



Public Meeting held in person and videoconference  
on January 19, 2024 10:00 AM CT

Pursuant to Texas Govt. Code 551.127  
6850 Austin Center Blvd., Suite 320, Austin, TX 78731

**Committee Member\*  
Present/(Absent)**

Yuejiao Liu, Committee Chair  
Michael Granof  
Dick Lavine  
Diana Thomas

Guests:

Ian Bray, RVK  
Spencer Hunter, RVK\*  
Paige Saenz, General Counsel  
Joe Ebisa, WithIntelligence\*  
James Baratta\*

**Other Board Trustees  
Present/(Absent)**

Michael Benson  
Kelly Crook  
Chris Noak  
(Leslie Pool)  
Anthony Ross  
Brad Sinclair  
Ed Van Eenoo

**Others Present**

Staff:

Christopher Hanson  
David Kushner  
David Stafford  
Ty Sorrel  
Kelly Doggett  
Sarah McCleary  
Michelle Mahaini  
Mehrin Rahman\*  
Russell Nash  
Amy Kelley\*

\* present telephonically  
† present via videoconference

\*The Committee members are the 2023 members, as the new Committees had not been named as of the date of the meeting. Ms. Hunter, who was previously on the committee, has been replaced on the Board by Mr. Van Eenoo, resulting in only four members on the committee as of January 19, 2024.

**1 Call roll of Committee members**

Committee Chair Liu called the meeting to order at 10:03 a.m. The following Committee members were present in person: Liu, Granof, and Thomas.

**2 Review order of business and establish meeting objectives**

Committee Chair Liu reviewed the order of business and meeting objectives with the Committee. No changes were made to the order of business.

*Mr. Benson arrived at 10:05 a.m.*

### **3 Receive public comments**

Committee Chair Liu asked if any members of the public wished to speak, either now or during an agenda item. There were no comments.

### **4 Discuss investment program objectives**

*Mr. Lavine arrived at 10:14 a.m.*

Mr. Christopher Hanson reviewed the objectives of the investment program as stated in the Investment Policy Statement (IPS). He noted that Trustees had previously discussed the use of peer data, and whether it should be a stated goal or moved to another section of the IPS. Either way, Staff would continue to report peer rankings. Trustees discussed the importance of peer benchmarking in assessing the effectiveness of the System's investment strategy. Trustees discussed the challenges of peer data including reporting period, size, and consistency of net-of-fees data. Mr. Hanson sought feedback on how much time the Committee wanted to spend reviewing performance and how in-depth performance reviews should be, and other changes the Investment Committee would like to see in terms of reporting or committee time.

### **5 Discuss measuring success including benchmarking**

Mr. David Stafford led the discussion on benchmarking with a focus on setting the Policy Benchmark. Mr. Stafford discussed the current approach to doing so, which uses public markets indices as benchmarks, organized by major asset classes. Mr. Stafford then noted areas of this benchmark that are mismatched to underlying sub-asset classes and areas where "normal" implementation is significantly different than the benchmark. After Mr. Stafford presented Staff's conclusions related to these items, the Committee provided feedback about the approach to benchmarking which included clearly defining Board decisions and keeping decision making at a higher level.

*Trustees took a break from 12:19 p.m. to 12:32 p.m.*

### **6 Discuss private markets program including private credit update and development of strategic plan**

Mr. David Kushner sought Committee direction on measuring success in private markets, including the initial investment to Blue Owl Diversified Lending Fund. Mr. Kushner mentioned two sources being evaluated by Staff.

*Mr. Ross left the meeting at 12:54 p.m.*

*Mr. Lavine stepped out of the meeting from 12:58 p.m. to 12:59 p.m.*

Mr. Ian Bray reiterated the need for developing a strategic plan for Private Markets investments.

## **7 Review key meeting takeaways and call for future agenda items**

Committee Chair provided an opportunity to add future agenda items. Trustees expressed a desire to consider independence of IPPE consulting, looking at the charter for this committee, and considering an alternative schedule to this committee's meetings to coincide with the full Board meetings.

As there were no further items to address, the meeting adjourned at 1:13 p.m.

These minutes were approved with revision at the February 22, 2024 Investment Committee meeting.