*	Investment Gain/Loss	Market Value	Performance			
								Calculated IRR	Investable W5000	Venture Economics	
Iowa State University - NB Crossroads XVIII	4q2006	3,750,000	2,812,500	75%	267,681	460,924	3,005,743	5.4%	3.7%	0.6%	1
Iowa State University - CF Int'l Partners VI	2q2007	800,000	340,000	43%	148	2,965	342,817	0.5%	7.7%	7.3%	2
Iowa State University - CF Private Equity VII	2q2007	1,600,000	565,600	35%	107	-17,198	548,295	-2.1%	10.8%	7.3%	3
Iowa State University - CF Venture Capital VIII	3q2007	600,000	289,500	48%	0	-10,751	278,749	-2.7%	13.4%	-1.7%	4
Iowa State University - Landmark Equity Partners XIV	2q2010	2,600,000	384,349	15%	58,789	-76,524	249,036	-31.1%	--	--	
Iowa State University - Adams Street 2010 U.S. Fund	3q2010	1,442,000	167,272	12%	0	14,672	181,944	17.0%	--	--	
Iowa State University - Adams Street 2010 Non-U.S. Developed Fund	3q2010	869,000	48,947	4%	0	-4,115	44,267	-25.2%	--	--	
Iowa State University - Adams Street 2010 Non-U.S. Emerging Markets Fund	1q2011	289,000	--	--	--	--	--	--	--	--	
Iowa State University - Private Equity Composite	4q2006	11,950,000	4,608,168	39%	326,725	369,408	4,650,851	3.6%	3.2%	0.6%	5

- (1) Venture Economics – Median return of all private equity funds with vintage year 2006
- (2) Venture Economics – Median return of all buyout funds with vintage year 2007
- (3) Venture Economics – Median return of all buyout funds with vintage year 2007
- (4) Venture Economics – Median return of all venture capital funds with vintage year 2007
- (5) Venture Economics – Median return of all private equity funds with vintage year 2006

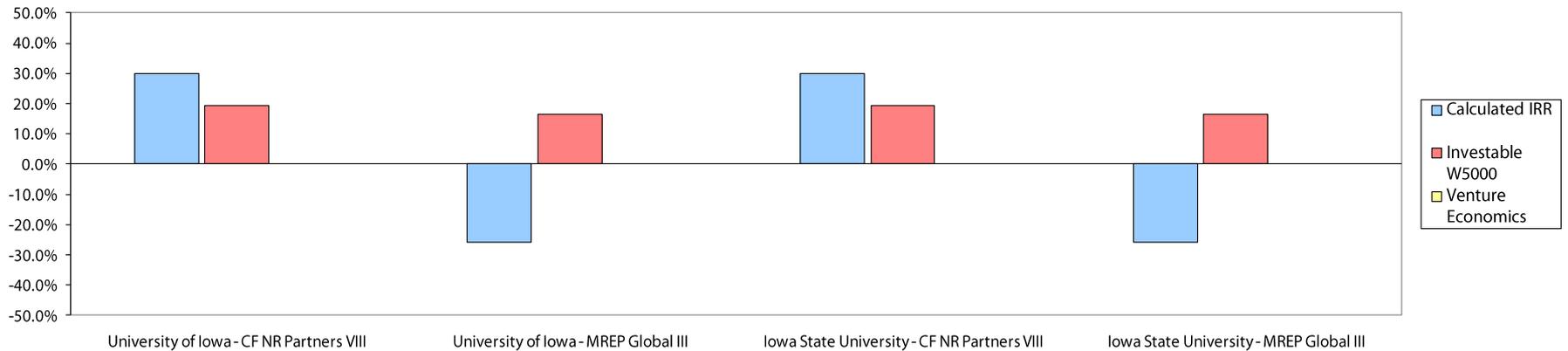


Private Real Assets Analysis



Fund	Inception	Total Commitment	Capital Called		Distributions*	Investment Gain/Loss	Market Value	Performance		
								Calculated IRR	Investable W5000	Venture Economics
University of Iowa - CF NR Partners VIII	4q2008	6,000,000	1,005,000	17%	55,907	406,703	1,355,796	29.9%	19.4%	--
University of Iowa - Metropolitan Real Estate Partners Globall III	1q2010	5,000,000	592,500	12%	35,000	-64,663	492,837	-25.7%	16.4%	--

Fund	Inception	Total Commitment	Capital Called		Distributions*	Investment Gain/Loss	Market Value	Performance		
								Calculated IRR	Investable W5000	Venture Economics
Iowa State University - CF NR Partners VIII	4q2008	4,000,000	670,000	17%	37,273	271,137	903,864	29.9%	19.4%	--
Iowa State University - Metropolitan Real Estate Partners Globall III	1q2010	3,000,000	355,500	12%	21,000	-38,798	295,702	-25.7%	16.4%	--



