



State Investment Board

RETIREMENT & INVESTMENT

**Governance and Policy Review Committee Special Meeting**

**Monday, October 21, 2024, 10:00 a.m.**

**Virtual Only**

**[Click here to join the meeting](#)**

AGENDA

- I. CALL TO ORDER AND ACCEPTANCE OF AGENDA (*Committee Action*)
- II. ACCEPTANCE OF MINUTES (September 10, 2024) (*Committee Action*)
- III. DRAFT INVESTMENT DATA STATUTE (25 min) (*Committee Action*) – Ms. Murtha
- IV. DRAFT PROCUREMENT STATUTE (10 min) (*Committee Action*) – Ms. Murtha
- V. MANUAL REVIEW SCHEDULE (5 min) (*Information*) – Ms. Murtha
- VI. GOVERNANCE STRUCTURE DISCUSSION (5 min) (*Information*) – Ms. Murtha
- VII. OTHER

Next Meeting: November 13, 2024, at 10:00 a.m.

**VIII. ADJOURNMENT**

**STATE INVESTMENT BOARD  
GOVERNANCE & POLICY REVIEW COMMITTEE MEETING  
MINUTES OF THE SEPTEMBER 10, 2024, MEETING (VIRTUAL)**

**MEMBERS PRESENT:** Dr. Rob Lech, TFFR Board, Chair  
Thomas Beadle, State Treasurer, Vice Chair

**MEMBER ABSENT:** Susan Sisk, OMB Director

**STAFF PRESENT:** Eric Chin, Deputy CIO  
Missy Kopp, Exec Assistant  
Jan Murtha, Exec. Director  
Chad Roberts, DED/CRO  
Sara Seiler, Internal Audit Supr.

**CALL TO ORDER:**

Dr. Lech called the State Investment Board (SIB) Governance and Policy Review (GPR) Committee meeting to order at 10:02 a.m. on Tuesday, September 10, 2024. The meeting was held virtually.

**AGENDA:**

The agenda was considered for the September 10, 2024, meeting.

**IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE SEPTEMBER 10, 2024, MEETING AS DISTRIBUTED.**

**AYES: TREASURER BEADLE AND DR. LECH  
NAYS: NONE  
ABSENT: MS. SISK  
MOTION CARRIED**

**MINUTES:**

The minutes were considered for the May 8, 2024, meeting.

**IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO APPROVE THE MAY 8, 2024, MINUTES AS DISTRIBUTED.**

**AYES: TREASURER BEADLE AND DR. LECH  
NAYS: NONE  
ABSENT: MS. SISK  
MOTION CARRIED**

**INVESTMENT DATA STATUTE DISCUSSION:**

Ms. Murtha shared about open record requests that come to the SIB and the process of fulfilling these requests. RIO staff consider open records law to be a high priority and work diligently to fulfill requests while also ensuring that confidential information is not disclosed. Outside rhetoric suggests that RIO doesn't want to provide information and implies that staff have a choice about what information to share. Dr. Lech commented that the Board and agency's desire to comply with ND law is beyond reproach and that staff work tirelessly to ensure that they are following statute.

With this increased rhetoric, staff think it's the appropriate time to draft a bill to more specifically address investment data and what is considered confidential. Staff researched existing laws in other states concerning

investment data. Ms. Murtha provided some illustrations of different types of existing laws. RIO's legal counsel and staff prefer the list type which is currently used in Texas. Staff asked the Committee if they would like to move forward on introducing a bill and if so, which type would they prefer. After discussion, the Committee agreed that they favor the list type and instructed staff to move forward with developing a draft bill to discuss at the next GPR meeting. Staff will work on the draft bill and schedule a special GPR meeting in October.

