

	Original Effective Date: April 9, 2024
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	Page 1 of 2
Investment Committee Charter	

PURPOSE

The Investment Committee (“Committee”) is appointed by the Board of Trustees (“Board”) Chair of the North Dakota Public Employees Retirement System (“Agency”) to provide oversight of the investment activities of the agency. Oversight includes analyzing investment policies, asset allocations, benchmark recommendations, and overall risk and returns of portfolios of trust funds administered by the Board. It also includes similar oversight of the investment options offered to Defined Contribution and Deferred Compensation members of our plans.

In general, the Committee will focus on various policies and procedures of the agency to ensure they are consistent with industry standards and that they continue to keep pace with prudent investment theory and practice.

STRUCTURE

The Committee will consist of three to five members (including one alternate) with the members being appointed by the Board Chair. The Board Chair is also responsible for appointing a Committee Chair from the appointed members. The Board should attempt to appoint Committee members who are knowledgeable and experienced in financial and/or investment related functions.

MEETINGS

The Committee will meet as often as it determines is appropriate, but not less frequently than quarterly. All Committee members are expected to attend each meeting, in person or via tele- or video- conference, with a majority of the Committee required for a quorum. The Committee may invite any officer or employee of the agency, the State Investment Board, the agency's service provider, the agency's investment consultant, or others to attend meetings and provide pertinent information.

Meeting agendas will be prepared by the Chief Operating/Financial Officer, or their designee, and provided in advance to members, along with appropriate briefing materials. Minutes will be kept by a member of the Committee or a person designated by the Committee. Members of the Committee will be compensated for attendance at Committee meetings in accordance with NDPERS' policy for compensation in effect at the time for Board members.

DUTIES, RESPONSIBILITIES, AND AUTHORITY

The Committee will carry out the following duties, responsibilities & authority:

- 1) **Investment Monitoring:**
 - a. Review the investment performances of the trust funds administered by the agency.
 - b. Review and recommend updates to the Board of the investment policies of trust funds administered by the agency.
 - c. Review the asset allocations of the trust funds administered by the agency, and make recommendations to the Board.
 - d. Review the investment policies for each of the retirement plans administered by the agency.
 - e. Monitor the fund performance on the agency's Deferred Compensation (supplemental savings) and Defined Contribution programs.

- f. Make recommendations to the Board of funds that underperform their benchmarks and should be placed on formal fund watch, and monitored quarterly.
- g. Take appropriate action, up to and including dissolution, on funds that consistently perform below benchmarks.

2) Other Responsibilities

- a. Coordinate an asset/liability study every five years, including reviewing RFP responses and making a consultant recommendation to the Board for approval.
- b. Coordinate an experience study every five years, including reviewing RFP responses and making a consultant recommendation to the Board for approval.
- c. Monitor the agency's trust fund long-term rate of returns to ensure the funds take on the appropriate level of risk. Bring any proposed changes to the Board for approval.
- d. Report to the Board a summary of the Committee activities, findings, and related recommendations.
- e. Confirm and sign off annually that all responsibilities outlined in this charter have been carried out. Review and assess periodically the adequacy of the Committee charter, request Board approval for proposed changes.
- f. Avoid conflicts of interest, paying strict attention to Board matters.
- g. Perform other activities related to this Charter as requested by the Board.