Investment Policy Details



<u>Endowment Policy Index</u>	<u>%</u>	<u>Description</u>
Quarter Start - Quarter End 6/89 -6/99	60.00	S&P 500
	30.00	Lehman Gov't/Credit
	10.00	MSCI EAFE Index (N)
9/99 -6/01	63.00	S&P 500
	30.00	Lehman Gov't/Credit
	7.00	MSCI EAFE Index (N)
9/01 -3/02	63.00	S&P 500
	30.00	Lehman Aggregate
	7.00	MSCI EAFE Index (N)
6/02 -3/06	63.00	Wilshire 5000
	30.00	Lehman Aggregate
	7.00	MSCI EAFE Index (N)
6/06 - 09/09	50.00	Wilshire 5000
	30.00	Barclays Aggregate
	15.00	MSCI EAFE (N)
	5.00	NCREIF Property Index Lagged
09/09-Present	35.00	Wilshire 5000
	25.00	MSCI EAFE (N)
	25.00	Barclays Aggregate
	10.00	U.S. CPI +5% Annually
	5.00	ML HY Master II

<u>Fixed Income/ Quasi Policy</u>	<u>%</u>	<u>Description</u>
Quarter Start - Quarter End 9/98 -6/01	100.00	Lehman Gov't/Credit
9/01 - Present	100.00	Barclays Aggregate
<u>Real Assets Policy Index</u>	<u>%</u>	<u>Description</u>
Quarter Start - Quarter End 03/06-06/09	100.00	NCREIF Property Index Lagged
09/09 - Present	100.00	U.S. CPI +5% Annually
<u>Diversified Pool Policy Index</u>	<u>%</u>	<u>Description</u>
Quarter Start - Quarter End 3/09-Present	40.00	91 Day Tbill
	30.00	Barclays Aggregate
	10.00	Barclays U.S. TIPS
	8.00	MSCI U.S. Broad Market Index
	5.00	Barclays High Yield
	5.00	MSCI REIT Index
	2.00	FTSE AW EX-U.S. Index

Appendix: Capital Market Review

U.S. Equity

The U.S. stock market got off to a strong start this year and, despite experiencing some severe intra-quarter selling pressure in response to escalating conflict in the Middle East, rallied impressively to close the quarter. The Wilshire 5000 Total Market IndexSM posted a 6.2% advance in Q1 with small capitalization stocks continuing to outpace larger shares and growth stocks generally outperforming value. The U.S. market has rallied 111.4% since its March 9, 2009 closing low and is now off only -5.72% since its October 9, 2007 high.

Energy stocks surged 16.9% during the quarter, buoyed in part by a sharp increase in oil and other energy prices. The Industrials and Health Care sectors were also strong first quarter performers. All economic sectors managed to post positive results for the second consecutive quarter.

The U.S. economic recovery has once again begun to create jobs in recent months. An average of 158,000 jobs per month have been added to the economy from December through March. However, at this pace, it would take approximately 46 months to recover the 7.3 million net jobs needed to return to the peak level of employment reached in January 2008.

Non-U.S. Equity

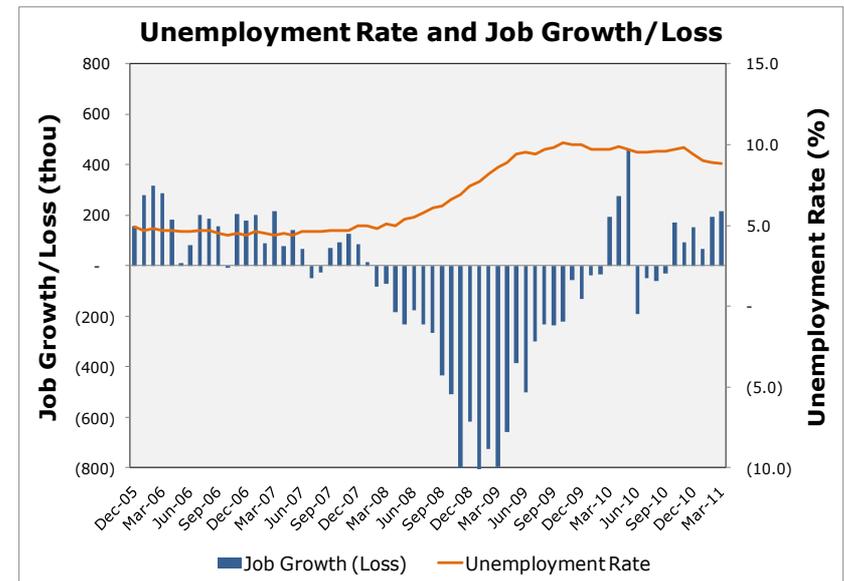
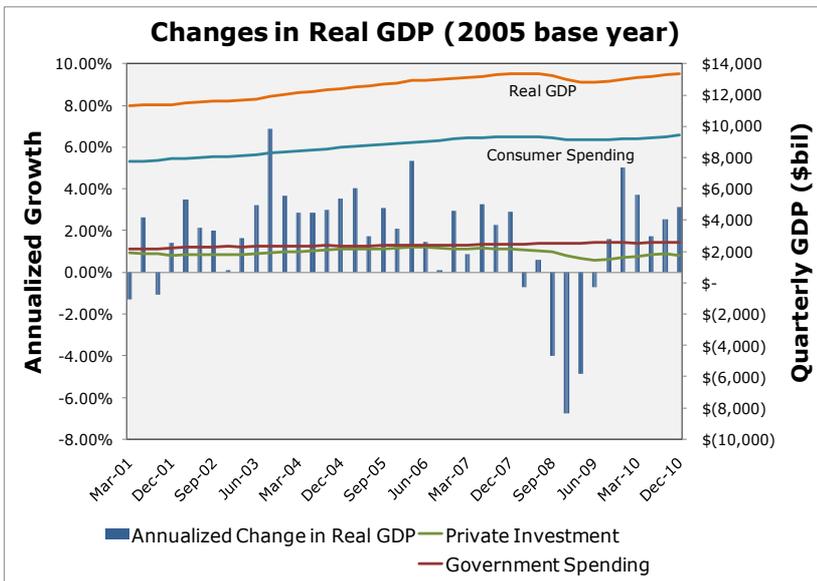
Global stock markets struggled through the first quarter of 2011, roiled by geopolitical strife and a stunning natural disaster. The quarter began with citizens' protests against several régimes in the Middle East and Africa. In mid-March, Japan suffered a massive earthquake and resultant tsunami. And at quarter-end, Portugal's economic woes once again brought attention to the struggles of peripheral Eurozone nations. Nonetheless, global markets proved to be resilient and ended the quarter with moderate gains overall.

