

NEVADA SYSTEM OF HIGHER EDUCATION

DISCUSSION MATERIALS - OPERATING FUND



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Table of Contents

1.	Operating Fund	
A.	Executive Summary & Action Items	05
B.	Market Update	09
C.	Performance & Risk/Return Characteristics	18
D.	Operating Fund Status	26

A. EXECUTIVE SUMMARY & ACTION ITEMS





Updated with Supplemental Information Executive Summary

EXECUTIVE SUMMARY

Market & Geopolitical Update

Investor sentiment soured in second quarter, leading to steep declines across nearly all asset classes. Global equities foundered as developed and emerging stocks alike fell into bear markets. Rising interest rates and deteriorating global economic growth prospects meant growth stocks trailed value, while large caps edged small caps. Aggressive monetary tightening and high inflation pressured government bond performance, while corporates lagged on rising credit spreads. Real assets also declined, with energy commodities being the lone exception among major asset classes as oil prices continued climbing. Against this backdrop, the US dollar appreciated to a 20-year high.

Following a July market rebound, risk assets broadly retreated in August, reversing course mid-month on the growing realization that elevated interest rates may be around longer than expected. Global equities declined for the sixth time year-to-date; emerging markets advanced, topping developed markets equities—which declined—by the widest margin in two years. Global bonds experienced their third steepest monthly decline in history.

Operating Fund Performance and Asset Allocation as of [August 31, 2022](#)

For the fiscal year ended June 30, 2022, the Total Operating Fund returned -7.9%, slightly underperforming the Policy Index by 20bps. The Total Long-Term Pool returned -11.0% for the period, outperforming the Total Long-Term Pool Benchmark by 130bps. TIPS led performance on both an absolute and relative basis with a -2.9% return, outperforming its benchmark by 220 bps due to a tactical position in Short-Term TIPS.

For the calendar year to date through August 31, the Total Long-Term Pool returned -14.4%, outperforming the Total Long-Term Pool Benchmark by 30bps. The TIPS allocation continues to lead performance on both an absolute and relative basis with a -5.3% return, outperforming its benchmark by 220 bps (again due to a tactical position in Short-Term TIPS). The Total Operating Fund posted a return of -10.1% for the CYTD period, lagging the Policy Index by 90bps, due primarily to static benchmark weights that no longer reflect the System's current approach to sizing the Short-Term and Intermediate-Term Pools. On the next page we recommend updating the Total Operating Fund benchmark weights to reflect the System's current liquidity management practices.

As of [August 31, 2022](#), adjusted for estimated performance through [September 22](#), the Long-Term Pool [still](#) had underweights to Global ex U.S. Equity and Long-Term Bonds, offset by an overweight to TIPS, [which we recommend moderating in our rebalancing recommendations on the next page.](#)

Operating Fund Return Projections

As shown in the following pages, while the Operating Fund Policy has a 3.8% expected real compound return over the long term (i.e., 25+ years), there is a wide range of potential outcomes, particularly over shorter time periods. For example, over any given 3-year period, the Operating Fund has a 50% likelihood of a real return between 0.9% and 6.7%, with a 25% likelihood of returns either above or below this range.

Executive Summary

In addition to the general unpredictability of short-term returns, current market valuations pose additional headwinds to investors today: Strong performance over recent years have brought assets to levels that we view as unsustainable, implying that intermediate-term returns will likely fall short of long-term expectations. In a hypothetical scenario in which all asset class valuations reverted to their historical averages over the next 10 years, we project that US Equities would return -0.4% real (far below C | A's long-term return assumption of 5.7%), and US Treasuries would return -0.9% real (similarly falling short of C | A's long-term return assumption of 2.8%). Looking across the Operating Fund, this "return to normal" thought exercise suggests a 1.2% real return over the intermediate term – which would fail to support a 2.75% payout. We also present an analysis of returns in historical market downturns, showing that the Operating Fund could experience double-digit declines in environments like the Oil Shock of the early 1970s, the Tech Bubble Burst of the early 2000s or the Global Financial Crisis of 2007-2009.

ACTION ITEMS

Rebalancing Recommendations

On the following page we include Operating Fund performance estimates for early September (-2.4%). We estimate the Reserve Account balance at approximately *negative* \$40 million. The updated rebalancing table reflects the following rebalancing recommendations:

- \$7 million addition to Vanguard Developed Markets Index
- \$2 million trim from Vanguard Inflation-Protected Securities
- \$5 million trim from Vanguard Short-Term Inflation-Protected Securities

Total Operating Fund Benchmark Recommendation

In early 2019, the Statement of Investment Objectives and Policies for the Operating Funds was updated so that the sizing of the Short-Term and Intermediate-Term Pools would be driven by the System's liquidity requirements as determined by the NSHE Chief Financial Officer. Previously, the two liquidity pools had a combined target weight of 40% of the Total Operating Fund, which had been determined to be much larger than the System's actual liquidity needs. The actual historical weights of the three pools are illustrated on page 20 of these materials.

We recommend updating the benchmark calculation to dynamic (actual) weights to better reflect the System's liquidity management practices adopted in 2019. As shown below, while the two approaches have had very close performance over the long term, the proposed Dynamic Index is a closer fit for Total Operating Fund results:

Annual Returns as of Aug 31, 2022 • USD											YTD (8M)
Composite/Benchmarks											
Total Operating Fund	9.6	2.6	-1.0	4.3	9.9	-2.9	13.7	10.4	9.5	-10.1	
Policy Index (static 60% Long-Term/10% Int-Term/30% Short-Term weights)	9.6	3.2	0.2	4.4	9.6	-2.8	13.4	9.3	8.4	-9.2	
Dynamic Index (actual Long-Term/Int-Term/Short-Term weights)	9.6	3.1	-0.2	4.3	9.4	-2.9	13.8	11.0	8.8	-10.1	
Annualized Returns as of Aug 31, 2022 • USD											
Composite/Benchmarks											
Total Operating Fund	4.6	4.4	3.8	4.7	4.8	4.4	4.0	4.4	1.5	-8.9	
Policy Index (static 60% Long-Term/10% Int-Term/30% Short-Term weights)	4.6	4.5	3.8	4.6	4.6	4.2	3.7	4.0	1.6	-8.1	
Dynamic Index (actual Long-Term/Int-Term/Short-Term weights)	4.7	4.5	3.9	4.7	4.8	4.4	4.0	4.3	1.3	-9.2	

Updated with Supplemental Information

	Allocation as of Aug 31, 2022		9/1/2022 - 9/22/2022	Estimated Allocation as of Sep 22, 2022		Recommendations (C A)		Pro Forma Allocation		Targets	Allowable Range
	Assets (\$ mm)	Allocation (%)	Est Perf (%)	Assets (\$ mm)	Allocation (%)	(\$ mm)	(%)	Assets (\$ mm)	Allocation (%)	(%)	(%)
U.S. Equity											
Vanguard Institutional Index	161.7	30.9	-4.1%	155.1	30.8			\$155.1	30.8		
Metis US Equity Index	47.3	9.0%	-4.1%	45.3	9.0%			\$45.3	9.0		
Total U.S. Equity	\$209.0	39.9%	-4.1%	\$200.5	39.7%	---	---	\$200.5	39.7%	40.0%	33%-50%
Global ex U.S. Equity											
Vanguard Developed Markets Index	93.6	17.9	-5.1	88.8	17.6	+7.0	1.4	\$95.8	19.0		
Metis International Equity Index	41.5	7.9	-4.3	39.7	7.9			\$39.7	7.9		
Total Global ex U.S. Equity	\$135.0	25.8%	-4.9%	\$128.5	25.5%	\$7.0	1.4%	\$135.5	26.8%	27.0%	17%-30%
Marketable Alternatives											
Farallon Capital	1.3	0.3	-0.1	1.3	0.3			\$1.3	0.3		
Total Marketable Alternatives	\$1.3	0.3%	-0.1%	\$1.3	0.3%	---	---	\$1.3	0.3%	0.0%	
TOTAL EQUITIES	\$345.4	66.0%	-4.4%	\$330.3	65.5%	\$7.0	1.4%	\$337.3	66.9%	67.0%	50%-80%
TIPS											
Vanguard Inflation-Protected Securities	75.2	14.4	-2.9	73.1	14.5	-2.0	-0.4	\$71.1	14.1		
Vanguard Short-Term Inflation-Protected Securities	40.5	7.7%	-1.3	40.0	7.9%	-5.0	-1.0	\$35.0	6.9		
Total TIPS	\$115.8	22.1%	-2.3%	\$113.1	22.4%	-\$7.0	-1.4%	\$106.1	21.0%	20.0%	8%-25%
Long Term Bonds											
PIMCO Total Return	41.9	8.0	-1.9	41.1	8.2			\$41.1	8.2		
Wells Capital Montgomery	20.5	3.9	-2.1	20.0	4.0	---		\$20.0	4.0		
Total Long Term Bonds	\$62.4	11.9%	-2.0%	\$61.2	12.1%	---	---	\$61.2	12.1%	13.0%	8%-25%
TOTAL LONG-TERM POOL	\$523.5	100.0%	-3.6%	\$504.5	100.0%	---		\$504.5	100.0%	100.0%	
Estimated MTD investment gain/(decline)				-\$19.0							
Intermediate Term Bonds						Recommendations (NSHE Staff)					
Access Community Investment Fund	23.3		-2.4	22.7				22.7			
WellsCap Short Duration	111.0		-1.2	109.6				109.6			
Total Intermediate Term Bonds	\$134.2		-1.4%	\$132.3		---		\$132.3			
Estimated MTD investment gain/(decline)				-\$1.9							
Short Term Bonds and Cash											
Short Term Bonds and Cash*	220.4		---	220.4				220.4			
Total Short Term Bonds and Cash	\$220.4		---	\$220.4		---		\$220.4			
TOTAL OPERATING FUND	\$878.2		-2.4%	\$857.3		---		\$857.3			

Note: Market values are estimated using manager preliminary or mutual fund returns or (if highlighted in peach) index proxies.

Actual client-specific returns may ultimately differ from managers' fund-level preliminary estimates. Cash accounts assume a 0% return for the period.

*Short Term Bonds and Cash estimated balances provided by System staff as of 8/31/2022.

B. MARKET UPDATE



Significant interest rate repricing led markets lower in August

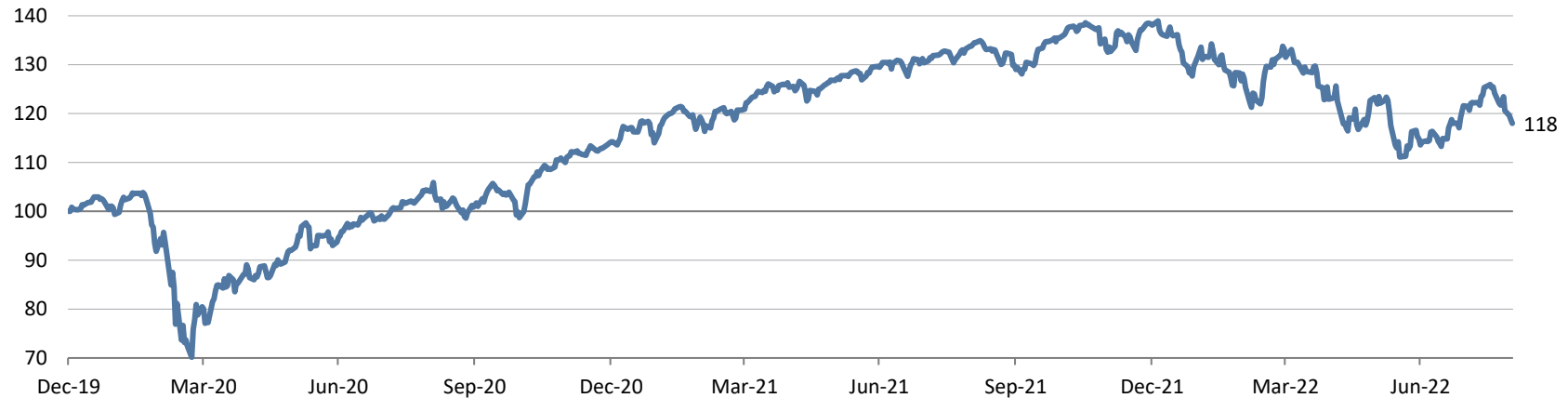
GLOBAL ASSET CLASS PERFORMANCE As of August 31, 2022 • US Dollar • Percent (%)



