

IC 2

Office of the Treasurer
June 8, 2010

Members, Investment Committee

TERMINATION OF CONTRACT WITH NON-U.S. EQUITY MANAGER
AND AUTHORIZATION TO ISSUE REQUEST FOR PROPOSALS FOR NEW MANAGER;
AND, IF NECESSARY, TO COORDINATE THE IMMEDIATE WITHDRAWAL AND
TEMPORARY INVESTMENT OF THE FUNDS

Recommendation: that the Investment Committee approve the termination of the University's contract with Gartmore and authorize the University's investment staff and consultant, R.V. Kuhns & Associates ("RVK"), to issue a Request for Proposals ("RFP") for a new manager; and if necessary, coordinate the immediate withdrawal and temporary investment of the funds.

Background: RVK recommends termination of the University's contract with Gartmore, the active MSCI All Country World ex-U.S. growth manager, due to departure of the portfolio manager and other organizational issues as outlined in the attached memo.

The University's investment staff and RVK will issue an RFP for a new active MSCI All Country World ex-U.S. growth manager and bring a manager recommendation to the Investment Committee at its September 2010 meeting.

It is planned that Gartmore will continue to manage the assets until a new manager is hired; although staff and RVK will coordinate the immediate withdrawal of the funds should circumstances with the manager warrant such action. If immediate withdrawal is required, staff and RVK will temporarily invest the funds in a Northern Trust or State Street index fund, exchange-traded fund, or stock futures with the objective of maintaining appropriate market exposure.

Action Taken: Approved Disapproved Other _____