**BOARD MEMBER INFORMATION REQUEST POLICIES:**

Ms. Murtha shared that there have been more requests recently from Board members for information from staff. To ensure consistency and proper documentation, Internal Audit (IA) recommended creating a policy for the SIB relating to Board member information requests. The policy would provide clarity to both Board members and staff. IA has reached out to Weaver under the general consulting contract to get a proposal on developing this policy. Staff asked the Committee for guidance on the next steps and if they want to retain Weaver to assist with the development of the board request policy. Committee discussion followed. Committee members agreed that staff should move forward with the policy development if the cost to retain Weaver is appropriate.

**AUDIT CHARTERS:**

Ms. Seiler reviewed the changes to the Audit Committee and Internal Audit charters which were updated to align with the new Institute of Internal Auditors (IIA) standards. If the GPR approves the changes, the charters will be brought to the SIB for final approval. Committee discussion followed.

**IT WAS MOVED BY TREASURER BEADLE AND SECONDED BY DR. LECH AND CARRIED BY A VOICE VOTE TO APPROVE THE AUDIT COMMITTEE AND INTERNAL AUDIT CHARTERS AS PRESENTED.**

**AYES: TREASURER BEADLE AND DR. LECH**

**NAYS: NONE**

**ABSENT: MS. SISK**

**MOTION CARRIED**

**OTHER:**

With no further business to come before the GPR Committee, Dr. Lech adjourned the meeting at 10:21 a.m.

Prepared by:

Missy Kopp, Assistant to the Board

## MEMORANDUM

**TO: SIB GPR Committee**  
**FROM: Jan Murtha Executive Director**  
**DATE: October 21, 2024**  
**RE: Investment Data Statute Discussion**

At the September GPR committee meeting the committee discussed whether the SIB may wish to bring forward legislation relating to the classification of investment data under state law.

Staff had researched other state laws applicable to investment data and indicated that state such laws generally fall into one of three categories: generally exempt, specifically listing data that is public and confidential, or codifying a confidentially analysis that must be performed. Of these North Dakota falls into the last category. Staff shared examples from other states and the committee requested that staff develop draft language based upon the “list” model.

At this time staff is still working through development of draft language to bring forward to the committee. Staff will coordinate review of such language with the Office of Attorney General. Examples of states utilizing the list model are included for your review. These state laws include examples from California, Florida, and Texas.

I will share the status of research efforts and initial input from the AGO at the committee meeting.

**Board Action Requested:** Information Only.

## Texas

### **Sec. 552.0225**

**Public:** (1) the name of any fund or investment entity the governmental body is or has invested in; (2) the date that a fund or investment entity described by Subdivision (1) was established; (3) each date the governmental body invested in a fund or investment entity described by Subdivision (1); (4) the amount of money, expressed in dollars, the governmental body has committed to a fund or investment entity; (5) the amount of money, expressed in dollars, the governmental body is investing or has invested in any fund or investment entity; (6) the total amount of money, expressed in dollars, the governmental body received from any fund or investment entity in connection with an investment; (7) the internal rate of return or other standard used by a governmental body in connection with each fund or investment entity it is or has invested in and the date on which the return or other standard was calculated; (8) the remaining value of any fund or investment entity the governmental body is or has invested in; (9) the total amount of fees, including expenses, charges, and other compensation, assessed against the governmental body by, or paid by the governmental body to, any fund or investment entity or principal of any fund or investment entity in which the governmental body is or has invested; (10) the names of the principals responsible for managing any fund or investment entity in which the governmental body is or has invested; (11) each recusal filed by a member of the governing board in connection with a deliberation or action of the governmental body relating to an investment; (12) a description of all of the types of businesses a governmental body is or has invested in through a fund or investment entity; (13) the minutes and audio or video recordings of each open portion of a meeting of the governmental body at which an item described by this subsection was discussed; (14) the governmental body's percentage ownership interest in a fund or investment entity the governmental body is or has invested in; (15) any annual ethics disclosure report submitted to the governmental body by a fund or investment entity the governmental body is or has invested in; and (16) the cash-on-cash return realized by the governmental body for a fund or investment entity the governmental body is or has invested in.

### **Sec. 552.143**

**Confidential:** a) All information prepared or provided by a private investment fund and held by a governmental body that is not listed in Section 552.0225(b) is confidential and excepted from the requirements of Section 552.021.