Fixed Income

Despite the considerable geopolitical events of the first quarter, U.S. bond markets remained on an even keel. Treasury yields nudged upward with the bellwether 10-year yield up 17 basis points to 3.47% at quarter-end, against the backdrop of the Fed's ongoing second round of quantitative easing ("QE2"), set to end in June of this year. Investors continued to look to the non-sovereign credit markets for higher yield, tightening yield spreads for U.S. corporate issuance at all qualities. Indeed, with corporate debt defaults at remarkably low levels, high yield bonds continued their rally into 2011.

March 31, 2011		Key Economic Indicators			
CPI (all items) Seasonally adjusted	Monthly Change		Cumulative Change		
	Mar-11	0.5	3-Month	1.5	
	Feb-11	0.5	12-Month	2.7	
	Jan-11	0.4	10-Yr Annual	2.4	
Breakeven Inflation	10-Year	2.5			
Consumer Sentiment Unv. of Michigan Survey	Mar-11	67.5			
	Feb-11	77.5			
	1-Yr Ago	73.6	10-Yr Avg	82.0	
Manufacturing Inst. for Supply Mgmt Purchasing Mngrs' Idx	Mar-11	61.2	Change in Manufacturing Sector		
	Feb-11	61.4	>50	Expansion	
	1-Yr Avg	57.9	<50	Contraction	

Note: Seasonally adjusted CPI data is utilized to better reflect short-term pricing activity.

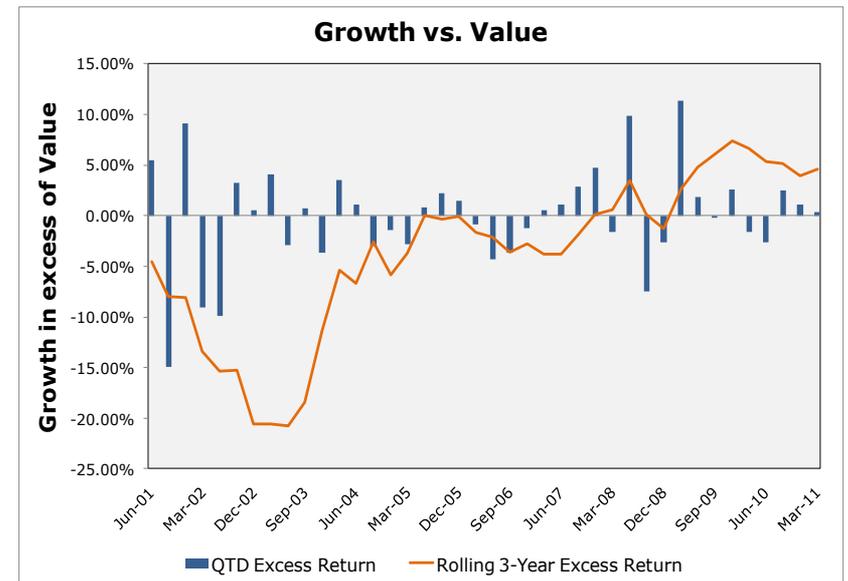
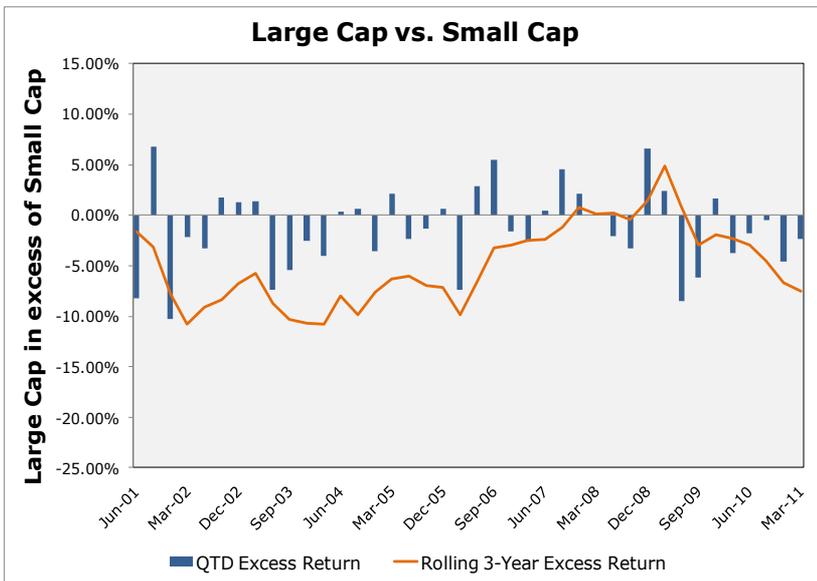
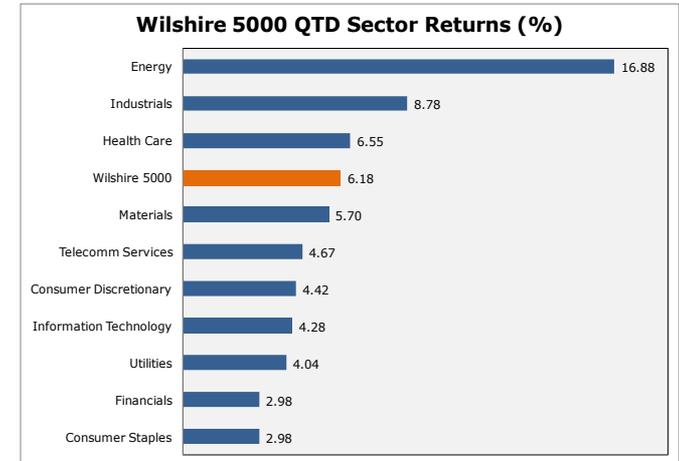


