

MINUTES OF AUGUST 6, 2014, TELEPHONIC COMMITTEE MEETING

(host location)
BOARD OF REGENTS OFFICE
11260 AURORA AVENUE
URBANDALE, IOWA

Committee Members

Nicole Carroll
Milt Dakovich*
Robert Downer (Chair)

Ruth Harkin*
Larry McKibben*
Katie Mulholland*

Bruce Rastetter*
Subhash Sahai
Hannah Walsh*

*Present at host site

Others

Mike Dudkowski, Wilshire Consulting

Chair Downer called the meeting to order at 12:40 p.m.

Minutes of June 4, 2014, Committee Meeting

- MOVED by MCKIBBEN, SECONDED by WALSH, to approve the minutes of the June 4, 2014, Committee meeting. MOTION APPROVED UNANIMOUSLY.

Asset Allocation Issues

Mike Dudkowski from Wilshire Consulting explained the asset allocation issues.

- By GENERAL CONSENT, the Committee recommended that the Board:
 - ▶ Adjust the existing asset allocation policy framework to replace Ex U.S. Bonds with a more broadly diversified allocation to Global Fixed Income; and
 - ▶ Set policy targets for Global Fixed Income as represented in the table on page 2 in the memorandum.

Fund Manager Issues

Mike Dudkowski from Wilshire Consulting explained the fund manager issues.

- By GENERAL CONSENT, the Committee recommended that the Board approve:
 - ▶ An increase in the investment commitment amount to Neuberger Berman Crossroads Fund XX from \$5.0 million to \$12.5 million for the University of Iowa Endowment; and
 - ▶ The addition of a fund manager (Neuberger Berman High Yield) within the High Yield allocation of the Diversified portfolios.

In response to a question from Regent McKibben, Mike Dudkowski discussed the risk of interest rate increases over time.

Modification of Financial Institutions, Brokerage Firms, and Money Market Mutual Funds

Chair Downer highlighted the proposed changes to the maximum deposit limits for the University of Iowa as shown in the memorandum. UNI Provost Michael Hager noted that the disclosure section should state that UNI President Bill Ruud is also a shareholder of MidwestOne Financial Group, Inc.

- By GENERAL CONSENT, the Committee recommended that the Board approve the changes as presented in the memorandum.

Chair Downer adjourned the meeting at 12:53 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.