

## Investment Committee Charter Board Governance 7.0

Approved: March 24, 2017

### A. INTRODUCTION

1. The board has established the investment committee to assist it in overseeing the LASERS investment program.
2. The investment committee is a standing committee of the board comprised of not less than seven trustees but can include any member that requests to serve on the committee.
3. The investment committee will generally meet monthly, but may meet more or less frequently as desired.

### B. DUTIES AND RESPONSIBILITIES:

1. The investment committee will recommend to the board:
  - a. investment philosophy and policies for the investment program, including investment goals and the asset policy mix, and any amendments;
  - b. the addition or removal of asset classes within the investment program;
  - c. strategies to achieve the investment goals of the investment program; and
  - d. the investment management structure for the investment program, including, but not limited to, the funds to be allocated to active and passive portfolios, and internal and external portfolios.
2. The investment committee will make recommendations to the full board concerning investment-related contracts, when performed by other than LASERS staff such as, but not limited to, those for investment management, custodial arrangements, and securities lending.
3. The investment committee will make recommendations to the board with respect to the appointment of the following service providers:
  - a. general investment consultants,
  - b. retainer investment consultants for alternative investments and real estate,
  - c. custodian banks,
  - d. investment managers or general partners for public and private market assets, and
  - e. securities lending managers.
4. The investment committee will:
  - a. advise the board on other investment matters as appropriate;
  - b. keep minutes on investment committee meetings and ensure the minutes are made available to trustees;
  - c. regularly report to the board about all committee activities, issues, findings and related recommendations; and

- d. perform other activities related to this charter as requested by the board, and report to the board accordingly.
5. The investment committee will regularly monitor the effectiveness of the investment program. Such monitoring will include:
  - a. total fund performance relative to policy benchmarks;
  - b. asset class performance;
  - c. internal and external investment manager performance;
  - d. LASERS compliance with the investment philosophy and investment policies of the board;
  - e. staff's due diligence activities concerning the selection of investment managers and consultants, to ensure they are consistent with the policies of the board;
  - f. the performance and independence of the investment consultant(s), at least every three years; and
  - g. the cost effectiveness of the investment program, including trading efficiency.
6. If a situation occurs requiring immediate action, or action before the next regularly scheduled board meeting, the board chair, investment committee chair, chief investment officer, and executive director may in conjunction make the decision to take action. The board members must be notified of such action as soon as practicable, and the decision will be ratified at the next scheduled board meeting. Such situations must be unique events that could potentially harm the investments of the plan.