

**BOARD OF REGENTS and its  
INVESTMENT COMMITTEE  
NEVADA SYSTEM OF HIGHER EDUCATION**  
System Administration, Las Vegas  
4300 South Maryland Parkway, Board Room  
Thursday, September 26, 2024

Video or Telephone 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  
Ms. Heather Brown  
Dr. Michelee Cruz-Crawford  
Ms. Laura E. Perkins

Other Regents Present:   Mrs. Amy J. Carvalho, Board Chair  
Mr. Patrick J. Boylan  
Mrs. Carol Del Carlo

Members Present:           Advisory Members  
Mr. Mark Denzler, UNR Foundation

Members Absent:           Advisory Members  
Mr. Randy Garcia, UNLV 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  
Mr. Chris Nielsen, Special Counsel to the Board of Regents  
Ms. Carrie Parker, Deputy General Counsel  
Mr. Rhett Vertrees, Assistant Chief Financial Officer  
Dr. Amber Donnelly, Interim GBC President

Chair Byron Brooks called the meeting to order at 9:01 a.m. with all Regent Committee members present except for Regent Perkins. Regent Brown led the Pledge of Allegiance.

1.   Information Only-Public Comment – Dr. Kent Ervin submitted public comment concerning Agenda Item 4 (Operating Pool Performance Discussion and Recommendations) and urged the Investment Committee members to question the financial experts about different investment options for the portfolio.

Regent Perkins entered the meeting.

2. Approve-Minutes – The Committee recommended approval of the minutes from the May 21, 2024, meeting. *(Ref. INV-2 on file in the Board Office)*

Regent Brown moved approval of the minutes from the May 21, 2024, meeting. Vice Chair Tarkanian seconded. Motion carried.

3. Information Only-Chair's Report – Chair Byron Brooks thanked Mr. Chris Viton, Chief Financial Officer, and his team, in addition to Cambridge Associates for their work.
4. Approved-Operating Pool Performance Discussion and Recommendations – The Committee recommended approval of the following rebalancing actions: 1) \$8 million trim from Vanguard Institutional Index; 2) \$7 million add to Vanguard Developed Markets Index; 3) \$7 million add to Vanguard Short-Term Inflation-Protected Securities; 4) \$3 million trim from PIMCO Total Return; and 5) \$3 million trim from Allspring Core Fixed Income. *(Ref. INV-4 on file in the Board Office)*

Chief Financial Officer Viton provided a brief explanation of the Operating Pool.

Wendy Walker and Ijeh Ogbechie with Cambridge Associates presented a report on asset allocation and investment returns for the Pooled Operating Fund as of August 31, 2024.

Chair Brooks and Chief Financial Officer Viton compared the Operating Pool and Endowment Pool performances, and the current distribution policy.

Regent Perkins moved approval of the rebalancing actions recommended by Cambridge Associates. Regent Brown seconded. Motion carried.

5. 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 August 31, 2024. *(Ref. INV-5 on file in the Board Office)*

Ms. Walker and Mr. Ogbechie's Endowment OCIO update included: performance; asset allocation and guideline compliance; risk/return characteristics – CA Portfolio; CA diversifiers and private investments; legacy assets; supplemental portfolio details; the Annual Spending Review; summary of the C&U preliminary peer returns; 1-year C&U heat map analysis; and the 5-year C&U heat map analysis.

Regent Brown and Mr. Ogbechie discussed how the short-term expected returns have a significantly wider range than long-term expectations.

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

Chair Brooks and Ms. Walker discussed adjusting the 70% / 30% index numbers. Ms. Walker stated that when there is an ongoing need for drawing cash each year, the 70% / 30% profile tends to be where most institutions end up so there is a stability of return to insulate the annual payout.

Chair Brooks requested that staff, in consultation with Cambridge Associates, prepare additional information and analysis regarding the endowment spending distribution rate to be brought back to a future meeting for discussion.

6. Approved-Endowment Pool Distribution Rate and Policy – The Committee discussed current distribution rate and reviewed past performance of the Pooled Endowment Fund and the university foundation funds. The Committee recommended maintaining the current distribution rate at 4.625%. *(Ref. INV-6 on file in the Board Office)*

Mr. Ogbechie discussed current NSHE distributions from the Pooled Endowment Fund and the current all-in rate which is set at 4.625% percent spending/management fee in relation to current investment allocation, projected returns and Board Policy *(Title 4, Chapter 10, Section 5)*.

In response to an inquiry from Chair Brooks, Ms. Walker stated that Cambridge Associates does not have a recommendation. Chief Financial Officer Viton recommended maintaining the current distribution rate.

Regent Perkins moved approval of maintaining the current distribution rate at 4.625%. Regent Brown seconded. Motion carried.

7. Information Only-Operating Pool Distribution Policy – Chief Financial Officer Chris Viton provided an overview of the Operating Pool Distribution Policy *(Title 4, Chapter 10, Section 6)* and recent distribution activity. *(Refs. INV-7a and INV-7b on file in the Board Office)*

Chief Financial Officer Viton provided an overview of the Operating Pool Distribution Policy.

Regent Brown and Chief Financial Officer Viton discussed the following: realized gains in relation to starting the budgeting process; monthly determination of the overall market value which includes both realized returns and market value adjustments; the Distribution Policy being based on the market value and not realized gains; and campus allocations vary as each of the campuses cash balances vary.

Chair Brooks requested the entire Board receive quarterly updates on campus disbursements and special projects requested by the institutions. Chief Financial Officer Viton said he would discuss it with the business officers.

8. Information Only-New Business – None.
9. Information Only-Public Comment – None.

The meeting adjourned at 10:29 a.m.

Prepared by: Winter M.N. Lipson  
Manager of Board Operations

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