

(I) 4 MEMBERS APPOINTED BY THE BOARD OF TRUSTEES FROM AMONG ITS 13 MEMBERS FOR STAGGERED 4 YEAR TERMS, 1 OF WHOM SHALL BE AN ELECTED TRUSTEE OF THE EMPLOYEE SYSTEM, 1 OF WHOM SHALL BE AN ELECTED TRUSTEE OF THE TEACHERS' SYSTEM, 1 OF WHOM SHALL BE AN APPOINTED TRUSTEE OF THE STATE POLICE SYSTEM, AND 1 OF WHOM SHALL BE AN EX OFFICIO TRUSTEE----; AND

(II) 3 MEMBERS OF THE PUBLIC APPOINTED BY THE BOARD OF TRUSTEES WITH THE APPROVAL OF THE BOARD OF PUBLIC WORKS FOR STAGGERED 4 YEAR TERMS WHO ARE NOT MEMBERS OR BENEFICIARIES OF ANY OF THE SEVERAL SYSTEMS AND WHO HAVE HAD A BACKGROUND OF EXPERIENCE IN THE MANAGEMENT AND CONTROL OF LARGE INVESTMENT FUNDS. THE BOARD OF TRUSTEES MAY SET ADDITIONAL QUALIFICATIONS FOR PUBLIC MEMBERS AND MAY ADOPT RULES AND REGULATIONS RELATING TO ETHICAL STANDARDS AND CONFLICTS OF INTEREST FOR PUBLIC MEMBERS.

(B) THE CHAIRMAN AND VICE CHAIRMAN OF THE INVESTMENT COUNCIL SHALL BE DESIGNATED ANNUALLY BY THE BOARD OF TRUSTEES.

(C) (I) THE INVESTMENT COUNCIL SHALL SUPERVISE THE ACTIVITIES OF THE STATE INVESTMENT AGENCY ON BEHALF OF THE BOARD OF TRUSTEES.

(II) THE MEMBERS OF THE COUNCIL SHALL REVIEW ALL INVESTMENT PROGRAMS TO ENSURE COMPLIANCE WITH ESTABLISHED POLICY.

(III) THE MEMBERS OF THE COUNCIL SHALL PREPARE AN OPERATIONS MANUAL DETAILING FUNCTIONS OF THE INVESTMENT COUNCIL AND THE STATE INVESTMENT AGENCY, GOALS AND OBJECTIVES OF THE SEVERAL INVESTMENT PROGRAMS, AND POLICIES GOVERNING INVESTMENT SELECTION AND RETENTION. AMENDMENTS SHALL BE INCORPORATED FROM TIME TO TIME AS CONDITIONS WARRANT. THE OPERATIONS MANUAL AND ANY SUBSEQUENT AMENDMENTS THERETO SHALL BE SUBMITTED TO THE BOARD OF TRUSTEES FOR APPROVAL PRIOR TO IMPLEMENTATION.

(IV) THE MEMBERS OF THE COUNCIL SHALL REVIEW ANNUAL BUDGET REQUESTS OF THE STATE INVESTMENT AGENCY, INCLUDING SALARY REQUESTS, STAFFING LEVELS, AND STAFF DISTRIBUTION.

~~(D) -- THE -- MEMBERS -- OF -- THE -- INVESTMENT -- COUNCIL -- SHALL -- BE -- REIMBURSED -- FOR -- THEIR -- ACTUAL -- AND -- NECESSARY -- EXPENSES~~

(D) THE MEMBERS OF THE INVESTMENT COUNCIL SHALL BE REIMBURSED FOR THEIR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES IN ACCORDANCE WITH THE STANDARD STATE TRAVEL REGULATIONS. PUBLIC MEMBERS OF THE INVESTMENT COUNCIL SHALL BE PAID COMPENSATION AT THE PER DIEM RATE PROVIDED IN THE BUDGET FOR EACH DAY ON WHICH THEY ARE ACTUALLY AND NECESSARILY ENGAGED IN THE PERFORMANCE OF THEIR DUTIES. TRUSTEE MEMBERS OF THE INVESTMENT COUNCIL SHALL RECEIVE NO COMPENSATION FOR THEIR SERVICES.