(b) Unless the information has been publicly released, pre-investment and post-investment diligence information, including reviews and analyses, prepared or maintained by a governmental body or a private investment fund is confidential and excepted from the requirements of Section 552.021, except to the extent it is subject to disclosure under Subsection (c).

(c) All information regarding a governmental body's direct purchase, holding, or disposal of restricted securities that is not listed in Section 552.0225(b)(2)-(9), (11), or (13)-(16) is confidential and

excepted from the requirements of Section 552.021. This subsection does not apply to a governmental body's purchase, holding, or disposal of restricted securities for the purpose of reinvestment nor does it apply to a private investment fund's investment in restricted securities. This subsection applies to information regarding a direct purchase, holding, or disposal of restricted securities by the Texas growth fund, created under Section 70, Article XVI, Texas Constitution, that is not listed in Section 552.0225(b).

## California

Sec 7928.710

Confidential-

1. Due diligence materials that are proprietary to the public investment fund or the alternative investment vehicle.
2. Quarterly and annual financial statements of alternative investment vehicles.
3. Meeting materials of alternative investment vehicles.
4. Records containing information regarding the portfolio positions in which alternative investment funds invest.
5. Capital call and distribution notices.
6. Alternative investment agreements and all related documents.

Subject to Disclosure-

1. The name, address, and vintage year of each alternative investment vehicle.
2. The dollar amount of the commitment made to each alternative investment vehicle by the public investment fund since inception.
3. The dollar amount of cash contributions made by the public investment fund to each alternative investment vehicle since inception.
4. The dollar amount, on a fiscal year-end basis, of cash distributions received by the public investment fund from each alternative investment vehicle.
5. The dollar amount, on a fiscal year-end basis, of cash contributions received by the public investment fund plus remaining value of partnership assets attributable to the public investment fund's investment in each alternative investment vehicle.
6. The net internal rate of return of each alternative investment vehicle since inception.
7. The investment multiple of each alternative investment vehicle since inception.
8. The dollar amount of the total management fees and costs paid on an annual fiscal year-end basis, by the public investment fund to each alternative investment fund.
9. The dollar amount of cash profit received by public investment funds from each alternative investment vehicle on a fiscal year-end basis.

Select Year:

## The 2023 Florida Statutes (including Special Session C)

[Title XIV](#)

[Chapter 215](#)

[View Entire Chapter](#)

TAXATION AND FINANCE

FINANCIAL MATTERS: GENERAL PROVISIONS

### **215.4401 Board of Administration; public record exemptions.—**

(1) In order to effectively and efficiently administer the real estate investment program of the State Board of Administration, the Legislature finds a public necessity in protecting specified records of the board. Accordingly, records and information relating to acquiring, hypothecating, or disposing of real property or related personal property or mortgage interests in same, as well as interest in collective real estate investment funds, publicly traded securities, or private placement investments, are confidential and exempt from s. [119.07\(1\)](#) in order to protect proprietary information requisite to the board's ability to transact arms length negotiations necessary to successfully compete in the real estate investment market. All reports and documents relating to value, offers, counteroffers, or negotiations are confidential and exempt from s. [119.07\(1\)](#) until closing is complete and all funds have been disbursed. Reports and documents relating to tenants, leases, contracts, rent rolls, and negotiations in progress are confidential and exempt from the provisions of s. [119.07\(1\)](#) until the executive director determines that releasing such information would not be detrimental to the interests of the board and would not cause a conflict with the fiduciary responsibilities of the State Board of Administration.

(2) In order to effectively and efficiently administer the investment programs of the board, the Legislature finds a public necessity in protecting records other than those described in subsection (1). Accordingly, records and other information relating to investments made by the board pursuant to its constitutional and statutory investment duties and responsibilities are confidential and exempt from s. [119.07\(1\)](#) until 30 days after completion of an investment transaction. However, if in the opinion of the executive director of the board it would be detrimental to the financial interests of the board or would cause a conflict with the fiduciary responsibilities of the board, information concerning service provider fees may be maintained as confidential and exempt from s. [119.07\(1\)](#) until 6 months after negotiations relating to such fees have been terminated. This exemption prevents the use of confidential internal investment decisions of the State Board of Administration for improper personal gain.

