

*Minutes approved by the Board of Regents at the December 4-5, 2024, meeting.*

**BOARD OF REGENTS and its  
INVESTMENT COMMITTEE  
NEVADA SYSTEM OF HIGHER EDUCATION**  
System Administration, Las Vegas  
4300 South Maryland Parkway, Board Room  
Tuesday, May 21, 2024

Video Conference Connection from the Meeting Site to:  
System Administration, Reno  
2601 Enterprise Road, Conference Room  
and  
Great Basin College, Elko  
1500 College Parkway, Berg Hall Conference Room

Members Present:           Regents' Committee  
Mr. Byron Brooks, Chair  
Dr. Lois Tarkanian, Vice Chair  
Dr. Michele Cruz-Crawford  
Ms. Laura E. Perkins

Members Absent:           Regents' Committee  
Ms. Heather Brown

Other Regents Present:    Dr. Jeffrey S. Downs, Board Vice Chair  
Mr. Patrick J. Boylan  
Mr. Donald Sylvantee McMichael Sr.

Members Absent:           Advisory Members  
Mr. Randy Garcia, UNLV Foundation  
Mr. Mark Denzler, UNR Foundation

Others Present:            Ms. Patricia Charlton, Interim Chancellor  
Ms. Keri D. Nikolajewski, Chief of Staff to the Board of Regents  
Mr. Chris Viton, Vice Chancellor of Budget & Finance/  
                                  Chief Financial Officer  
Ms. Lynda P. King, Associate General Counsel  
Mr. Rhett Vertrees, Assistant Chief Financial Officer  
Mr. Michael B. Wixom, Special Counsel to the Board of Regents  
Dr. Kumud Acharya, DRI President  
Mr. Mike Peyerl, TMCC Vice President of Finance &  
                                  Government Relations

Dr. Bill Robinson, UNLV Faculty Senate Chair, was in attendance.

Chair Byron Brooks called the meeting to order at 11:00 a.m. with all Regent Committee members present except for Regent Brown. Regent Cruz-Crawford led the Pledge of Allegiance.

1. Information Only-Public Comment – Dr. Kent Ervin, commented on Agenda Item 5 (Operating Pool Performance Discussion and Recommendations) in relation to the return rate and distribution of earnings.

Gregory Brown submitted public comment regarding his concerns related to a publicly released letter on May 8 from the UNLV President to the Interim Chancellor outlining a meeting the President had with an advocacy group proposing divestment from Israel.

2. Approved-Consent Items – The Committee recommended approval of the consent items.

- (2a.) Approved-Minutes – The Committee recommended approval of the minutes from the September 29, 2023, meeting. *(Ref. INV-2a on file in the Board office.)*

- (2b.) Approved-Betty and John Gallifent Endowment, DRI – The Committee recommended approval of the Betty and John Gallifent Endowment. *(Ref. INV-2b on file in the Board office.)*

- (2c.) Approved-Innovation Research Program Endowment, DRI – The Committee recommended approval of the Innovation Research Program (IRP) Endowment. *(Ref. INV-2c on file in the Board office.)*

- (2d.) Approved-Bretzlaff Foundation Endowment, TMCC – The Committee recommended approval to accept a Bretzlaff Foundation gift of \$500,000 to establish an endowment for the allied health and technical sciences divisions. *(Ref. INV-2d on file in the Board office.)*

Regent Perkins moved approval of the consent items. Regent Cruz-Crawford seconded. Motion carried. Regent Brown was absent.

3. Information Only-Chair's Report – Chair Brooks welcomed everyone to the first Committee meeting of the year. He discussed his support for, and the importance of, the anti-BDS (Boycott, Divestment, and Sanctions) law put in place in Nevada in 2017.

4. Information Only-Investment Committee Orientation and Duties – Assistant Chief Financial Officer Rhett Vertrees provided the Committee with relevant background material and an overview of the duties of the Nevada System of Higher Education in relation to governance and oversight of its investment activities. *(Ref. INV-4 on file in the Board office.)*

Assistant Chief Financial Officer Vertrees provided a brief overview of the Investment Committee duties related to governance and oversight responsibilities.

