

**AGENDA ITEM SUMMARY**

**NAME OF ITEM:** Asset Allocation Review and Recommendation

**INITIATED BY:** Kelly A. Martin, Chair

**BOARD INFORMATION:**

**BOARD ACTION:** X

**BOARD POLICY:**

Section 709 - Investments

**UNIFIED ACCREDITATION CONNECTION:**

Supports central management and oversight of the University of Maine System's investments.

**BACKGROUND:**

Kelly Regan and Matt Landen of NEPC will review the asset allocation for all three portfolios (Managed Investment Pool, Pension Fund and Operating Fund). There are no recommendations for the Operating Fund. There are two recommendations for the Managed Investment Pool and one for the Pension Fund as outlined in the proposed resolution.

**TEXT OF PROPOSED RESOLUTION:**

That the Board of Trustees, acting through the Investment Committee, approves the following asset allocation recommendations.

**Managed Investment Pool**

1. Reallocate Emerging Market Small Cap Equity allocation to Emerging Market All Cap Equity
2. Realign the Equity targets to NEPC's preferred MSCI ACWI IMI benchmark neutral weights by increasing Large Cap Equity by 1%, increasing Small Cap Equity by 0.25% and reducing Emerging Market Equity by 1.25%

**Pension Fund**

1. Reallocate the Emerging Market Small Cap Equity Allocation to Global Equity