Swift bounce back in global equities from their mid-June low runs out of steam

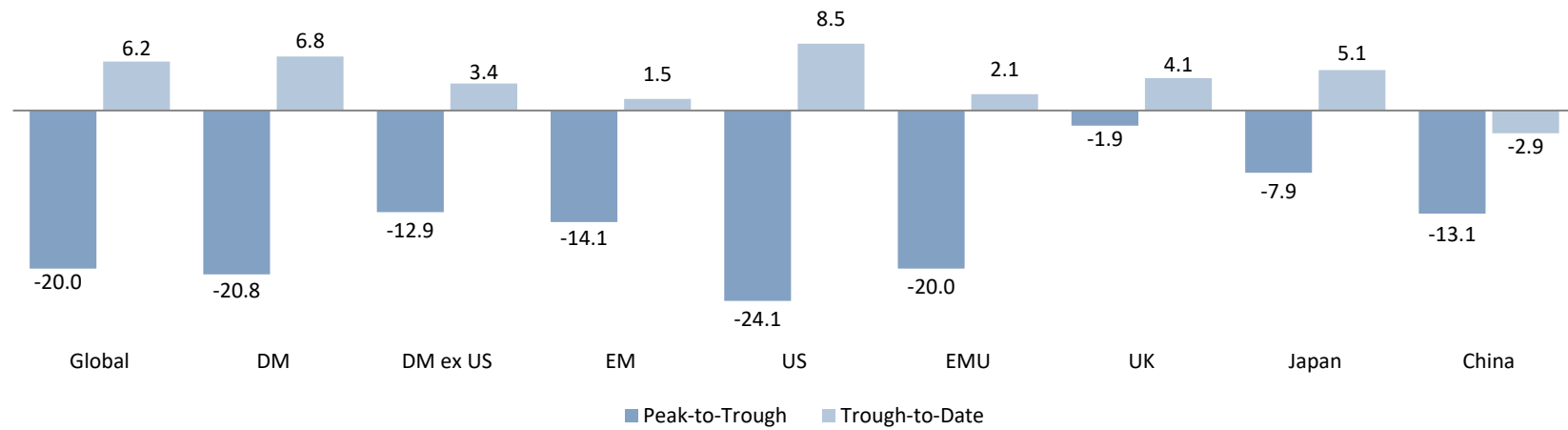
MSCI ACWI CUMULATIVE WEALTH

As of August 31, 2022 • December 31, 2019 = 100 • Local Currency



2022 REGIONAL EQUITY PERFORMANCE

As of August 31, 2022 • Local Currency



Markets typically bounce back quickly after recessions, but have we had a recession yet?

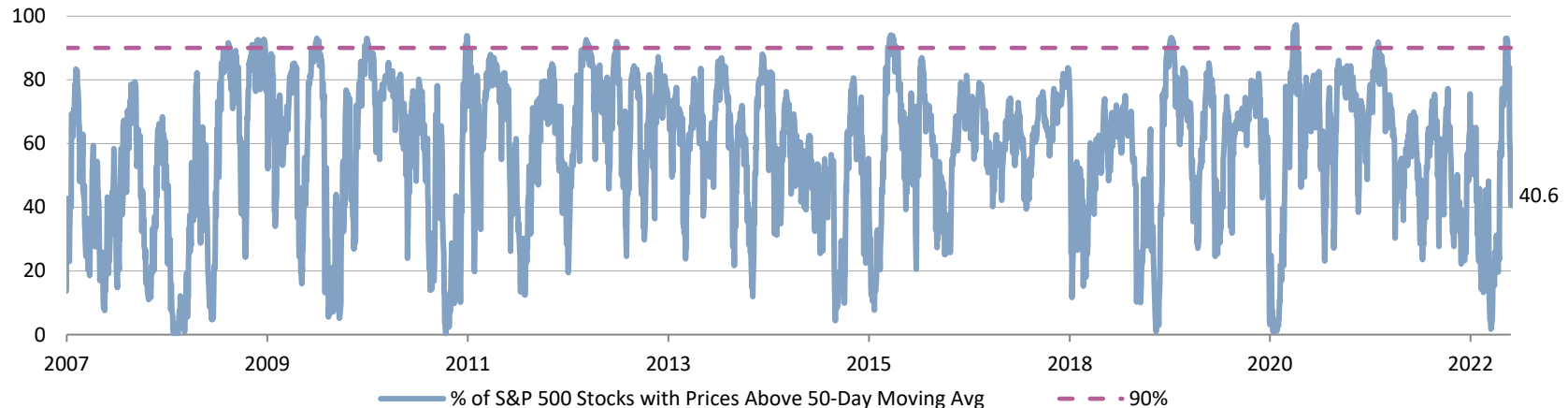
VALUATIONS AND RETURNS AROUND US RECESSIONS

1968–2022

Dates				Forward P/E				Returns 12M From Recession Start		Returns 12M From Recession End	
Market Peak	Recession Start	Recession End	Recession Length (months)	FWD P/E Peak	FWD P/E Trough	FWD P/E Change	Equity Peak-to-Trough (%)	Equity Return (%)	Fixed Income Return (%)	Equity Return (%)	Fixed Income Return (%)
Nov-68	Dec-69	Nov-70	11	--	--	--	-36	0	---	8	---
Jan-73	Nov-73	Mar-75	16	--	--	--	-48	-27	---	23	---
Feb-80	Jan-80	Jul-80	6	--	--	--	-17	13	-2	8	-13
Nov-80	Jul-81	Nov-82	16	7.7	5.0	-2.7	-27	-18	9	20	-1
Jul-90	Jul-90	Mar-91	8	11.6	9.5	-2.1	-20	9	1	8	2
Mar-00	Mar-01	Nov-01	8	23.8	18.7	-5.1	-49	-1	-2	-18	1
Oct-07	Dec-07	Jun-09	18	16.0	10.8	-5.2	-57	-38	0	12	4
Feb-20	Feb-20	Apr-20	2	18.6	15.3	-3.3	-34	29	-2	44	-4
Mean			10.6	15.5	11.9	-3.7	-36	-4	1	13	-2
Median			9.5	16.0	10.8	-3.3	-35	-1	-1	10	0

MARKET BREADTH SIGNALLED STOCKS WERE OVERBOUGHT

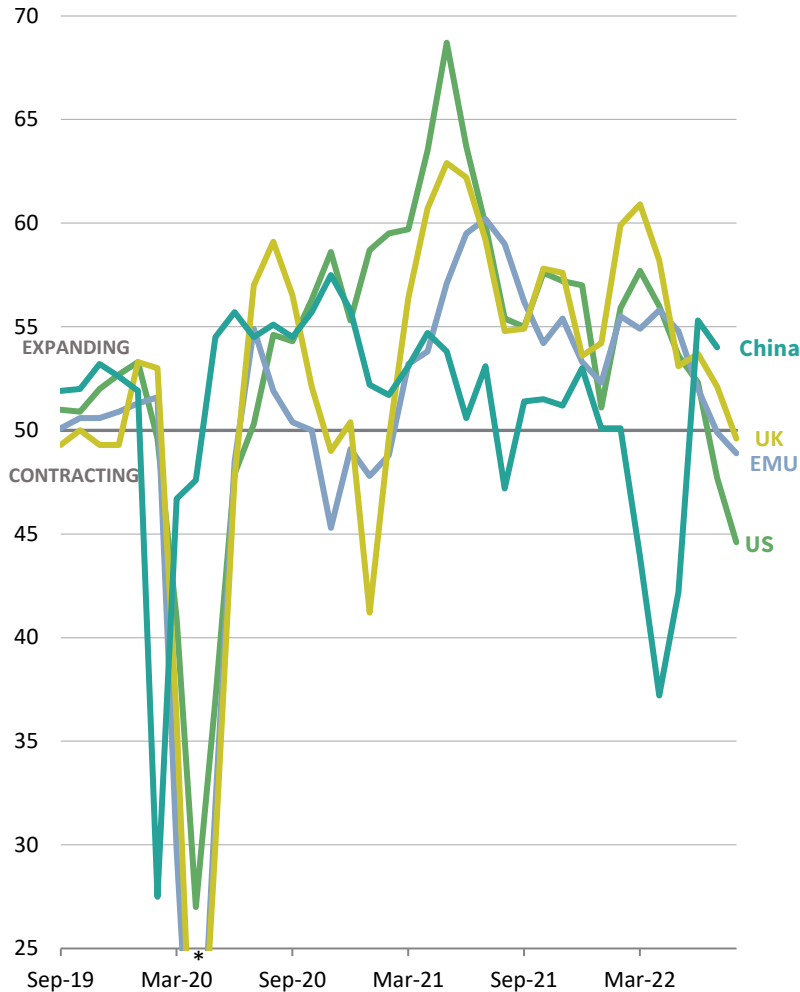
August 31, 2007 – August 31, 2022 • Percent (%)



Economic growth continues to trend lower despite some positive data surprises in August

COMPOSITE PMIs

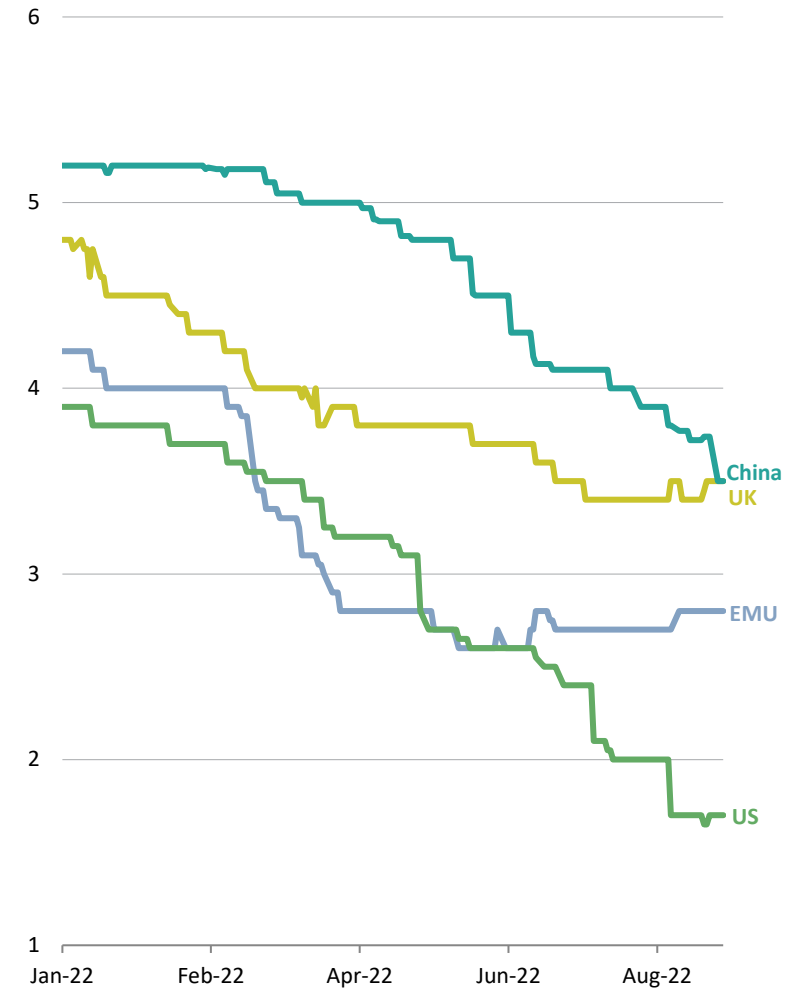
September 30, 2019 – August 31, 2022



* Chart is capped for scaling purposes.