Data sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Bank of St. Louis

U.S. Capital Markets: Equity



March 31, 2011	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Wilshire 5000	6.2	6.2	17.3	3.5	3.0	4.5
Wilshire U.S. Large Cap	5.9	5.9	16.2	2.6	2.9	3.8
Wilshire U.S. Small Cap	8.5	8.5	27.5	11.0	5.5	10.0
Wilshire U.S. Large Growth	5.9	5.9	16.3	5.0	4.1	3.2
Wilshire U.S. Large Value	5.9	5.9	15.9	0.1	1.6	4.4
Wilshire U.S. Small Growth	10.1	10.1	33.2	12.1	6.0	9.2
Wilshire U.S. Small Value	6.8	6.8	21.9	9.8	4.9	10.6
Wilshire REIT Index	6.7	6.7	25.0	1.7	0.8	11.3
Dow Jones UBS Commodity Index	2.4	2.4	26.0	-5.8	2.2	6.9

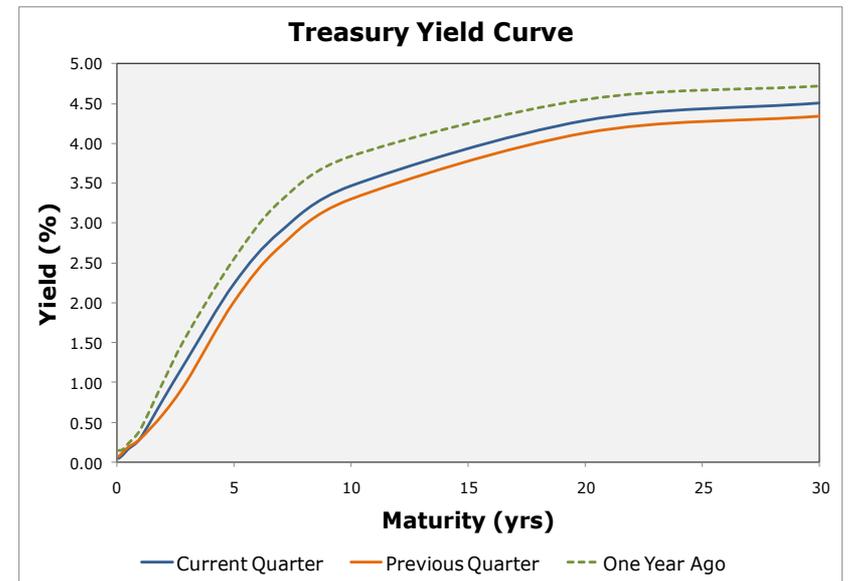
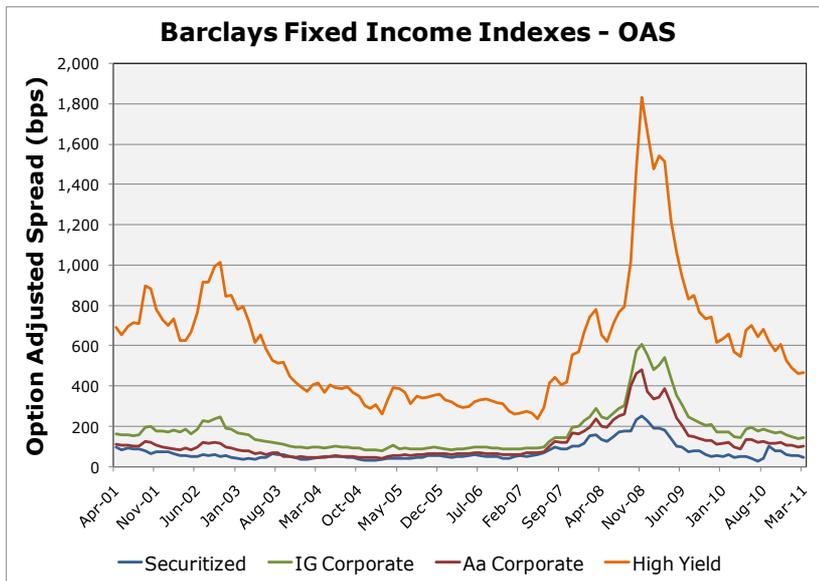


