

**STATE INVESTMENT BOARD
GOVERNANCE & POLICY REVIEW COMMITTEE MEETING
MINUTES OF THE
APRIL 21, 2022, MEETING**

MEMBERS PRESENT: Dr. Rob Lech, TFFR Board, Chair
Thomas Beadle, State Treasurer, Vice Chair
Jon Godfread, Insurance Commissioner

STAFF PRESENT: Scott Anderson, CIO
Eric Chin, Deputy CIO
Connie Flanagan, CFO/COO
Missy Kopp, Exec Assistant
Jan Murtha, Exec Dir
Ann Nagel, Investment Accountant
Sara Sauter, Suprv of Internal Audit

GUESTS : Colton Schulz, Insurance Dept.

CALL TO ORDER:

Dr. Lech called the State Investment Board (SIB) Governance and Policy Review (GPR) Committee meeting to order at 11:08 a.m. on Thursday, April 21, 2022, in the Peace Garden Room, State Capitol, 600 E Boulevard Ave., Bismarck, ND.

AGENDA:

The agenda was considered for the April 21, 2022, meeting.

IT WAS MOVED BY COMMISSIONER GODFREAD AND SECONDED BY TREASURER BEADLE AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE APRIL 21, 2022, MEETING AS DISTRIBUTED.

**AYES: TREASURER BEADLE, COMMISSIONER GODFREAD, AND DR. LECH
NAYS: NONE
MOTION CARRIED**

ELECTION OF OFFICERS:

IT WAS MOVED BY COMMISSIONER GODFREAD AND SECONDED BY TREASURER BEADLE AND CARRIED BY A VOICE VOTE TO NOMINATE DR. LECH AS CHAIR AND TREASURER BEADLE AS VICE CHAIR OF THE SIB GPR COMMITTEE.

**AYES: COMMISSIONER GODFREAD, TREASURER BEADLE, AND DR. LECH
NAYS: NONE
MOTION CARRIED**

OPERATING STATISTICS & INVESTMENT COMMITTEE STRUCTURES:

Mr. Anderson provided education on operating statistic and investment committee structures. Based on a database of US public fund managers and a peer group of similar size plans, RIO has fewer investment FTEs with 8, which is well below the 25th percentile of 26 FTEs for \$17 billion Assets Under Management (AUM). As AUM grows, the number of FTEs to manage those investments need to grow. Mr. Anderson discussed the staffing needs if some funds are shifted to

internal management and the estimated cost for this investment strategy. Different types of investment committee structures were presented and the type of membership and function of each type.

REVIEW OF COMMITTEE CHARTER & TOPICS FOR FUTURE DISCUSSION:

Ms. Murtha asked the Committee to identify the topics they want to cover moving forward to assist staff with planning. The Committee identified their high-priority topics as an investment committee structure, SIB composition, including FTE requests, and 2023 Legislative Session planning. Ms. Murtha stated that the Committee should do a review of their charter to ensure that it correctly fits this Committee, and its needs and functions.

PROPOSED MEETING SCHEDULE:

Ms. Murtha presented the proposed GPR Committee meeting schedule for 2022-23. There are currently some conflicts with the Land Board. Ms. Murtha asked the Committee members to review their schedules, so we plan a schedule for the next fiscal year. The next meeting will be on May 18, 2022, at 9:00 a.m. and will be virtual only.

OTHER:

With no further business to come before the GPR Committee, Dr. Lech adjourned the meeting at 12:17 p.m.

Prepared by:

Missy Kopp, Assistant to the Board