

**BOARD OF REGENTS* and its
INVESTMENT COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**

Tuesday, September 29, 2020, 10:00 a.m.

THIS MEETING WILL BE HELD VIA VIDEOCONFERENCE AND TELECONFERENCE ONLY PURSUANT TO SECTION 1 OF THE DECLARATION OF EMERGENCY DIRECTIVE 006 ("DIRECTIVE 006"), AND EXTENDED BY DIRECTIVES 016, 018, 021, 026 AND 029, ISSUED BY THE STATE OF NEVADA EXECUTIVE DEPARTMENT. THERE WILL BE NO PHYSICAL LOCATION FOR THE MEETING.

PUBLIC COMMENT MAY BE SUBMITTED VIA THE ONLINE PUBLIC COMMENT FORM (<http://nshe.nevada.edu/public-comment/>) OR VOICEMAIL (702-800-4705 or 775-300-7661). MESSAGES RECEIVED BY 4:00 PM ON MONDAY, SEPTEMBER 28, 2020, MAY BE ENTERED INTO THE RECORD DURING THE MEETING. ANY OTHER PUBLIC COMMENT FORM SUBMISSIONS AND/OR VOICEMAILS RECEIVED PRIOR TO THE ADJOURNMENT OF THE MEETING WILL BE TRANSCRIBED AND INCLUDED IN THE PERMANENT RECORD.

MEMBERS OF THE PUBLIC WISHING TO VIEW THE MEETING MAY DO SO VIA LIVE STREAM (<http://nshe.nevada.edu/live/>).

ROLL CALL:

Dr. Mark W. Doubrava, Chair	_____
Mrs. Carol Del Carlo, Vice Chair	_____
Dr. Patrick R. Carter	_____
Ms. Amy J. Carvalho	_____
Dr. Jason Geddes	_____
Mr. Trevor Hayes	_____
Ms. Lisa C. Levine	_____
Mrs. Cathy McAdoo	_____
Mr. Donald Sylvantee McMichael Sr.	_____
Mr. John T. Moran	_____
Mr. Kevin J. Page	_____
Ms. Laura E. Perkins	_____
Mr. Rick Trachok	_____

COMMITTEE

ROLL CALL:

Mr. Rick Trachok, Chair	_____
Dr. Patrick R. Carter, Vice Chair	_____
Dr. Jason Geddes	_____
Mr. Trevor Hayes	_____
Ms. Laura E. Perkins	_____

ADVISORY MEMBER

ROLL CALL:

Mr. Russell Campbell,	_____
Your Second Opinion, LLC.	

In addition to the Investment Committee, this meeting is noticed as a meeting of the Board of Regents to allow other Regents who may wish to attend to participate.

IMPORTANT INFORMATION ABOUT THE AGENDA AND PUBLIC MEETING

NOTE: Below is an agenda of all items scheduled to be considered. Notification is hereby provided that items on the agenda may be taken out of the order presented, including moving an item to a different day if the meeting is noticed for more than one day, two or more agenda items may be combined for consideration, and an agenda item may be removed from the agenda or discussion relating to an item on the agenda may be delayed at any time.

In accordance with the Board of Regents' Bylaws, Title I, Article V, Section 18, items voted on may be the subject of a motion to reconsider at this meeting. A motion to reconsider an item may be made at any time before adjournment of this meeting. Similarly, if an item is tabled at any time during the meeting, it may, by proper motion and vote, be taken from the table and thereafter be the subject of consideration and action at any time before adjournment of this meeting.

* The Board's Committee meetings take place in accordance with the agendas published for those Committees. Regents who are not members of the Committees may attend the Committee meetings and participate in the discussion of Committee agenda items. However, action items will only be voted on by the members of each Committee, unless a Regent is temporarily made a member of that Committee under Board of Regents' Bylaws, Title I, Article VI, Section 6. The full Board of Regents will consider Committee action items in accordance with the Board of Regents' agenda published for the current or for a subsequent meeting.

In accordance with the Board of Regents' Bylaws, Title I, Article V, Section 12, a quorum may be gained by telephone hookup.

Some agenda items are noted as having accompanying reference material. Reference material may be accessed on the electronic version of the agenda by clicking the reference link associated with a particular item. The agenda and associated reference material may also be accessed on the Internet by visiting the Board of Regents' website at:

<https://nshe.nevada.edu/leadership-policy/board-of-regents/meeting-agendas/>

Pursuant to Section 5 of Directive 006, and extended by Directives 016, 018, 021, 026 and 029, the requirement contained in NRS 241.020(3)(c) that physical locations be available for the public to receive supporting material for public meetings has been suspended. Pursuant to Section 6 of Directive 006, and extended by Directives 016, 018, 021, 026 and 029, copies of the reference material and any additional support materials that are submitted to the Board of Regents' Office and then distributed to the members of the Board of Regents after the posting of this agenda but before the meeting, will be made available upon request by calling Winter Lipson at (702) 889-8426.

Reasonable efforts will be made to assist and accommodate physically disabled persons to participate in the meeting. Please call the Board office at (775) 784-4958 in advance so that arrangements may be made.

1. PUBLIC COMMENT

INFORMATION ONLY

Public comment will be taken during this agenda item. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. Comments will be limited to three minutes per person. Persons making comment will be asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

Pursuant to Section 2 of Directive 006, and extended by Directives 016, 018, 021, 026 and 029, members of the public may participate in the meeting without being physically present by submitting public comment via the online Public Comment Form (<http://nshe.nevada.edu/public-comment/>) or voicemail (702-800-4705 or 775-300-7661). Messages received by 4:00 PM on Monday, September 28, 2020, may be entered into the record during the meeting. Any other Public Comment Form submissions and/or voicemails received prior to the adjournment of the meeting will be transcribed and included in the permanent record. Persons making comment are asked to begin by stating their name for the record and to spell their last name. The Committee Chair may elect to allow additional public comment on a specific agenda item when that agenda item is being considered.