Data sources: Wilshire Compass, Wilshire Atlas

U.S. Capital Markets: Fixed Income



March 31, 2011	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
Barclays Aggregate Bond Index	0.4	0.4	5.1	5.3	6.0	5.6
Barclays Treasury Index	-0.2	-0.2	4.5	3.5	5.7	5.2
Barclays Govt-Related Index	0.6	0.6	4.1	4.4	5.8	5.5
Barclays Securitized Index	0.7	0.7	5.0	5.9	6.3	5.6
Barclays Corporate IG Index	0.9	0.9	7.5	7.5	6.5	6.2
Barclays LT Govt/Credit Index	0.0	0.0	8.5	6.5	6.6	6.8
Barclays Long-Term Treasury Index	-1.0	-1.0	7.3	4.0	6.3	6.3
Barclays U.S. TIPS Index	2.1	2.1	7.9	3.9	6.2	6.7
Barclays High Yield Index	3.9	3.9	14.3	12.9	9.1	8.6
Treasury Bills	0.0	0.0	0.2	0.5	2.2	2.2

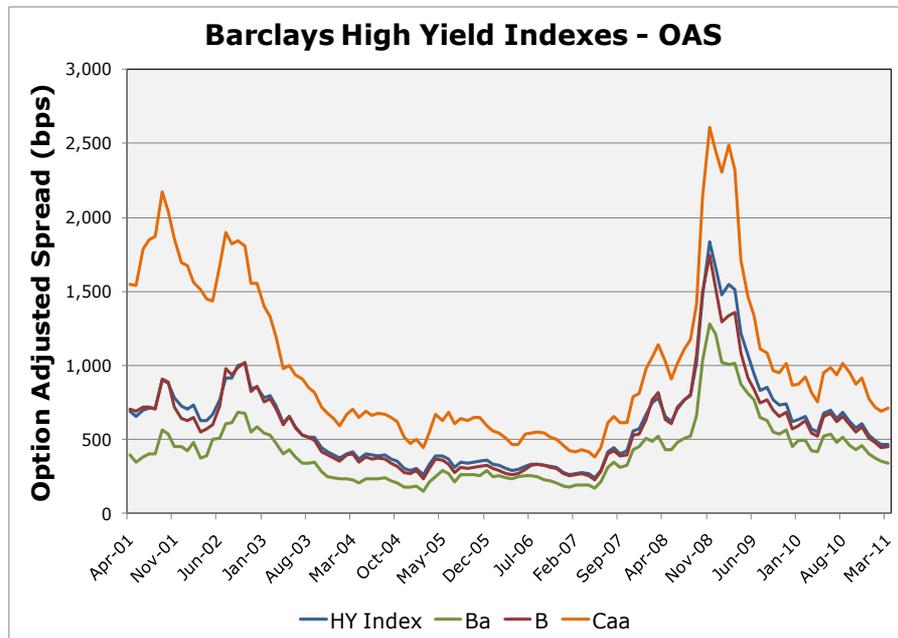


Data sources: Wilshire Compass, Barclays Capital, U.S. Treasury

High Yield by Quality

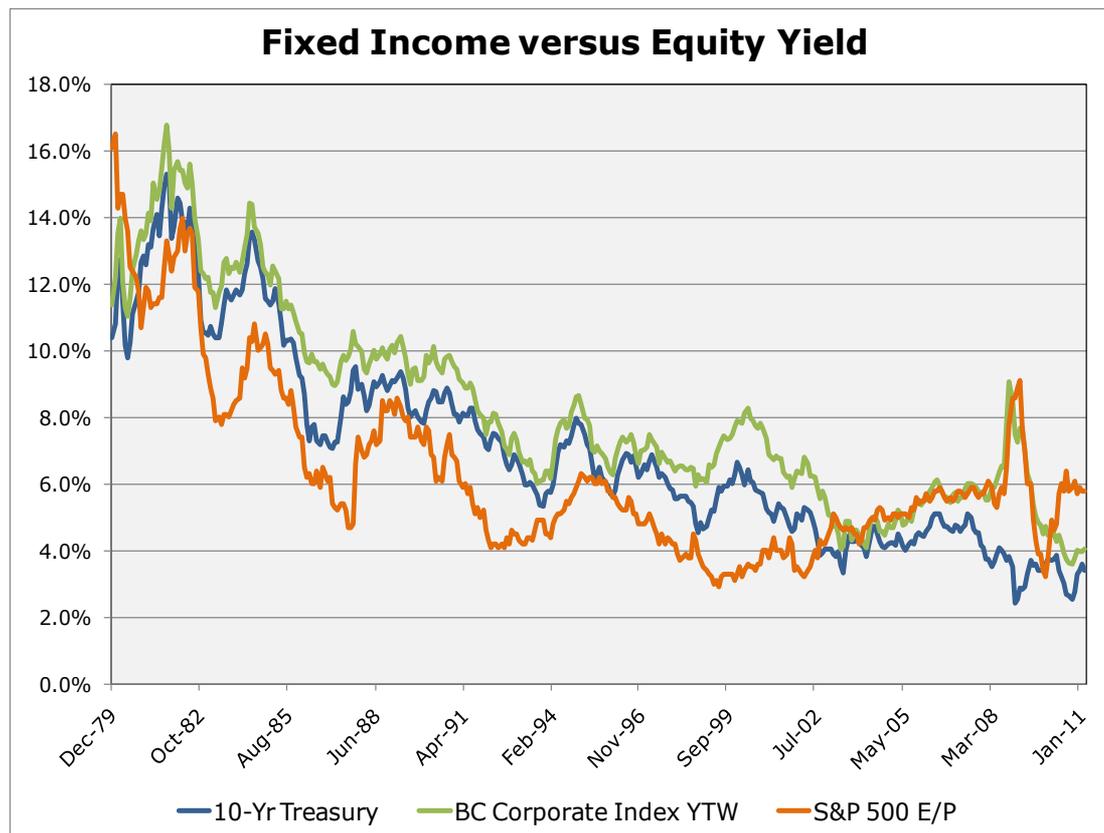


March 31, 2011	Weight	Qtr	Ytd	1 Yr	3 Yr
Barclays High Yield Index	100%	3.9	3.9	14.3	12.9
Quality Distribution					
Ba U.S. High Yield	38.7%	3.4	3.4	13.4	13.1
B U.S. High Yield	42.8%	3.7	3.7	14.0	8.9
Caa U.S. High Yield	16.3%	4.9	4.9	16.0	11.2
Ca to D U.S. High Yield	2.0%	7.4	7.4	25.3	24.7
Non-Rated U.S. High Yield	0.3%	4.5	4.5	10.5	-1.8



Data sources: Barclays Capital

Trailing 12-Month Equity Yield-to-Treasury Widens Despite Market Rebound

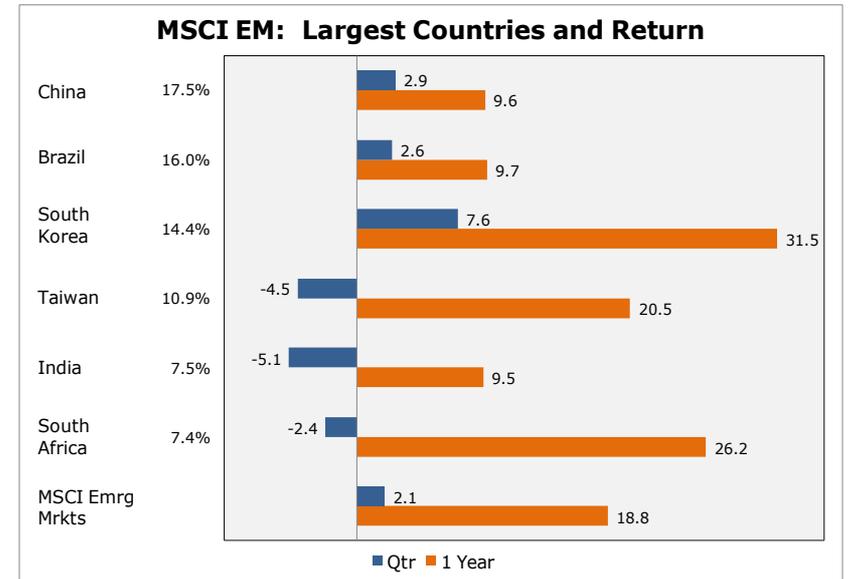
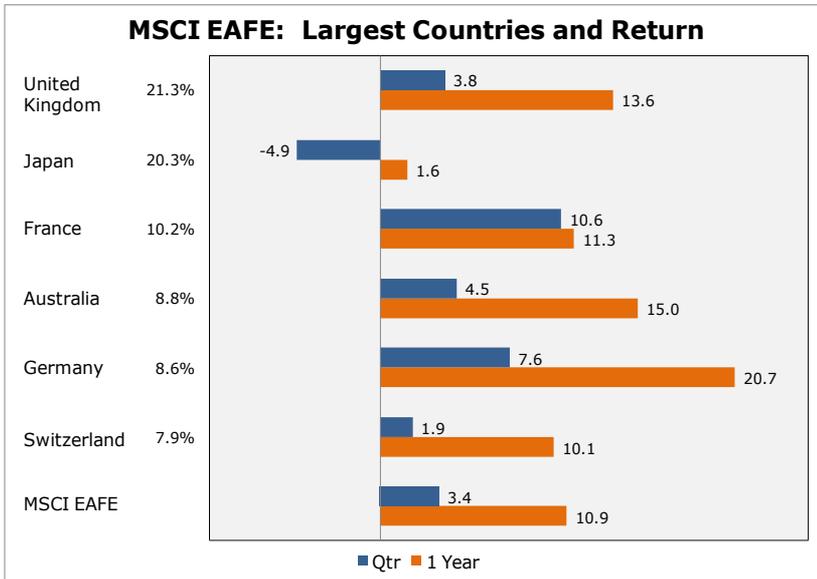


