



OKLAHOMA MUNICIPAL RETIREMENT FUND COMMITTEE MEETING AGENDA

A Special Meeting of the Board of Trustees of the Oklahoma Municipal Retirement Fund and the Administrative Committee of the Oklahoma Municipal Retirement Fund has been called for Friday, August 25, 2023 at 8:30 a.m.

The meeting will be held at 1001 NW 63rd St., Suite 260, Oklahoma City, OK and the following items will be considered:

August 25, 2023

The Committee is a fact-finding body made up of three (3) Board of Trustee Members. The Committee's sole purpose is to conduct investigative research and gather information to develop recommendations for Board consideration and possible action. No official Board action can be taken at the Committee level.

1. Call to Order
2. Review of Code of Conduct Draft and Discuss Input Received from Staff and Board Members
3. Discuss and Develop Recommendation for Next Steps Regarding Code of Conduct for Board Consideration and Adoption
4. New Business
5. Adjourn

**Posted by 8:30 a.m. August 23, 2023
1001 NW 63rd Street, 1st Floor,
Oklahoma City, OK 73116**



OkMRF

Code of Conduct

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Code of Conduct

Purpose

This section shall set forth a code of ethical conduct for Trustees, Staff, and Vendors in the course of their dealings with the Oklahoma Municipal Retirement Fund (OkMRF).

Standard

The Trustees in all transactions shall abide by the Prudent Fiduciary and Prudent Investor Rules as generally recognized in the American Law of Trusts and as adopted in Oklahoma as the Prudent Investor Act, respectively. Under the Prudent Fiduciary Rule, a plan fiduciary must discharge his or her duties with the care, skill and diligence that would be exercised by a reasonably prudent person who is familiar with such matters. In addition, a Trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the Trust. The Trustees' investment and management decisions must be evaluated not in isolation, but in context of the Trust portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the Trust.

Existing Law

The Trustees recognize that in addition to the provisions of these rules, they are governed by Oklahoma law, the OkMRF Trust Indenture (Trust) and the applicable regulations of the Internal Revenue Service.

Conflicts of Interest

No Trustee shall engage in any transaction or vote in any matter in which the Trustee shall receive any direct or indirect personal gain. This shall not include Trustees participating in the OkMRF system from voting on benefit increases applicable to all OkMRF Members, Participants and their Beneficiaries.

Disclosure of Conflicts

Prior to voting on any matter in which a fiduciary reasonably believes that a conflict of interest exists, the Trustee shall publicly announce the conflict and abstain from voting. In determining whether a conflict exists, Trustees shall, in all actions, endeavor to avoid the appearance of impropriety.

Prior Communication with Benefit Applicants and Standard of Care

Trustees shall not advise Participants on specific plan benefits except this shall not preclude Trustees from answering questions of general application to Participants where the information provided involves a restatement of benefits under the Trust and does not involve consideration of matters which will be presented in any evidentiary proceeding. All requests for information in conflict with this rule shall be referred, in writing, to the Executive Director or appropriate Staff member for a written response.

Trustees should remain cognizant that statements regarding benefits may be relied upon by Participants, to their detriment, thereby creating an estoppel for the Board. Trustees, in addressing benefit questions by Members or Participants, should clearly indicate that they are in no way capable of binding OkMRF and that all questions are ultimately settled by the Board acting as a governing body.

Communications with Potential Vendors

Trustees shall not engage in prior communication with persons or entities seeking to establish a contractual relationship with the OkMRF Board concerning any promise of future retention, engagement, or employment. Any vendor contacts made during the selection process shall be referred to the Executive Director or to the applicable Board Committee (Administrative, Contract, or Investment) as designated by the Trustees.

Communication with Money Managers

All communications between individual Trustees and money managers shall be for informational and professional purposes only. No individual Trustee may bind or promise any consideration on behalf of OkMRF except as approved by the Board of Trustees.