2022 CONSENSUS GDP GROWTH ESTIMATES

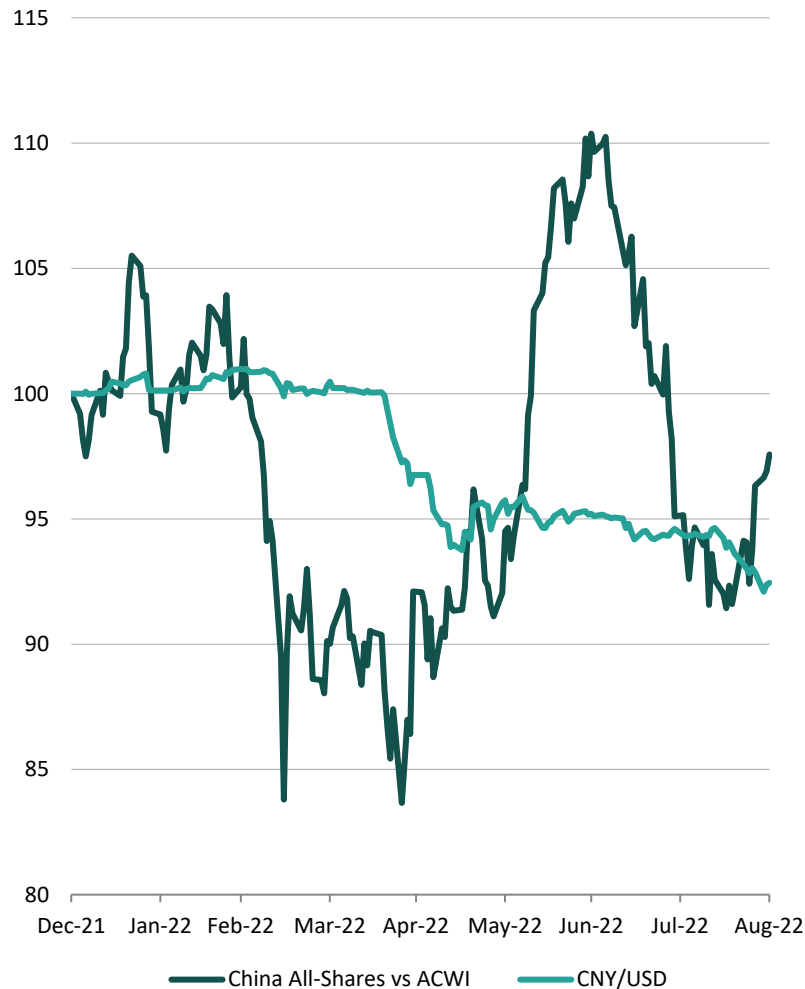
December 31, 2021 – August 31, 2022 • Percent (%)



Weaker macro data and COVID-19 policies have hurt Chinese and European assets

CHINA RELATIVE CUMULATIVE WEALTH

December 31, 2021 – August 31, 2022 • December 31, 2021 = 100 • Local Currency



EMU RELATIVE CUMULATIVE WEALTH

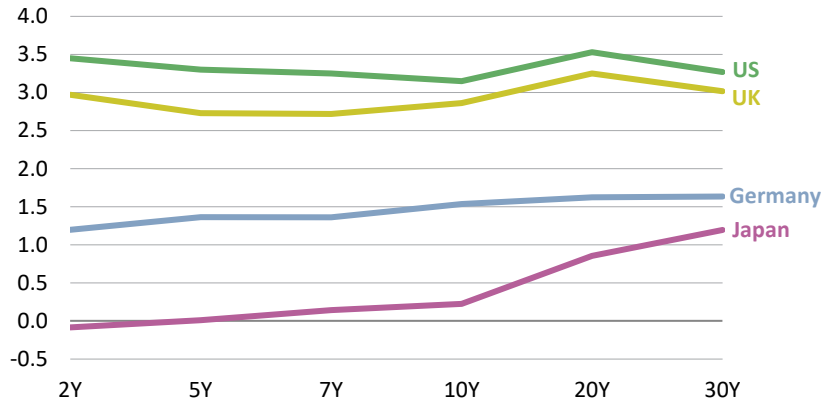
December 31, 2021 – August 31, 2022 • December 31, 2021 = 100 • Local Currency



Interest rates rose and yield curves flattened in August, as investors priced in more rate hikes

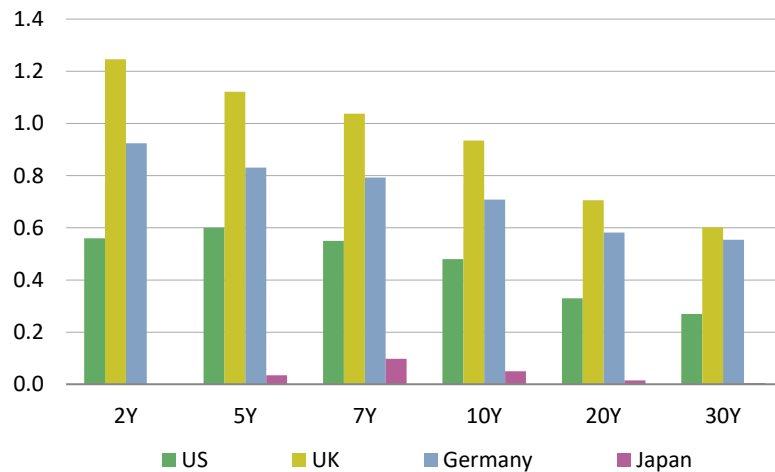
US, UK, GERMANY, AND JAPAN YIELD CURVES

As of August 31, 2022 • Percent (%)



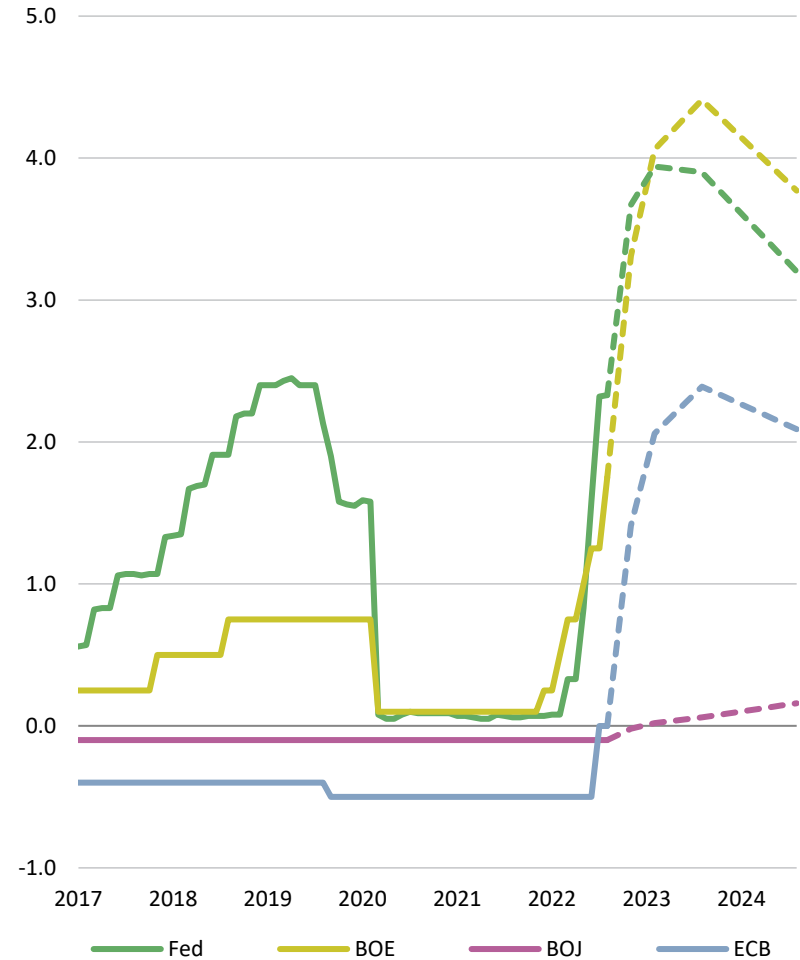
CHANGE IN YIELDS BY MATURITY DURING AUGUST

As of August 31, 2022



G4 GLOBAL POLICY RATES

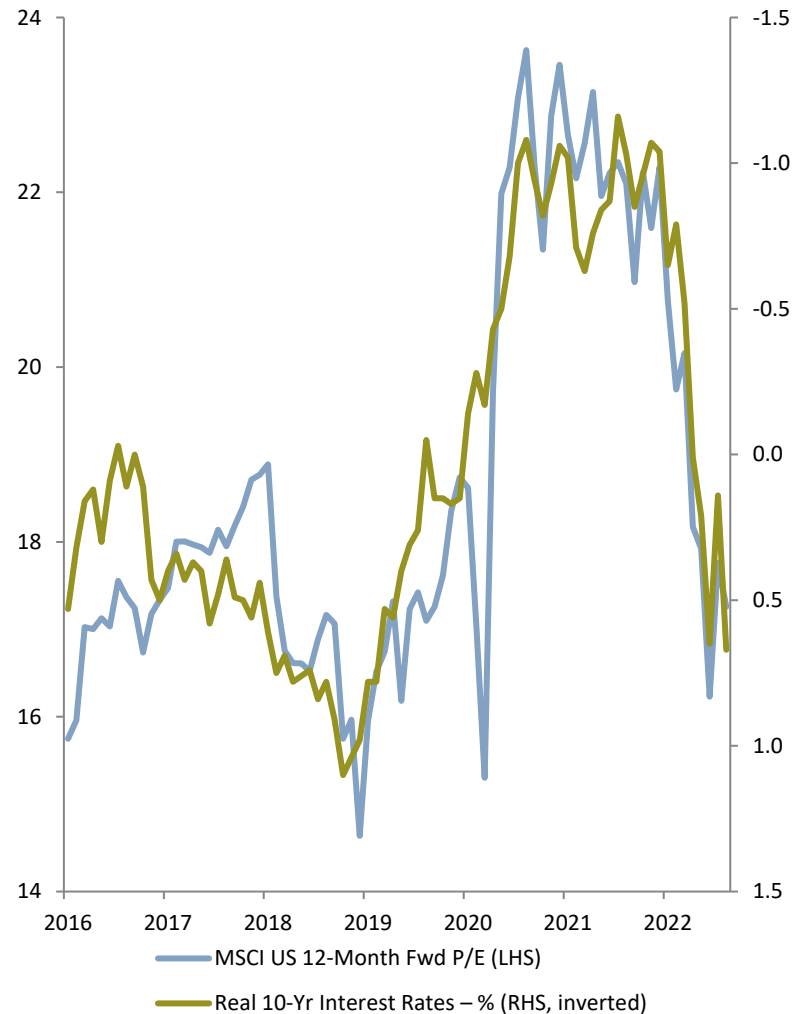
January 1, 2017 – August 31, 2023 • Percent (%)



Rising interest rates have weighed on aggregate valuations and aided value versus growth