(3)(a) As used in this subsection, the term:

1. "Alternative investment" means an investment by the State Board of Administration in a private equity fund, venture fund, hedge fund, or distress fund or a direct investment in a portfolio company through an investment manager.

2. "Alternative investment vehicle" means the limited partnership, limited liability company, or similar legal structure or investment manager through which the State Board of Administration invests in a portfolio company.

3. "Portfolio company" means a corporation or other issuer, any of whose securities are owned by an alternative investment vehicle or the State Board of Administration and any subsidiary of such corporation or other issuer.

4. "Portfolio positions" means individual investments in portfolio companies which are made by the alternative investment vehicles, including information or specific investment terms associated with any portfolio company investment.

5. "Proprietor" means an alternative investment vehicle, a portfolio company in which the alternative investment vehicle is invested, or an outside consultant, including the respective authorized officers, employees, agents, or successors in interest, which controls or owns information provided to the State Board of Administration.

6. “Proprietary confidential business information” means information that has been designated by the proprietor when provided to the State Board of Administration as information that is owned or controlled by a proprietor; that is intended to be and is treated by the proprietor as private, the disclosure of which would harm the business operations of the proprietor and has not been intentionally disclosed by the proprietor unless pursuant to a private agreement that provides that the information will not be released to the public except as required by law or legal process, or pursuant to law or an order of a court or administrative body; and that concerns:

- a. Trade secrets as defined in s. 688.002.
- b. Information provided to the State Board of Administration regarding a prospective investment in a private equity fund, venture fund, hedge fund, distress fund, or portfolio company which is proprietary to the provider of the information.
- c. Financial statements and auditor reports of an alternative investment vehicle.
- d. Meeting materials of an alternative investment vehicle relating to financial, operating, or marketing information of the alternative investment vehicle.
- e. Information regarding the portfolio positions in which the alternative investment vehicles invest.
- f. Capital call and distribution notices to investors of an alternative investment vehicle.
- g. Alternative investment agreements and related records.
- h. Information concerning investors, other than the State Board of Administration, in an alternative investment vehicle.

7. “Proprietary confidential business information” does not include:

- a. The name, address, and vintage year of an alternative investment vehicle and the identity of the principals involved in the management of the alternative investment vehicle.
- b. The dollar amount of the commitment made by the State Board of Administration to each alternative investment vehicle since inception.
- c. The dollar amount and date of cash contributions made by the State Board of Administration to each alternative investment vehicle since inception.
- d. The dollar amount, on a fiscal-year-end basis, of cash distributions received by the State Board of Administration from each alternative investment vehicle.
- e. The dollar amount, on a fiscal-year-end basis, of cash distributions received by the State Board of Administration plus the remaining value of alternative-vehicle assets that are attributable to the State Board of Administration’s investment in each alternative investment vehicle.
- f. The net internal rate of return of each alternative investment vehicle since inception.
- g. The investment multiple of each alternative investment vehicle since inception.
- h. The dollar amount of the total management fees and costs paid on an annual fiscal-year-end basis by the State Board of Administration to each alternative investment vehicle.
- i. The dollar amount of cash profit received by the State Board of Administration from each alternative investment vehicle on a fiscal-year-end basis.

j. A description of any compensation, fees, or expenses, including the amount or value, paid or agreed to be paid by a proprietor to any person to solicit the board to make an alternative investment or investment through an alternative investment vehicle. This does not apply to an executive officer, general partner, managing member, or other employee of the proprietor, who is paid by the proprietor to solicit the board to make such investments.

(b) Proprietary confidential business information held by the State Board of Administration regarding alternative investments is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution for 10 years after the termination of the alternative investment. This exemption applies to proprietary confidential business information held by the State Board of Administration before, on, or after October 1, 2006.

