

**WEST VIRGINIA**  
**SECRETARY OF STATE**  
KEN HECHLER  
**ADMINISTRATIVE LAW DIVISION**

Form #5

**FILED**

MAY 24 2 32 PM '94

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF AGENCY ADOPTION OF A PROCEDURAL OR INTERPRETIVE RULE  
OR A LEGISLATIVE RULE EXEMPT FROM LEGISLATIVE REVIEW**

AGENCY: Board of Investments TITLE NUMBER: 113

CITE AUTHORITY: Chapter 12-6-1 et seq

RULE TYPE: PROCEDURAL  INTERPRETIVE \_\_\_\_\_

EXEMPT LEGISLATIVE RULE \_\_\_\_\_  
CITE STATUTE(S) GRANTING EXEMPTION FROM LEGISLATIVE REVIEW \_\_\_\_\_

AMENDMENT TO AN EXISTING RULE: YES \_\_\_\_\_, NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: \_\_\_\_\_

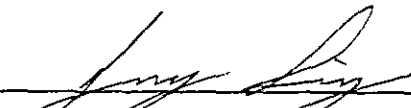
TITLE OF RULE BEING AMENDED: \_\_\_\_\_

IF NO, SERIES NUMBER OF NEW RULE BEING ADOPTED: 11

TITLE OF RULE BEING ADOPTED: Procedural Rules for Meetings

THE ABOVE RULE IS HEREBY ADOPTED AND FILED WITH THE SECRETARY OF STATE. THE

EFFECTIVE DATE OF THIS RULE IS June 24, 1994

  
Authorized Signature

4.00

## PROCEDURAL RULES

### WEST VIRGINIA STATE BOARD OF INVESTMENTS

#### SERIES ~~11~~ 14

#### PROCEDURAL RULES FOR MEETINGS

##### Section 1. GENERAL

1.1 Scope - The scope of these procedural rules involves the meetings, records and members of the West Virginia State Board of Investments ("Board").

1.2 Authority - West Virginia Code §12-6-1 et seq.

1.3 Filing Date - May 24, 1994

1.4 Effective Date - June 24, 1994

1.5 Repeal of Former Rule - This procedural rule repeals and replaces West Virginia 113 CSRII "Procedural Rules For Meetings" filed June 24, 1993 and effective July 24, 1993.

##### Section 2. OFFICE

The principal office of the Board shall be in the City of Charleston, County of Kanawha, State of West Virginia.

##### Section 3. BOARD

3.1 Powers - The Board shall have such duties and responsibilities as provided for in West Virginia Code §12-6-1 et seq. and §12-6A-1 et seq.

3.2 Membership, Number, Term of Office and Compensation - The Board membership shall consist of the Governor, State Auditor, State Treasurer and four additional members to be appointed by the Governor, by and with the advice and consent of the Senate. No more than three of the members appointed by the Governor shall be members of the same political party. The members appointed by the Governor shall be appointed from a list of twelve names submitted

jointly by the Governor, State Treasurer, and State Auditor. No more than two names submitted by the Governor may be appointed to the Board. Appointed members shall serve a term of six years and may be reappointed at the expiration of their term. Members of the Board shall be paid or reimbursed for their necessary expenses incurred in the performance of their duties, but shall receive no compensation for their services as members or officers of the Board.

3.3 Quorum - Four members of the Board who are at present at the meeting site, or their designated alternates, shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for any action taken by vote of the Board.

3.4 Vacancies - In the case of a vacancy on the Board, such vacancy shall be filled by appointment of the Governor, by and with the advice and consent of the Senate. No vacancy in the membership of the Board shall impair the rights of a quorum to exercise all the rights and perform all of the duties of the Board.

3.5 Designated Alternates - Only the Governor, State Treasurer, and State Auditor who must absent themselves from a meeting or other functions of the Board may designate in writing an alternate, who shall not be a member of the Board. The designated alternates shall have the proxy of that member, and shall have the full authority to participate and vote at meetings and other actions of the Board in the stead of that member. Provided, that a member who is unable to attend a Board meeting, may participate and vote at the Board meeting using two way electronic means. Telefax communication may not be utilized.

3.6 Meetings - The Board shall hold regular meetings once each calendar quarter which shall be called by the Chairman at least one quarter in advance. Special Meetings of the Board may be called at any time by the Chairman, the Executive Secretary or any four members of the Board. The Executive Director of the Board shall give notice to each member of the Board of each special meeting by mailing or delivering a notice at least five (5) days before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting. In the event of an emergency meeting the Board may file notice at any time prior to the meeting.

3.7 Adjournment of Meetings - Any meeting of the Board may be adjourned without further notice to such date, hour and place as may be determined by the Board at such meeting. In the event that a quorum is not present at such meeting and cannot be obtained within a reasonable time, such regular or special meeting shall be adjourned to such date, hour and place as shall then be determined and announced by the Chairman and notice of such adjourned meeting shall be given to those members not present.

3.8 Manner of Voting - The voting on all questions at meetings of the Board shall be by voice vote and the ayes and naves shall be entered upon the minutes of such meeting. However, upon the request of a member, the vote of each member, by name, shall be recorded.

