

**STATE INVESTMENT BOARD  
GOVERNANCE & POLICY REVIEW COMMITTEE MEETING  
MINUTES OF THE NOVEMBER 16, 2022, MEETING (VIRTUAL)**

**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  
Missy Kopp, Exec Assistant  
Jan Murtha, Exec. Dir.  
Emmalee Riegler, Contracts/Records Admin.  
Ryan Skor, CFO/COO

**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 2:32 p.m. on Wednesday, November 16, 2022, in the Retirement and Investment Office 1600 E Century Ave., Bismarck, ND.

**AGENDA:**

The agenda was considered for the November 16, 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 NOVEMBER 16, 2022, MEETING AS DISTRIBUTED.**

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

**MINUTES:**

The minutes were considered for the October 24, 2022, meeting.

**IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY COMMISSIONER GODFREAD AND CARRIED BY A VOICE VOTE TO APPROVE THE OCTOBER 24, 2022, MINUTES AS DISTRIBUTED.**

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

Commissioner Godfread arrived at 10:02 a.m.

**2023 LEGISLATIVE PLANNING:**

Ms. Murtha provided information about anticipated public policy issues that may arise and be impactful to the SIB program during the 2023 legislative session. This presentation will be given to the SIB at their meeting on November 18<sup>th</sup> and staff would like feedback from this Committee to incorporate into the presentation for the Board. Ms. Murtha presented anticipated bill topics and asked for feedback on staff testimony and a process for working with the SIB and sub-committees as changes occur during the legislative session. Committee members discussed a process to recommend

to the SIB for communication between staff and the SIB Chair so a decision can be made to call a special Board or Committee meeting to address the topic. The Committee was asked to provide feedback on staff testimony on the In-State Investment Program, investment program changes, retirement plan design changes and funding, and SIB composition. The Committee discussed an SIB composition bill and their desire to be proactive. The Committee asked staff to provide the SIB with the two composition options that were presented previously and ask the full Board if RIO should submit an agency bill to change the Board composition.

**PROXY VOTING PROCESS:**

Mr. Anderson reviewed the statement that was prepared for the SIB chair or staff to provide when they receive questions about the proxy voting process. The statement is as follows:

It shall be the policy of the State Investment Board (SIB) to vote all proxies appurtenant to shares held in the various plans administered by the Board, and to vote said shares in a manner that best serves the system's interests. Specifically, all shares are to be voted with the interest of preserving or enhancing share value. The Board endorses the Department of Labor opinion that proxies have economic power which shareholders are obligated to exercise to improve corporate performance. The Board further recognized that proxy issues are frequently complex, requiring expert guidance; accordingly, it has adopted procedures that employ such experts.

The objectives of these policies are as follows:

1. Exercise the value empowered in proxies.
2. Maintain or improve share value for the exclusive benefit of the participants.

Ms. Riegler reviewed the current proxy voting process including the account types, proxy voting parties, and the proxy voting flow. Committee discussion followed.

**OTHER:**

With no further business to come before the GPR Committee, Dr. Lech adjourned the meeting at 3:42 p.m.

Prepared by:

Missy Kopp  
Assistant to the Board