(c)1. Notwithstanding the provisions of paragraph (b), a request to inspect or copy a record under s. 119.07(1) that contains proprietary confidential business information shall be granted if the proprietor of the information fails, within a reasonable period of time after the request is received by the State Board of Administration, to verify the following to the State Board of Administration through a written declaration in the manner provided by s. 92.525:



a. That the requested record contains proprietary confidential business information and the specific location of such information within the record;

b. If the proprietary confidential business information is a trade secret, a verification that it is a trade secret as defined in s. 688.002;

c. That the proprietary confidential business information is intended to be and is treated by the proprietor as private, is the subject of efforts of the proprietor to maintain its privacy, and is not readily ascertainable or publicly available from any other source; and

d. That the disclosure of the proprietary confidential business information to the public would harm the business operations of the proprietor.

2. The State Board of Administration shall maintain a list and a description of the records covered by any verified, written declaration made under this paragraph.

(d) Any person may petition a court of competent jurisdiction for an order for the public release of those portions of any record made confidential and exempt by paragraph (b). Any action under this paragraph must be brought in Leon County, Florida, and the petition or other initial pleading shall be served on the State Board of Administration and, if determinable upon diligent inquiry, on the proprietor of the information sought to be released. In any order for the public release of a record under this paragraph, the court shall make a finding that the record or portion thereof is not a trade secret as defined in s. 688.002, that a compelling public interest is served by the release of the record or portions thereof which exceed the public necessity for maintaining the confidentiality of such record, and that the release of the record will not cause damage to or adversely affect the interests of the proprietor of the released information, other private persons or business entities, the State Board of Administration, or any trust fund, the assets of which are invested by the State Board of Administration.

**History.**—s. 4, ch. 93-162; s. 70, ch. 96-406; s. 1, ch. 2006-163; s. 1, ch. 2011-101.

## MEMORANDUM

**TO: SIB**  
**FROM: Jan Murtha, Executive Director**  
**DATE: October 21, 2024**  
**RE: Draft Procurement Statute Amendment**

As part of the strategic planning process conducted in early 2024 agencies were asked to identify potential legislative changes that could improve program operations. One of the initiatives discussed by the GPR Committee and included in the strategic plan presented to the SIB involved an amendment to the procurement exemption that exists in state law relating to procurement of investment management services under NDCC 54-44.4-02(10).

On October 23, 2023 RIO received the attached letter from OMB. The letter reflected OMB's interpretation state law, specifically its determination that NDCC 54-44.4-02(10) did not apply to the procurement of software solutions needed for the internal management of funds. Pursuant to the agencies strategic plan and prior recommendation of this committee staff is presentation draft language for the committee for discussion.

**54-44.4-02.** Office of management and budget purchasing services. The office of management and budget shall purchase or lease or otherwise arrange for the procurement, for all state agencies and institutions in the executive branch of state government, all materials, furniture, fixtures, printing, insurance, services, and other commodities. The International Peace Garden may participate in the procurement authorized by this section. The following commodities and services, however, are not subject to the procurement requirements of this chapter:

**10.** Employee benefit services, trust-related services, and investment management services, including investment management services and software solutions for the internal investment management of funds obtained by an agency with a fiduciary responsibility regarding those services. Nothing in this subsection may be construed to allow an agency to create or renew a contract perpetually and without limitation.

**Committee Action Requested:** Committee discussion. Committee to discuss and recommend language to the SIB regarding proposed legislation.

To: Jan Murtha, Executive Director  
Scott Anderson, Chief Investment Officer  
Retirement & Investment

From: Sherry Neas, Director Central Services Division  
Office of Management and Budget

Subject: Procurement Exemption Determination for Investment Management Platform

RIO has requested a determination of whether its intended purchase of an Investment Management Platform is exempt from procurement laws under subsection 10 of N.D.C.C. § 54-44.4-02, which reads:

10. Employee benefit services, trust-related services, and investment management services obtained by an agency with a fiduciary responsibility regarding those services. Nothing in this subsection may be construed to allow an agency to create or renew a contract perpetually and without limitation.

