

**STATE INVESTMENT BOARD
INVESTMENT COMMITTEE MEETING
MINUTES OF THE
JUNE 14, 2024, MEETING**

MEMBERS PRESENT: Thomas Beadle, State Treasurer, Chair
Joseph Heringer, Trust Lands Commissioner, Vice Chair
Scott Anderson, Chief Investment Officer
Eric Chin, Deputy Chief Investment Officer
Dr. Prodosh Simlai, External Representative
Dr. Ruilin Tian, External Representative

STAFF PRESENT: Derek Dukart, Investment Officer
Jennifer Ferderer, Fiscal Investment Admin
Rachel Kmetz, Accounting Manager
George Moss, Senior Investment Officer
Sarah Mudder, Communications & Outreach Director
Matt Posch, Senior Investment Officer
Emmalee Riegler, Procurement/Records Mgmt. Coordinator
Ryan Skor, Chief Financial Officer/Chief Operating Officer
Nitin Vaidya, Chief Risk Officer
Jason Yu, Risk Officer
Zach Ziegler, Investment Intern
Lance Zietlow, Senior Investment Officer

GUESTS: Alexander Browning, Callan
Members of the public

CALL TO ORDER:

Treasurer Beadle called the State Investment Board (SIB) Investment Committee (IC) meeting to order at 9:03 a.m. on Friday, June 14, 2024. The meeting was held virtually.

The following Investment Committee members were present representing a quorum, Mr. Anderson, Treasurer Beadle, Mr. Chin, Commissioner Heringer, Dr. Simlai, and Dr. Tian.

AGENDA:

The agenda was considered for the June 14, 2024, meeting.

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY DR. TIAN AND CARRIED BY A VOICE VOTE TO APPROVE THE AGENDA FOR THE JUNE 14, 2024, MEETING AS DISTRIBUTED.

**AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, AND
TREASURER BEADLE**

NAYS: NONE

ABSENT: DR. SIMLAI

MOTION CARRIED

MINUTES:

The minutes were considered for the May 10, 2024, meeting.

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MR. CHIN AND CARRIED BY A VOICE VOTE TO APPROVE THE MINUTES FOR THE MAY 10, 2024, MEETING AS DISTRIBUTED.

**AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, AND
TREASURER BEADLE
NAYS: NONE
ABSENT: DR. SIMLAI
MOTION CARRIED**

The minutes were considered for the May 14, 2024, meeting.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A VOICE VOTE TO APPROVE THE MINUTES FOR THE MAY 14, 2024, MEETING AS DISTRIBUTED.

**AYES: MR. ANDERSON, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, AND
TREASURER BEADLE
NAYS: NONE
ABSENT: DR. SIMLAI
MOTION CARRIED**

Dr. Simlai joined the meeting at 9:09 a.m.

COMPLIANCE CONSULTANT PRESENTATION

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2(6) AND 54-44.4-10(2) TO SEQUESTER COMPETITORS DURING A COMPETITIVE BIDDING PROCESS AND TO RECEIVE AND DISCUSS EXEMPT PROPOSAL PROCUREMENT INFORMATION DURING A COMPETITIVE BIDDING PROCESS.

**AYES: MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, MR. ANDERSON, AND
TREASURER BEADLE
ABSTAINED: DR. SIMLAI
NAYS: NONE
MOTION CARRIED**

The executive session began at 9:13 a.m. and ended at 9:47 a.m. The session was attended by Committee members, staff, and representatives from the offeror.

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2(6) AND 54-44.4-10(2) TO SEQUESTER COMPETITORS DURING A COMPETITIVE BIDDING PROCESS AND TO RECEIVE AND DISCUSS EXEMPT PROPOSAL PROCUREMENT INFORMATION DURING A COMPETITIVE BIDDING PROCESS.

**AYES: COMMISSIONER HERINGER, MR. ANDERSON, DR. SIMLAI, MR. CHIN, DR. TIAN, AND
TREASURER BEADLE
NAYS: NONE
MOTION CARRIED**

The executive session began at 9:50 a.m. and ended at 10:05 a.m. The session was attended by Committee members and staff.

