

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

POLICY NUMBER: PP-2023-05
SUBJECT: EDUCATION AND TRAINING POLICY
EFFECTIVE DATE: OCTOBER 13, 2023
AMENDED:

INDEX:

SECTION A: INTRODUCTION
SECTION B: EDUCATION AND TRAINING POLICY GUIDELINES
SECTION C: AUTHORIZED TRAINING OPPORTUNITIES
SECTION D: LIMITATION ON ATTENDANCE AT CONFERENCES OR SEMINARS
SECTION E: REPORTS AND MATERIALS
SECTION F: OTHER REQUIRED TRUSTEE AND STAFF TRAINING
SECTION G: EDUCATION AND TRAINING BUDGET
SECTION H: ORIENTATION PROGRAM
SECTION I: POLICY REVIEW

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

A. INTRODUCTION

1. The purpose of the Education and Training Policy is to encourage and facilitate the pursuit of relevant educational and training by Trustees and IPOPIF staff. The policy is designed to assist them in meeting their fiduciary duties to govern, administer, and oversee the Investment Fund, ensure that expenditures incurred in the education and travel process are prudent and cost-effective, and to mitigate the risk of improprieties arising from travel for Fund-related activities.

2. Each Trustee is encouraged to regularly participate in educational and training opportunities that will enable competent discharge of the obligations of a trustee position and meet the statutory requirements for continuing education.

3. Each IPOPIF staff member is encouraged to regularly participate in educational and training opportunities that will enable competent discharge of the obligations of their position and to meet the statutory or professional requirements for continuing education associated with their position.

B. EDUCATION AND TRAINING POLICY GUIDELINES

1. As required by the Illinois Pension Code, all IPOPIF Trustees must develop and maintain an adequate level of knowledge and understanding of relevant issues involved in the administration of IPOPIF throughout their terms as Trustees. This Policy is intended to provide the Trustees with guidelines and procedures that recognize and affirm the central role of education and training in the successful discharge of their duties.

2. Trustees are required to complete eight hours of Ethics Training required by Section 1-113.18 of the Pension Code, which includes training on ethics, fiduciary duty, investment issues, and any other curriculum that the Board establishes as being important for the administration of IPOPIF, to be certified annually by the Board to the Illinois Department of Insurance.

3. Trustees are required to complete Open Meetings Act (OMA) training within 90 days after taking the oath of office. Annual training is only required for the OMA designee.

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

4. Freedom of Information Act (FOIA) training is only required for the designated FOIA officer(s) and must be completed within 30 days after designation, and then on an annual basis.

5. Sexual harassment training is required under the Illinois Human Rights Act which requires the IPOPIF to provide annual sexual harassment prevention training to employees. It is the Policy of the IPOPIF that Trustees complete the training.

6. The training objectives of the Policy are:

- a. To ensure that all Trustees have adequate opportunity to acquire the knowledge they need to carry out their fiduciary duties.
- b. That Trustees gain the knowledge they need to ensure they fulfill their fiduciary duties.
- c. That Trustees possess a common base of knowledge to facilitate group discussion, debate, and effective decision-making.
- d. To encourage Trustees to seek and maintain a level of familiarity with public pension issues.
- e. That all newly appointed or elected Trustees are provided with the general introductory knowledge they need to enable them to participate in Board and Committee deliberations actively and effectively.

7. Education and training topics.

- a. Trustees shall endeavor to gain knowledge across a range of pension-related areas that are consistent with the Board's role as a high level, investment policy-setting body.
- b. Appropriate topics for Board education include the following pension related areas:
 - Governance and fiduciary responsibilities
 - Ethics
 - Institutional investments and investment program management
 - Investment performance measurement
 - Actuarial science and related topics

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

- Pension funding
- Pension benefits structure and administration
- Pension law
- Organizational structure, methods, and practices
- Accounting for pension investments
- New Board Member orientation
- Other curriculum that the Board establishes as being important for the administration of IPOPIF.

