

Green Mountain Secure Retirement Board Standards of Conduct

1. Statement of Purpose

- a. The Green Mountain Secure Retirement Board (GMSR Board) is responsible for oversight of the Green Mountain Secure Retirement Plan (GMSR Plan) pursuant to 2017 Acts and Resolves No. 69, Section C.1, subsection (c)(5). The GMSR Plan is a voluntary multiple employer plan open to employers with 50 employees or fewer that do not currently offer a retirement plan to their employees. The GMSR Board is obligated to set program terms, prepare and design plan documents, and is authorized to appoint an administrator to assist in the selection of investments, managers, custodians, and other support services.
- b. GMSR Board members must maintain high ethical and moral standards both professionally and personally in order to maintain and promote public confidence in the integrity of the decisions of the GMSR Board relating to oversight and administration of the GMSR Plan and the investment of the Plan's assets. The ability to carry out these responsibilities may be impaired whenever a real or apparent conflict of interest exists between the private interest of a Board member and his or her official responsibilities.
- c. In recognition and consideration of their responsibilities and obligations as Board members and to further the goal of protection of the Plan's participants, beneficiaries, Board members, and employees from the damage that could result from real or apparent conflicts of interest, the following Standards of Conduct are hereby adopted to assist and guide Board members and employees in the exercise of professional and moral judgment.

2. Applicability

- a. These standards of conduct shall apply to the members and employees of the GMSR Board.
- b. These Standards of Conduct are intended to supplement, and not to replace, other state and federal laws. Where these Standards of Conduct are less restrictive than another law, executive order, or regulation that applies to the conduct and activities of GMSR Board members and employees, such other stricter terms shall apply. Where these Standards of Conduct are more restrictive than any other applicable law, executive order or regulation, these stricter Standards of Conduct are shall apply.

3. Definitions – For the purposes of these Standards of Conduct, the following words have the following meanings:

- a. "Benefit" means any gain, favor, profit, reward, value, accommodation or other advantage, including a benefit to any other person in whose welfare the beneficiary is interested.
- b. "Conflict of Interest" means any personal or financial interest of a GMSR Board member, or such an interest, known to the GMSR Board member, of a member of his or her immediate family, household member, or business associate in the outcome of any particular matter pending before the GMSR Board. A conflict of interest includes, but is not limited to, those defined in section 4.

GMSR Board Standards of Conduct
Effective May 23, 2018

- c. "Employee of the Boards" means a person employed by the GMSR Board. Employees of the Vermont State Treasurer's Office shall not be considered employees of the GMSR Board.
 - d. "Gift" means any form of compensation or anything of value, tangible or intangible, and includes, but is not limited to, meals, alcoholic beverages, travel fare, room and board, gratuities, entertainment, cash, goods or services. "Gift" shall not include the nominal value of free conference registration offered by a Vendor or Potential Vendor and approved by the VPIC.
 - e. "Interest" means any personal or financial interest except an interest that is incidental to the person's participation in the GMSR Plan that is no greater than that of other persons generally affected by the outcome of the matter.
 - f. "Potential Vendor" means any Vendor that has bid on a GMSR Plan contract and any Vendor that is in the business of providing goods or services of the type routinely purchased by the GMSR Plan, whether or not it has bid on a System contract, including but not limited to administrative, investment, financial, banking, and consulting services.
 - g. "Green Mountain Secure Retirement Plan" or "GMSR Plan" means the voluntary, public, multiple employer plan established pursuant to 2017 Acts and Resolves No. 69, Section C.1.
 - h. "GMSR Board member" means any person who serves as a GMSR Board member or any person who serves as the designee of a GMSR Board member or as an alternate to a GMSR Board member.
 - i. "Vendor" means a natural person, a corporation, a partnership, an association, a joint-stock company, a trust, an unincorporated organization, a limited liability company, or a limited liability partnership that performs services for the GMSR Board for direct or indirect compensation. The term includes affiliated entities and trade organizations.
4. **Prohibited Conduct: Conflicts of Interest** – The following conduct by a GMSR Board Member or an employee of the GMSR Board creates either an actual or potential conflict of interest or the appearance of a conflict of interest and is prohibited:
- a. Solicitation or acceptance of a gift or benefit from any vendor or potential vendor except in accordance with Section 8(a).
 - b. Solicitation or acceptance of a gift or benefit from any person or entity with a personal or financial interest in the outcome of a particular matter pending before the GMSR Board.
 - c. The purchase, sale, exchange, or lease of property to or from the GMSR Plan.
 - d. Acting upon or providing to any person any information relating to the investment of the GMSR Plan's assets prior to that information becoming public record.
 - e. Acceptance of a fee, gift or other benefit for providing information relating to the GMSR Plan and its assets, obtained as a GMSR Board member or employee, whether insider or otherwise, to any other person.
 - f. Participation in any breach of fiduciary duty by another person subject to these Standards of Conduct, participation in concealing such breach, or knowingly or negligently permitting such breach to occur.