In making this determination, the Office of Management and Budget, in consultation with its legal counsel, considered the language of the statute as well as legislative history. We find that subsection 10 of N.D.C.C. § 54-44.4-02 does not include the procurement of software solutions.

The legislative process to create this statute spanned over the 2001 and 2003 legislative sessions. As the chief procurement officer, I facilitated meetings during the interim between those sessions with stakeholders from those agencies with fiduciary responsibilities. Legal counsel reviewed the legislative history and affirmed the determination that legislative intent did not contemplate software solutions. The supporters of the legislation sought the exemption to select professional service providers performing those trust-related and investment management services outside of the statutory procurement methods established in Chapter 54-44.4, including competitive bids, competitive proposals, limited competitive, and noncompetitive purchase procedures.

In rendering this decision, we also reviewed the express language in the exemption statute, which reads, "...trust-related services, and investment management services." We considered the definitions of "Professional services" and "Services" under N.D.C.C. § 54-44.4-01:

"Professional services" means those services requiring special knowledge, education, or skills when the qualifications and experience of the individual rendering the services are of primary importance and the individual is required to exercise professional judgment. Professional services providers include appraisers, attorneys, accountants, psychologists, physicians, dentists, planners, analysts, and consultants. The term includes human services under which a person provides direct health or social welfare services to the citizens on behalf of the state. The term does not include services defined in section 54-44.7-01.

"Services" is defined under N.D.C.C. § 54-44.4-01, which reads: "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports that are merely incidental to the required performance. The term includes professional services.

Based upon statutory language and definitions in Chapter 54-44.4, we have determined that the procurement of this information technology solution cannot be exempted under subsection 10 of § 54-44.4-02 (10).

We also reviewed laws related to information technology projects, which further support the conclusion that an information technology project is defined in other statutes and cannot be considered a “service” as defined in Chapter 54-44.4.

N.D.C.C. § 54-59-09 Information Technology Standards states, “Based on information from state agencies and institutions, the department and the office of management and budget shall develop statewide information technology policies, standards, and guidelines. The policies, standards, and guidelines must recognize the uniqueness of certain agencies and state which agencies are include or exempted from the policies, standards, and guidelines.”

OMB and NDIT jointly developed Guidelines for Information Technology Procurement. No agencies have blanket exemptions from procurement of information technology solutions.

- <https://www.omb.nd.gov/doing-business-state/procurement>
- <https://www.omb.nd.gov/sites/www/files/documents/doing-business-with-the-state/procurement/procurement-IT-guidelines-aug-2023.pdf>

The solution RIO intends to purchase has been determined by NDIT to be a major information technology project, subject to multiple statutes:

Subsection 10 of N.D.C.C. [54-35-15.2](#)  
N.D.C.C. § [54-59-23](#) Information technology projects - Reports  
N.D.C.C. § [54-59-32](#) Major information technology projects

Under Major IT Project laws, an Executive Steering Committee (ESC) will be appointed to provide oversight of the RIO project, including the procurement process.

In making the exemption determination, OMB and its legal counsel also considered the procurement process being contemplated by RIO.

- RIO is writing a Request for Proposal to evaluate competing solution providers.
- RIO seeks to establish its own evaluation criteria based upon cost and qualitative factors.
- RIO seeks to limit competition to the vendors determined to be viable by RIO.

OMB finds that the process being contemplated by RIO is subject to state procurement laws. Competitive procurement is a legal process within N.D.C.C. and N.D.A.C. to ensure full and fair competition to all. It contemplates administrative remedies for those aggrieved by either the solicitation itself or the notice of intent to award.

