

21-10-02.1. Board — Policies on investment goals and objectives and asset allocation.

1. The governing body of each fund enumerated in section 21-10-06 shall establish policies on investment goals and objectives and asset allocation for each respective fund. The policies must provide for:

a. The definition and assignment of duties and responsibilities to advisory services and persons employed by the board.

b. Acceptable rates of return, liquidity, and levels of risk.

c. Long-range asset allocation goals.

d. Guidelines for the selection and redemption of investments.

e. Investment diversification, investment quality, qualification of advisory services, and amounts to be invested by advisory services.

f. The type of reports and procedures to be used in evaluating performance.

2. The asset allocation for each fund, to be effective, must be approved by the governing body of that fund and the state investment board by January first of each year. If the asset allocation is not approved, the previous asset allocation remains effective. The governing body of each fund shall use the staff and consultants of the retirement and investment office in developing asset allocation and investment policies.

Source. S.L. 1985, ch. 285, § 1; 1989, ch. 667, § 6; 1991, ch. 628, § 3.