

**From:** [NSHE](#)  
**To:** [Keri Nikolajewski](#); [Angela Palmer](#); [Winter Lipson](#)  
**Subject:** Public Comment for the Investment Committee, May 21, 2024  
**Date:** Monday, May 20, 2024 5:00:26 PM

---

**External Email:**

# Public comment submitted through NSHE Online form

## Public Comment for the Investment Committee, May 21, 2024

**Email:** [kent.ervin@nevadafacultyalliance.org](mailto:kent.ervin@nevadafacultyalliance.org)

**Name:** Kent Ervin

**Representing someone other than yourself?:**

**Meeting:** Investment Committee, May 21, 2024

**Agenda Item:** Agenda Item 6, Investment Pool Performance

**In Favor / Opposed / Other:** No Position stated – Concerned or Neutral

### **Comment:**

Thank you for your service as fiduciaries of investment funds for the benefit of our colleges and universities.

NSHE is very fortunate to have the Operating Pool Fund, which is now nearly \$800 million in market value, and to be able to manage and invest it to produce supplemental revenue.

The NSHE Handbook Title 4, Chapter 10, Section 6, Paragraph B.1 defines the goal of the operating pool investment fund:

“The long-term objective of the Fund is to provide a relatively stable stream of revenue that equals or exceeds the general rate of inflation.

Unfortunately, the management of the fund has not met the objective of producing a stable stream of revenue, much less matching inflation. Regular distributions went to zero for eleven months during most of fiscal year 2023, which means that the institutions lost an important source of discretionary revenue. That was during a period of high inflation.

Cambridge Associates projects the long-term return of the fund at 3.8%, but because of relatively high-risk assets that can vary from 0% to 7.8.% at 95% confidence. In other words, over ten-year periods there is a one-in-twenty chance the returns will be negative. There is a 50% chance it won't meet the 3.8% target over 3-, 5-, 10-, and 25- year periods, according to page 24 of the Cambridge presentation.

Treasury interest rates currently range from 4.6% for 30-year bonds to 5.4% for short-term notes. Treasury inflation-protected securities are yielding 2.2% above inflation. That implies a laddered bond portfolio, with maturities to match cash flow needs, could easily beat the return

rate of the current asset allocation with low risk of not meeting the investment policy objective of income exceeding the inflation rate.

The fiduciary standard of prudence is that investment committee members should question the financial experts about options and take action as appropriate.

Thank you.

**Agreed that all the information above is true and accurate: Yes**

--

This e-mail was sent from a contact form on Nevada System of Higher Education  
(<https://nshe.nevada.edu>)

**From:** [NSHE](#)  
**To:** [Keri Nikolajewski](#); [Angela Palmer](#); [Winter Lipson](#)  
**Subject:** Public Comment for the Investment Committee, May 21, 2024  
**Date:** Monday, May 20, 2024 11:18:02 PM

---

**External Email:**

# Public comment submitted through NSHE Online form

## Public Comment for the Investment Committee, May 21, 2024

**Email:** gregory.brown@unlv.edu

**Name:** Gregory Brown

**Representing someone other than yourself?:**

**Meeting:** Investment Committee, May 21, 2024

**Agenda Item:** General Public Comment

**In Favor / Opposed / Other:** No Position stated – Concerned or Neutral

### **Comment:**

Concerning the publicly released letter of May 8 by UNLV president Whitfield to Chancellor proposing to "speak with the UNLV Foundation Board Investment Committee" on the proposal made to him by an advocacy group "to divest of any investments with Israel." , I would offer the following points

1. The proposal to enact sanctions on Israel does not appear to be justified by any standard other than animus towards the Israeli people. The BDS movement of the 1980s against South African apartheid, in which I participated, based its call for sanctions on the Sullivan principles, and the boycott and sanctions were against privately held companies who did not adhere to these principles of civil rights under the law. This movement has no stated principles for diverstment of a given company; it sets no standard by which those sanctions once imposed would be lifted. It also offers no rationale for why the proposal is for sanctions on Israel, other than as part of a general agenda to "dismantle" the state of Israel.
2. The proposal was one to which the administration gave no consideration or consultation prior to taking it to the Foundation Board of Trustees Investment Committee. While the president's letter emphasizes that he did not make a commitment, it also provide a rationale for sanctions. Yet it provided no evidence of having considered, consulted, or developed standards for considering sanctions. The entire rationale for this proposal is that it was pushed by a pressure group.

3. The proposal would seem to be in violation of NRS 333, which is a determination obviously best made by System Counsel.

4. I urge the Regents, the Chancellor and the Council of Presidents to consider a briefing from the ADL on the history, financial and legal status, and risk of association with SJP. This organisation doesnot register as non-profit and does not disclose its finances, so it is impossible to know if they are in fact funding the UNLV chapter.

**Agreed that all the information above is true and accurate: Yes**

--

This e-mail was sent from a contact form on Nevada System of Higher Education (<https://nshe.nevada.edu>)