- The RFP process is defined in N.D.C.C. § 54-44.4-10 and allows the purchasing agency to define the evaluation criteria. Your required solution is a combination of system features and services, so the evaluation criteria and selection process may be customized to select the most qualified contractor with the best value considering price, services, and IT solution features and support.
- Limiting competition to the vendors identified by RIO is permitted under Subsection 4 (j) of N.D.C.C. § 54-44.4-5 which provides, “The agency provides documentation indicating that the services or the circumstances are of such a nature that deviation from the procurement procedure is appropriate.”

Completing the Alternate Procurement (AP) Request for a Limited, Competitive Procurement allows for RIO to limit competition to the identified vendors. As previously discussed in our meetings, Alternate Procurement Requests are decided on a case-by-case basis. There is no "precedent" for future purchases of similar goods or services that will be set by submitting one AP Request. OMB promulgates rules related to specific limited and noncompetitive purchases that are not subject to the Alternate Procurement process, and no such “blanket exemptions” exist for IT solutions.

We understand time is of the essence on this important RIO project. Next steps:

- Alternate Procurement. If you require assistance preparing an Alternate Procurement to limit competition, please contact Gabe Hoggarth.
- Major IT Projects are highly collaborative between the customer agency, NDIT, and OMB State Procurement. We look forward to working closely with you soon to begin work on the RFP. NDIT will contact RIO and OMB for the names of ESC members.
- IT Procurement Officer. Major Information Technology Projects have special requirements for procurement officers. Sowmya Karumanchi will be the OMB IT Procurement Officer assigned to this project. The assigned project manager and IT Procurement Officer work closely with RIO and NDIT to develop the solicitation, conduct the evaluation process, negotiate the contract, and administer the resultant contract.
- Collaboration Team. A procurement collaboration team is established with representatives from RIO, NDIT, legal counsel, and an OMB IT State Procurement Officer. This working group is not subject to open meetings laws, and should be a mix of procurement, RIO subject matter experts, and IT professionals.
- Bidders List. It is important to obtain contact information for the prospective solution providers to create the bidders list for the solicitation.

cc: Susan Sisk, Director, Office of Management and Budget  
 Laura Balliet, Assistant Attorney General  
 Dean DePountis, Assistant Attorney General  
 Emmalee Riegler, RIO Procurement Officer  
 Gabe Hoggarth, OMB State Procurement Officer  
 Sowmya Karumanchi, OMB IT State Procurement Officer

## MEMORANDUM

**TO: SIB**  
**FROM: Jan Murtha, Executive Director**  
**DATE: October 21, 2024**  
**RE: SIB Governance Manual Review Schedule & Governance Structure Discussion**

### I. SIB Governance Manual Review

To assist the SIB with its fiduciary obligation to review its governance manual and bring forward policy recommendations the GPR committee brought forward several policy changes during the last fiscal year that were approved by the SIB. RIO staff anticipates that the internal investment initiative will launch during the current fiscal year and additional governance policies will be required to implement oversight and compliance functions of that initiative. Weaver Consulting has been retained to support the creation and implementation of the compliance function associated with the internal investment initiative. Below is a proposed schedule to review the governance manual for discussion and consideration of additional policies prioritizing discussion of the internal investment initiative and followed by a general policy review. Specific dates for review and presentation to the SIB for approval may be adjusted to coincide with the internal investment initiative launch.

| Month/Meeting | Sections Reviewed   |
|---------------|---|
| February 2025 | Section IV Ends and Section V Investments   |
| April 2025    | Sections I Executive Limitations, Section II Governance Process, Section III Board-Staff Relationship, Sections VI TFFR Program, Section VII By-Laws. |

### II. Governance Structure Discussion

At the beginning of the prior fiscal year the GPR Committee discussed reviewing the governance manual structure, currently the Carver model, and whether the committee desired to continue with this model. The committee ultimately deferred the governance model discussion until a subsequent fiscal year to focus on revisions to the manual needed to support the growing investment function. Given the amount of board and staff time dedicated to support the launch of the internal investment function, staff recommends deferring the governance model discussion until the next biennium.

**Committee Action Requested:** Committee discussion. Information Only.