

POLICY NUMBER: 1.10.200**EFFECTIVE DATE:** 11/21/24**TITLE:** Role of Investment Managers**SUPERSEDES:** 12/15/21**BOARD ADOPTION:** 11/21/24**REVIEWED:**

PURPOSE

This policy provides guidelines regarding the role of investment managers (sometimes referred to as advisers) with respect to their reporting relationship and how they relate to staff and the entire Board structure.

For purposes of this policy, investment managers include those engaged in any asset class utilized by the Board, including, but not limited to, public equity, private equity, fixed income, real estate, and tangible assets.

POLICY

The Board's role is to approve the structure and strategy of its investment programs, approve the selection and termination of investment managers, except as provided for in the Delegation of Authority Policy 1.05.100, and to provide oversight. The role of staff is to plan, research, recommend, implement, and monitor.

Investment managers are hired by, report to, and are accountable to the Board. The Board has delegated the day-to-day interaction with managers to the Chief Executive Officer (CEO), who may assign certain other staff to work with various managers. Investment managers are to work within contract provisions and the guidelines provided to them to provide investment results and services as determined by the Board.

The following describes the interaction between investment managers, Board, and staff:

1. Any Board member may interact with any current investment manager with questions, comments, or inquiries for readily available information, as this is seen as helpful to Board member education and understanding. The CEO should be informed if the request would fall outside the scope of service or impair the manager's ability to manage effectively.
2. Investment ideas initiated by a Board member should be presented to the appropriate Board Committee for possible recommendation to the Board. If approved, implementation will be assigned to the CEO.
3. Board member contacts with investment managers for assignments are to be initiated only by the Board Chair or a Committee Chair. The CEO should be informed in advance.
4. When staff gives non-routine assignments to managers, the assignment will be reported to the Board at its next regularly scheduled meeting.
5. From time to time, potential investment managers will initiate contact with Board members. If deemed of potential interest to the WSIB, the Board member should refer the manager to the CEO in accordance with the Washington State Investment Board (WSIB) Policy 2.05.800, Investment Referral Process. As per the Board's

Service Provider Policy 2.00.230, Board members should consider the legal and reputational risks associated with the procurement process and carefully evaluate the circumstances when meeting with any investment managers. Potential public equity investment managers should contact only the designated search coordinator with respect to the relevant procurement.

POLICY REVIEW

The Board shall review this policy at least once every three (3) years to ensure that it remains relevant and appropriate.

Policy Adopted 7/20/95
Revised 10/16/03
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