Applicability to Staff and Vendors

All Staff members and Vendors shall be bound by this code of conduct in their dealings with Trustees and the Fund. All such people are responsible to the entire Board of Trustees and OkMRF principals and not to any individual Trustee.

Gifts; Prohibitions

No Trustee, Staff, or Fiduciary may receive anything of value from a vendor, prospective vendor, or other person doing business with OkMRF, excepting meals or entertainment, which are provided by the vendor as part of an organized OkMRF activity having an annual value equal to \$50 or less as permitted each calendar year by the Oklahoma Ethics Commission for state officers and employees as currently set forth in Rule 4.9. This limitation does not apply to conferences, seminars, or similar events if the gratuities and hospitality are made available to all attendees at the event. This rule does not prohibit acceptance of marketing materials of modest nominal value.

Interpretative examples of permitted gifts and/or prohibited conduct are adopted and attached hereto. See Appendix B

Nepotism

Neither the Trustees, nor the Executive Director, nor any other hiring authority of OkMRF may appoint any Trustee or any person related to any Trustee or the OkMRF Executive Director by blood or marriage within the third degree to any office or position with OkMRF. An OkMRF Trustee shall be required to resign from the Board immediately upon becoming an employee of OkMRF.

Attendance Policy

Whenever an OkMRF Trustee is absent from more than one-half (1/2) of all regularly scheduled meetings of the Trustees held within a rolling six (6) consecutive month period, the Trustee shall immediately cease to hold office, and the vacancy created shall be filled as provided in the Trust.

Education Policy

The OkMRF Trustees have determined that it is necessary and appropriate for each Trustee to attend educational conferences and seminars so that the Trustees can be made aware of developments within the industry of retirement system administration and investment management, and how persons acting in a like capacity are administering other retirement systems. The Trustees have established the following minimum requirements for Trustee education:

Trustees in each of their first and second terms shall complete a total of seventy (70) hours of education consisting of the following:

Annually

1. One (1) hour of education received from the Trustees Investment Consultant during monthly Trustee meetings.
2. Up to eight (8) hours of education received during the Annual Trustee Retreat.
3. One (1) hour of education received on their own by reading pertinent publications, whitepapers, newsletters, and articles.
4. Any other combinations of training/education made available that compares to the above-mentioned ten (10) annual hours.
5. Each Trustee is further limited to a maximum of one (1) National conference per fiscal year, dependent on budget availability and Executive Director approval.

This annual requirement can equal at least fifty (50) hours of the required seventy (70 hours) during a Trustees' initial two (2) five-year terms.

During Each Five-Year Term

An additional twenty (20) hours of education can be received by attending seminars or conferences for public retirement systems. Trustees in their second term are encouraged to focus on education that is relevant to their respective Committee assignments.

Trustees serving subsequent consecutive terms (greater than their first two (2) terms) shall complete at least an annual ten (10) hours of continuing education as itemized in the Annual requirements above.

The OkMRF Executive Director shall advise the Trustees when educational opportunities exist. Trustee education and training expenditures are subject to budgetary limits as approved annually by the Board. Trustees shall follow all applicable travel policies and procedures while traveling on behalf of OkMRF.

Violations of Policy

Any Trustee, Staff member, or Vendor may report violations to this policy. Any reported violations will be investigated by OkMRF's Trust Attorney, who during the investigation process may request other legal, Board Chair, or Executive Director advisement, which ultimately may result in a recommendation for remedial action.

Additional Etiquette Tips

Purpose

Source: Published best practices regarding proper Board meeting etiquette. This section's intent is to help better facilitate the OkMRF Board meetings' effectiveness. There are several helpful tips and good reminders for Trustees, Staff, and Vendors to be mindful of and to do their best to adhere to.