MSCI US FWD P/E VS REAL INTEREST RATES

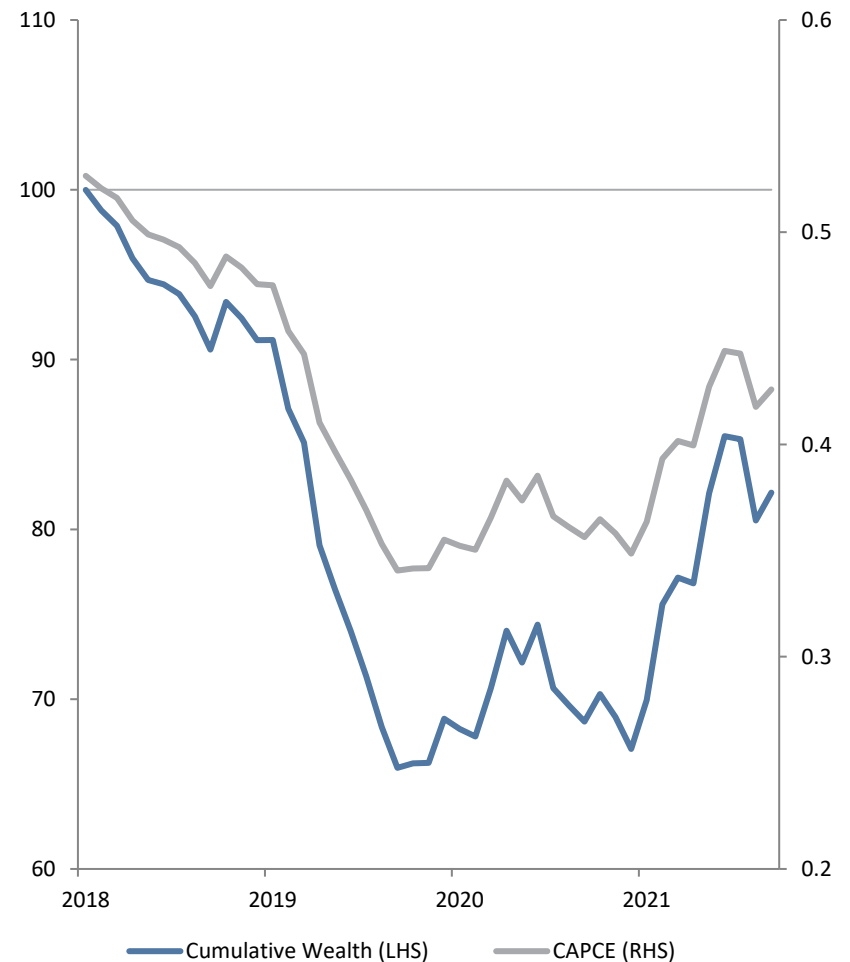
January 31, 2016 – August 31, 2022



RELATIVE CUMULATIVE WEALTH AND CAPCE

MSCI ACWI VALUE VS GROWTH

January 1, 2019 – August 31, 2022 • Local Currency • December 31, 2018 = 100

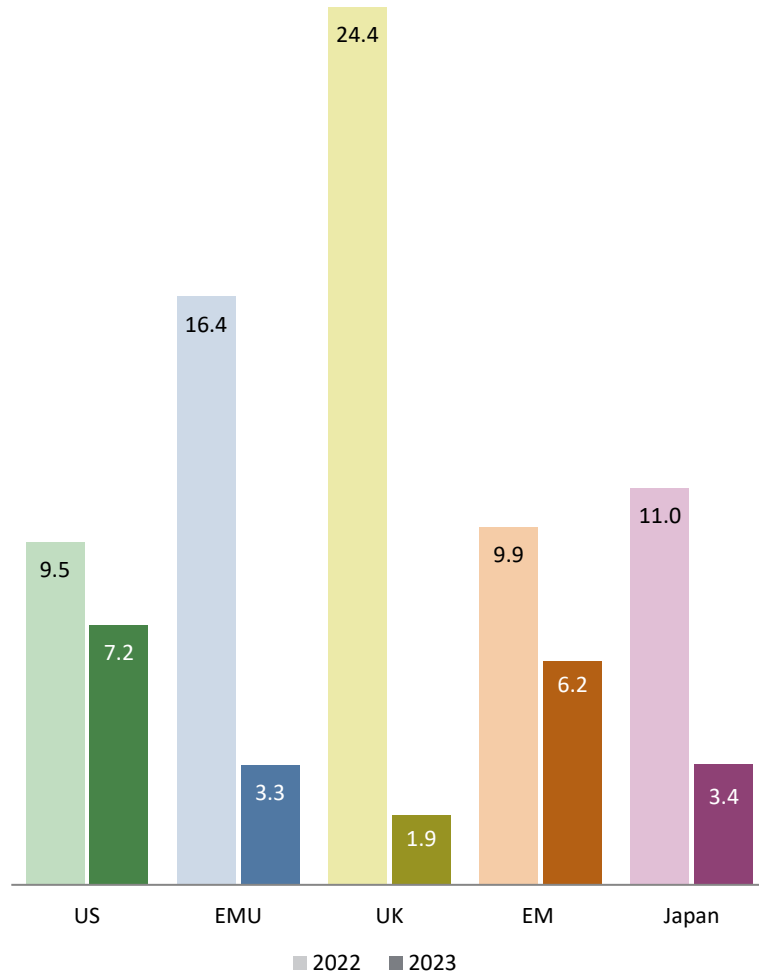


Sources: Federal Reserve, MSCI Inc., and Thomson Reuters Datastream. MSCI data provided “as is” without any express or implied warranties.
Notes: Real ten-year interest rates are represented by the ten-year TIPS yield. Data are monthly. Total return data are gross of dividend taxes. The cyclically adjusted price-to-cash earnings (CAPCE) ratio is calculated by dividing the inflation-adjusted index price by trailing ten-year average inflation-adjusted cash earnings. Cash earnings are defined as net income from continuing operations plus depreciation and amortization expense. MSCI does not publish cash earnings for banks and insurance companies and therefore excludes these two industry groups from index-level cash earnings.
MMHC

Negative revisions outside of commodity sectors are dragging index EPS forecasts lower

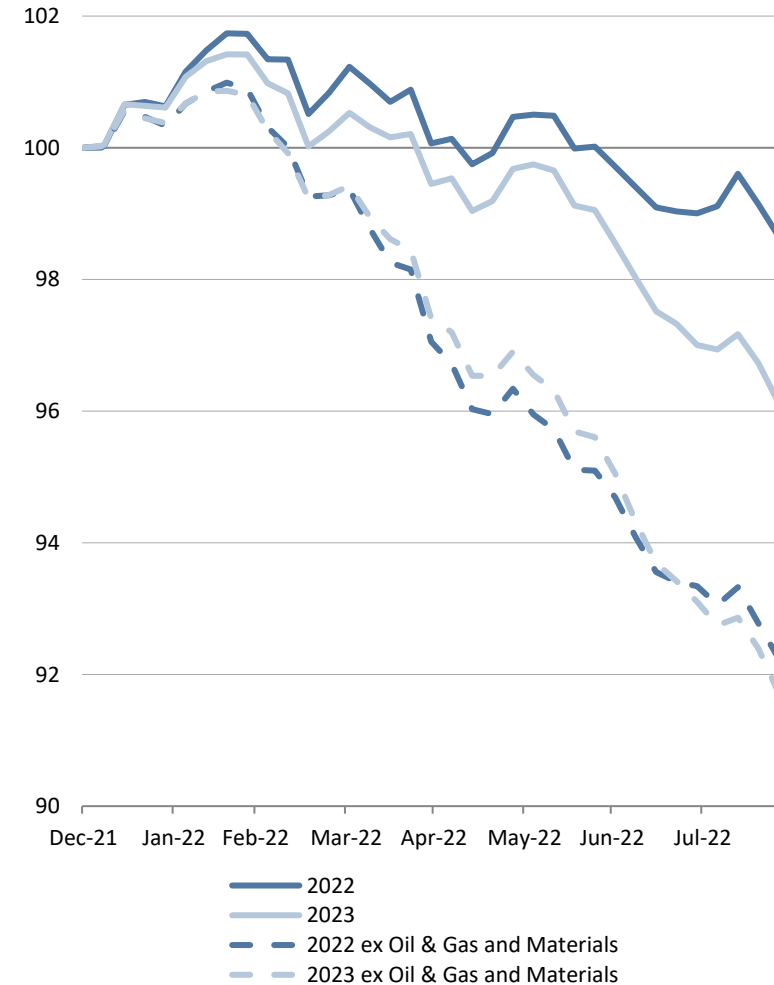
FY EPS GROWTH ESTIMATES BY REGION

As of August 31, 2022 • Percent (%)



MSCI ACWI EARNINGS GROWTH EXPECTATIONS

December 31, 2021 – August 31, 2022 • December 31, 2021 = 100



C. PERFORMANCE & RISK/RETURN CHARACTERISTICS



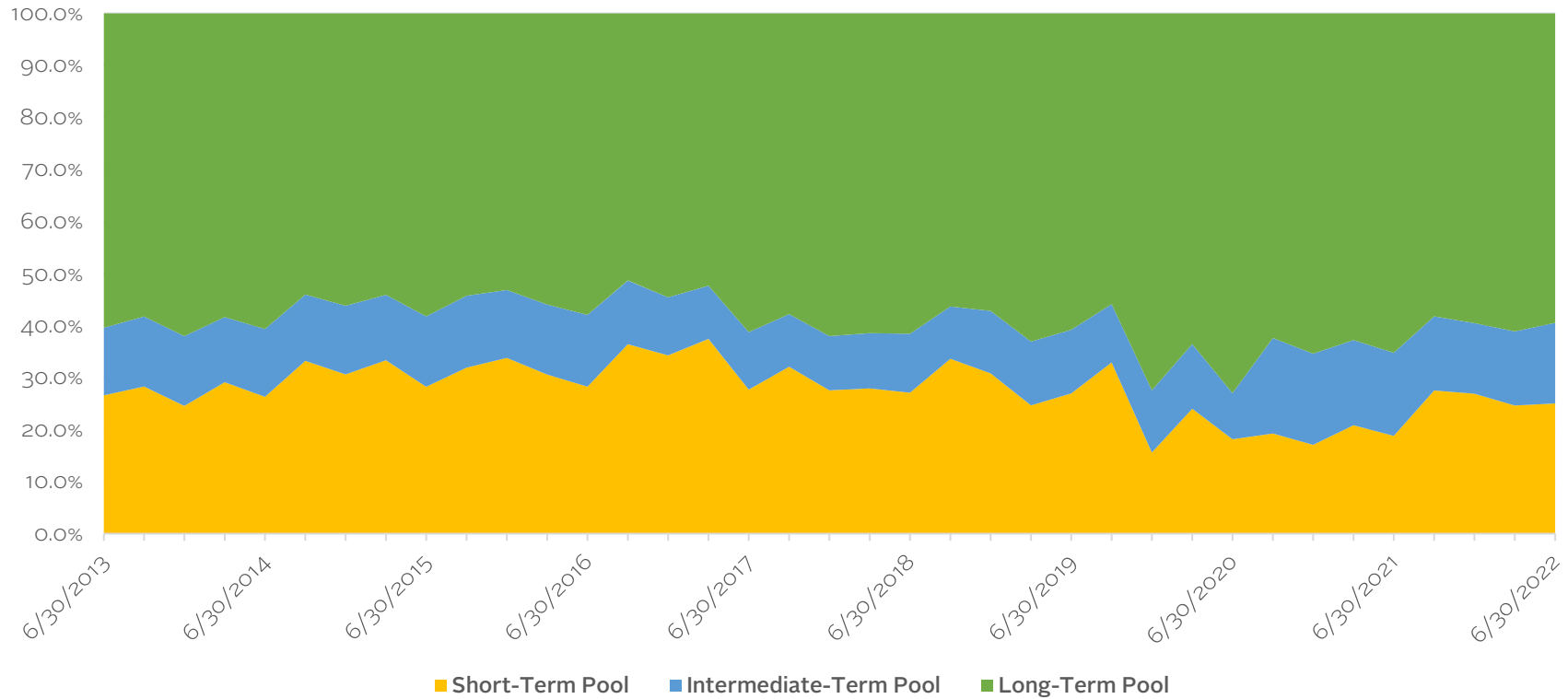
Investment Performance by Composite

As of 8/31/2022

Returns (%)	INCEPTION DATE	CURRENT MARKET VALUE	MONTH TO DATE	FISCAL YEAR TO DATE JUN	CALENDAR YEAR TO DATE	ANNUALIZED TRAILING 5 YEARS	ANNUALIZED TRAILING 10 YEARS	ANNUALIZED SINCE INCEPTION
Total Operating Fund*	6/30/1996	\$878,196,116	-2.8	1.1	-10.1	4.4	4.6	4.9
<i>Total Operating Fund Dynamic Index</i>	6/30/1996		-2.6	1.3	-10.1	4.4	4.7	4.3
Operating Liquidity Pools*	6/30/1996	\$354,667,697	-0.7	0.1	-1.8	0.7	0.5	2.4
Intermediate-Term Bonds*	6/30/1996	\$134,233,719	-1.4	0.4	-4.4	0.5	0.8	3.6
<i>BofA ML 1-3 Yr Treasury Bond Index</i>	6/30/1996		-0.7	-0.4	-3.2	0.8	0.7	2.9
<i>Value Add</i>			-0.7	0.7	-1.2	-0.2	0.1	0.7
Short-Term Bonds and Cash**	6/30/1996	\$220,433,978	0.1	0.1	0.2	0.9	0.5	2.1
<i>BofA ML 91-Day Treasury Bills</i>	6/30/1996		0.2	0.2	0.4	1.1	0.7	2.1
<i>Value Add</i>			-0.1	-0.1	-0.1	-0.2	-0.2	0.0
Total Long-Term Pool*	6/30/1996	\$523,528,418	-3.9	1.9	-14.4	6.1	7.1	6.6
<i>Long-Term Pool Benchmark¹</i>	6/30/1996		-3.7	2.4	-14.8	6.0	7.2	5.8
<i>Value Add</i>			-0.2	-0.5	0.3	0.1	-0.1	0.8
U.S. Equity	6/30/2000	\$208,998,362	-4.1	4.8	-16.2	11.9	13.1	6.9
<i>S&P 500 Index</i>	6/30/2000		-4.1	4.8	-16.1	11.8	13.1	6.6
<i>Value Add</i>			0.0	0.0	0.0	0.1	0.0	0.2
Global ex U.S. Equity	6/30/2000	\$135,012,307	-5.4	-0.5	-19.8	2.0	4.9	3.3
<i>MSCI EAFE Index (N)</i>	6/30/2000		-4.7	0.0	-19.6	1.6	5.0	3.0
<i>Value Add</i>			-0.6	-0.5	-0.3	0.4	-0.1	0.2
Marketable Alternatives*	6/30/2000	\$1,339,790	0.0	0.0	-0.7	-0.9	1.6	4.9
<i>HFRI Fund of Funds Diversified Index</i>	6/30/2000		0.7	1.2	-3.5	3.9	3.8	3.4
<i>Value Add</i>			-0.7	-1.2	2.8	-4.8	-2.2	1.5
TIPS*	6/30/2000	\$115,769,097	-2.3	0.9	-5.3	3.4	1.9	5.1
<i>BBG US TIPS Index</i>	6/30/2000		-2.7	1.6	-7.5	3.2	1.7	5.0
<i>Value Add</i>			0.4	-0.7	2.2	0.2	0.1	0.0
Long-Term Bonds	6/30/1996	\$62,408,862	-2.7	-0.5	-11.5	0.5	1.5	5.2
<i>BBG Aggregate Bond Index</i>	6/30/1996		-2.8	-0.5	-10.8	0.5	1.4	4.5
<i>Value Add</i>			0.1	0.0	-0.8	0.0	0.2	0.7

