

## **SERS Board Governance Manual**

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### **Standards of Conduct for the State Employees' Retirement Board**

It is the policy of the Pennsylvania State Employees' Retirement Board (the "Board") that the highest moral and ethical standards shall prevail in the accomplishment of the work of the Board. Board members (including designees) have a fiduciary duty to members of the State Employees' Retirement System and to the participants in the State Employees' Defined Contribution Plan and the State Employees' Deferred Compensation Plan (hereafter referred to collectively as the "Plans"), and all business of the Plans is to be conducted in the best interests of its members and participants in the Plans and not for the Board members' own profit or to serve interests of third parties. Board members are subject to various policies that relate to standards of conduct, some of which are statutory or are promulgated by other Commonwealth entities. The primary policies applicable to Board members are collected here for ease of reference. The Board affirms its commitment to apply and comply with all applicable standards of conduct.

In the event of a conflict between this collection and other specific policies or laws, the specific policy and law provisions shall be controlling. Board members and their designees are encouraged to consult with SERS' Chief Counsel when applying standards of conduct to questions concerning particular facts or circumstances.

#### **Policies on Board Standards of Conduct**

- Exhibit A: SERS Ethical Conduct Policy (for Board Members)
- Exhibit B: Recusal Policy/Recusal Form
- Exhibit C: Ethics Act (for public officials, public employees, or nominee or candidate for public office); 65 Pa. C.S.A. §§ 1102-1105, 1108, and 1109
- Exhibit D: Governor's Code of Conduct
  - D-1: Governor's Code of Conduct (for employees, appointees, or officials in the Executive Branch of the Commonwealth), adopted by Executive Order No. 1980-18; 4 Pa. Code §§ 7.151-7.164
  - D-2: Executive Order No. 2015-01 (Jan. 20, 2015): Amendment to § 7.153 of the Governor's Code of Conduct
- Exhibit E: Legislative Code of Ethics (for Senators, Representatives, officers, or employees of the General Assembly or any committee thereof); 46 P.S. §§ 143.1, 143.4 -143.6
- Exhibit F: SERS Financial Disclosure Policy (for current and former Board members/designees)
- Exhibit G: SERS Financial Disclosure Filing Process (for current and former Board members/designees)

## **Standards Contained in Primary Policies Covering the Board**

The primary policies include standards that cover the following key topics:

### 1. Conflict of Interest-In General

- SERS Ethical Conduct Policy
- Ethics Act
  - § 1102: Definition of "Conflict" or "Conflict of Interest"
  - §§ 1103(a), (f), and (j): Conflict of Interest; Contract; and Voting Conflict
- Governor's Code of Conduct §§ 7.151 and 7.152: Adverse Pecuniary Interests and Representation of Interests
- Legislative Code of Ethics § 143.5: Prohibitions

### 2. Voting Conflicts and Recusal

- SERS Ethical Conduct Policy
- Recusal Policy
- Ethics Act: § 1103(j): Voting Conflict
- Governor's Code of Conduct: § 7.151(2): Adverse Pecuniary Interest

### 3. Acceptance of Gifts, Favors, Gratuities, or Honoraria

- SERS Ethical Conduct Policy
- Ethics Act §§ 1103(d) and (e): Honorarium; and Contingent and Severance Payments
- Executive Order No. 2015-01 & Governor's Code of Conduct § 7.157: Gifts and Favors; and Honoraria
- Legislative Code of Ethics §§ 143.5 (a)-(e): Prohibitions

### 4. Improper Influence

- SERS Ethical Conduct Policy
- Ethics Act: §§ 1103(b), (c), and (j): Seeking Improper influence; Accepting Improper Influence; and Voting Conflict
- Governor's Code of Conduct § 7.151: Adverse Pecuniary Interests
- Legislative Code of Ethics § 143.4(3): Standards of Conduct

### 5. Misuse of Information

- SERS Ethical Conduct Policy
- Ethics Act § 1103 (h): Misuse of Statement of Financial Interest
- Governor's Code of Conduct § 7.154: Misuse of Information
- Legislative Code of Ethics §§ 143.4(1) and (2), and §§ 143.5(f) and (g): Standards of Conduct; Prohibitions

6. Misuse of Public Property

- Governor's Code of Conduct § 7.155: Misuse of Office Facilities and Equipment

7. Post-Termination Restrictions on Employment and Representation & Supplementary Employment

- Ethics Act §§ 1103 (g) and (i): Former Official or Employee; and Former Executive-Level Employee
- Governor's Code of Conduct § 7.156: Supplementary Employment

8. Political Activities/Political Contribution

- SERS Ethical Conduct Policy
- Ethics Act §§ 1103 (b) and (c): Seeking Improper influence; and Accepting Improper Influence
- Governor's Code of Conduct § 7.158: Political Activity
- Legislative Code of Ethics § 143.5(e): Prohibitions

9. Financial Interests and Reporting

- SERS Financial Disclosure Policy
- SERS Financial Disclosure Filing Process
- Ethics Act §§ 1104 and 1105: Statement of Financial Interests Required to be Filed; and Statement of Financial Interests
- Governor's Code of Conduct §§ 7.161- 7.164: Financial Disclosure

10. Penalties & Enforcement

- Ethics Act §§ 1108 and 1109: Investigations by Commission; and Penalties
- Governor's Code of Conduct §§ 7.159 and 7.163(e): Enforcement; and Filing Procedures
- Legislative Code of Ethics § 143.6: Penalties