5. Approved-Operating Pool Performance Discussion and Recommendations – The Committee recommended approval of the following: 1) Trim U.S. Equity and Global ex U.S. Equity to lock in recent strong gains in equity markets: a) \$10 million trim from Vanguard Institutional Index, and b) \$3 million trim from Vanguard Developed Markets Index; and 2) Rebalancing TIPS and Long-Term Bonds closer to policy target: a) \$5 million addition to Vanguard Short-Term Inflation-Protected Securities, b) \$4 million addition to PIMCO Total Return, and c) \$4 million addition to Allspring Core Fixed Income. *(Ref. INV-5 on file in the Board office)*

Mr. Ijeh Ogbechie, Cambridge Associates, presented a report on asset allocation, investment returns and recommendations for the Pooled Operating Fund as of March 31, 2024.

Regent Perkins commented that the presentation was well-done and commended Mr. Ogbechie for concisely presenting the complex information.

In response to an inquiry from Chair Brooks, Mr. Ogbechie identified the Magnificent Seven Stocks: Tesla, Apple, Meta Platforms, Microsoft, Google, Amazon and Nvidia. Mr. Ogbechie stated there were no recommended asset allocation changes when reviewing U.S. Equities and U.S. Growth Equities.

Mr. Ogbechie confirmed for Regent McMichael that Cambridge Associates and the investment managers have not directly invested in cryptocurrency to date regarding the NSHE's portfolios.

Regent Boylan inquired about NSHE investments in Israel. Mr. Ogbechie stated there are no direct investments in Israel in the portfolio.

Regent Perkins moved approval of the Operating Pool recommendations as presented by Cambridge Associates. Vice Chair Tarkanian seconded. Motion carried. Regent Brown was absent.

6. Information Only-Endowment Pool Performance, Cambridge Associates – Staff from Cambridge Associates presented a report on asset allocation and investment returns for the Pooled Endowment Fund as of March 31, 2024. *(Ref. INV-6 on file in the Board office.)*

Mr. Ogbechie provided a report which included: the Endowment OCIO Update: performance, asset allocation, risk/return characteristics, Cambridge Associates diversifiers and private investments, legacy assets, and supplemental portfolio details; and Sustainable Investing: NSHE endowment exposures, manager diversity, and sustainable and impact investing industry trends.

Chair Brooks and Mr. Ogbechie discussed the importance of not being over-allocated to US equities at this time.

6. Information Only-Endowment Pool Performance, Cambridge Associates –  
(continued)

Regent Cruz-Crawford and Mr. Ogbechie discussed the U.S. asset manager industry and the underrepresentation of people of color, women and women of color.

7. Information Only-Endowment Pool Performance Comparison, NSHE/UNLV/UNR – Staff from Cambridge Associates and System Administration presented a comparison report of the endowment pool performance for the Nevada System of Higher Education, University of Nevada, Las Vegas and University of Nevada, Reno as of June 30, 2023. (Ref. INV-7 on file in the Board office.)

Mr. Ogbechie provided the comparison report which included: asset allocation – actual allocations as of June 30, 2023; five years of historical returns; average annual compound rate of return; annualized standard deviation (volatility) of quarterly returns; and the Sharpe ratio.

Mr. Ogbechie clarified that Russell Investments is included in the materials because the firm, in part, managed the portfolio in the period of time that is being discussed.

8. Information Only-New Business – Regent Boylan requested a presentation regarding BDS and how it affects the NSHE institutions and students.

9. Information Only-Public Comment – Dr. Bill Robinson, UNLV Faculty Senate Chair, discussed the Federal Reserve’s interest rate management relative to inflation risk and the investments portfolios.

Patrick J. Boylan spoke about the Board of Regents clearly sharing what is happening related to the BDS movement, and what must be done to make students, faculty and staff safe on the NSHE campuses.

The meeting adjourned at 12:27 p.m.

Prepared by: Winter M.N. Lipson  
Special Assistant and Coordinator to the Board of Regents

Submitted for approval by: Keri D. Nikolajewski  
Chief of Staff to the Board of Regents