

**NORTH DAKOTA STATE INVESTMENT BOARD
EXECUTIVE REVIEW COMMITTEE
MINUTES OF MARCH 8, 2021**

BOARD MEMBERS PRESENT: Yvonne Smith, PERS
Adam Miller, PERS
Mel Olson, TFFR Board

STAFF PRESENT: Bonnie Heit, Suprv of Admin Svs
David Hunter, Exec Dir/CIO
Jan Murtha, Deputy Exec Dir/CRO
Sara Sauter, Suprv of Internal Audit

CALL TO ORDER:

Ms. Smith called the State Investment Board (SIB) Executive Review Committee (ERC) virtual meeting to order at 8:30 a.m. on Monday, March 8, 2021, at the Retirement and Investment Office (RIO), 3442 East Century Avenue, Bismarck, ND.

AGENDA:

The ERC considered the agenda,

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A VOICE VOTE TO ACCEPT THE AGENDA AS PRESENTED.

AYES: MR. MILLER, MR. OLSON, AND MS. SMITH

NAYS: NONE

MOTION CARRIED

MINUTES:

The ERC considered the minutes of the February 10, 2021, meeting,

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER TO ACCEPT THE FEBRUARY 10, 2021, MINUTES AS DISTRIBUTED.

AYES: MR. OLSON, MR. MILLER, MS. SMITH

NAYS: NONE

MOTION CARRIED

SIB SELF-EVALUATION:

The ERC reviewed the results of the SIB's self-evaluation. One board member did not complete the survey. Overall the results were positive.

Areas of improvement noted were, (1) meeting attendance, (2) all members should actively participate in discussions and hear all perspectives, and (3) understanding Board versus staff roles.

Past three-year trends, (1) board attendance, (2) understanding what authority has been retained by the Board and what has been delegated to staff, and (3) all board members need to be vocal and make sure their voice is heard during meetings.

General comments made, (1) the SIB is effective and well informed, (2) staff is very effective in communicating, (3) SIB is a strong board with a commitment to governance and fiduciary duty, (4) board members need to avoid self-promoting activities and respect the role as board members.

The ERC requested an attendance roster for the past two-years.

Based on some of the comments, Ms. Sauter suggested additional governance training on board role versus staff role may be beneficial to the Board. The ERC will make the recommendation to the SIB at their next regularly scheduled meeting.

Ms. Sauter will present the results of the self-evaluation at the SIB's March 26, 2021, meeting.

PROCESSES/TIMELINES:

The ERC reviewed the processes and timelines for the Executive Director/CIO annual performance review.

The ERC felt the assessment tools utilized in the past have been sufficient and have provided the ERC with the information they need to provide a fair assessment of the Executive Director/CIO's performance.

EXECUTIVE DIRECTOR/CIO ASSESSMENT TOOLS:

The RIO employee survey of the Executive Director/CIO will be distributed Thursday, March 18, 2021, with a due date of Tuesday, March 23, 2021.

The SIB survey of the Executive Director/CIO will be distributed Wednesday, March 24, 2021, with a due date of Friday, April 2, 2021.

The Executive Limitations audit was completed and distributed to the SIB Audit Committee at their February 25, 2021, meeting, and to the SIB at their February 26, 2021, meeting.

The Executive Director/CIO will also conduct a self-evaluation.

COMPENSATION SURVEYS AND SOURCE/AVAILABILITY OF COMPENSATION COMPARISONS:

The ERC discussed compensation surveys.

Ms. Sauter suggested the SIB be given the McLagan 2020 report at their March 26, 2021, meeting so they have the results of compensation trends for an Executive Director/CIO before the ERC submits their compensation recommendation to the SIB. The ERC concurred.

EXECUTIVE SESSION:

IT WAS MOVED BY MR. OLSON AND SECONDED BY MR. MILLER AND CARRIED BY A VOICE VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. §44-04-19.1 TO REVIEW AND DISCUSS CONFIDENTIAL INFORMATION.

The ERC entered into Executive Session at 9:04 a.m. Present were Ms. Smith, Mr. Olson, Mr. Miller, Mr. Hunter, Ms. Sauter, and Ms. Heit.

The ERC exited Executive Session at 9:17 a.m.

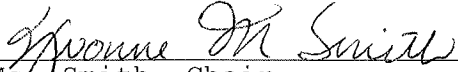
The ERC will move forward with administering the Executive Director/CIO performance evaluation.

NEXT MEETING:

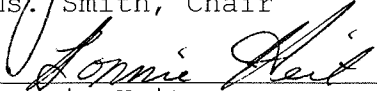
The ERC's next meeting will be scheduled for Wednesday, April 14, 2021, at 1:00 p.m.

ADJOURNMENT:

With no further business to come before the ERC, Ms. Smith adjourned the meeting at 9:20 a.m.



Ms. Smith, Chair



Bonnie Heit
Recorder