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# INVESTMENT AND CASH MANAGEMENT REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2026

**Committee Action Requested:** Receive the report.

**Executive Summary:** The Board of Regents engages an investment advisor for periodic review and evaluation of investment policy, strategy and performance. Marquette Associates, Inc., the Board's investment advisor, assists with the evaluation of the Board's investment policies and provides quarterly portfolio summary reports on fund and investment manager performance.

The Regent institutions maintain the following investment portfolios:

Operating Portfolios
The primary goals for investment prudence of the operating portfolios 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.

Restricted Bond Accounts
Bond accounts include proceeds from bond issues. Accounts include project construction funds, sinking funds and reserves. Each individual bond has specific investment restrictions which may vary by type of account with reserve accounts being the most restrictive as to types of authorized investment.

Intermediate Term Portfolios
Intermediate term pools provide added flexibility for long-duration asset investment including quasi endowments, which are longer-term in nature but have no externally imposed restriction that the principal remains intact.

Endowment Portfolios
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:

- Intergenerational equity of income in perpetuity; and
- 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.

The following is a link to the Board of Regents investment policy.
http://www.iowaregents.edu/plans-and-policies/board-policy-manual/22-business-procedures/#Investment Policy

| UNIVERSITY OF IOWA | Market Value | | Return | | |
|---|---|---|---|---|---|
| | Dollars (000's) | % | Quarter | Rolling 1 Year | Current Yield |
| Cash and Daily Liquidity | $255,924 | 8.1% | 0.85% | 3.24% | 3.65% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| Externally Managed Short Term | $44,583 | 1.4% | -3.02% | -1.81% | 4.93% |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Externally Managed Diversified Operating Pool | $2,877,312 | 90.5% | -1.00% | 2.90% | |
| *Blended Policy Index* | | | -0.90% | 2.70% | |
| *Merrill Lynch 1-3 Government/Corporate* | | | -0.15% | 1.81% | |
| Total Operating | $3,177,819 | 100.0% | -0.88% | 2.89% | |
| Restricted Bond Accounts | $207,452 | | 0.87% | 3.66% | 3.85% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Long-Term Endowment | $781,501 | | 0.10% | 10.00% | |
| *Blended Policy Index* | | | -0.30% | 10.00% | |
| Intermediate Term Pool | $599,431 | | -0.80% | 4.80% | |
| *Blended Policy Index* | | | -1.00% | 3.80% | |
| *Bloomberg US Aggregate* | | | -3.50% | -2.90% | |

- SUI has additional bond trustee balances of **$27.4 million** with US Bank Corporate Trust.
- SUI has an additional investment account with a balance of **$23.3 million** for the Iowa Medical Mutual Insurance Company.

| IOWA STATE UNIVERSITY | Market Value | | Return | | |
|---|---|---|---|---|---|
| | Dollars (000's) | % | Quarter | Rolling 1 Year | Current Yield |
| Cash and Daily Liquidity | $198,658 | 26.5% | 0.89% | 3.62% | 3.80% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| Internally Managed Short-Term Securities and Bank CDs | $0 | 0.0% | 0.00% | 0.00% | 0.00% |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Externally Managed Diversified Operating Pool | $550,465 | 73.5% | -1.00% | 2.80% | |
| *Blended Policy Index* | | | -0.90% | 2.70% | |
| *Merrill Lynch 1-3 Government/Corporate* | | | -0.15% | 1.81% | |
| Total Operating | $749,123 | 100.0% | -0.50% | 3.02% | |
| Restricted Bond Accounts | $76,738 | | 0.90% | 3.62% | 3.07% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Long-Term Endowment | $236,021,775 | | -0.20% | 8.40% | |
| *Blended Policy Index* | | | -0.30% | 10.00% | |

- ISU has additional bond trustee balances of **$7.7 million** with US Bank Corporate Trust.