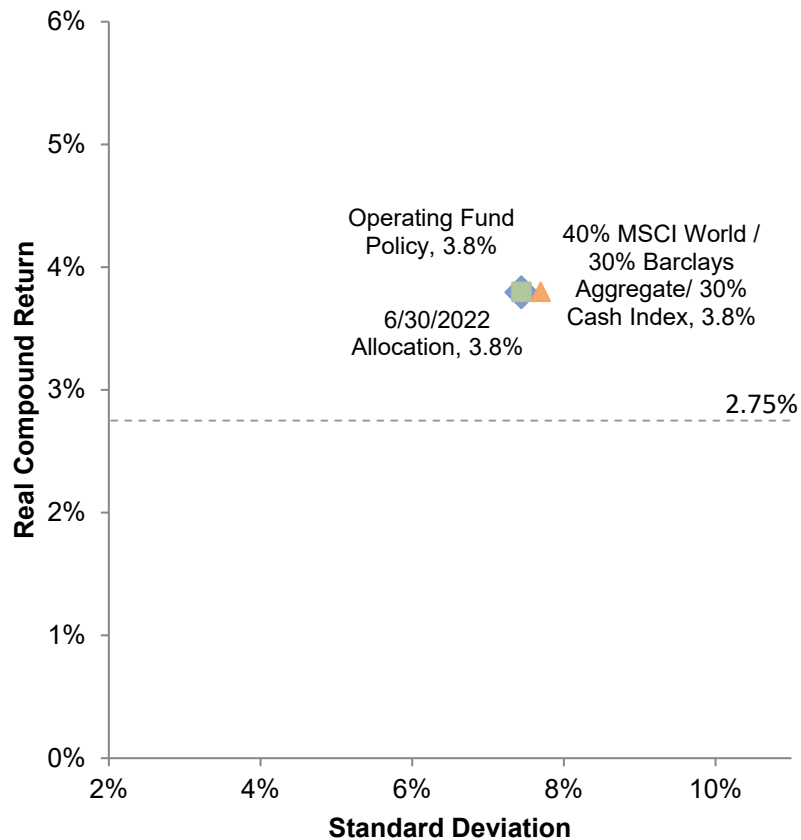
Total Operating Fund Breakout

Trailing 10-Years as of 6/30/2022



Operating Fund – Long-Term Risk/Return Expectations

Long-Term Real Risk/Return Projections

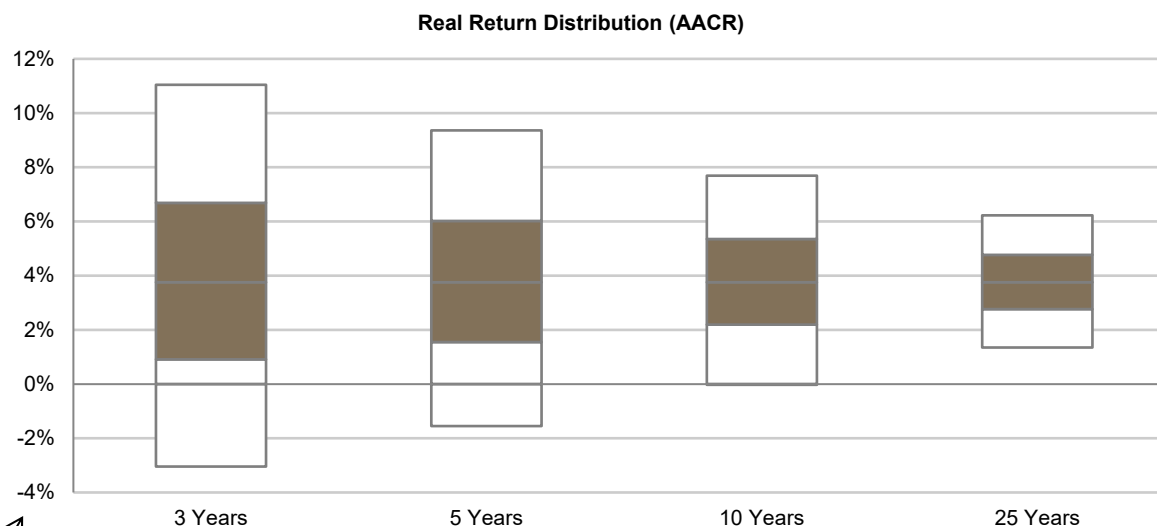


Summary Statistics – Real Returns

	6/30/2022 Allocation	Operating Fund Policy	40% MSCI World / 30% Barclays Aggregate / 30% Cash Index
Estimated Long-Term Real Compound Return	3.8%	3.8%	3.8%
Estimated Range of Returns (25th-75th %ile)	2.8% - 4.8%	2.8 - 4.8%	2.8 - 4.8%
Estimated Volatility (Standard Deviation)	7.4%	7.4%	7.7%
Estimated Beta to Global Equity	0.39	0.39	0.40
Long-Term Risk: Estimated Probability of Not Achieving 2.75% Real Compound Return Over 25 Years	24%	25%	25%
Short-Term Risk: Estimated Cumulative Decline, 2008 Financial Crisis	-20.2% -\$20mm	-21.3% -\$21mm	-20.1% -\$20mm

Over Short-Term Periods the Operating Fund Has Meaningful Likelihood of Negative Returns

- While the Operating Fund Policy has a 3.8% expected real compound return over the long term (i.e. 25+ years), there is a wide range of potential outcomes, particularly over shorter time periods.



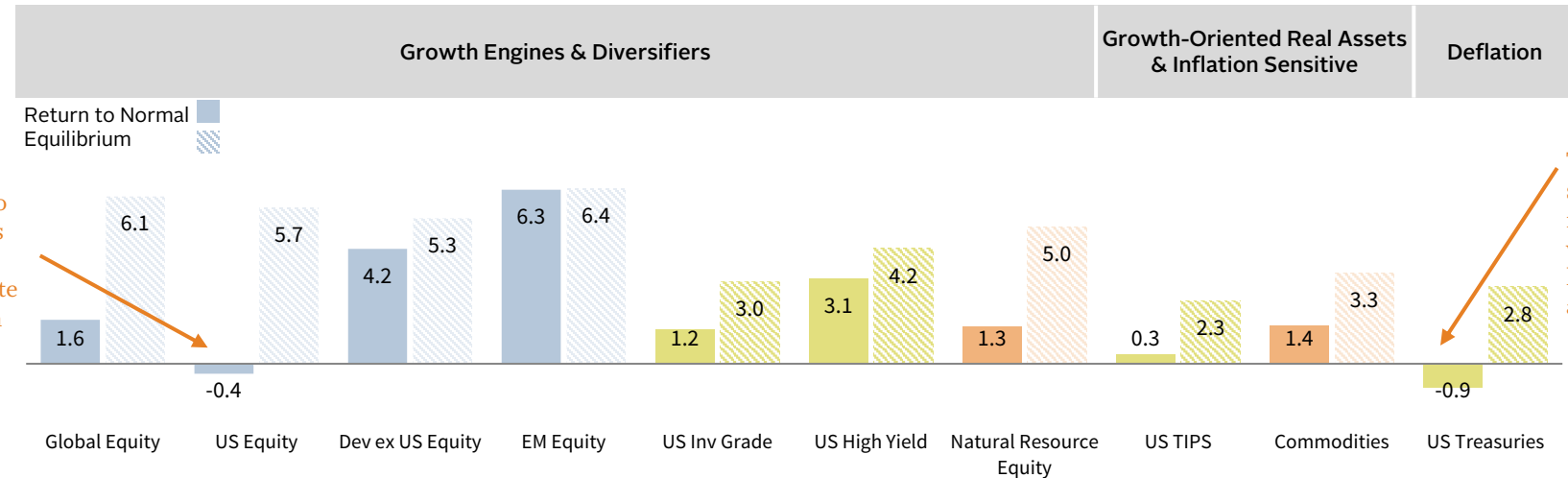
Over any given 3-year period the Operating Fund Policy has a 50% likelihood of a return between 0.9% and 6.7%

The trailing 3-year/5-year returns of 4.0% & 4.5% fall in the 2nd quartile of expected returns.

Over any given 25-year period the Long-Term Policy has a 50% likelihood of a return between 2.8% and 4.8%

Even after early 2022 market pullback, valuations still look likely to challenge intermediate-term market returns

INTERMEDIATE-TERM (10-YEAR) "RETURN TO NORMAL" SCENARIO, ASSUMING VALUATIONS NORMALIZE OVER NEXT 10 YEARS
LONG-TERM (25-PLUS YEAR) STEADY STATE "EQUILIBRIUM" ASSUMPTIONS: REAL RETURNS (ADJUSTED FOR INFLATION)
Based on Current Market Valuations as of July 31, 2022 (3.0% Inflation)

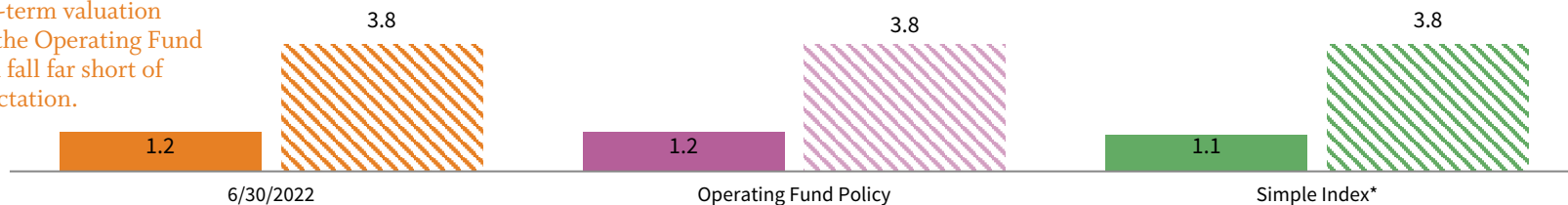


If US Equity valuations revert to long-term averages over next 10 years, they would generate a -0.4% real return

Treasury yields also suggest a negative real return if valuations revert to long-term historical averages

Comparative Return Analysis

LONG-TERM "EQUILIBRIUM" REAL RETURNS
INTERMEDIATE-TERM "RETURN TO NORMAL" REAL RETURNS
(10-Yr Horizon, 3.0% Inflation)



Under a naïve assumption that all asset classes revert to long-term valuation levels over 10 years, the Operating Fund return of 1.2% would fall far short of long-term 3.8% expectation.

Key Assumptions: Inflation: 3%; Real EPS Growth: 2% for US and Dev ex US, 3% for EMs; Ending 10-Yr US Treasury Yield: 5.0%, Ending 10-Yr US TIPS yield: 2.0%

Historical Stress Scenarios

<u>Stress Name</u>	<u>Dates</u>	<u>Length of Period (Months)</u>	<u>Stress Period Estimates Cumulative Returns - Real</u>		
			<i>6/30/22 Allocations</i>	<i>Operating Fund Policy</i>	<i>Simple Index</i>
Oil Shock	January 1, 1973 - September 30, 1974	21	-24.6	-24.6	-26.4
Energy Crisis/Stagflation	September 1, 1979 - March 31, 1980	7	-10.0	-9.4	-11.4
Energy Crisis/Stagflation	March 1, 1980 - March 31, 1980	1	-5.1	-5.2	-5.3
Interest Rate Hikes	July 1, 1980 - September 30, 1981	15	-7.5	-6.5	-8.6
Interest Rate Hikes	August 1, 1981 - July 31, 1982	12	-2.7	-3.3	-1.5
Stock Market Crash	September 1, 1987 - November 30, 1987	3	-9.0	-9.4	-9.2
Japan Market Collapse	January 1, 1990 - September 30, 1990	9	-9.1	-9.5	-9.5
Mexican Peso Crisis	February 1, 1994 - January 31, 1995	12	-2.7	-2.6	-3.1
Russian Debt Default	August 1, 1998 - September 30, 1998	2	-3.0	-3.7	-3.0
Tech Bubble Burst	April 1, 2000 - September 30, 2002	30	-9.5	-11.7	-12.0
Credit Crisis/Great Recession	November 1, 2007 - February 28, 2009	16	-20.2	-21.3	-20.1

Operating Fund Benchmark Composition

Total Operating Fund Policy Index

	Wilshire 5000 Total Market Index	MSCI EAFE Index (N)	HFRI FOF Diversified Index	Bloomberg US TIPS Index	Bloomberg Aggregate Bond Index	ICE BofA 1-3Yr US Treasury Index	ICE BofA 91-day T-bills
Inception to 06/30/00:	X	X	X	X	50%	20%	30%
07/01/00 to 03/31/11:	15%	9%	21%	11%	7%	7%	30%
04/01/11 to Present:	24%	16%	X	12%	8%	10%	30%

Total Operating Fund Dynamic Index

	Long-Term Pool Benchmark	ICE BofA 1-3Yr US Treasury Index	ICE BofA 91-day T-bills
Inception to Present:	ACB ⁽¹⁾	ACB ⁽¹⁾	ACB ⁽¹⁾

Long-Term Pool Benchmark

	Wilshire 5000 Total Market Index	MSCI EAFE Index (N)	HFRI FOF Diversified Index	Bloomberg US TIPS Index	Bloomberg Aggregate Bond Index
Inception to 06/30/00:	X	X	X	X	100%
07/01/00 to 03/31/11:	23.8%	14.3%	33.3%	17.5%	11.1%
04/01/11 to Present:	40.0%	26.7%	X	20.0%	13.3%

Opportunistic Custom Benchmark

	MSCI World Index (N)	Bloomberg Aggregate Bond Index	ICE BofA 91-day T-bills
Inception to 07/31/20:	40%	30%	30%

⁽¹⁾ Benchmark is dynamically adjusted on a monthly basis to reflect the Average Capital Base weightings of the Long-Term Pool, Intermediate-Term Pool & Short-Term Pool.