Ground rules

To ensure a smooth-running Board meeting, attendees should consider the following:

- ✓ Good timekeeping is essential for the meeting to run as it should.
- ✓ Refrain from interrupting other Board, Staff, or Presenters as they speak.
- ✓ Do not try and chat with other attendees secretly. This includes texts, emails, whispers, and notes.
- ✓ You should not attempt to undermine other attendees with body language or offensive actions, etc.
- ✓ Prepare fully by reading and digesting the Board agenda and supporting information provided. Produce relevant inquiries or solutions for potential questions you might have.
- ✓ Ensure you know what you will be voting on and have a clear idea of the issues. If not, ask for further explanation.
- ✓ Remain focused on the agenda items. Deviation from the agenda can cause excessive length of meeting and/or possible violations of the Open Meetings Act as it pertains to the posted agenda.
- ✓ A Trustee should declare conflicts of interest or potential conflicts as they come up in Board meetings.
- ✓ Treat everyone with respect, even if you disagree with their point of view.
- ✓ Accept that the full Board is responsible for the Board's decisions and resolutions, even when you as a Trustee voted against an agenda item.
- ✓ Commit to a group process, respect, and candor.
- ✓ Listen to each other and suspend verbal judgments.
- ✓ Refrain from voicing political interests, philosophy, or political party loyalty during discussions.

Competence

A Trustee has a fiduciary obligation to conduct their duties to the Members and Participants with care, skill, prudence and diligence. The following will help you achieve competence.

- ✓ Review agenda and related materials before the meetings.
- ✓ Acquire sufficient knowledge of plan documents and polices to make informed decisions and conclusions.
- ✓ Use professional advisors to provide necessary guidance to make knowledgeable decisions.
- ✓ Obtain, at a minimum, the required number of educational hours as reflected above under the Education Policy section.
- ✓ Actively participate in meetings.
- ✓ Make your own decisions.

Fairness

A Trustee has a fiduciary obligation to ensure the Trust is managed solely for the benefit of the plan Participants and their Beneficiaries.

- ✓ Act impartially and apply all rules consistently and evenly.
- ✓ Consider the diverse needs of Participants/Beneficiaries when setting policy and plan design.
- ✓ Base all decisions on reliable and objective data.
- ✓ Protect the privacy and confidentiality of Participant/Beneficiary information.

Honesty and Integrity

A Trustee should tell the truth, seek no favors, and not use their position to request an outcome that is inappropriate.

- ✓ Deal and communicate honestly with all involved.
- ✓ Avoid misleading other Trustees, Participants, Beneficiaries, and related professionals.
- ✓ Bring material facts to the other Trustees' attention.
- ✓ Avoid using your position to influence action or inaction.

Electronic Devices

OkMRF provides you with a tablet to be used during the Board meeting; therefore, this section applies only to external electronic devices you bring to the Board meeting. It is understandable that occasionally a Trustee has respective professional duties and responsibilities, along with personal obligations, which might need your immediate attention during the Board meeting. Yet, the following should be considered, be mindful to:

- ✓ Give your full attention to the speaker because chances are, the speaker can see your every single movement, no matter where you are sitting. Imagine exchanging places with them: How would it make you feel if someone were constantly checking their electronic device?
- ✓ Do Not Hide in Plain Sight. Turning a cell phone to silent mode will not suffice if you insist on checking your social media, emails, and other notifications during the meeting. Even if you attempt to hide your device under the table, the speaker and the people around you will notice. This sends a signal that other matters are more interesting than the Board meeting.
- ✓ If you must, take calls in private. If you really need to take an urgent call, politely excuse yourself from the meeting and find an isolated location.
- ✓ To avoid being distracted from the meeting's agenda, the solution is to willfully fight the habit of checking your device or just turn it off.
- ✓ Use of private electronic devices during the meeting creates the potential for violations of the Open Meetings Act.
- ✓ Reminder: Under the Open Records Act the contents of private electronic devices dealing with Trust business may, under some circumstances, become public records subject to discovery by third parties.