- g. Participation in a violation of these Standards of Conduct by another person subject to these Standards of Conduct, participation in concealing such violation, or knowingly or negligently permitting such violation to occur.
- h. Acceptance of money, gifts or benefits in connection with any campaign for public office from any Vendor or potential Vendor of the GMSR Board.
- i. Any direct interest in the gains or profits of any investment made by the GMSR Board or agent of the GMSR Board.
- j. Direct or indirect use of the gains or profits of any investments made by the GMSR Board, for him- or her-self or as an agent, for any purpose except to make current and necessary payments as are authorized by the GMSR Board.
- k. Becoming an endorser or surety, or in any manner an obligor, for money loaned to or borrowed from the GMSR Board.

5. Disclosure

- a. A GMSR Board member shall disclose to the GMSR Board all actual or potential conflicts of interest and appearances of a conflict of interest as soon as such actual or potential conflict or appearance of a conflict becomes known.
- b. Employees of the GMSR Board shall disclose all actual and potential conflicts of interest and appearances of a conflict of interest to the Board as soon as such actual or potential conflict or appearance of a conflict becomes known.
- c. To the extent (i) GMSR Board investment decisions are made in public session of warned public meetings; (ii) certain GMSR Board investment data is available on the Office of the Treasurer's website; and (iii) all GMSR Plan assets are managed, at the discretion of external investment managers, within stated guidelines, there is very little, if any, investment information to which GMSR Board members have access which is not also generally available to members of the public. Vermont State law does not prohibit GMSR Board members from investing in the same investments in which the GMSR Board invests, or with vendors except as may be otherwise inconsistent with these Standards of Conduct. Likewise, there is no State law reporting requirement regarding the personal investment holdings of the GMSR Board members.
- d. GMSR Board members are expected to avoid personal investment activity which creates either an actual or potential conflict of interest or the appearance of a conflict of interest. On an annual basis, GMSR Board members shall execute the appended "Standards of Conduct Disclosure for GMSR Board members."

6. Recusal

- a. No GMSR Board member shall knowingly participate in a decision or action by the GMSR Board in which he or she has an actual or potential conflict of interest.

7. Travel, Conferences and Meetings

- a. The reasonable and necessary expenses of travel, lodging, meals, and incidentals for a GMSR Board member or employee traveling on behalf of the GMSR Board, or in his or her capacity as a GMSR Board member or employee, or because of his or her position as a GMSR Board member or employee, shall be paid by the GMSR Plan if approved prior

to the travel by the GMSR Board. The agenda, written materials pertaining to the event, when available, an estimate of the cost of the trip and the names of all sponsors of the event to be attended shall be provided to the GMSR Board at the time approval is requested. If approval is granted, the GMSR Board member or employee shall report to the GMSR Board, at the next scheduled meeting that he or she attends, on the content of the event and whether a vendor or potential vendor attempted to pay any expenses of the GMSR Board member or employee or sponsored any function or event in which the GMSR Board member or employee participated.

- b. All expenses related to the travel of a spouse, family or household member, or other invitee of GMSR Board member or employee, shall be paid by the GMSR Board member or employee or the invitee.
- c. Nothing in this policy is intended to limit or restrict travel to, and attendance at, an event by a GMSR Board member or employee when attendance is in a capacity other than as a GMSR Board member or employee. When travelling in a capacity other than as GMSR Board member or employee, a GMSR Board member or employee shall not solicit or receive any gift including meals, alcoholic beverages, travel fare, room and board, or any other thing of value from a vendor or potential vendor or from the organizers of an event sponsored by one or more vendors or potential vendors, except in accordance with Section 8(a).

8. Gifts and Gratuities

- a. All GMSR Board members and employees shall refuse to accept any gift that is received from or offered by a vendor or potential vendor or from the organizers of an event sponsored by one or more vendors or potential vendors, except for the following:
 - i. Items or products of de minimis value of \$ 10.00 or less;
 - ii. Items or products donated by a vendor or potential vendor and awarded at a conference attended by a GMSR Board member or employee as long as they are offered to participants on a random basis through a drawing, raffle or game of chance and have a value of \$ 100.00 or less. Any item accepted under this provision with a value of greater than \$ 25.00 shall be reported by the GMSR Board member or employee pursuant to section 8(b).
 - iii. Food or refreshment offered during a meeting or conference that appears on the agenda, is an integral part of the event and is offered to all in attendance at the event and taken in a group setting.
 - iv. Books, conference materials and other educational materials offered during a meeting or conference to all in attendance at the event.
- b. A GMSR Board member or employee who receives any item or product from a vendor or potential vendor of more than de minimis value shall report the following to the State Treasurer's Office:
 - i. a description of the product,
 - ii. the date of receipt,
 - iii. the identity of the sender or donor,
 - iv. the item's approximate value, and
 - v. the disposition of the item by the GMSR Board member or employee.