D. OPERATING FUND STATUS



**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Apr-2000 ^[1]	190,603,064	131,861	- 3,012,039	- 2,880,266	-1.51
May-2000	211,846,354	163,167	- 1,162,937	- 3,880,036	-1.83
Jun-2000	205,824,654	2,542,870	- 939,750	- 2,276,916	-1.11
Jul-2000	221,886,621	282,084	- 873,438	- 2,868,270	-1.29
Aug-2000	224,788,824	4,493,952	- 904,024	721,658	0.32
Sep-2000	210,004,756	- 1,229,654	- 1,231,755	- 1,739,751	-0.83
Oct-2000 ^[2]	207,797,786	1,506,098	- 1,164,746	- 1,398,399	-0.67
Nov-2000	200,269,779	- 1,984,486	- 1,141,711	- 4,524,596	-2.26
Dec-2000	208,182,114	2,418,755	- 1,049,935	- 3,155,776	-1.52
Jan-2001	217,937,307	3,123,733	- 1,167,002	- 1,199,045	-0.55
Feb-2001	206,043,730	- 1,074,401	- 1,194,381	- 3,467,826	-1.68
Mar-2001	194,803,547	- 1,391,260	- 1,114,499	- 5,973,585	-3.07
Apr-2001	187,311,217	3,000,904	- 1,100,876	- 4,073,557	-2.17
May-2001 ^[3]	195,326,437	1,255,172	- 1,106,330	- 3,924,715	-2.01
Jun-2001	181,680,689	- 742,900	- 1,102,094	- 5,769,709	-3.18
Jul-2001	202,347,577	1,445,927	- 847,180	- 4,282,488	-2.12
Aug-2001	209,448,723	- 1,130,375	- 859,295	- 6,299,894	-3.01
Sep-2001	222,633,859	- 2,329,410	- 902,965	- 9,566,420	-4.30
Oct-2001	221,768,653	1,000,136	- 829,611	- 9,427,304	-4.25
Nov-2001	172,568,948	2,019,519	- 813,644	- 8,221,748	-4.76
Dec-2001	167,605,959	329,048	- 781,211	- 8,673,911	-5.18
Jan-2002 ^[4]	202,807,058	529,077	- 740,482	- 8,885,317	-4.38
Feb-2002	198,414,963	574,482	- 745,550	- 9,056,385	-4.56
Mar-2002	187,854,679	1,267,945	- 715,383	- 8,503,822	-4.53
Apr-2002	194,483,372	1,031,063	- 730,349	- 8,203,110	-4.22
May-2002	199,428,572	1,470,532	- 739,859	- 7,472,437	-3.75
Jun-2002	190,274,431	- 2,383,454	- 729,181	- 10,585,072	-5.56
Jul-2002 ^[5]	164,908,334	- 3,330,103	- 585,121	- 14,500,296	-8.79
Aug-2002	200,314,802	- 25,511	- 591,599	- 15,117,406	-7.55
Sep-2002	186,307,147	- 2,456,156	- 638,849	- 18,212,411	-9.78
Oct-2002 ^[6]	187,872,082	1,902,625	- 610,407	- 16,920,193	-9.01
Nov-2002	199,286,311	2,082,786	- 581,252	- 15,132,310	-7.59
Dec-2002	197,101,437	1,301,796	- 574,879	- 14,405,394	-7.31
Jan-2003	216,042,889	373,621	- 630,125	- 14,661,898	-6.79
Feb-2003	223,873,793	913,271	- 652,965	- 14,401,592	-6.43
Mar-2003	227,320,382	- 504,203	- 663,018	- 15,568,813	-6.85
Apr-2003	225,055,464	3,621,910	- 656,412	- 12,603,315	-5.60
May-2003	218,291,356	6,046,346	- 636,683	- 7,193,530	-3.30
Jun-2003	235,523,055	1,647,556	- 686,942	- 6,232,829	-2.65
Jul-2003	225,061,174	- 1,305,304	- 674,445	- 8,212,420	-3.65
Aug-2003	241,526,531	2,223,696	- 719,494	- 6,707,917	-2.78
Sep-2003	284,905,882	3,067,753	- 835,773	- 4,475,866	-1.57
Oct-2003	284,905,882	3,463,060	- 815,074	- 1,827,815	-0.64
Nov-2003	267,256,457	2,085,338	- 785,343	- 527,777	-0.20
Dec-2003	270,053,685	3,621,731	- 792,490	2,301,522	0.85
Jan-2004	304,898,705	3,239,296	- 899,911	4,641,067	1.52
Feb-2004	306,353,392	2,786,761	- 925,891	6,501,985	2.12
Mar-2004	334,140,321	880,979	- 959,699	6,423,321	1.92
Apr-2004	323,733,799	- 3,271,914	- 935,653	2,215,804	0.68
May-2004	310,820,065	2,978,607	- 884,508	4,308,156	1.39
Jun-2004	319,089,113	1,756,998	- 924,163	5,141,050	1.61
Jul-2004	276,525,679	- 3,003,616	- 853,527	1,284,158	0.46

* Average Market Value for the month
See endnotes at the end of this exhibit

**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Aug-2004	300,350,870	1,787,372	- 878,380	2,193,830	0.73
Sep-2004	329,175,987	3,970,031	- 946,862	5,217,350	1.58
Oct-2004	325,280,731	2,674,159	- 906,294	6,985,541	2.15
Nov-2004	325,501,494	4,944,533	- 927,189	11,003,523	3.38
Dec-2004	317,086,382	6,159,801	- 863,703	16,300,918	5.14
Jan-2005	358,775,910	- 1,537,890	- 1,012,932	13,752,561	3.83
Feb-2005	368,348,060	4,214,824	- 1,034,309	16,933,741	4.60
Mar-2005	368,184,915	- 1,390,602	- 998,491	14,545,251	3.95
Apr-2005	322,747,036	- 373,270	- 997,321	13,175,791	4.08
May-2005	351,522,927	3,172,862	- 986,250	15,968,809	4.54
Jun-2005	350,676,848	1,881,696	- 980,355	16,872,276	4.81
Jul-2005	324,372,566	2,325,199	- 894,849	18,303,775	5.64
Aug-2005	336,278,510	2,577,885	- 935,037	19,950,951	5.93
Sep-2005	380,767,534	2,845,247	- 1,022,572	21,774,810	5.72
Oct-2005	382,463,815	- 2,503,281	- 1,031,408	18,241,926	4.77
Nov-2005	370,575,423	2,876,089	- 1,026,612	20,092,768	5.42
Dec-2005	362,198,735	3,886,306	- 996,500	22,984,930	6.35
Jan-2006	400,119,473	6,214,511	- 1,101,206	28,104,444	7.02
Feb-2006 ^[7]	363,661,874	2,407,655	- 1,158,882	14,359,096	3.95
Mar-2006	421,741,479	1,870,205	- 1,104,085	14,862,142	3.52
Apr-2006	412,409,442	4,126,708	- 1,189,962	17,807,634	4.32
May-2006	428,050,405	- 2,712,303	- 1,229,022	13,874,468	3.24
Jun-2006	397,038,132	759,423	- 1,472,632	13,168,597	3.32
Jul-2006	426,778,295	3,170,187	- 1,232,828	15,016,412	3.52
Aug-2006	446,949,399	4,809,494	- 1,280,842	18,545,951	4.15
Sep-2006	485,309,106	3,886,176	- 1,339,432	21,098,900	4.35
Oct-2006	491,077,464	5,745,522	- 1,336,522	25,515,258	5.20
Nov-2006	479,641,782	5,384,183	- 1,357,014	29,564,126	6.16
Dec-2006	469,227,138	3,423,923	- 1,349,797	31,627,934	6.74
Jan-2007	476,690,202	3,514,501	- 1,309,708	33,761,919	7.08
Feb-2007	463,957,730	1,793,443	- 1,376,674	34,183,412	7.37
Mar-2007	456,916,695	4,250,674	- 1,339,581	37,099,388	8.12
Apr-2007	447,774,841	6,834,702	- 1,300,756	42,652,711	9.53
May-2007	443,169,778	4,304,247	- 1,283,507	45,557,251	10.28
Jun-2007	429,014,210	1,318,682	- 1,276,064	45,562,802	10.62
Jul-2007	422,800,379	978,076	- 1,294,859	45,256,506	10.70
Aug-2007 ^[8]	463,287,774	1,141,142	- 1,327,393	33,468,232	7.22
Sep-2007	503,693,516	6,725,006	- 1,471,903	38,732,523	7.69
Oct-2007 ^[9]	532,953,405	8,939,371	- 1,484,274	36,196,965	6.79
Nov-2007	524,833,392	- 474,987	- 1,455,000	34,269,215	6.53
Dec-2007	488,058,329	- 163,714	- 1,438,155	32,669,497	6.69
Jan-2008	498,662,871	- 7,274,704	- 1,525,533	23,871,592	4.79
Feb-2008	522,429,681	1,770,738	- 1,538,431	24,110,273	4.62
Mar-2008 ^[10]	508,017,279	- 3,288,747	- 1,483,288	14,100,201	2.78
Apr-2008	480,885,277	3,415,203	- 1,461,259	16,054,657	3.34
May-2008	461,741,980	3,456,286	- 1,382,621	18,150,032	3.93
Jun-2008	429,413,850	- 8,450,547	- 1,386,824	8,313,390	1.94
Jul-2008	410,663,405	- 4,628,107	- 1,344,792	2,340,375	0.57
Aug-2008	475,058,191	- 725,811	- 1,301,470	313,725	0.07
Sep-2008	528,357,492	- 24,682,230	0	- 24,368,505	-4.61
Oct-2008	499,948,331	- 22,338,217	0	- 46,706,721	-9.34
Nov-2008 ^[10.5]	384,017,951	- 10,810,207	0	- 62,831,615	-16.36
Dec-2008	365,149,131	7,289,401	0	- 55,562,986	-15.22

* Average Market Value for the month
See endnotes at the end of this exhibit

**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Jan-2009	395,078,444	- 8,312,962	0	- 63,898,394	-16.17
Feb-2009	412,489,609	- 11,778,961	0	- 75,700,296	-18.35
Mar-2009	394,110,706	9,195,194	0	- 66,527,948	-16.88
Apr-2009	385,281,546	9,210,151	0	- 57,339,861	-14.88
May-2009	386,438,273	10,367,154	0	- 46,963,715	-12.15
Jun-2009	388,504,496	8,396,302	0	- 38,691,756	-9.96
Jul-2009	379,884,652	8,920,793	0	- 29,791,574	-7.84
Aug-2009	417,718,890	7,745,266	0	- 22,211,230	-5.32
Sep-2009	476,920,474	11,390,789	0	- 10,848,845	-2.27
Oct-2009	478,206,217	- 1,260,470	0	- 12,134,968	-2.54
Nov-2009	467,981,428	7,816,435	0	- 4,339,904	-0.93
Dec-2009	460,887,939	978,601	0	- 3,386,044	-0.73
Jan-2010	494,113,754	- 536,799	0	- 3,954,220	-0.80
Feb-2010	536,415,257	2,629,875	0	- 1,350,564	-0.25
Mar-2010	529,962,831	7,950,695	0	6,592,916	1.24
Apr-2010	505,028,620	3,769,231	0	10,366,971	2.05
May-2010	495,723,958	- 8,178,556	0	2,164,107	0.44
Jun-2010	483,015,094	- 3,741,998	0	- 1,715,881	-0.36
Jul-2010	454,152,490	8,216,789	0	6,477,955	1.43
Aug-2010	478,983,837	- 954,095	0	5,493,768	1.15
Sep-2010	531,289,764	11,065,950	0	16,376,944	3.08
Oct-2010	545,098,997	8,352,517	0	24,701,594	4.53
Nov-2010 ^[11]	537,632,325	- 1,485,861	0	3,191,638	0.59
Dec-2010	526,037,834	7,596,878	0	10,761,836	2.05
Jan-2011	543,100,034	4,427,520	0	15,156,209	2.79
Feb-2011	584,582,290	7,036,994	0	22,226,373	3.80
Mar-2011	602,634,879	168,183	0	22,316,281	3.70
Apr-2011	602,899,146	8,660,352	0	30,976,656	5.14
May-2011	600,527,414	- 1,003,816	0	30,000,368	5.00
Jun-2011	584,153,071	- 2,244,871	0	27,687,521	4.74
Jul-2011	553,620,075	383,544	- 909,098	27,161,999	4.91
Aug-2011	550,357,944	- 11,607,805	- 902,641	14,651,568	2.66
Sep-2011	580,320,257	- 16,972,235	- 1,011,187	- 3,331,839	-0.57
Oct-2011	616,014,627	19,660,977	- 1,022,377	15,306,775	2.48
Nov-2011	614,641,484	- 2,138,517	- 1,051,805	12,116,473	1.97
Dec-2011	570,282,703	1,812,147	- 1,017,403	12,758,773	2.24
Jan-2012	588,887,714	12,029,128	- 1,001,701	23,759,216	4.03
Feb-2012	640,696,614	10,597,480	- 1,075,899	33,258,187	5.19
Mar-2012 ^[12]	665,476,106	6,211,504	- 1,076,596	8,322,216	1.25
Apr-2012	675,583,556	- 46,605	- 1,088,493	7,168,811	1.06
May-2012	650,891,109	- 14,138,289	- 1,072,313	- 8,061,857	-1.24
Jun-2012	651,130,437	10,716,945	- 1,037,938	1,471,157	0.23
Jul-2012	646,978,870	5,879,922	- 998,094	6,258,602	0.97
Aug-2012	649,388,408	7,839,154	- 970,634	13,104,020	2.02
Sep-2012	696,232,882	8,049,795	- 1,050,089	21,081,049	3.03
Oct-2012	710,358,991	- 1,197,576	- 1,067,091	18,810,096	2.65
Nov-2012	691,059,345	5,398,282	- 1,042,304	23,118,256	3.35
Dec-2012	676,084,453	5,351,934	- 1,023,111	27,408,223	4.05
Jan-2013	698,562,775	12,404,710	- 1,017,830	38,765,511	5.55
Feb-2013	734,583,537	2,136,815	- 1,110,373	39,781,379	5.42
Mar-2013	741,356,785	7,909,680	- 1,118,897	46,560,042	6.28
Apr-2013 ^[13]	746,499,564	8,176,059	- 1,098,001	33,597,353	4.50
May-2013	749,121,650	- 232,068	- 1,086,419	32,122,561	4.29