Conflicts of Interest

Trustees and Staff should use great caution in accepting any gifts from any service providers or Vendors because it could be viewed as an attempt to persuade a Trustee's or Staff's recommendation or vote. Trustees should:

- ✓ Weigh the benefits and liabilities of a decision from the perspective of the fund and its' benefactors.
- ✓ Avoid participating in decisions that will personally affect you.
- ✓ Refrain from accepting items of value under which the appearance of accepting the gift can be misperceived. (This should not be construed to prevent Trustees from attending educational seminars, conferences, meetings, or similar functions which are paid for, directly or indirectly, by more than one organization.)
- ✓ Avoid the use of Trust assets for personal gain for you, your family or your business.
- ✓ Discuss with other Trustees and the OkMRF Trust Attorney situations that present the potential for affecting your objective decision-making ability.
- ✓ Avoid actions that might cause someone to question your independent judgment.

General Communications

Communication is extremely important to ensure proper plan administration and the ability to access professionals who are knowledgeable concerning the subject(s) being covered during the Board meeting. Trustees and Staff should:

- ✓ Listen to plan Participants and Beneficiaries.
- ✓ Avoid communications that might misrepresent your authority.
- ✓ Be respectful of other Trustees, Staffs' and Vendors' time; if you should need to contact them outside of a Board meeting, do so in a professional manner.
- ✓ Do not send inappropriate jokes or political statements to other Trustees, Staff, or Vendors using email or texts.
- ✓ Consider periodically contacting Members within your respective District and for whom you represent.

Appendix A

Acknowledgement and Acceptance

The undersigned Trustee or Staff member hereby acknowledges receipt and acceptance of the foregoing Code of Conduct and outlined Etiquette Tips.

Signature

Date

Appendix B

Interpretative examples of permitted/prohibited conduct

“Organized Activity of OkMRF” Examples:

When Vendors take the Board to lunch or dinner before or after a regular Board meeting, or while attending an on-site due diligence visit, etc., this must be tracked by Staff using a reasonable method so as to not exceed the Ethics Commission Rules noted in the section titled Gifts; Prohibitions above.

“Educational Activity” Examples:

Attending conferences, including in-state (OML/MESO, OMCTFOA, OPFTEC, OkMRF Trustee retreat, etc.) and out-of-state conference/seminars, if entertainment is being offered to all attendees, regardless of how well the dinner or event is attended, it will not be counted against the per Vendor annual dollar limit.

1. If a meal or entertainment is being offered to all attendees - like they do at TEXPERS, this would not be in violation and would not count against the per Vendor limit because it was offered to all participants.
2. If a Vendor, at a conference or educational activity, takes a small group to dinner but does not offer to take all attendees, this would have to go against the per Vendor annual dollar limit set by the rules.
3. If all attendees are offered an opportunity to put their name in a contest to win a prize, then since it was offered to all attendees, this would not go against the per Vendor limit if one of the OkMRF Trustees were to win.
4. If OkMRF Trustees are offered entertainment or services at a conference, and this same entertainment is not offered to all attendees, then this would have to go against the per Vendor dollar limit.
5. If OkMRF Trustees are offered free attendance to a conference and it is paid for by a Vendor (this again, would exclude if someone's name is pulled out of a drawing and they win free attendance as long as free attendance was offered to all participants) but if the Vendor does not offer this opportunity to all attendees, this would have to go against the per vendor dollar limit.

Appendix C

Policy Revision History

Version	Implemented By	Revision Date	Approved By	Approval Date	Reason for Update
2023.01	Lindsay Porter and Jodi Cox	05.24.2023			Updated format, checking for clarity, grammar, and clean-up. Also, added new sections to the existing Ethics Policy signed by all Trustees and renaming it Code of Conduct
2023.01	Rhnea Stewart and David Davis	06.09.2023			Reviewed for content and added additional recommendations or commentary for best business practices