If the item is not perishable, the item shall be promptly returned to the sender. All perishable items shall be donated to a suitable charity or placed in a publicly accessible area for general enjoyment.

- c. The State Treasurer's Office shall record the information specified in section 8(b) for public inspection.

9. Initiation or Continuation of a Contractual Relationship

- a. From the time the GMSR Board has decided to obtain bids or proposals for goods or services, or from the time the GMSR Board has under consideration the decision to renew an existing contract, and until a final contract is approved:
 - i. No GMSR Board member shall have any direct or indirect communication about the bid or proposal with any vendor or potential vendor seeking such new or continued contractual relationship with the GMSR Plan except at an open meeting of the GMSR Board.
 - ii. An employee of the GMSR Board shall limit his or her direct or indirect communication about the bid or proposal with any vendor or potential vendor during this time period to that necessary for administration of existing contracts or in connection with administration of the bid or proposal process. All communications shall be documented by the employee and maintained as a record of the Office of the State Treasurer.
 - iii. A GMSR Board member who receives any direct or indirect communication outside of a meeting of the GMSR Board or an authorized subcommittee of the Board with any vendor or potential vendor seeking a new or continued contractual relationship with the System shall notify the Board of the communication prior to the Board's final approval of a contract.
- b. The GMSR Board shall require that all vendors or potential vendors seeking a new or continued contractual relationship with the GMSR Plan give written disclosure to the GMSR Board of all communications or contacts with any GMSR Board member in the preceding year and any expenditures relating to those communications or contacts. Disclosure will be required before final interviews by the GMSR Board or, if there are no final interviews, before approval of a final contract.
- c. The GMSR Board may disqualify a vendor or potential vendor from ongoing business or potential business for any communication contrary to the provisions of this section, for attempting to pay any expenses of a GMSR Board member or employee contrary to section 8(a), or for any other conduct having the potential to create a conflict of interest or to cause a breach of fiduciary duty.
- d. These Standards of Conduct shall be included as an attachment to all requests for proposals, bidding documents and contracts of the GMSR Board. The GMSR Board shall require all consultants who conduct manager searches or other vendor searches on behalf of the GMSR Board to provide a copy of this policy to all vendors or potential vendors during the search process.

10. Sanctions

GMSR Board Standards of Conduct
Effective May 23, 2018

- a. The GMSR Board may take such actions it deems appropriate if a Board member fails to comply with the provisions of these Standards of Conduct including, but not limited to:
 - i. A recommendation that a GMSR Board member refrain from participation and voting in a matter or matters pending before the GMSR Board.
 - ii. A recommendation that a GMSR Board member repay or return any gift or benefit received by a GMSR Board member from a vendor or potential vendor.
 - iii. A recommendation that a GMSR Board member refrain from particular actions that the GMSR Board determines constitute an actual or potential conflict and are detrimental to public confidence in the GMSR Board's integrity.
- b. The GMSR Board may recommend that the appropriate appointing authority take appropriate disciplinary action if a GMSR Board member or employee fails to comply with the provisions of these Standards of Conduct.

11. Adoption and Effectiveness

- a. These Standards of Conduct were adopted on May 23, 2018, effective May 23, 2018.

Appendix

Standards of Conduct Disclosure for GMSR Board Members

This disclosure is for the period January 1, 20__ to December 31, 20__ and needs to be filed with the Green Mountain Secure Retirement Board (GMSR Board). GMSR Board members and alternates are required to complete this disclosure in accordance with section 5 of the GMSR Standards of Conduct effective as of _____.

Please ensure full disclosure in the space provided for explanation or attach a separate sheet. This disclosure must be completed and returned electronically or via U.S. post to the attention of the Office of the Treasurer of the State of Vermont, 109 State Street, 4th Floor, Montpelier, VT 05609, no later than February 15, 20____.

PLEASE DISCLOSE ALL CONFLICTS OF INTEREST, POTENTIAL CONFLICTS OF INTEREST, OR SITUATIONS THAT COULD REASONABLY BE PERCEIVED AS CREATING CONFLICTS OF INTEREST.

___ None to report.

I certify that I have read the GMSR Standards of Conduct. I further certify that I am in full compliance with the Standards of Conduct.

By: _____

Name: _____

Date: _____