In accordance with Attorney General Opinion No. 00-047, as restated in the Attorney General's Open Meeting Law Manual, the Chair may prohibit comment if the content of that comment is a topic that is not relevant to, or within the authority of, the Board of Regents, or if the content is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational or amounting to personal attacks or interfering with the rights of other speakers.

2. MINUTES

FOR POSSIBLE ACTION

Request is made for approval of the minutes from the September 27, 2019, meeting. ([Ref. INV-2](#))

ESTIMATED TIME: 5 mins.

**3. ENDOWMENT POOL PERFORMANCE – INFORMATION ONLY
RUSSELL INVESTMENTS**

Staff from Russell Investments will present a report on asset allocation and investment returns for the Pooled Endowment Fund as of July 31, 2020. ([Refs. INV-3a](#) and [INV-3b](#))

ESTIMATED TIME: 10 mins.

**4. ENDOWMENT POOL PERFORMANCE – INFORMATION ONLY
CAMBRIDGE ASSOCIATES**

Staff from Cambridge Associates will present a report on asset allocation and investment returns for the Pooled Endowment Fund as of July 31, 2020. ([Refs. INV-4a](#) and [INV-4b](#))

ESTIMATED TIME: 10 mins.

**5. OPERATING POOL PERFORMANCE FOR POSSIBLE ACTION
DISCUSSION AND RECOMMENDATIONS**

Staff from Cambridge Associates and System Administration will present a report on asset allocation and investment returns for the Pooled Operating Fund as of July 31, 2020. Cambridge Associates and System Administration staff may also provide specific recommendations on fund managers which may include hiring, terminating or changing managers. The Committee may take action based on the report and recommendations, including making recommendations to the Board to change asset allocation, fund managers and/or strategic ranges for the pooled fund. ([Ref. INV-5](#))

ESTIMATED TIME: 10 mins.

6. HANDBOOK REVISION, STATEMENT OF INVESTMENT OBJECTIVES AND POLICIES FOR THE ENDOWMENT FUND FOR POSSIBLE ACTION

Chief Financial Officer Andrew Clinger requests approval of revisions to the Statement of Investment Objectives and Policies for the Endowment Fund (*Title 4, Chapter 10, Section 5*). ([Ref. INV-6](#))

ESTIMATED TIME: 10 mins.

7. ENDOWMENT DISTRIBUTION RATE AND POLICY **FOR POSSIBLE ACTION**

The Committee will discuss current NSHE distributions from the Endowment Fund and the current rate which is set at a net 4.5 percent spending/management fee in relation to current investment allocation, projected returns and Board Policy (*Title 4, Chapter 10, Section 5*). The Committee will also review past performance of the NSHE Endowment Fund and the university foundation endowment funds and may recommend approval of changes to the current distribution rate.

ESTIMATED TIME: 10 mins.

8. BANKING/FINANCIAL SERVICES CONTRACTS **INFORMATION ONLY**

Assistant Chief Financial Officer Rhett Vertrees will provide an update on the status of current banking services contracts.
[\(Ref. INV-8\)](#)

ESTIMATED TIME: 10 mins.

9. CHARGE OF THE INVESTMENT COMMITTEE **INFORMATION ONLY**

A review will be conducted of the Committee's charge as set forth in the Bylaws of the Board of Regents (*Title 1, Article VI, Section 3*). The Committee may direct staff to bring a proposed Bylaw revision to a future meeting for consideration and approval.
[\(Ref. INV-9\)](#)

ESTIMATED TIME: 10 mins.

10. OPERATING FUND DISTRIBUTION RATE **FOR POSSIBLE ACTION**

The Committee will discuss current NSHE distributions from the Operating Fund and the current monthly distribution rate, which is 2.75 percent. The Committee will also review the past performance of the Operating Fund and the balance in the Operating Fund reserve account. The Committee will review how changes to the monthly Operating Fund distribution rate impact the long-term objectives and may recommend approval of a revision to the monthly distribution rate.

ESTIMATED TIME: 10 mins.

11. NEW BUSINESS

INFORMATION ONLY

Items for consideration at future meetings may be suggested. Any discussion of an item under “New Business” is limited to description and clarification of the subject matter of the item, which may include the reasons for the request, and no substantive discussion may occur at this meeting on new business items in accordance with the Nevada Open Meeting Law (NRS 241.010 *et seq.*).

ESTIMATED TIME: 5 minutes

12. PUBLIC COMMENT

INFORMATION ONLY

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PURSUANT TO SECTION 3 OF DIRECTIVE 006, AND EXTENDED BY DIRECTIVES 016, 018, 021, 026 AND 029, THE REQUIREMENTS CONTAINED IN NRS 241.020(4)(a) THAT PUBLIC NOTICE AGENDAS BE POSTED AT PHYSICAL LOCATIONS WITHIN THE STATE OF NEVADA HAVE BEEN SUSPENDED.

PURSUANT TO SECTION 4 OF DIRECTIVE 006, AND EXTENDED BY DIRECTIVES 016, 018, 021, 026 AND 029, THIS AGENDA HAS BEEN ELECTRONICALLY POSTED ON THE NEVADA SYSTEM OF HIGHER EDUCATION WEBSITE (<http://system.nevada.edu/>) AND ON THE NEVADA PUBLIC NOTICE WEBSITE (<http://notice.nv.gov/>) IN ACCORDANCE WITH NRS 232.2175.