| UNIVERSITY OF NORTHERN IOWA | Market Value | | Return | | |
|---|---|---|---|---|---|
| | Dollars (000's) | % | Quarter | Rolling 1 Year | Current Yield |
| Cash and Daily Liquidity | $36,298 | 34.0% | 0.73% | 3.51% | 3.76% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| Internally Managed Short-Term Securities | $12,010 | 11.3% | -0.37% | 1.73% | 3.70% |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Externally Managed Diversified Operating Pool | $58,420 | 54.7% | -1.00% | 2.90% | |
| *Blended Policy Index* | | | -0.90% | 2.70% | |
| *Merrill Lynch 1-3 Government/Corporate* | | | -0.15% | 1.81% | |
| Total Operating | $106,728 | 100.0% | -0.34% | 3.02% | |
| Restricted Bond Accounts | $31,018 | | -0.17% | 2.02% | 3.33% |
| *91-Day T-Bill* | | | 0.92% | 3.74% | |
| *Merrill Lynch 1-3 Treasury/Agency* | | | -0.13% | 1.67% | |
| Long-Term Endowment | $21,754 | | 0.10% | 10.00% | |
| *Blended Policy Index* | | | -0.30% | 10.00% | |
| Intermediate Term Pool | $34,330 | | -0.80% | 4.80% | |
| *Blended Policy Index* | | | -1.00% | 3.80% | |
| *Barclays Aggregate* | | | -3.50% | -2.90% | |

- UNI invests in SUI's Externally Managed Diversified Operating and Intermediate Pools and Long-Term Endowment.

Below are the Board authorized fund managers:

| MANAGER | TYPE | AUTHORIZED |
|---|---|---|
| Acadian Asset Management | Global Low Volatility Equity | June 2017 |
| Adams Street Partners<br>2010 Global Offering | Private Equity Fund Manager | March 2010 |
| Adams Street Partners<br>2012 Global Offering | Private Equity Fund Manager | September 2011 |
| Adams Street Partners<br>2013 Global Offering | Private Equity Fund Manager | September 2012 |
| AllianceBernstein Global-Plus Fixed Income | Fixed Income Fund Manager | September 2014 |
| Aristotle Pacific Bank Loan Fund | Bank Loan Fund Manager | June 2024 |
| Arrowstreet Capital All World ex-U.S. | Non-U.S. Equity Investment Manager | June 2013 |
| Brandywine Global Opportunistic | Fixed Income Fund Manager | September 2014 |
| Commonfund Capital, Inc.<br>Natural Resource Partners IX | Private Real Assets Fund Manager | April 2012 |
| Commonfund Capital International Partners VI,<br>L.P. (CF Int'l Partners VI) | International Private Equity Manager | March 2007 |
| Commonfund Capital Private Equity Partners<br>VII, L.P. (CF Private Equity VII) | Domestic Private Equity Manager | March 2007 |
| Commonfund Capital Venture Partners VIII,<br>L.P. (CF Venture Capital VIII) | Primarily Domestic Venture Capital Manager | March 2007 |
| Commonfund Capital Natural Resources<br>Partners VIII, L.P. (CF NR Partners VIII) | Private Real Assets Fund Manager | September 2008 |
| Delaware Investments (Macquarie Group) | Small Cap Core Domestic Fund Manager | December 2008 |
| Dimensional Fund Advisors (DFA)<br>(DFA 1-year Fixed Income Fund) | Short-Term Fixed Income Manager<br>Short-Term Fixed Income Manager | February 2012<br>December 2013 |
| Dodge & Cox (Income Fund)<br>Dodge & Cox (Global Bond Fund) | Fixed Income Fund Manager<br>Global Bond Fund Manager | February 2004<br>September 2014 |
| EARNEST Partners International Equity | Non-U.S. Equity Investment Manager | June 2013 |
| Federated Investors<br>(Federated Ultra-Short Bond Fund) | Short-Term Fixed Income Manager | December 2013 |
| Aberdeen Capital Management<br>Aberdeen Energy & Resources Partners III,<br>L.P.) | Private Real Assets Fund Manager | December 2013 |