Data sources: Wilshire Atlas, Federal Reserve Bank of St. Louis, Barclays Capital

Non-U.S. Capital Markets

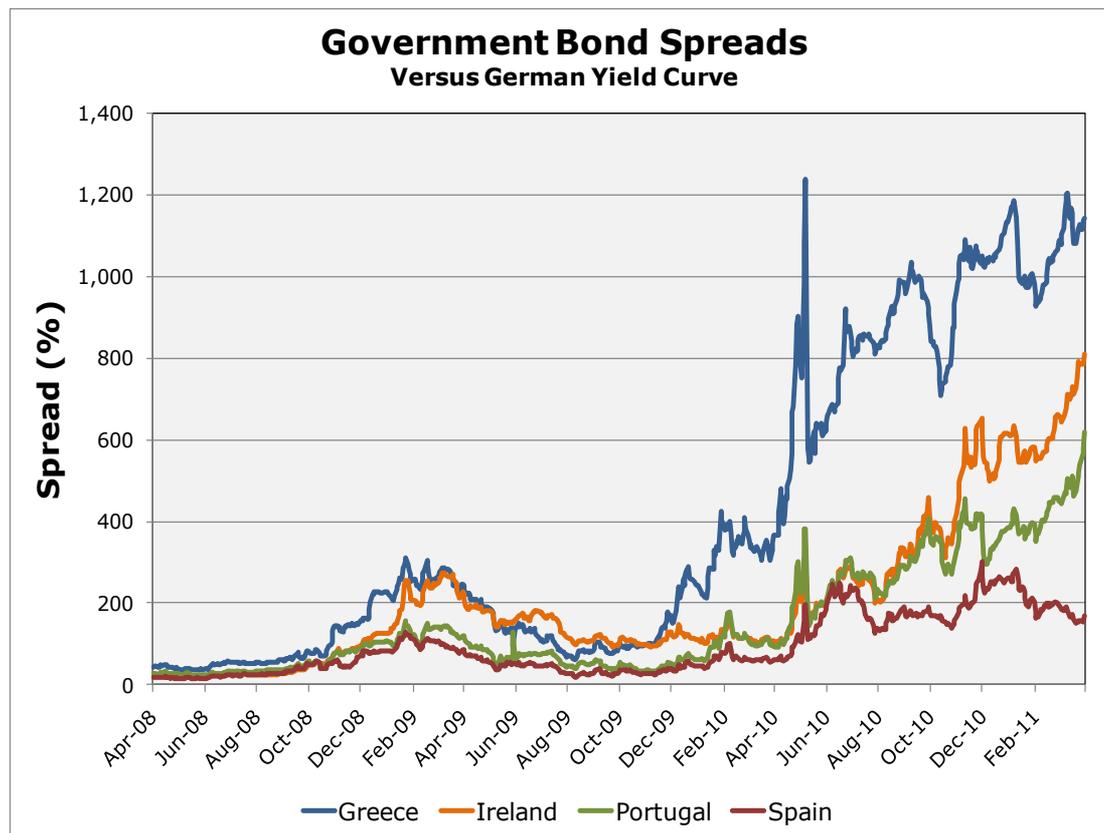


March 31, 2011	Qtr	Ytd	1 Yr	3 Yr	5 Yr	10 Yr
MSCI ACWI ex-US (\$g)	3.5	3.5	13.6	-0.4	4.1	7.8
MSCI EAFE (\$g)	3.4	3.4	10.9	-2.5	1.8	5.8
MSCI Emerging Markets (\$g)	2.1	2.1	18.8	4.6	11.0	17.1
MSCI Frontier Markets (\$g)	-5.4	-5.4	5.4	-14.2	-2.3	n.a.
JPM Non US Global Bond	0.9	0.9	9.8	4.0	8.2	8.3
JPM Non US Global Bond Hedged	0.6	0.6	2.9	4.0	4.7	4.5
JPM EMBI Global	1.0	1.0	8.7	8.7	8.3	10.2
Euro vs. Dollar	5.8	5.8	4.9	-3.7	3.2	4.9
Yen vs. Dollar	-2.1	-2.1	12.8	6.3	7.3	4.2
Pound vs. Dollar	2.4	2.4	5.7	-6.9	-1.6	1.2