* Average Market Value for the month
See endnotes at the end of this exhibit

**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Jun-2013	730,655,804	- 11,399,623	- 1,070,174	18,372,158	2.51
Jul-2013	699,864,927	17,517,869	- 995,266	35,972,372	5.14
Aug-2013	722,698,696	- 10,850,330	- 1,017,100	24,104,402	3.34
Sep-2013 ^[14]	757,589,559	16,932,055	- 1,113,457	24,944,753	3.29
Oct-2013	773,300,230	13,389,288	- 1,110,570	37,198,388	4.81
Nov-2013	782,311,772	7,133,796	- 1,126,357	43,114,980	5.51
Dec-2013	766,348,636	3,839,932	- 1,096,572	45,808,074	5.98
Jan-2014	794,356,651	- 10,323,902	- 1,103,315	34,364,198	4.33
Feb-2014	832,429,376	17,369,351	- 1,199,782	50,609,052	6.08
Mar-2014 ^[15]	827,743,406	658,708	- 1,232,998	29,973,696	3.62
Apr-2014	811,778,308	5,011,098	- 1,192,620	33,733,052	4.16
May-2014	802,766,371	9,865,028	- 1,167,436	42,329,115	5.27
Jun-2014	796,867,536	5,137,303	- 1,132,848	44,988,631	5.65
Jul-2014	769,443,193	- 7,085,988	- 1,088,507	37,893,670	4.92
Aug-2014	768,458,918	9,717,438	- 1,074,041	46,500,161	6.05
Sep-2014	799,195,918	- 12,343,439	- 1,174,737	32,956,777	4.12
Oct-2014	809,138,417	3,728,437	- 1,179,110	35,489,183	4.39
Nov-2014	803,360,295	7,715,321	- 1,179,110	42,007,603	5.23
Dec-2014	787,894,117	- 8,447,678	- 1,162,452	32,373,324	4.11
Jan-2015	817,081,803	- 76,950	- 1,146,238	31,126,582	3.81
Feb-2015	861,706,208	14,825,760	- 1,173,599	44,758,231	5.19
Mar-2015	846,665,997	- 6,106,183	- 1,266,477	37,276,172	4.40
Apr-2015	816,988,387	8,550,962	- 1,236,365	44,571,763	5.46
May-2015	800,253,288	878,840	- 1,180,152	44,251,472	5.53
Jun-2015	775,206,818	- 8,971,779	- 2,277,378	32,851,768	4.24
Jul-2015	741,262,295	3,882,734	0	36,716,269	4.95
Aug-2015	730,652,584	- 21,602,156	- 1,044,825	14,046,895	1.92
Sep-2015	743,692,218	- 9,918,574	- 1,053,121	2,945,392	0.40
Oct-2015	763,715,634	22,165,405	- 1,145,809	23,945,040	3.14
Nov-2015	773,032,685	- 1,931,303	- 1,153,337	20,734,926	2.68
Dec-2015	757,261,248	- 6,511,571	- 1,159,535	12,989,860	1.72
Jan-2016	753,972,401	- 11,441,815	- 1,155,539	370,580	0.05
Feb-2016	790,998,777	- 681,126	- 1,124,930	- 1,455,417	-0.18
Mar-2016	797,575,047	21,771,860	- 1,224,413	18,964,772	2.38
Apr-2016	766,518,822	3,441,429	- 1,170,933	21,216,478	2.77
May-2016	757,996,550	701,573	- 1,125,582	20,774,029	2.74
Jun-2016	755,484,888	3,775,103	- 1,098,587	23,146,343	3.06
Jul-2016	733,302,986	11,461,092	- 1,059,136	33,491,949	4.57
Aug-2016 ^[16]	766,724,276	- 2,118,513	- 1,045,608	25,041,315	3.27
Sep-2016	842,005,030	5,780,022	- 1,194,237	29,752,500	3.53
Oct-2016	862,418,660	- 6,852,761	- 1,202,643	21,682,310	2.51
Nov-2016	845,771,679	- 741,201	- 1,181,669	19,718,479	2.33
Dec-2016	817,936,437	6,570,718	- 1,128,775	25,086,318	3.07
Jan-2017	830,799,148	9,054,706	- 1,084,201	32,985,285	3.97
Feb-2017	880,425,266	10,058,347	- 1,242,283	41,938,224	4.76
Mar-2017	893,424,246	3,300,433	- 1,232,302	43,973,971	4.92
Apr-2017	887,806,037	7,463,148	- 1,217,247	50,184,988	5.65
May-2017	887,269,645	8,464,067	- 1,198,145	57,369,255	6.47
Jun-2017	847,739,260	675,163	- 1,143,788	55,459,088	6.54
Jul-2017	813,856,671	10,359,659	- 1,076,066	65,797,343	8.08
Aug-2017	839,204,422	2,535,845	- 1,066,881	67,230,046	8.01
Sep-2017	881,692,900	5,616,527	- 1,202,797	71,754,200	8.14
Oct-2017	901,627,087	6,727,263	- 1,229,105	77,279,939	8.57

* Average Market Value for the month
See endnotes at the end of this exhibit

**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Nov-2017	897,702,172	7,822,907	- 1,153,420	83,851,878	9.34
Dec-2017	855,516,473	5,905,871	- 1,073,414	88,582,274	10.35
Jan-2018 ^[17]	870,092,454	18,446,268	- 1,084,399	80,652,619	9.27
Feb-2018	895,531,308	- 16,708,736	- 1,163,952	62,862,530	7.02
Mar-2018	866,802,937	- 5,188,184	- 1,208,065	56,484,006	6.52
Apr-2018	869,750,629	1,383,567	- 1,207,801	56,632,529	6.51
May-2018	868,282,529	4,480,231	- 1,010,580	59,885,226	6.90
Jun-2018	828,275,019	504,749	- 1,105,523	58,061,099	7.01
Jul-2018 ^[18]	781,211,535	11,568,283	- 1,004,059	44,605,676	5.71
Aug-2018	810,642,123	4,837,891	- 1,076,126	48,410,834	5.97
Sep-2018	879,381,343	- 14,451	- 1,137,144	47,294,965	5.38
Oct-2018	843,212,368	- 27,059,717	- 1,137,144	18,072,015	2.14
Nov-2018	762,699,933	6,136,519	- 1,136,756	23,111,191	3.03
Dec-2018	752,705,668	- 20,825,049	- 1,078,367	1,167,391	0.16
Jan-2019 ^[19]	753,528,570	23,632,965	- 1,096,327	23,296,550	3.09
Feb-2019	754,807,467	9,824,828	- 1,452,664	31,564,140	4.18
Mar-2019	761,309,536	9,279,311	- 1,515,302	38,857,044	5.10
Apr-2019	764,955,436	11,312,489	- 1,614,169	48,487,968	6.34
May-2019	774,616,352	- 13,890,657	- 1,571,635	32,952,377	4.25
Jun-2019	746,443,912	21,045,778	- 1,567,035	52,205,793	6.99
Jul-2019	720,007,773	381,944	- 1,395,492	51,172,462	7.11
Aug-2019	785,158,884	- 779,722	- 1,450,754	48,914,638	6.23
Sep-2019	846,535,697	6,233,348	- 1,617,017	53,507,273	6.32
Oct-2019	856,744,736	8,834,730	- 1,693,946	60,625,110	7.08
Nov-2019	850,439,695	10,005,189	- 1,662,312	68,946,980	8.11
Dec-2019	806,757,327	12,830,074	- 1,577,866	80,177,860	9.94
Jan-2020	891,688,604	- 67,519	- 1,500,526	78,625,336	8.82
Feb-2020	922,289,270	- 26,731,149	- 1,768,312	50,103,331	5.43
Mar-2020	811,327,908	- 52,289,889	- 1,670,447	- 3,927,762	-0.48
Apr-2020	775,956,294	37,779,458	- 1,594,553	32,236,898	4.15
May-2020	762,669,298	18,944,864	- 1,504,025	49,410,102	6.48
Jun-2020	739,239,986	11,363,713	- 1,436,870	59,317,547	8.02
Jul-2020	715,432,013	13,526,497	- 1,367,936	71,458,484	9.99
Aug-2020	750,071,933	24,059,497	- 1,362,878	94,131,414	12.55
Sep-2020 ^[20]	783,127,870	- 4,553,776	- 1,506,452	16,589,199	2.12
Oct-2020	752,504,883	- 10,598,354	- 1,648,426	4,321,690	0.57
Nov-2020	770,414,379	40,817,346	- 1,674,331	43,446,992	5.64
Dec-2020	800,821,461	17,596,818	- 1,661,247	59,314,129	7.41
Jan-2021	801,989,497	- 3,592,874	- 1,620,479	54,077,946	6.74
Feb-2021	811,299,798	6,713,929	- 1,713,862	59,057,334	7.28
Mar-2021	839,464,763	13,248,129	- 1,778,902	70,506,600	8.40
Apr-2021	867,572,029	18,665,949	- 1,764,575	87,388,466	10.07
May-2021	867,559,211	8,709,068	- 1,748,219	94,327,700	10.87
Jun-2021	850,146,946	4,366,402	- 1,744,947	96,682,304	11.37
Jul-2021	846,055,682	9,850,417	- 1,696,940	104,816,309	12.39
Aug-2021	901,931,433	9,401,085	- 1,730,758	112,458,814	12.47
Sep-2021	968,136,826	- 18,290,298	- 1,812,661	79,271,334	8.19
Oct-2021	984,247,430	19,911,506	- 1,996,177	78,208,255	7.95
Nov-2021	944,077,590	- 5,851,187	- 1,961,147	70,375,029	7.45
Dec-2021	959,607,403	17,310,812	- 1,908,942	85,755,161	8.94
Jan-2022	1,011,622,318	- 24,280,980	- 1,903,980	59,545,381	5.89
Feb-2022	974,461,174	- 11,541,309	- 1,992,047	45,938,564	4.71
Mar-2022	922,855,315	2,729,592	- 2,048,720	46,603,144	5.05

* Average Market Value for the month
See endnotes at the end of this exhibit

**NEVADA SYSTEM OF HIGHER EDUCATION
RESERVE ACCOUNT ANALYSIS
April 2000 - July 2022**

	Operating Fund Market Value*	Investment Income Earned	Investment Income Distributed	Reserve Account Ending Balance	Reserve/(Deficit) as % of Total Operating Fund
Apr-2022	876,338,530	- 40,563,162	- 2,066,983	3,962,090	0.45
May-2022	801,574,962	6,736,026	- 2,038,768	8,448,237	1.05
Jun-2022	748,819,988	- 37,445,974	0	- 28,941,893	-3.87
Jul-2022	741,544,311	32,094,620	0	3,238,566	0.44

ENDNOTES

[1] New Board policy to distribute 5.0% of the average cash balance was approved at the March 2000 Investment Committee meeting, and made retroactive to January 2000. A special cash distribution was made in April to adjust the year to date campus investment income allocation.