C. AUTHORIZED TRAINING OPPORTUNITIES

1. Staff members are similarly obligated to develop and maintain the appropriate level of skills and continuing education for their position.

2. As a general rule, programs, training, and educational sessions that involve travel for a Trustee or staff member to attend should contain an average of five (5) hours of substantive educational content per day.

3. Educational opportunities for Trustees include, but are not limited to:

- a. External conferences, seminars, workshops, roundtables, courses, or similar sessions.
- b. Industry association meetings or events.
- c. In-house educational seminars or briefings.
- d. Periodicals, journals, textbooks, and similar materials.
- e. Electronic media, internet-based education, and video-based education.

4. The following shall be deemed to meet Trustee and staff educational and training requirements, provided that the education and training content meet the training objectives set forth in Section B.6, above, and are consistent with the education and training topics set forth in Section B.7, above:

- a. Educational seminars sponsored by state or national pension fund organizations.
- b. Educational seminars sponsored by accredited academic institutions.

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

- c. Educational seminars sponsored by municipal, state or national organizations.
 - d. Educational seminars sponsored by professional associations or organizations.
5. Trustees and staff members designated by the Executive Director or Chief Investment Officer are encouraged to attend events sponsored by the following organizations:
- a. Conferences and seminars sponsored by the Illinois Public Pension Fund Association (IPPPFA).
 - b. Conferences and seminars sponsored by the Illinois Professional Firefighters Association (IPFA).
 - c. Police, Fire, EMS & Municipal Employee Pension & Benefits Seminar (NAPO).
 - d. Conferences of the National Conference on Public Employee Retirement Systems (NCPERS).
 - e. Conferences of the International Foundation of Employee Benefit Plans (IFEBC).
 - f. Conferences and seminars sponsored by professional organizations appropriate for the staff member, including the GFOA, the IGFOA, the CFA Institute including local member societies, the Alternative Investments Conference (ADISA), and organizations providing continuing education programs to investment professionals, finance officers, and human resource officers.
 - g. Conferences sponsored by the Board of Trustees' retained consultants and/or investment managers.
6. Pursuant to Section 1-150 of the Pension Code, in order for the expenses for travel or educational missions to be reimbursed by IPOPIF, Trustee and staff attendance for travel or educational missions require Board approval prior to the travel or educational mission:
- a. Attendance at the specifically named conferences and seminars designated in Subsection 5.a- 5.g, above, are considered pre-approved by the Board of Trustees and do not require additional Board approval for reimbursement or attendance by a Trustee or staff member.
 - b. In approving reimbursement for travel or educational missions, the Board shall consider:

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

1. The extent to which an opportunity is expected to provide Trustees or staff with the understanding and information they need to carry out their responsibilities.
 2. The extent to which the opportunity meets the requirements of this Policy.
 3. The cost-effectiveness of the program in light of travel, lodging and related expenses, and
 4. The timeliness and relevance of the opportunity.
- c. Reimbursement for travel shall be made in accordance with the Board's Travel Policy, PP-2023-01.

D. LIMITATION ON ATTENDANCE AT CONFERENCES AND SEMINARS

1. In cases where attendance at a particular conference is limited:
 - a. The Chair and Executive Director or Chief Investment Officer shall jointly determine whether it is necessary for Trustees or staff to participate; and then
 - b. The Chair shall determine on a rotating basis which interested Trustees or staff may attend.
2. Trustees and staff members who want to attend events (i.e., conferences, seminars, meetings, or courses) that require overnight lodging at IPOPIF's expense shall be limited to two events per fiscal year. The Board of Trustees may approve additional events per fiscal year upon a showing of good cause by a Trustee or staff member.
3. Travel by Trustees or staff to a destination outside the continental United States and Canada is disfavored but the Board of Trustees may determine that there is significant value to IPOPIF in attending, and comparable value cannot be obtained within the continental United States or Canada within a reasonable period of time.

