

# MONTANA

## BOARD OF INVESTMENTS

### BOARD ADOPTED POLICY

POLICY NUMBER: 20.100

EFFECTIVE DATE: April 20, 2022

TITLE: Code of Ethics

SUPERSEDES: November 30, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED: March 3, 2022

#### I. Code of Ethics

- A. The Board shall create and annually confirm adherence to a Code of Ethics (Code) for its Board members and staff.
- B. The Code shall be designed to ensure that Board members and Board staff have no conflicting interests that would:
  1. Harm the integrity of the Board.
  2. Harm the clients for whom the Board invests funds.
  3. Interfere with the Board's fiduciary responsibility.

#### II. Purpose: To Protect and Honor the Public Trust

- A. The Board fully accepts its responsibility and obligation to follow all state laws regarding ethical conduct.
- B. The Board expects its Board members, employees, and all associated parties doing business with the Board to conduct themselves within the highest ethical standards that shall in all circumstances reflect well on the Board and the people it serves.
- C. All Board members and employees must obey state law and the additional requirements as to their conduct as further provided within this policy.

#### III. State Code of Ethic Provisions

- A. The Board's ethics policy complements and does not substitute for state law and Montana Operations Manual (MOM) Ethics Policy.
- B. Board members and employees are expected to be familiar with and obey all state laws and MOM policy, and understand and obey those regarding conduct, disclosure, and conflict of interest requirements of the state code of ethics. (See, Title 2, chapter 2, MCA.)

#### IV. Additional Areas Relating to Ethical Conduct at the Montana Board of Investments

##### A. Conflict of Interest

- 1. There shall be no action taken by a Board member or employee related to the affairs of the Board that would result in the receipt of a financial benefit to the Board member or employee or the appearance of a 'quid pro quo.'
- 2. Board members must disclose and recuse themselves from any situation involving a possible conflict.
- 3. Employees must disclose to their supervisor and avoid any situation involving a possible conflict.

**B. Protection of Information**

1. Board members and employees must protect and may not disclose or use any investment information, internal control procedures, or any confidential personal information, except as allowed by Board procedures.

**C. Use of Board's Assets**

1. No person may use the physical or electronic assets of the Board for personal gain or for any use other than to fulfill the missions and programs of the Board.
  - a) This provision also pertains to all the fiduciary assets, including all investment or Board program information of every type.
2. All assets of the Board are exclusively for the benefit of the citizens and must be protected in all respects.

**V. Specific Provisions Related to Gifts, Travel Meals, and Conferences****A. Gifts**

1. All gifts received shall be addressed as provided by state law and as further limited by this Policy.
2. All gifts shall be logged with the date of receipt, a description, and final disposition noted.
3. All allowable gifts, i.e., those having values below the statutory limit of \$50, if perishable shall be shared with Board staff, if non-perishable shall be auctioned and the proceeds provided to a charity designated by the Executive Director.

**B. Travel**

1. All travel is to be approved by the Executive Director.
2. Reimbursement for travel expenses and for determining work time or overtime is subject to state policy.
  - a) Where the Board participates on a Limited Partner Advisory Committee (LPAC) and the limited partnership agreement or other legal documents entered into by the General Partner and the Limited Partners explicitly provide for LPAC members to be reimbursed for reasonable expenses related to travel, lodging, and meals incurred while attending LPAC meetings, such reimbursement may be accepted, but only with the express approval of the Executive Director.
    - (1) The Executive Director shall report such activity to the Board at least annually.

**3. Meals**

- a) Meals provided by vendors or other parties that are reasonably incidental to the conduct of the Board's business, such as during breakfast or lunchtime meetings or during conferences, may be accepted.
- b) Meals at restaurants are to be "no-host."

**4. Conferences**

- a) All Board members requests and permission to attend conferences are to be approved by the Chair after consulting with the Executive Director.
- b) All other conferences are to be approved by the Executive Director.

I have read and understand the Montana Board of Investments Code of Ethics and agree to comply with all its provisions; that it is my responsibility to abide both by the state ethics law Section 2-2-1, MCA, and MOM Ethics Policy.

It is also my responsibility to abide by the state's travel policy as provided in the MOM governing allowable travel reimbursement expenses and the rules for designating work or overtime hours.

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Board member/staff

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Date

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Title

Authority: Montana Constitution, Article VIII, Section 13  
Title 2, chapter 2, MCA  
Section 2-15-1808, MCA  
Section 17-6-201, MCA  
Montana Operations Manual --  
[https://hr.mt.gov/\\_docs/Policies/State\\_Ethics\\_Policy.pdf](https://hr.mt.gov/_docs/Policies/State_Ethics_Policy.pdf)

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Adopted: November 30, 2021

Revised: April 20, 2022

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