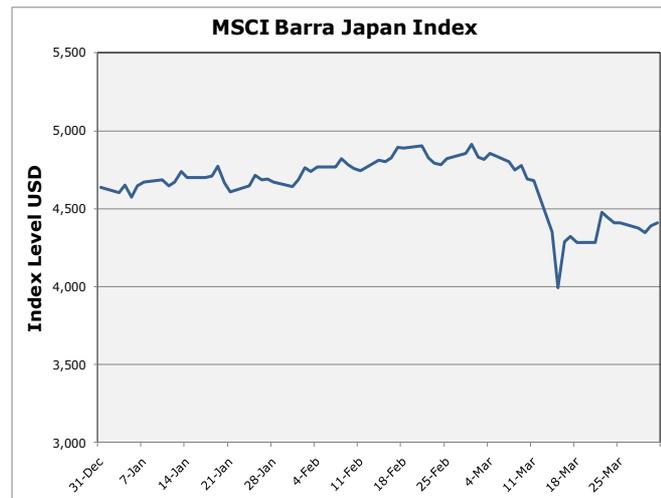
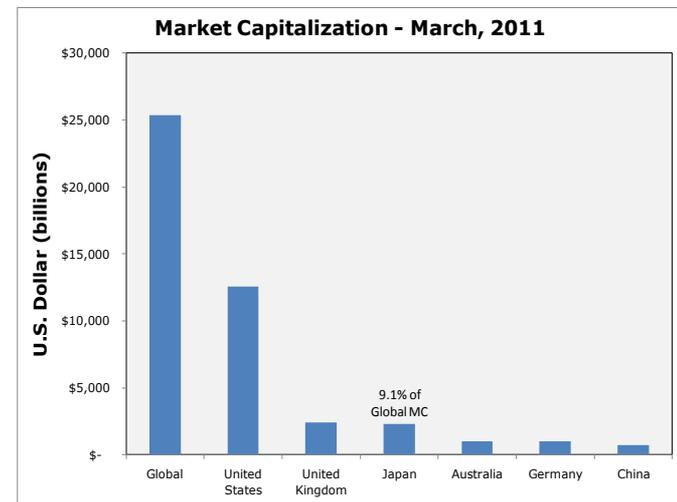
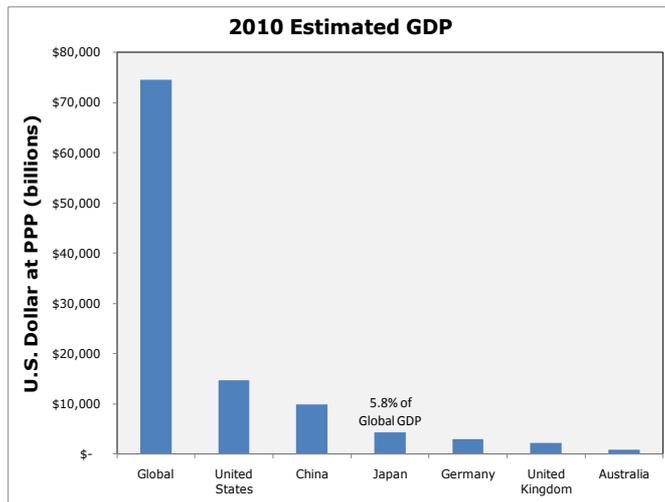
Data sources: Wilshire Compass, MSCI Barra

Conditions Continue to Worsen



Data sources: Barclays Capital

Third largest country by GDP and market cap, although a greater proportion of global equity



Data sources: CIA World Factbook, MSCI Barra

Asset Class Performance



Annual Asset Class Returns - Best to Worst

2006	2007	2008	2009	2010	YTD 2011
REITs 36.0%	Emrg Mrkts 39.8%	Core Bond 5.2%	Emrg Mrkts 79.0%	REITs 28.6%	REITs 6.7%
Emrg Mrkts 32.6%	Commodities 16.2%	T-Bills 2.0%	High Yield 58.2%	Emrg Mrkts 19.2%	U.S. Equity 6.2%
Developed 26.9%	U.S. TIPS 11.6%	U.S. TIPS -2.3%	Developed 32.5%	U.S. Equity 17.2%	High Yield 3.9%
U.S. Equity 15.8%	Developed 11.6%	High Yield -26.2%	REITs 28.6%	Commodities 16.8%	Developed 3.4%
High Yield 11.9%	Core Bond 7.0%	Commodities -35.6%	U.S. Equity 28.3%	High Yield 15.1%	Commodities 2.4%
T-Bills 4.8%	U.S. Equity 5.6%	U.S. Equity -37.2%	Commodities 18.9%	Developed 8.2%	Emrg Mrkts 2.1%
Core Bond 4.3%	T-Bills 5.0%	REITs -39.2%	U.S. TIPS 11.4%	Core Bond 6.5%	U.S. TIPS 2.1%
Commodities 2.1%	High Yield 1.9%	Developed -43.1%	Core Bond 5.9%	U.S. TIPS 6.3%	Core Bond 0.4%
U.S. TIPS 0.4%	REITs -17.5%	Emrg Mrkts -53.2%	T-Bills 0.2%	T-Bills 0.1%	T-Bills 0.0%

Annualized 5-Year

2006-2010
Emrg Mrkts 13.1%
High Yield 8.9%
Core Bond 5.8%
U.S. TIPS 5.3%
Developed 2.9%
U.S. Equity 2.9%
REITs 2.4%
T-Bills 2.4%
Commodities 1.2%

Data sources: Wilshire Compass

Note: Developed asset class is developed markets ex-U.S., ex-Canada.