[2] Annual distribution rate increased to 6.2%.

[3] Annual distribution rate cut to 5.0%, effective July 2001.

[4] Annual distribution rate cut to 4.0%, effective January 1, 2002.

[5] Annual distribution rate cut to 3.5%, effective July 1, 2002.

[6] At the Oct 2002 mtg, the Committee established a "trigger" point for the Operating Fund. The distribution rate would be automatically reduced to 1.8% should the reserve account deficit exceed \$20M.

[7] Includes a \$15.0 mm distribution to the iNtegrate project.

[8] Includes a distribution of \$10.0 mm to the campuses, \$1.5 mm to Health Science, and \$107,000 to WNC for Athletic Fee Waiver.

[9] Includes a distribution of \$10.0 mm to the campuses.

[10] Includes a distribution of \$5.2 mm to integrate.

[10.5] Includes a distribution of \$5.0 mm to the campuses.

[11] Includes a distribution of \$20.0 mm to the iNtegrate project, as approved by the Investment Committee at the December 2010 meeting.

[12] At the March 2012 meeting, the committee approved to decrease the Reserve Account by \$30.0 mm for reallocation into the Market Fluctuation account.

[13] Includes a further decrease of the Reserve Account of \$20.0 mm for reallocation into the Market Fluctuation account.

[14] Includes a distribution of \$15.0 mm to address formula implementation and budgetary items otherwise foregone or delayed without this funding.

[15] Includes a distribution of \$20.0 mm to the iNtegrate project.

[16] Includes a distribution of \$5.0 mm for campus initiatives such as the medical education transition in Las Vegas, program start-up and other budgetary opportunities.

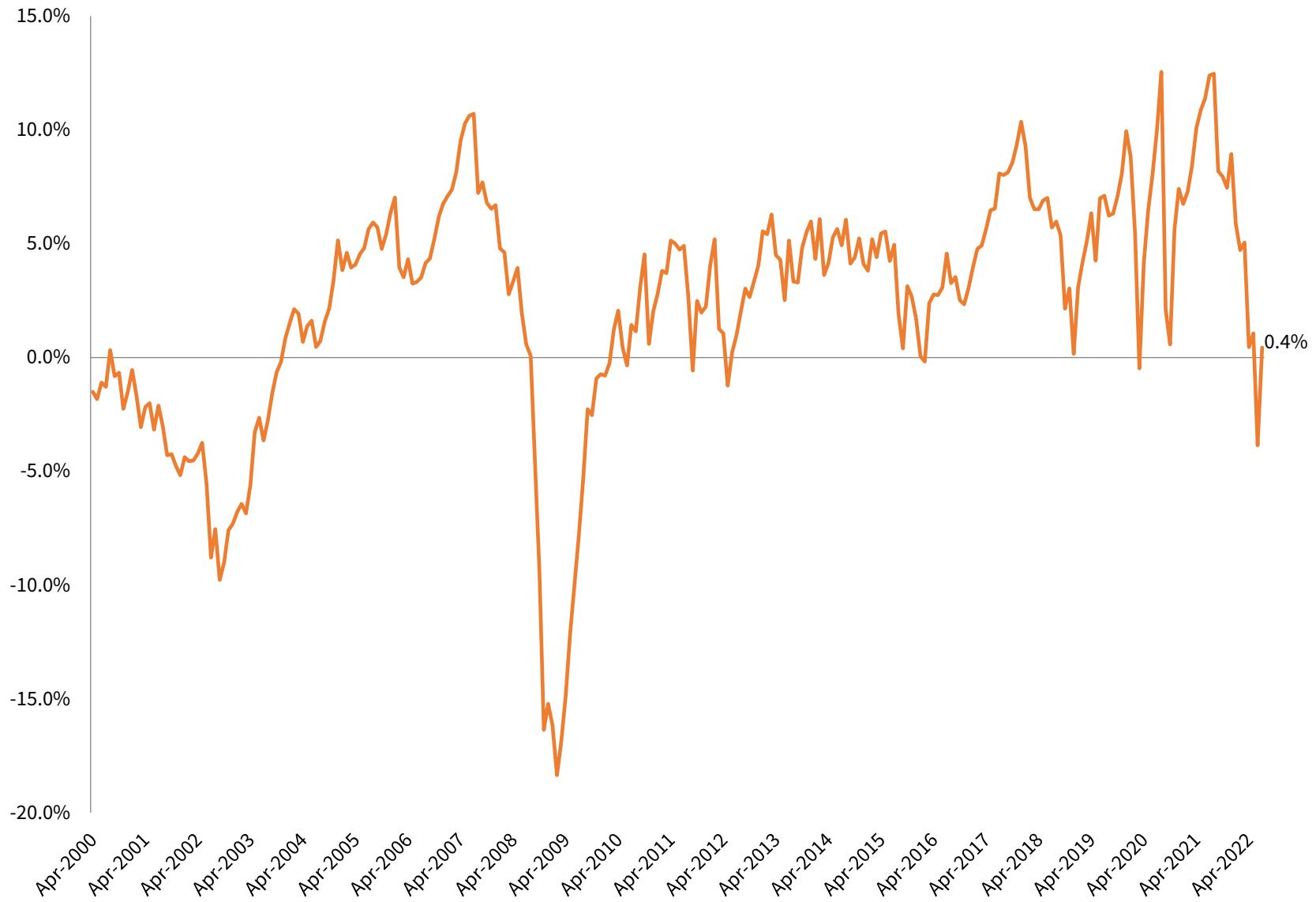
[17] Includes a special distribution of \$25.0 mm to the campuses.

[18] Includes a special distribution of \$25.0 mm to the campuses.

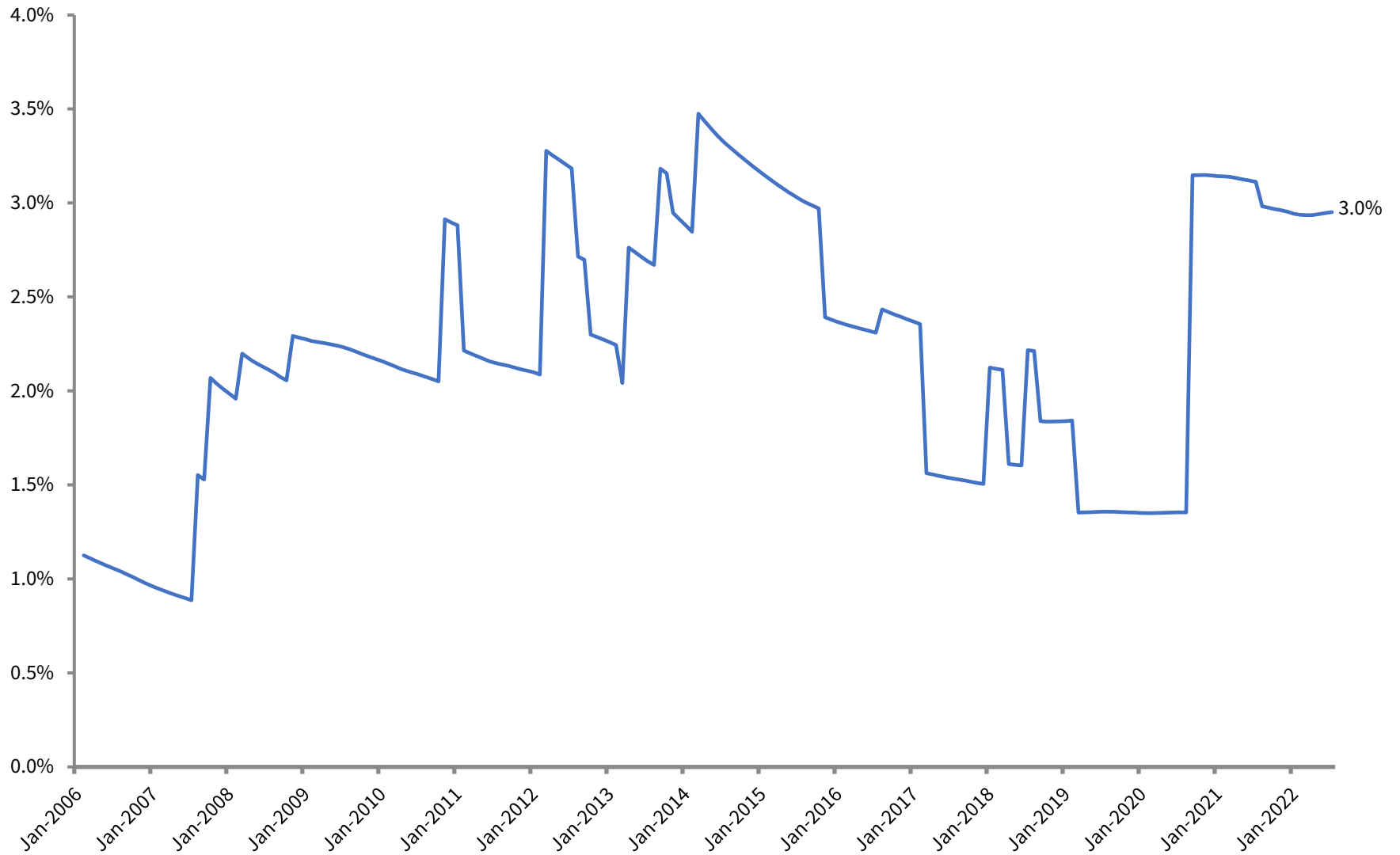
[19] At the November 2018 meeting, the Committee increased the annual distribution rate from 2.0% to 2.75%.

[20] At a special meeting on 8/21/20 the BOR approved a special distribution of \$73.0 mm to the campuses.

Reserve/(Deficit) as % of Total Operating Pool

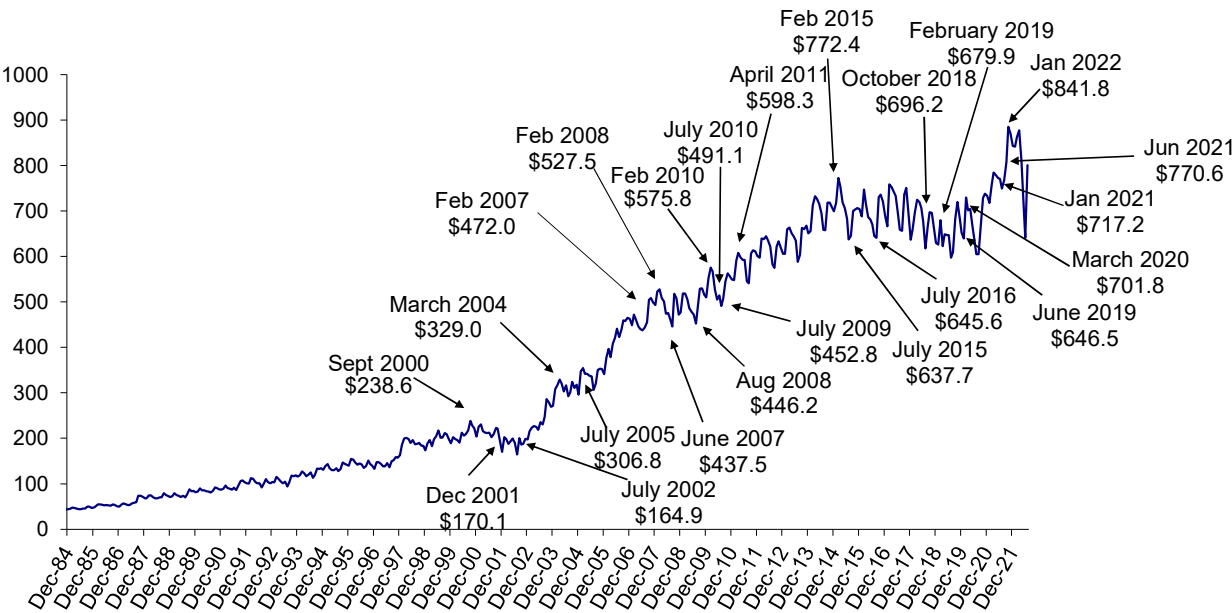


5-Yr Special Distribution as % of 5-Yr Average Market Value



NEVADA SYSTEM OF HIGHER EDUCATION
OPERATING FUND AVERAGE DAILY CASH BALANCES

Operating Fund Average Daily Cash Balances
January 1985 through July 2022



	<u>\$ (mm)</u>	<u>Date</u>
Largest Monthly Decline	-86.8	July 2018
Largest Quarterly Decline	-236.9	Fourth Quarter 2017
Largest Peak to Valley	-134.7	February 2015 - July 2015