*Continued on the following page.*

| MANAGER | TYPE | AUTHORIZED |
|---|---|---|
| Guggenheim Partners Asset Management | Bank Loan Fund Manager | August 2013 |
| VOYA Investment Management | Bank Loan Fund Manager | August 2013 |
| Neuberger Berman | High Yield Bond Fund Manager<br>High Yield Bond Fund Manager | August 2011<br>August 2014 |
| NB Alternative Advisors<br>(NB Crossroads XVIII) | Private Equity Fund Manager | November 2005 |
| NB Alternative Advisors<br>(NB Crossroads XX) | Private Equity Fund Manager | September 2012 |
| NB Alternative Advisors | Private Equity/Private Real Assets Fund Manager | November 2019 |
| JP Morgan Prime Liquidity Fund | Short-Term Fixed Income Manager | September 2018 |
| Landmark Partners<br>(Landmark Equity Partners XIV, L.P.) | Private Equity Fund Manager | March 2010 |
| Landmark Partners<br>(Landmark Equity Partners XV, L.P.)<br>(Landmark Real Estate Fund VII) | Private Equity Fund Manager<br>Private Real Estate Fund Manager | September 2012<br>December 2013 |
| MacKay Shields | Core and Intermediate Fixed Income | June 2017 |
| Metropolitan Real Estate Partners<br>Global III Fund (MREP Global III) | Private Real Estate Fund Manager | September 2009 |
| Metropolitan Real Estate Partners<br>Global VI Fund (MREP Global VI) | Private Real Estate Fund Manager | April 2012 |
| Morgan Stanley PRIME Fund | Core US Real Estate | June 2017 |
| PIMCO<br>PIMCO Short-Term Bond Fund | Short-Term Fixed Income Manager<br>Short-Term Fixed Income Manager | February 2012<br>December 2013 |
| Principal Financial Group<br>(Enhanced Property Fund) | Private Real Estate Fund Manager | November 2005 |
| State Street Global Advisors<br>State Street Global Advisors<br>SSgA MSCI ACWI ex-US IMI Index Fund | Short-Term Fixed Income Manager<br>Diversified Investment Options (Intermediate Portfolio)<br>International Equity Index Fund Manager | February 2012<br>February 2011<br>June 2017 |
| Symphony Asset Management | Senior Secured Loans | June 2017 |
| UBS Trumbull Property Fund | Core US Real Estate | June 2017 |
| Vanguard Group<br><br>(Institutional Index Fund)<br>(Global ex-U.S. Real Estate Index Fund)<br>(International Stock Fund) | Short-Term Fixed Income Manager<br>Diversified Investment Options (Operating Portfolio)<br>Large Cap S&P 500 Index Fund<br>Public Real Estate Fund Manager<br>Non-US Equity Investment Manager<br>Mid Cap Index Fund | February 2012<br>September 2008<br>February 2008<br>December 2013<br>September 2018<br>June 2017 |

# Asset Class Allocation Policy

*Approved at the June 2017 Meeting*

| | Diversified Operating Portfolio | Diversified Intermediate Term Portfolio | Endowment Portfolio |
|---|---|---|---|
| **Asset Class** | **Policy %** | **Policy %** | **Policy %** |
| U.S. Equity | 5.0 | 10.0 | 20.0 |
| Non-U.S. Equity | 5.0 | 10.0 | 20.0 |
| Global Low-Volatility Equity | 5.0 | 5.0 | 0.0 |
| **Total Equity** | **15.0** | **25.0** | **40.0** |
| Core Fixed Income | 25.0 | 28.0 | 10.0 |
| Intermediate Fixed Income | 20.0 | 17.0 | 0.0 |
| High Yield Fixed Income | 5.0 | 5.0 | 5.0 |
| Senior Secured Loans | 5.0 | 5.0 | 5.0 |
| Global Fixed Income | 5.0 | 7.0 | 5.0 |
| **Total Fixed Income** | **60.0** | **62.0** | **25.0** |
| | | | |
| **Liquidity (includes cash)** | **20.0** | **3.0** | **0.0** |
| | | | |
| **Real Estate** | **5.0** | **10.0** | **10.0** |
| | | | |
| **Private Markets** | **0.0** | **0.0** | **25.0** |
| | | | |
| **TOTAL PORTFOLIO** | **100.0** | **100.0** | **100.0** |