3.9 Passage of Resolutions - Any action taken by the Board may be authorized by resolution approved by the affirmative vote of a majority of the Board members present at the meeting.

3.10 Journal - All final action of the Board at its meetings shall be recorded in the minutes of the meeting and shall be journalized. Such journal shall be open to the inspection of the public at all reasonable times.

3.11 Open Meetings and Public Notice of Meetings - All meetings of the Board shall be open to the public, as provided in West Virginia Code (§6-9A-1 et seq.) Notice of the time and place of regularly scheduled meetings of the Board, and the time, place and purpose of all special meetings of the Board, shall be made available, in advance, to the public and news media as follows:

A. Notice of the time, place and purpose of all meetings of the Board shall be filed with the Secretary of State for publication in the State Register in the manner to allow each notice to appear in the State Register at least five days prior to the date of such meeting.

B. Emergency meetings notice may be filed any time prior to the emergency meeting. The emergency meeting notice shall state the times, place and purpose of the meeting and facts and circumstances of the emergency.

#### Section 4. OFFICERS

4.1 Executive Officers - The executive officers of the Board shall be the Chairman and Executive Secretary.

4.2 Chairman - The Chairman shall preside at all meetings of the Board and perform such other duties as prescribed by the Board.

4.3 Executive Secretary - The Executive Secretary shall be the chief executive officer, shall sign Board Minutes, and perform such other duties as may be prescribed by the Board.

4.4 Executive Director - The Executive Director shall serve at the will and pleasure of the Board and may not be a Board Member. The Executive Director shall also be the chief administrative officer of the Board, shall keep full and accurate records and accounts of all receipts, disbursements, credits,

assets, liabilities and general financial transactions of the Board, shall disburse the funds of the Board as may be ordered by the Board in accordance with State law, shall annually prepare and submit to the Legislature a fiscal budget on behalf of the Board, with Board approval.

The books, accounts and records maintained by the Executive Director shall be subject to inspection by the Board or any member of the Board at any time to an audit by an independent certified public accountant or accountants and the Legislative Auditor.

The Executive Director shall have the authority to manage the day to day operations of the Board, employ and discharge personnel, set salaries, and have such further duties and authority as the Board shall prescribe.

4.5 Minutes - The Executive Director shall keep the minutes of all meetings of the Board; oversee the accuracy of written records of the Board; provide copies of approved minutes to the members of the Board; give notice of meetings of the Board; certify, when necessary, the records, proceedings, documents and resolutions of the Board; and shall perform such other duties as shall be prescribed by the Board.

#### Section 5. MISCELLANEOUS

5.1 Fiscal Year - The fiscal year of the Board shall commence on the 1st day of July and shall end on the 30th day of June the following year.

5.2 Inspection of Books and Records - The records of the Board shall be open to public inspection at all reasonable times; Provided, That in accordance with WV Code §29B-1-1 et. seq. the Freedom of Information Act, any records or information relating to fiscal records, financial statements, internal memorandums, secret processes, loan applications or secret methods of manufacture or production which may be obtained by the Board are confidential and shall not be disclosed.

5.3 Contracts - All contracts and obligations of the Board shall be signed by any of the following; the Executive Secretary, Executive Director, General Counsel, Chief Investment Officer, Chief Financial Officer, Chief Operating Officer or the Director of EFT.

5.4 Indemnification - The Board shall, to the fullest extent allowed by law, indemnify and reimburse each present and future member, officer, employee or agent of the Board against, and each such member, officer, employee or agent shall be entitled without further action on his or her part to indemnity from the Board for, all expenses, including without limitation attorney fees,

judgments, fines, taxes and penalties and interest thereon, and if the Board determines that a settlement of any action, suit or proceeding is in the best interest of the Board, all amounts paid in effecting such settlement, other than amounts paid to the Board itself, reasonably incurred by him or her in connection with or arising out of any action, suit or proceeding in which he or she may be involved by reason of his or her being or having been a member, officer, employee or agent of the Board; provided, however, that such indemnity shall not include any expenses incurred by any member, officer, employee or agent with respect to matters as to which he or she shall be finally adjudged in any such action, suit or proceeding to have been guilty of or liable for gross negligence, willful misconduct or criminal acts in the performance of his or her duties for the Board. The forgoing right of indemnification shall inure to the benefit of the heirs, executors or administrators of each such member, officer, employee or agent and shall be in addition to all other rights to which such member, officer, employee or agent may be entitled as a matter of law.

5.5 Conflict of Interest - The Board shall maintain constant vigilance against conflicts of interest, or the mere appearance of conflicts of interest. No officer, member or employee of the Board shall be financially interested, directly or indirectly, in any contract of any person with the Board, or in any sale of any property, real or personal, to or from the Board, provided, that this provision shall not apply to contracts or purchases of property, either real or personal, commodities or services between the Board and any governmental agency.

#### Section 6. AMENDMENTS

The Board shall have the power to make, alter, amend, suspend and repeal these procedural rules of the Board by a vote of not less than a majority of its members present at any meeting of the Board without previous notice of such purpose.