IT WAS MOVED BY DR. TIAN AND SECONDED BY DR. SIMLAI AND CARRIED BY A ROLL CALL VOTE TO DIRECT STAFF TO MOVE FORWARD WITH CONTRACT NEGOTIATIONS WITH THE FIRM MOST SUSCEPTIBLE TO AWARD.

AYES: DR. SIMLAI, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, MR. ANDERSON, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

ASSET ALLOCATION CONSULTANT PROCUREMENT

The Committee reviewed a list of existing and potential consultant arrangements. Mr. Anderson provided of overview of asset allocation implementation and fund level opportunities, the types of pension fund level studies, and the benefits of retaining an asset allocation consultant. Committee discussion followed.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO APPROVE STAFF RECOMMENDATION TO RETAIN A QUALIFIED ASSET ALLOCATION CONSULTANT UNDER THE EXEMPTION FROM THE STATE PURCHASING PRACTICES PER N.D.C.C 54-44.4-02 (10).

AYES: MR. ANDERSON, DR. TIAN, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, AND TREASURER BEADLE

MOTION CARRIED

MANAGER RECOMMENDATION

IT WAS MOVED BY MR. CHIN AND SECONDED BY MR. ANDERSON AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2, 44-04-18.4 (2)(A) AND N.D.C.C. 44-04-18.4(2)(D) TO REVIEW AND DISCUSS CONFIDENTIAL COMMERCIAL INFORMATION AND TRADE SECRETS.

AYES: COMMISSIONER HERINGER, MR. ANDERSON, DR. SIMLAI, MR. CHIN, DR. TIAN, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

The executive session began at 10:53 a.m. and ended at 11:08 a.m. The session was attended by Committee members and staff.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO APPROVE STAFF RECOMMENDATION TO THE ADJUSTMENTS TO THE PRIVATE MARKET MANAGERS PENDING LEGAL APPROVAL AND TO REPORT BACK AT A FUTURE COMMITTEE MEETING.

AYES: DR. SIMLAI, MR. CHIN, COMMISSIONER HERINGER, DR. TIAN, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

MANAGER UPDATES

Mr. Moss provided a private market manager update. Agreements have been finalized for HIG Advantage Buyout Fund II (\$34 million commitment), HIG Capital Partners VII (\$17 million commitment), and Fortress Credit Opportunities VI (\$50 million commitment).

STRATEGY REVIEW

Mr. Chin and Mr. Dukart provided the Committee an update on the public markets strategy, including market and manager performance for both public equity and public fixed income.

IT WAS MOVED BY MR. ANDERSON AND SECONDED BY MR. CHIN AND CARRIED BY A ROLL CALL VOTE TO ENTER INTO EXECUTIVE SESSION PURSUANT TO N.D.C.C. 44-04-19.2, 44-04-18.4 (2)(A) AND N.D.C.C. 44-04-18.4(2)(D) TO REVIEW AND DISCUSS CONFIDENTIAL COMMERCIAL INFORMATION AND TRADE SECRETS.

AYES: MR. ANDERSON, DR. TIAN, MR. CHIN, COMMISSIONER HERINGER, DR. SIMLAI, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

The executive session began at 11:27 a.m. and ended at 12:57 p.m. The session was attended by Committee members and staff.

IT WAS MOVED BY COMMISSIONER HERINGER AND SECONDED BY DR. TIAN AND CARRIED BY A ROLL CALL VOTE TO APPROVE STAFF MOVING FORWARD WITH THE PROPOSED PORTFOLIO CHANGES IN ACCORDANCE WITH EQUIY 2.0.

AYES: DR. TIAN, MR. CHIN, MR. ANDERSON, DR. SIMLAI, COMMISSIONER HERINGER, AND TREASURER BEADLE

NAYS: NONE

MOTION CARRIED

ADJOURNMENT

With no further business to come before the Investment Committee, Treasurer Beadle adjourned the meeting at 1:01 p.m.

Prepared by:

Jennifer Ferderer, Assistant to the Board