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

E. REPORTS AND MATERIALS

1. When an educational mission or travel for an educational mission is reimbursed by IPOPIF, Trustees and staff shall provide the conference or meeting educational materials to the Executive Director so that the materials may be distributed to other Trustees and/or staff members, as appropriate. In addition, when an educational mission or travel for an educational mission is reimbursed by IPOPIF, Trustees and staff who attend an educational or training conference or seminar will file a report with the Executive Director or Chief Investment Officer that briefly summarizes the information and knowledge gained that may be relevant to other Trustees or staff, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. A copy of the report shall be included in the materials for a future meeting of the Board.
2. When an educational mission or travel for an educational mission is not reimbursed by IPOPIF, Trustees and staff are encouraged to provide conference or meeting educational materials to the Executive Director so that the materials may be distributed to other Trustees and/or staff members, as appropriate. In addition, when an educational mission or travel for an educational mission is not reimbursed by IPOPIF, Trustees and staff who attend an educational or training conference or seminar are encouraged to file a report with the Executive Director or Chief Investment Officer that briefly summarizes the information and knowledge gained that may be relevant to other Trustees or staff, provides an evaluation of the conference or seminar, and provides a recommendation concerning future participation. A copy of the report shall be included in the materials for a future meeting of the Board.
3. Trustees and staff shall report to the Executive Director or the Chief Investment Officer, as appropriate, the completion of all education and training required by this Policy. The Fund shall maintain a record of Trustee compliance with this Policy,

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

and the Executive Director and Chief Investment Officer will ensure that the Policy and annual compliance report are placed on the IPOPIF website.

F. OTHER REQUIRED TRUSTEE AND STAFF TRAINING

1. Mandatory training is required for Trustees, as applicable and as required by law, regarding:
 - a. Ethics Training:
 1. Eight hours on an annual basis.
 - b. Freedom of Information Act (FOIA):
 1. Training is required for the designated FOIA officer(s) and must be completed within 30 days after designation, and then on an annual basis.
 - c. Open Meetings Act (OMA):
 1. Trustees must complete training within 90 days after taking the oath of office.
 2. The OMA designee is required to complete training on an annual basis.
 - d. Sexual Harassment Prevention Training:
 1. Annual training for employees and Trustees.

G. EDUCATION AND TRAINING BUDGET

1. The Board of Trustees shall set an appropriation within the annual budget for IPOPIF Board of Trustees and staff for education, training, and travel expenses. The annual fiscal year budget shall be adopted at a public meeting each year.
2. The Executive Director or Chief Investment Officer is responsible for developing and managing education and travel expense programs consistent with the best interests of IPOPIF and for justifying the annual budgetary requests.
3. A schedule of conferences, meetings and seminars will be developed and maintained to assist in the planning and budgeting of travel for the Board and staff.

ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND

POLICY AND PROCEDURE

H. **ORIENTATION PROGRAM**

1. A formal orientation program shall be developed by the Executive Director and Chief Investment Officer for the benefit of new Trustees. The aim of the orientation program will be to ensure that new Trustees are in a position to contribute fully to Board and Committee deliberations, and effectively carry out their fiduciary duties as soon as possible upon joining the Board.
2. During the course of their first 12 months on the Board of Trustees, new Trustees are encouraged to attend a seminar on the principles of pension investment management.
3. The Executive Director or Chief Investment Officer shall review and update orientation material as needed.

I. **POLICY REVIEW**

1. The Policy is subject to change at the discretion of the Board.
2. The Board of Trustees will review this Policy at least every two (2) years to ensure that it remains relevant and appropriate.
3. In the event of legislative changes applicable to any portion of this Policy, this Policy shall be amended, and the Board will approve a conforming Policy on a timely basis.
4. This Policy was adopted by the Board on October 13, 2023.